"পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন।"

"Investment in capital market involves a certain degree of risks. The investors are required to read the Rights Share Offer Document (ROD) and risk factors carefully, assess their own financial conditions and risk taking ability before making their investment decisions."

"পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। বিনিয়োগকারীগণ রাইটস শেয়ার অফার ডকুমেন্ট (আরওডি) পড়ে এবং ঝুঁকির বিষয়গুলি সতর্কতার সাথে অনুধাবন করে নিজ নিজ আর্থিক অবস্থা ও ঝুঁকিগ্রহণ করার সক্ষমতা বিবেচনা করে বিনিয়োগ সিদ্ধান্ত গ্রহণ করবেন।"

RIGHTS SHARE OFFER DOCUMENT OF

UNITED COMMERCIAL BANK PLC

DATE: 07 July 2026

Rights Offer of **775,187,949** Ordinary Shares of **Tk. 10.00** each at an issue price of **Tk. 10.00** each at total **Tk. 7,751,879,490** offered on the basis of **01 (One) [R]: 02 (Two)** i.e., 01 (One) rights share against 02 (Two) existing shares held on the record date for entitlement of rights share.

Record Date	:	04 August 2026

SUBSCRIPTION		
Opens on	:	23 August 2026
Closes on	:	20 September 2026
(Within Banking hours)		

ISSUE MANAGER(s)

UCB INVESTMENT Limited

RUPALI INVESTMENT LIMITED
A State Owned Merchant Bank & Subsidiary of Rupali Bank Limited

UNDERWRITER(s)

RUPALI INVESTMENT LIMITED
A State Owned Merchant Bank & Subsidiary of Rupali Bank Limited

aibl Capital Management Limited
ক্যাপিটাল ম্যানেজমেন্ট লিমিটেড
A Subsidiary of Al-Arafah Islami Bank Ltd.

LankaBangla INVESTMENTS

DHAKABANK INVESTMENT LIMITED

As per the provision of the Depository Act, 1999 and regulation made there under, rights share shall only be issued in dematerialized condition. An applicant must apply for allotment of rights shares mentioning his/her Beneficiary Owner (BO) Account number in the application form.

List of Acronyms	
Allotment	Allotment of Share
AGM	Annual General Meeting
ALCO	Asset Liability Committee
BB	Bangladesh Bank
BSEC	Bangladesh Securities and Exchange Commission
BO A/C	Beneficial Owner Account or Depository Account
CDBL	Central Depository Bangladesh Ltd.
Commission	Bangladesh Securities and Exchange Commission
Companies Act	Companies Act, 1994 (Act. No. XVIII of 1994)
CSE	Chittagong Stock Exchange PLC.
DSE	Dhaka Stock Exchange PLC.
EPS	Earnings Per Share
Exchange(s)	Dhaka Stock Exchange PLC. & Chittagong Stock Exchange PLC.
Issue	Rights Issue of United Commercial Bank PLC
Issue Manager(s)	UCB Investment Limited and Rupali Investment Limited
Issuer Company	United Commercial Bank PLC
NAV	Net Assets Value
Offering Price	Price of the Securities of United Commercial Bank PLC
Registered Office	Corporate Office of the United Commercial Bank PLC
Rights Issue Rule	Securities and Exchange Commission (Rights Issue) Rules, 2006
ROD	Rights Offer Document
RJSC	Registrar of Joint Stock Companies & Firms
Securities	Shares of United Commercial Bank PLC
Sponsor	The Sponsor Shareholder of United Commercial Bank PLC
Stockholder	Shareholder of United Commercial Bank PLC
The Bank	United Commercial Bank PLC
UCB	United Commercial Bank PLC

SECTION 1

LETTER TO THE SHAREHOLDERS

UNITED COMMERCIAL BANK PLC

Bulus Center, Plot: CWS-(A)-1, Road: 34, Gulshan Avenue, Dhaka-1212
Tel: +88-02-55668070, +88-09610999999, Fax: +88-02-55668070-6000, +88-09610999911-5200
E-mail: info@ucb.com.bd; Website: www.ucb.com.bd

RIGHTS ISSUE OF SHARES

Date: 07 July 2026

Dear Shareholder(s)

We are pleased to inform you that the honorable shareholders of the Bank, in the 42nd Annual General Meeting, held on 31 July 2025, approved the Rights Offer of **775,187,949** Ordinary Shares of **Tk. 10.00** each at an issue price of **Tk. 10.00** each at total **Tk. 7,751,879,490** offered on the basis of **01 (One) [R]: 02 (Two)** i.e., 01 (One) rights share against 02 (Two) existing shares held on the record date for entitlement of rights share.

The purpose of issuance of Rights Shares is to strengthen the capital base of the Bank in order to comply with the Basel III capital accord, directed by Bangladesh Bank. After issuing this proposed Rights Shares of Tk. 7,751,879,490 total paid-up capital of the Bank shall be Tk. 23,255,638,470.

Having satisfactory operation, the Bank has earned a consolidated Operating Income of Tk. 33,915,454,774 for the period from 1 January 2025 to 31 December 2025. This success has been achieved due to efficient conduct of investible funds by the management under the direction of the Board of Directors as well as patronization and active participation of all our valued shareholders and customers.

To maintain further growth and increase the capital base of the Bank, we hope you would come forward with your full support and assistance to make the offer a success.

A self-explanatory Rights Offer Document (ROD) is prepared in the light of the Securities and Exchange Commission (Rights Issue) Rules, 2006 and enclosed for your kind information and evaluation.

On behalf of the Board of Directors,

Sd/-
Mohammad Mamdudur Rashid
Managing Director & CEO

SECTION 2

CORPORATE DIRECTORY OF THE ISSUER

Registered Name	:	United Commercial Bank PLC
Nature of Business	:	The primary objective of the bank is to conduct all kinds of banking businesses in Bangladesh. The Bank offers services for all commercial banking and Islamic banking needs of the customers. The Bank also provides a comprehensive range of financial services including treasury management, transaction services, foreign exchange and structured finance to corporate clients, inland and international remittance facility, governments and financial institutions. In 2020, the Bank started to offer Direct Custody and Clearing (DCC) services to its offshore clients.
Legal Status	:	A public limited company incorporated in Bangladesh on 26th June 1983 under the Companies Act 1913.
Commencement of Business	:	27 June 1984
Bangladesh Bank License Number	:	BRPD/(LS-1)/745(17)/2023-462
Date of Listing	:	The company was listed in the Dhaka Stock Exchange on 30th November 1986 and Chittagong Stock Exchange on 15th November 1995.
Authorized Capital	:	Tk. 50,000.00 Million
Paid up Capital	:	Tk. 15,503.758 Million
Net Asset Value per Share	:	Tk. 25.71 (As at 31 December 2025)
Earnings per Share	:	Tk. 0.15 (For the year ended 31 December 2025)
Number of Directors in the Board	:	05 Directors including 03 Independent Directors
Corporate Office Address	:	Bulus Center, Plot: CWS-(A)-1, Road: 34, Gulshan Avenue, Dhaka-1212
Auditor	:	Aziz Halim Khair Choudhury, Chartered Accountants
Rating Agency	:	Emerging Credit Rating Limited
Corporate Governance Auditors	:	Hossain & Hossain, Chartered Accountants
Manager(s) to the Rights Issue	:	**UCB Investment Limited** Bulus Center (17th Floor), Plot-CWS-(A)-1, Road No-34, Gulshan Avenue, Dhaka-1212
		Rupali Investment Limited Shadharan Bima Tower (7th Floor), 37/A, Dilkusha C/A, Dhaka-1000
No. of Branches, Agent Outlet; ATM & CRM Booths	:	Branch: 234; Subbranch: 188; Agent Banking Outlet: 620; ATM & CRM Booths: 709 as of 31 December 2025.
Off-Shore Banking Unit	:	1
Subsidiaries	:	UCB Stock Brokerage Limited
		UCB Asset Management Limited
		UCB Investment Limited
		UCB Fintech Company Limited (upay)
		UCB Exchange (SG) PTE. Limited
Underwriter(s) to the Rights Issue	:	Rupali Investment Limited
		AIBL Capital Management Limited
		LankaBangla Investments Limited
		Dhaka Bank Investment Limited
Banker to the Rights Issue	:	**United Commercial Bank PLC** Bulus Center, Plot-CWS-(A)-1, Road No-34, Gulshan Avenue, Dhaka-1212

SECTION 3

DESCRIPTION OF THE ISSUER

SECTION CONTENTS	
(a)	About the UCB
(b)	Vision, Mission & Core Values
(c)	Board of Directors
(d)	Products Category & Services
(e)	Branch Network & Expansion
(f)	Human Resources
(g)	Corporate Social Responsibilities (CSR) Activities
(h)	Information Technology (IT)
(i)	Corporate Governance and Compliance
(j)	Subsidiary Companies of UCB

(a) About the UCB

United Commercial Bank PLC (UCB) is one of Bangladesh's leading first-generation private commercial banks, playing a vital role in promoting entrepreneurship, financing, and trade across the country. Since its inception in mid-1983, UCB has remained committed to the economic and social development of Bangladesh and has grown into one of the largest and most prominent banks in the private sector. The Bank is publicly listed on both the Dhaka and Chittagong Stock Exchanges.

With a robust nationwide presence of 234 branches, UCB offers a comprehensive portfolio of services across Retail Banking, SME Banking, Corporate Banking, Off-shore Banking, and Remittance, distinguishing itself through personalized service, innovative solutions, and operational excellence. The Bank's strategic leadership is guided by a Board comprising seasoned professionals with deep expertise in finance, industry, and operations.

UCB's retail offerings include diverse deposit and loan products, along with the widely adopted UCB Cards, which have grown significantly since their launch in 2006, currently serving around 101,000 cardholders. The Bank also facilitates both inward and outward remittance services, providing expatriates with a secure and reliable channel to send money home.

In line with national priorities, UCB actively promotes SME development, providing tailored financing solutions while managing risks and pricing strategically. The Bank's Corporate Banking capabilities range from conventional loans to complex financial services such as foreign exchange risk management, tax optimization for overseas subsidiaries, and structuring project financing for infrastructure and RMG sectors.

With a future-focused vision, UCB continues to invest in technology and network expansion to ensure competitiveness and drive innovation. Guided by its core mission to be the bank of first choice, UCB remains dedicated to creating sustainable value for its clients, shareholders, and employees, while making meaningful contributions to the national economy through responsible and socially committed banking practices.

(b) Vision, Mission & Core Values

Vision

To be the Bank of the first choice through maximizing value for our clients, shareholders & employees and contributing to the national economy with social commitments.

Mission

To offer financial solutions that create, manage and increase our clients' wealth while improving the quality of life in the communities we serve

Core Values

- We put our customer's first
- We emphasize professional ethics
- We maintain quality at all levels
- We believe in being a responsible corporate citizen
- We say what we believe in
- We foster participative management

(c) Board of Directors

Sharif Zahir
Chairman

Mr. Sharif Zahir is Visionary Leader in Business and Philanthropy Sharif Zahir is a distinguished businessman and visionary leader in Bangladesh, known for his exceptional contributions to the country's economy and business landscape. As one of the youngest recipients of the prestigious Commercially Important Person (CIP) Award-earned nine times-and a multiple-time recipient of the National Export Award, Mr. Zahir has firmly established himself as a key figure in the business community. He is the eldest son of the late Humayun Zahir, a prominent industrialist and a Sponsor Shareholder of United Commercial Bank, continuing his family's legacy through exemplary leadership.

Mr. Zahir holds a Bachelor of Arts in Economics and Finance from the University of Texas at Austin and is an esteemed alumnus of St. Francis Xavier's Green Herald International School in Dhaka. Under his dynamic leadership, Ananta Group has grown into a diversified conglomerate with an annual turnover of USD 465 million+, employing 35,000 people in its RMG and textiles division alone. The group's investments span ready-made garments (RMG), banking, finance, asset management, energy, e-commerce, real estate and hospitality.

Ananta Group has developed state-of-the-art manufacturing facilities through private sector debt financing in close collaboration with global Development Finance Institutions (DFIs) such as IFC, DEG, Proparco and the Asian Development Bank (ADB)-demonstrating Mr. Zahir's commitment to global standards and sustainability.

In the real estate sector, Mr. Zahir has spearheaded landmark projects including Ananta Terraces, Bangladesh's first LEED Platinum certified gated residential community and the JW Marriott mixeduse property in Dhaka, which are redefining urban living through sustainable design, smart infrastructure and world-class amenities.

Mr. Zahir is the Chairman of Sindabad.com, Bangladesh's first B2B e-commerce platform transforming industrial supply chains. He is also the Vice President of the Bangladesh Economic Zone Investors Association (BEZIA), which advocates for investment-friendly policies and represents the voice of investors in the country's Economic Zones.

He served as a Director on the Board of BGMEA from 2019 to 2021 and was one of the founders of the RMG Sustainability Council (RSC)-a pioneering initiative that brought together trade unions, brands and manufacturers following the transition from Accord Bangladesh, setting global benchmarks for factory safety and compliance.

Mr. Zahir also played an active role in the Support Committee of BGMEA, which recently oversaw one of the most representative and fair elections in the trade body's history. As the Chairman of United Commercial Bank PLC, Mr. Zahir is providing bold and decisive leadership, steering the bank through significant challenges and charting a path of reform, transparency and innovation. His strategic direction is focused on strengthening depositor confidence, enhancing shareholder value and aligning UCB with international standards of banking excellence.

Beyond business, Mr. Zahir is deeply engaged in philanthropy. Through the Humayun Zahir Stipend Program, his family has awarded annual scholarships for over 35 years, enabling thousands of underprivileged students to access education. He also supports free eye camps, sanitation and hygiene initiatives and green campaigns including tree plantation drives-demonstrating his commitment to social and environmental responsibility.

With over two decades on the Board of UCB-including a term as Vice Chairman from 2013 to 2015. Mr. Zahir continues to shape the financial and industrial landscape of Bangladesh through visionary leadership, institutional reform and a deep sense of civic duty.

Md. Shazzad Hossoin
Independent Director & Vice Chairman

Mr. Md. Shazzad Hossoin, an Independent Director, is currently playing the role of Vice-Chairman of United Commercial Bank PLC. Before joining UCB, he held the position of Executive Director at Bangladesh Bank, where he demonstrated his extensive expertise in Finance and Management. Throughout his career at Bangladesh Bank, Mr. Hossoin held various key positions, including Executive Director, General Manager, and Currency Officer. During his service he held roles in the Bank Inspection Department, Agricultural Credit Department and the Personnel Department and finally Head of Barishal Office and Motijheel Office. He achieved the Integrity Award from Bangladesh Bank. Additionally, he served as the Director of the Microcredit Regulatory Authority on deputation where he was an active participant in global workshops of AFI (Alliance of Financial Inclusion) held in many countries.

Mr. Hossoin's academic background is diverse and well-rounded. He earned both his Honors and Master's degrees in Geography from the University of Dhaka. Furthermore, he completed a Master of Business Administration (MBA) in Finance from Bangladesh Open University at Dhaka University Tutorial Centre and a Master of Social Science (MSS) in Economics from National University. In addition to these achievements, he earned a Bachelor of Laws (LLB) and Banking Diplomas (DAIBB-1 and DAIBB-2), as well as a Diploma in Computer Application.

Mr. Hossoin, a lifelong learner, actively pursued professional development by attending various training programs both domestically and internationally. His career has also afforded him the opportunity to visit several countries, further enriching his knowledge and experience.

Md. Tanvir Khan
Director & Chairman, Executive Committee

Md. Tanvir Khan is the Director and Chairman, Executive Committee of United Commercial Bank PLC. He obtained a Bachelor of Commerce Degree from the University of Toronto in Canada. He is the eldest son of Md. Jahangir Alam Khan, ex Director and past Chairman of UCB PLC and a distinguished entrepreneur since the early 1970s.

Md. Tanvir Khan is currently the Managing Director of J. K. Group of Industries, which has investments in spinning mills, textile, readymade garments, deep sea fishing, real estate, and insurance sectors in Bangladesh. The organization employs around 10,000 people and has annual revenue of around USD $120 million. In addition, it also operates an 80- bed non-profit making hospital, J. K. Memorial Hospital, in Chattogram.

Md. Tanvir Khan is a very active member of the Executive Committee of Chattogram Shamity, Dhaka- one of the largest non-profit and social associations in Bangladesh. He also serves on the board of BPCCI (Bangladesh Philippines Chamber of Commerce and Industry). The Government of Bangladesh recognized him as CIP (Commercially Important Person) multiple times for excellent export performance. The National Board of Revenue of Bangladesh also awarded him as highest taxpayer- under age of 40 category in 2016-2017 assessment year.

With over 16 years of experience on the Board of United Commercial Bank PLC, his forward-thinking vision has played a pivotal role in driving the bank's expansion and achievements.

Obaidur Rahman, FCA
Independent Director & Chairman, Audit Committee

Mr. Obaidur Rahman is a distinguished Chartered Accountant with extensive experience in finance, accounts, audit, and management, is the Independent Director & Chairman, Audit Committee of United Commercial Bank PLC. He qualified as a Chartered Accountant in 2006 from The Institute of Chartered Accountants of Bangladesh (ICAB), after completing a rigorous three-year article-ship with Hoda Vasi Chowdhury & Co.

He holds an MBA and BBA in Accounting from the University of Dhaka, where he graduated with honors. Over his career, Obaidur Rahman has held prominent positions including General Manager Accounts at Meghna Group of Industries (MGI), General Manager Finance and MIS at Max Infrastructure Ltd., Chief Financial Officer at Ratanpur Steel Re-Rolling Mills Ltd., Chief Financial Officer at Keya Knit Composite Ltd.,and Head of Internal Audit at Opex Sinha Textile Group.

Currently, he is a Partner at M A Fazal & Co., a well-established firm of Chartered Accountants in Dhaka. Obaidur is a Fellow member of ICAB and an active member of both the Dhaka University Accounting Alumni and Dhaka University Alumni Association.

Md. Yusuf Ali
Independent Director & Chairman, Risk Management Committee

Mr. Md. Yusuf Ali, an Independent Director, is currently playing the role of Chairman of the Risk Management Committee of United Commercial Bank PLC. Before joining UCB, he held the position of Deputy Managing Director-1 at Agrani Bank PLC from March 7, 2018, to February 11, 2020, and at Sonali Bank PLC from July 11, 2017, to March 6, 2018.

Mr. Ali began his career in 1986 as a Senior Officer (BRC) at Agrani Bank PLC. Over the years, he advanced through various key roles within the bank, earning a strong reputation for his contributions to the Credit Committee, Risk Management Committee, NPL Committee, and MANCOM Committee, among others.

He holds both a Bachelor of Commerce (Hons) and a Master of Commerce in Accounting from the University of Dhaka. He also obtained DAIBB from The Institute of Bankers, Bangladesh (IBB). Mr. Ali is known for his enthusiasm for learning, having participated in numerous training programs throughout his career. He is also a fellow of National Defence College (NDC).

(d) Product Categories & Services

UCB's core competencies may be classified into the following segments leading by interest earning activities in the form of providing loans and advances and investment activities.

Interest Earning Activities: UCB has an attractive basket of loan products which cover SME financing, Project financing, Export-Import financing, overdraft facility and cash credit, home loan, car loan, lease financing, consumer financing, RMG financing, Agro loan and many more.

Local & Foreign Trade Activities: UCB facilitates its valued clients in their local and foreign trade activities i.e. import and export business. These imports and exports are one of the highest revenue-generating segments of UCB.

Remittance Activities: UCB also facilitates inward and outward remittance facilities to Expatriates different organizations and individuals through branches, agents and correspondences.

Guarantee Activities: UCB provides financial guarantees to different individuals and organizations, which is also an important source of commission earning of the bank.

Investment Activities:

Money Market- UCB invests in the treasury bills & bond which is considered a secure investment and ensures a certain amount of return to the Bank. Considering the liquidity position, the Bank also participates in the call money market.

Capital Market- UCB has a significant presence in capital market through direct investment. The Bank has also five subsidiaries with an aim to active participation in capital market through brokerage, portfolio management, investment banking etc.

(e) Branch Network & Expansion

United Commercial Bank PLC reaffirmed its commitment to nationwide financial inclusion and service outreach by strategically expanding and optimizing its physical branch network and agent banking operations across the country. Presently, the Bank operates a widespread and inclusive network comprising:

- 234 Full-fledged Branches (including 2 SME and 1 Islamic banking branch)
- 50 Islamic Banking windows
- 188 Sub-branches
- 620 Agent Banking Outlets
- 709 ATMs/CRMs

This expansion underscores UCB's customer-first approach by enhancing service accessibility in underserved areas and deepening market penetration. The increase in agent outlets has significantly strengthened last-mile connectivity, particularly in remote and rural regions, reinforcing the Bank's commitment to inclusive and accessible banking for all.

(f) Human Resources

The Human Resource Management Division (HRMD) of United Commercial Bank PLC (UCB) has been instrumental in driving the Bank's growth and transformation by nurturing a resilient, skilled, and inclusive workforce. In 2024, HRMD advanced strategic initiatives that aligned talent development with UCB's long-term goals, focusing on attracting and retaining high-quality professionals through targeted recruitment and a strong employer brand. Employees benefit from structured training, mentorship, and career development programs that enhance both technical and leadership competencies. A supportive work environment, reinforced by competitive compensation, wellness initiatives, and performance-based rewards, has significantly boosted employee engagement and morale. The adoption of digital HR solutions has further enhanced operational efficiency, transparency, and the overall employee experience. UCB's people-first philosophy continues to be a cornerstone of its service excellence and operational success.

(g) Corporate Social Responsibilities (CSR) Activities

At United Commercial Bank PLC, we firmly believe that our success as a business is deeply connected to the well-being of the communities we serve and the health of the environment, we all share. At UCB, we remain committed year after year to embracing and supporting initiatives, programs, and activities that generate meaningful, long-lasting impact. These efforts are not only central to our CSR strategy but are also embedded in our identity as a responsible corporate citizen. We understand that the true measure of our growth lies in how much we contribute back to society. Our approach to CSR is driven by purpose and guided by the real needs of the communities around us. Each initiative we undertake is designed to be impactful, relevant, and sustainable - forming the foundation for inclusive development and economic progress. As a financial institution, we recognize the powerful role we play in shaping positive change. Whether it's financing the shift to a low-carbon economy, championing financial inclusion, or upholding the highest standards of ethics and governance, we treat every decision as an opportunity to build a better future. With that spirit, we are proud to present our Corporate Social Responsibility (CSR) Report for 2024, highlighting the strides we've made and the initiatives that continue to drive us toward a more inclusive, equitable, and sustainable tomorrow. In the year 2024, our total expenditure in CSR was an amount of BDT 74.46 million. The details of the CSR activities are as follows:

Education:
At UCB, we believe education is the cornerstone of sustainable development and inclusive growth. Our CSR efforts in education focus on bridging the gap in access to quality learning opportunities, especially for underprivileged communities. We aim to empower the next generation with the knowledge and skills needed to thrive in a rapidly changing world. An amount of Taka 8.84 billion has been donated in the sector of Education. UCB contributed in areas like financial assistance to Bandarban University, financial assistance to students of Department of Law, Dhaka University on attending Monroe E Price Media Law Moot Court Competition 2024 and many more.

Health:
Access to quality healthcare is fundamental to human well-being and economic progress. We are committed to improving healthcare outcomes for underserved communities through sustained, impactful interventions. Our health-focused CSR initiatives aim to enhance accessibility, awareness, and affordability of medical services for those who need them most. In 2024, an amount of Taka 31.32 million has been donated in the sector of Health. Some of the major contributions are medical support to various individual patients suffering from lymphoma, leukaemia, cancer, brain stroke etc. Support to Moonflower Autism Center, Assistance to Satarkul Protibondhi, financial support to student protesters admitted at Dhaka Medical College and Hospital, financial support to injured protesters admitted to NITOR.

Environment:
Environmental sustainability is an integral part of our CSR vision and long-term strategy. As a responsible corporate citizen, we are committed to mitigating our environmental footprint and supporting community-led initiatives that promote ecological balance, climate resilience, and sustainable resource use. In 2024, an amount of Taka 3.87 million has been contributed.

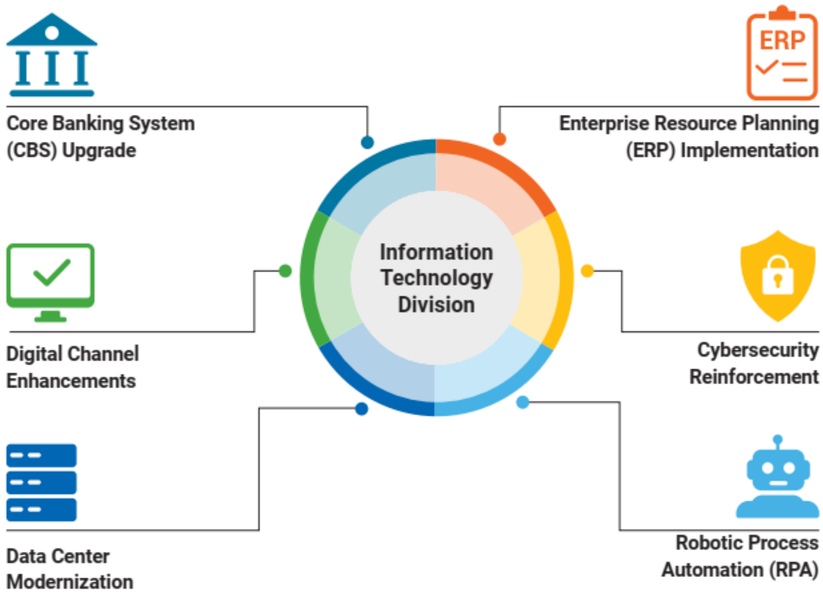
Disaster Management:
We highly recognize the critical role that timely and coordinated disaster response plays in saving lives and restoring communities. Our CSR strategy incorporates a strong focus on disaster preparedness, response, and recovery to support vulnerable populations affected by natural and man-made calamities. Through strategic partnerships, community engagement, and rapid mobilization of resources, we have worked to build resilience and provide meaningful aid where it’s needed most. In 2024, 5.25 million has been contributed in Disaster Management Sector. Some interventions in this sector covers donation for flood affected people, blanket distribution etc.

Sports:
Sports play a vital role in shaping well-rounded individuals and fostering social inclusion, discipline, teamwork, and leadership. Through our CSR initiatives in sports, we aim to promote grassroots participation, nurture emerging talent, and ensure that people have access to quality sports infrastructure and training. In 2024, our contribution to sports has been Taka 5.00 million.

Others:
Financial assistance to war torn Palestine, donation to July Shaheed Smriti Foundation are some of the other notable areas, UCB also contributed as part of CSR which is an amount of Taka 20.17 million. Looking ahead, we remain steadfast in our mission to integrate sustainability into our core business strategy. We will continue to collaborate with stakeholders, embrace innovation, and expand our reach to address the evolving needs of society. With each initiative, we aim to build not just a stronger bank, but a better future for all. We thank our partners, employees, and communities for their trust and participation. Together, we are banking on a brighter, more equitable tomorrow.

(h) Information Technology (IT)

In 2024, the Information Technology (IT) Division of United Commercial Bank PLC (UCB) played a pivotal role in advancing the Bank’s digital transformation, driven by a strategic focus on innovation, agility, and security. The Division undertook several critical initiatives aimed at improving operational efficiency, enhancing customer experience, and strengthening cyber resilience, thereby reinforcing its position as a key enabler of UCB’s long-term digital vision.



Major IT infrastructure upgradations

- Core Banking System (CBS) Upgrade
- Enterprise Resource Planning (ERP) Implementation
- Data Center Modernization
- Robotic Process Automation (RPA)

Besides, the Information Security Division (ISD) of United Commercial Bank PLC (UCB) plays a critical role in safeguarding the Bank's digital infrastructure, customer data, and financial assets against evolving cyber threats. With a team of qualified and certified professionals, the Division implements robust cybersecurity strategies, ensures compliance with regulatory standards, and fosters a secure operational environment through a comprehensive information security program.

(i) Corporate Governance and Compliance

The principles of corporate governance - accountability, transparency, fairness and responsibility - Are essential for ensuring sustainable corporate success and fostering stakeholder confidence. United Commercial Bank PLC (UCB) is committed to maintaining a robust corporate governance framework that adheres to regulatory requirements and international best practices. The bank upholds the highest ethical standards, ensuring compliance with applicable laws and regulations while prioritizing the interests of its shareholders, customers and other stakeholders. Through responsible governance, UCB aims to enhance long-term value creation and strengthen trust across all levels of its operations.

United Commercial Bank PLC (UCB) has established a strong corporate governance framework to ensure accountability, transparency and ethical business conduct across its operations. The bank complies with all regulatory requirements set by Bangladesh Bank, the Bangladesh Securities and Exchange Commission (BSEC) and other relevant authorities while aligning its practices with international corporate governance standards. UCB's governance structure includes an effective Board of Directors, independent board committees, and a well-defined risk management framework to oversee strategic decision-making and operational efficiency. The bank emphasizes integrity, fairness, and responsible banking, ensuring that stakeholder interests are safeguarded. By fostering a culture of compliance, ethical leadership, and continuous improvement, UCB aims to enhance long-term sustainability and create value for its shareholders and customers.

United Commercial Bank PLC (UCB) upholds a governance philosophy centered on accountability, transparency, integrity, and stakeholder value creation. The bank is committed to ethical leadership, regulatory compliance, and risk management to ensure sustainable growth and long-term success. UCB's governance framework is designed to foster responsible decision-making, protect shareholder interests, and maintain public trust. By integrating the best corporate governance practices with its strategic objectives, UCB aims to uphold financial stability, operational excellence, and a strong corporate culture. The following acts, regulations, notifications, and circulars played a major role in shaping the governance structure and practices of the bank:

External	Internal
• The Companies Act, 1994 (amended up to 2020)	• Articles of Association of UCB
• The Bank Company Act, 1991	• Organizational Structure
• Bangladesh Securities and Exchange Commission (BSEC) Ordinance 1969, Rules 1987, Act 1993 and Public Issue Rules 2015	• Resolutions of meetings of Management Committees
• Circulars, Rules, and regulations issued by Bangladesh Bank from time to time	• Board-approved policies on all major operational aspects
• Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited rules and regulations	• Code of Conduct of UCB
• Corporate Governance Code 2018	• Internal Circulars
• Income Tax Act, 2023	
• Financial Reporting Act 2015	

(j) Subsidiaries of UCB

United Commercial Bank PLC has 5 subsidiaries Company.

- UCB Stock Brokerage Limited
- UCB Investment Limited
- UCB Asset Management Limited
- UCB Fintech Company Limited (Upay)
- UCB Exchange (SG) PTE. Ltd.

UCB Stock Brokerage Limited

UCB Stock Brokerage Limited (formerly UCB Capital Management Limited), established in June 2013, is a fully owned subsidiary of United Commercial Bank PLC and has emerged as one of Bangladesh's leading stock brokerage firms. Incorporated under the Companies Act, 1994, the company offers comprehensive stock brokerage and margin loan services through a highly experienced management team committed to delivering global-standard solutions to both local and international clients. UCB Stock Brokerage Limited is a TREC holder of both Dhaka Stock Exchange (TREC No.: 181) and Chittagong Stock Exchange (TREC No.: 015), and operates as a Depository Participant (DP) of Central Depository Bangladesh Limited under the regulatory framework of the Bangladesh Securities and Exchange Commission. Notably, the company made a pioneering move by launching the first-ever Digital Booth in Dubai, marking a milestone for the Bangladeshi capital market. With a reputation for integrity and trusted service, UCB Stock Brokerage Limited continues to contribute actively to the development of Bangladesh's capital market. Its registered office is located at Bulus Center, 17th Floor (West Side), Plot: CWS-(A)-1, Gulshan Avenue, Gulshan, Dhaka-1212.

UCB Investment Limited

UCB Investment Limited (UCBIL), incorporated on August 3, 2011, under the Companies Act 1994, is a private limited company licensed by the Bangladesh Securities and Exchange Commission (BSEC) as a full-fledged merchant bank (License No.: MB-97/2020). As a wholly owned subsidiary of United Commercial Bank PLC, UCBIL offers a comprehensive suite of merchant banking services, including portfolio management, fund and issue management, underwriting, corporate advisory, fixed income securities, and syndicate loans. With a mission to bridge the gap between investors and investment opportunities, UCBIL is committed to delivering bespoke, high-quality financial solutions tailored to the diverse needs of its clients. The company's strength lies in its team of seasoned professionals with extensive experience across local and international investment landscapes. Through innovation, expertise, and a focus on sustainable growth, UCBIL strives to be a trusted long-term partner, driving wealth creation for its clients and contributing to the development of Bangladesh's capital market.

UCB Asset Management Limited

UCB Asset Management Limited, established in February 2019 as a wholly-owned subsidiary of United Commercial Bank PLC, is uniquely positioned to provide a broad spectrum of investment solutions in Bangladesh. Backed by a team of seasoned professionals with a proven track record in mutual fund management, the company offers a range of merchant banking services including portfolio management, share transfer agency, fund management, underwriting, and issue management for stocks, bonds, and other securities. With trust at the core of its values, UCB Asset Management is committed to building investor confidence in the capital market while delivering services that align with international standards.

UCB Fintech Company Limited

UCB Fintech Company Limited, a fully owned subsidiary of United Commercial Bank PLC, was incorporated on July 30, 2020, as a private limited company under the Companies Act, 1994 (Registration No. C-162182). The company commenced operations in March 2021 under the brand name **"উপায়" (UPAY)**, following approval from Bangladesh Bank. UPAY provides a wide array of mobile financial services, including cash-in and cash-out transactions, person-to-person transfers, utility bill payments, in-store and e-commerce payments, inward remittances, salary disbursements, G2P and P2G transactions, airtime recharges, and various other value-added services. With a mission to serve diverse customer segments, UCB Fintech is committed to developing innovative digital solutions that enhance financial accessibility and inclusion across Bangladesh.

Exchange (SG) PTE. Ltd.

UCB Exchange (SG) PTE. Ltd. is a wholly owned subsidiary of United Commercial Bank PLC, incorporated in Singapore on January 25, 2023, as a private limited company under the Companies Act 1967 (UEN: 202302830G). The company has applied for a remittance license from the Monetary Authority of Singapore (MAS), which is currently under review. UCB Exchange is primarily established to operate in the remittance and exchange business, engaging in activities typically conducted by remittance and foreign exchange houses. United Commercial Bank PLC holds 100% ownership of the company through 1,000 shares, each with a face value of SGD 1.00.

SECTION 4

Rule 8 (a) & (b)

PARTICULARS OF THE RIGHTS OFFER

SECTION CONTENTS	
(a)	Date of the rights share offer document
(b)	Amount of rights shares, divided into number of shares, par value and issue price of each share, and number of right shares offered for each existing share

(a) Date of the rights share offer document

The Rights Offer of United Commercial Bank PLC amounting to **Tk. 7,751,879,490** was approved by the Bangladesh Securities & Exchange Commission on 07 July 2026**.** The date of this rights share offer document is 07 July 2026.

(b) Amount of rights shares, divided into number of shares, par value and issue price of each share, and number of right shares offered for each existing share

Amount of rights shares	:	Tk. 7,751,879,490
Number of shares	:	775,187,949 nos.
Par value	:	Tk. 10
Issue price of each share	:	Tk. 10
Number of right shares offered for each existing share	:	1 (One) Rights Share for 2 (Two) existing Shares

SECTION 5
Rule 8 (c)

HIGHLIGHT OF THE RIGHTS OFFER, RISK FACTORS, AND MANAGEMENT PLANS FOR REDUCTION OF SUCH RISKS

SECTION CONTENTS	
(a)	Highlight of the rights offer
(b)	Risk factors, and management plans for reduction of such risks

(a) Highlight of the rights offer

The Rights Issue

The Board of Directors of United Commercial Bank PLC in its meeting held on 29 May 2025 recommended Rights Offer of 775,187,949 Ordinary Shares of Tk. 10.00 each at an issue price of Tk. 10.00 totaling Tk. 7,751,879,490 offered on the basis of 01 (One) [R]: 02 (Two) i.e., 01 (One) Rights Share against 02 (Two) existing shares held on the record date. The recommendation of the Board was approved in the Annual General Meeting (AGM) held on 31 July 2025. The purpose of issuance of Rights Shares is to strengthen capital base of the Bank in order to comply with the Basel III capital accord, directed by Bangladesh Bank. After issuing this proposed Rights Shares of BDT 7,751,879,490 total paid-up capital of the Bank will be BDT 23,255,638,470.

Issue Price

The Issue Price per share has been fixed in the AGM of the Company held on 31 July 2025 at Tk. 10.00, amounting to Tk. 7,751,879,490 offered on the basis of 01 (One) [R]: 02 (Two) i.e., 01 (One) Rights Share against 02 (Two) existing shares held on the record date subject to the approval of the Bangladesh Securities and Exchange Commission.

(b) Risk factors, and management plans for reduction of such risks

Risk is fundamentally defined as the possibility of exposure to adverse outcomes arising from uncertain future events, and it remains an inherent and unavoidable aspect of any business operation. At United Commercial Bank PLC (UCB), risk management is regarded not merely as a compliance function but as a core strategic element that supports sustainable growth and long-term value creation. Drawing on its extensive experience in the banking and financial services industry, UCB has developed a comprehensive, structured, and forward-looking risk management framework that has matured into a robust system capable of identifying, assessing, monitoring, and mitigating a wide range of risks across the organization. This process is designed to proactively estimate the likelihood of uncertain events, evaluate their potential impact, and implement effective response strategies to minimize or eliminate adverse consequences. By integrating both qualitative and quantitative methods, the Bank ensures informed decision-making and operational resilience under diverse market conditions. UCB's approach is anchored in a strong risk culture, effective governance, and clearly defined policies that align with regulatory requirements and international best practices. This holistic framework reflects the Bank's unwavering commitment to financial stability, stakeholder protection, and sustained institutional trust.

(i) Interest Rate Risk

The banking book consists of assets and liabilities contracted basically on account of relationship or for steady income and statutory obligations and are generally held till maturity/payment by counter party. The earnings or changes in the economic value are the main focus in banking book. Interest rate risk is the risk that a bank will experience deterioration in its financial position as interest rates move over time. Interest rate risk in the banking book arises from a bank's core banking activities.

Management Perception

The Bank uses Duration Gap Analysis (DGA) for deriving value of capital requirement for interest rate risk. The Bank ensures that interest rate risk is not included within the market risk. The Bank has calculated the rate sensitive assets and liabilities with maturity up to 12 months' bucket and applied the sensitivity analysis to measure the level of interest rate shock on its capital adequacy.

(ii) Foreign Exchange Rate Risk

Exchange rate risk is defined as the potential change in earnings due to change in foreign exchange rates. Exchange rate fluctuation may reduce the profitability of the bank because its trade commitments from various sources of foreign exchange like export proceeds and remittances.

Management's perception

Treasury Department conducts the Foreign Exchange Deals for the Bank as per Bangladesh Bank (BB) guideline and their own policies. Treasury Mid Office is responsible to monitor all related limits of Treasury and limits of its respective counterparties independently. In addition to Mid Office job is to ensure compliance, manage and escalate overall Risk issues of Treasury as and when required. Treasury Back Office is responsible for verification of all deals executed by Treasury, settling payments and passing of entries in the books of account. Back Office is also ensuring revaluation in the Core Banking at Mark-to-Market rate basis as determined by BB on daily basis, submitting Foreign Exchange Position report as per BB guideline daily, reconciling/reporting all NOSTRO accounts with its book of entries and submitting all related reports to Bangladesh Bank.

(iii) Liquidity Risk

Liquidity risk is the risk to the bank's earnings and capital arising from its inability to timely meet obligations. Liquidity risk primarily arises due to the maturity mismatch associated with assets and liabilities of the bank. Although liquidity risk dynamics vary according to a bank's funding market, balance sheet, and inter-corporate structure, the most common signs of possible liquidity problems include rising funding costs, a rating downgrade, decreases in credit lines, or reductions in the availability of long-term funding.

<u>Management's Perception</u>

United Commercial Bank PLC maintains diversified and stable funding base comprising of core retail, corporate and institutional deposits to manage liquidity risk. The prime responsibility of the liquidity risk management of the Bank lies with Treasury Division under the supervision of ALCO, which maintains liquidity based on current liquidity position, anticipated future funding requirement, sources of fund, options for reducing funding needs, present and anticipated asset quality, present and future earning capacity, present and planned capital position etc. The intensity and sophistication of liquidity risk management process depend on the nature, size and complexity of a bank's activities. Sound liquidity risk management employed in measuring, monitoring and controlling liquidity risk is critical to the viability of the bank. The Asset Liability Committee (ALCO), which meets at least once in a month, is responsible for managing and controlling liquidity of the Bank. Treasury front office closely monitors and controls liquidity requirements on daily basis by appropriate coordination of funding activities and they are primarily responsible for management of liquidity in the Bank. A monthly projection of fund flows is reviewed in ALCO meeting regularly.

(iv) Management Risk

Management risk refers to the chance that bank managers' inefficiency or under performance which will finally affect the shareholders. The bondholders may suffer financial losses in such an event.

<u>Management's Perception</u>

The Bank has well established management structure with diverse knowledge, skills, experience and expertise in core area of banking operation in its bid to attain optimal utilization of available resources. The bank has also a well proven track record of having strong and effective leadership which already has shown an effect on the Bank's financial performances.

(v) Operational Risk

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Operational risk may also arise from error and fraud due to lack of internal control and compliance across the bank.

<u>Management's Perception</u>

Operational Risk is inherent in every business organization and covers a wide spectrum of issues. In order to mitigate this, internal control and internal audit systems are used as the primary means. United Commercial Bank PLC manages this risk through a control based environment in which processes are documented, authorization is independent and transactions are reconciled and monitored. This is supported by an independent program of periodic reviews undertaken by internal audit, and by monitoring external operational risk events, which ensure that the bank stays in line with industry best practice and takes account of lessons learned from publicized operational failures within the financial services industry. United Commercial Bank PLC has operational risk management process which explains how the bank manages its operational risk by identifying, assessing, monitoring, controlling and mitigating the risk, rectifying operational risk events, and implementing any additional procedures required for compliance with Bangladesh Bank's requirements. Operational risk management responsibility is assigned to different level of management within the business operation. Information systems are used to record the identification and assessment of operational risks and to generate appropriate regular management reporting. Risk assessment incorporates a regular review of identified risks to monitor significant changes.

(vi) Business Risk

Business risk is the possibility that a company will have lower than anticipated profits, or that it will experience a loss rather than a profit. Business risk is influenced by numerous factors, including business environment, economic situation and government regulations.

Management's Perception

The performance and the quality and growth of Bank's assets are necessarily dependent on the health of the Bangladesh economy as well as on global economic conditions. An economic slowdown could adversely affect the business, including inability to grow asset portfolio, to maintain the quality of the assets and to implement business strategy. The domestic economy could be adversely affected by a variety of domestic as well as global factors. To mitigate business risk management continuously pursue to execute dynamic strategy on growth and business diversification.

(vii) Industry Risk

Industry risk is the possibility that a specific industry will not perform up to the level or at par. When problems plague one industry, they affect the individual organization of that particular industry. They may also cross over into other industries. The issuer is operating in a highly competitive market as modern banking industry has brought greater business diversification. Some banks in the industrialized world are entering into investments, underwriting of securities and portfolio management. The entry of new competitors may also deteriorate the competitive environment and result in lower profitability of the bank.

Management's Perception

The Bank has an established broad-based presence and has been taking steps to enhance customer satisfaction by upgrading skills, systems and technology to meet such challenges. The Bank is attempting to add quality assets on competitive terms and also taking steps to broad base its product bouquet with a special emphasis on enhancement in the non-fund-based income. On the resource-raising front, the Bank is actively endeavoring to broaden its reach and raise resources through its wide distribution network of branches.

(viii) ***Market and Technology Related Risk***

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

The financial industry of Bangladesh is currently one of the fastest growing in the country and is increasingly becoming competitive. Strong marketing and brand management would be required to increase the bank's customer base.

As the banking industry is becoming more and more technology dependent the risks deriving from technological use is increasing day by day. The bank might be exposed to risks such as cyber-attack, system collapse, system hacking, unauthorized electronic fund transfers, etc.

Management's Perception

The Board approves all policies related to market risk, sets limit and reviews compliance on a regular basis. The objective is to provide cost effective funding last year to finance asset growth and trade related transaction. Standardized (rule based) approach is used to measure the market risk of the Bank whereas for interest rate risk and equity risk both General and specific risk factors are applied for calculating capital charge and for foreign exchange and commodities only general risk factor is applied. The duties of managing the market risk including liquidity, interest rate and foreign exchange risk lies with the Treasury Division under the supervision of ALCO committee. The ALCO committee is comprised of senior executives of the Bank, who meets at least once in a month. The committee evaluates the current position of the bank and gives direction to mitigate the market risk exposure to a minimum level.

There are approved limits for Market risk related instruments both on-balance sheet and off-balance sheet items. The limits are monitored and enforced on a regular basis to protect against market risk. The exchange rate committee of the Bank meets on a daily basis to review the prevailing market condition, exchange rate, forex position and transactions to mitigate foreign exchange risks.

Bank's business is highly dependent on ability to process a large number of transactions on a daily basis. Financial, accounting or other data processing systems may fail to operate adequately or may become disabled as a result of events that are wholly or partially beyond the control, including a disruption of electrical or communications services. These circumstances could affect bank's operations and may result in financial loss, disruption of businesses or may damage to bank's reputation. The Bank has set system and processes to protect its IT systems and network infrastructure from physical break-ins as well as security breaches and other disruptions caused by increased use of technology. Computer break-ins could affect the security of information stored in and transmitted through these computer systems and network infrastructure. The Bank continues to implement secured technology and establish operational procedures to prevent break-ins.

(ix) Risk Related to Potential or Existing Government Regulations

The company operates under, the Bank Companies Act-1991, Companies Act-1994, Income Tax Ordinance, 1984, Income Tax rules, 1984, Value Added Tax (VAT) Act, 1991, Value Added Tax (VAT) Rules, 1991, Customs Act, 1969, Bangladesh Securities and Exchange Rules, 1987 and other related regulations. The company also obtained license from Bangladesh Bank as a Bank under Bank Companies Act-1991. Any major changes in regulatory regime may cause the Bank to be a noncompliant one having adverse impact in the reputation of the Bank.

<u>Management's Perception</u>

The laws and regulations or the regulatory or enforcement environment in Bangladesh may change at any time and may have an adverse impact on the products or services bank offers. Central Bank from time to time has instituted changes in regulations applicable loan provisioning, rescheduling, and amended Bank Company Act-1991(amended2013). Unless any policy change that may negatively and materially affect the industry as a whole, the business of the bank is expected not to be affected significantly.

(x) Risk Related to Potential Changes in Global and National Policies

Changes in existing global or national policies can have either positive or negative impacts for the Bank. The performance of the Bank will be hindered due to unavoidable circumstances both in Bangladesh and worldwide like political turmoil.

<u>Management's Perception</u>

A significant change in the global and national policies in the future, particularly in respect of the banking and financial sector could affect business and economic conditions in Bangladesh. This could also adversely affect the business, prospects, results of operations and financial condition. The management of the Bank transcribes the prevailing and upcoming future changes in the global or national policy and firms to response appropriately and timely management of the risk.

(xi) ***Risk related to extraordinary, political, or regulatory circumstances***

<u>Management Perception</u>

The Board and management have prioritized transparency, stability, and regulatory compliance—resulting in strong performance indicators, including over BDT 10,100 crore in new deposits and an 8.29% year-on-year deposit growth as of June 2025, ranking UCB third among private commercial conventional banks. We believe that the combined effort of both the board and management can mitigate any risk arising from extraordinary, political, or regulatory circumstances.

(xii) ***Risk related to the reconstitution of the Board***

<u>Management Perception</u>

Bangladesh Bank reconstituted the Board following serious financial allegations against the previous Board. The newly appointed board members are highly experienced in business and hold reputable positions. The current management team, with extensive industry expertise, has worked closely with the board to ensure transparency, stability, and regulatory compliance at the Bank. Therefore, no risk arose from the reconstitution of the Board; instead, it ensured continuity in strategy and transparency.

(xiii) Risk related to the forensic audit reports and ongoing Anti-Corruption Commission (ACC) cases

Management Perception:

Following the reconstruction of the board by the Bangladesh Bank, a forensic audit was conducted to identify irregularities on the previous board. All matters identified by the forensic audit, including irregular loan approvals, misappropriation of funds, misuse of shareholder assets, and suspected money laundering, have been formally referred to law enforcement agencies and are currently under investigation. These events are still under investigation and have not been finally adjudicated by any competent court. The Bank believes that its continued business growth, depositors' confidence, and enhanced brand value will mitigate any potential liabilities, financial penalties, or reputational risks.

(xiv)Risk related to the restriction orders

***Management Perception*:**

The restriction order was issued by the Court of Metropolitan Senior Special Judge, Dhaka, in response to cases filed by the Anti-Corruption Commission (ACC). The restriction order only applies to the BO Accounts of some of the shareholders (not exclusively for the shares of UCB) of the Bank in respect of withdrawal or transfer of the shares from their BO Accounts. Shares currently under freezing order will remain eligible for subscription of rights shares. Shares, including rights shares, if subscribed, will remain restricted under the restriction order until the restrictions are legally lifted.

(xv) Risk related to the execution of the restoration plan

Management Perception:

The Management is highly confident that the Bank will achieve desired goals as per the board-approved restoration plan submitted to Bangladesh Bank. The Management is working in line with the plan to achieve the goal, resulting in a provision adjustment amounting to BDT 683 Crore in H1’2025. The bank has also set up a dedicated recovery unit for NPL recovery. Additionally, as part of the restoration plan, the bank has applied to the BSEC for a Rights Issue and Subordinated Bond to meet its capital requirements. Subsequently, the Commission approved the issuance of a subordinated bond worth BDT 800 Crore; subscription to the bond is ongoing. Therefore, such risk is very minimum considering the strength and growth prospects of the Bank.

(xvi)Risk Related to Maintaining Required Capital Adequacy

Management Perception:

As a scheduled commercial bank, UCB PLC is required to maintain a minimum Capital to Risk Weighted Assets Ratio (CRAR) as prescribed by Bangladesh Bank. As at 31 December 2025, the Bank's CRAR stood at 8.42%, which is below the prevailing regulatory requirement. Failure to maintain adequate capital may restrict business expansion, lending growth, dividend declaration and the execution of other strategic initiatives, and may invite heightened regulatory supervision or the imposition of corrective measures.

In response, the Bank has formulated and is implementing a comprehensive capital restoration and recovery plan to progressively strengthen its capital base and enhance overall financial resilience. As a key element of this plan, the proposed Rights Issue of approximately BDT 775 crore structured at a ratio of 1 Rights Share for every 2 existing shares held at an issue price of BDT 10.00 per share is expected to directly bolster the Bank's Tier-I capital position. Upon completion of this first phase of recapitalisation, the Bank's paid-up capital is projected to increase from BDT 1,550.38 crore to BDT 2,325.38 crore during FY2026.

In parallel, the Bank is actively pursuing strategic equity participation from prospective institutional and strategic investors, including international financial institutions, to further reinforce its Tier-I capital. The Bank has also issued the UCB 6th Subordinated Bond, amounting to BDT 800 crore, qualifying as Tier-II capital to support long-term capital adequacy and business growth, of which BDT 100 crore has already been subscribed with the remaining portion expected to be fully subscribed within the current financial year.

During the recovery period, the Bank intends to retain 100% of post-tax profits to maximise internal capital generation and strengthen its retained earnings base. Concurrently, Management is implementing risk-weighted asset optimisation strategies through portfolio diversification toward comparatively lower-risk and capital-efficient segments, including Retail, Agriculture and CMSME financing.

Based on the Board-approved Strategic Recovery Plan, the Bank projects a gradual improvement in CRAR from 8.42% in FY2025 to 9.56% in FY2026, 10.98% in FY2027 and 14.47% by FY2031, resulting in an estimated capital surplus of approximately BDT 1,689 crore by FY2031.

The Management remains confident that the phased capital recovery plan, reinforced by strengthened recovery initiatives, proactive capital-raising measures and prudent strategic business actions, will progressively restore the Bank's capital adequacy position over the planned recovery horizon. The Bank believes that the proposed Rights Issue, in combination with profit retention, subordinated bond issuance, asset quality improvement and disciplined risk management practices, will significantly enhance its capacity to achieve the targeted capital and financial stability objectives, subject to prevailing economic and regulatory conditions.

(xvii) Risk Related to Asset Quality and Provisioning

<u>Management Perception:</u>
As a commercial bank, UCB PLC is exposed to risks arising from deterioration in asset quality, increase in non-performing loans (NPLs), recovery challenges, and compliance with regulatory provisioning requirements. As at 31 December 2025, the Bank maintained a provision shortfall arising primarily from legacy stressed assets and elevated levels of classified loans.

Bangladesh Bank has acknowledged and approved a phased recovery and provisioning roadmap, thereby precluding a requirement for a one-time adjustment that could have materially impaired the Bank's capital position. Under the Board-approved recovery plan, the Bank is required to progressively address the provisioning shortfall over the period from FY2026 to FY2031 through a combination of phased provisioning and internal capital generation. The Bank projects that the provision shortfall will be fully extinguished by FY2030.
To improve asset quality and enhance recovery performance, the Bank has implemented a series of corrective and strategic measures, including the formation of dedicated recovery units, intensified legal recovery proceedings, enhanced credit monitoring protocols, and tighter underwriting standards for fresh loan disbursements. Bangladesh Bank's revised write-off policy framework reducing the minimum ageing requirement from three years to two years is also expected to facilitate the expedited resolution of legacy non-performing assets. As a direct outcome of these initiatives, the Bank recovered approximately BDT 114 crore from written-off loans during FY2025, a significant improvement over the preceding year.

Management is further implementing portfolio rebalancing measures and enforcing stricter segment-wise credit discipline to curtail fresh loan slippages and improve the overall quality of the loan book. Based on the Strategic Recovery Plan, the Bank projects a gradual reduction in the NPL ratio from 15.50% in FY2025 to 3.55% by FY2031.

The Bank further expects that strong operating profit growth projected to increase from BDT 1,178 crore in FY2025 to BDT 5,161 crore by FY2031, supported by business growth, improved asset quality, and the gradual easing of provisioning pressure will underpin the phased provisioning plan without materially disrupting business continuity.

The Management remains confident that the Bank's phased recovery strategy, fortified by strengthened recovery initiatives, enhanced credit monitoring and robust risk management practices, will support a gradual and sustainable improvement in asset quality, reduction of NPLs and growth in operating profitability over the recovery period.

(xviii) Risk Related to Subsidiary Performance

<u>Management Perception:</u>
UCB PLC is exposed to risks arising from the financial and operational performance of its subsidiary, UCB Fintech Company Limited, in which the Bank holds a 99.99% equity interest. As at 31 December 2025, the subsidiary had accumulated losses of BDT 438.02 crore, which gave rise to an auditor's qualified opinion in respect of the non-recognition of the corresponding impairment loss in the Bank's standalone financial statements.

The Management is nonetheless of the view that the subsidiary holds significant long-term strategic and commercial potential, having regard to the growing digital financial services market and the ongoing restructuring and operational improvement initiatives being pursued by the Bank. Management anticipates that technology-driven business expansion, cost optimisation and improved operational efficiency will progressively enhance the subsidiary's financial performance over the medium term.

The Bank has adopted a phased recovery approach, acknowledged by Bangladesh Bank, and believes that the strengthened capital position following the proposed Rights Issue will materially enhance its capacity to absorb any potential financial impact arising from subsidiary-related exposures, if any, in the future.

(xix)Risk Related to Profitability and Liquidity

<u>Management Perception:</u>
The profitability and liquidity position of UCB PLC may be adversely affected by various factors including elevated NPLs, provisioning requirements, interest rate movements, regulatory compliance obligations, competitive market dynamics and prevailing macroeconomic conditions. In recent periods, the Bank's profitability has been primarily impacted by heightened provisioning requirements attributable to legacy stressed assets and ongoing recovery-related obligations.

As a commercial bank, UCB PLC is also exposed to liquidity risk arising from asset-liability mismatches, unanticipated withdrawal pressures, adverse market conditions, or constraints in access to funding sources. Failure to maintain adequate liquidity may impair the Bank's ability to discharge its financial obligations and sustain business growth.

In response, the Management has adopted a Board-approved Strategic Recovery Plan focused on improving asset quality, strengthening recovery performance, optimising funding costs, enhancing operational efficiency and maintaining prudent liquidity management. The Bank has already demonstrated encouraging signs of financial stabilisation, evidenced by 23.41% deposit growth during FY2025, mobilisation of approximately BDT 13,000 crore in fresh deposits, reduction in the Advance-to-Deposit Ratio (ADR) from 91.31% to 83.03%, and recovery of approximately BDT 114 crore from written-off loans.

Based on the Strategic Recovery Plan, operating profit is projected to grow from BDT 1,178 crore in FY2025 to BDT 5,161 crore by FY2031, driven by business growth, improved asset quality and a gradual easing of provisioning pressure. The proposed Rights Issue is further expected to strengthen the Bank's capital base, improve liquidity support, enhance depositor confidence, and facilitate sustainable long-term profitability and financial stability.

(xx) Risk Relating to Utilization of Rights Issue Proceeds

<u>Management Perception:</u>
The proposed Rights Issue is primarily intended to strengthen the capital base of UCB PLC, improve the Capital Adequacy Ratio (CRAR), support provisioning requirements, enhance liquidity buffers, and facilitate the implementation of the Bank's Board-approved Strategic Recovery Plan.

The Bank's future financial performance and recovery trajectory will depend upon the successful execution of the recovery plan, encompassing improvement in asset quality, reduction of NPLs, growth in operating profit, recovery from written-off loans, and maintenance of adequate liquidity and regulatory capital. Management believes that the proposed Rights Issue will materially strengthen the Bank's Tier-I capital position, improve depositor and investor confidence, enhance financial resilience and support sustainable long-term business growth. The Rights Issue is also fully underwritten, thereby ensuring the availability of the proposed capital required for the execution of the Bank's recovery and stabilisation programme.

(xxi)*Risk Relating to dilution of EPS and share price*

Management Perception:
Issuing Rights Shares, the number of shares will increase. As a result, EPS may be diluted in the short term and the market price of the shares may fluctuate. Management believes that the Rights Issue will strengthen the Company's capital base, support future business growth, and enhance long-term shareholder value. Although temporary EPS dilution and short-term share price fluctuations may occur, the effective utilization of the Rights Issue proceeds is expected to improve profitability and create sustainable value over the medium to long term.

(xxii) Risk related to provisioning shortfall

Management Perception:
The Company has adopted a Board-approved Strategic Recovery Plan to enhance the Bank's overall financial resilience. The Rights Issue, recovery initiatives, and other capital measures, is expected to support the gradual resolution of the provisioning shortfall while maintaining regulatory compliance.

(xxiii) Risk related to Debt Obligation Risk

Management Perception:
The Bank maintains a prudent asset-liability management framework and continuously monitors its liquidity, funding profile, and debt servicing capacity. The proposed Rights Issue, profit retention strategy, and ongoing recovery initiatives, is expected to strengthen the Bank's capital base, enhance financial resilience, and support the timely fulfillment of its financial obligations while ensuring sustainable long-term growth.

SECTION 6
Rule 8 (d)

DATE AND TIME OF OPENING AND CLOSING OF SUBSCRIPTION

The date and time of opening and closing of the subscription of this Rights Offer are disclosed below:

Record Date	:	04 August 2026

SUBSCRIPTION		
Opens on	:	23 August 2026
Closes on	:	20 September 2026
(Within Banking hours)		

SECTION 7
Rule 8 (e)

PURPOSES OF RAISING FUND THROUGH RIGHTS SHARE, SPECIFYING CLEARLY THE HEADS AND AMOUNT OF THE FUND UTILISATION AND IDENTIFYING VARIOUS PROPOSED PROJECTS WITH HEADS AND AMOUNT OF EXPENDITURE FOR EACH PROJECTS, AND ALSO HIGHLIGHTS OF SUCH PROJECTS

[see rule 8(e)]

To raise Tier-I capital and maintain the required capital adequacy in accordance with regulatory requirements, as well as to strengthen the Bank's capital base under the Basel III framework, the Board of Directors and the Shareholders of United Commercial Bank PLC have approved the increase of paid-up capital through Rights Offer of 775,187,949 Ordinary Shares of Tk. 10.00 each at an issue price of Tk. 10.00 each at total Tk. 7,751,879,490 offered on the basis of 01[R]: 02 i.e., 01 (One) rights share against 02 (Two) existing shares.

Proceeds from the rights issue will be utilized for the Bank's regular business operations purposes. A detailed utilization plan is mentioned below:

Particulars	Amount in BDT
Corporate Loan	3,731,754,786
SME Loan	2,525,562,338
Retail Loan	1,494,562,366
Total	**7,751,879,490**

Sd/-	Sd/-	Sd/-
Faruk Ahammad	**Tanvir Ahmed Siddiqui, ACS**	**Mohammad Mamdudur Rashid**
Deputy Managing Director & CFO	Company Secretary	Managing Director & CEO

Place: Dhaka
Date: 13 May 2026

SECTION 8
Rule 8 (f)

NAME OF THE PRODUCTS MANUFACTURED OR TO BE MANUFACTURED OR SERVICES RENDERED OR TO BE RENDERED BY THE ISSUER TOGETHER WITH CAPACITY OR PROPOSED CAPACITY OF THE EXISTING AND PROPOSED PROJECTS VIS-A-VIS CAPACITY UTILISED BY THE EXISTING PROJECT DURING THE LAST THREE YEARS OR SUCH SHORTER PERIOD DURING WHICH THE ISSUER WAS IN COMMERCIAL OPERATION

SECTION CONTENTS	
(a)	Name of the services rendered by the issuer
(b)	Existing capacity and proposed capacity of the products manufactured or to be manufactured along with capacity utilization

a) **Name of the services rendered by the issuer**

UCB has organized its business activities into three broad strategic business units: Corporate, SME and Retail. Details of Products and services offered by the business units are given below:

1. **Conventional Banking**

A. Retail Banking (Liability)	
CASA (including FC)	
• Retail Current Deposit AC • Retail Savings Deposit AC • Retail Saving Deposit Non-Interest AC • Corporate Executive Package Salary AC • Retail UCB Youngsters Savings AC • Retail UCB NRB Savings AC • Retail UCB AYMA Savings AC • Retail UCB Imperial Savings AC • UCB Retail Diganta Salary Account • Retail Shomota Account • Dynamic Benefits Savings AC • Sabuj Sanchay AC	• UCB Retail Pensioner Savings AC • Employee Benefit Savings Account • Convertible Taka AC • Non-Convertible Taka AC • Non-Resident Investors’ Taka AC (NITA) • Resident Foreign Currency Deposit (RFCD) AC • Retail Private FC AC • UCB Swadhin Account • Retail Offshore Banking Foreign Currency Account • Retail International Banking Foreign Currency Account (Current)
Fixed Deposit (including FC)	
• Retail Fixed Deposit (General) • Retail Fixed Deposit (Special) • Retail Fixed Deposit (Exclusive) • Retail UCB Money Maximizer Double • Retail UCB Earning Plus • Retail Non-Resident FC Deposit (NFCD) AC	• Retail Offshore Banking Foreign Currency • Account (Term Deposit) • Retail International Banking Foreign Currency • Account (Term Deposit) • Retail ERQ Term Deposit
Scheme Deposit	
• Retail UCB Multi-Millionaire DPS • Retail AYMA DPS Plus • Retail UCB Youngster DPS	• Retail NRB DPS Plus • UCB Super Flex DPS
B. SME Banking (Liability)	
CASA (including FC)	
• SME Current Deposit AC • Sabolombi Easy Account • Sabolombi Digital Account	• SME Hajj Deposit • SME ERQ Account • Special Notice Deposit Account
Fixed Deposit (including FC)	
• SME Fixed Deposit (General) • SME Fixed Deposit (Special) • SME Fixed Deposit (Exclusive)	• SME Offshore Banking Foreign Currency Account • (Term Deposit) • SME ERQ Term Deposit
Scheme Deposit	
• Prottoyi Monthly Deposit	• AYMA Prottoyi Monthly Deposit
C. Corporate Banking (Liability)	
CASA (including FC)	
• Corporate Current Deposit AC • Corporate Current Deposit (Power) • Corporate Current Deposit (Flexi)	• Corporate ERQ Account • Special Notice Deposit Account • Corporate Dynamic SND Account
Fixed Deposit (including FC)	
• Corporate Fixed Deposit (General) • Corporate Fixed Deposit (Special) • Corporate Fixed Deposit (Exclusive)	• Corporate Offshore Banking Foreign Currency Account (Term Deposit) • Corporate ERQ Term Deposit

D. Retail Banking (Asset)	
Retail Continuous Loan	
• Retail Secured Overdraft • Retail Bangladesh Air Force Overdraft	• Credit card Products: – Classic Credit – Gold Credit – Platinum Credit – Signature/world Credit – Business Credit
Retail Term Loan	
• Retail Personal Loan • Retail Doctors Loan • Retail Marriage Loan • Retail Education Loan • Retail Hospitalization Loan • Retail Home Mortgage Loan • Retail Advance against Salary	• Retail Travel Loan • Retail CNG Conversion Loan • Retail House Hold Durable Loan • Retail Term Loan • Retail Pension Commutation Loan • Retail Auto Loan • Retail Home Loan
E. SME Banking (Asset)	
Funded facilities	
• Retail Secured Overdraft • Retail Bangladesh Air Force Overdraft	• Credit card Products: – Classic Credit – Gold Credit – Platinum Credit – Signature/world Credit – Business Credit
Retail Term Loan	
SME Continuous Loan • SME Cash Credit (Hypo) • SME Cash Credit (Pledge)	• SME Overdraft General • SME Secured Overdraft
SME Demand Loan • SME Payment against Document (PAD) • SME Loan against EDF • SME Loan against Trust Receipt (LTR) • SME Loan against Imported Merchandize (LIM) • SME Work Order Finance • SME Earnest Money Finance	• SME Packing Credit • SME Export Credit • SME Loan under Cash Assistance • SME Time Loan (General) • SME Revolving Short Term Loan • SME Loan against Inland Bill • SME Inland Documentary Bills Purchased • SME Foreign Documentary Bills Purchased
SME Term Loan • SME Hire Purchase Loan • SME Lease Finance • SME Transport Loan • SME House Building Loan (Commercial) • SME UCB SHOPNO	• SME UCB Thikana • SME USIL • SME UCB Suchana • SME Exit Facility Term Loan • SME Digital Nano Loan
Agriculture Credit • Agro Overdraft • Agro Time Loan • Agro Short Term Loan	• Agro Term Loan • Agri & Rural Fast Term Loan • Agri & Rural Fast Time loan
F. Corporate Banking (Asset)	
Funded facilities	
Corporate Continuous Loan • Corporate Overdraft (General) • Corporate Cash Credit (Hypo)	• Corporate Cash Credit (Pledge) • Corporate Secured Overdraft
Corporate Demand Loan • Corporate Payment against Document (PAD) • Corporate Loan against EDF	• Corporate Loan under Cash Assistance • Corporate Time Loan (General)

<table>
<tr><td>

- Corporate Loan against Trust Receipt (LTR)
- Corporate Loan against Imported Merchandize (LIM)
- Corporate Work Order Finance
- Corporate Payment against Document (BC)
- Corporate Earnest Money Finance
- Corporate Packing Credit
- Corporate Export Credit

</td><td>

- Corporate Export Bill Discounting in FC
- Corporate Loan against Inland Bill
- Corporate Inland Documentary Bills Purchased
- Corporate Foreign Documentary Bills Purchased
- OBU Bills Purchase and Discount
- Corporate Pre-Shipment Credit Refinance Scheme

</td></tr>
<tr><td>

Corporate Term Loan

- Corporate Term Loan
- Corporate Hire Purchase Loan
- Corporate Lease Finance
- Corporate Transport Loan
- Corporate House Building Loan (Commercial)

</td><td>

- Corporate Bridge Financing Loan
- OBU Corporate Term Loan
- Corporate Stimulus Package Export Loan
- Corporate Green Transformation Financing under GTF of BB

</td></tr>
<tr><td colspan="2">G. Corporate and SME Non-Funded Facilities</td></tr>
<tr><td>

- Letter of credit (L/C)
- Acceptance
- Bank Guarantee (BG)
- Bid bond (BB)
- Performance Guarantee (PG)
- Advance payment guarantee (APG)

</td><td>

- Retention money guarantee/retention bond (RMG)
- Payment guarantee/supplier credit guarantee
- Guarantee against Counter Guarantee of other
- Bank/NBFI (Foreign or Local)

</td></tr>
</table>

2. UCB TAQWA- Islamic Banking

<table>
<tr><td colspan="2">A. Deposit products</td></tr>
<tr><td colspan="2">CASA</td></tr>
<tr><td>

- UCB Taqwa Al-Wadiah Current Account-IB
- UCB Taqwa Al-Wadiah Freedom Current Account-IB
- UCB Taqwa Mudaraba Savings Account-IB
- UCB Taqwa Islamic Ayma Savings Account
- UCB Taqwa Mudaraba Imperial Savings Account-IB

</td><td>

- UCB Taqwa Mudaraba Probashi Savings Account-IB
- UCB Taqwa Mudaraba Young Star Savings Account-IB
- UCB TAQWA Mudaraba CEP Savings Account and payroll card
- UCB Taqwa Mudaraba Short Notice Deposit Account-IB
- UCB Taqwa Mudaraba SND Plus Account-IB

</td></tr>
<tr><td colspan="2">SCHEME</td></tr>
<tr><td>

- UCB Taqwa Mudaraba Hajj Deposit Scheme-IB

</td><td>

- UCB Taqwa Mudaraba Monthly Deposit Scheme-IB

</td></tr>
<tr><td colspan="2">TERM</td></tr>
<tr><td>

- UCB Taqwa Mudaraba Term Deposit-IB

</td><td>

- UCB Taqwa Mudaraba TD Plus

</td></tr>
<tr><td colspan="2">B. Investment products</td></tr>
<tr><td>

1. Retail Investment

- Retail Murabaha Finance Against Salary-IB
- Retail Murabaha Doctors Finance-IB
- Retail Murabaha Other Professionals Finance-IB

</td><td>

- Retail HPSM Home Finance-IB
- Retail HPSM Auto Finance-IB

</td></tr>
<tr><td>

2. SME Investment

- SME Murabaha Local Purchase-IB
- SME Murabaha Trust Receipt-IB
- SME Murabaha Import Bill-IB
- SME Murabaha EDF Finance-IB
- SME Salam Working Finance-IB
- SME Salam Packing Finance-IB

</td><td>

- SME Musharaka Local Documentary Bill-IB
- SME Murabaha Unsecured Finance-IB
- SME Murabaha Refinancing Schemes Term-IB
- SME HPSM Finance-IB
- SME HPSM Refinancing Schemes-IB

</td></tr>
</table>

3. Corporate Investment • Corporate Murabaha Local Purchase-IB • Corporate Murabaha Trust Receipt-IB • Corporate Murabaha Import Bill-IB • Corporate Murabaha EDF Finance-IB • Corporate Salam Working Finance-IB	• Corporate Salam Packing Finance-IB • Corporate Salam Packing Re-Finance-IB • Corporate Foreign Documentary Bill Purchase-IB • Corporate HPSM Finance-IB
Prepaid card • Dual currency Prepaid card • Payroll prepaid card • Upay co-branded prepaid card	• UCB TAQWA Islamic Travel Prepaid Card • Hazz Prepaid Card
Services • Student File • Locker Services	• SMS Banking • 24x7 Customer Service

b) Existing capacity and proposed capacity of the products manufactured or to be manufactured along with capacity utilization

United Commercial Bank PLC is licensed to conduct all types of banking business and in practice they carry on the following types of banking services in their normal source of business:

1. Retail Banking
2. Corporate Banking
3. SME Banking
4. Islamic Banking
5. Cards

As UCB operates as a service-oriented entity, it is not feasible to determine existing capacity and its utilization in the same manner as manufacturing or other production-based enterprises.

SECTION 9

Rule 8 (g)

IF THE ISSUE PRICE OF RIGHTS SHARE IS HIGHER THAN THE PAR VALUE THEREOF, JUSTIFICATION OF THE PREMIUM SHOULD BE STATED WITH REFERENCE TOJUSTIFICATION FOR THE ISSUE PRICE OF RIGHTS SHARES

SECTION CONTENTS	
(i)	Net asset value per share
(ii)	Earning-based value per share calculated on the basis of weighted average of net profit after tax for immediately preceding five years
(iii)	Average market price per share for the last six months immediately prior to the offer for rights issue

JUSTIFICATION OF ISSUE PRICE

[see rule 8(g)]

United Commercial Bank PLC in consultation with the issue manager, has determined the Issue price of Rights Share at **Tk. 10.00** each is justified as per guidelines of the Securities and Exchange Commission (Rights Issue) Rules, 2006 as given below:

Valuation Methods		Value
Method (i)	Net Asset Value Per Share	25.71
Method (ii)	Historical Earning Based Value Per Share	9.81
Method (iii)	Average Market Price for the Last 6 months	10.00

Method (i): Net asset value per share

(As on 31 December 2025)

Particulars	Amount in BDT
Shareholders' Equity	39,862,584,784
No. of Ordinary Shares	1,550,375,898
Net Asset Value Per Share	**25.71**

Method (ii): Earnings based value per share

Sl.	Year	No. of Shares	Net Profit after Tax (BDT)	Weight on Total Number of Shares	Weighted Average Net Profit after Tax (BDT)
1	31-Dec-25	1,550,375,898	238,289,133	0.21	50,873,188
2	31-Dec-24	1,550,375,898	80,061,445	0.21	17,092,601
3	31-Dec-23	1,476,548,475	2,197,668,287	0.20	446,845,678
4	31-Dec-22	1,406,236,643	3,298,647,128	0.19	638,766,278
5	31-Dec-21	1,278,396,949	2,451,706,715	0.18	431,600,514
Total		**7,261,933,863**	**8,266,372,708**	**1**	**1,585,178,258**
A	Number of Shares before offer				1,550,375,898
B	Weighted Average Earning Per Share				1.02
C	Market P/E Multiple (12 Months Average)				9.62
	Historical Earning Based Value Per Share				**9.81**

Month	Market P/E
March-26	9.37
February-26	10.10
January-26	9.33
December-25	8.59
November-25	8.87
October-25	9.93
September-25	10.38
August-25	10.83
July-25	10.51
June-25	9.34
May-25	8.83
April-25	9.40
12 Months Average	**9.62**

Source: DSE monthly review report

Method (iii): Average Market Price per Share

Months	Average Market Price (Close Price)
Mar-26	9.68
Feb-26	10.08
Jan-26	10.05
Dec-25	10.10
Nov-25	10.07
Oct-25	10.00
Average of last six months	**10.00**

Source: DSE Website

Sd/-	Sd/-	Sd/-
Faruk Ahammad	**Tanvir Ahmed Siddiqui, ACS**	**Mohammad Mamdudur Rashid**
Deputy Managing Director & CFO	Company Secretary	Managing Director & CEO

Place: Dhaka
Date: 13 May 2026

SECTION 10

Rule 8 (h)

CASH FLOWS STATEMENT, PROFIT AND LOSS ACCOUNT, BALANCE SHEET, CHANGES IN EQUITY AND NOTES TO THE ACCOUNTS OF THE ISSUER, TOGETHER WITH CERTIFICATE FROM THE AUDITORS AS IN FORM-C

SECTION CONTENTS	
(a)	Auditors Report along with the Audited Financial Statements for the year ended 31 December 2025
(b)	Auditors Certificate-Form C

(a) Auditors Report along with the Audited Financial Statements for the year ended 31 December 2025

Auditor's Report
&
Audited Consolidated and Separate Financial Statement
Of
United Commercial Bank PLC
For the year ended 31 December 2025

Independent Auditor's Report to the Shareholders of United Commercial Bank PLC.
Report on the Audit of the Consolidated and Separate Financial Statements

Qualified Opinion

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

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

Basis for Qualified Opinion

1. i) As at 31 December 2025, the Bank's total loans and advances amounted to BDT 61,789.01 crore, including classified loans and advances of BDT 9,576.23 crore. The required provision against such loans and advances was BDT 7,679.42 crore, against which the Bank has maintained a provision of BDT 2,524.38 crore only, resulting in a provision shortfall of BDT 5,155.04 crore.

   ii) As disclosed in Notes 13.6 to the financial statements, there is a provision shortfall against other assets amounting to BDT 439.89 crore, including an impairment loss of BDT 438.02 crore relating to UCB Fintech Company Limited, a subsidiary of United Commercial Bank PLC. The Bank holds 99.99% of the shares of the said Company. As at 31 December 2025, the Company has incurred cumulative losses of BDT 438.02 crore; however, the Bank has not recognized any impairment loss in its standalone (solo basis) financial statements.

However, Bangladesh Bank, vide its letter no. BSD-5 (Wing-3)/104/2026-410 dated 29 April 2026, has permitted the Bank to finalize its financial statements for the year ended 31 December 2025 without adjusting the aforesaid total provision shortfall of BDT 5,594.93 crore.

2. i) As per Section 13(2) of the Bank Company Act, 1991 (as amended in 2023) and BRPD Circular No. 18 dated 21 December 2014, to comply with Basel III requirements, the Bank's required capital as at 31 December 2025 stood at BDT 6,512.17 crore against which the Bank maintained capital of BDT 5,480.58 crore, resulting in a reported capital shortfall of BDT 2,659.64 crore as at the reporting date. However, if the provision shortfall of BDT 5,594.93 crore, as stated in paragraph 1 above, were considered, the capital shortfall would have increased to BDT 5,975.52 crore.

   ii) As per Section 13(2) of the Bank Company Act, 1991 (as amended in 2023), BRPD Circular No. 35 dated 29 December 2010, and BRPD Circular No. 18 dated 21 December 2014, in order to comply with Basel III requirements, the Bank is required to maintain a minimum Capital to Risk-Weighted Assets Ratio (CRAR) of 12.50% (including capital conservation buffer). However, the Bank's reported CRAR is 8.42% as at 31 December 2025. In the absence of regulatory forbearance from Bangladesh Bank and if the provision shortfalls referred to in this audit report were considered, the Bank would have incurred an aggregate loss of BDT 3,278.88 crore, and the CRAR would have declined to 0.93% on a solo basis as at the reporting date.

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

i) As disclosed in Note 4.1 B.ii to the financial statements, the Bank has fixed deposits amounting to BDT 196.88 crore placed with various Non-Bank Financial Institutions (NBFIs), among these deposits BDT 155.48 crore have matured long ago and are considered doubtful of recovery. The required provision against these fixed deposits is BDT 155.48 crore; however, the Bank has not maintained any provision as at 31 December 2025, resulting in a provision shortfall of BDT 155.48 crore.

ii) We draw attention to note 2 to the financial statements, where management has explained the basis of preparation of financial statements, including compliance with Rules and Regulations issued by Bangladesh Bank on classification of loans and advances, and required impairment provision. Our opinion is not modified in respect of this matter

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Except for the matters described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

<table>
<tr><th>Description of key audit matters</th><th>Our response to key audit matters</th></tr>
<tr><td colspan="2">1. Recognition of interest income from loans and advances</td></tr>
<tr><td colspan="2">Refer to note no. 7 and 21 to the consolidated and separate financial statements</td></tr>
<tr><td>Recognition of interest income has significant and wide influence on financial statements.

Recognition and measurement of interest income has involvement of complex IT environment.

We have identified recognition of interest income from loans and advances as a key audit matter because this is one of the key performance indicators of the Bank and therefore there is an inherent risk of fraud and error in recognition of interest by management to meet specific targets or expectations. At the year ended 2025, the Bank reported total gross interest income of BDT 5,918.47 Crore (2024: BDT 5,611.47 crore).</td><td>We tested the design and operating effectiveness of key controls over the recognition and measurement of interest from loans and advances.

We have performed test of operating effectiveness on automated control in place to measure and recognize interest income.

We have also performed substantive procedure to check whether interest income is recognized completely and accurately.

We have assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</td></tr>
<tr><td colspan="2">2. Impairment assessment of unquoted shares</td></tr>
<tr><td colspan="2">Refer to note no. 6.3(C) to the consolidated and separate financial statements and para 1.iii of our basis for qualified opinion section</td></tr>
<tr><td>In the absence of quoted price in an active market, the fair value of unquoted shares and securities, especially any impairment is calculated using valuation techniques which may take into consideration direct or indirect unobservable market data and hence requires an elevated level of judgement and assumption.</td><td>We assessed the process and controls put in place by the Bank to ensure all major investment decisions are undertaken through a proper due diligence process. We have tested a sample of investment valuation as at 31 December 2025 and compared our results to the recorded value.</td></tr>
<tr><td>Due to high level of judgment and assumption involved in evaluating the impairment assessment of unquoted shares, we considered this to be a key audit</td><td>Finally, we have assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank</td></tr>
</table>

matter.	guidelines. The impairment assessment and recognition was properly done for all shares except for the impairment loss of UCB Fintech Company Limited is a subsidiary Company of United Commercial Bank PLC.
3. Valuation of treasury bills and treasury bonds	
Refer to note no. 6a and 6.1 to the consolidated and separate financial statements	
The classification and measurement of treasury bills (T-Bills) and treasury bonds (T-Bonds) require judgment and complex estimates. In the absence of a quoted price in an active market, the fair value of T-Bills and T-Bonds is determined using complex valuation techniques which may take into consideration direct or indirect unobservable market data and complex pricing models which require an elevated level of judgment.	We assessed the processes and controls put in place by the Bank to identify and confirm the existence of treasury bills and treasury bonds. We have obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the treasury bills and treasury bonds valuation processes, including controls over market data inputs into valuation models, model governance, and valuation adjustments. We have tested a sample of the valuation models and the inputs used in those models, using a variety of techniques, including comparing inputs to available market data. Finally, we have assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.
4. Deferred tax assets	
Refer to note no. 9.2 to the consolidated and separate financial statements	
As at 31 December 2025, the Bank reported net deferred tax assets of BDT 769.14 crore (December 2024: BDT 873.98 crore). Significant judgment is required in relation to measurement of deferred tax assets as their recoverability is dependent on forecasts of future profitability over a number of years.	We obtained an understanding, evaluated the design, and tested the operational effectiveness of the Bank's key controls over the recognition and measurement of deferred tax assets and the assumptions used in estimating the Group and the Bank's future taxable income. We have assessed the completeness and accuracy of the data used for the estimations of future taxable income. We have involved tax specialist to assess key assumptions, controls, recognition and measurement of deferred tax assets. Finally, we have assessed the appropriateness and presentation of disclosures against IAS 12: Income Taxes.
5. Legal and regulatory matters	
We focused on this area because the Bank and its subsidiaries (the "Group") operates 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.	We obtained an understanding, evaluated the design and tested the operational effectiveness of the Group and Bank's key controls over the legal provision and contingency processes. We enquired those charged with governance to obtain their views on the status of all significant litigation and regulatory matters.

These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities. Overall, the legal provision represents the Group's best estimation for existing legal matters that have a probable and estimable impact on the Group's financial position.	We enquired of the Group and 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 provisions, and tested the completeness and accuracy of the underlying information. We also assessed the Group and the Bank's provisions and contingent liabilities disclosure. Bangladesh Bank, through letter no. BSD-5/(Wing-3)/104/2026-410 dated 29 April 2026, instructed the Bank to finalize the financial statements keeping provision shortfall of BDT 5,594.93 crore.
6. IT systems and controls	
Our audit procedures have focused 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 master data management, user access management and developer access to the production environment and changes to the IT environment. Among others, these are key to ensuring operating effectiveness of IT dependent application-based controls.	We tested the design and operating effectiveness of the Group and the Bank's IT access controls over the information systems that are critical to financial reporting. We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized. We tested the Group and the Bank's periodic review of access rights. We also inspected requests of changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit. Where deficiencies were identified, we tested compensating controls or performed alternate procedures. In addition, we understood where relevant, changes were made to the IT landscape during the audit period and tested those changes that had a significant impact on financial reporting.

Other Matter

In accordance with IAS 24 Related Party Disclosures, the bank is required to disclose information regarding related party relationships, transactions, and outstanding balances. The management has stated in the financial statements that there are no related party disclosures other than those presented in the accompanying notes no 49.4.

Other Information

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

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those Charged with Governance for the Consolidated and Separate Financial Statements and Internal Controls
Management is responsible for the preparation of consolidated and separate financial statements that give a true and fair view in accordance with Rules and Regulation issued by Bangladesh Bank and IFRS Accounting Standards as issued by the IASB as explained in note 2.1 and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Group and the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

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

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

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

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements
In accordance with the Companies Act 1994, the Bank Company Act 1991 and the rules and regulations issued by Bangladesh Bank, we also report that:

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

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

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

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

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

(vi) except for the fact mentioned in our basis for qualified opinion paragraphs, adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;

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

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

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

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

(ix) financial statements for the year ended 31 December 2025 of subsidiary companies of the Bank, namely UCB Stock Brokerage Limited, UCB Investment Limited, UCB Asset Management Limited, UCB Fintech Company Limited, have been audited by Aziz Halim Khair Choudhury Chartered Accountants (Auditor of the parent company). The financial statements of UCB Exchange (SG) PTE Ltd were audited by C. C. YANG & CO., Public Accountants and Chartered Accountants. These accounts have been properly reflected in the consolidated financial statements.

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

(xi) we have reviewed over 80% of the risk-weighted assets of the Bank and spent over 13,500 person hours;

(xii) The Capital to Risk-weighted Asset Ratio (CRAR) of the Bank has been reported at 8.42% as at 31 December 2025. However, had the provision shortfall been fully recognized, the CRAR would have been reduced to 0.93%, indicating a significant shortfall in regulatory capital adequacy. However, Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) as required by Bangladesh Bank has been maintained adequately as at 31 December 2025;

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

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

Signed for and on behalf of
Aziz Halim Khair Choudhury
Chartered Accountants
FRC Enlistment No.: CAF-001-027

Dhaka
Date: 30 April, 2026

Sd/-
Golam Fazlul Kabir FCA
Partner
ICAB Enrolment No. 1721
DVC: 2604301721AS567931

UNITED COMMERCIAL BANK PLC
Consolidated Balance Sheet
As at 31 December 2025

Particulars	Notes	Amount in BDT	
		31 December 2025	31 December 2024
PROPERTIES & ASSETS			
Cash	**3**	**55,853,763,149**	**45,443,634,157**
Cash in hand (including foreign currencies)		11,621,860,336	12,443,112,603
Balance with Bangladesh Bank & its agent bank(s) (including foreign currencies)		44,231,902,813	33,000,521,554
Balance with other banks & financial institutions	**4**	**16,184,249,595**	**19,013,303,637**
In Bangladesh		11,686,192,819	12,853,680,447
Outside Bangladesh		4,498,056,776	6,159,623,190
Money at call on short notice	**5**	**3,500,707,200**	**2,500,000,000**
Investments	**6**	**151,735,394,376**	**90,756,764,423**
Government		134,944,106,323	75,913,616,797
Others		16,791,288,053	14,843,147,626
Loans and Advances	**7**	**623,092,924,842**	**578,130,846,373**
Loans, Cash Credits, Overdrafts etc.		599,248,556,663	568,147,161,936
Bills purchased and discounted		23,844,368,179	9,983,684,437
Fixed assets including premises, furniture & fixture	**8**	**18,800,794,861**	**19,567,070,636**
Other assets	**9**	**17,844,286,428**	**16,768,471,179**
Non-banking assets	**10**	**18,956,000**	**3,336,000**
Total Assets		**887,031,076,449**	**772,183,426,405**
LIABILITIES AND CAPITAL	-		
Liabilities:			
Borrowings from other banks, financial institutions and agents	**11**	**64,545,436,413**	**81,142,166,248**
Deposits and other accounts	**12**	**683,829,831,519**	**552,225,706,273**
Current accounts & other accounts		118,535,587,938	104,192,635,067
Bills Payable		8,390,361,338	6,626,968,382
Savings Bank Deposits		104,413,833,775	93,476,409,174
Fixed Deposits		406,347,078,453	307,898,284,188
Bearer Certificates of Deposits		-	-
Other Deposits		46,142,970,015	40,031,409,462
Other Liabilities	**13**	**98,793,223,545**	**98,818,436,734**
Total Liabilities		**847,168,491,477**	**732,186,309,255**
Capital / Shareholders' Equity			
Paid up Capital	14	15,503,758,980	15,503,758,980
Share Premium	14.3	1,454,976,750	1,454,976,750
Statutory Reserve	15	15,842,396,287	15,828,739,273
General Reserve	16	26,577,961	26,577,961
Other Reserve	17	2,830,905,303	2,767,535,661
Start-up Equity Investment Fund	18	133,512,705	-
Retained Earnings	19	4,070,456,798	4,415,528,335
Total Shareholders' Equity		**39,862,584,784**	**39,997,116,960**
Non-controlling interest		188	190
Total Shareholders' Equity with non-controlling interest		**39,862,584,972**	**39,997,117,150**
Total Liabilities and Shareholders' Equity		**887,031,076,449**	**772,183,426,405**

UNITED COMMERCIAL BANK PLC
Consolidated Off-Balance Sheet Items
As at 31 December 2025

Particulars	Notes	Amount in BDT	
		31 December 2025	31 December 2024
Contingent Liabilities:	**20**	**211,289,225,233**	**250,123,379,742**
Acceptances & Endorsements	20.1	77,568,061,302	105,263,752,167
Letters of Guarantee	20.2	55,242,076,074	60,918,919,087
Irrevocable Letters of Credit	20.3	61,688,195,957	59,160,060,971
Bills for Collection	20.4	16,790,891,900	24,780,647,517
Other Contingent Liabilities		-	-
Other Commitments:	20.5	**642,181,098**	**10,736,246,402**
Documentary credit and short-term trade related transactions		-	-
Forward assets purchased and forward deposits placed		642,181,098	10,736,246,402
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total Off-Balance Sheet items including contingent liabilities		**211,931,406,331**	**260,859,626,144**

The annexed notes 01 to 50 form an integral part of these consolidated financial statements.

Sd/	**Sd/**	**Sd/**	**Sd/**
Managing Director & CEO	Director	Director	Director

This is the Consolidated Balance Sheet referred to in our separate report of even date.

Signed for and on behalf of
Aziz Halim Khair Choudhury
Chartered Accountants

Dhaka
Date: 30 April 2026

Sd/-
Golam Fazlul Kabir FCA
Partner
ICAB Enrolment No. 1721
DVC: 2604301721AS567931

UNITED COMMERCIAL BANK PLC
Consolidated Profit and Loss Account
For the year ended 31 December 2025

Particulars	Notes	Amount in BDT 2025	Amount in BDT 2024
Interest Income	22	59,329,765,822	56,329,944,149
Interest paid on deposits and borrowings etc.	23	49,292,692,783	35,174,181,758
Net Interest Income		**10,037,073,039**	**21,155,762,391**
Investment income	24	15,201,133,490	7,591,575,460
Commission, exchange and brokerage	25	8,413,487,593	9,005,638,512
Other Operating Income	26	263,760,652	373,798,700
Total Operating Income (A)		**33,915,454,774**	**38,126,775,063**
Salary and allowances	27	10,384,692,610	10,130,961,651
Rent, taxes, insurance, electricity etc.	28	1,719,361,806	1,626,418,570
Legal expenses	29	230,134,886	170,602,614
Postage, stamps, telecommunications etc.	30	234,252,892	241,811,089
Stationery, printing, advertisements etc.	31	1,416,782,068	2,137,940,631
Chief Executive's salary and fees	32	19,900,000	17,695,000
Directors' fees	33	5,213,611	6,013,571
Auditors' fees	34	14,361,576	1,778,833
Depreciation and repair of banks assets	35	2,485,189,505	2,690,805,309
Other expenses	36	5,720,794,251	6,314,523,617
Total Operating Expenses (B)		**22,230,683,205**	**23,338,550,885**
Profit/(Loss) before provision (C) = (A-B)		**11,684,771,569**	**14,788,224,178**
Provision for Loans & Advances	37	10,766,473,921	11,852,866,574
Provision for diminution in value of investments	38	(54,633,610)	841,677,725
Other provisions	39	(846,447,952)	219,505,616
Total Provision (D)		**9,865,392,359**	**12,914,049,915**
Total Profit/(Loss) before Income taxes (C-D)		**1,819,379,210**	**1,874,174,263**
Provision for Taxation	40	**1,581,090,077**	**1,794,112,818**
Current Tax		540,003,568	4,570,211,087
Deferred tax expense/(income)		1,041,086,509	(2,776,098,269)
Net Profit after Taxation		**238,289,133**	**80,061,445**
Attributable to:			
Equity holders' of the Bank		238,289,135	80,061,441
Non controlling interest		(2)	4
		238,289,133	**80,061,445**
Appropriations			
Statutory Reserve		13,657,014	26,008,000
Start-Up Fund		-	6,078,043
CSR Fund		-	-
Coupon/Dividend on Perpetual Bond		570,000,002	587,500,000
Retained Surplus/Deficit		(345,367,883)	(539,524,598)
		238,289,133	**80,061,445**
Earnings Per Share (EPS)	41	**0.15**	**0.05**

The annexed notes 01 to 50 form an integral part of these financial statements.

Sd/ **Managing Director & CEO**	Sd/ **Director**	Sd/ **Director**	Sd/ **Director**

This is the Consolidated Profit and Loss Account referred to in our separate report of even date.

Signed for and on behalf of
Aziz Halim Khair Choudhury
Chartered Accountants

Dhaka
Date: 30 April 2026

Sd/-
Golam Fazlul Kabir FCA
Partner
ICAB Enrolment No. 1721
DVC: 2604301721AS567931

UNITED COMMERCIAL BANK PLC
Consolidated Statement of Changes in Equity
For the year ended 31 December 2025

Amount in BDT

Particulars	Paid up Capital	Share Premium	Statutory Reserve	General Reserve	Assets Revaluation Reserve	Investment Revaluation Reserve	Non-Controlling Interest	Foreign Currency translation gain/(loss)	Start-up Equity Investment Fund	Retained Earnings	Total
Balance as at 01 January 2025	15,503,758,980	1,454,976,750	15,828,739,273	26,577,961	2,534,101,559	80,353,462	190	153,080,640	-	4,415,528,335	39,997,117,150
Changes in accounting policy	-	-	-	-	-	-	-		-	-	-
Restated Balance	**15,503,758,980**	**1,454,976,750**	**15,828,739,273**	**26,577,961**	**2,534,101,559**	**80,353,462**	**190**	**153,080,640**	**-**	**4,415,528,335**	**39,997,117,150**
Surplus/deficit on accounts of revaluation of investments	-	-	-	-	-	62,824,438	-	-	-	-	62,824,438
Start-up Fund	-	-	-	-	-	-	-	-	133,512,705	-	133,512,705
Currency translation difference	-	-	-	-	-	-	-	545,204	-	(253,656)	291,548
Realization of Non-Bank Asset									-	550,000	550,000
Net Profit for the year	-	-	-	-	-	-	-	-	-	238,289,133	238,289,133
Transferred to statutory reserve	-	-	13,657,014	-	-	-	-	-	-	(13,657,014)	-
Cash Dividend	-	-	-	-	-	-	-	-	-	-	-
Stock Dividend	-	-	-	-	-	-	-	-	-	-	-
Coupon Payment Perpetual Bond	-	-	-	-	-	-	-	-	-	(570,000,002)	(570,000,002)
Non-Controlling Interest	-	-	-	-	-	-	(2)	-	-	2	-
Balance as at 31 December 2025	**15,503,758,980**	**1,454,976,750**	**15,842,396,287**	**26,577,961**	**2,534,101,559**	**143,177,900**	**188**	**153,625,844**	**133,512,705**	**4,070,456,797**	**39,862,584,972**

For the year ended 31 December 2024

Particulars	Paid up Capital	Share Premium	Statutory Reserve	General Reserve	Assets Revaluation Reserve	Investment Revaluation Reserve	Non-Controlling Interest	Foreign Currency translation gain/(loss)	Start-up Equity Investment Fund	Retained Earnings	Total
Balance as at 01 January 2024	14,765,484,750	1,454,976,750	15,802,731,273	26,577,961	2,534,101,559	418,083,770	186	145,088,568	-	6,431,473,339	41,578,518,156
Changes in accounting policy	-	-	-	-	-	-	-		-	-	-
Restated Balance	**14,765,484,750**	**1,454,976,750**	**15,802,731,273**	**26,577,961**	**2,534,101,559**	**418,083,770**	**186**	**145,088,568**	**-**	**6,431,473,339**	**41,578,518,156**
Surplus/deficit on accounts of revaluation of investments	-	-	-	-	-	(337,730,308)	-	-	-	-	(337,730,308)
Currency translation difference	-	-	-	-	-	-	-	7,992,073	-	-	7,992,073
Start-up Fund	-	-	-	-	-	-	-	-	-	-	-
Net Profit for the year	-	-	-	-	-	-	-	-	-	74,111,467	74,111,467
Transferred to statutory reserve	-	-	26,008,000	-	-	-	-	-	-	(26,008,000)	-
Cash Dividend		-	-	-	-	-	-	-	-	(738,274,238)	(738,274,238)
Stock Dividend	738,274,230								-	(738,274,230)	-
Coupon Payment Perpetual Bond	-	-	-	-	-	-	-	-	-	(587,500,000)	(587,500,000)
Non-Controlling Interest	-	-	-	-	-	-	4	-	-	(4)	-
Balance as at 31 December 2024	**15,503,758,980**	**1,454,976,750**	**15,828,739,273**	**26,577,961**	**2,534,101,559**	**80,353,462**	**190**	**153,080,640**	**-**	**4,415,528,335**	**39,997,117,150**

The annexed notes 01 to 50 form an integral part of these financial statements.

UNITED COMMERCIAL BANK PLC
Consolidated Cash Flow Statement
For the year ended 31 December 2025

Particulars	Notes	Amount in BDT	
		2025	**2024**
A. Cash flows from operating activities			
Receipts of Interest		68,679,987,668	63,967,566,565
Payments of Interest		(45,414,049,985)	(27,352,624,039)
Receipts of Dividend		300,179,333	329,838,753
Receipt of Fees & Commission		6,971,232,057	7,770,645,799
Recoveries from previously written off loans and advances		1,136,127,598	369,041,609
Payments to employees		(10,404,592,610)	(10,157,248,369)
Payments to suppliers		(3,974,258,979)	(4,301,989,387)
Payments for Income Tax		(4,166,060,634)	(2,955,963,224)
Receipts from other operating activities		5,724,763,795	(774,520,100)
Payments for other activities		(6,497,191,350)	(5,986,950,896)
Operating profit before changes in operating assets and liabilities.		**12,356,136,893**	**20,907,796,711**
Increase/Decrease in operating assets and liabilities:			
Statutory Deposits		(60,823,561,717)	(6,021,159,996)
Purchase/Sales of trading Securities		(1,035,887,248)	713,619,478
Loans and advances to Customers		(58,581,171,676)	(65,497,893,918)
Other assets		(545,540,403)	(3,478,097,639)
Deposit from banks		19,683,094,026	(3,237,348,162)
Deposit from customers		111,921,031,221	43,972,343,313
Other Liabilities		3,110,689,503	9,713,307,067
		13,728,653,705	**(23,835,229,857)**
Net Cash from operating activities (A)		**26,084,790,598**	**(2,927,433,146)**
B. Cash flows from investing activities			
(Purchase)/Sale of Securities		(912,253,181)	(163,935,183)
(Purchase)/Sale of Property, Plant & Equipment's		(996,296,323)	(1,388,833,386)
Net Cash from investing activities (B)		**(1,908,549,504)**	**(1,552,768,569)**
C. Cash flows from financing activities			
Receipts/(Payment) from borrowing		(15,019,829,835)	11,399,096,746
Receipts/(Payment) of Sub-Ordinated Bond		(1,576,900,000)	1,222,800,000
Cash received from issuing of Right shares			-
Payment of cash dividend		-	(738,274,238)
Start-up Equity Investment Fund		133,512,705	-
Coupon payment on perpetual bond		(570,000,002)	(587,500,000)
Net cash from financing activities (C)		**(17,033,217,132)**	**11,296,122,509**
D. Net Increase/(Decrease) in cash (A+B+C)		**7,143,023,962**	**6,815,920,794**
Effects of the changes of exchange rate on cash and cash equivalents*		1,442,547,084	1,499,604,132
E. Cash and Cash equivalents at beginning of the year		66,964,463,494	58,648,938,569
F. Cash and cash equivalents at the end of the year		**75,550,034,528**	**66,964,463,494**
Consolidated Cash and cash Equivalents at end of the year			
Cash in hand (including foreign currencies)	**3.1**	11,621,860,336	12,443,112,603
Balance with Bangladesh bank and its agent bank	**3.2**	44,231,902,813	33,000,521,554
Balance with other banks & financial institution	**4**	16,184,249,595	19,013,303,637
Money at call on short notice	**5**	3,500,707,200	2,500,000,000
Prize Bond		11,314,600	7,525,700
		75,550,034,528	**66,964,463,494**

The annexed notes 01 to 50 form an integral part of these financial statements.

UNITED COMMERCIAL BANK PLC
Balance Sheet
As at 31 December 2025

Particulars	Notes	Amount in BDT	
		31 December 2025	31 December 2024
Cash	3	**55,853,476,867**	**45,443,390,740**
Cash in hand (including foreign currencies)		11,621,574,054	12,442,869,186
Balance with Bangladesh Bank & its agent bank(s) (including foreign currencies)		44,231,902,813	33,000,521,554
Balance with other banks & financial institutions	4	**14,769,958,184**	**17,724,645,465**
In Bangladesh		10,271,901,408	11,565,022,275
Outside Bangladesh		4,498,056,776	6,159,623,190
Money at call on short notice	5	**3,500,707,200**	**2,500,000,000**
Investments	6	**148,714,528,650**	**87,851,387,227**
Government		134,276,467,671	75,068,296,150
Others		14,438,060,979	12,783,091,077
Loans and Advances	7	**617,890,096,768**	**572,828,869,287**
Loans, Cash Credits, Overdrafts etc.		594,045,728,589	562,845,184,850
Bills purchased and discounted		23,844,368,179	9,983,684,437
Fixed assets including premises, furniture & fixture	8	**16,313,096,005**	**17,056,580,533**
Other assets	9	**26,995,634,921**	**25,371,267,219**
Non-banking assets	10	**18,956,000**	**3,336,000**
Total Assets		**884,056,454,596**	**768,779,476,471**
LIABILITIES AND CAPITAL			
Liabilities:			
Borrowings from other banks, financial institutions and agents	11	**63,448,264,958**	**79,786,237,601**
Deposits and other accounts	12	**683,941,521,373**	**554,215,267,256**
Current accounts & other accounts		119,250,711,103	106,182,196,050
Bills Payable		8,390,361,338	6,626,968,382
Savings Bank Deposits		104,413,833,775	93,476,409,174
Fixed Deposits		406,437,078,453	307,898,284,188
Bearer Certificates of Deposits		-	-
Other Deposits		45,449,536,704	40,031,409,462
Other Liabilities	13	**94,612,743,873**	**92,987,149,524**
Total Liabilities		**842,002,530,204**	**726,988,654,381**
Capital / Shareholders' Equity			
Paid up Capital	14	15,503,758,980	15,503,758,980
Share Premium	14.3	1,454,976,750	1,454,976,750
Statutory Reserve	15	15,730,183,055	15,730,183,055
General Reserve	16	26,577,961	26,577,961
Other Reserve	17	2,830,905,303	2,767,663,734
Start-up Equity Investment Fund	18	133,512,705	-
Retained Earnings	19	6,374,009,638	6,307,661,613
Total Shareholders' Equity		**42,053,924,392**	**41,790,822,093**
Total Liabilities and Shareholders' Equity		**884,056,454,596**	**768,779,476,471**

UNITED COMMERCIAL BANK PLC
Off-Balance Sheet Items
As at 31 December 2025

Particulars	Notes	Amount in BDT	
		31 December 2025	31 December 2024
Contingent Liabilities:	**20**	**211,289,225,233**	**250,123,379,742**
Acceptances & Endorsements	**20.1**	77,568,061,302	105,263,752,167
Letters of Guarantee	**20.2**	55,242,076,074	60,918,919,087
Irrevocable Letters of Credit	**20.3**	61,688,195,957	59,160,060,971
Bills for Collection	**20.4**	16,790,891,900	24,780,647,517
Other Contingent Liabilities		-	-
Other Commitments:	**20.5**	**642,181,098**	**10,736,246,402**
Documentary credit and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		642,181,098	10,736,246,402
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total Off-Balance Sheet Items Including Contingent Liabilities		**211,931,406,331**	**260,859,626,144**

The annexed notes 01 to 50 form an integral part of these financial statements.

Sd/	Sd/	Sd/	Sd/
Managing Director & CEO	**Director**	**Director**	**Director**

This is the Consolidated Balance Sheet referred to in our separate report of even date.

Signed for and on behalf of
Aziz Halim Khair Choudhury
Chartered Accountants

Dhaka
30 April 2026

Sd/-
Golam Fazlul Kabir FCA
Partner
ICAB Enrolment No. 1721
DVC: 2604301721AS567931

UNITED COMMERCIAL BANK PLC

Profit and Loss Account

For the year ended 31 December 2025

Particulars	Notes	Amount in BDT 2025	Amount in BDT 2024
Interest Income	**22**	59,184,717,010	56,114,658,916
Interest paid on deposits and borrowings etc.	**23**	49,322,092,432	35,257,762,623
Net Interest Income		**9,862,624,578**	**20,856,896,293**
Investment income	**24**	14,934,256,949	7,438,953,056
Commission, exchange and brokerage	**25**	7,474,997,431	7,926,924,617
Other Operating Income	**26**	254,906,726	246,412,832
Total Operating Income (A)		**32,526,785,684**	**36,469,186,798**
Salary and allowances	**27**	9,691,480,130	9,372,438,905
Rent, taxes, insurance, electricity etc.	**28**	1,685,242,699	1,601,796,023
Legal expenses	**29**	223,064,036	159,313,658
Postage, stamps, telecommunications etc.	**30**	218,281,208	223,449,513
Stationery, printing, advertisements etc.	**31**	1,364,460,674	2,074,052,715
Chief Executive's salary and fees	**32**	19,900,000	17,695,000
Directors' fees	**33**	4,389,500	5,189,971
Auditors' fees	**34**	13,265,000	1,380,000
Depreciation and repair of banks assets	**35**	2,281,479,032	2,517,600,162
Other expenses	**36**	5,244,299,565	5,418,376,644
Total Operating Expenses (B)		**20,745,861,844**	**21,391,292,591**
Profit/(Loss) before provision (C) = (A-B)		**11,780,923,840**	**15,077,894,207**
Provision for Loans & Advances	**37**	10,670,561,383	11,850,515,516
Provision for diminution in value of investments	**38**	(78,216,859)	862,483,227
Other provisions	**39**	(846,447,952)	219,505,616
Total Provision (D)		**9,745,896,572**	**12,932,504,359**
Total Profit/(Loss) before Income taxes (C - D)		**2,035,027,268**	**2,145,389,848**
Provision for Taxation	**40**	**1,399,229,241**	**1,537,585,596**
Current tax expense		350,870,065	4,312,972,008
Deferred tax expense/(income)		1,048,359,175	(2,775,386,412)
Net Profit after Taxation		**635,798,027**	**607,804,252**
Appropriations			
Statutory Reserve		-	-
Start-Up Fund		-	6,078,043
CSR Fund		-	
Coupon/Dividend on perpetual bond		570,000,002	587,500,000
Retained Surplus		65,798,025	14,226,209
		635,798,027	**607,804,252**
Earnings Per Share (EPS)	**41**	**0.41**	**0.39**

The annexed notes 01 to 50 form an integral part of these financial statements.

Sd/-	Sd/-	Sd/-	Sd/-
Managing Director & CEO	**Director**	**Director**	**Director**

This is the profit and Loss Account referred to in our separate report of even date.

Signed for and on behalf of
Aziz Halim Khair Choudhury
Chartered Accountants
Sd/-
Golam Fazlul Kabir FCA
Partner
ICAB Enrolment No: 1721
DVC: 2604301721AS567931

Dhaka
30 April 2026

UNITED COMMERCIAL BANK PLC

Statement of Changes in Equity

For the year ended 31 December 2025

Amount in BDT

Particulars	**Paid up Capital**	**Share Premium**	**Statutory Reserve**	**General Reserve**	**Assets Revaluation Reserve**	**Investment Revaluation Reserve**	**Foreign currency translation gain/(loss)**	**Start-up Equity Investment Fund**	**Retained Earnings**	**Total Equity**
Balance as at 01 January 2025	15,503,758,980	1,454,976,750	15,730,183,055	26,577,961	2,534,101,559	80,353,462	153,208,713	-	6,307,661,613	41,790,822,093
Changes in accounting policy	-	-	-	-	-	-	-			-
Restated balance	**15,503,758,980**	**1,454,976,750**	**15,730,183,055**	**26,577,961**	**2,534,101,559**	**80,353,462**	**153,208,713**	**-**	**6,307,661,613**	**41,790,822,093**
Surplus/(Deficit) on revaluation of properties	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) on revaluation of investments	-	-	-	-	-	62,824,438	-	-	-	62,824,438
Start-up Fund	-	-	-	-	-	-	-	133,512,705	-	133,512,705
Currency translation differences	-	-	-	-	-	-	417,131	-	-	417,131
Realization of Non-Bank Asset	-	-	-	-	-	-	-	-	550,000	550,000
Net profit for the period (Before Appropriations)	-	-	-	-	-	-	-	-	635,798,027	635,798,027
Cash Dividend	-	-	-	-	-	-	-	-	-	-
Stock Dividend	-				-			-	-	-
Coupon Payment of Perpetual Bond	-	-	-	-	-	-	-	-	(570,000,002)	(570,000,002)
Balance as at 31 December 2025	**15,503,758,980**	**1,454,976,750**	**15,730,183,055**	**26,577,961**	**2,534,101,559**	**143,177,900**	**153,625,844**	**133,512,705**	**6,374,009,638**	**42,053,924,392**

For the year ended 31 December 2024

Particulars	**Paid up Capital**	**Share Premium**	**Statutory Reserve**	**General Reserve**	**Assets Revaluation Reserve**	**Investment Revaluation Reserve**	**Foreign Currency translation gain/(loss)**	**Start-up Equity Investment Fund**	**Retained Surplus**	**Total Equity**
Balance as at 01 January 2024	14,765,484,750	1,454,976,750	15,730,183,055	26,577,961	2,534,101,559	418,083,770	145,131,268	-	7,769,983,871	42,844,522,984
Changes in Accounting policy	-		-	-	-	-	-	-		-
Restated Balance	**14,765,484,750**	**1,454,976,750**	**15,730,183,055**	**26,577,961**	**2,534,101,559**	**418,083,770**	**145,131,268**	**-**	**7,769,983,871**	**42,844,522,984**
Surplus on account of revaluation of investments	-	-	-	-	-	(337,730,308)	-	-	-	(337,730,308)
Start-up Fund	-	-	-	-	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-	8,077,445	-	-	8,077,445
Net profit for the year	-	-	-	-	-	-	-	-	601,726,209	601,726,209
Cash Dividend	-	-	-	-	-	-	-	-	(738,274,238)	(738,274,238)
Stock Dividend	738,274,230				-			-	(738,274,230)	-
Coupon Payment of Perpetual Bond	-	-	-	-	-	-	-	-	(587,500,000)	(587,500,000)
Balance as at 31 December 2024	**15,503,758,980**	**1,454,976,750**	**15,730,183,055**	**26,577,961**	**2,534,101,559**	**80,353,462**	**153,208,713**	**-**	**6,307,661,613**	**41,790,822,093**

The annexed notes 01 to 50 form an integral part of these financial statements.

UNITED COMMERCIAL BANK PLC
Cash Flow Statement
For the year ended 31 December 2025

	Particulars	Notes	Amount in BDT	
			2025	**2024**
A.	**Cash flows from operating activities**			
	Receipts of Interest		68,400,186,719	63,223,029,042
	Payments of Interest		(45,442,530,512)	(27,111,596,805)
	Receipts of Dividend		248,757,131	293,308,737
	Receipt of Fees & Commission		6,032,741,895	6,427,325,644
	Recoveries from previously written off loans and advances		1,136,127,598	369,041,609
	Payments to employees		(9,711,380,130)	(9,390,133,905)
	Payments to suppliers		(3,887,040,969)	(3,274,395,400)
	Payments for Income Tax		(4,039,381,454)	(2,687,359,301)
	Receipts from other operating activities		5,604,752,304	(806,907,709)
	Payments for other activities		(5,998,694,825)	(5,885,117,503)
	Operating profit before changes in operating assets and liabilities.		**12,343,537,758**	**21,157,194,411**
	Increase/Decrease in operating assets and liabilities:			
	Statutory Deposit		(61,001,243,712)	(6,021,159,996)
	Purchase/Sale of trading securities		(1,061,873,312)	840,193,258
	Loans and advances to customers		(58,680,320,688)	(66,859,382,258)
	Other Assets		(587,790,767)	(3,572,177,279)
	Deposit from Banks		19,683,094,026	(3,237,348,162)
	Deposit from customers		110,043,160,092	44,057,931,633
	Other liabilities		4,478,275,296	8,748,794,396
			12,873,300,935	**(26,043,148,408)**
	Net Cash from operating activities (A)		**25,216,838,693**	**(4,885,953,998)**
B.	**Cash flows from investing activities**			
	(Purchase)/Sale of Securities		(593,096,590)	(144,125,426)
	(Purchase)/Sale of Property, Plant & Equipment's		(832,059,884)	(1,353,571,568)
	Net Cash from investing activities (B)		**(1,425,156,474)**	**(1,497,696,994)**
C.	**Cash flows from financing activities**			
	Receipts/(Payment) from borrowing		(14,761,072,643)	13,291,673,656
	Receipts/(Payment) of Sub-Ordinated Bond		(1,576,900,000)	1,222,800,000
	Cash received from issuing of shares		-	-
	Payment of cash dividend		-	(738,274,238)
	Start-up Equity Investment Fund		133,512,705	
	Coupon payment on perpetual bond		(570,000,002)	(587,500,000)
	Net cash from financing activities (C)		**(16,774,459,940)**	**13,188,699,418**
	Net Increase/(Decrease) in cash (A+B+C)		**7,017,222,279**	**6,805,048,427**
	Effects of the changes of exchange rate on cash and cash equivalents*		1,442,672,667	1,499,598,967
	Cash and Cash equivalents at the beginning of the year		65,675,561,905	57,370,914,512
	Cash and cash equivalents at the end of the year		**74,135,456,857**	**65,675,561,905**
	Cash and cash Equivalents at the end of the year			
	Balance with Bangladesh bank and its agent bank	**3.2**	44,231,902,813	33,000,521,554
	Balance with other banks & financial institution	**4**	14,769,958,184	17,724,645,465
	Money at call on short notice	**5**	3,500,707,200	2,500,000,000
	Prize Bond		11,314,600	7,525,700
			74,135,456,857	**65,675,561,905**

The annexed notes 01 to 50 form an integral part of these financial statements.

UNITED COMMERCIAL BANK LTD
Liquidity Statement
Asset and Liability Maturity Analysis
As at 31 December 2025

Particulars	**Up to 1 Month**	**1 – 3 Months**	**3 – 12 Months**	**1 – 5 Years**	**More than 5 years**	**Total**
Assets						
Cash in hand	30,414,976,867	-	-	-	25,438,500,000	55,853,476,867
Balance with other banks & financial institutions	10,871,158,184	1,700,000,000	-	2,198,800,000	-	14,769,958,184
Money at call on short notice	3,500,707,200	-	-	-	-	3,500,707,200
Investment	4,596,947,452	7,629,071,216	12,020,839,325	42,951,230,565	81,516,440,092	148,714,528,650
Loans and Advances	214,317,698,503	29,389,854,122	85,950,552,732	187,723,100,948	76,664,522,284	594,045,728,589
Bill Purchased & Discounted	12,041,503,586	8,989,027,180	2,813,837,413	-	-	23,844,368,179
Fixed assets including premises, furniture & fixture	-	-	-	-	16,313,096,005	16,313,096,005
Other Assets	3,957,884,808	4,119,172,424	211,543,461	-	18,707,034,228	26,995,634,921
Non banking assets	-	-	-	-	18,956,000	18,956,000
Total Assets (A)	**279,700,876,600**	**51,827,124,942**	**100,996,772,932**	**232,873,131,513**	**218,658,548,609**	**884,056,454,596**
Liabilities						
Borrowing from Bangladesh bank, other banks, financial institutions and agents	7,527,245,321	22,546,326,271	15,250,960,722	7,972,570,785	10,151,161,859	63,448,264,958
Deposits	75,181,351,468	145,111,914,191	146,571,091,190	311,711,478,858	5,365,685,665	683,941,521,373
Provisions and other liabilities	8,375,858,143	23,763,091,977	15,605,283,987	-	46,868,509,766	94,612,743,873
Total Liabilities (B)	91,084,454,932	191,421,332,439	177,427,335,900	319,684,049,643	62,385,357,290	842,002,530,204
Net Liquidity Gap (A-B)	**188,616,421,669**	**(139,594,207,498)**	**(76,430,562,968)**	**(86,810,918,130)**	**156,273,191,321**	**42,053,924,392**

1. The Bank and Its Activities

1.1 Status of the Bank

United Commercial Bank PLC ('UCB' or "the Bank") was incorporated in Bangladesh as a public limited company on 26 June 1983 under the Companies Act 1913. The Bank obtained approval from Bangladesh Bank to commence operations on 13 November 1983.

As of 31 December 2025, UCB operates:

- 234 branches (2024: 231), including one Islamic Banking branch that adheres to Islamic Shariah principles.
- 50 Islamic Banking windows within conventional branches, providing Islamic Banking services in compliance with Shariah principles.
- 188 sub-branches (2024: 177).
- 709 ATMs/CRMs (2024: 716).
- 620 agent banking outlets (2024: 855).

UCB is a publicly traded company listed on the Dhaka Stock Exchange (DSE) Limited and the Chittagong Stock Exchange (CSE) Limited. The Bank's Head office is located at: Plot – CWS-(A)-1, Road – 34, Gulshan Avenue, Dhaka – 1212, Bangladesh.

1.2 Nature of Business

UCB is engaged in a full range of commercial and Islamic banking services across Bangladesh. The Bank serves both individual and corporate clients, offering:

- Traditional banking services, including deposit products, loans, trade finance, and treasury management.
- Islamic banking services, provided through its dedicated Islamic Banking branch and windows.
- Transaction and foreign exchange services, catering to local and international clients.
- Structured finance solutions for corporations and financial institutions.
- Inland and international remittance services for individuals and businesses.
- Direct Custody and Clearing (DCC) services, introduced in 2020 for offshore clients.

1.3 Offshore Banking Unit

The Off-Shore Banking Unit (OBU) of United Commercial Bank PLC operates as a distinct and specialized business division under a comprehensive regulatory framework. The Unit is governed by the Offshore Banking Act, 2024 (Act No. 2 of 2024), FE Circular No. 11 dated January 30, 2025, and subsequent circulars and guidelines issued by Bangladesh Bank.

The Bank received formal approval to establish the Unit vide letter no. BRPD (P-3) 744 (117)/2010-2577 dated June 9, 2010, and commenced operations on November 10, 2010. Currently operating from Dhaka under Bangladesh Bank's supervision, the OBU provides a full range of commercial banking services in foreign currencies, primarily supporting international trade, offshore lending, and foreign currency deposit services.

Maintaining strict operational and financial segregation from on-shore banking activities, the Unit prepares and presents its financial statements separately, ensuring transparency, regulatory compliance, and sound governance. Through disciplined Management and adherence to prudential standards, the Off-Shore Banking Unit continues to strengthen the Bank's footprint in the international banking landscape.

1.4 Islamic Banking

The Bank obtained permission for commencement of Islamic Banking operations from Bangladesh Bank vide, letter no. BRPD (P-3) 745 (17)/2020-1453 dated 6 February 2020. As part of its continued dedication to Islamic banking, UCB launched a specialized UCB Islamic Banking Branch in Gulshan in 2021. Building on this effort, the bank further advanced the initiative in 2025 by securing approval from Bangladesh Bank for 50 Islamic Banking windows within its existing branch network, significantly broadening access to Shariah-compliant financial services.

UCB extends Islamic financing facilities under various Shari'ah-compliant modes, including:

- Murabaha (cost-plus financing)
- Bai-Salam (advance purchase financing)
- Musharaka (profit-and-loss sharing partnership)
- Hire Purchase Under Shirkatul Melk (HPSM) (lease-purchase)
- Other approved Shari'ah modes

Additionally, the Bank mobilizes deposits through Shari'ah-compliant instruments, such as:

- Al-Wadiah (Current Accounts)
- Mudaraba (Savings, Short Notice Deposits, Term Deposits, and Recurring Deposits)

The financial statements for Islamic Banking operations are presented separately, ensuring transparency and compliance with regulatory requirements.

1.5 Agent Banking

The Bank obtained permission from Bangladesh Bank on 07.02.2017 through letter no. BRPD (p-3)745(17)2017-677 to start the operation of Agent Banking and subsequently started its commercial operation on February 1, 2018.

As of 31 December 2025, UCB has established 620 agent outlets across Bangladesh, securing the 5th position in the industry based on the number of agent outlets.

Key highlights:

- A strong, granular deposit portfolio of BDT 1,570 crore, sourced from grassroots-level banking.
- 308,449 accounts acquired, representing approximately 11% of the Bank's total accounts.

Core Services Provided:

- ❖ Account opening
- ❖ Cash deposit and withdrawal
- ❖ Inward foreign remittance disbursement
- ❖ Utility bill collection
- ❖ Fund transfers via RTGS and BEFTN
- ❖ Salary disbursement
- ❖ Bank statement issuance
- ❖ Loan sourcing & repayment collection (SOD, SME, and Agricultural loans)
- ❖ Credit card application processing
- ❖ Balance inquiries, internet & SMS banking
- ❖ School fee collection
- ❖ Bangla QR merchant acquisition

Innovations & Technological Advancements:

UCB's Agent Banking platform has introduced several cutting-edge features to enhance accessibility and customer convenience, including:

- Fully digital, paperless on boarding using e-KYC.
- Bangla QR code on boarding through agents.
- Branch-led business model to enhance customer engagement.
- "UPAY"-collaborated business initiatives, promoting digital financial inclusion.

These innovations underscore UCB's commitment to financial inclusion and delivering modern, accessible banking solutions across Bangladesh.

1.6 Subsidiary Companies

A subsidiary is an entity over which UCB exercises control through its shareholding and voting rights. Control is established when the Bank holds more than 50% of a company's shares or has the power to govern its financial and operational policies.

As per International Accounting Standard (IAS) 27 ("Separate Financial Statements") and International Financial Reporting Standard (IFRS) 10 ("Consolidated Financial Statements"), UCB prepares both Solo Financial Statements and Consolidated Financial Statements.

The non-controlling interest (NCI), representing minority shareholders' stake, includes share capital and profits attributable to minority shareholders. Intergroup transactions, balances, and unrealized profits/losses are eliminated in consolidation

1.6.1 UCB Stock Brokerage Limited

UCB Stock Brokerage Limited was restructured on 22 November 2020 from UCB Capital Management Limited (DSE TREC No. 181, CSE TREC No. 015).

Company Background:

- Incorporated on 20 November 2007 as UCB Capital Management Limited.
- Commenced operations on 19 June 2013.
- Operates under licenses from Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE).
- Registered with Bangladesh Securities and Exchange Commission (BSEC) as a Stock Dealer.

Core Activities:

- Brokerage services
- Margin loan facilities
- Stock trading and investment management

Licensing & Regulatory Approvals:

Authority	License/Registration No.	Purpose
Bangladesh Securities and Exchange Commission (BSEC)	3.1/DSE-181/2011/486	Stock Broker (DSE)
Bangladesh Securities and Exchange Commission (BSEC)	3.1/DSE-181/2011/487	Stock Dealer (DSE)
Bangladesh Securities and Exchange Commission (BSEC)	3.2/CSE-015/2014/210	Stock Broker (CSE)
Bangladesh Securities and Exchange Commission (BSEC)	3.2/CSE-015/2014/211	Stock Dealer (CSE)
Bangladesh Securities and Exchange Commission (BSEC)	BSEC/Registration/CDBL-DP-175	Depository Functions with Central Depository Bangladesh Limited (CDBL)
Dhaka Stock Exchange Limited (DSE)	TREC NO. 181	Trading with DSE
Chittagong Stock Exchange Limited (CSE)	TREC NO. 015	Trading with CSE

UCB PLC holds 24,999,999 shares of UCB Stock Brokerage Limited (Face Value: Tk. 100 each), equivalent to 99.99% ownership.

1.6.2 UCB Investment Limited

Incorporated on 3 August 2011, UCB Investment Limited is a private limited company operating under the Companies Act 1994.

- Registered with RJSC (C-94654/11).
- Obtained Merchant Banking License (MB-97/2020) from BSEC on 5 October 2020.
- Provides portfolio management, underwriting, fund management, and capital market advisory services.

UCB PLC holds 99,999,999 shares (Face Value: Tk. 10 each), equivalent to 99.99% ownership.

1.6.3 UCB Asset Management Limited

- Incorporated on 5 February 2019 under the Companies Act 1994.
- Registered with RJSC.
- Licensed as an Asset Management Company (BSEC/Asset Manager/2020/46) on 3 February 2020.
- Manages investment portfolios, mutual funds, and institutional asset management.

UCB PLC holds 99,999,999 shares (Face Value: Tk. 10 each), equivalent to 99.99% ownership.

1.6.4 UCB Fintech Company Limited

- Incorporated on 30 July 2020 under the Companies Act 1994.
- Offers mobile financial services, including:
  - Cash-in, cash-out, and money transfers
  - Utility bill payments
  - E-commerce & in-store payments
  - Remittance services
  - G2P & P2G transactions

UCB PLC holds 499,999,999 shares (Face Value: Tk. 10 each), equivalent to 99.99% ownership.

1.6.5 UCB Exchange (SG) PTE Ltd

UCB Exchange (SG) PTE Ltd, a wholly owned subsidiary of United Commercial Bank PLC, was incorporated in Singapore on January 25, 2023, as a private limited company under the Companies Act 1967 in Singapore. It operates under the Unique Entity Number (UEN): 202302830G. Following its incorporation, UCB Exchange applied for a remittance license from the Monetary Authority of Singapore (MAS), which is currently under process.

The company's primary objective is to engage in remittance services and conduct transactions, activities, and operations typically associated with remittance and exchange houses. UCB PLC holds 1,000 shares of UCB Exchange (SG) PTE Ltd, each with a face value of 1 Singapore Dollar (SGD 1.00), representing 100% ownership of the company.

1.6.6 Summary of Shareholding in Subsidiaries and Associates

The shareholding structure of UCB PLC in its subsidiaries and associates is summarized below:

Name of Subsidiary	Face Value per Share	Total No. of Ordinary Shares	Shares Held by UCB	UCB's Shareholding (%)
UCB Stock Brokerage Limited	BDT 100	25,000,000	24,999,999	99.99%
UCB Investment Limited	BDT 10	100,000,000	99,999,999	99.99%
UCB Asset Management Limited	BDT 10	100,000,000	99,999,999	99.99%
UCB Fintech Company Limited	BDT 10	500,000,000	499,999,999	99.99%
UCB Exchange (SG) PTE Ltd	SGD 1.00	1,000	1,000	100%

1.6.7 UCB Foundation

UCB Foundation, the philanthropic arm of United Commercial Bank PLC, was established under the Societies Registration Act, 1860, with the mission of driving sustainable development across Bangladesh. The foundation actively contributes to education, healthcare, and community development, ensuring a meaningful impact on society.

Education Initiatives

UCB Foundation is committed to enhancing access to quality education through:

- Scholarships and stipends for meritorious and underprivileged students.
- Grants and funding for educational institutions.
- Capacity-building programs to equip students with essential skills for the future.

Healthcare Contributions

The foundation plays a pivotal role in improving public health by:

- Supporting healthcare facilities with financial aid and essential medical equipment.
- Funding public health initiatives to benefit underprivileged communities.
- Enhancing access to medical services for those in need.

Community Development Efforts
Beyond education and healthcare, the foundation collaborates with local and non-profit organizations to:

- Address critical social challenges such as poverty alleviation and disaster relief.
- Promote economic empowerment by supporting small businesses and skill development programs.
- Preserve cultural heritage and foster social cohesion.

Through these strategic initiatives, UCB Foundation remains dedicated to uplifting communities and fostering a better, more inclusive future for Bangladesh.

2. Summary of Significant Accounting Policies and Basis of Preparation of the Financial Statements

2.1 Basis of Preparation

The financial statements of the Bank have been prepared in accordance with:

- First Schedule (Section 38) of the Bank Company Act, 1991 (as amended).
- Bangladesh Bank guidelines, including BRPD Circular No. 14 dated June 25, 2003, and other relevant circulars.
- International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs).
- Standards set by the Financial Reporting Council (FRC) under the Financial Reporting Act, 2015 (FRA).
- Other applicable laws and regulations in Bangladesh.

In compliance with Bangladesh Bank BRPD Circular No. 02, dated February 25, 2019, these financial statements for the period ended 31 December 2025, include the operations of both:

- Domestic Banking Unit (DBU) and Offshore Banking Unit (OBU)
- Consolidated financial statements of the Group, comprising the Bank (parent company) and its subsidiaries.

2.1.1 Statement of Compliance

The Financial Reporting Act, 2015 (FRA), enacted in 2015, led to the formation of the Financial Reporting Council (FRC) in 2017. The FRC adopted IFRSs and IASs as the applicable financial reporting framework for public interest entities, including banks.

Accordingly, the consolidated and separate financial statements of the Group and the Bank have been prepared in line with IFRSs as adopted by FRC, while also complying with the following regulatory requirements:

- The Bank Company Act, 1991, as amended.
- The Companies Act, 1994, as amended.
- Circulars, rules, and regulations issued by Bangladesh Bank (BB).
- Bangladesh Securities and Exchange Commission (BSEC) Regulations, including:
  - Bangladesh Securities and Exchange Rules, 2020.
  - Bangladesh Securities and Exchange Ordinance, 1969.
  - Bangladesh Securities and Exchange Act, 1993.
  - BSEC (Public Issue) Rules, 2015.
  - BSEC (Debt Securities) Rules, 2021.
- Income Tax Act, 2023, and related regulations.
- The Value Added Tax and Supplementary Duty Act, 2012, and related amendments.
- Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE), and Central Depository Bangladesh Limited (CDBL) regulations.
- Financial Reporting Act, 2015.

Regulatory Precedence
In cases where there is a conflict between IFRS requirements and Bangladesh Bank regulations, the Bank Company Act, 1991 (as amended), and Bangladesh Bank circulars and regulations shall take precedence.
The following key departures from IFRS have been applied:

i. **Presentation of financial statements**
IFRS: As per IAS 1, a complete set of financial statements comprises a statement of financial position, a statement of profit or loss and other comprehensive income, a statement of changes in equity, a statement of cash flows, notes comprising a summary of significant accounting policies and other explanatory information and comparative information. IAS 1 has also stated the entity to disclose assets and liabilities under current and noncurrent classification separately in its statement of financial position.

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

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

Bangladesh Bank: As per Banking Regulation and Policy Department (BRPD) circular no. 14 dated 25 June 2003, investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment; otherwise, investments are recognized at cost. UCB recognizes investment in shares and securities at cost basis.

iii. **Subsequent measurement of Government securities**
IFRS: Debt instruments include both bonds and bills. As per requirements of IFRS 9 Financial Instruments, bonds can be categorized as "Amortized Cost (AC)", "Fair Value Through Profit or Loss (FVTPL)" or "Fair Value through Other Comprehensive Income (FVOCI)". Bonds designated as Amortized Cost are measured at amortized cost method and interest income is recognized through profit and loss account. Any changes in fair value of bonds designated as FVTPL is recognized in profit and loss account while changes in fair value of bonds designated as FVOCI is recognized in other reserve as a part of equity. As per requirements of IFRS 9, bills can be categorized either as "Fair Value Through Profit or Loss (FVTPL)" or "Fair Value through Other Comprehensive Income (FVOCI)". Any change in fair value of bills is recognized in profit and loss or other reserve as a part of equity respectively.

Bangladesh Bank: As per DOS Circular no. 05 (26 May 2008) and subsequent clarification in DOS Circular no 05 (28 January 2009), Government securities/bills are classified either into Held for Trading (HFT) or Held to Maturity (HTM). HFT securities are revalued on the basis of mark to market and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognized in other reserves as a part of equity 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 recognized 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 only gains on amortization are recognized in other reserve as a part of equity.

iv. **Repo and Reverse Repo transactions**

IFRS: As per IFRS 9 when an entity sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo), the arrangement is treated as a loan and the underlying asset continues to be recognized at amortized cost in the entity's financial statements. The difference between selling price and repurchase price will be treated as interest expense. The same rule applies to the opposite side of the transaction (reverse repo).

Bangladesh Bank: As per DOS Circular letter no. 6 dated 15 July 2010 and subsequent clarification in DOS circular no.2 dated 23 January 2013, when a bank sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo or stock lending), the arrangement is accounted for as normal sales transactions and the financial assets are derecognized in the seller's book and recognized in the buyer's book.

However, as per DMD circular letter no.7 dated 29 July 2012, non-primary dealer banks are eligible to participate in the Assured Liquidity Support (ALS) program, whereby such banks may enter collateralized repo arrangements with Bangladesh Bank. Here the selling bank accounts for the arrangement as a loan, thereby continuing to recognize the asset.

v. Provision on loans and advances

IFRS: As per IFRS 9 an entity shall recognize an impairment allowance on loans and advances based on expected credit losses. At each reporting date, an entity shall measure the impairment allowance for loans and advances at an amount equal to the lifetime expected credit losses if the credit risk on these loans and advances has increased significantly since initial recognition whether assessed on an individual or collective basis considering all reasonable information, including that which is forward-looking. For those loans and advances for which the credit risk has not increased significantly since initial recognition, at each reporting date, an entity shall measure the impairment allowance at an amount equal to 12 month expected credit losses that may result from default events on such loans and advances that are possible within 12 months after reporting date.

Bangladesh Bank: In accordance with BRPD Circular No. 15 dated November 27, 2024, bank is required to maintain general provisions ranging from 0.5%, 1% & 5% against unclassified loan portfolios. Additionally, specific provisions must be maintained for classified loans based on the duration of overdue: 20% for sub-standard loans, 50% for doubtful loans, and 100% for bad/loss loans.

It is important to note that these provisioning requirements are not fully aligned with the impairment and expected credit loss recognition principles outlined in IFRS 9: Financial Instruments.

vi. Recognition of interest in suspense

IFRS: Loans and advances to customers are generally classified at amortized cost as per IFRS 9 and interest income is recognized by using the effective interest rate method to the gross carrying amount over the term of the loan. Once a loan subsequently becomes credit-impaired, the entity shall apply the effective interest rate to the amortized cost of these loans and advances.

Bangladesh Bank: In accordance with BRPD Circular No. 15 dated November 27, 2024 and BRPD Circular No.22 dated October 13, 2025, once a loan is adversely classified, interest on such loans are not allowed to be recognized as income, rather the corresponding amount needs to be credited to an interest in suspense account, which is presented as liability in the balance sheet.

vii. 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 is strictly followed by all banks. The templates of financial statements issued by Bangladesh Bank do not include OCI nor are the elements of OCI allowed to be included in a single OCI statement. As such the Bank does not prepare an OCI statement. However, elements of OCI, if any, are shown in the statements of changes in equity.

viii. 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.

ix. Financial guarantees

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

Bangladesh Bank: As per BRPD 14, dated 25 June 2003 financial guarantees such as letter of credit and letter of guarantee will be treated as off-balance sheet items. No liability is recognized for the guarantee except the cash margin. As per BRPD Circular No.01 dated 03 January 2018 and BRPD Circular No.14 dated 23 September 2012, the Bank is required to maintain provision at 1% against gross off-balance sheet exposures (which includes undrawn loan commitments) considering the latest BRPD circular letter No. 09 dated 27 May 2019.

x. 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 bond are not shown as cash and cash equivalents in the balance sheet. Money at call and on short notice are presented on the face of the balance sheet while treasury bills, Bangladesh Bank bills, prize bonds are shown as investments. However, in the cash flow statement, money at call and short notice and prize bonds are shown as cash and cash equivalents beside cash in hand, balance with Bangladesh Bank and other banks.

xi. Non-banking asset

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

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003 and BRPD Circular no. 22 dated 20 September 2021, there must exist a face item named Non-banking asset.

xii. Presentation of intangible asset

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

Bangladesh Bank: There is no requirement for regulation of intangible assets in BRPD 14 dated 25 June 2003 under section 7 Fixed Asset. Hence it is shown in fixed assets including premises and furniture and fixtures.

xiii. Cash flow statement

IFRS: Cash flow statement can be prepared either in direct method or in indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.
Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, cash flows are the mixture of direct and indirect method.

xiv. Balance with Bangladesh Bank (Cash Reserve Requirement)

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

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

xv. Off-balance sheet items

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

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

xvi. Disclosure of appropriation of profit

IFRS: There is no requirement to show appropriation of profit in the face of statement of comprehensive income.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, an appropriation of profit should be disclosed in the face of profit and loss account.

xvii. Loans and advance net of provision

IFRS: As per IFRS 9, Loans and advances should be presented net of provisions.

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

xviii. Provision on Financial Guarantees

IFRS: As per IFRS 9 bank shall recognize credit losses on undrawn loan commitments such as Letter of Credit (L/C), Letter of Guarantee (L/G) etc. as the present value of the difference between the contractual cash flow that are due by the customer if the commitment is drawn down and the cash flows that bank expects to receive.

Bangladesh Bank: Provision on financial guarantees is booked as per BRPD Circular No. 06 dated 25 April 2023.

xix. Provision for Startup Fund

IFRS: There is no requirement to show appropriation of profit in the face of statement of comprehensive income.

Bangladesh Bank: In compliance with SMESPD circular 04 dated March 29, 2021 and SMESPD circular letter 05 dated April 26, 2021, the Bank has created Start-up Fund in first quarter of 2021; appropriating 1% of net profit from FY 2020 to FY 2024; five years as per the circular. Hence, there is no requirement of appropriation in 2025. The objective of this fund is to provide loan facilities to the start-up entrepreneurs for their business and projects.

2.1.2 Going Concern

The accompanying financial statements have been prepared on the assumption that the Bank will continue operating as a going concern for the foreseeable future. The Bank has no intention or legal/regulatory obligation to liquidate or significantly reduce its scale of operations. Key financial indicators, including liquidity, profitability, asset quality, provision sufficiency, and capital adequacy, have demonstrated a healthy trend over the past several years. Furthermore, management is not aware of any material uncertainties that could cast significant doubt on the Bank's ability to continue as a going concern.

2.1.3 Disclosure on Basel III

The Basel III accord is a set of financial reforms that was developed by the Basel Committee on Banking Supervision (BCBS), with the aim of strengthening regulation, supervision, and risk management within the banking industry. Due to the impact of the 2008 Global Financial Crisis on banks, Basel III was introduced to improve the banks' ability to handle shocks from financial stress and to strengthen their transparency and disclosures as well as liquidity standards.

Basel III was intended to strengthen bank capital requirements by increasing bank liquidity and decreasing bank leverage. The global capital framework and capital buffers require financial institutions to hold more capital and higher quality of capital as per current Basel III rules. The leverage ratio introduces a non-risk-based measure to supplement the risk-based minimum capital requirements. The liquidity ratios ensure that adequate funding is maintained in case there are other severe banking crises.

Key Principles of Basel III

Capital Conservation Buffer is designed to absorb losses during periods of financial and economic stress. Financial institutions will be required to hold a capital conservation buffer of 2.5% to withstand future periods of stress, bringing the total common equity requirement to 7% (4.5% common equity requirement and the 2.5% capital conservation buffer). The capital conservation buffer must be met exclusively with common equity. Financial institutions that do not maintain the capital conservation buffer faces restrictions on pay-outs of dividends, share buybacks, and bonuses.

Higher Common Equity Tier 1 (CET1) increased to 4.5% (including buffer 7%).

Minimum Total Capital Ratio is 10%. Tier 2 capital instruments are harmonized and tier 3 capital is abolished in the Basel III regime. With buffer, Banks have to maintain 12.50% capital of Total Risk Weighted Asset of the banks.

Leverage ratio: Basel III introduced a minimum "leverage ratio". The leverage ratio was calculated by dividing Tier 1 capital by the bank's average total consolidated assets; the banks were expected to maintain a leverage ratio in excess of 3.75% under Basel III.

Liquidity requirements

Basel III introduced two required liquidity ratios:

a. **Liquidity Coverage Ratio (LCR)** ensures that sufficient levels of high-quality liquid assets are available for one-month survival in a severe stress scenario.

b. **Net Stable Funding Ratio (NSFR)** promotes resilience over long-term time horizons by creating more incentives for financial institutions to fund their activities with more stable sources of funding on an ongoing structural basis.

2.2 Basis of Measurement

The financial statements have been prepared on a historical cost basis with the following exceptions:

- **Government Treasury Bills and Bonds (Held for Trading - HFT):** Valued at present value using the 'mark-to-market' method, with gains credited to the revaluation reserve and losses charged to the Profit and Loss Account.
- **Government Treasury Bills and Bonds (Held to Maturity - HTM):** Measured using the amortization method.
- **Land:** Initially recognized at cost and subsequently remeasured at fair value as per IAS-16 and relevant regulatory guidelines.
- **Investments in Listed Companies:** Valued at market price, while investments in unlisted companies are measured at cost or book value, whichever is lower.
- **Defined Benefit Scheme:** Recognized as the net position of present value obligations, total plan assets, and other related items in accordance with IAS 19.

2.3 Basis of Consolidation

The consolidated financial statements include United Commercial Bank PLC and its subsidiaries: UCB Stock Brokerage Limited, UCB Investment Limited, UCB Asset Management Limited, UCB Fintech Company Limited, and UCB Exchange (SG) PTE Ltd. The consolidated financial statements have been prepared in accordance with IAS 27 (Separate Financial Statements) and IFRS 10 (Consolidated Financial Statements) for the financial period ended 31 December 2025.

Key principles of consolidation include:

- **Full Line-by-Line Integration:** The financial statements of subsidiaries are fully incorporated from the date control is established until the date control ceases.
- **Elimination of Intercompany Balances and Transactions:** Unrealized intra-group profits/losses are eliminated.
- **Non-Controlling Interests (NCI):** Recognized separately within equity**.**
- **Loss of Control:** Upon losing control of a subsidiary, assets, liabilities, NCI, and related equity components are derecognized, and any resulting gain or loss is recorded in the Profit and Loss Account.

2.4 Use of Estimates and Judgments

The preparation of financial statements requires management to make judgments, estimates, and assumptions affecting asset and liability valuations, as well as income and expense recognition. These estimates are reviewed periodically and adjusted as necessary. Significant areas requiring estimation include:

i) Provision for loans and advance

The Bank assesses its loans and advances for objective evidence of impairment on a regular basis and particularly at year end. Whilst the primary criteria set out in BRPD Circular No. 15 dated November 27, 2024, and BRPD Circular No.22 dated October 13, 2025 for determining whether a loan is impaired is objective, being based on borrower's ability to make timely repayments, loans and advances may also be classified based on qualitative judgment. This involves making assessments regarding the economic environment in which borrowers operate in addition to making judgments about a borrower's financial situation and net realizable value of any underlying collateral.

ii) Taxation

The estimation of current tax provision involves making judgments regarding admissibility of certain expenses, estimating the amount of other expenses for tax purposes and applicability of provision of Income Tax Act 2023 and Finance Act 2025, although return will be submitted for tax based on the Finance Act 2026.

In addition, the recognition of deferred tax assets requires the Bank to estimate the extent to which it is probable that future taxable profits will be available against which the deferred tax assets may be utilized.

iii) Post-employment benefits-asset/(liability) from gratuity

The determination of Bank's asset/(liability) from gratuity involves the use of estimates regarding demographic variables (such as employee turnover and mortality) and financial variables (such as future increases in salaries and medical costs) that will influence the cost of the benefit.

iv) Depreciation

Depreciation is provided on a straight-line basis over the estimated useful life of each item of fixed asset. The determination of useful life involves the use of estimates regarding expected use of the assets, expected physical wear and tear, technical or commercial obsolescence and legal or similar limits on the use of the assets.

v) Provisions for expenses

A provision is recognized in the balance sheet when the Bank has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation in compliance with IAS 37: Provisions, Contingent Liabilities and Contingent Assets.

vi) Lease Liabilities

The lease liability is initially measured at the present value of the lease payments, discounted at the Bank's incremental borrowing rate. The Bank determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the rental assets leased. The lease liability is remeasured when there is a change in future lease payments or the changes in discount rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use assets and lease liabilities.

2.5 Consistency

United Commercial Bank PLC ensures consistency in financial reporting as per the IFRS framework, IAS 1 (Presentation of Financial Statements), and IAS 8 (Accounting Policies, Changes in Accounting Estimates, and Errors). Changes in accounting policies are applied retrospectively, while changes in estimates are applied prospectively.

2.6 Foreign Currency Transactions and Translation

Functional and presentation currency

These financial statements are presented in Bangladesh Taka (Taka/Tk./BDT) which is the Bank's functional currency. The functional currency of OBU is US Dollar (USD). The financial statements of OBU have been translated to presentation currency (Taka/Tk./BDT) using the exchange rate prevailing at balance sheet date and average exchange rate during the year. Except as otherwise indicated, financial information presented in Taka has been rounded to the nearest integer.

Foreign currency transactions

Transactions/Day End Balances in foreign currencies are converted into respective functional currencies at the rate of exchange ruling at the date of transactions as per IAS 21: The Effects of Changes in Foreign Exchange Rates. Effects of Exchange rate differences (rates at which transactions were initially recorded and the rate prevailing on the reporting date/date of settlements) applied on the monetary assets or liabilities of the bank are recorded in the Profit and Loss Account.

Assets and liabilities of OBU have been presented in Taka (which is functional currency of the Bank) using year end standard mid-rate of exchange of the Bank. On the other hand, incomes and expenses are translated using monthly average of standard mid-rate of exchange. The foreign currency translation difference is a net result of exchange difference of year end standard mid-rate and monthly average of standard mid-rate arising from translation of functional currency to presentation currency.

Foreign currency differences arising on translation are recognized in the profit and loss account except for exchange rate differences on fund deposited with Bangladesh Bank as capital, which is recognized directly in equity.

2.7 Cash Flow Statement

Cash flow statement has been prepared in accordance with International Accounting Standard (IAS)-7: Statement of Cash Flows and under the guideline of Bangladesh Bank BRPD Circular no.14 dated 25 June 2003. The Statement shows the structure of changes in cash and cash equivalents during the financial year.

2.8 Statement of Changes in Equity

The statement of changes in equity reflects information about the increase or decrease in net assets or wealth. The statement also shows item-wise movement along with the description of changes from the end of last year to the end of current year.

2.9 Liquidity Statement

The liquidity statement of assets and liabilities as of the reporting date has been prepared based on residual maturity, following the criteria below:

Particulars	Basis of Classification
Cash, balances with other banks and financial institutions, money at call, and short notice	Stated maturity/observed behavioral trend
Investments	Residual maturity term
Loans and advances	Repayment/maturity schedule and behavioral trend (for non-maturity products)
Fixed assets	Useful life
Other assets	Realization/amortization basis
Borrowings from other banks and financial institutions	Maturity/repayment term
Deposits and other accounts	Maturity and behavioral trend (for non-maturity products)
Other long-term liabilities	Maturity term
Provisions and other liabilities	Settlement/adjustment schedule

2.10 Significant Accounting Policies

The accounting policies outlined below have been applied consistently to all periods presented in these financial statements. These policies are uniformly followed by all group entities unless otherwise directed by the Central Bank, the primary regulator. Certain comparative figures in the financial statements have been reclassified and rearranged to align with the current year's presentation.

Accounting Policies of Subsidiaries

The financial statements of subsidiaries are prepared using accounting policies consistent with those of the Bank (Parent) for similar transactions and events. These statements follow the calendar year ending on December 31, the same as the Bank; or as per the requirement of Bank as and when necessary.

A. ASSETS AND BASIS OF VALUATION

2.10.1 Cash and Cash Equivalents

Cash and cash equivalents include:

- Notes and coins on hand
- Unrestricted balances held with Bangladesh Bank
- Highly liquid financial assets subject to insignificant risk of fair value changes

These assets are readily available for the Bank's short-term commitments.

2.10.2 Investments

All investment securities are initially recognized at cost, including acquisition-related charges. Premiums are amortized, while discounts are accrued. The accounting treatment for government treasury securities (HFT and HTM) follows:

- DOS Circular Letter No. 5 (May 26, 2008)
- DOS Circular Letter No. 5 (January 28, 2009)
- DOS Circular Letter No. 27 (December 4, 2023)

2.10.3 Held-to-Maturity (HTM) Investments

HTM investments have fixed or determinable payments and are intended to be held until maturity.

- Initially recorded at cost
- Subsequently measured at amortized cost at year-end
- Changes in value are reflected in shareholders' equity or the profit and loss account accordingly

2.10.4 Held-for-Trading (HFT) Investments

HFT investments are acquired for short-term trading or as designated by management.

- Initially recorded at cost
- Revalued weekly using the Mark-to-Market (MTM) approach
- Revaluation gains are recognized under shareholders' equity
- Revaluation losses are charged to the profit and loss account

2.10.5 REPO and Reverse REPO Transactions

Securities purchased under re-sale agreements are treated as collateralized lending and recorded at the consideration paid and interest accrued thereon. The difference between purchase price and re-sale price is treated as interest received and accrued evenly over the life of Repo agreement.

Since 01 September 2010 transactions of REPO and Reverse REPO are recorded based on DOS Circular no. 06, dated 15 July 2010 of Bangladesh Bank. Securities under repo will be excluded from the investment portfolio and hence will not be eligible for SLR purpose. Securities acquired under reverse repo will be eligible for SLR purpose initially at its clean price (in case of coupon bearing security) or at its market value (in case of non-coupon bearing security).

2.10.6 Investment in Listed/Quoted Securities

- Acquired for capital gains or dividend income
- Reported at cost
- Unrealized gains are not recognized in the profit and loss account
- Provision for any diminution in value is recorded in the profit and loss account

2.10.7 Investment in Unquoted Securities

- Reported at cost under the cost method
- If Net Asset Value (NAV) falls below cost, the shortfall is adjusted in the Profit & Loss Account
- No recognition of unrealized gains

Revaluation of Investments

Investment Type	Revaluation Basis
Government Treasury Bills and Bonds (HFT)	Mark-to-Market (MTM)
Government Treasury Bills and Bonds (HTM)	Amortized cost
Prize Bonds	Cost
Unquoted Shares	Lower of cost or last declared Net Asset value (NAV).

2.10.8 Investment in Subsidiaries

- Accounted for under the cost method per IAS 27: Separate Financial Statements
- Compliance with IFRS 3: Business Combinations and IFRS 10: Consolidated Financial Statements
- Impairment assessments are made per IAS 36: Impairment of Assets

2.10.9 Loans, Advances and provisions

a) Loans and advances are stated at gross amount.

b) Loans and advances are broadly classified under the heads of Continuous, Demand, Long Term and Short-Term Agriculture and Micro Credit. Continuous and Demand Loans are accounted under Capitalized method where interest accrues monthly and applied to loan account quarterly. Term loans are accounted under amortized method where repayments consist of no. of EMIs.

c) Interest on unclassified loans & advances and SMA loans are credited to Interest Income. Interest on Sub-standard and Doubtful Loans and advances are not credited to interest income, it is kept in suspense account as per Bangladesh Bank instructions and such interest is not accounted for as income until realized from borrowers. Interest accrual is kept stopped for all Bad & Loss Loans.

d) Commission and discounts on bills purchased and discounted are recognized at the time of realization.

e) General provisions on unclassified loans and off-balance sheet items, specific provisions for classified loans and interest suspense thereon are shown under other liabilities. Provision against classified loans and advances is made on the basis of quarter end review by the management and instructions contained in BRPD Circular No. 15 dated November 27, 2024 and BRPD Circular No.22 dated October 13, 2025.

Particulars	**Rates**
General Provision on	
Agricultural Credit (Other than Short Term)	1%
CMSME Financing	0.5%
Consumer Financing (Other than Credit Card)	1%
Credit Card	1%
Industrial Credit	1%
Service Sector Credit	1%
Trade & Commerce Sector Credit	1%
Other Credit	1%
Short Term Agri. Credit	0.5%
Off-balance sheet exposures	0.25%-5%
CMSME Financing – Special mention account (SMA)	0.5%
Short Term Agri. Credit - Special mention account (SMA)	0.5%
Special mention account (SMA)	5%
Specific Provisions on	
Substandard loans	20%
Doubtful loans	50%
Bad/Loss loans and advances	100%

f) Loans and advances are written off to the extent that years as per guidelines of Bangladesh Bank **(BRPD Circular No-04, Dated: February 18, 2024, BRPD Circular No-08, Dated: October 19, 2025, BRPD Circular No-09, Dated: November 19, 2025, BRPD Circular No-11, Dated: December 03, 2025;**

- Loans unlikely to be recovered can be removed from books, prioritizing older NPLs.
- Banks must notify borrowers (e.g., 10 working days) before write-off action.
- 100% Provision must be kept before write-off of any accounts.
- Partial write-off allowed after exhausting recovery avenues and adjusting eligible collateral & interest suspense balance.
- Aims to reflect true financial condition with clearer risk disclosure.

2.10.10 Property, Plant, and Equipment (PPE) & Depreciation

Recognition & Initial Measurement

An item of **fixed assets** is recognized as an asset if it is probable that future economic benefits will flow to the entity and its cost can be reliably measured.

The initial cost of PPE includes:

- Purchase price (including duties/taxes, net of discounts).
- Direct costs incurred to bring the asset to operational condition.
- Costs related to dismantling/removal/restoration of the asset.

Subsequent Measurement

The Bank may adopt either the cost model or revaluation model for PPE. Fixed assets, except land, are recorded at cost less accumulated depreciation. Land is initially recorded at cost and subsequently revalued by professional valuers. Any revaluation surplus is recorded in Shareholders' Equity.

Subsequent Expenditure

The bank recognizes any subsequent expenditure in the carrying amount of an item of property, plant and equipment as a part of the cost only when it is probable that future economic benefits embodied with the item will flow to the bank due to the subsequent expenditure. However, expenditures incurred after the assets have been put into operation, such as, repairs and maintenance are recognized as revenue expenditure in the period in which it is incurred.

Depreciation

Depreciation is charged at the rates stated below on all fixed assets on the basis of estimated useful lives as determined in the fixed asset policy of the Bank. In all cases depreciation is calculated using the straight line method. Charging depreciation commences from the month of acquisition (for full month) and ceases at the month when the assets are disposed. No depreciation has been charged on land. Rate and method of charging depreciation/ amortization of fixed assets are mentioned below:

Name of the assets	Rate of depreciation	Method of charging depreciation/ amortization
Land	NIL	Not applicable
Building	2.50%	Straight Line Method
Furniture & Fixtures	12.50%	Straight Line Method
Office Equipment	12.50%	Straight Line Method
Computer Equipment	20.00%	Straight Line Method
Computer Software	12.50%	Straight Line Method
Vehicle	12.50%	Straight Line Method

Changes in the useful life or depreciation method are accounted for as per IAS 8: Accounting Policies, Changes in Accounting Estimates, and Errors.

Capital Work-in-Progress (CWIP)

Property, plant and equipment under construction is recognized and reported under Fixed Assets as per IAS-16: Property, Plant and Equipment as Capital Work in Progress until the construction work is completed and the asset is ready for the intended use. This asset is stated at cost, and depreciation of the asset will be charged from the date of its intended use.

De-recognition of PPE

Assets are de-recognized upon disposal or when no future economic benefits are expected. Gains or losses from de-recognition are recorded in the Profit & Loss Account.

Revaluation of PPE
An item of Property, Plant and Equipment is revalued when fair value of the asset differs materially from its carrying amount. Such revaluation is normally carried out by professionally qualified valuers. Last revaluation of Bank's land property and Building were carried as at 27 December 2012 by Padma Techno Consult & Survey Ltd. Accordingly, revaluation surplus is included in fixed assets and assets revaluation reserve is recognized under shareholder's equity as per guidelines of IAS-16: Property, Plant and Equipment. Such revaluation reserve will be disposed-off upon retirement/de-recognition of the assets.

2.10.11 Lease Accounting

Assets obtained under Lease Agreements
International Financial Reporting Standard (IFRS)-16: Leases come into force on 1 January 2019, as adopted by Institute of Chartered Accountants of Bangladesh (ICAB). As per IFRS-16, a lease is a contract (or part of a contract) that conveys the right to use an asset for a period of time in exchange for consideration. A contract contains a lease if fulfilment depends on an identified asset and it conveys the right to control the use of that identified asset throughout the period of use. Each lease component should be identified and accounted for separately.

As a lessee
The Bank recognizes a Right-of-Use (ROU) asset and a lease liability from the initial application date i.e. 01 January 2019 or the commencement date of a lease contract. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets are subsequently depreciated using the straight-line method from the initial application date or commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Bank by the end of the lease term or the cost of the right-of-use asset reflects that the Bank will exercise a purchase option. In that case the right-of-use assets will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use assets are periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the initial application date or commencement date, discounted at the Bank's weighted average rate. Generally, the Bank uses its incremental borrowing rate as the discount rate.

i) Determining whether an arrangement contains a lease
At inception of an arrangement, the Bank determines whether the arrangement is or contains a lease. At inception or reassessment of an arrangement that contains a lease, the Bank separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair value. If the Bank concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognized at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognized using the Bank's incremental borrowing rate.

ii) Leased Asset
Leases of property, plant and equipment that transfer to the Bank substantially all of the risks and the rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to the asset.

Assets held under other leases are classified as operating leases and are not recognized in the Bank's statement of financial position.

iii) Lease Payment

Payments made under operating lease are charged to profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognized as an integral part of the total lease expenses, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

2.10.12 Intangible Assets

An intangible asset is recognized if it is probable that future economic benefits attributable to the asset will flow to the Bank and the asset's cost can be measured reliably. Recognition and measurement of intangible assets comply with International Accounting Standard (IAS) 38: Intangible Assets.

Intangible assets are derecognized upon disposal or when no future economic benefits are expected. Gains or losses from derecognition are calculated as the difference between net disposal proceeds and the asset's carrying amount, recognized in the profit and loss account. As per BRPD Circular No. 14 (dated June 25, 2003), intangible assets are included under Fixed Assets. However, their details, including amortization rates, are presented in the Fixed Asset schedule.

2.10.13 Impairment of Assets

The Bank periodically reviews asset carrying amounts to determine any impairment indicators. If an asset's carrying amount exceeds its recoverable amount, an impairment loss is recognized in the profit and loss account, following IAS 36: Impairment of Assets. No impairment losses were recognized for the period ended 31 December 2025.

2.10.14 Other Assets

Other assets primarily comprise advance office rent, advance income tax (pending assessment), investments in subsidiaries, receivables from fees and other unrealized income, and advances for operating and capital expenditures. As per BRPD Circular No. 14 (dated June 25, 2003), income-generating and non-income-generating assets are disclosed separately in the financial statement notes.

2.10.15 Receivables

Receivables are recognized when the Bank has a contractual right to receive cash or another financial asset from a counterparty.

2.10.16 Non-Banking Assets

Non-banking assets arise when a borrower defaults on a loan, and the Bank gains legal ownership of the mortgaged property through a court decree. As per BRPD Circular No. 14 (dated June 25, 2003), such assets are recorded separately.

Recognition of Non-Banking Assets

Although IFRS does not explicitly cover non-banking assets, they are recognized when the Bank establishes control over the economic benefits of the asset and its cost/value can be reliably measured. Per BRPD Circular No. 22 (dated September 20, 2021), non-banking assets are recorded when the following conditions are met:

- Certification of ownership u/s 33(7) of the 'Artharin Adalat Act 2003' obtained
- Registration from the Sub Registry Office completed
- DCR & Mutation form the concerned AC Land office completed
- Land rent tax and Municipal tax (if any) paid
- Valuation of the property done
- Physical possession obtained

Measurement of Non-Banking Assets
Non-banking assets are measured at lower of value determined by an internal committee and the value determined by an independent professional valuation firm as per BRPD Circular No. 22, dated 20 September 2021.

B. Liabilities and Provisions

2.10.17 Borrowings from Other Banks, Financial Institutions, and Agents

These borrowings, including interest-bearing loans and bonds, are reported at the principal outstanding balance. Interest payable on these borrowings is recorded under other liabilities.

2.10.18 Debt Securities

After global economic turmoil in 2010, the global financial regulators are more concerned with enhancing risk resilience capacity of the banks and introduced more risk sensitive capital adequacy framework namely Basel III. With the view to strengthening capital base of the bank and subsequently to meet up the capital adequacy ratio as per Bangladesh Bank's instruction in line with BASEL-III Accord, UCB issued the following Subordinated and Perpetual bonds with key features as listed below:

Subordinated Bonds:
United Commercial Bank PLC (UCB) issued a total of six subordinated bonds and two perpetual bonds, all with due consent from the Bangladesh Securities and Exchange Commission (BSEC) and No Objection Certificates (NOC) from Bangladesh Bank.

Among the six subordinated bonds:

- The UCB 1st Subordinated Bond and UCB 2nd Subordinated Bond have been fully redeemed/repaid.
- The UCB 3rd Subordinated Bond and UCB 4th Subordinated Bond have been fully subscribed.
- The UCB 5th Subordinated Bond was not fully subscribed and the subscription was closed as on 23 June 2025;
- The UCB 6th Subordinated Bond was approved during 2025 and partially subscribed;

Perpetual Bonds:

Among the two perpetual bonds:
- The UCB 1st Perpetual Bond has been fully subscribed.
- The UCB 2nd Perpetual Bond is partially subscribed, with a listed portion amounting to BDT 30 (Thirty) crore. * The subscription of the Bond was closed on 11 September 2025.

***** 10% of the total issue size of the UCB 2nd perpetual bond (BDT 300 million) has been listed in the stock exchanges.

2.10.19 Deposits and Other Accounts

Deposits include current, short-term, savings, and fixed deposits, initially recognized at the amount received and subsequently accounted for at their outstanding balances as per contractual agreements.

2.10.20 Other Liabilities

Other liabilities comprise items such as provision for loans and advances/ investments, provision for taxes, interest payable on borrowing, interest suspense and accrued expenses etc. Individual item-wise liabilities are recognized as per the guidelines of Bangladesh Bank and International Financial Reporting Standards (IFRSs).

2.10.21 Dividend Payments

Interim dividends are recognized when disbursed to shareholders, whereas final dividends are acknowledged only upon shareholders' approval at the Annual General Meeting (AGM). As per IAS-10: Events after the Reporting Period, proposed dividend, if any, is disclosed in the "Events after reporting period" note.

Dividend payments to the Bank's shareholders are accounted for as liabilities and deducted from shareholders' equity in the financial statements once shareholders' entitlement to receive the dividend is formally established.

2.10.22 Provision for Loans and Advances

Provision for classified loans and advances is made on the basis of quarter end review by the management and instructions contained in BRPD Circular No. 15 dated November 27, 2024 and BRPD Circular No.22 dated October 13, 2025.

2.10.23 Provision for Investment in the Capital Market and Other Than Capital

Provisions for unrealized losses (net of gains) on capital market investments are maintained per DOS Circular No. 01 (dated May 24, 2023), on a portfolio basis.

2.10.24 Provision for Off-Balance Sheet Exposures

In compliance with Bangladesh Bank guidelines, contingent liabilities have been disclosed under off-balance sheet items. As per BRPD Circular No. 06 dated 25 April 2023 the Bank has been maintaining provision as per the Bangladesh Bank guideline/Circulars against off-balance sheet exposures.

2.10.25 Provision for Other Assets

Provision for other assets is maintained in compliance with BRPD Circular No. 04 (dated April 12, 2022).

2.10.26 Provision for Nostro Accounts

No provision was required to make for Nostro Accounts/Nostro un-reconciled entries in the accounting year 2023 as per BRPD Circular no. 04 dated 12 April 2022.

2.10.27 Provision for Liabilities and Accrued Expenses

In compliance with IAS-37: Provision, Contingent Liabilities and Contingent Assets, provisions for other liabilities and accrued expenses are recognized in the financial statements when the Bank has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

2.10.28 Employee Benefits and Retirement Benefit Schemes

The retirement benefits accrued for the employees of the Bank as on reporting date has been accounted for in accordance with the provision of International Accounting Standard (IAS)-19: Employees Benefits. Various types retirement benefit schemes of the bank are as follows:

Provident fund

Provident fund benefits are given to the employees of the Bank in accordance with the registered provident fund rules. The Commissioner of Income Tax, Dhaka (North) has approved the provident fund as a recognized provident fund within the meaning of section 2 (52) read with the provision of part – B of the First Schedule of Income Tax Ordinance 1984. The recognition took effect from November 30, 1988. The Fund is operated by a Board of Trustee consisting 05 (five) members of the Bank. All confirmed employees of the Bank are contributing 10%-20% of their basic salary as subscription to the fund. The bank also contributes equal amount of the employees' contribution (maximum 10%). Interest earned from the investments is credited to the members' account on half yearly basis.

Gratuity fund

Gratuity benefits are given to the employees of the bank in accordance with the approved gratuity fund rules. The National Board of Revenue has approved the gratuity fund as a recognized gratuity fund on March 29, 2003. The fund is operated by a Board of Trustee consisting 5 (Five) members of the bank. Employees are entitled to gratuity benefit after completion of minimum 5 (five) years of service in the bank. The Gratuity is calculated on the basis of last basic pay and is payable at the rate of one month's basic pay for every completed year of service; and as per the Trust Deed and Trust Rules of the Fund. Gratuity fund is a "Defined Benefit Plan" and contribution to Gratuity Fund is measured through the result of actuarial valuation of the fund.

The Bank's net obligation in respect of gratuity is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

Net interest expense, current service cost and other expenses related to defined benefit plans are recognized as salaries and allowances in profit or loss. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss.

Welfare fund

Employees' Welfare fund was established in June 18, 2009. The UCB PLC policy on Employees' Welfare Fund, 2009, governs the fund and the day-to-day affairs are run by a duly constituted Board of Trustee. The fund is held and administered by a Board of Trustee and invested according to the rules of the Fund framed as per applicable laws of Bangladesh.

Workers' Profit Participation Fund (WPPF)

Consistent with widely accepted industry practice and in accordance with section 11(1) of the Bank Company Act, 1991 (as amended up to date) and subsequent clarification given by the letter of Banking and Financial Institution Division, Ministry of Finance, Government of People's Republic of Bangladesh (no.53.00.0000.311.22.002.17-130 dated 14 February 2017), no provision has been made by the Bank in the reporting period against Workers Profit Participation Fund (WPPF).

Performance bonus

The bank provides performance bonus to the eligible employees every year subject to management's discretion. The parameter for calculating bonus amount is determined based on the performance rating of employees and management decision. The bonus amount is paid annually, normally in the following year. However, the cost is accounted for in the period to which it is related.

2.10.29 Taxation Policies

Current Tax

Current tax is the amount of income taxes payable (recoverable) in respect to the taxable profit (tax loss) for a period. Provision for current income tax has been made as per the prescribed rate in the Income Tax Act 2023 and Finance Act 2025 on the accounting profit made by the bank after considering some of the add-backs to income and disallowances of expenditure as per Income Tax Act 2023 and other applicable laws and regulations. Tax Assets under the group head of other assets are recognized for payment of advance income tax, tax deducted at source and tax paid at the time of IT Return for the year/years for which assessment has not yet been finalized. On the other hand, the tax provision (as estimated as per IAS-12: Income Taxes, provision of latest Finance Act, related SROs/guidelines etc.) are recognized as tax liability under the group head of other liability for the year/years for which assessment has not yet been finalized.

Deferred Tax

Deferred tax liabilities are the amount of income taxes payable in future periods in respect to taxable temporary differences. Deferred tax assets are the amount of income tax recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets & liabilities are measured using tax rate & tax laws enacted or at the balance sheet date. Tax impact on the account of changes in deferred tax assets and liabilities has also been recognized in the profit and loss account as per IAS-12: Income taxes.

C. CAPITAL / SHAREHOLDERS' EQUITY

2.10.30 Capital

(a) Authorized Capital

Authorized capital represents the maximum share capital the Bank is permitted to issue, as specified in its Memorandum and Articles of Association.

(b) Paid-up Capital

Paid-up capital is the total amount of capital that shareholders have fully paid. Ordinary shareholders are entitled to dividends as declared and have voting rights at shareholders' meetings. In the event of liquidation, they rank after all other shareholders and creditors but receive any remaining proceeds.

2.10.31 Statutory Reserve

The statutory reserve is maintained at 20% of profit before tax, as per Section 24 of the Bank Company Act, 1991, and subsequent amendments.

2.10.32 Asset Revaluation Reserve

When an asset's carrying amount increases due to revaluation, the surplus is credited to the asset revaluation reserve under equity, in accordance with IAS 16 (Property, Plant, and Equipment) and the BSEC guidelines issued on August 18, 2013.

2.10.33 Reserve for Amortization/Revaluation of Securities

For financial assets classified as Held-to-Maturity (HTM) or Held-for-Trading (HFT), any increase in value due to amortization or mark-to-market revaluation is credited to this reserve. The Bank follows Bangladesh Bank regulations, including DOS Circular Letters No. 05 (May 26, 2008), No. 05 (January 28, 2009), and Circular No. 06 (July 15, 2010).

2.10.34 Retained Earnings

The net surplus from the current year's profit after tax, following necessary appropriations, is transferred to retained earnings.

2.10.35 Share Premium

Share premium represents the excess amount received over the nominal/par value of shares. Utilization of share premium is governed by Section 57 of the Companies Act, 1994.

2.10.36 Contingent Assets and Liabilities

A contingent asset arises from past events and is recognized only if future events confirm its existence. Similarly, a contingent liability is a potential obligation that depends on uncertain future events. These items are disclosed but not recognized in financial statements.

The Bank also engages in forward rate agreements, derivatives, and similar financial transactions, adhering to Bangladesh Bank guidelines, with appropriate provisions made against such contingent items.

2.10.37 Accounting for Derivative Financial Instruments

Derivatives

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Derivative is a financial instrument meeting all of the following three features:

1. whose value changes in response to the change in price of an underlying security, commodity, currency, index or other financial instruments;
2. where the initial net investment is zero or is small in relation to the value of underlying security or index;
3. that is settled at a future date.

Derivatives are classified as held for trading (unless they are hedging instruments) and accordingly, measured at fair value. Any changes in fair value is recorded in profit and loss account.

Embedded derivatives

Certain contracts that are not themselves derivatives (and may not be financial instruments) include derivative contracts that are 'embedded' within. An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract. Embedded derivative causes some or all of the cash flows of the host contract to be modified. Besides, embedded derivative cannot be transferred to a third party independently of the instrument. The basic rule for accounting for an embedded derivative is that it should be separated from its host contract and accounted for as a derivative, i.e., measured at fair value and any changes in fair value recognized in profit and loss account. Separation of embedded derivative from the host contract is made only when the following conditions are met:

The economic characteristics and risks of the embedded derivatives are not closely related to the economic characteristics and risks of the host contract.

1. The embedded derivative would meet the definition of a derivative if separated from the host contract.
2. The hybrid (combined) instrument is not measured at fair value with changes in fair value recognized in profit and loss.

D. REVENUE RECOGNITION

2.10.38 Interest Income

Interest on loans and advances is accrued daily and applied periodically based on the product terms.

- Standard & SMA Loans: Interest is recognized on an accrual basis.
- Sub-Standard & Doubtful Loans: Interest is transferred to the Interest Suspense Account and recognized only when received, per BRPD Circular No. 14 (September 23, 2012) and subsequent Bangladesh Bank updates.
- Bad/Loss Loans: Interest is no longer accrued to avoid overstating revenue.

This ensures compliance with prudential regulations and financial transparency.

2.10.39 Fees and Commission Income

The Bank earns fees and commissions from financial services:

- Trade Finance (LCs, Guarantees, Acceptances): Recognized at transaction execution.
- Retail Banking (Credit Cards, Loans, Lockers, etc.): Recognized upon actual receipt (realization basis).

This approach prevents premature revenue recognition.

2.10.40 Interest Income from Investments

Interest earned from investments in government securities, corporate bonds, debentures, and other financial instruments is recognized on an accrual basis. This means the Bank records interest as income over time, rather than only when cash is received.

This method reflects the true financial performance of the Bank, ensuring accurate reporting of investment income.

2.10.41 Income from Foreign Exchange

The Bank engages in foreign currency transactions, leading to income from:

- Day-to-day trading in foreign currencies (e.g., exchanging one currency for another).
- Conversion gains and losses when customers make foreign currency transactions.
- Revaluation of non-monetary foreign currency assets and liabilities, adjusting their value due to exchange rate fluctuations.

Foreign exchange income is recognized as gains or losses when these events occur, ensuring real-time reflection of the Bank's financial position in foreign exchange dealings.

2.10.42 Dividend Income

Dividend income from investments in equities (such as shares of other companies) is recognized when:

1. The dividend is declared by the issuing company.
2. The right to receive payment is established, meaning the Bank is legally entitled to the income.
3. The amount is confirmed, i.e., the exact dividend amount is ascertained.

This method ensures that unrealized gains from anticipated dividends are not prematurely recognized as income.

2.10.43 Interest Paid on Borrowings and Deposits

The Bank incurs interest expenses on funds it borrows and deposits held by customers.

- Interest on deposits (e.g., savings, fixed deposits) is calculated based on the terms of the respective products and credited to customer accounts periodically (monthly, quarterly, or at maturity).
- Interest on borrowings (e.g., interbank loans, bonds issued by the Bank) is accrued and recorded as an expense in the financial statements.
- Other related expenses, such as service charges, are recorded as they accrue, ensuring a transparent reflection of the Bank's obligations.

By recognizing expenses as they are incurred, the Bank adheres to the matching principle, ensuring accurate financial reporting.

2.10.44 Management and Other Expenses

The Bank incurs various operational expenses, including:

- Staff salaries and benefits
- Office rent and utilities
- IT infrastructure and software maintenance
- Marketing and promotional costs
- Legal and professional fees

These expenses are recognized either on an actual basis (when paid) or on an accrual basis (when incurred but not yet paid) to ensure that financial statements accurately reflect the Bank's financial obligations.

E. OTHERS

Materiality and Aggregation

Each material class of similar items has been presented separately in the financial statements. Items of dissimilar nature are also presented separately unless deemed immaterial, in accordance with IAS-1: Presentation of Financial Statements.

2.10.46 Offsetting

The balance sheet presents the net amount of financial assets and liabilities when there is a legally enforceable right to offset the recognized amounts, and the intention is to settle them on a net basis or simultaneously realize the asset and settle the liability**.**

- The Bank presents advance tax paid and provision for tax on a net basis under liabilities, as the tax liability exceeds the advance tax.
- Similarly, Deferred Tax (DT) assets and liabilities are presented on a net basis under the asset section, where the DT asset amount is greater than the DT liability.
- The net defined benefit obligation is presented under liabilities, as the defined benefit obligation exceeds the fair value of plan assets.
- Finally, card revenues and expenses earned and incurred on a shared basis that are directly attributable are presented on a net-off basis.

2.10.47 Earnings Per Share (EPS)

Earnings Per Share (EPS) is calculated in accordance with IAS-33: Earnings Per Share, and is presented on the face of the Profit and Loss Account. EPS is computed by dividing the net profit after tax by the total number of ordinary shares outstanding at the end of the year. Additional details are provided in Note 40 of the financial statements.

Basic Earnings Per Share: Basic EPS is calculated by dividing the profit or loss attributable to ordinary equity holders of the parent entity (numerator) by the weighted average number of ordinary shares outstanding (denominator) during the period.

Weighted Average Number of Ordinary Shares Outstanding: 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-weighting factor corresponds to the number of days each share was outstanding as a proportion of the total days in the year.

Diluted Earnings Per Share: Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

2.10.48 Related Party Transactions

Related parties are entities or individuals that have the ability, directly or indirectly, to control or significantly influence another entity's financial and operational decisions. Entities under common control or significant common influence are also considered related parties.

Related party transactions involve the transfer of resources, services, or obligations between such parties, regardless of whether a price is charged. These transactions are conducted in compliance with IAS-24: Related Party Disclosures, along with regulatory guidelines from Bangladesh Bank and the Bangladesh Securities and Exchange Commission (BSEC). Detailed disclosures regarding related party transactions are provided in Note 49 of the financial statements.

2.10.49 Reconciliation of Books and Accounts

Books of account for inter-bank transactions (both within Bangladesh and internationally) as well as inter-branches are reconciled at regular intervals to maintain unreconciled balances at non-material levels.

2.10.50 Credit Rating

Emerging Credit Rating Limited (ECRL) has assigned the Bank a credit rating based on the financial statements as of 31 December, 2024; with an "AA" rating for the Long Term (pronounced Double A) and an ST-2 rating for the Short Term. The rating was issued on 25 June 2025.

Valid From	Valid To	Base Financial Year	Long Term Rating	Short Term Rating	Outlook
07 May 2025	06 May 2026	2024	AA	ST-2	Negative
07 May 2024	06 May 2025	2023	AA	ST-2	Stable
07 May 2023	06 May 2024	2022	AA	ST-2	Stable

2.10.51 Compliance Report on International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS)

The Financial Reporting Act (FRA) 2015 was enacted to guide financial reporting in Bangladesh. Under this Act, the Financial Reporting Council (FRC) was established in 2017, and the FRC adopted International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as the applicable standards for public interest entities, including banks. Consequently, the consolidated and separate financial statements of the Group and the Bank have been prepared in accordance with IASs and IFRSs, as adopted by the FRC. The Bank has applied all relevant IASs and IFRSs during the preparation of these financial statements. The following is a summary of the standards applied:

IAS No.	Name of IAS	Status
1	Presentation of Financial Statements	Applied*
2	Inventories	N/A
7	Statement of Cash Flows	Applied
8	Accounting Policies, Changes in Accounting Estimates and Errors	Applied
10	Events after the Reporting Period	Applied
12	Income Taxes	Applied
16	Property, Plant, and Equipment	Applied
19	Employee Benefits	Applied
20	Accounting for Government Grants and Disclosure of Government Assistance	N/A
21	The Effects of Changes in Foreign Exchange Rates	Applied
23	Borrowing Costs	N/A
24	Related Party Disclosures	Applied
26	Accounting and Reporting by Retirement Benefit Plans	N/A**
27	Separate Financial Statements	Applied
28	Investments in Associates and Joint Ventures	N/A
33	Earnings Per Share	Applied
34	Interim Financial Reporting	Applied***

36	Impairment of Assets	Applied
37	Provisions, Contingent Liabilities, and Contingent Assets	Applied
38	Intangible Assets	Applied
40	Investment Property	N/A
41	Agriculture	N/A

IFRS No.	Name of IFRS	Status
1	First-time Adoption of Bangladesh Financial Reporting Standards	N/A
2	Share-Based Payment	N/A
3	Business Combinations	N/A
4	Insurance Contracts	N/A
5	Non-current Assets Held for Sale and Discontinued Operations	N/A
6	Exploration for and Evaluation of Mineral Resources	N/A
7	Financial Instruments: Disclosure	Applied*
8	Operating Segments	Applied
9	Financial Instruments	Applied*
10	Consolidated Financial Statements	Applied
11	Joint Arrangements	N/A
12	Disclosure of Interest in Other Entities	N/A
13	Fair Value Measurement	Applied
14	Regulatory Deferral Accounts	N/A
15	Revenue from Contracts with Customers	Applied
16	Leases	Applied
17	Insurance Contracts	N/A
18	Yet to be adopted	

Note:
* In order to comply with certain specific rules and regulations of the local Central Bank (Bangladesh Bank) which are different to IAS/IFRS, some of the requirements specified in these IAS/IFRSs are not applied. Refer below for such recognition and measurement differences that are most relevant and material to the Bank and the Group.

** This Standard regards a retirement benefit plan as a reporting entity separate from the employers of the participants in the plan. Therefore, it is not applicable for the Bank's annual report as it is the employer and not the retirement benefit plan itself.

*** The objective of IAS 34 is to prescribe the minimum content of an interim financial report and to prescribe the principles for recognition and measurement in complete or condensed financial statements for an interim period and hence it is not applicable for annual financial statements. However, the Bank being a listed entity in Dhaka and Chittagong Stock Exchanges regularly publishes Interim Financial Report complying with IAS 34.

N/A= Not Applicable

2.10.52 Operating Segments

The Bank reports on nine distinct business segments, each representing different products and services with unique risks and returns. These segments are the Bank's strategic business units, managed separately based on the Bank's internal reporting structure. The Management Committee periodically reviews these segments. Below is a summary of the Bank's reportable segments:

Segment Name	Description
Corporate Banking	Focuses on large corporate groups, structured/syndicated finance, and a variety of advanced & deposit products.
SME Banking	Provides loans, deposits, and other services to SME customers.
Consumer Banking	Includes loans, deposits, and other services for retail customers.

Treasury	Manages the Bank's funding, SLR maintenance, asset-liability management, foreign exchange dealings, and investments in derivatives.
Investment Banking	Involves trading, investment in equities, and other capital market activities.
Offshore Banking	Offers commercial banking services in freely convertible currencies, with one unit in Dhaka.
Card and Alternate Delivery Channels	Provides various debit and credit card offerings to meet customer needs.
Mobile Financial Services	Facilitates banking through mobile networks, covering cash in/out, bill payments, and POS purchases.
Agent Banking	Aims to provide banking services to remote, financially excluded areas, with a focus on cashless transactions.

2.10.53 Risk Management

In a banking organization, risk refers to the potential outcome of an action or event that could have an adverse impact. Such an outcome may result in a direct loss of earnings or capital, or it may impose constraints on the bank's ability to meet its business objectives. Risk can arise from factors like a sudden downturn in the economy or falling interest rates. Banks must rely on their capital as a buffer to absorb such losses. The types and degree of risks an organization is exposed to depend on several factors, such as its size, the complexity of its business activities, and its volume of operations.

Initially, Bangladesh Bank issued guidelines covering six core risk areas, and banks operating in Bangladesh have implemented these guidelines to improve risk management practices. The implementation of these core risk management guidelines by United Commercial Bank PLC and its current status are discussed below.

BRPD Circular No. 17, dated 7 October 2003; BRPD Circular No. 04, dated 5 March 2007; and DOS Circular No. 4, dated 8 October 2018 require banks to establish an effective risk management system. The risk management system of the bank covers the following six broad risk areas:

- Credit Risk
- Foreign exchange risk
- Asset Liability Management Risk
- Internal Control & Compliance Risk
- Money Laundering and Terrorist Financing Risk
- Information & Communication Technology Risk

Credit Risk Management

Credit risk is most simply defined as the potential risk that a bank borrower or counterparty will fail to meet its obligations in accordance with the agreed terms. The goal of credit risk management is to maximize a bank's risk-adjusted rate of return by maintaining credit risk exposure within acceptable parameters. Banks need to manage the credit risk inherent in the entire portfolio as well as the risk associated with individual credits or transactions. Banks should also consider the relationships between credit risk and other types of risk. Effective management of credit risk is a critical component of a comprehensive approach to risk management and is essential to the long-term success of any banking organization.

Both on-balance sheet and off-balance sheet activities, such as guarantees, impact credit risk. Credit risk may arise from either an inability or an unwillingness to perform in the pre-committed contracted manner. It stems from a bank's dealings with households, small or medium-sized enterprises (SMEs), corporate clients, other banks and financial institutions, or sovereign entities. The assessment of credit risk involves evaluating both the probability of default by the borrower and the exposure or financial impact on the bank in the event of a default.

Our credit risk management function is kept independent of business origination functions to establish better internal control and reduce conflicts of interest. The Chief Risk Officer and the Head of Credit Risk Management have clear responsibilities for managing credit risk. The final authority and responsibility for all activities that expose the bank to credit risk rest with the Board of Directors. However, the Board has delegated authority to the Managing Director and CEO to re-delegate authority to other officers within the credit risk management division. The Board also sets credit policies and delegates authority to management for setting procedures, which together structure the credit risk management framework in the bank.

The prime objective of risk management is to ensure that the bank undertakes well-calculated business risks to safeguard its capital, financial resources, and the growth of sustainable profitability. In this context, the bank has formed a risk management committee to oversee the regular monitoring of these critical risk areas.

Foreign Exchange Risk Management

Foreign exchange risk is the risk that changes an investment's value due to changes in currency exchange rates. This risk not only impacts export and/or import business, but also affects investors making international investments. Financial risk management is the practice of creating economic value in a firm by using financial instruments to manage exposure to risk. The most common cause of foreign exchange (FX) risk arises from making overseas payments for imports that are priced in a foreign currency and receiving foreign currency as payment against exports. Exposure to foreign exchange risk can also arise from foreign currency borrowing and deposits, overseas subsidiaries, assets located overseas.

UCB has developed a Foreign Exchange Risk Management policy in line with the Bangladesh Bank foreign exchange guidelines to minimize different types of risks associated with foreign exchange transactions. In this guideline, treasury functions are clearly demarcated between treasury front office, mid office and back office. The front office is involved only in dealing activities and the back office is responsible for all related support and monitoring functions. On the other hand, mid office is responsible for monitoring market risk, liquidity risk and operational risks at treasury operation. Treasury Front Office', 'Treasury Mid Office and 'Treasury Back Office' have separate and independent reporting lines to ensure segregation of duties and accountabilities.

The Bank has also developed different strategies to handle the foreign exchange risk by setting different types of limits and risk parameters to measure and monitor foreign exchange risk exposure of the Bank. Treasury department is vested with the responsibility for measuring and minimizing the foreign exchange risk associated with bank. To assess the degree of the risk associates with foreign exchange position, bank computes VaR (Value at Risk) on its foreign exchange position on daily basis. To deal smoothly the dealers have various limits with triggers such as counterparty limit, stop loss limit, intraday limit, per deal limit etc.

Asset Liability Management Risk

ALM is an integral part of the financial management process of any bank. It is concerned with strategic balance sheet management involving risks caused by changes in the interest rates, exchange rates and the liquidity position of the bank.

The Asset Liability Management Committee (ALCO) of UCB headed by the Managing Director & CEO of the Bank meets at least once in every month to look after the financial market activities, manage liquidity risk, interest rate risk and FX or currency risk. Asset Liability Management (ALM) desk of the Treasury is primarily responsible for management of liquidity risk on a daily basis by appropriate coordination of funding activities. Asset liability Committee (ALCO) reviews the country's overall economic position, market outlook (local and global) and Bank's liquidity position. A quarterly projection of fund flows is reviewed in ALCO meeting regularly. ALCO also examines key ratios such as Maximum Cumulative Outflow, Advance Deposit Ratio, Capital to Risk Weighted Asset Ratio, Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR), Leverage ratio etc. ALCO also monitors concentration of deposits of large institutional depositors, which is volatile in nature.

In addition to the above ratios, ALCO also analyses the following statements to measure and monitor liquidity risk, interest rate risk and FX or currency risk:

Risks	Statement
Liquidity Risk	▪ Structural liquidity profile ▪ Dynamic liquidity profile ▪ Key Management Ratios ▪ Cash flow projection
Interest Rate Risk	▪ Traditional Gap Analysis (up to 1 Year) ▪ Traditional Gap Analysis (Total A-L)

	▪ Duration Gap Analysis ▪ Balance Sheet VaR ▪ Stress Testing
Currency Risk	▪ Currency wise Exposure ▪ Value at Risk (VaR) ▪ Internal Control & Compliance Risk

Internal Control & Compliance Risk

Internal Control is a process, effected by a bank's board of directors, management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting and compliance. An organization deploy many layers of defence. In order to ensure, there are enough controls to manage the adverse risk of any major setback. The first layer of defence is the operational management. The second layer of defence is the control function such as internal control, risk management and compliance. The third layer of defence is the internal and external audit function.

Internal Control & Compliance Division (ICCD) under guidance of Board & Senior Management has been working in light of Bangladesh Bank guidelines. Audit function is independent with reporting line of 'Head of Audit' to Audit Committee of the Board along with administrative reporting line to 'Head of ICCD'. Competent authority of the bank has taken various steps to strengthen internal audit as well as compliance activities for ensuring a standard compliance culture within the organization towards mitigating Internal Control & Compliance Risks.

A strong internal control system, including effective internal audit function provides independent assurance to the board of directors and management on the quality and effectiveness of a bank's internal control, risk management and governance systems and processes, thereby helping the board and senior management protect the organization and its reputation. Such a system is designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations,
- Reliability of financial reporting and
- Compliance with applicable laws, regulations, and internal policies.

UCB develops and maintains a robust internal control framework comprising the following internal control features:

- Management oversight and the control culture
- Risk recognition and assessment
- Control activities and segregation of duties
- Information and communication
- Monitoring activities and correcting deficiencies

The key issues that have been established for effective internal control of UCB are:

I. ICCD of UCB is working in light of guideline on Internal Control & Compliance Guideline of UCB.
II. ICCD, in collaboration with LDC arranges day long training workshop regarding "Internal Control & Compliance in Banks" where participants from both Branch & Head office participates and enrich their knowledge.
III. The internal Audit department of the Bank checks for compliance with policies and procedures and the effectiveness of internal control systems on an ongoing basis.
IV. Health Report has been prepared and submitted on Annual basis.
V. In assessing the internal control system UCB continued to review of different control tools i.e. QOR, LDCL, DCFCL, Internal audit checklist and Risk Rating.
VI. Self-Assessment of Anti-Fraud Internal Controls is carried out on semi-annual basis as per DOS circular letter #10 dated 9 May 2017 of BB.

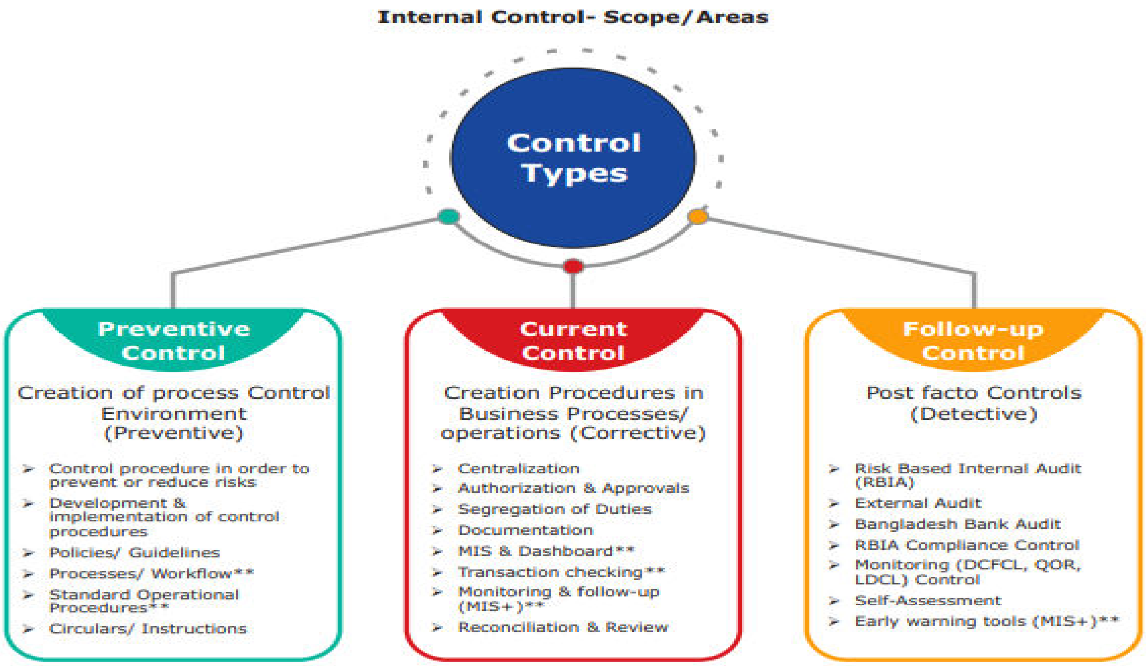
Effective and efficient internal control of UCB secure the interest of depositors and stakeholders through establishing the following internal control functions:

- Compliance
- Information Security

- Internal Audit
- Monitoring

It helps to reinforce the 3 (three) types of control:

Preventive - creation of process control environment,
Corrective - Control Procedures in business processes/operation and
Detective - Post facto controls.



Money Laundering & Terrorist Financing Risk Management

Money Laundering (ML) and Terrorist Financing (TF) are the main factors to erode economic growth. So that Financial Institutions across the globe are working hard to fight against ML&TF related financial crime to protect assets and maintain regulatory compliance. Money laundering is the process of providing legitimate appearance to the illegally gained revenue and terrorist financing process involves collecting the funds intended to use in supporting the terrorist organization from a variety of sources to meet goals of terrorist organizations.

Regulators expect, functions in the Bank to be global standard across business lines. The best ways to satisfy these expectations are to centralize functions of the bank, keep continuous monitoring of the transactions and activities of the customers during banking operations and do meticulous compliance of regulatory requirements.

The years to come will undoubtedly be challenging to manage ML&TF risks considering their plurality. To mitigate such risks, the bank exerts continuous efforts to maintain and fine-tune its current policies and procedures and adopt new ones to meet future challenges.

UCB has already gone a long way in the path of centralization of its functions. In 2018, new Anti- Money Laundering and Anti-Terrorist Financing Division has been formed along with its organogram, which is updated in 2023. As instructed by BFIU, Deputy CAMLCO is heading this Division. The division is initiating new specialized trainings focusing risks such as cryptocurrencies, e-commerce, fin-tech, trade-based and credit-backed money laundering, etc. The division has taken various initiatives to develop better monitoring system throughout the bank to mitigate ML&TF risks. To build a vigorous anti-money laundering and anti-terrorism program, UCB has deployed necessary resource and manpower. In addition, an annual message from the Managing Director & CEO of the bank also acts as a guideline for all the employees in this regard. AML & ATF Division has taken up a yearly action plan for meticulous compliance of regulatory requirement.

In line with international initiatives and standards, the regulator has issued guidelines for preventing Trade Based Money Laundering (TBML). Based on that policy, UCB has also prepared the policy and reviewed the same in August, 2023.

Fraud and Forgeries Risk

Fraud involves deliberate deception for unlawful or unfair gain. UCB is dedicated to maintaining a robust anti-fraud control mechanism to identify fraud attempts early, escalate them appropriately, and take corrective action. As part of its commitment to regulatory compliance, the Bank reports all instances of fraud or forgery to the central bank in a timely manner.

Information and Communication Technology (ICT) Risk

The Bank continues to strengthen its Information and Communication Technology (ICT) risk management capabilities to support secure, resilient, and sustainable banking operations. Following the restructuring of the Information Technology Operations Division (ITOD), a series of strategic technology initiatives have been undertaken to enhance operational efficiency, customer experience, and system reliability. In an increasingly digital banking environment, effective identification, assessment, and mitigation of ICT-related risks remain a core priority to protect systems, data, and services.

ICT Risk Management Framework

ICT risk management at UCB is a structured and continuous process designed to identify, evaluate, and manage risks associated with information systems, digital infrastructure, and emerging technologies. The framework addresses operational disruptions, cybersecurity threats, regulatory risks, and potential losses arising from system failures or delayed adoption of technological innovation.

The Bank's ICT risk management framework supports business transformation and strategic technology investments while ensuring operational resilience, regulatory compliance, and alignment with the Bank's long-term digital strategy.

Policies, Standards, and Regulatory Alignment

The Bank has comprehensively updated its ICT Policy to reflect evolving technology landscapes, enhanced risk management practices, and the latest regulatory guidelines issued by Bangladesh Bank. The Business Continuity Plan (BCP) and Disaster Recovery Plan (DRP) have also been reviewed, updated, and republished to ensure preparedness for operational disruptions.

In addition, a dedicated ICT Risk Management Policy has been implemented in alignment with internationally recognized standards, including ISO/IEC 27001, and applicable regulatory requirements. These policies strengthen governance, accountability, and consistency in managing ICT risks across the organization.

UCB PLC has successfully maintained PCI DSS certification for the eighth consecutive year, mitigating risks related to card fraud and cyber threats. The Bank has also achieved ISO 27001 certification for information security management and ISO 22301 certification for business continuity management, placing UCB among a limited number of banks in the country holding both certifications. These achievements reflect the Bank's commitment to international best practices and stakeholder confidence.

Key ICT Risk Mitigation Initiatives

Modernization of Core Banking System

The Bank successfully upgraded its Core Banking System (CBS) from Oracle FCUBS version 12.2 to version 14.7, becoming the first bank in the country to deploy this advanced platform. The upgrade has enhanced system performance, data security, regulatory compliance, and scalability, forming a critical component of the Bank's digital transformation roadmap.

Under Phase II of the CBS modernization program, additional modules—including Treasury Management, Oracle Banking Digital Experience (OBDX), and credit modules are implemented in line with regulatory CBS guidelines.

Infrastructure Resilience and High Availability

The CBS environment is hosted on Oracle Sun SPARC M8 servers, supported by Logical Domain (LDOM) virtualization to ensure workload isolation, efficient resource utilization, and enhanced security. High availability, redundancy, and failover mechanisms are implemented across application and database layers to ensure uninterrupted services.

Active–Active clustering has been deployed for mission-critical systems, including RTGS, BEFTN, SWIFT, and Internet Banking, ensuring continuous availability and data consistency.

Backup, Disaster Recovery, and Data Protection

A multi-layered backup and replication strategy covers server, application, and database environments to support data integrity and rapid recovery. The primary Disaster Recovery (DR) site at Kaliakair Hi-Tech Park mirrors the production environment, enabling seamless switchover during disruptions. A geographically separate Far DR site at Jashore further enhances operational resilience and business continuity.

Data Center and Network Resilience

The Bank has expanded its data center infrastructure, enhancing server and network capacity, power supply, cooling systems, and environmental controls. High Availability (HA) has been implemented at both the Data Center (DC) and Near Disaster Recovery Center (NDC) for core network components, significantly improving system uptime and redundancy.

Cybersecurity and Network Protection

UCB continues to enhance its cybersecurity posture to safeguard customer information, financial transactions, and critical infrastructure. Key controls include next-generation firewalls, web application firewalls, DDoS protection, load balancers, web security gateways, multi-factor authentication for privileged access, structured patch management, and a secure software development lifecycle.

Additional measures include perimeter firewall deployment at the dear site, replacement of the legacy payment gateway with Cyber Source, biometric verification for loan-related documentation, compliance with 3DS Version 2 standards, and implementation of two-factor authentication and OTP mechanisms for Internet Banking and card transactions. Fraud risk is further mitigated through EMV chip-based cards, anti-skimming devices at ATMs, and maker–checker controls across financial and non-financial processes.

Compliance, Monitoring, and Governance

The Bank maintains compliance with key international standards and regulatory frameworks, including ISO 27001:2022, ISO 22301:2019, PCI DSS, and SWIFT CSP 2025. Regulatory audits conducted during the year were completed with satisfactory results, reflecting strong ICT governance and control effectiveness.

Operational oversight is supported by the IT Operations Center (iTOC), a Cyber Incident Response Team (CIRT), and a Security Operations Center (SOC) utilizing SIEM and threat intelligence platforms. Additional controls include network segmentation for sensitive systems, Privileged Access Management (PAM), Vulnerability Assessment and Penetration Testing (VA/PT), and automated fraud monitoring.

Continuous Improvement

The Bank remains committed to the continuous enhancement of its ICT risk management framework through regular risk assessments, security awareness programs, simulated phishing exercises, periodic BCP and DR drills, infrastructure upgrades, and continuous monitoring to address emerging threats and regulatory expectations.

Through sustained investment in technology, governance, and people, UCB PLC continues to effectively manage ICT risks while supporting secure, resilient, and sustainable banking operations.

2.10.54 Internal Audit

The Bank has established an independent internal audit function that conducts risk-based audits across various business and operational areas on a continuous basis. This function ensures that the Bank's internal controls, risk management practices, and operational procedures are regularly assessed and optimized to meet evolving standards.

2.10.55 Interest Rate Risk

Interest rate risk may arise either from trading portfolio or from non-trading portfolio. The trading portfolio of the Bank consists of Government treasury bills and bonds of different maturities as far as interest rate risk is concerned. Interest rate risk arises from mismatches between the future yield of an asset and its funding cost. Asset Liability Committee (ALCO) monitors the interest rate movement on a regular basis and the Bank's Market Treasury team actively manages the Balance Sheet gap to reduce the risk.

2.10.56 Interest Rate Risk Management

Interest rate risk arises from discrepancies between the yield of an asset and its associated funding cost. The Asset Liability Committee (ALCO) monitors interest rate movements regularly, while the Bank's Market Treasury team actively manages the balance sheet gap to mitigate risk exposure. This proactive approach ensures that interest rate fluctuations are effectively managed to minimize any adverse impact on the Bank's financial performance.

2.10.57 Operational Risk

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people, and systems or from external events. Operational risk is inherent in the Bank's activities and, as with other risk types, is managed through an overall framework with checks and balances that include implementation of three lines of defence, recognized ownership of the risk by the businesses and independent risk management oversight. The operational risk policy codifies the core governing principles for operational risk management and provides a framework for operational risk. In accordance with the policy, each business area is responsible for identifying its key operational risks as well as the controls established to mitigate those risks and to ensure compliance with laws, regulations, regulatory administrative actions and the Bank's policies. The Bank's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the reputation of the Bank's reputation with overall cost effectiveness and innovation. In all cases, the bank's policy requires compliance with all applicable legal and regulatory requirements.

2.10.58 Operating Environment

The Bank's operating environment during the year ended 2025 has continued to be influenced by several major global and local events, including the ongoing Russia-Ukraine conflict, geopolitical tensions in the Middle East, volatility in fuel and commodity prices, and the continued strength of the USD. These global factors have had far-reaching impacts, not only on the international market but also on the local economic climate, directly affecting the Bank's operations.

In response to these challenges, the Government of Bangladesh and the Bangladesh Bank have issued various regulatory measures and directives aimed at managing the repercussions of these external factors. The Bank has adhered to these guidelines to ensure compliance and stability in its operations.
Bangladesh's banking sector faced significant challenges, including political upheaval, economic instability, regulatory changes, and systemic issues within financial institutions. Banks experienced severe liquidity pressures due to an increase in non-performing loans (NPLs), exposing weaknesses in credit risk management and internal controls. A revised loan classification policy revealed hidden debts, indicating gaps in reporting systems and asset quality assessments. Allegations surfaced of $17 billion being embezzled. Frequent policy shifts, including a sharp interest rate hike to 10% to control inflation, created regulatory uncertainty, impacting banks' ability to manage liquidity and lending practices effectively. Unrest and supply chain disruptions affected client operations, raising business continuity risks for banks reliant on industrial sectors like garments. In response, the interim government and Bangladesh Bank introduced oversight reforms and forensic audits to restore operational stability and rebuild trust in banking processes.

2.10.59 Audit Committee

In accordance with BRPD Circular No. 12 (dated 23 December 2002), all banks are required to establish an Audit Committee composed of members from the Board of Directors. This committee plays a crucial role in assisting the Board in fulfilling its oversight responsibilities related to corporate governance and risk management.

The Audit Committee is tasked with ensuring the effective implementation of the Bank's strategic objectives and business plans. Its core responsibilities include overseeing the financial reporting process, evaluating the internal control framework, managing financial risks, and monitoring audit processes. Additionally, the committee ensures the Bank's adherence to applicable laws, regulations, and its code of business conduct, thereby promoting transparency and accountability in all financial and operational activities.

2.10.60 New Standards Issued but Not Yet Effective

The following new and amended standards are effective for annual periods beginning after 1 January 2026. While early adoption is permitted, the Bank has not opted for early adoption. However, none of these standards are expected to have a significant impact on the Bank's financial statements:

- IFRS 18: Presentation and Disclosure in Financial Statements – effective from 1 January 2027.
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7): - effective from 1 January 2026.
- IFRS 19: Subsidiaries without Public Accountability: Disclosures - effective from 1 January 2027.

2.10.61 Events After the Reporting Period

All material events that occurred after the reporting period have been considered, and appropriate disclosures have been made in the financial statements, in accordance with IAS 10: Events After the Reporting Period. A common event after the reporting period is the Board of Directors' recommendation regarding dividend payments, which has been disclosed in note 2.10.21.

2.11 General

Functional and Presentation Currency
The financial statements are presented in Bangladeshi Taka (BDT), which is the Bank's functional currency. Financial information is rounded to the nearest Taka.

Comparative Information
Comparative information, including narratives, is disclosed for the previous period where relevant to enhance the understanding of the current period's financial statements. Certain comparative amounts have been reclassified or rearranged to conform to the current year's presentation.

Reporting Period
These financial statements cover the period from 1 January 2025 to 31 December 2025.

Approval of Financial Statements
The financial statements were approved by the Board of Directors of the Bank in its meeting held on 30 April 2026.

Notes	Particulars	Consolidated		United Commercial Bank PLC	
		Amount in BDT		Amount in BDT	
		31 Dec. 2025	31 Dec. 2024	31 Dec. 2025	31 Dec. 2024
3	**Cash**	**55,853,763,149**	**45,443,634,157**	**55,853,476,867**	**45,443,390,740**
3.1	**Cash in hand**				
	Local currency				
	In branches	9,195,268,075	9,957,697,971	9,195,076,857	9,957,544,914
	In ATMs & CRMs	2,148,418,500	2,180,949,500	2,148,418,500	2,180,949,500
		11,343,686,575	**12,138,647,471**	**11,343,495,357**	**12,138,494,414**
	Foreign currency				
	In branches	278,173,761	304,465,132	278,078,697	304,374,772
		11,621,860,336	**12,443,112,603**	**11,621,574,054**	**12,442,869,186**
3.2	**Balance with Bangladesh Bank and its agent Bank(s)**				
	Local currency	42,097,854,339	27,512,458,254	42,097,854,339	27,512,458,254
	Foreign currencies	2,134,048,474	5,488,063,300	2,134,048,474	5,488,063,300
		44,231,902,813	**33,000,521,554**	**44,231,902,813**	**33,000,521,554**
	Total Cash in hand including balance with Bangladesh Bank & its agent Bank's	**55,853,763,149**	**45,443,634,157**	**55,853,476,867**	**45,443,390,740**
3.2.1	**Balance with Bangladesh Bank**				
	Local currency	42,097,795,928	27,512,404,703	42,097,795,928	27,512,404,703
	Foreign currency	2,134,048,474	5,488,063,300	2,134,048,474	5,488,063,300
		44,231,844,402	**33,000,468,002**	**44,231,844,402**	**33,000,468,002**

* The above balance represents amount as per Bank Book. In case of any difference, the difference is duly reconciled and subsequently adjusted.

3.2.2	**Balance with Sonali Bank (as agent of Bangladesh Bank)**				
	Local currency	58,412	53,552	58,412	53,552
	Foreign currency	-	-	-	-
		58,412	**53,552**	**58,412**	**53,552**

3.3 Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)

All scheduled banks in Bangladesh have to maintain Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) in compliance with the instructions given in clause (1) of Article 36 of Bangladesh Bank Order, 1972 (as amended up to 2003) and clause (1) of section 33 of "Bank Company Act, 1991 (Amendment on 2013)" respectively and instructions contained in DOS Circular No. 01 & 26 dated 19 January 2014 & 19 August 2019 respectively, MPD circular No. 03 dated 09 April 2020 respectively and BRPD Circular letter No. 31 dated 18 June 2020 issued by Bangladesh Bank.

In compliant with the regulations and circulars of Bangladesh Bank mentioned above, UCB PLC has been maintaining 3.00% CRR for 2025 and 3.50% CRR for 2024 on daily basis; and 4.00% CRR for both 2025 and 2024 on bi-weekly basis for DBO. The CRR is calculated on the basis of weekly average demand and time liabilities (ATDTL) and 13.00% Statutory Liquidity Ratio (SLR) on the same liabilities has also been maintained in the form of Cash in Hand, balance with Sonali Bank (as agent Bank), Treasury Bills, Treasury Bonds, Bangladesh Govt. Sukuk Bond, Prize Bond, FCY clearing account credit balance maintained with Bangladesh Bank & excess of CRR held.

3.3.1 Cash Reserve Requirement (CRR)

A. Conventional and Off-shore Banking:

Particulars		31 Dec. 2025	31 Dec. 2024
Average Total Demand and Time Liabilities (ATDTL)			
	DBU (Domestic Banking Unit)	635,961,201,000	564,966,035,400
	OBU (Off-shore Banking Unit)	4,595,163,175	6,167,147,635
Total ATDTL of Conventional and Off-shore Banking		**640,556,364,175**	**571,133,183,035**
i) Daily basis:			
	DBU (3% of ATDTL for 2025 and 3.5% of ATDTL for 2024)	19,078,836,030	19,773,811,239
	OBU (0% of ATDTL)	-	-
Required reserve		**19,078,836,030**	**19,773,811,239**
Actual reserve maintained		27,225,571,015	25,886,250,028
Surplus		**8,146,734,985**	**6,112,438,789**
ii) Bi-weekly average basis:			
	DBU (4% of ATDTL)	25,438,448,040	22,598,641,416
	OBU (0% of ATDTL)	-	-
Required reserve		**25,438,448,040**	**22,598,641,416**
Actual reserve maintained		25,994,061,630	27,508,550,181
Surplus		**555,613,590**	**4,909,908,765**

B Islamic Banking:

Particulars		31 Dec. 2025	31 Dec. 2024
Average total demand and time liabilities			
	DBU	44,204,585,400	21,810,807,400
	OBU	-	-
Total ATDTL of Islamic Banking		**44,204,585,400**	**21,810,807,400**
i) Daily basis:			
	DBU (3% of ATDTL for 2025 and 3.5% of ATDTL for 2024)	1,326,137,562	763,378,259
	OBU (0% of ATDTL)	-	-
Required reserve		**1,326,137,562**	**763,378,259**
Actual reserve maintained		14,107,502,235	1,407,515,901
Surplus		**12,781,364,673**	**644,137,642**

Notes	Particulars		Consolidated Amount in BDT 31 Dec. 2025	Consolidated Amount in BDT 31 Dec. 2024	United Commercial Bank PLC Amount in BDT 31 Dec. 2025	United Commercial Bank PLC Amount in BDT 31 Dec. 2024
	ii) Bi-weekly average basis:					
		DBU (4% of ATDTL)			1,768,183,416	872,432,296
		OBU (0% of ATDTL)			-	-
	Required reserve				**1,768,183,416**	**872,432,296**
	Actual reserve maintained				3,247,884,623	1,397,651,646
	Surplus				**1,479,701,207**	**525,219,350**
	Excess Reserve of CRR (referred to note 3.3.3)				**2,035,314,798**	**5,435,128,116**
3.3.2	**Statutory Liquidity Ratio (SLR)**					
	A Conventional and Offshore Banking:					
		DBU (13% of ATDTL)			82,674,956,130	73,445,584,602
		OBU (13% of ATDTL)			597,371,213	801,729,193
	Required reserve				**83,272,327,343**	**74,247,313,795**
	Actual reserve maintained				131,170,567,207	78,003,618,824
	Surplus				**47,898,239,864**	**3,756,305,029**
	B Islamic Banking:					
		DBU (5.5% of ATDTL)			2,431,252,197	1,199,594,407
		OBU (5.5% of ATDTL)			-	-
	Required reserve				**2,431,252,197**	**1,199,594,407**
	Actual reserve maintained				15,257,927,724	1,404,245,280
	Surplus				**12,826,675,527**	**204,650,873**
3.3.3	**Held for Statutory Liquidity Ratio**					
	Cash in hand **(note: 3.1)**				11,621,574,054	12,442,869,186
	Balance with Sonali Bank (agent Bank) **(note: 3.2.2)**				58,412	53,552
	Govt. Securities (Treasury Bills) **(note: 6.a)**				12,578,031,250	12,536,057,619
	Govt. Treasury Bond (HTM) **(note: 6.1)**				81,181,377,987	49,569,879,765
	Govt. Treasury Bond (HFT) **(note: 6.1)**				24,605,363,834	122,133,066
	Bangladesh Bank - Sukuk Bond				1,474,333,000	906,653,000
	Stock of Prize Bond **(note: 6.1)**				11,314,600	7,525,700
	Excess Reserve of CRR **(note: 3.3.1)**				2,035,314,798	5,435,128,116
					133,507,367,935	**81,020,300,004**
4	**Balance with other banks and financial institutions**					
	In Bangladesh **(note: 4.1)**		11,686,192,819	12,853,680,447	10,271,901,408	11,565,022,275
	Outside Bangladesh **(Annexure-A)**		4,498,056,776	6,159,623,190	4,498,056,776	6,159,623,190
			16,184,249,595	**19,013,303,637**	**14,769,958,184**	**17,724,645,465**
4.1	**In Bangladesh**					
	A. Current account and others					
	Janata Bank PLC.				32,502,950	94,099,779
	Agrani Bank PLC.				285,899	16,288,990
	Rupali Bank PLC.				12,996,417	146,058
	Sonali Bank PLC.				1,162,185,560	1,274,635,299
	Standard Chartered Bank				2,835	3,527,478
	Bangladesh Krishi Bank				172	-
	Eastern Bank PLC				264,749,473	-
					1,472,723,307	**1,388,697,605**
	B. Term Placement					
	B.i. Bank:					
	Dutch Bangla Bank PLC				2,500,000,000	-
	Citizen Bank PLC				90,000,000	-
	Mercantile Bank PLC				1,000,000,000	-
	NRB Bank PLC				600,000,000	-
	Modhumoti Bank PLC				500,000,000	-
					4,690,000,000	**-**
	B.ii. NBFI :					
	International Leasing				400,000,000	400,000,000
	Peoples Leasing & Finance Services				4,800,000	4,800,000
	Aviva Finance Limited				650,000,000	650,000,000
	Phoenix Finance and Investments Limited				500,000,000	500,000,000
	Uttara Finance and Investments Limited				-	160,000,000
	Meridian Finance and Investment Limited				214,000,000	220,000,000
	Lanka Bangla Finance PLC				200,000,000	-
					1,968,800,000	**1,934,800,000**
					6,658,800,000	**1,934,800,000**
	C Mudaraba Term Placement					
	Premier Bank PLC.				-	2,000,000,000
	NRB Bank PLC.				10,378,101	211,574,670
	Shahjalal Islami Bank PLC.				-	599,950,000
	Exim Bank PLC.				430,000,000	430,000,000
	City Bank PLC.				-	5,000,000,000
	Al-Arafah Islami Bank PLC				500,000,000	-
	Mercantile Bank PLC				500,000,000	-
	Al-Arafah Islami Bank PLC				500,000,000	-
	Bengal Commercial Bank PLC				200,000,000	-
					2,140,378,101	**8,241,524,670**
	Total (A+B+C)				**10,271,901,408**	**11,565,022,275**

Notes	Particulars	Consolidated		United Commercial Bank PLC	
		Amount in BDT		Amount in BDT	
		31 Dec. 2025	31 Dec. 2024	31 Dec. 2025	31 Dec. 2024
4.2	**Maturity grouping of balance with other banks & financial institutions**				
	On demand			1,472,789,995	1,388,690,000
	Up to three months			11,098,368,189	13,971,110,000
	More than three months but less than six months			-	-
	More than six months but less than one year			-	-
	More than one year but less than five years			2,198,800,000	2,364,845,465
				14,769,958,184	**17,724,645,465**
5	**Money at call on short notice**				
	Dutch Bangla Bank PLC	-	2,500,000,000	-	2,500,000,000
	Industrial Promotion & Development	400,000,000	-	400,000,000	-
	IDLC Finance Limited	1,000,000,000	-	1,000,000,000	-
	National Credit and Commercial Bank PLC	1,000,000,000	-	1,000,000,000	-
	Pubali Bank PLC	733,804,800	-	733,804,800	-
	The City Bank PLC	366,902,400	-	366,902,400	-
		3,500,707,200	**2,500,000,000**	**3,500,707,200**	**2,500,000,000**
6	**Investments**				
	Government Securities	134,944,106,323	75,913,616,797	134,276,467,671	75,068,296,150
	Other Investments	16,791,288,053	14,843,147,626	14,438,060,979	12,783,091,077
		151,735,394,376	**90,756,764,423**	**148,714,528,650**	**87,851,387,227**
a)	**Government Securities**				
	Treasury Bills				
	Treasury bills (28 days)			-	-
	Treasury bills (91 days)			22,760,920	-
	Treasury bills (182 days)			4,051,320,424	8,654,285,905
	Treasury bills (364 days)			8,503,949,907	3,881,771,714
	Total Treasury Bills			**12,578,031,250**	**12,536,057,619**
	Government Bonds				
	Prize Bonds			11,314,600	7,525,700
	Government Bonds			121,687,121,821	62,524,712,831
	Total Government Bonds			**121,698,436,421**	**62,532,238,531**
	Total Government Securities			**134,276,467,671**	**75,068,296,150**
b)	**Other investments**				
	Shares in listed companies			6,233,217,409	5,171,344,097
	Shares in non-listed companies			801,843,570	636,746,980
	Sub-ordinated Bonds			3,700,000,000	3,200,000,000
	Perpetual Muadarba Bond (Islamic)			458,000,000	230,000,000
	Perpetual Bond Investment			2,050,000,000	2,050,000,000
	Private Sukuk Bond under SPV (Special Purpose Vehicle, Isl			-	300,000,000
	Zero coupon Bond			1,000,000,000	1,000,000,000
	Investment in Alternative Investment Fund			195,000,000	195,000,000
	Total other investments			**14,438,060,979**	**12,783,091,077**
	Total Investments (a+b)			**148,714,528,650**	**87,851,387,227**
6.1	**Government Securities are Classified as per Bangladesh Bank Circular**				
	Treasury Bond - HTM			81,181,377,987	49,569,879,765
	Treasury Bond - HFT			24,605,363,834	122,133,066
	Treasury Bills - HTM			1,376,367,556	1,923,440,619
	Treasury Bills - HFT			11,201,663,695	10,612,617,000
	Bangladesh Bank Bills - HTM			-	-
	Bangladesh Bank Bills - HFT			-	-
	Bangladesh Bank - Sukuk Bond			1,474,333,000	906,653,000
	Bangladesh Islamic Investment Bond (BGIIB)			2,500,000,000	-
	Bangladesh Government Special Purpose Bond			11,926,047,000	11,926,047,000
	Prize Bonds			11,314,600	7,525,700
				134,276,467,671	**75,068,296,150**
6.2	**Maturity grouping of investments**				
	On demand			11,314,600	-
	Up to three months			12,203,389,468	8,868,819,808
	More than three months but less than one year			4,808,336,402	19,246,367,419
	More than one year but less than five years			7,212,502,922	14,736,400,000
	More than five years			124,478,985,258	44,999,800,000
				148,714,528,650	**87,851,387,227**

6.3 Other Investments

	Name of the Company	Market Price On 31.12.2025	Cost Price On 31.12.2025	Cost Price On 31.12.2024
A)	**Shares in listed companies other than BB Scheme**			
	Square Pharmaceuticals PLC	749,872,291	805,999,817	402,247,618
	Grameenphone PLC	313,376,095	378,289,784	378,289,784
	Brac Bank PLC	2,358,716,365	1,543,938,728	708,305,798
	Marico	97,408,973	89,992,559	89,992,559
	National Housing Fin. and Inv. PLC.	12,680,145	-	44,648,231
	Berger Paints Bangladesh PLC	36,043,907	28,895,520	46,598,717
	Eastern Bank PLC.	108,533,933	112,197,735	-
	City Bank PLC.	379,231,120	320,897,913	320,897,238
	Prime Bank PLC	288165191.30	277985027.97	
	IFAD Autos PLC	-	-	52,318
	BATBC	343,241,026	629,157,348	629,157,348
	Reneta PLC	110,492,693	307,238,330	307,238,330
	Runner Automobiles PLC	-	-	139,745,732
	Delta Life Insurance Company Limited	610,730,576	1,314,688,276	1,314,688,276
	Sub Total (A)	**5,408,492,315**	**5,809,281,039**	**4,381,861,950**

Notes	Particulars	Consolidated Amount in BDT 31 Dec. 2025	Consolidated Amount in BDT 31 Dec. 2024	United Commercial Bank PLC Amount in BDT 31 Dec. 2025	United Commercial Bank PLC Amount in BDT 31 Dec. 2024

	Name of the Company	Market Price On 31.12.2025	Cost Price On 31.12.2025	Cost Price On 31.12.2024
B)	**Shares in listed companies as per BB Scheme (DOS circular No. 01 dated 10 February 2020)**			
	Grameenphone Ltd.	255,123,964	304,053,160	322,396,500
	Brac Bank PLC	-	-	312,895,386
	BATBC	-	-	24,975,148
	Square Pharmaceuticals Ltd.	114,804,305	119,883,210	129,215,580
	Sub Total (B)	**369,928,269**	**423,936,370**	**789,482,614**

		Cost price on '31 Dec. 2025	Cost Price on '31 Dec. 2024
C)	**Shares in non-listed companies**		
	Karmasangsthan Bank	10,000,000	10,000,000
	Central Depository (BD) Ltd	6,277,770	6,277,770
	Prime Finance 1st Unit Fund	15,000,000	15,000,000
	Fiber Shine	10,000,000	10,000,000
	SWIFT	8,258,622	8,258,622
	UCB TAQWA GF	28,210,140	52,500,000
	UCB AML FMF	30,000,000	30,000,000
	UCBINCOMEPF	349,999,992	149,999,995
	BBMLSAI	-	300,000,000
	Fair Electronics Ltd	344,097,046	354,710,588
	Sub total (C)	**801,843,570**	**936,746,975**
	Total (A+B+C)	**7,035,060,979**	**6,108,091,539**

6.3 (a) Cost and market value of investment as on 31 December 2025

	Cost Price (Taka)	Market Value/ Amortized Cost	Market Value/ Amortized Cost
Government securities:			
Treasury Bills (Government Securities)	12,509,856,112	12,578,031,250	12,536,057,619
Treasury Bonds (Government Securities)	105,024,963,229	105,786,741,821	49,692,012,831
Others	11,926,047,000	11,926,047,000	11,926,047,000
Sukuk bond issued by Bangladesh Bank	1,474,333,000	1,474,333,000	906,653,000
Bangladesh Islamic Investment Bond (BGIIB)	2,500,000,000	2,500,000,000	-
Prize Bond	11,314,600	11,314,600	7,525,700
	133,446,513,941	**134,276,467,671**	**75,068,296,150**

Investment in Shares, Bond & Debenture:	Market Value/ Amortized Cost	Cost Price	Cost Price
Quoted Shares	5,778,420,584	6,233,217,409	5,171,344,564
Un-Quoted Shares	-	801,843,570	936,746,975
Total investment in shares	**5,778,420,584**	**7,035,060,979**	**6,108,091,539**

6.4 (a) Disclosure regarding outstanding Reverse Repo on 31 December 2025.

Sl. No	Counter party Nan	Agreement Date	Reversal Date		Amount (1st leg cash consideration)
1	Jamuna Bank PLC	30-Dec-25	06-Jan-26		2,009,121,216
Total				-	**2,009,121,216**

6.4 (b) Disclosure regarding overall transaction of Repo and Reverse Repo

	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year
Securities sold under repo:			
1) With Bangladesh Bank	15,777,271,000	45,776,883,168	26,325,931,708
2) With Bank & Financial Institutions	447,027,000	22,541,588,625	8,434,587,687
1) From Bangladesh Bank	2,500,000,000	2,500,000,000	2,500,000,000
2) From Other Bank & Financial Institutions.	345,089,850	10,923,433,146	3,804,502,270

Notes	Particulars	Consolidated 31 Dec. 2025	Consolidated 31 Dec. 2024	UCB 31 Dec. 2025	UCB 31 Dec. 2024
7	**Loans and Advances**	**623,092,924,842**	**578,130,846,373**	**617,890,096,768**	**572,828,869,287**
7.1	**Maturity grouping of Loans & Advances (including bills purchased and discounted)**				
	On demand	203,362,712,014	8,436,200,000	203,357,072,860	8,436,200,000
	Not more than three months	66,578,199,450	167,775,888,289	61,381,010,531	167,775,888,289
	More than three months but less than one year	88,764,390,146	143,890,529,424	88,764,390,146	138,589,052,239
	More than one year but less than five years	187,723,100,948	181,479,105,791	187,723,100,948	181,479,105,791
	More than five years	76,664,522,284	76,549,122,869	76,664,522,284	76,548,622,968
		623,092,924,842	**578,130,846,373**	**617,890,096,768**	**572,828,869,287**
7.2	**Loans & Advances**				
	i) Loans/Investments, Cash credit & overdraft etc.				
	a) Within Bangladesh				
	Loans & Advances/ Investments	522,601,566,367	474,611,638,459	517,398,738,293	469,309,661,373
	Cash credits	20,299,058,194	24,997,295,418	20,299,058,194	24,997,295,418
	Overdrafts	56,347,932,102	68,538,228,059	56,347,932,102	68,538,228,059
		599,248,556,663	**568,147,161,936**	**594,045,728,589**	**562,845,184,850**
	b) Outside Bangladesh	-	-	-	-
		599,248,556,663	**568,147,161,936**	**594,045,728,589**	**562,845,184,850**

Notes	Particulars	Consolidated		United Commercial Bank PLC	
		Amount in BDT		Amount in BDT	
		31 Dec. 2025	31 Dec. 2024	31 Dec. 2025	31 Dec. 2024
	ii) Bills Purchased & Discounted (note : 7.13)				
	a) Payable Inside Bangladesh				
	Bills Purchased & discounted (Inland)	8,833,004,268	2,882,633,880	8,833,004,268	2,882,633,880
	b) Payable outside Bangladesh				
	Bills purchased & discounted (Foreign)	15,011,363,911	7,101,050,557	15,011,363,911	7,101,050,557
		23,844,368,179	**9,983,684,437**	**23,844,368,179**	**9,983,684,437**
		623,092,924,842	**578,130,846,373**	**617,890,096,768**	**572,828,869,287**
7.3	**Net Loans & Advances**				
	Gross Loans & Advances **(note- 7.2)**			617,890,096,768	572,828,869,287
	Less : Interest suspense (note- 13.8)			31,798,586,898	28,633,083,407
	Provision for Loans & Advances **(note- 7.11)**			76,794,219,533	60,551,260,557
				108,592,806,431	**89,184,343,964**
				509,297,290,337	**483,644,525,323**
7.4	**Loans & Advances according to significant concentration**				
	a) Advances to the companies or firms in which the Directors of the Bank are interested			-	-
	b) Advances to Chief Executive and other senior executives			-	-
	c) Advances to customers group			-	-
	Agricultural Loan			7,400,749,129	8,159,000,308
	Commercial Lending			52,463,398,866	58,795,046,450
	Export Finance			2,083,037,656	3,127,502,168
	House Building Loan			22,906,675,424	28,095,274,695
	Import Finance			40,894,659,780	34,676,973,022
	Industrial Loan			386,139,455,293	340,972,707,898
	Personal Loan			31,062,148,461	26,614,251,710
	Staff Loan			7,542,892,920	7,233,961,387
	Transport Loan			4,108,111,961	4,021,030,882
	Others			63,288,967,280	61,133,120,768
	Total Loans & Advances			**617,890,096,768**	**572,828,869,287**
7.5	**Industry wise Loans and Advances**				
	Agriculture			7,400,749,129	8,159,000,308
	Brick Field, Auto Bricks, Tiles			2,708,991,686	2,766,958,136
	Cement Industries			21,189,252,588	18,132,827,346
	Chemical & Chemical Products			30,096,321,435	25,502,430,975
	Commercial Trade Financing			95,441,096,302	96,599,521,640
	Construction (Other than Housing)			50,216,825,511	49,004,329,105
	Diagnostic/Medical/Clinic			4,457,459,055	4,078,560,476
	Educational Institute, Hotel, Restaurant			9,249,424,967	8,402,113,836
	Electronics Media			303,975,723	318,895,514
	Engineering, Basic Metal & Products			33,850,144,081	25,043,961,247
	Food Products & Processing			39,316,047,237	31,240,165,868
	Housing Industry			22,906,675,424	28,095,274,695
	Jute Industries			85,893,085	231,084,968
	Leather & Leather Products			336,868,020	1,627,023,409
	Paper & Paper Products Industries			12,246,543,528	9,753,351,007
	Power & Energy			26,164,453,490	21,199,259,727
	RMG & Accessories			67,350,127,587	71,902,206,479
	Ship Manufacturing			1,546,248,646	1,113,652,758
	Ship Re-cycling			18,104,038,447	12,832,990,466
	Telecommunication			2,667,614,404	3,005,745,077
	Textile Industries			36,683,752,928	31,508,136,209
	Transport & Communication			4,108,111,961	4,021,030,882
	Wood & Wooden Products			2,548,852,075	2,367,336,814
	Others			128,910,629,461	115,923,012,346
				617,890,096,768	**572,828,869,287**
7.6	**Geographical Location wise Loans & Advances**				
	Urban branches:				
	Barisal Division			1,107,965,251	979,502,863
	Chattogram Division			114,695,045,817	105,607,607,639
	Dhaka Division			470,624,308,484	435,803,915,391
	Khulna Division			9,349,631,017	8,330,555,976
	Mymensingh Division			1,032,491,572	965,255,629
	Rajshahi Division			4,449,004,381	4,639,812,636
	Rangpur Division			1,389,900,080	1,341,985,455
	Sylhet Division			2,231,937,853	1,887,348,053
				604,880,284,455	**559,555,983,643**
	Rural branches:				
	Barisal Division			122,224,512	103,733,830
	Chattogram Division			2,307,636,097	2,328,093,507
	Dhaka Division			8,655,246,659	9,005,312,183
	Khulna Division			501,723,395	521,647,980
	Mymensingh Division			480,965,772	394,912,025
	Rajshahi Division			393,702,727	350,209,514
	Rangpur Division			252,821,532	288,317,151
	Sylhet Division			295,491,621	280,659,456
				13,009,812,314	**13,272,885,645**
				617,890,096,768	**572,828,869,287**

Notes	Particulars	Consolidated		United Commercial Bank PLC	
		Amount in BDT		Amount in BDT	
		31 Dec. 2025	31 Dec. 2024	31 Dec. 2025	31 Dec. 2024

7.7 Sector - wise Loans and Advances

		31 Dec. 2025	31 Dec. 2024
	Private sector	617,560,573,180	572,510,679,409
	Government & autonomous	91,408,549	88,012,124
	Co-operative sector	238,115,040	230,177,755
		617,890,096,768	572,828,869,287

7.8 Details of large Loans and Advances

Number of clients which sanctioned amount of loans exceeding 10% of total capital of the Bank with outstanding and classified amount.

	31 Dec. 2025	31 Dec. 2024
Total Capital of the Bank	**54,805,825,954**	**53,859,011,572**
Outstanding Advances **(note : 7.8.1)**	312,391,481,083	287,624,011,675
Number of customers	33	32

7.8.1 Detail of information on Advances more than 10% of Bank's total Capital.

Name of the Borrower	Outstanding as on 31 December 2025			31 December 2024
	Funded	Non-Funded	Total	Total Taka
Abul Khair group	1,937,544,976	10,132,093,278	12,069,638,254	1,953,525,530
AWR Group	8,021,855,885	-	8,021,855,885	7,566,732,449
Baishakhi Group	6,889,448,880	2,722,266,602	9,611,715,482	9,619,034,765
Bashundhara Group	11,226,797,077	-	11,226,797,077	9,612,358,242
Bashundhara Oil	10,375,160,219	-	10,375,160,219	9,288,906,524
Bashundhara Chemical Group	9,483,372,149	-	9,483,372,149	8,929,257,194
Bashundhara LP Group	12,926,747,430	-	12,926,747,430	11,823,984,639
Bashundhara Multi Trading Group	17,758,061,621	1,554,477,219	19,312,538,839	17,791,383,396
Best Holdings Group	9,129,742,466	-	9,129,742,466	8,049,353,771
BSM Group	14,341,691,958	-	14,341,691,958	12,281,123,069
B-Trac Group	-	-	-	4,539,253,398
City Group	6,152,858,161	7,851,360,535	14,004,218,696	12,351,478,433
DIRD Group	8,027,962,832	500,210,674	8,528,173,506	8,591,332,344
Four H group	5,418,280,171	4,369,366,654	9,787,646,825	14,934,647,353
GPH Group	9,900,889,175	9,160,829,800	19,061,718,976	16,311,778,961
Ideal Electrical Group	729,200,603	2,760,307,177	3,489,507,781	-
LIZ GROUP	5,851,153,031	3,388,233,123	9,239,386,155	9,400,744,208
Metro (Panam) Group	997,986,167	3,689,425,928	4,687,412,095	8,818,960,262
Micro Fibre Group	927,887,731	2,769,761,625	3,697,649,356	5,362,910,444
Mondol Group	2,978,094,423	10,321,514,320	13,299,608,743	13,954,687,619
Mostafa-Hakim Group	12,446,862,841	35,910,918	12,482,773,759	11,575,915,991
N.R. Group	2,663,137,394	3,257,746,975	5,920,884,369	9,216,545,279
Natural Indigo Group	789,763,463	3,400,193,328	4,189,956,791	-
Orion Group	7,350,133,960	-	7,350,133,960	6,285,807,448
Paramount	5,068,548,226	5,907,433,493	10,975,981,719	11,482,588,229
Pran Group	1,150,627,438	3,133,959,438	4,284,586,876	4,451,263,845
Rupayan Group	10,162,920,121	-	10,162,920,121	8,914,042,516
Saif Power Group	5,670,675,063	69,137,235	5,739,812,298	-
SS Trading Group	8,236,247,039	3,390,272,805	11,626,519,844	7,083,813,462
Thermax Group	3,207,823,727	2,323,694,286	5,531,518,014	5,177,525,748
Toma Group	3,906,639,218	5,890,763,391	9,797,402,609	11,648,540,695
Universal Denims Group	6,468,304,712	24,170,000	6,492,474,712	5,833,523,900
Walton Group	-	-	-	845,223,484
Western Engineering (put) Ltd.	9,653,972,485	26,540,000	9,680,512,485	8,645,285,800
Yusra Group	5,861,421,634	-	5,861,421,634	5,282,482,676
Total	**225,711,812,277**	**86,679,668,806**	**312,391,481,083**	**287,624,011,675**

7.9 Disclosure of Particulars of Advances

		31 Dec. 2025	31 Dec. 2024
i)	Loans considered good in respect of which the banking company is fully & partly secured.	438,599,240,632	428,254,380,443
ii)	Loans considered good against which the banking company holds no security than the debtors personal guarantee.	78,336,682,992	76,300,773,116
iii)	Loans considered good secured by the personal undertakings of one or more parties in addition to the personal guarantee of the debtor.	100,954,173,145	68,273,715,729
iv)	Loans adversely classified, provision not maintained there against.		-
		617,890,096,768	572,828,869,287
v)	Loans due by directors or officers of the banking company or any of them either separately or jointly with any other person	63,288,967,280	61,133,120,768
vi	Loans due from companies or firms in which the directors of the banking company have interests as directors, partners, or managing agents or in case of private companies, as members	-	-
vi	Maximum total amount of advances 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 severally or jointly with any other person	63,288,967,280	61,133,120,768
v	Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the Directors of the Bank are interested as directors, partners or managing agents or in the case of	-	-
ix	Due from banking companies	-	-
x)	Amount of classified loans on which interest has not been charged:	87,782,805,518	60,927,652,221
a)	(Decrease)/ Increase in provision	16,242,958,976	40,400,126,982
b)	Amount realized against loan previously written off	1,136,127,598	369,041,609
c)	Amount of provision kept against loan classified as Bad /Loss on the balance sheet date	61,625,147,086	46,477,890,873

Notes	Particulars	Consolidated 31 Dec. 2025 (Amount in BDT)	Consolidated 31 Dec. 2024 (Amount in BDT)	United Commercial Bank PLC 31 Dec. 2025 (Amount in BDT)	United Commercial Bank PLC 31 Dec. 2024 (Amount in BDT)
	d) Interest credited to the interest suspense account.			17,937,641,696	12,305,036,537
	xi Cumulative amount of the written off loan			53,595,300,289	28,856,490,694
	xi Amount written off during the year	**31 Dec. 2025**	**31 Dec. 2024**	25,874,937,193	7,128,470,432
	Principal Written off	13,620,400,199	5,319,821,204		
	Interest suspense written off	12,254,536,994	1,808,649,228		
		25,874,937,193	7,128,470,432		
	xi Amount of written-off of loans for which law suit filed			57,720,770,661	31,845,833,468

7.10 Classification of Loans & Advances

Particulars	31 Dec. 2025	31 Dec. 2024
a) Unclassified		
Standard	404,776,132,011	455,720,861,170
Standard (SMA)	117,351,643,568	30,721,993,982
SMA-Special RSDL (BRPD-5)	-	1,042,049,993
	522,127,775,579	**487,484,905,145**
b) Classified		
Sub - Standard	749,377,719	22,167,316,116
Doubtful	7,230,137,953	2,248,995,806
Bad & Loss	87,782,805,518	60,927,652,221
	95,762,321,190	**85,343,964,142**
Total	**617,890,096,768**	**572,828,869,287**

* **Business segment-wise concentration of classified loans and advances (Non Performing)**

	Sub Standard	Doubtful	Bad & Loss	As on 31 Dec. 2025	As on 31 Dec. 2024
Corporate	4,476,795	4,748,746,300	59,359,136,128	64,112,359,223	58,352,320,336
Retail	218,874,979	368,031,444	1,123,649,595	1,710,556,019	2,194,714,078
SME	526,025,945	2,113,360,209	27,300,019,794	29,939,405,948	24,796,929,728
Total	**749,377,719**	**7,230,137,953**	**87,782,805,518**	**95,762,321,189**	**85,343,964,142**

As per to BRPD Circular no. 06 dated 2024, the bank has marked 41 parties as wilful defaulter as on 31 December 2025 (which was 20 parties as wilful defaulter as on 31 December 2024) and initiate all the necessary measures to maintain the provision of the said circular. However, the bank has performed an extensive analysis on those wilfully defaulted parties in its internal audit report.

7.11 Particulars of required provision for Loans & Advances

Particulars	Base for Provision	Rate of Provision	Provision required 31 Dec. 2025	Provision required 31 Dec. 2024
General Provision (A)				
Special Mention Account	105,178,850,707	0.5% to 5%	5,129,450,577	244,513,712
Trade & Commerce Sector Credit	55,746,324,012	1%	1,934,979,651	
Service Sector Credit	40,601,934,979	1%	792,101,653	
Small & Medium Enterprise	84,152,757,894	0.5% to 1%	1,030,012,090	259,849,186
Agricultural Credit (Other than Short Term)	11,776,547,128	1%	107,735,811	
Consumer Fin.- Credit Card	6,323,633,252	1%	52,666,133	91,706,842
Consumer Fin-House Finance	10,744,885,223	1%	98,297,792	96,713,489
Consumer Fin - Professional	-	1%	-	9,671,178
Consumer Financing (Other than Housing Fin.)	6,076,762,053	1%	55,616,899	-
Consumer Financing (Other than Credit Card)	6,812,197,244	1%	62,320,231	94,021,696
Short Term Agri & Micro Credit	89,738,555	1%	410,475	68,881,534
Loan to BHs/MBs/SDs against share		1%	-	21,040,677
Standard loans & advances	181,798,167,367	1%	3,378,328,222	3,829,059,188
	509,301,798,413		**12,641,919,533**	**4,715,457,502**
Specific Provision (B)				
Sub - Standard	399,694,136	20%	80,944,556	3,180,753,604
Doubtful	4,831,628,911	50%	2,446,208,358	871,147,492
Bad & Loss	61,152,438,246	100%	61,625,147,086	46,477,890,873
SMA-Special RSDL (BRPD-5)	-		-	401,533,301
Bangladesh Bank Directives	-		-	4,904,477,785
	66,383,761,293		**64,152,300,000**	**55,835,803,055**
Tolal provision required for Loans & Advances (A+B)	**575,685,559,706**		**76,794,219,533**	**60,551,260,557**
Total provision held for Loans & Advances			25,243,799,998	27,056,204,224
Excess/(Shortfall) of Provision			**(51,550,419,535)**	**(33,495,056,333)**

As per Bangladesh Bank letter no. BSD-5 (Wing-3)/104/2026-410 dated 29 April 2026, Bangladesh Bank allowed the bank to finalise its financial statements for the year ended 31 December 2025 without adjusting the shortfall amount of BDT 5,594.93 crore which also includes shortfall in provisions for loans and advances of BDT 51,55.04 crore.

Notes	Particulars	Consolidated 31 Dec. 2025	Consolidated 31 Dec. 2024	UCB PLC 31 Dec. 2025	UCB PLC 31 Dec. 2024
7.12	**Suit filed by different branches against defaulted borrowers**				
	Suit filed against defaulted borrowers **(Annexure-D)**			153,439,636,027	51,807,443,061
				153,439,636,027	**51,807,443,061**
7.13	**Bills purchased and discounted**				
	a) Payable in Bangladesh	8,833,004,268	2,882,633,880	8,833,004,268	2,882,633,880
	b) Payable in outside Bangladesh	15,011,363,911	7,101,050,557	15,011,363,911	7,101,050,557
		23,844,368,179	**9,983,684,437**	**23,844,368,179**	**9,983,684,437**
7.13.1	**Maturity grouping of bills purchased and discounted**				
	Payable within one month	12,041,503,586	2,466,330,078	12,041,503,586	2,466,330,078
	More than one month but less than three months	8,989,027,180	4,155,220,306	8,989,027,180	4,155,220,306
	More than three months but less than six months	1,125,534,965	3,362,134,053	1,125,534,965	3,362,134,053
	More than six months	1,688,302,448	-	1,688,302,448	-
		23,844,368,179	**9,983,684,437**	**23,844,368,179**	**9,983,684,437**

Notes	Particulars	Consolidated		United Commercial Bank PLC	
		Amount in BDT		Amount in BDT	
		31 Dec. 2025	31 Dec. 2024	31 Dec. 2025	31 Dec. 2024

7.14 Compliance status of BRPD circular no. 04 dated 04 January 2021 and BRPD circular letter no. 35 dated 06 July 2021

As per letter # 178/FRC/APR/2021/27(45) dated 09 December 2021 issued by the Financial Reporting Council (FRC) regarding the compliance of BRPD Circular Letter # 04 dated 04 January 2021 and BRPD Circular Letter # 35 dated 06 July 2021, the status for the year 2025 is as

Particulars	ompliance of BRPD Circular Letter # 0		ompliance of BRPD Circular Letter # 35	
	No of Files	% of compliance	No of Files	% of compliance
Complied Files	1130	91%	1001	93%
Total Files	1241		1074	

* BRPD Circular Letter # 04: Regarding the collection of audited financial statements and statutory audit report for sanctioned/renewed investments.

** **BRPD Circular Letter # 35:** Regarding the verification of audited financial statements through Document Verification System (DVS) developed

8 Fixed assets including premises, furniture & fixture.

Particulars	Consolidated 31 Dec. 2025	Consolidated 31 Dec. 2024	UCB 31 Dec. 2025	UCB 31 Dec. 2024
Land	6,310,886,878	5,824,042,003	4,395,054,283	4,395,054,283
Building	2,665,629,708	2,663,726,008	2,623,253,671	2,623,253,671
Furniture and fixtures	3,047,266,860	2,970,464,107	2,931,821,397	2,861,446,766
Office equipment	3,367,709,831	3,245,297,630	3,305,959,087	3,182,502,543
Computer & equipment	4,241,161,465	4,353,017,370	3,783,101,860	3,466,182,402
Vehicles	711,538,094	644,022,032	690,696,234	612,469,172
Capital Expenditure Work in Progress	4,421,122,631	4,265,842,706	4,367,218,760	4,265,604,893
	24,765,315,468	**23,966,411,856**	**22,097,105,293**	**21,406,513,730**
Intangible assets				
Computer software	2,222,353,977	2,204,305,615	1,925,677,654	1,919,296,024
Lease Asset				
Right of Use (ROU) assets	5,645,646,394	5,630,288,950	5,590,566,138	5,590,566,138
	32,633,315,839	**31,801,006,421**	**29,613,349,085**	**28,916,375,892**
Less: Accumulated depreciation & amortization	13,832,520,979	12,233,935,785	13,300,253,080	11,859,795,359
Written down value at the end of the year	**18,800,794,861**	**19,567,070,636**	**16,313,096,005**	**17,056,580,533**

Fixed Assets Schedule:
A schedule of Fixed assets is given in **Annexure - B**

9 Other assets

Particulars	Consolidated 31 Dec. 2025	Consolidated 31 Dec. 2024	UCB 31 Dec. 2025	UCB 31 Dec. 2024
Account with Stock Broker	0	269,431,574	42,668,958	269,431,574
Advance Deposit	5,060,526	5,691,476	4,860,526	4,587,876
Advance Income Tax Paid **(note - 9.1)**	135,312,149	617,112,050	-	-
Advance Payment	1,563,180,882	1,909,433,874	1,471,286,708	1,794,662,820
Deferred Tax Asset **(note - 9.2)**	7,700,889,210	8,741,975,719	7,691,441,925	8,739,801,100
Head Office General Account **(note - 9.3)**	30,751,163	24,304,104	30,751,163	24,304,104
Income/Profit Receivable	256,397,534	127,300,909	241,338,068	97,402,475
Interest Receivable	4,062,407,821	2,242,089,750	4,040,579,653	2,204,645,186
Investment in share of subsidiary companies. **(note- 9.6)**	-	-	9,500,095,044	9,500,090,230
Receivable from Subsidiary Company	-	-	209,185	571,802
Stock of Stationery & Stamps	173,406,151	92,398,039	168,907,925	86,580,322
Suspense Account **(note - 9.4)**	840,062,041	740,665,657	840,062,041	740,665,657
UBS Required Settlement Account	2,883,969,204	1,901,402,221	2,883,969,204	1,901,402,221
Others **(note - 9.5)**	192,849,746	96,665,806	79,464,522	7,121,852
	17,844,286,428	**16,768,471,179**	**26,995,634,921**	**25,371,267,219**

9.1 Advance income tax

Particulars	Consolidated 31 Dec. 2025	Consolidated 31 Dec. 2024	UCB 31 Dec. 2025	UCB 31 Dec. 2024
Opening balance			-	-
Add: Advance Tax paid during the year			4,039,381,454	2,687,359,301
Less: Advance Tax adjustment with tax Provision			(4,039,381,454)	(2,687,359,301)
Balance at the end of the year			-	-

9.2 Deferred Tax Asset

Deferred tax assets and liabilities have been recognised and measured in accordance with the provisions of IAS 12: Income Taxes. Deferred tax assets and liabilities for financial statements are attributable to the following:

Particulars	Accounting Base	Tax Base	Deductible/(Taxable) Temporary Difference	Applicable Rate	Deferred Tax Asset/(Liability)
Balance as at 31 December, 2024					
Deferred Tax Asset (a)					8,739,801,100
Deferred Tax Liability (b)					-
Net Deferred Tax Asset as at 31 December, 2024 (a+b)					**8,739,801,100**
Balance as at 31 December, 2025					
Deferred Tax Asset (a)					7,691,441,925
Deferred Tax Liability (b)					-
Net Deferred Tax Asset as at 31 December, 2025 (a+b)					**7,691,441,925**
Provision Opening(Specific)	(22,340,746,722)	(7,821,963,398)	14,518,783,324	37.50%	5,444,543,747
Provision During the Year(Specific)	(10,561,057,733)	(5,798,436,802)	4,762,620,931	37.50%	1,785,982,849
Provision Opening(Dilution of Investment)	(1,535,771,148)	-	1,535,771,148	15.00%	230,365,672
Provision During the Year(Dilution of Inve	78,216,859	-	(78,216,859)	15.00%	(11,732,529)
Property, Plant and Equipment's	5,210,669,920	5,856,755,749	646,085,829	37.50%	242,282,186
Deferred tax asset (a)					**7,691,441,925**
Deferred tax liabilities (b)					-

Notes	Particulars	Consolidated		United Commercial Bank PLC	
		Amount in BDT		Amount in BDT	
		31 Dec. 2025	31 Dec. 2024	31 Dec. 2025	31 Dec. 2024
9.3	**Inter Branch Settlement Account**				
	This is made up as follows :				
	Inter Branch Debit Balance			358,735,381,243	252,788,527,613
	Inter Branch Credit Balance			(358,704,630,080)	(252,764,223,509)
				30,751,163	**24,304,104**
9.4	**Suspense accounts**				
	Advance deposit and prepayments			277,739,132	247,795,157
	Advance against Foreign Remittance Settlement			2,595,480	7,243,845
	Claims on Sanchaypatra			8,020,988	-
	Interest on (No Suggestions)			-	-
	Protested bill			96,550,709	95,311,809
	Sundry receivable ATM			204,099,098	297,895,384
	Card settlement account			162,365,245	92,317,962
	Sundry receivables			63,916,389	
	Others			24,775,000	101,500
				840,062,041	**740,665,657**
9.5	**Others**				
	UCB International School Project			949,554	949,554
	Settlement Account - others			78,514,968	6,172,298
				79,464,522	**7,121,852**
9.6	**Income generating other assets**				
	Investment in share of subsidiary companies.				
	UCB Stock Brokerage Limited			2,499,999,900	2,499,999,900
	UCB Investment Limited			999,999,990	999,999,990
	UCB Asset Management Limited			999,999,990	999,999,990
	UCB Fintech Company Limited			4,999,999,990	4,999,999,990
	UCB Exchange (SG) PTE. Ltd.			95,174	90,360
				9,500,095,044	**9,499,999,870**
9.7	**Non-income generating other assets**				
	Stock of Stationery & Stamps			168,907,925	86,580,322
	Receivable from subsidiary companies			209,185	571,802
	Account with Stock Broker			42,668,958	269,431,574
	Advance Payment			1,471,286,708	1,794,662,820
	Advance Deposit			4,860,526	4,587,876
	Advance Income Tax			-	-
	Suspense Account			840,062,041	740,665,657
	UBS Required Settlement Account			2,883,969,204	1,901,402,221
	Head Office General Account			30,751,163	24,304,104
	Deferred Tax Asset			7,691,441,925	8,739,801,100
	Interest receivable			4,040,579,653	2,204,645,186
	Income/profit receivable			241,338,068	97,402,475
	Others			79,464,522	7,121,852
				17,495,539,877	**15,871,176,989**

10 As per schedule 01 under section 38 of Bank Company Act, 1991 and BRPD circular 14 dated 25 June 2003, a bank needs to present non-banking asset in its Balance Sheet statement. As per section 33(7) of Artha Rin Adalat Ain, 2003 and BRPD circular no. 22 dated 20 September 2021, after getting the ownership of any security/mortgaged property against bank loans, a bank has to take necessary actions to ensure registration, mutation and physical possession; and report non-banking asset in its financial statements.

The detail list and movement of Non-Banking Assets have been provided below. Besides, the Bank was also awarded ownership of some properties u/s 33(7) of Artha Rin Adalat Ain 2003 which don't fulfil the criteria of booking Non-Banking Assets yet. A detail list of those assets have been disclosed in "Annexure C

Movement of Non-Banking Assets:

Description	Opening (1 January 2025)	Addition	Sale	Closing (31 December 2025)
Non-banking asset	3,336,000	16,100,000	480,000	18,956,000

Party-wise list of Non-Banking Assets as of 31 December 2025:

Name of the parties	Type of Assets	Location	Booking Date	31 Dec. 2025	31 Dec. 2024
M/s. Tonmoy Traders	8 decimal land	Mouza: Daygram, Thana: Nabigonj, District: Habigonj	29-Dec-24	1,056,000	1,056,000
M/s. Tonmoy Traders	10 decimal land	Mouza,: Mostafapur, Thana: Nabigonj, District: Habigonj	29-Dec-24	-	480,000
M/s. Tonmoy Traders	10 decimal land	Mouza: Modhasomet, Thana: Nabigonj, District: Habigonj	29-Dec-24	1,800,000	1,800,000
M/S Monowara Corporation	0.53 acre of Land	East Nasirabad, Panchlaish, Chittagong and Fultoli, Anowara, Chittagong	28 May 2025	5,300,000	-
M/S R.S.N. Fabric House	8 decimal land	Jalalabad	28 May 2025	10,800,000	-
				18,956,000	**3,336,000**

Notes	Particulars	Consolidated		United Commercial Bank PLC	
		Amount in BDT		Amount in BDT	
		31 Dec. 2025	31 Dec. 2024	31 Dec. 2025	31 Dec. 2024
11	**Borrowings from other banks, financial institutions & agents:**				
	In Bangladesh **(note - 11.1)**	64,545,436,413	81,142,166,248	63,448,264,958	79,786,237,601
	Outside Bangladesh **(note - 11.2)**	-	-	-	-
		64,545,436,413	**81,142,166,248**	**63,448,264,958**	**79,786,237,601**
11.1	**In Bangladesh**				
	UCB Subordinated Bond (note - 11.1.1)			10,125,900,000	11,702,800,000
	UCB Perpetual Bond (note - 11.1.2)			5,700,000,000	5,700,000,000
	Borrowings from Bangladesh Bank - IPFF Fund			7,318,436,051	8,234,542,263
	Borrowings from Bangladesh Bank - EDF			15,585,946,254	13,278,717,743
	Borrowing from Bangladesh Bank Pre-finance/Refinancing scheme			5,105,806,533	6,604,700,595
	Borrowing from Bangladesh Bank-Repo			12,596,047,000	11,926,047,000
	Borrowings from Off-shore Banking Unit **(note - 11.1.3)**			5,216,129,120	-
	Borrowing from Banks **(note - 11.1.4)**			-	13,359,720,000
	Money at Call on Short Notice **(note - 11.1.5)**			1,800,000,000	8,979,710,000
				63,448,264,958	**79,786,237,601**
11.1.1	**UCB Subordinated Bond**				
	UCB 3rd Subordinated Bond			-	700,000,000
	UCB 4th Subordinated Bond			1,680,000,000	3,280,000,000
	UCB 5th Subordinated Bond			7,445,900,000	7,722,800,000
	UCB 6th Subordinated Bond			1,000,000,000	-
				10,125,900,000	**11,702,800,000**
	Note: UCB 1st, 2nd and 3rd subordinated bonds were fully repaid.				
11.1.2	**UCB Perpetual Bond**				
	UCB 1st Perpetual Bond			4,000,000,000	4,000,000,000
	UCB 2nd Perpetual Bond			1,700,000,000	1,700,000,000
				5,700,000,000	**5,700,000,000**
11.1.3	**Borrowings from Off-shore Banking Unit**				
	The City Bank PLC			79,495,520	-
	Mutual Trust Bank PLC			244,601,600	-
	Prime Bank PLC			366,902,400	-
	Commercial Bank of Dubai			3,302,121,600	-
	Abu Dhabi Commercial Bank			1,223,008,000	-
				5,216,129,120	**-**
11.1.4	**Borrowing from Banks**				
	Agrani Bank PLC.			-	599,950,000
	City Bank PLC.			-	5,000,000,000
	Eastern Bank PLC.			-	2,000,000,000
	One Bank PLC.			-	359,970,000
	Premier Bank PLC.			-	2,000,000,000
	Shahjalal Bank PLC.			-	3,399,800,000
				-	**13,359,720,000**
11.1.5	**Money at call on short notice**				
	Banks:				
	Agrani Bank PLC.			-	479,960,000
	Bengal Commercial Bank PLC.			-	300,000,000
	Citizens Bank PLC.			-	500,000,000
	Mercantile Bank PLC.			-	1,639,930,000
	Modhumoti Bank PLC.			-	400,000,000
	Mutual Trust Bank PLC.			-	300,000,000
	NRB Bank PLC.			700,000,000	600,000,000
	One Bank PLC.			1,000,000,000	1,839,930,000
	Shahjalal Islami Bank PLC.			-	1,319,890,000
	Shimanto Bank PLC			100,000,000	
				1,800,000,000	**7,379,710,000**
	NBFIs:				
	DBH Finance PLC.			-	1,500,000,000
	Alliance Finance PLC. (Formerly named as Lankan Alliance Finance Limited)			-	100,000,000
				-	**1,600,000,000**
				1,800,000,000	**8,979,710,000**
11.2	**Security against borrowings from other banks, financial institutions and agents:**				
	Secured			-	-
	Unsecured			63,448,264,958	79,786,237,601
				63,448,264,958	**79,786,237,601**
11.3	**Maturity Grouping of Borrowings from other banks, financial institutions & agent.**				
	Payable on demand			995,000,000	1,408,000,000
	Payable within one month			4,046,000,000	21,347,101,528
	More than one month but within six months			25,120,552,901	9,289,433,448
	More than six month but within one year			15,162,960,722	22,157,102,129
	More than one year but within five years			7,972,570,785	9,927,913,822
	More than five years*			10,151,180,551	15,656,686,674
				63,448,264,958	**79,786,237,601**
	* Includes perpetual bond amounting to BDT 5,700,000,000.00 which do not have any maturity.				
12	**Deposits and other accounts**				
	Inter Bank deposits	20,451,590,909	768,496,883	20,451,590,909	768,496,883
	Deposit from customers and others	663,378,240,610	551,457,209,389	663,489,930,464	553,446,770,372
		683,829,831,519	**552,225,706,273**	**683,941,521,373**	**554,215,267,256**

Notes	Particulars	Consolidated		United Commercial Bank PLC	
		Amount in BDT		Amount in BDT	
		31 Dec. 2025	31 Dec. 2024	31 Dec. 2025	31 Dec. 2024
	a. Current accounts & other accounts				
	Current deposits	63,813,092,533	48,830,157,693	64,528,215,698	50,819,718,676
	Foreign currency deposits	11,839,366,298	7,114,844,547	11,839,366,298	7,114,844,547
	Sundry deposits **(note - 12.1)**	42,883,129,107	48,247,632,827	42,883,129,107	48,247,632,827
		118,535,587,938	**104,192,635,067**	**119,250,711,103**	**106,182,196,050**
	b. Bills Payable				
	Pay order	8,385,088,762	6,621,695,464	8,385,088,762	6,621,695,464
	Demand draft payable	5,272,576	5,272,918	5,272,576	5,272,918
	Others Payable	-	-		-
		8,390,361,338	**6,626,968,382**	**8,390,361,338**	**6,626,968,382**
	c. Savings Bank deposits				
	Savings Bank deposits	104,413,833,775	93,476,409,174	104,413,833,775	93,476,409,174
		104,413,833,775	**93,476,409,174**	**104,413,833,775**	**93,476,409,174**
	d. Fixed deposits				
	Fixed deposits	313,262,624,060	223,942,583,654	313,352,624,060	223,942,583,654
	Scheme Deposits	93,084,454,394	83,955,700,534	93,084,454,394	83,955,700,534
		406,347,078,453	**307,898,284,188**	**406,437,078,453**	**307,898,284,188**
	e. Special notice deposits	**46,142,970,015**	**40,031,409,462**	45,449,536,704	40,031,409,462
		46,142,970,015	**40,031,409,462**	**45,449,536,704**	**40,031,409,462**
	Total Deposits and other accounts (a+b+c+d+e)	**683,829,831,519**	**552,225,706,273**	**683,941,521,373**	**554,215,267,256**

*The Bank has BDT 27,288,236 unclaimed deposits of more than 10 years as of 31 December 2025 which will be deposited to Bangladesh Bank following section 35 of the Bank Company Act 1991 amendment 2023

Notes	Particulars	31 Dec. 2025	31 Dec. 2024
12.1	**Sundry deposits**		
	Sundry creditors	116,026,447	162,870,865
	Security deposits	19,084,970	16,010,050
	Debit & Credit card	14,844,918	8,297,262
	FC held against deemed export LC	3,826,042,512	3,963,023,147
	FC held against BTB LC	21,112,515,438	23,279,211,760
	Others*	152,572,961	160,654,798
	Margin		
	Letter of guarantees	3,568,538,815	4,899,742,338
	Letter of credit	13,940,708,477	15,665,665,125
	Corporate Loan	14,522,420	-
	SME Loan	111,022,465	25,436,265
	Export Proceed	7,249,684	66,721,217
		42,883,129,107	**48,247,632,827**
12.2	**Maturity analysis of deposits & other accounts**		
	Inter- Bank Deposits		
	Payable on demand	-	47,050,289
	Payable within one month	14,332,490,909	21,446,594
	More than one month but within six months	6,119,100,000.00	700,000,000
	More than six month but within one year	-	-
	More than one year but within five years	-	-
	More than five years but within ten years	-	-
		20,451,590,909	**768,496,883**
	Deposit from customers and others		
	Payable on demand	3,286,081,385.28	5,831,449,711
	Payable within one month	57,562,779,172	71,641,150,180
	More than one month but within six months	197,621,250,667	128,207,541,749
	More than six month but within one year	87,942,654,714	107,321,816,458
	More than one year but within five years	311,711,478,858	221,970,221,350
	More than five years but within ten years	5,365,685,667	18,474,590,924
		663,489,930,464	**553,446,770,373**
		683,941,521,373	**554,215,267,256**
12.3	**Sector-wise deposits**		
	Foreign Currency Deposits	11,839,366,299	7,114,844,547
	Government	12,802,638,784	7,184,323,462
	Private	612,995,327,778	502,184,984,741
	Public	38,251,403,401	31,062,428,167
	Semi-Government	8,052,785,113	6,668,686,339
		683,941,521,373	**554,215,267,256**

Notes	Particulars		Consolidated 31 Dec. 2025	Consolidated 31 Dec. 2024	UCB 31 Dec. 2025	UCB 31 Dec. 2024
13	**Other Liabilities**					
	Provision for loans & advances	(note - 13.1)	25,714,515,721	27,431,007,409	25,243,799,998	27,056,204,224
	Provision for special general - COVID_19	(note - 13.2)	-	-	-	-
	Provision for diminution in value of investmer	(note - 13.3)	1,493,159,412	1,547,793,022	1,457,554,289	1,535,771,148
	Provision for off-balance sheet exposure	(note - 13.4)	1,723,258,723	2,568,900,000	1,723,258,723	2,568,900,000
	Provision for classified fixed assets	(note - 13.5)	3,972,000	3,972,000	3,972,000	3,972,000
	Provision for classified other assets	(note - 13.6)	429,048,827	427,924,588	429,048,827	427,924,588
	Provision for current tax	(note - 13.7)	1,490,746,071	5,598,603,038	1,031,387,954	4,719,899,343
	Provision for Non Banking Assets		18,956,000	3,336,000	18,956,000	3,336,000
	Interest suspense account	(note - 13.8)	33,371,040,727	29,982,955,933	31,798,586,898	28,633,083,407
	Payable to UCB foundation	(note - 13.9)	124,113,347	75,211,893	124,113,347	75,211,893
	Unclaimed Dividend*		78,195,036	86,295,204	78,195,036	86,295,204
	Interest/profit payable		18,393,017,349	14,514,374,551	18,393,936,471	14,514,374,551
	Lease Liabilities as per IFRS 16		3,322,375,485	3,627,110,756	3,272,209,091	3,594,491,532
	Sundry liabilities	(note - 13.10)	12,630,824,847	12,746,258,286	11,037,725,239	9,562,991,580
	Start-Up Fund	(note - 13.11)	-	133,512,705	-	133,512,705
	CSR Fund	(note - 13.12)	-	71,181,348	-	71,181,348
			98,793,223,545	**98,818,436,734**	**94,612,743,873**	**92,987,149,524**

* Unclaimed dividend is the residual amount of approved dividend in AGM which has not yet been paid to or claimed by the shareholders.

Notes	Particulars	Consolidated		United Commercial Bank PLC	
		Amount in BDT		Amount in BDT	
		31 Dec. 2025	31 Dec. 2024	31 Dec. 2025	31 Dec. 2024

As per Bangladesh Bank letter no. BSD-5 (Wing-3)/104/2026-410 dated 29 April 2026, Bangladesh Bank allowed the bank to finalise its financial statements for the year ended 31 December 2025 without adjusting the shortfall amount of BDT 5,594.93 crore which also includes shortfall in provisions for loans and advances of BDT 51,55.04 crore; and BDT 439.89 crore against other assets. Shortfall of other assets includes BDT 438.02 crore against Investment in Subsidiaries (Upay) and BDT 1.87 crore against WCSP receivables from Bangladesh Bank.

Notes	Particulars		31 Dec. 2025	31 Dec. 2024
13.1	**Provision for loans & advances**			
	General provision	Notes 13.1.1	5,962,395,742	4,715,457,502
	Specific Provision	Notes 13.1.2	19,281,404,256	22,340,746,722
	Total Provision for Loans and Advances Maintained		**25,243,799,998**	**27,056,204,224**
	Total Provision for Loans and Advances Required		76,794,219,533	60,551,260,557
	Excess/(Shortfall) in provision for loans and advances		**(51,550,419,535)**	**(33,495,056,333)**
13.1.1	**General provision**			
	Opening balance		4,715,457,502	4,613,729,118
	Add: Provision made during the year		1,245,631,248	96,393,654
	Add: Exchange Difference		1,306,992	5,334,730
			5,962,395,742	**4,715,457,502**
13.1.2	**Specific Provision**			
	Opening balance		22,340,746,722	13,907,404,457
	Less: Adjustment due to written off		(13,620,400,199)	(5,319,821,205)
	Add: Provision made during the year		9,424,930,135	13,384,121,861
	Add: Recoveries of amounts previously written off		1,136,127,598	369,041,609
	Closing balance		**19,281,404,256**	**22,340,746,722**
13.2	**Special General Provision for COVID_19**			
	Opening balance		-	1,630,000,000
	Less: Release of special provision for COVID 19			(1,630,000,000)
			-	-

As per BRPD circular no. 14/2022 and BRPD circular letter no. 51/2022, special general provision-Covid-19 was made amounting BDT 163 crore. Subsequently, the maintained provision was released as per BRPD circular letter no. 58/2024 dated 31 December 2024.

Notes	Particulars	United Commercial Bank PLC	
		31 Dec. 2025	31 Dec. 2024
13.3	**Provision for diminution in value of investment**		
	Opening balance	1,535,771,148	673,287,921
	Add: Provision made/(reversed) during the year	(78,216,859)	862,483,227
		1,457,554,289	**1,535,771,148**
13.4	**Provision for off-balance sheet exposure**		
	Opening balance	2,568,900,000	2,342,179,465
	Add: Provision made during the year	(847,572,191)	216,937,616
	Add: Exchange Difference	1,930,914	9,782,919
		1,723,258,723	**2,568,900,000**

Provision against Off-Balance Sheet Exposure made as per BRPD Circular No. 06 dated 25 April 2023.

Notes	Particulars	31 Dec. 2025	31 Dec. 2024
13.5	**Provision for classified fixed assets**		
	Opening balance	3,972,000	3,972,000
	Add: Provision made during the year	-	-
		3,972,000	**3,972,000**
13.6	**Provision for classified other assets**		
	Opening balance	427,924,588	425,356,588
	Add: Provision made during the year	1,124,239	2,568,000
	Provision for classified other assets maintained	**429,048,827**	**427,924,588**
	Provision for classified other assets required	4,827,985,480	5,895,424,588
	Excess/(Shortfall) of provision for classified other assets	**(4,398,936,653)**	**(5,467,500,000)**
13.7	**Provision for current tax**		
	Opening balance	4,719,899,343	3,094,286,636
	Add: Addition during the year	350,870,065	4,312,972,008
	Less: Adjustment with previous year		(3,714,931,222)
	Add: Adjustment with advance Tax	(4,039,381,454)	1,027,571,921
	Net current tax liability	**1,031,387,954**	**4,719,899,343**
13.8	**Interest suspense account**		
	Opening balance	28,633,083,407	19,090,017,013
	Add: Amount transferred to interest suspense account during the year	17,937,641,696	12,305,036,537
	Less: Amount recovered from interest suspense account during the year	(1,856,285,962)	(439,145,047)
	Less: Interest waiver/remission allowed	(661,315,249)	(514,175,869)
	Less: Amount written off during the year	(12,254,536,994)	(1,808,649,228)
		31,798,586,898	**28,633,083,407**
13.9	**Payable to UCB foundation**		
	Opening balance	75,211,893	57,504,000
	Add: contribution during the year	50,000,004	90,000,000
	Less: Fund transfer to UCB Foundation		(44,873,532)
	Less: Utilization on behalf of UCB Foundation	(1,098,550)	(27,418,575)
		124,113,347	**75,211,893**

Notes	Particulars	Consolidated		United Commercial Bank PLC	
		Amount in BDT		Amount in BDT	
		31 Dec. 2025	31 Dec. 2024	31 Dec. 2025	31 Dec. 2024
13.10	**Sundry liabilities**				
	UCB Employees' Funds			-	-
	Sundry Payable			3,999,113,385	2,347,551,939
	Other Payable to Employee (Welfare Fund)			-	100,307,400
	Compensation Suspense Account (Islamic Banking)			12,162,434	3,241,289
	Unearned Income (Islamic Banking)			1,439,217,296	632,866,302
	Payable Tax VAT Excise Duty			2,786,609,821	2,522,268,840
	Payable Debit & Credit Card			266,610,036	407,595,979
	Other Sundry Liabilities			2,144,945,007	3,128,646,888
	ATM Payable			389,067,261	369,772,813
	Compensation Realisable Account (Islamic Banking)				45,103,404
	Settlement Accounts Payable (Cards)				5,636,726
				11,037,725,239	**9,562,991,580**
13.11	**Start Up Fund**				
	Opening balance			133,512,705	127,434,662
	Add: Provision made during the year			-	6,078,043
	Less: Transfer to Start-up Equity Investment Fund			(133,512,705)	
				-	**133,512,705**
13.12	**Corporate Social Responsibility (CSR) Fund**				
	Opening balance			71,181,348	111,511,610
	Provision made during the year			-	-
	Less: Expenses incurred from UCB CSR Fund			(71,181,348)	(40,330,262)
				-	**71,181,348**
14	**Share Capital**				
	Opening balance			15,503,758,980	14,765,484,750
	Add: Bonus shares issued			-	738,274,230
				15,503,758,980	**15,503,758,980**
14.1	**Authorized Capital**				
	5,000,000,000 ordinary shares of Tk. 10.00 each			**50,000,000,000**	**25,000,000,000**
14.2	**Issued, subscribed and paid up Capital**				
	1,550,375,898 ordinary shares @ Taka 10.00 each			15,503,758,980	15,503,758,980
				15,503,758,980	**15,503,758,980**

Shareholding position:

Particulars	31 December 2025		31 December 2024	
	No. of Shares	Amount in BDT	No. of Shares	Amount in BDT
Sponsors/Directors	159,274,626	1,592,746,260	159,274,626	1,592,746,260
Government of People's Republic of Bangladesh	12,555,635	125,556,350	12,555,635	125,556,350
General Public	804,514,899	8,045,148,990	793,414,601	7,934,146,010
Institution(Financial & Others)	566,119,136	5,661,191,360	575,306,304	5,753,063,040
Foreign	7,911,602	79,116,020	9,824,732	98,247,320
Total	**1,550,375,898**	**15,503,758,980**	**1,550,375,898**	**15,503,758,980**

Notes	Particulars	31 Dec. 2025	31 Dec. 2024
14.3	**Share Premium**		
	29,09,95,350 ordinary shares of Taka 5 each per share	**1,454,976,750**	**1,454,976,750**

Rights share (1:1; 1 share for each share held) has been issued in the year 2011 @ Tk. 15 each including share premium of Tk. 5 each.

14.4 Classification of Shareholders by holding as at 31 December 2025

Shareholding Range	Number of Shareholders	Number of Shares	Value of Shares in BDT	31 December 2025 Total Holdings %	31 December 2024 Total Holdings %
Up to 500 Shares	16,516	2,298,390	22,983,900	0.15%	0.15%
501 to 5000 Shares	17,370	30,957,253	309,572,530	2.00%	2.11%
5001 to 10,000 Shares	2,862	19,904,757	199,047,570	1.28%	1.38%
10,001 to 20,000 Shares	1,713	24,006,077	240,060,770	1.55%	1.65%
20,001 to 30,000 Shares	587	14,292,102	142,921,020	0.92%	1.01%
30,001 to 40,000 Shares	291	10,089,760	100,897,600	0.65%	0.70%
40,001 to 50,000 Shares	161	7,316,952	73,169,520	0.47%	0.48%
50,001 to 100,000 Shares	322	22,567,649	225,676,490	1.46%	1.57%
100,001 to 10,00,000 Shares	363	104,269,661	1,042,696,610	6.73%	6.24%
10,00,001 & above	164	1,314,673,297	13,146,732,970	84.80%	84.71%
Total	**40,349**	**1,550,375,898**	**15,503,758,980**	**100.00%**	**100.00%**

14.5 History of Paid Up Capital

Year	Number of Sha	Amount in BDT	Cumulative Paid-up Capital
1983	355,000	35,500,000	35,500,000
1984	85,000	8,500,000	44,000,000
1986	360,000	36,000,000	80,000,000
1988	400,000	40,000,000	120,000,000
1991	171,428	17,142,800	137,142,800
1994	397,963	39,796,300	176,939,100
1995	176,939	17,693,900	194,633,000
1996	291,949	29,194,900	223,827,900
1997	63,296	6,329,600	230,157,500
2007	690,473	69,047,300	299,204,800
2010	26,107,487	2,610,748,700	2,909,953,500
2011	436,493,025	4,364,930,250	7,274,883,750
2012	109,123,256	1,091,232,560	8,366,116,310
2013	-	-	8,366,116,310
2014	-	-	8,366,116,310
2015	167,322,326	1,673,223,260	10,039,339,570
2016	50,196,697	501,966,970	10,541,306,540
2017	-	-	10,541,306,540
2018	-	-	10,541,306,540
2019	105,413,065	1,054,130,650	11,595,437,190
2020	57,977,185	579,771,850	12,175,209,040
2021	60,876,045	608,760,450	12,783,969,490
2022	127,839,694	1,278,396,940	14,062,366,430
2023	70,311,832	703,118,320	14,765,484,750
2024	7,38,27,423	738,274,230	15,503,758,980
2025	-	-	15,503,758,980

Notes	Particulars	Consolidated		United Commercial Bank PLC	
		Amount in BDT		Amount in BDT	
		31 Dec. 2025	31 Dec. 2024	31 Dec. 2025	31 Dec. 2024

14.6 Capital to Risk Weighted Asset Ratio (CRAR)

The calculation of CRAR has been done as per Guidelines on Risk Based Capital Adequacy - Revised regulatory Capital Framework for Banks in line with BASEL-III vide BRPD circular no.18 dated 21 December 2014. Required Capital with Capital Conservation Buffer of the bank at the close of business on 31 December 2025 was Taka 81,402,177,944 as against available Tier-1 Capital of Taka 37,314,271,489 and Tier-2 Capital of Taka 17,491,554,465 making a Total Regulatory Capital of Taka 54,805,825,954 thereby the shortage of capital of Taka 26,596,351,990 at that date.

Details are shown below :

Particulars	Consolidated 31 Dec. 2025	Consolidated 31 Dec. 2024	UCB PLC 31 Dec. 2025	UCB PLC 31 Dec. 2024
Tier-I Capital :				
Common Equity Tier-1 capital (CET1):				
Paid-up Capital **(note: 14.2)**	15,503,758,980	15,503,758,980	15,503,758,980	15,503,758,980
Share Premium **(note: 14.3)**	1,454,976,750	1,454,976,750	1,454,976,750	1,454,976,750
Statutory Reserve **(note: 15)**	15,842,396,287	15,828,739,273	15,730,183,055	15,730,183,055
General Reserve **(note : 16)**	26,577,961	26,577,961	26,577,961	26,577,961
Retained Earnings **(note : 18)**	4,070,456,798	4,415,528,336	6,374,009,638	6,307,661,613
	36,898,166,776	**37,229,581,300**	**39,089,506,384**	**39,023,158,359**
Non controlling interest	188	190	-	-
	36,898,166,964	**37,229,581,490**	**39,089,506,384**	**39,023,158,359**
Less: Regulatory Adjustments:				
Goodwill and all other Intangible Assets	368,048,301	253,481,225	168,365,067	248,493,244
Deferred Tax Assets (DTA)	7,314,272,762	8,304,876,933	7,306,869,829	8,302,811,045
Reciprocal crossholdings and excess investment above limit	-	-	-	-
Others	-	-	-	-
	7,682,321,062	**8,558,358,158**	**7,475,234,895**	**8,551,304,289**
Total Common Equity Tier-1 Capital	**29,215,845,902**	**28,671,223,332**	**31,614,271,489**	**30,471,854,070**
Additional Tier-1 Capital (AT-1)	5,700,000,000	5,700,000,000	5,700,000,000	5,700,000,000
Less: Others	-	-	-	-
Total Tier-1 Capital	**34,915,845,902**	**34,371,223,332**	**37,314,271,489**	**36,171,854,070**
Tier-II Capital:				
General Provision	8,153,813,796	7,353,347,989	7,685,654,465	7,284,357,502
Revaluation Reserve	-	-		-
Subordinated Bond	9,805,900,000	10,402,800,000	9,805,900,000	10,402,800,000
	17,959,713,796	**17,756,147,989**	**17,491,554,465**	**17,687,157,502**
Less: Regulatory Adjustments:				
Revaluation Reserve	-	-	-	-
Reciprocal crossholdings in the T-2 Capital of BNBFIs & Insurance Entities	-	-	-	-
Any investment exceeding the approved limit under section 26(2) of Bank Company Act, 1991 (50% of	-	-	-	-
Others	-	-	-	-
Total Admissible Tier-2 Capital	**17,959,713,796**	**17,756,147,989**	**17,491,554,465**	**17,687,157,502**
Total Regulatory Capital	**52,875,559,698**	**52,127,371,321**	**54,805,825,954**	**53,859,011,572**
Risk Weighted Assets (note-14.8)	664,475,003,873	512,385,420,210	651,217,423,552	508,702,242,926
Minimum Capital Requirement with Capital Conservation Buffer (12.5% of Risk Weighted Assets)	83,059,375,484	64,048,177,526	81,402,177,944	63,587,780,366
Capital Surplus/(Shortfall)	**(30,183,815,786)**	**(11,920,806,205)**	**(26,596,351,990)**	**(9,728,768,794)**

14.7.1

Composition of Capital (Solo)	31 Dec. 2025		31 Dec. 2024	
	Required	**Held**	**Required**	**Held**
Common Equity Tier -I	6.00%	4.85%	6.00%	5.99%
Tier-I Capital	6.00%	5.73%	6.00%	7.11%
Tier-II Capital	0.00%	2.69%	0.00%	3.48%
Tier-I Capital with Buffer	8.50%	5.73%	8.50%	7.11%
Total CRAR	**12.50%**	**8.42%**	**12.50%**	**10.59%**

14.7.2

Composition of Capital (Conso)	31 Dec. 2025		31 Dec. 2024	
	Required	**Held**	**Required**	**Held**
Common Equity Tier -I	6.00%	4.40%	6.00%	5.60%
Tier-I Capital	6.00%	5.25%	6.00%	6.71%
Tier-II Capital	0.00%	2.70%	0.00%	3.47%
Tier-I Capital with Buffer	8.50%	5.25%	8.50%	6.71%
Total CRAR	**12.50%**	**7.96%**	**12.50%**	**10.17%**

14.8 Computation of Risk weighted assets

Particulars	Consolidated 31 Dec. 2025	Consolidated 31 Dec. 2024	UCB PLC 31 Dec. 2025	UCB PLC 31 Dec. 2024
On- Balance Sheet	553,658,305,140	393,903,088,935	554,540,084,489	394,840,831,307
Off-Balance sheet	26,117,456,527	44,873,040,115	26,117,456,527	44,873,040,115
Credit Risk **(A)**	**579,775,761,667**	**438,776,129,050**	**580,657,541,016**	**439,713,871,422**
Market Risk **(B)**	23,154,548,760	16,366,819,870	21,063,442,935	14,331,950,490
Operational risk **(C)**	61,544,693,446	57,242,471,290	49,496,439,600	54,656,421,014
Total Risk Weighted assets (A+B+C)	**664,475,003,873**	**512,385,420,210**	**651,217,423,552**	**508,702,242,926**

Notes	Particulars	Consolidated		United Commercial Bank PLC	
		Amount in BDT		Amount in BDT	
		31 Dec. 2025	31 Dec. 2024	31 Dec. 2025	31 Dec. 2024

15 Statutory Reserve

As per section 24(1) of the Bank company Act, 1991 and amendments thereon, an amount equivalent to 20% of the profit before taxes for the year has been transferred to the statutory reserve fund as under:

Particulars	Consolidated 31 Dec. 2025	Consolidated 31 Dec. 2024	UCB 31 Dec. 2025	UCB 31 Dec. 2024
Opening Balance	15,828,739,273	15,730,183,055	15,730,183,055	15,730,183,055
Add : Transferred during the year	13,657,014	98,556,218	-	-
	15,842,396,287	**15,828,739,273**	**15,730,183,055**	**15,730,183,055**

As per Section 24 (1) of Bank Company Act 1991 and as amended till date, a bank needs to transfer 20% of profit before any money is transferred to Government or any dividend is declared (i.e. profit before tax) to statutory reserve if the amount in such fund together with the amount in the share premium account is less than its paid-up capital. The Bank has fulfilled the above criteria. Hence, no transfer is required to be made in 2023, 2024 and 2025.

16 General Reserve

Particulars	Consolidated 31 Dec. 2025	Consolidated 31 Dec. 2024	UCB 31 Dec. 2025	UCB 31 Dec. 2024
Opening Balance	26,577,961	26,577,961	26,577,961	26,577,961
Add: Transferred during for the year	-	-	-	-
	26,577,961	**26,577,961**	**26,577,961**	**26,577,961**

17 Other Reserve

Particulars	Consolidated 31 Dec. 2025	Consolidated 31 Dec. 2024	UCB 31 Dec. 2025	UCB 31 Dec. 2024
Asset Revaluation Reserve **(notes: 17.1)**	2,534,101,559	2,534,101,559	2,534,101,559	2,534,101,559
Foreign currency translation gain/(loss)	153,625,844	153,080,640	153,625,844	153,208,713
Revaluation Reserve on HTM Securities **(notes: 17.2.1)**	84,345,288	79,059,721	84,345,288	79,059,721
Revaluation Reserve on HFT Securities **(notes: 17.2.2)**	58,832,612	1,293,741	58,832,612	1,293,741
	2,830,905,303	**2,767,535,661**	**2,830,905,303**	**2,767,663,734**

17.1 Asset Revaluation Reserve

As per International Accounting Standard (IAS) 16 - 'Property, Plant & Equipment', and BRPD Circular No. 10 dated 25 November 2002 issued by Bangladesh Bank, all the immovable properties of the Bank were revalued as at 27.12.2012 based on market survey by Padma Techno Consult & Survey Ltd., an independent professionally qualified valuation firm of the country. Accordingly, revaluation surplus of BDT 2,534,101,559.00 for land & building was recorded as asset revaluation reserve. Movement of the same at the reporting date is as follows:

Particulars	Consolidated 31 Dec. 2025	Consolidated 31 Dec. 2024	UCB 31 Dec. 2025	UCB 31 Dec. 2024
Opening Balance	2,534,101,559	2,534,101,559	2,534,101,559	2,534,101,559
Reserve made for the year	-	-	-	-
	2,534,101,559	**2,534,101,559**	**2,534,101,559**	**2,534,101,559**

17.2 Revaluation Reserve

Particulars	Consolidated 31 Dec. 2025	Consolidated 31 Dec. 2024	UCB 31 Dec. 2025	UCB 31 Dec. 2024
HTM Securities **(notes 17.2.1)**			84,345,288	79,059,721
HFT Securities **(notes 17.2.2)**			58,832,612	1,293,741
			143,177,900	**80,353,462**

As per the DOS Circular Letter # 05 dated 26 May 2008, HFT securities are revalued on weekly basis and HTM securities are amortized on yearly basis.

17.2.1 Revaluation Reserve on HTM Securities

Particulars	Consolidated 31 Dec. 2025	Consolidated 31 Dec. 2024	UCB 31 Dec. 2025	UCB 31 Dec. 2024
Opening Balance			79,059,721	410,585,991
Add: Net Revaluation gain/(adjustment) during the year			5,285,567	(331,526,270)
			84,345,288	**79,059,721**

17.2.2 Revaluation Reserve on HFT Securities

Particulars	Consolidated 31 Dec. 2025	Consolidated 31 Dec. 2024	UCB 31 Dec. 2025	UCB 31 Dec. 2024
Opening Balance			1,293,741	7,497,779
Add: Net Revaluation gain/(adjustment) during the year			57,538,871	(6,204,038)
			58,832,612	**1,293,741**

18 Start-up Equity Investment Fund

Particulars	Consolidated 31 Dec. 2025	Consolidated 31 Dec. 2024	UCB 31 Dec. 2025	UCB 31 Dec. 2024
Opening Balance	-	-	-	-
Add: Transfer from Provision	133,512,705	-	133,512,705	-
Add: Addition during the year for Start-up Fund			-	-
	133,512,705	**-**	**133,512,705**	**-**

In compliance with Bangladesh Bank SMESPD Circular No. 02 dated 09 July 2025, the entire amount of start-up fund has been presented under Equity instead of Other Liabilities.

19 Retained Earnings

Particulars	Consolidated 31 Dec. 2025	Consolidated 31 Dec. 2024	UCB 31 Dec. 2025	UCB 31 Dec. 2024
Opening Balance			6,307,661,613	7,769,983,871
Add: Retained surplus transferred during for the year			635,798,027	14,226,209
Add: Proceeds from Sale of Non-banking Assets			550,000.00	-
Less. Issuance of Stock Dividend			-	(738,274,230)
Less. Issuance of Cash Dividend			-	(738,274,238)
Less. Coupon Payment on Perpetual Bond			(570,000,002)	-
			6,374,009,638	**6,307,661,613**

19(a) Consolidated Retained Earnings

Particulars	Consolidated 31 Dec. 2025	Consolidated 31 Dec. 2024	UCB 31 Dec. 2025	UCB 31 Dec. 2024
United Commercial Bank PLC	6,374,009,638	6,307,661,613		
UCB Stock Brokerage Ltd.	1,525,293,236	1,601,426,541		
UCB Investment Ltd.	404,990,902	304,251,785		
UCB Asset Management Ltd.	149,586,184	98,126,749		
UCB Fintech Company Limited	(4,380,237,521)	(3,894,000,868)		
UCB Exchange (SG) PTE. Ltd.	(3,185,453)	(1,937,295)		
	4,070,456,986	**4,415,528,525**		
Less: Non controlling Interest	188	190		
Total balance of retained earnings attributable to the ordinary Share holders.	**4,070,456,798**	**4,415,528,335**		
Non controlling interest	**188**	**190**		

Notes	Particulars	Consolidated		United Commercial Bank PLC	
		Amount in BDT		Amount in BDT	
		31 Dec. 2025	31 Dec. 2024	31 Dec. 2025	31 Dec. 2024
20	**Contingent liabilities & commitment**				
	Acceptances & endorsement **(note- 19.1)**			77,568,061,302	105,263,752,167
	Letters of guarantee **(note- 19.2)**			55,242,076,074	60,918,919,087
	Irrecoverable letters of credit **(note- 19.3)**			61,688,195,957	59,160,060,971
	Bills for collection **(note-19.4)**			16,790,891,900	24,780,647,517
	Other Commitments (note-19.5)			642,181,098	10,736,246,402
				211,931,406,331	**260,859,626,144**
20.1	**Acceptances & endorsements**				
	Bankers liabilities for accepted against usance LC			41,647,238,947	62,439,327,819
	Bankers liabilities for accepted against BB usance			35,920,822,355	42,824,424,348
				77,568,061,302	**105,263,752,167**
20.2	**Letters of guarantee**				
	Bankers liabilities for letters of guarantee (Inland)			35,484,510,584	38,709,146,101
	Bankers liabilities for letters of guarantee (Foreign)			19,757,565,489	22,209,772,986
				55,242,076,074	**60,918,919,087**
20.3	**Irrecoverable letters of credit**				
	Letters of credit (Inland)			1,657,987,401	354,382,355
	Letters of credit (Foreign)			37,028,926,877	29,426,166,877
	Back to back LC			22,385,980,008	27,681,009,935
	Letters of credit EDF			595,938,005	1,691,129,438
	Letters of credit EPZ			19,363,666	7,372,366
				61,688,195,957	**59,160,060,971**
20.4	**Bills for collection**				
	Bills for collection (Inland)			11,348,881,500	15,381,158,719
	Bills for collection (Foreign)			5,442,010,400	9,399,488,798
				16,790,891,900	**24,780,647,517**
20.5	**Other Commitments**				
	Documentary credit and short term trade related transactions			-	-
	Forward assets purchased and forward deposits placed			642,181,098	10,736,246,402
	Undrawn note issuance and revolving underwriting facilities				-
	Undrawn formal standby facilities, credit lines and other commitments				-
				642,181,098	**10,736,246,402**
21	**Income Statement**				
	Income				
	Interest, discount and similar income **(note - 21.1)**			68,520,371,250	64,313,023,776
	Dividend income			248,757,131	293,308,737
	Fees, commission and brokerage			6,032,741,895	6,427,325,649
	Gains less losses arising from dealing in securities			-	-
	Gains less losses arising from investment securities			478,316,797	(1,052,800,541)
	Gain less losses arising from dealing in foreign currencies			1,442,255,536	1,499,598,968
	Income from non-banking asset			-	-
	Other operating income			254,976,726	246,492,832
				76,977,419,335	**71,726,949,421**
	Expenses				
	Interest paid on deposits and borrowings etc.			49,322,092,432	35,257,762,623
	Administrative expenses **(note - 20.2)**			13,925,467,867	14,179,685,400
	Other operating expenses			5,244,299,565	5,418,376,644
	Depreciation on banks assets			1,576,094,412	1,793,230,547
				70,067,954,276	**56,649,055,214**
				6,909,465,059	**15,077,894,207**
21.1	**Interest, discount and similar income**				
	Interest Income			59,184,717,010	56,114,658,916
	Interest income from investments			9,335,654,240	8,198,364,860
				68,520,371,250	**64,313,023,776**

UCB PLC has Islamic Banking Unit (Taqwa). Profit (income) and profit (paid) are included in Interest, discount and similar income and Interest paid on deposits and borrowings etc. respectively. Please see the relevant notes in the Financial Statements of UCB Islamic Banking.

Notes	Particulars	Consolidated 31 Dec. 2025	Consolidated 31 Dec. 2024	UCB PLC 31 Dec. 2025	UCB PLC 31 Dec. 2024
21.2	**Administrative expenses**				
	Salary and allowances			9,691,480,130	9,372,438,905
	Rent, taxes, insurance, electricity etc.			1,685,242,699	1,601,796,023
	Legal expenses			223,064,036	159,313,658
	Postage, stamps, telecommunications etc.			218,281,208	223,449,513
	Stationery, printing, advertisements etc.			1,364,460,674	2,074,052,715
	Chief Executive's salary and fees			19,900,000	17,695,000
	Directors' fees			4,389,500	5,189,971
	Auditors' fees			13,265,000	1,380,000
	Repair of banks assets			705,384,620	724,369,615
				13,925,467,867	**14,179,685,400**
22	**Interest Income**				
	Interest/profit on loans and advances/investments	58,427,181,734	55,652,206,990	58,293,018,160	55,436,921,757
	Interest on balances with other banks & Financial Institu	229,570,645	56,597,710	218,685,407	56,597,710
	Interest on money at call on short notice	355,776,478	86,959,613	355,776,478	86,959,613
	Interest on balance with foreign Bank	317,236,965	534,179,837	317,236,965	534,179,837
		59,329,765,822	**56,329,944,149**	**59,184,717,010**	**56,114,658,916**

Notes	Particulars	Consolidated		United Commercial Bank PLC	
		Amount in BDT		Amount in BDT	
		31 Dec. 2025	31 Dec. 2024	31 Dec. 2025	31 Dec. 2024
	UCB PLC has Islamic Banking Unit (Taqwa). Profit (income) from Islamic Banking unit includes in Interest on loans and advances. Please see the relevant notes in the Financial Statements of UCB Islamic Banking.				
23	**Interests Paid on deposits and borrowings etc.**				
	Interest paid on deposits **(note - 23.1)**	42,602,657,517	30,385,766,610	42,602,657,517	30,385,766,610
	Interest/profit paid on borrowings **(note - 23.2)**	6,690,035,266	4,788,415,148	6,719,434,915	4,871,996,013
		49,292,692,783	**35,174,181,758**	**49,322,092,432**	**35,257,762,623**
	UCB PLC has Islamic Banking Unit (Taqwa). Profit paid on deposits, borrowings, etc. related to Islamic Banking unit includes in Interest paid on deposits and Interest paid on borrowings respectively. Please see the relevant notes in the Financial Statements of UCB Islamic Banking.				
23.1	**Interest paid on deposits**				
	Savings Deposits			2,501,910,936	2,202,324,661
	Special Notice Deposits			2,625,907,357	1,645,207,644
	Fixed Term Deposits			27,493,365,354	19,507,632,655
	Foreign Currency Deposit			277,621,080	
	Scheme Term Deposits			9,703,852,790	7,030,601,650
				42,602,657,517	**30,385,766,610**
23.2	**Interest/profit paid on borrowings**				
	Borrowing from Bangladesh Bank			3,083,601,288	1,422,032,055
	Borrowing from other Bank & financial institution			465,021,527	488,978,886
	Borrowings from Bangladesh Bank - EDF			822,478,643	561,753,158
	Subordinated Bond			1,332,331,488	1,070,538,393
	Foreign currency borrowings			135,802,788	604,150,213
	Other bank repo			382,204,054	30,515,963
	Money at call on short notice			497,995,128	694,027,345
				6,719,434,915	**4,871,996,014**
24	**Investment income**				
	Interest income from investments **(note - 24.1)**	9,439,951,014	8,350,987,264	9,335,654,240	8,198,364,860
	Non interest income from investments **(note - 24.2)**	5,761,182,477	(759,411,804)	5,598,602,709	(759,411,804)
		15,201,133,490	**7,591,575,460**	**14,934,256,949**	**7,438,953,056**
24.1	**Interest income from investments**				
	Government treasury bills/bonds			8,684,029,317	6,026,304,669
	Sub-ordinated bonds			459,255,787	337,768,835
	Term Placement (Islamic Banking Unit)			287,843,056	196,275,833
	Short Notice Deposit Accounts (Islamic Banking Unit)			19,818,352	11,872,122
	Perpetual Mudaraba Bond (Islamic Banking Unit)			28,964,665	14,229,332
	Perpetual bonds			205,000,000	204,999,999
	Bangladesh Government Special Purpose Bond			1,180,551,840	568,510,263
	Zero Coupon Bond			75,000,000	50,000,000
	Reverse Repo with Other Bank			44,771,217	5,490,740
	SUKUK Bond **(note - 24.1.1)**			205,221,784	59,200,265
	Bangladesh Government Investment (BGIB)			4,883,752	4,843,200
	Gain/(Loss) on revaluation on government securities **(note - 24.1.2)**			(1,859,685,529)	718,869,602
				9,335,654,240	**8,198,364,860**
24.1.1	**SUKUK Bond**				
	Bangladesh Government Investment in SUKUK (Islamic Banking Unit)			163,516,832	38,748,787
	Private Sukuk Bond Under SPV (Islamic Banking Unit)			41,704,953	20,451,478
				205,221,784	**59,200,265**
24.1.2	**Gain/(Loss) on revaluation on government securities**				
	Gain on revaluation on government securities			1,000,462,529	718,869,602
	Less : Loss on revaluation on government securities			(2,860,148,058)	-
				(1,859,685,529)	**718,869,602**
24.2	**Non interest income from investments**				
	Dividend on shares			248,757,131	293,308,737
	Gain/(Loss) on sale of share **(note - 23.2.1)**			478,316,797	(1,052,800,541)
	Prize money on prize bond			70,000	80,000
	Repo Transactions			1,146,709,997	-
	Government Securities Trading			3,724,748,784	-
			-	**5,598,602,709**	**(759,411,804)**
24.2.1	**Gain/(Loss) on sale of shares**				
	Gain on sale of shares			544,386,369	600,000
	Less : Loss on sale of shares			(66,069,572)	(1,053,400,541)
				478,316,797	**(1,052,800,541)**
25	**Commission, Fees, Exchange & Brokerage**				
	Commission **(note - 25.1)**	3,709,838,050	4,351,348,410	2,900,550,715	3,272,634,515
	Fees **(note - 25.2)**	3,261,394,007	3,154,691,134	3,132,191,180	3,154,691,134
	Exchange earning **(note - 25.3)**	1,442,255,536	1,499,598,968	1,442,255,536	1,499,598,968
		8,413,487,593	**9,005,638,512**	**7,474,997,431**	**7,926,924,617**

Notes	Particulars	Consolidated		United Commercial Bank PLC	
		Amount in BDT		Amount in BDT	
		31 Dec. 2025	31 Dec. 2024	31 Dec. 2025	31 Dec. 2024
25.1	**Commission**				
	Remittance Inland			8,548,912	9,512,873
	Remittance Foreign			11,142,968	8,683,637
	Letters of guarantee			407,687,961	523,297,863
	Letters of credit			897,579,829	807,386,304
	Letters of credit (back to back)			575,995,849	366,119,539
	Bangladesh Sanchaypatra/Paribarik Sanchaypatra			-	33,848
	Acceptance			757,670,868	1,206,959,157
	Exchange commission & rebate			365,872,802	273,033,544
	Outward clearance			1,641,168	1,972,532
	Merchant commission (Cards)			(125,698,391)	31,778,981
	Others			108,750	43,856,237
				2,900,550,715	**3,272,634,515**
25.2	**Fees**				
	Bills for collection			47,038,049	54,509,785
	Account maintenance			249,899,247	214,364,756
	Appraisal or processing			89,885,833	178,695,711
	Online transaction			72,636,647	74,417,599
	Cash incentive			15,070,400	21,894,450
	FC endorsement			3,427,580	1,208,100
	LC, BC & BG (others)			835,697,909	960,068,640
	Debit card			626,550,479	532,822,816
	Credit card			739,268,971	911,519,172
	Arrangement			208,596,951	16,933,251
	Agent Banking Systems			3,107,154	2,962,902
	SMS banking			189,888,863	150,926,423
	Miscellaneous			51,123,097	34,367,529
				3,132,191,180	**3,154,691,134**
25.3	**Exchange**				
	Exchange earning (general)			1,590,314,149	2,054,756,898
	Revaluation gain/(Loss) on foreign currency			(148,058,613)	(235,322,507)
	FX Deal Discount Income			-	(319,835,423)
				1,442,255,536	**1,499,598,968**
26	**Other Operating Income**				
	Income from locker rent	26,890,590	24,535,529	26,890,590	24,535,529
	Premises rent	-	328,854	-	328,854
	Swift charges	59,555,627	52,922,718	59,555,627	52,922,718
	Cheque Book Issuance	105,454,673	88,887,980	105,454,673	88,887,980
	Gain on Sale of Fixed Assets	-	24,401,777	-	24,401,777
	Corporate Income from Others	110,655	18,197	110,655	18,197
	SME Income from Others	1,132,860	916,511	1,132,860	916,511
	Retail Income from Others	61,762,322	53,940,174	61,762,322	53,940,174
	Income from subsidiaries	-	127,385,867	-	-
	Miscellaneous earning	8,853,926	461,093	-	461,093
		263,760,652	**373,798,700**	**254,906,726**	**246,412,832**
27	**Salaries and allowances**				
	Basic salary	4,469,951,615	4,746,578,869	4,162,885,715	3,988,056,123
	Allowances	2,226,128,512	1,850,002,691	1,957,426,096	1,850,002,691
	Bonus	1,955,956,216	1,877,028,663	1,886,318,192	1,877,028,663
	Provident fund and Welfare fund	514,012,193	457,351,428	484,850,127	457,351,428
	Gratuity fund	1,218,644,074	1,200,000,000	1,200,000,000	1,200,000,000
		10,384,692,610	**10,130,961,651**	**9,691,480,130**	**9,372,438,905**
28	**Rent, taxes, insurance, electricity etc.**				
	Rent premises	711,963,973	547,832,702	700,141,329	523,210,155
	Rates & taxes	147,378,521	124,640,602	142,850,493	124,640,602
	Rental charges	13,325,647	184,380,647	12,612,228	184,380,647
	Insurance premium	442,399,693	400,843,315	439,742,149	400,843,315
	Electricity, Water & Gas *	404,293,974	368,721,304	389,896,501	368,721,304
		1,719,361,806	**1,626,418,570**	**1,685,242,699**	**1,601,796,023**
29	**Legal expenses**				
	Legal expenses	32,989,206	30,176,665	30,963,774	18,887,709
	Professional expenses	197,145,679.66	140,425,949	192,100,262	140,425,949
		230,134,886	**170,602,614**	**223,064,036**	**159,313,658**
30	**Postage, stamps, telecommunications etc.**				
	Postage	52,139,602	44,749,185	51,341,829	44,749,185
	Telecommunication expenses	46,678,931	44,815,520	44,225,591	44,815,520
	Reuter	5,791,637	6,317,391	5,791,637	6,317,391
	Internet	16,299,220	4,257,200	3,578,650	4,257,200
	Online connectivity expenses	113,343,501	141,671,793	113,343,501	123,310,217
		234,252,892	**241,811,089**	**218,281,208**	**223,449,513**

Notes	Particulars	Consolidated		United Commercial Bank PLC	
		Amount in BDT		Amount in BDT	
		31 Dec. 2025	31 Dec. 2024	31 Dec. 2025	31 Dec. 2024
31	**Stationery, printing & advertisements etc.**				
31.1	**Stationery and printing:**				
	Office Stationery	116,397,164	139,173,057	107,460,520	139,173,057
	IT Stationery	93,233,740	113,740,475	93,233,740	113,740,475
	Security Stationery	53,344,887	38,445,099	53,344,887	38,445,099
		262,975,791	291,358,631	254,039,147	291,358,631
31.2	**Advertisement:**				
	Print Media **(note - 30.2.1)**	27,258,198	28,415,525	25,617,535	28,415,525
	Electronic Media **(note - 30.2.2)**	39,650,460	72,520,219	39,297,805	72,520,219
	Sponsorship	56,157,683	40,423,521	56,157,683	40,423,521
	Branding expenses	261,965,325	713,745,502	235,149,782	649,857,586
	UCB Imperial Lounges expense	596,904,977	833,200,109	596,904,977	833,200,109
	Promotional Material	137,072,606	112,059,924	131,225,624	112,059,924
	Miscellaneous advertisement	34,797,027	46,217,200	26,068,120	46,217,200
		1,153,806,277	1,846,582,000	1,110,421,527	1,782,694,084
		1,416,782,068	2,137,940,631	1,364,460,674	2,074,052,715
31.2.1	**Print Media**				
	News paper	24,370,033	27,249,725	23,146,245	27,249,725
	Magazine	2,888,165	1,165,800	2,471,290	1,165,800
		27,258,198	28,415,525	25,617,535	28,415,525
31.2.2	**Electronic Media**				
	Television	27,468,497	68,520,644	27,115,842	68,520,644
	Bill board & neon sign	12,554,281	3,999,575	12,181,963	3,999,575
		40,022,778	72,520,219	39,297,805	72,520,219
32	**Chief Executive's salary and fees**				
	Basic salary	13,200,000	13,016,667	13,200,000	13,016,667
	House Rent Allowances	3,000,000	758,333	3,000,000	758,333
	Festival Bonus	2,200,000	2,420,000	2,200,000	2,420,000
	Incentive Bonus	1,500,000	1,500,000	1,500,000	1,500,000
		19,900,000	17,695,000	19,900,000	17,695,000
33	**Directors fees**				
	Meeting fees	5,213,611	5,476,529	4,389,500	4,652,929
	Other meetings' fees (travelling expenses)	-	537,042	-	537,042
		5,213,611	6,013,571	4,389,500	5,189,971

Each director of the Bank is paid for BDT 10,000 as per BRPD circular letter no. 11 dated 4 October 2015 per board or board committee meeting attended in 2025.

34	**Auditors fees**	14,361,576	1,778,833	13,265,000	1,380,000
35	**Depreciation and repair of bank's assets**				
35.1	**Depreciation**				
	Furniture/fixtures	253,779,972	209,859,954	242,800,619	199,808,714
	Vehicles	33,581,803	41,047,579	30,769,053	36,394,216
	Office equipment	194,177,676	378,213,269	184,681,782	368,786,775
	Computer equipment	567,462,546	506,976,052	485,932,121	424,588,640
	Computer software	144,957,259	247,374,041	86,509,807	218,251,169
	Immovable property (Building)	66,590,708	66,593,150	65,581,342	65,581,342
	Right of Use(ROU) assets	502,572,134	499,997,057	479,819,689	479,819,691
		1,763,122,098	1,950,061,102	1,576,094,412	1,793,230,547
35.2	**Repair & maintenance**				
	Furniture /fixtures **(note - 35.2.1)**	4,729,877	22,297,052	4,729,877	6,894,126
	Vehicles	20,302,114	15,958,419	20,302,114	15,958,419
	Office equipment	200,388,333	114,359,176	200,388,333	114,359,176
	Computer equipment	1,418,570	8,926,367	1,068,570	7,954,700
	Computer Software	447,997,485	515,839,837	447,997,485	515,839,837
	Building & Premises	47,231,027	63,363,357	30,898,241	63,363,357
		722,067,407	740,744,207	705,384,620	724,369,615
		2,485,189,505	2,690,805,309	2,281,479,032	2,517,600,162
35.2.1	**Furniture /fixtures**				
	Furniture/Fixture	20,679,550	20,679,550	4,726,377	5,276,624
	Interior	1,617,502	1,617,502	3,500	1,617,502
		22,297,052	22,297,052	4,729,877	6,894,126
36	**Other expenses**				
	Entertainment	114,678,337	101,165,328	105,400,682	91,545,631
	Petrol, oil & lubricant	306,672,578	312,014,598	295,567,489	297,360,182
	Subscription	40,075,346	39,683,192	38,090,859	38,451,444
	Donation	42,141,824	220,024,192	40,521,841	219,991,942
	Traveling	74,989,595	282,648,036	58,438,912	259,919,705
	Business Development	71,130,492	213,883,625	63,667,406	213,883,625
	Cartage and freight	28,920,985	23,869,259	26,467,504	22,664,522
	Hon. general	27,762,566	17,002,150	27,762,566	17,002,150
	Fees commission & charges	513,389,235	759,779,189	301,788,726	238,700,638
	Meeting Seminar and staff training	69,214,011	28,699,179	64,620,874	27,901,006
	Fees Commission and Charges Debit Card	249,675,706	292,738,868	249,675,706	292,738,868
	Fees Commission and Charges Credit Card Local	685,793,888	470,205,750	685,793,888	470,205,750

Notes	Particulars	Consolidated		United Commercial Bank PLC	
		Amount in BDT		Amount in BDT	
		31 Dec. 2025	31 Dec. 2024	31 Dec. 2025	31 Dec. 2024
	Liveries & uniforms	4,158,580	3,629,117	1,302,653	245,831
	Medical expenses	270,780,319	259,747,199	266,132,139	258,904,625
	Car expenses	275,377,288	258,094,929	251,779,370	234,552,929
	Loss on sale of assets	561,096	30,179	468,764	-
	BATCH/BEFTN Charges	554,358	549,359	554,358	549,359
	UCB Foundation	-	90,000,000	-	90,000,000
	Interest expense for lease liabilities	195,380,381	212,593,028	191,707,896	209,628,759
	Outsource Staff Expenses	2,454,595,171	2,386,848,524	2,448,752,931	2,378,790,732
	Other Expenses	294,942,497	341,317,916	125,805,001	55,338,946
		5,720,794,251	**6,314,523,617**	**5,244,299,565**	**5,418,376,644**
37	**Provision for Loans & Advances**				
	Unclassified Loans & advances	1,339,948,641	98,739,713	1,245,631,248	96,393,654
	Classified loans & advances	10,562,652,878	13,753,168,469	10,561,057,733	13,753,163,470
	Release of special provision for COVID_19	-	(1,630,000,000)	-	(1,630,000,000)
	Recoveries from previously written off loan	(1,136,127,598)	(369,041,609)	(1,136,127,598)	(369,041,609)
		10,766,473,921	**11,852,866,574**	**10,670,561,383**	**11,850,515,516**
38	**Provision for diminution in value of investments**				
	Provision required during the year	(54,633,610)	841,677,725	(78,216,859)	862,483,227
		(54,633,610)	**841,677,725**	**(78,216,859)**	**862,483,227**
39	**Other Provision**				
	Provision for other assets	1,124,239	2,568,000	1,124,239	2,568,000
	Provision for off-balance sheet exposures	(847,572,191)	216,937,616	(847,572,191)	216,937,616
		(846,447,952)	**219,505,616**	**(846,447,952)**	**219,505,616**

Provision for Off-Balance Sheet Exposure

Provision against Off-Balance Sheet Exposure made as per BRPD Circular No. 06 dated 25 April 2023.

40 Provision for Taxation

Provision for current tax has been calculated based on the profit before provision considering admissible & inadmissible expenses as per provision of the Income Tax Act 2023 and Finance Act 2025.

	Consolidated 31 Dec. 2025	Consolidated 31 Dec. 2024	UCB PLC 31 Dec. 2025	UCB PLC 31 Dec. 2024
Current Tax	540,003,568	4,570,211,087	350,870,065	4,312,972,008
Deferred tax expense/(income)	1,041,086,509	(2,776,098,269)	1,048,359,175	(2,775,386,412)
	1,581,090,077	**1,794,112,818**	**1,399,229,240**	**1,537,585,596**

41 Earnings per Share (EPS)

Earnings per share has been calculated in accordance with IAS-33: "Earnings Per Share (EPS)".

	Consolidated 31 Dec. 2025	Consolidated 31 Dec. 2024	UCB PLC 31 Dec. 2025	UCB PLC 31 Dec. 2024
Net Profit after Tax (Numerator)	238,289,133	80,061,445	635,798,027	607,804,252
Number of Ordinary shares outstanding (Denominator)	1,550,375,898	1,550,375,898	1,550,375,898	1,550,375,898
Earning Per Share (EPS)	**0.15**	**0.05**	**0.41**	**0.39**

There was no significant change in EPS as management provided majority of the profit to recover the provision shortfall

Notes	Particulars	Consolidated 31 Dec. 2025	Consolidated 31 Dec. 2024	UCB PLC 31 Dec. 2025	UCB PLC 31 Dec. 2024
42	**Receipt from other operating activities**				
	Exchange earning & brokerage	1,442,255,536	1,499,598,968	1,442,255,536	1,499,598,968
	Other operating income	5,724,763,795	(774,520,100)	5,604,752,304	(806,907,709)
		7,167,019,331	**725,078,868**	**7,047,007,840**	**692,691,259**
43	**Payment for other operating activities**				
	Legal expenses	(230,134,886)	159,313,658	(223,064,036)	159,313,658
	Directors' fees & other expenses	(5,213,611)	5,189,971	(4,389,500)	5,189,971
	Auditors' fees	(14,361,576)	1,380,000	(13,265,000)	1,380,000
	Repair of fixed assets	(722,067,407)	724,369,615	(705,384,620)	724,369,615
	Other expenditures	(5,525,413,870)	5,096,697,652	(5,052,591,669)	4,994,864,259
		(6,497,191,350)	**5,986,950,896**	**(5,998,694,825)**	**5,885,117,503**
44	**(Increase)/decrease of other assets**				
	Account with Stock Broker			226,762,616	(124,542,158)
	Advance Deposit			(272,650)	(52,040)
	Advance Income Tax Paid (note - 9.1)			-	-
	Advance Payment			323,376,112	179,845,157
	Deferred Tax Asset (note - 9.2)			1,048,359,175	(2,775,386,412)
	Head Office General Account (note - 9.3)			(6,447,059)	(22,842,237)
	Income/Profit Receivable			(143,935,593)	(57,706,836)
	Interest Receivable			(1,835,934,467)	(311,110,912)
	Investment in share of subsidiary companies. (note- 9.6)			(4,814)	(5,164)
	Receivable from Subsidiary Company			362,617	(1,735)
	Stock of Stationery & Stamps			(82,327,603)	19,670,428
	Suspense Account (note - 9.4)			(99,396,384)	743,851,322
	UBS Required Settlement Account			(982,566,983)	(1,224,124,936)
	Others (note - 9.5)			(72,342,670)	228,245
				(1,624,367,702)	**(3,572,177,279)**
45	**Increase/(decrease) of other liabilities**				
	Provision for loans & advances			(1,812,404,226)	8,535,070,649
	Provision for special general - COVID_19			-	(1,630,000,000)
	Provision for diminution in value of investment			(78,216,859)	862,483,227
	Provision for off-balance sheet exposure			(845,641,277)	226,720,535
	Provision for classified fixed assets			-	-
	Provision for classified other assets			1,124,239	2,568,000
	Provision for current tax			(3,688,511,389)	1,625,612,707
	Provision for Non Banking Assets			15,620,000	3,336,000
	Interest suspense account			3,165,503,491	9,543,064,083

Notes	Particulars	Consolidated		United Commercial Bank PLC	
		Amount in BDT		Amount in BDT	
		31 Dec. 2025	31 Dec. 2024	31 Dec. 2025	31 Dec. 2024
	Payable to UCB foundation			48,901,454	17,707,893
	Unclaimed Dividend*			(8,100,168)	(4,831,003)
	Interest/profit payable			3,879,561,920	7,910,822,333
	Lease Liabilities as per IFRS 16			(322,282,441)	(328,410,691)
	Sundry liabilities			1,474,733,659	2,755,817,745
	Start-Up Fund			(133,512,705)	6,078,043
	CSR Fund			(71,181,348)	(40,330,262)
				1,625,594,349	29,485,709,260
46	**Net Operating Cash Flows Per Share (NOCFPS)**				
	Net Cash from operating activities	26,084,790,598	(2,927,433,146)	25,216,838,693	(4,885,953,998)
	Number of Ordinary shares outstanding (Denominator)	1,550,375,898	1,550,375,898	1,550,375,898	1,550,375,898
	Net Operating Cash Flows Per Share (NOCFPS)	**16.82**	**(1.89)**	**16.26**	**(3.15)**
	Net Operating Cash Flows Per Share (NOCFPS) increased due to higher deposit growth compared to lower loan disbursement.				
47	**Net Asset Value Per Share (NAVPS)**				
	Net Asset Value	39,862,584,972	39,997,117,150	42,053,924,392	41,790,822,093
	Number of Ordinary shares outstanding (Denominator)	1,550,375,898	1,550,375,898	1,550,375,898	1,550,375,898
	Net Asset Value Per Share (NAVPS)	**25.71**	**25.80**	**27.12**	**26.96**
	There is no significant chante in Net Asset Value Per Share (NAVPS) mainly due to no significant movement in retained earning.				

47.1 a. Reconciliation of Net Profit after Taxes and Operating profit before changes in operating assets and liabilities of the bank

	United Commercial Bank PLC	
	31 Dec. 2025	31 Dec. 2024
Net profit after taxes	635,798,027	607,804,252
Provision for taxation	1,399,229,241	1,537,585,596
Non-operating Expenses	191,707,896	-
Provision for investment, shares & contingent liabilities	9,745,896,572	12,932,504,359
(Increase)/decrease interest receivable	(1,979,870,060)	(311,110,912)
Increase/(decrease) interest payable on deposits	3,879,561,920	8,415,097,229
Depreciation & amortization of fixed assets	1,576,094,412	1,793,230,546
Gain/(Loss) on revaluation on government securities	1,859,685,529	-
Recoveries on loans & advances previously written-off	1,136,127,598	369,041,609
Income tax paid	(4,039,381,454)	(2,687,359,301)
Effect of exchange rate changes on cash and cash equivalents	(1,442,255,536)	(1,499,598,967)
Operating profit before changes in operating assets and liabilities- as per calculation	**12,962,594,146**	**21,157,194,411**
Operating profit before changes in operating assets and liabilities- as per cash flow statement	**12,343,537,758**	**21,157,194,411**
Differences		

b. Reconciliation of effective tax rate

Particulars	Effective Rate	31-Dec-2025	Effective Rate	31-Dec-2024
Profit before income taxes as per profit & loss account	0.00%	2,035,027,267	0.00%	2,145,389,848
Income taxes as per applicable tax rate	37.50%	763,135,225	37.50%	804,521,193
Factors affecting the tax charge in current year				
Inadmissible expenses	8.68%	176,670,379	211.81%	4,544,090,238
admissible expenses in the current year	-40.07%	(815,339,584)	-50.56%	(1,084,725,206)
Tax from reduced tax rates for dividend	2.44%	49,751,426	2.73%	58,661,747
Tax from reduced tax rates for capital gain	8.68%	176,638,450	-0.45%	(9,591,964)
Tax from reduced tax rates for prize bond	0.00%	14,000	0.00%	16,000
Effect of deferred tax income	51.52%	1,048,359,175	-129.37%	(2,775,386,412)
Total income tax expenses	**68.76%**	**1,399,229,072**	**71.67%**	**1,537,585,596**

48 **A. Audit Committee Meeting**

The Audit Committee of the Board of Director consisted of the following 2 members of the Board as on 31 December 2025.

Name	Status with the Bank	Status in the Committee	Educational Qualification
Mr. Obaidur Rahman, FCA	Independent Director	Chairman	FCA, MBA in Accounting
Mr. Md. Yusuf Ali	Independent Director	Member	B. Com (Hons.) & M.Com in

During the year 2025, the Audit Committee has conducted 10 meetings. Details of the meeting are shown below by date-wise.

Sl. No	Meeting No.	Held on
1	143	03.02.2025
2	144	24.02.2025
3	145	10.03.2025
4	146	30.04.2025
5	147	29.05.2025
6	148	18.06.2025
7	149	28.07.2025
8	150	22.09.2025
9	151	15.10.2025
10	152	03.12.2025

The Audit Committee discussed the following issues during the year 2025

Sl. No.	Particulars
1	Review of quarterly, half-yearly, and annual financial statements
2	Review of Statutory Audit Report
3	Approval of Risk Based Internal Audit (RBIA)-2025 & its amendment.
4	Approval of IT Audit Strategic Plan- 2025
5	Review of RBIA reports, high risk audit findings across branches, departments, and subsidiaries.
6	Review of Interest Waiver
7	Review of Common & Pending Legal Cases
8	Review of list of Wilful Defaulters
9	Review of Self-Assessment of Anti-Fraud Internal Controls.
10	Approval of Organogram & Manpower requirement of the Audit Division
11	Review of Surprise Inspection Report
12	Review of the Forensic Audit Report
13	Review of the Appointment of Statutory Auditor
14	Review of the Report of the Audit Committee 2024
15	Review of the Investigation Report
16	Review of the Appointment of Interim Auditor
17	Review of Comprehensive Inspection Report from Bangladesh Bank
18	Approval of Annual Health Report -2024.
19	Review of Loans over BDT 30 crore, Procurement & Expenditure

B. Board of Directors Meetings

The Board of Directors consisted of the following 5 members as on 31 December 2025:

Sl.No.	Name of the Members	Status with the Bank	Educational & Professional Qualification	Field of Expertise
1	Mr. Sharif Zahir	Chairman	• Bachelor of Arts in Economics and Finance, University of Texas	Banking, RMG, Real Estate, IT/e-commerce, and Trading
2	Mr.Md. Shazzad Hossoin	Vice Chairman & Independent Director	• MS (Geography) & MBA, Dhaka University. • MSS (Economics), National University. • Bachelor of Laws (LLB), National University • DAIBB, Institute of Bankers, Bangladesh.	Banking, Compliance, and General Management.
3	Mr. Md. Tanvir Khan	Director	• Bachelor of Commerce, University of Toronto	Banking, Accounts & Finance, General Management & Administration, and Corporate Governance.
4	Mr. Obaidur Rahman, FCA	Independent Director	• Fellow Chartered Accountant (FCA), Institute of Chartered Accountants of Bangladesh (ICAB) • Masters of Business Administration	Banking, Compliance, General Management, Foreign Exchange & Advance
5	Mr. Md. Yusuf Ali	Independent Director	• Masters of Commerce, University of Dhaka • Fellow, National Defence College • DAIBB, Institute of Bankers, Bangladesh	Auditing, Finance, Accounts, Taxation, Company Matters, Internal Control & Compliance

During the year 2025, the Board of Directors has conducted 23 meetings. Details of the meeting are shown below by date wise.

Sl. No	Meeting No.	Held on
1	505	22.01.2025
2	506	11.02.2025
3	507	26.02.2025
4	508	17.03.2025
5	509	15.04.2025
6	510	28.04.2025
7	511	30.04.2025
8	512	19.05.2025
9	513	29.05.2025
10	514	19.06.2025
11	515	08.07.2025
12	516	08.07.2025
13	517	28.07.2025
14	518	18.08.2025
15	519	18.08.2025
16	520	15.09.2025
17	521	28.09.2025
18	522	15.10.2025
19	523	17.11.2025
20	524	07.12.2025
21	525	23.12.2025
22	526	23.12.2025
23	527	28.12.2025

C. Executive Committee Meeting

The Executive Committee of the Board of Directors consisted of the following 3 members of the Board as on 31 December 2025

Existing Committee

Name of the Members	Status in the Committee
Mr. Md. Tanvir Khan	Chairman
Mr. Sharif Zahir	Member
Mr.Md. Shazzad Hossoin	Member

Details of the Executive Committee Meeting in the year 2025

During the year 2025, the Executive Committee has conducted 13 meetings. Details of the meeting are shown below by date wise.

Sl. No	Meeting No.	Held on
1	476	09.02.2025
2	477	16.03.2025
3	478	17.04.2025
4	479	28.04.2025
5	480	19.05.2025
6	481	04.06.2025
7	482	07.07.2025
8	483	29.07.2025
9	484	18.08.2025
10	485	16.09.2025
11	486	16.10.2025
12	487	18.11.2025
13	488	14.12.2025

D. Risk Management Committee Meeting

The Risk Management Committee of the Board of Directors consisted of the following 4 members of the Board as on 31 December 2025

Sl. No.	Name	Status in the Committee
1	Mr. Md. Yusuf Ali	Chairman
2	Mr. Sharif Zahir	Member
3	Mr.Md. Shazzad Hossoin	Member
4	Mr. Obaidur Rahman, FCA	Member

During the year 2025, the Risk Management Committee has conducted 4 meetings. Details of the meetings are shown below by date wise:

Sl. No	Meeting No	Held on
1	46	12.03.2025
2	47	26.06.2025
3	48	22.09.2025
4	49	03.12.2025

E. Shariah Supervisory Committee Meeting

The Shariah Supervisory Committee consisted of the following 5 members as on 31 December 2025:

Sl. No.	Name	Status in the Committee
1	Prof. Dr. Md. Shamsul Alam	Chairman
2	Dr. Md. Ebrahim Khalid	Member
3	Prof. Dr. A. F. M. Akbar Hossain	Member
4	Dr. Mohammed Nasir Uddin (Azhary)	Member
5	Dr. Mohammad Manjurur Rahman	Member

During the year 2025, the Shariah Supervisory Committee has conducted 3 meetings. Details of the meeting are shown below by date wise.

Sl. No	Meeting No	Held on
1	15	18.03.2025
2	16	16.07.2025
3	17	28.10.2025

49 Related Party Disclosers

49.1 (a): Name of the Directors and their shareholding in the Bank.

Name of the Directors	Status in the Board	Opening Share holding position as on 01 January 2025	Closing Share holding position as on 31 December 2025
Mr. Sharif Zahir	Chairman	31,217,326	31,217,326
Mr. Md. Shazzad Hossoin	Vice Chairman & Independent Director	-	-
Mr. Md. Tanvir Khan	Director	31,100,000	31,100,000
Mr. Md. Yusuf Ali	Independent Director	-	-
Mr. Obaidur Rahman, FCA	Independent Director	-	-
		-	-

49.1 (b): Name of the Directors and the entities in which they had interest as at 31 December 2025

Name of Directors	Status	Entities where they have interest.
Mr. Sharif Zahir	Chairman	1.Ananta Apparels Limited 2.Ananta Knitwear Limited 3.Ananta Hotel & Resorts Limited 4.Ananta Real Estate Limited 5.Ananta Group Limited 6.Ananta Development Limited 7.Ananta Properties Limited 8.Ananta Energy Resources Limited
Mr. Md. Shazzad Hossoin	Vice Chairman & Independent Director	No Entity
Mr. Md. Tanvir Khan	Director	1.J.K. Fabrics Ltd. 2.J.K. Knit Composite Ltd. 3.Tanima Knit Comp. Ltd. 4.J.K. Spinning Mills Ltd. 5.J.K. Cotton Mills Ltd. 6.J.K. Synthetic Mills Ltd. 7.Ocean Tiger BD. Ltd. 8.MM Fishing Ltd. 9.MR Fishing Ltd. 10.Pacific Eagle Ltd.
Mr. Md. Yusuf Ali	Independent Director	No Entity
Mr. Obaidur Rahman, FCA	Independent Director	MA Fazal & Co.

49.2 Significant Contracts where Bank is a party and wherein Directors have interest: **Nil**

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

49.4 Related Party Transactions:

a) Subsidiaries

Name of the Related Party	Nature of Transactions	Opening Balance as at 01.01.2025	Addition/(Adjustments) during the year	Closing Balance as at 31.12.2025
UCB Stock Brokerage Limited	Receivable against Beneficiary Owner (BO)	268,672,680	(226,003,722)	42,668,958
	Receivable from Subsidiary	-	209,185	209,185
	Deposits Current and SND	721,474,352	(541,610,855)	179,863,497
	Loans and Advances	1,597,571,529	263,802,745	1,861,374,274
UCB Asset Management Limited	Deposits Current and SND	13,976,547	(8,466,380)	5,510,167
	Investment Advisory Fee Payable	-	425,000	425,000
UCB Fintech Company Limited	Deposits Current and SND	130,611,069	55,862,615	186,473,684
	Deposits Trust Cum Settlement (TCSA)	588,024,682	116,492,642	704,517,325
	Deposits	500,000,000	(430,000,000)	70,000,000
	Interest Payable	31,250,000	(31,207,222)	42,778
UCB Investment Limited	Deposits Current and SND	35,474,333	23,001,663	58,475,996
	Deposits	-	20,000,000	20,000,000
UCB Exchange (SG) PTE Limite	Receivable from Subsidiary	7,486,968	1,048,122	8,535,090

b) Directors related transactions

Name of the Related Party	Nature of Transactions	Global Limit	BDT Dues as at 31.12.2025	USD Dues as at 31.12.2025
SHARIF ZAHIR	Credit Card	1,000,000.00	8,972.34	214.81
MD TANVIR KHAN	Credit Card	900,000.00	-	-

49.5 Lending policies to related parties: Lending to related parties is affected as per requirement of section 27 (1) of the Bank company Act 1991. **Nil**

49.6 Loans and advances to concern related to directors: **Nil**

49.7 Business other than banking business with any related concern of the Directors as per section 18(2) of the Bank company Act 1991: **Nil**
Nil

49.8 Investment in securities of Directors and their related concern: **Nil**

50 Events after Balance Sheet date

As per DOS circular letter no. 01 dated 13 March 2025, a bank can not distribute dividend if it has classified loan percentage of more than 10%, shortfall in provision and availing deferral facility. Currently, the bank couldn't meet the required criteria to declare dividend. Therefore the Board of Directors in it's 532nd meeting dated 30 April 2026 did not recommend any dividend in compliant with the above

General

50.1 Banks share capital has not been utilized for acquiring any other direct or indirect business.

50.2 No amount was spent by the bank for compensating any members of the board for special services rendered during the period.

50.3 During the period under report, United Commercial Bank PLC did not place any of its assets under pledge as security to obtain any liabilities.

UNITED COMMERCIAL BANK PLC.

Highlights on Overall Activities

Particulars	Amount in BDT	
	31-Dec-25	**31-Dec-24**
Paid-up Capital	15,503,758,980	15,503,758,980
Total Capital	54,805,825,954	53,859,011,573
Capital Surplus/(Shortfall)	(26,596,351,990)	(9,728,768,793)
Total Assets	884,056,454,596	768,779,476,472
Total Deposits	683,941,521,373	554,215,267,256
Total Loans & Advances	617,890,096,768	572,828,869,287
Total Contingent Liabilities & Commitments	211,931,406,331	260,859,626,144
Credit Deposit Ratio (%)	83.03	91.31
Percentage of Classified Loans against Total Loans and Advances	15.50	14.90
Operating Profit	11,780,923,840	15,077,894,207
Profit after Tax & Provision	635,798,027	607,804,252
Amount of Classified Loans during the year	10,418,357,048	57,524,572,163
Classified Loans and advance at the end of the year	95,762,321,190	85,343,964,142
Provision kept against Classified Loans	19,281,404,256	22,340,746,722
Provision Surplus/(Deficit)	(55,949,356,188)	(38,962,600,000)
Cost of Fund (%)	9.47	8.52
Interest Earning Assets	777,032,240,392	677,658,650,898
Non-interest earning Assets	107,024,214,197	91,120,825,573
Return on Investment (ROI) (%)	12.63	8.72
Return on Assets (ROA) (%)	0.08	0.08
Net Asset value per share	27.12	26.96
Income from Investments	14,934,256,949	7,438,953,056
Earning per share (Taka) - Restated 2024	0.41	0.39
Net Income per share (Taka) - Restated 2024	0.41	0.39
Price earning ratio (Times)	25.36	22.92

United Commercial Bank PLC

Balance with Nostro Accounts [Balance with Foreign Bank]

As on 31 December 2025

(Annexure-A)

Sl. No.	Nostro Bank	Name of the Country	Currency	2025			2024		
				Amount in FC	Rate	Amount in BDT	Amount in FC	Rate	Amount in BDT
1	AB Bank PLC	India	ACU	(172,623)	122.30	(21,111,963)	318,486.91	119.99	38,215,244
2	Axis Bank Limited	India	ACU	26,198	122.30	3,204,061	310,711.68	119.99	37,282,294
3	Bank AL Bilad	Saudi Arabia	SAR	106,476	32.61	3,472,006	12,491.04	31.98	399,467
4	Bank of Bhutan	Bhutan	ACU	38,166	122.30	4,667,742	31,496.76	119.99	3,779,296
5	Bank of Tokyo Mitsubishi	Japan	JPY	611,884	0.78	478,875	10,864,785.00	0.76	8,261,505
6	Citi Bank N.A. New York, USA	USA	USD	186,300	122.30	22,784,675	(435,632.26)	119.99	(52,271,515)
7	Commerz Bank AG	Germany	USD	509,293	122.30	62,286,976	2,655,362.36	119.99	318,616,930
8	Commerz Bank AG	Germany	EUR	3,780,822	144.03	544,565,603	146,769.37	125.08	18,357,557
9	Emirates NBD Bank (P.J.S.C)	India	ACU	1,280,670	122.30	156,626,934	1,084,580.24	119.99	130,138,783
10	Habib American Bank	USA	USD	3,101,381	122.30	379,301,396	3,629,981.74	119.99	435,561,509
11	Habib American Bank, NY, (OBU)	USA	USD				2,293,970.14	119.99	275,253,477
12	Habib Metropolitan Bank Limited	Pakistan	ACU	100,573	122.30	12,300,199	211,336.64	119.99	25,358,283
13	HDFC Bank Limited	India	ACU	(121,868)	122.30	(14,904,506)	227,817.58	119.99	27,335,831
14	ICICI Bank Limited	India	ACU	7,512	122.30	918,722	480,836.20	119.99	57,695,536
15	ICICI Bank Limited	India	USD	51,832	122.30	6,339,079	25,208.62	119.99	3,024,782
16	ICICI Bank Ltd, Hong Kong (USD)	Hong Kong	USD				109,659.75	119.99	13,158,073
17	ICICI Bank Ltd, Hong Kong (CNY)	Hong Kong	cny	402,515	17.92	7,211,195	-	-	-
18	ICICI Bank Ltd, Hong Kong (CNY)	Bhutan	CNY				406,116.00	16.80	6,821,280
19	Indusind Bank Limited, India (ACU)	India	ACU	100	122.30	12,230	20,585.00	119.99	2,469,994
20	JP Morgan NY	USA	USD	2,750,786	122.30	336,423,314	(3,191,945.66)	119.99	(383,001,560)
21	KOOKMIN Bank	Korea	USD	126,367	122.30	15,454,799	114,563.46	119.99	13,746,470
22	Mashreq Bank Psc	India	ACU	85,825	122.30	10,496,487	58,594.74	119.99	7,030,783
23	Mashreq Bank Psc	USA	USD	18,845,902	122.30	2,304,868,836	5,059,887.87	119.99	607,135,946
24	Mashreq Bank PSC	UAE	AED	4,610,885	33.31	153,567,435	164,831.65	32.67	5,385,620
25	Mashreq Bank Psc NY (OBU)	USA	USD				43,161.39	119.99	5,178,935
26	Meezan Bank Ltd	Pakistan	ACU	295,300	122.30	36,115,437	271,208.13	119.99	32,542,264

27	Nabil Bank Limited, Nepal	Nepal	ACU	747	122.30	91,334	746.80	119.99	89,609
28	Peoples Bank Colombo	Sri Lanka	ACU	90	122.30	11,007	90.00	119.99	10,799
29	Punjab National Bank Ltd	Pakistan	ACU	421,323	122.30	51,528,086	(81,244.61)	119.99	(9,748,541)
30	Sonali Bank PLC	India	ACU	433,067	122.30	52,964,390	191,738.91	119.99	23,006,752
31	Standard Chartered Bank Germany (EUR)	Germany	EUR	637,123	144.03	91,767,190	31,526.50	125.08	3,943,258
32	Standard Chartered Bank Ltd	India	ACU	299,840	122.30	36,670,616	311,444.39	119.99	37,370,212
33	Standard Chartered Bank Ltd	USA	USD	1,318,482	122.30	161,251,353	36,976,758.52	119.99	4,436,841,255
34	Standard Chartered Bank, UK (GBP)	United Kingdom	GBP	85,222	165.24	14,082,129	33,630.37	150.94	5,076,014
35	State Bank of India	India	ACU	90	122.30	11,025	180,090.15	119.99	21,609,017
36	Wells Fargo Bank N.A	USA	USD	(2,799)	122.30	(342,341)	(97,119.72)	119.99	(11,653,395)
37	Yes Bank Limited	India	ACU				-	119.99	-
38	Zhejiang Chouzhou Commercial Bank	China	USD	305,307	122.30	37,339,232	129,742.31	119.99	15,567,780
39	Zhejiang Chouzhou Commercial Bank	China	CNY	2,010	17.92	36,008	2,003.11	16.80	33,645
40	ICICI Bank Ltd, Hong Kong (USD)(786)	Hong Kong	USD	225,405	122.30	27,567,215			
	Total					**4,498,056,776**			**6,159,623,190**

Annexure - B

UNITED COMMERCIAL BANK PLC

Schedule of Fixed Assets

As on 31 December 2025

Amount in BDT

Particulars	COST				Rate	DEPRECIATION				Written down value as on 31 Dec. 2025
	Opening Balance at Cost as on 01 Jan 2025	Addition during the period	Adjustment during the period	Total Cost as on 31 Dec 2025		Charged up to 1 Jan. 2025	Adjustment during the period	Charged during the period	Total Depreciation as on 31 Dec. 2025	
Land	4,395,054,283	-	-	4,395,054,283	-	-	-	-	-	4,395,054,283
Building	2,623,253,671	-	-	2,623,253,671	2.5%	696,888,776		65,581,342	762,470,118	1,860,783,554
Furniture & Fixtures	2,861,446,766	132,837,163	62,462,532	2,931,821,397	10.0%	1,812,437,374	49,479,456	242,800,619	2,005,758,537	926,062,860
Office Equipment	3,182,502,543	151,493,293	28,036,749	3,305,959,087	20.0%	2,499,256,986	27,692,717	184,681,782	2,656,246,051	649,713,036
Computer Equipment	3,466,182,402	331,550,610	14,631,152	3,783,101,860	20.0%	1,925,540,422	14,586,620	485,932,121	2,396,885,923	1,386,215,938
Vehicles	612,469,172	122,104,979	43,877,917	690,696,234	20.0%	484,275,612	43,877,896	30,769,053	471,166,769	219,529,465
Computer Software	1,919,296,024	6,381,630	-	1,925,677,654	25.0%	1,670,802,780	-	86,509,807	1,757,312,587	168,365,067
Right of use assets (ROU)	5,590,566,138	-	-	5,590,566,138	-	2,770,593,409	-	479,819,688	3,250,413,097	2,340,153,041
Capital Expenditure Work In Progress	4,265,604,893	845,981,541	744,367,674	4,367,218,760	-	-	-	-	-	4,367,218,760
Total as on 31 Dec. 2025	**28,916,375,892**	**1,590,349,216**	**893,376,024**	**29,613,349,085**		**1,859,795,359**	**135,636,690**	**576,094,411**	**13,300,253,080**	**16,313,096,004**

As on 31 December 2024

Amount in BDT

Particulars	COST				Rate	DEPRECIATION				Written down value as on 31 December 2024
	Opening Balance at Cost as on 01 Jan. 2024	Addition during the period	Adjustment during the period	Total Cost as on 31 Dec 2024		Charged up to 1 Jan 2024	Adjustment during the period	Charged during the period	Total Depreciation as on 31 December 2024	
Land	4,395,054,283	-	-	4,395,054,283	0%	-	-	-	-	4,395,054,283
Building	2,623,253,671	-	-	2,623,253,671	3%	631,307,435	-	65,581,342	696,888,776	1,926,364,895
Furniture & Fixtures	2,757,849,217	147,212,021	43,614,472	2,861,446,766	10%	1,650,001,578	37,372,917	199,808,714	1,812,437,374	1,049,009,391
Office Equipment	3,047,543,911	189,667,172	54,708,540	3,182,502,543	20%	2,185,177,231	54,707,020	368,786,775	2,499,256,986	683,245,557
Computer Equipment	2,714,907,951	817,818,962	66,544,511	3,466,182,402	20%	1,567,486,428	66,534,646	424,588,640	1,925,540,422	1,540,641,980
Vehicles	621,278,877	42,406,326	51,216,031	612,469,172	20%	499,097,415	51,216,019	36,394,216	484,275,612	128,193,560
Computer Software	1,899,974,139	19,321,885	-	1,919,296,024	25%	1,452,551,611	-	218,251,169	1,670,802,780	248,493,244
Right of use assets (ROU)	5,590,566,138	-	-	5,590,566,138	0%	2,290,773,718	-	479,819,691	2,770,593,409	2,819,972,729
Capital Expenditure Work In Progress	3,642,387,048	1,839,644,211	1,216,426,366	4,265,604,893	0%	-	-	-	-	4,265,604,893
Total as on 31 Dec 2024	**27,292,815,236**	**3,056,070,577**	**1,432,509,921**	**28,916,375,892**		**0,276,395,415**	**209,830,602**	**793,230,546**	**11,859,795,359**	**17,056,580,533**

UNITED COMMERCIAL BANK PLC
List of Non-Banking Assets
As at 31-Dec.-2025

Annexure - C

Sl. No.	Branch Name	Name of the account & Key Person	Categories	Land Area	Mutation	Possession
1	Banani Branch	M/s Nadira Rahman and Nahinur Rahman	33(7)	1700 sft flat being no. A/7 at , Nekation, Gulshan-1	Yes	No
2	Elephant Road Branch	M/s. Dolly Resort	33(7)	R.M of 438.50 dec land. Acquisition by RHD-220.81 dec land=rest 217.61 dec land value Tk.870.47 lac	No	No
3	Goalabazar Branch Sylhet	M/s. Ratul Enterprise	33(7)	Land Area:2 Decimals, Mouza: Bramogram, Osmananigar, Sylhet	Yes	No
4	Khatungonj	M/s. Albia Trading	33(7)	Equitable Mortgage of 7.50 decimal land Mouza-Bakalia, Ctg	No	No
5	Nayabazar Br.	M/s. Haque Steel Complex Ltd.	33(7)	104.25 decimal land situated within Dist.-Narayangonj, Mouza- Dpa Idrakpur, PS & Sub-registry office: Fatullah	No	No
6	Principal Branch	M/s. Himalaya Marble	33(7)	01)Quantum of Land: 1) 1.60 Katha land, Hatirpool, Dhaka. 2) 6.32 khata land 3) 6.06 katha land 4) 7.67 Katha land 5) 5 katha land Situated at Zoarshahara, Dhaka. 6) 13.63 Katha Paritra, Dhaka.	No	No
7	Principal Branch	M/s. Jenesis Fashions	33(7)	Land Aera:25.68 , 44 , 50.00, decimals, Mouza; Faridpur Teghoria Teghoria, Faridpur Dhaka	No	No
8	Uttara Branch	Md. Farhad Hossain	33(7)	Land Aera:910Stf & 0495 Ajutangsha , Mouza:Bailjuri, Dhaka Rajuk.	No	No

9	Elephant Road Branch	M/s. Vision Corporation	33(7)	41.00 decimals Land at Nandi Para, Sabujbagh, Dhaka.	No	No
10	New Eskaton	M/s. Catena Computers	33(7)	1550 sft. Flat (along with undivided and un-demarcated 0.44 decimal land)	No	Yes
11	Principal Branch	M/s. Business Mart	33(7)	29.50 dec land, at Nandi Para, Shobujbagh, Dhaka.	No	No
12	Principal Branch	M/s. Crystal Trading	33(7)	i) 12 Dec. of Land at Bakalia, Chittagong ii) 98 Dec. of Land at Kachkura, Uttara, Dhaka	No	No
13	Gulshan Branch	M/s Shah Alam & Nasrin Alam	33(7)	0087.50 Ajutangsha of land along with Flat no.6/C on the 6th floor of the 10th storied building constructed thereon measuring 1,025 sft, Dhaka city corporation Holding No. 33/6/C , Chamelibagh, 1st lane,	No	No
14	Noapara (Jessore) Branch	M/s. Mayur Enterprise	33(7)	16.60 decimal land with building	No	No
15	Khatungonj	Solaiman & Brothers	33(7)	8.00 dec and 10.00 dec at Mouza-West Solasahar, PS-Panchlaish, Dist.-Chittagong	No	No
16	Dinajpur	M/s D. D. Auto Rice Mill	33(7)	Land Area: 155 Decimal, Mouza: Vhuipara Dinaj pur	Yes	No
17	Elephant Road Branch	Awake Sons	33(7)	Land Area 28 decimals	Yes	No
18	Principal Branch	M/s. Rahima Composite	33(7)	District- Dhaka , Mouza- Turag 8.25	No	No
19	Kanaipur	Tapan Store	33(7)	6.60+15.75+81.31+123.72	Yes	No
20	Nawabpur Br.	Mithu Electromcs	33(7)	33 56 Gazipur , Sadar and Kaliakair Thana, Mouza-Barenda and Bhannara	No	No
21	Kanaipur, Faridpur	Kafiluddin	33(7)	18+6 = 24 Decimals Mouza-Ujan Mollikpur, PS-Kotwali, Faridpur	No	No
22	New Eskaton	Howlader Cars	33(7)	8.32 Decimal Land Mouza- Joar Sahara, PS- Badda, Dhaka with 10 storied Building.	Yes	No

UNITED COMMERCIAL BANK PLC

Suit filed against defaulted borrowers (Branch wise details)

As at 31-Dec.-2025

Annexure - D

Sl. No.	Branch		31 Dec. 2025	31 Dec. 2024
1	Agrabad		11,904,706,768	4,983,435,375
2	Amborkhana		103,898,338	103,898,338
3	Anderkilla		283,894,206	281,247,245
4	Anowara		15,218,032	24,076,833
5	Anowara Sadar		25,197,403	-
6	Ati Bazar		8,324,989	8,324,989
7	Bahaddarhat		679,461,863	24,625,117
8	Banani		1,105,682,626	406,309,651
9	Banani Road No-11		3,040,902,774	-
10	Baneshwar		1,547,631	1,547,631
11	Bangshal		187,499,036	247,294,777
12	Bansree		9,373,017	9,373,017
13	Barolekha		1,834,804	1,834,804
14	Bashundhara		196,486,129	145,364,508
15	Beanibazar Sylhet		46,091,156	46,091,156
16	Bhulta		40,553,844	48,044,615
17	Bijaynagar		1,208,926,737	1,177,307,203
18	Bogra		1,740,136,875	1,717,975,298
19	Brahmanbaria		119,380,959	61,639,960
20	Chandpur		282,527,410	136,712,286
21	Chapainawabgonj		36,092,769	41,938,191
22	Chashara		485,747,858	466,099,237
23	Chinispur		12,491,154	12,491,154
24	Chittagong Medical College		153,197,234	25,394,446
25	Chowdhuryhat		1,306,773	1,306,773
26	Chowkbazar		1,563,304,878	25,239,303
27	Chuadanga		90,943,732	90,943,732
28	Comilla		3,855,946,234	3,691,856,746
29	Corporate		11,724,250,823	1,381,579,695
30	Cox’s Bazar		5,203,264	5,203,264
31	Dakshinkhan		32,961,298	32,961,298
32	Dampara		354,049,343	274,116,027
33	Darus-Salam Road		3,935,927	-
34	Dhanmondi		4,158,311,748	2,998,839
35	Dinajpur		142,810,311	132,380,832
36	Dohazari		11,985,461	21,069,480
37	Donia		14,555,890	6,630,740
38	Eidgaon		1,562,052	1,562,052
39	Elephant Road		3,785,311,626	3,783,659,673
40	Faridpur		627,176,135	589,601,304
41	Feni		128,145,822	82,474,172
42	Foreign Ex.		2,243,993,291	2,243,993,291
43	Gausul Azam Avenue		2,569,882	-

44	Gazipur Chowrasta			342,892,677	337,491,677
45	Ghatail			994,066	-
46	Goala bazar , Sylhet			8,095,513	8,095,513
47	Gohira			71,368,111	71,368,111
48	Gopalgonj			123,204,034	-
49	Gulshan			5,661,439,600	5,729,399,360
50	Halishahor			46,019,597	46,019,597
51	Hathazari			109,534,111	109,534,111
52	Islampur			464,508,175	107,120,163
53	Jamal Khan			484,064,649	-
54	Jessore			522,267,490	522,267,490
55	Jhalakathi			984,311	-
56	Jhawtala			149,288,016	52,427,944
57	Jhenaidah			8,536,454	8,536,454
58	Jubilee Road			1,385,703,626	1,340,134,210
59	Kadamtali			1,927,041,449	1,417,217,543
60	Kaligonj			4,346,976	4,346,976
61	Kamal Bazar			3,371,880	3,371,880
62	Kamarpara			3,574,977	3,574,977
63	Kamrangichar			102,337,193	79,103,112
64	Kanaipur			146,801,675	75,871,432
65	Kanchan			11,429,351	11,429,351
66	Kanchpur			8,347,028	8,347,028
67	Kapasia			1,142,077	1,142,077
68	Karnaphuli			5,879,694	427,264
69	Kathgor			530,763	530,763
70	Kawranbazar			20,264,694,167	1,318,733,795
71	Khan Jahan Ali Road			122,346,034	11,161,604
72	Khatungonj			21,351,402,809	2,934,366,910
73	Khulna			252,336,837	239,651,668
74	Khulshi			2,159,032	2,159,032
75	Kushtia			41,029,268	41,029,268
76	Lakshmipur			410,134,244	410,134,244
77	Lamabazar			3,190,378	3,190,378
78	Lohagara			69,056,331	15,754,325
79	Madhabdi			119,746,473	119,746,473
80	Maijdee Court			323,568,343	325,520,624
81	Mawna			62,281,135	52,696,460
82	Mirpur			139,512,127	139,512,127
83	Mirpur Road			920,698,805	920,698,805
84	Modunaghat			3,253,873	3,253,873
85	Mohakhali			9,866,403,482	410,075,436
86	Mohammadpur			87,427,677	87,427,677
87	Moulvi Bazar (D)			690,899,903	663,330,926
88	Moulvibazar Sylhet			66,664,009	66,664,009
89	Munshigonj			30,604,029	30,604,029
90	Muradpur			227,366,232	7,907,871
91	Mymensingh			11,298,867	10,316,974
92	Nabigonj			1,257,024	1,257,024
93	Naogaon			253,053,393	267,908,973

94	Narayangonj		1,142,972,075	847,435,195
95	Narsingdi		446,432,699	357,741,904
96	Nawabpur		159,822,228	131,909,151
97	Nayabazar		5,901,407,781	1,710,380,175
98	New Eskaton		337,369,263	331,760,728
99	Nikunja		5,088,249,433	416,758
100	Noapara (Jessore)		184,229,106	184,229,106
101	North Brook Hall Road		9,806,814	9,806,814
102	North Gulshan		15,712,955	-
103	O R Nizam Road		1,056,288,737	1,065,079,722
104	Oxygen		968,460	968,460
105	Pabna		300,594,051	272,102,021
106	Paglabazar		54,376,880	52,926,490
107	Pahartoli		2,051,950,157	89,592,255
108	Patiya		6,849,190	-
109	Patuapara(Natore)		98,659,932	98,659,932
110	Port		1,927,382,009	531,720,002
111	Pragati Sarani		7,449,916,670	82,584,312
112	Principal		5,791,632,744	2,255,746,751
113	Rajshahi		1,071,874,677	907,377,310
114	Rangpur		87,000,140	87,000,140
115	Rangunia		12,301,391	12,301,391
116	Raozan SME-Krishi		21,187,844	21,187,844
117	Sadarghat		7,545,091	-
118	Sarulia Bazar		66,243,441	66,243,441
119	Satarkul		2,555,317	2,555,317
120	Satmasjid Road		21,536,278	20,037,418
121	Savar		5,980,219	5,980,219
122	Serajgonj		173,486,271	170,588,657
123	Shahjalal Upashahor		143,355,706	141,601,769
124	Shanti Nagar		237,240,377	237,240,377
125	Sherpur (Mymensing)		6,192,548	6,192,548
126	Sherpur Br. Sylhet		16,296,279	16,296,279
127	Shibchar		271,181	271,181
128	Sitakunda		341,120,803	276,977,678
129	Sonaimuri		2,675,645	-
130	Sonargaon Janapath		46,139,298	30,792,317
131	Station Road		536,880,823	310,743,281
132	Sylhet		221,562,682	221,562,682
133	Tangail		1,739,030	1,739,030
134	Tejgaon		5,827,891	5,827,891
135	Tongi		278,577,441	278,577,441
136	Tongi Station Road		114,191,729	114,191,729
137	Uttara		400,110,642	400,110,642
138	Uttarkhan		218,298,141	66,286,222
139	Zinzira		23,237,892	23,237,892
			153,439,636,027	**51,807,443,061**

(b) Auditors Certificate - Form C

FORM-C

[Rule 8(h), 8(i) and 8(t)]

Auditors' Report to the Shareholders

We have audited the accompanying financial statements for the period from **01 January 2025 to 31 December 2025** of **United Commercial Bank PLC** in accordance with the International Standards of Auditing, as applicable in Bangladesh and we state that we have obtained all the information and explanations which we have required and after due verification thereof, we report that, in our opinion:

(a) These financial statements have been drawn up in accordance with the requirements of the Securities and Exchange Rules, 2020, as amended, the Companies Act, 1994 and other relevant laws where applicable and the International Accounting Standards, as applicable in Bangladesh.

(b) These financial Statements which are in agreement with the books of account of the issuer company give a true and fair view of the state of its affairs as at 31 December 2025 and of the result of its operations and cash flows for the period/year then ended.

(c) Proper Books of Account have been kept by the company as required by the relevant laws.

(d) The expenditure incurred was for the purposes of the issuer company's business.

We also certify that the above company has declared the following dividend for each of the following five years immediately preceding the issue of the rights share offer document under the Securities and Exchange Commission (Rights Issue) Rules, 2006 and that the company has duly paid off the following amounts of the declared dividend mentioned against respective year

Financial Year	Date of Dividend Declaration	Declared Dividend		
		Rate (%)	Total Amount (Tk.)	Total Paid (Tk.)
31 December 2025	30 April 2026	0%	-	-
31 December 2024	29 May 2025	0%	-	-
31 December 2023	29 April 2024	10%	1,476,548,468	1,464,765,441
31 December 2022	25 April 2023	10%	1,406,236,642	1,396,030,380
31 December 2021	30 March 2022	10%	1,278,396,940	1,276,134,920

* The Company is required to disburse dividend within the stipulated timeline prescribed by the regulators in this regard.

Signed for & on behalf of
Aziz Halim Khair Choudhury
Chartered Accountants

Dhaka
07 May 2026

Sd/-
Md. Ashrafuzzaman ACA
Partner
ICAB Enrolment No: 2138

SECTION 11

Rule 8 (i)

SUMMARIZED CASHFLOWS STATEMENT, PROFIT AND LOSS ACCOUNT AND BALANCE SHEET, AND DIVIDEND DECLARED AND PAID FOR EACH OF THE 5 (FIVE) YEARS IMMEDIATELY PRECEEDING THE ISSUE OF RIGHTS SHARE OFFER DOCUMENT OR FOR SUCH SHORTER PERIOD DURING WHICH THE ISSUE WAS IN COMMERCIAL OPERATION.

SECTION CONTENTS
Auditors Report in pursuance of Section-135(1) under Para-24 of part-II of the Third Schedule of the Companies Act, 1994

United Commercial Bank PLC and Its Subsidiaries
Auditor's Report under Section-135(1), Para 24 (1), of Part -II of Schedule III to the Companies Act 1994
[As per Securities and Exchange Commission (Right Issue) Rules, 2006, Rule 7(2)(h) and 8(i)]

We, as the auditor and having examined the consolidated financial statements of United Commercial Bank PLC and its subsidiaries for the period ended 31 December 2025 and based on the audited consolidated financial statements of the company for the years ended 31 December 2025, 2024, 2023, 2022 and 2021 and other figures extracted from the said audited financial statements as certified, report the following in pursuance to Section 135(1) and paragraph 24(1) of part-II of the Schedule-III of the Companies Act, 1994 and Rule 7(2)(h) and 8(i) of Securities and Exchange Commission (Right Issue) Rules, 2006, report:

A) Consolidated Balance Sheet:

Particulars	31-Dec-25	31-Dec-24	31-Dec-23	31-Dec-22	31-Dec-21
PROPERTY AND ASSETS					
Cash	**55,853,763,149**	**45,443,634,157**	**36,186,600,376**	**30,939,723,526**	**25,380,748,231**
Cash in hand (Including foreign currencies)	11,621,860,336	12,443,112,603	8,600,450,648	9,100,795,455	7,498,609,154
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	44,231,902,813	33,000,521,554	27,586,149,728	21,838,928,071	17,882,139,077
Balance with other Banks and Financial Institutions	**16,184,249,595**	**19,013,303,637**	**22,455,110,493**	**17,975,933,601**	**20,633,128,821**
In Bangladesh	11,686,192,819	12,853,680,447	5,556,154,273	4,509,386,657	19,568,097,037
Outside Bangladesh	4,498,056,776	6,159,623,190	16,898,956,220	13,466,546,944	1,065,031,784
Money at call on short notice	**3,500,707,200**	**2,500,000,000**	**-**	**-**	**3,200,000,000**
Investments:	**151,735,394,376**	**90,756,764,423**	**85,611,169,843**	**79,010,194,462**	**83,046,995,094**
Government	134,944,106,323	75,913,616,797	70,067,335,372	65,222,002,585	73,662,987,344
Others	16,791,288,053	14,843,147,626	15,543,834,471	13,788,191,877	9,384,007,750
Loans and Advances	**623,092,924,842**	**578,130,846,373**	**510,710,023,606**	**474,639,746,248**	**408,309,815,648**
Loans, cash credit, overdrafts etc.	599,248,556,663	568,147,161,936	500,982,069,097	451,148,361,902	381,754,404,170
Bills purchased and discounted	23,844,368,179	9,983,684,437	9,727,954,509	23,491,384,346	26,555,411,478
Fixed assets including premises, furniture and fixtures	18,800,794,861	19,567,070,636	19,583,158,058	17,026,510,993	17,018,196,481
Other assets	17,844,286,428	16,768,471,179	13,012,610,508	13,714,813,337	12,835,963,574
Non - banking assets	18,956,000	3,336,000	-	-	-
TOTAL ASSETS	**887,031,076,449**	**772,183,426,405**	**687,558,672,884**	**633,306,922,167**	**570,424,847,849**

Particulars	31-Dec-25	31-Dec-24	31-Dec-23	31-Dec-22	31-Dec-21
LIABILITIES AND CAPITAL					
Liabilities					
Borrowings from other banks, financial institutions and agents	**64,545,436,413**	**81,142,166,248**	**66,590,306,142**	**107,039,740,584**	**89,410,437,395**
Deposits and other accounts	**683,829,831,519**	**552,225,706,273**	**511,392,706,168**	**424,683,416,974**	**387,023,828,463**
Current accounts and other accounts	118,535,587,938	104,192,635,067	126,365,845,416	92,967,521,218	78,346,168,340
Bills Payable	8,390,361,338	6,626,968,382	8,344,605,942	7,016,021,483	8,845,268,369
Savings bank deposits	104,413,833,775	93,476,409,174	94,572,958,191	85,798,085,253	80,659,233,376
Fixed deposits	406,347,078,453	307,898,284,188	243,315,320,401	202,075,933,429	181,860,356,177
Bearer certificates of Deposit	-	-	-	-	-
Other deposits	46,142,970,015	40,031,409,462	38,793,976,218	36,825,855,591	37,312,802,201
Other liabilities	**98,793,223,545**	**98,818,436,734**	**67,997,142,418**	**61,405,650,473**	**56,601,754,666**
TOTAL LIABILITIES	**847,168,491,477**	**732,186,309,255**	**645,980,154,728**	**593,128,808,031**	**533,036,020,524**
Capital/Shareholders' Equity					
Paid -up capital	15,503,758,980	15,503,758,980	14,765,484,750	14,062,366,430	12,783,969,490
Share Premium	1,454,976,750	1,454,976,750	1,454,976,750	1,454,976,750	1,454,976,750
Statutory reserve	15,842,396,287	15,828,739,273	15,802,731,273	15,764,308,439	14,555,968,681
General reserve	26,577,961	26,577,961	26,577,961	26,577,961	26,577,961
Other reserve	2,830,905,303	2,767,535,661	3,097,273,897	2,797,068,995	2,631,853,888
Start-up Equity Investment Fund	133,512,705	-	-	-	-
Retained earnings	4,070,456,798	4,415,528,335	6,431,473,339	6,072,815,387	5,935,480,290
TOTAL SHAREHOLDERS' EQUITY	**39,862,584,784**	**39,997,116,960**	**41,578,517,970**	**40,178,113,962**	**37,388,827,060**
Non controlling interest	188	190	186	174	265
Total Shareholders' Equity with non-controlling Interest	**39,862,584,972**	**39,997,117,150**	**41,578,518,156**	**40,178,114,136**	**37,388,827,325**
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	**887,031,076,449**	**772,183,426,405**	**687,558,672,884**	**633,306,922,167**	**570,424,847,849**
OFF-BALANCE SHEET EXPOSURES					
Contingent liabilities					
Acceptances and endorsements	77,568,061,302	105,263,752,167	121,717,014,733	95,629,506,243	110,309,146,988
Letters of guarantee	55,242,076,074	60,918,919,087	65,230,862,378	59,964,400,737	57,499,501,948
Irrevocable letters of credit	61,688,195,957	59,160,060,971	73,731,069,769	39,547,144,513	75,222,523,708
Bills for collection	16,790,891,900	24,780,647,517	21,273,365,163	20,526,625,910	17,381,986,506
Other Contingent liabilities	-	-	-	-	-
Total	**211,289,225,233**	**250,123,379,742**	**281,952,312,043**	**215,667,677,403**	**260,413,159,150**

Particulars	31-Dec-25	31-Dec-24	31-Dec-23	31-Dec-22	31-Dec-21
Other commitments					
Documentary credits and short term trade related transactions		-	-	-	-
Forward assets purchased and forward deposits placed	642,181,098	10,736,246,402	9,723,925,200	2,272,080,692	-
Undrawn note issuance and revolving underwriting facilities		-	-	-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-	-	-
Total	**642,181,098**	**10,736,246,402**	**9,723,925,200**	**2,272,080,692**	**-**
Total Off-Balance Sheet items including contingent liabilities	**211,931,406,331**	**260,859,626,144**	**291,676,237,243**	**217,939,758,095**	**260,413,159,150**

B) Consolidated Profit and Loss Accounts:

Particulars	31-Dec-25	31-Dec-24	31-Dec-23	31-Dec-22	31-Dec-21
Interest income	59,329,765,822	56,329,944,149	38,527,432,247	32,301,597,460	27,984,761,834
Less: Interest paid on deposits and borrowings etc.	49,292,692,783	35,174,181,758	22,238,997,029	17,087,467,705	14,166,778,473
Net interest income	**10,037,073,039**	**21,155,762,391**	**16,288,435,218**	**15,214,129,755**	**13,817,983,361**
Investment Income	15,201,133,490	7,591,575,460	6,004,840,458	5,814,473,380	5,646,288,161
Commission, exchange and brokerage	8,413,487,593	9,005,638,512	8,376,878,550	8,899,008,606	6,466,823,421
Other operating income	263,760,652	373,798,700	350,098,451	319,785,244	394,237,274
	23,878,381,735	**16,971,012,672**	**14,731,817,459**	**15,033,267,230**	**12,507,348,856**
Total operating income	**33,915,454,774**	**38,126,775,063**	**31,020,252,677**	**30,247,396,985**	**26,325,332,217**
Salaries and allowances	10,384,692,610	10,130,961,651	9,280,023,731	8,421,749,115	7,736,214,129
Rent, taxes, insurance, electricity etc.	1,719,361,806	1,626,418,570	1,454,739,940	1,667,491,649	1,147,506,346
Legal expenses	230,134,886	170,602,614	99,486,632	107,724,456	136,054,009
Postage, stamp, telecommunication etc.	234,252,892	241,811,089	238,779,237	241,266,257	191,894,385
Stationery, printing, advertisements etc.	1,416,782,068	2,137,940,631	2,328,552,381	1,943,127,626	2,154,980,062
Chief Executive's salary and fees	19,900,000	17,695,000	16,435,484	14,098,442	13,450,900
Directors' fees	5,213,611	6,013,571	4,057,995	4,331,887	3,339,785
Auditors' fees	14,361,576	1,778,833	1,612,500	1,947,500	1,278,500
Depreciation and repair of bank's assets	2,485,189,505	2,690,805,309	2,556,626,841	2,154,511,753	1,859,159,180
Other expenses	5,720,794,251	6,314,523,617	5,445,974,082	4,478,285,856	3,102,257,442
Total operating expenses	**22,230,683,205**	**23,338,550,885**	**21,426,288,823**	**19,034,534,541**	**16,346,134,738**

Profit before provision	**11,684,771,569**	**14,788,224,178**	**9,593,963,854**	**11,212,862,444**	**9,979,197,479**
Provision for loans and advances	10,766,473,921	11,852,866,574	3,792,688,396	5,515,505,953	4,391,175,429
Provision for diminution in value of investments	(54,633,610)	841,677,725	52,461,975	646,373,322	(244,586,028)
Other provisions	(846,447,952)	219,505,616	711,543,580	(482,028,218)	549,363,208
Total Provision	**9,865,392,359**	**12,914,049,915**	**4,556,693,951**	**5,679,851,057**	**4,695,952,609**
Total Profit before taxes	**1,819,379,210**	**1,874,174,263**	**5,037,269,903**	**5,533,011,387**	**5,283,244,870**
Provision for taxation					
Current tax	540,003,568	4,570,211,087	3,339,864,344	3,473,872,045	4,166,078,526
Deferred tax	1,041,086,509	(2,776,098,269)	(500,262,728)	(1,239,507,786)	(1,389,947,755)
	1,581,090,077	**1,794,112,818**	**2,839,601,616**	**2,234,364,259**	**2,776,130,772**
Net profit after taxation	**238,289,133**	**80,061,445**	**2,197,668,287**	**3,298,647,127**	**2,507,114,098**
Attributable to					
Equity holders' of the Bank	238,289,135	80,061,441	1,764,894,405	1,415,732,038	1,344,361,561
Non controlling interest	(2)	4	186	(91)	45
	238,289,133	**80,061,445**	**1,764,894,591**	**1,415,731,947**	**1,344,361,606**
Appropriations					
Statutory reserve	13,657,014.20	26,008,000	38,422,834	1,208,339,758	1,130,980,783
Start-up fund	-	6,078,043	26,850,863	40,240,112	31,771,709
CSR Fund	-	-	-	245,965,311	-
Coupon payment on perpetual bond	570,000,002.00	587,500,000	367,500,000	388,370,000	-
Retained Surplus/(Deficit)	(345,367,883)	(539,524,598)	1,764,894,591	1,415,731,947	1,344,361,606
	238,289,133	**80,061,445**	**2,197,668,287**	**3,298,647,127**	**2,507,114,098**
Earning per share (EPS)-Basic	0.15	0.05	1.52	2.35	1.92
Earning per share (EPS)-Restated	0.15	0.05	1.45	2.29	1.78

C) Consolidated Cash Flow Statement:

Particulars	**31-Dec-25**	**31-Dec-24**	**31-Dec-23**	**31-Dec-22**	**31-Dec-21**
Cash flows from operating activities					
Receipts of Interest	68,679,987,668	63,967,566,565	44,338,215,812	38,346,831,674	33,310,945,884
Payments of Interest	(45,414,049,985)	(27,352,624,039)	(21,016,017,221)	(16,806,028,516)	(14,277,952,671)
Receipts of Dividend	300,179,333	329,838,753	231,790,122	216,497,814	189,847,793
Receipt of Fees & Commission	6,971,232,057	7,770,645,799	6,809,110,517	5,176,708,919	4,871,999,226
Recoveries from previously written off loans and advances	1,136,127,598	369,041,609	409,590,871	236,944,194	102,577,518

Payments to employees	(10,404,592,610)	(10,157,248,369)	(9,347,373,468)	(8,657,478,775)	(7,705,298,800)
Payments to suppliers	(3,974,258,979)	(4,301,989,387)	(5,597,917,983)	(5,505,311,332)	(3,527,410,603)
Payments for Income Tax	(4,166,060,634)	(2,955,963,224)	(3,714,962,839)	(4,638,236,660)	(3,499,325,527)
Receipts from other operating activities	5,724,763,795	(774,520,100)	255,557,185	289,055,558	765,093,940
Payments for other activities	(6,497,191,350)	(5,986,950,896)	(5,131,534,477)	(4,044,131,737)	(2,987,399,969)
Operating profit before changes in operating assets and liabilities	**12,356,136,893**	**20,907,796,711**	**7,236,458,519**	**4,614,851,139**	**7,243,076,791**
Increase/(decrease) in operating assets and liabilities:					
Statutory Deposits	(60,823,561,717)	(6,021,159,996)	(4,381,774,414)	9,035,522,468	(16,679,987,307)
Purchase/Sales of trading Securities	(1,035,887,248)	713,619,478	(467,176,700)	(647,478,052)	57,866,937
Loans and advances to Customers	(58,581,171,676)	(65,497,893,918)	(39,925,103,990)	(66,327,928,377)	(51,717,458,833)
Other assets	(545,540,403)	(3,478,097,639)	(182,765,341)	(819,859,606)	383,014,186
Deposit from banks	19,683,094,026	(3,237,348,162)	(1,312,414,303)	798,799,900	3,495,509,363
Deposit from customers	111,921,031,221	43,972,343,313	87,043,023,616	36,887,880,866	31,061,611,148
Other Liabilities	3,110,689,503	9,713,307,067	822,863,224	(2,173,490,754)	2,461,013,816
	13,728,653,705	**(23,835,229,857)**	**41,596,652,092**	**(23,246,553,555)**	**(30,938,430,690)**
Net cash (used in)/flows from operating activities (A)	**26,084,790,598**	**(2,927,433,146)**	**48,833,110,611**	**(18,631,702,416)**	**(23,695,353,899)**
Cash flows from investing activities					
Net (Purchase)/Sale of Securities	(912,253,181)	(163,935,183)	409,051,366	(1,175,370,413)	(142,500,930)
Net Purchase of Property, Plant & Equipment	(996,296,323)	(1,388,833,386)	(3,811,226,174)	(1,635,032,727)	(3,495,479,680)
Net cash used in investing activities	**(1,908,549,504)**	**(1,552,768,569)**	**(3,402,174,808)**	**(2,810,403,140)**	**(3,637,980,610)**
Cash flows from financing activities					
Receipt/(Payment) from borrowing	(15,019,829,835)	11,399,096,746	(35,215,219,004)	19,448,179,846	29,642,896,100
Receipt/(Payment) of Sub-Ordinated Bond	(1,576,900,000)	1,222,800,000	(1,000,000,000)	(1,820,000,000)	(3,000,000,000)
Cash received from issuing of Right shares	-	-	-	-	-
Payment of cash dividend	-	(738,274,238)	(703,118,322)	-	(608,760,452)
Start-up Equity Investment Fund	133,512,705	-	-	-	-
Coupon payment on perpetual bond	(570,000,002)	(587,500,000)	(367,500,000)	-	-
Net cash from financing activities (C)	**(17,033,217,132)**	**11,296,122,509**	**(37,285,837,326)**	**17,628,179,846**	**26,034,135,648**
Net increase/(decrease) in cash and cash equivalents	**7,143,023,962**	**6,815,920,794**	**8,145,098,477**	**(3,813,925,710)**	**(1,299,198,861)**
Effects of exchange rate changes on cash and cash equivalents	1,442,547,084	1,499,604,132	1,588,182,965	3,515,705,784	1,571,481,016
Cash and cash equivalents at beginning of the year	66,964,463,494	58,648,938,569	48,915,657,127	49,213,877,053	48,941,594,897
Cash and cash equivalents at end of the year	**75,550,034,528**	**66,964,463,495**	**58,648,938,569**	**48,915,657,127**	**49,213,877,052**
Consolidated Cash and cash equivalents at end of the					

year represents

Cash in hand (including foreign currencies)	11,621,860,336	12,443,112,603	8,600,450,648	9,100,795,455	7,498,609,154
Balance with Bangladesh bank and its agent bank	44,231,902,813	33,000,521,554	27,586,149,728	21,838,928,071	17,882,139,077
Balance with other banks & financial institution	16,184,249,595	19,013,303,637	22,455,110,493	17,975,933,601	20,633,128,821
Money at call on short notice	3,500,707,200	2,500,000,000	-	-	3,200,000,000
Prize Bond	11,314,600	7,525,700	7,227,700	-	-
	75,550,034,528	**66,964,463,494**	**58,648,938,569**	**48,915,657,127**	**49,213,877,052**

D. Dividend

The history of dividend declared by the company was as follows:

Particulars	31-Dec-25	31-Dec-24	31-Dec-23	31-Dec-22	31-Dec-21
Cash Dividend (%)	0.00%	0.00%	5.00%	5.00%	0.00%
Stock Dividend (%)	0.00%	0.00%	5.00%	5.00%	10.00%

E. The United Commercial Bank PLC (the "Bank") is a private commercial bank, incorporated as a public limited company in Bangladesh on 26 June 1983 under the Companies Act, 1994. It started its banking businesses from 13 November 1983 under the license issued by Bangladesh Bank. The Bank has currently 234 branches, 50 Islami Banking Branch, 188 sub branches & 709 ATM booths and NPSB shared ATM booths all over Bangladesh.

F. The company has following subsidiaries and financial statements of these entities are consolidated properly:

Name of Subsidiary

UCB Stock Brokerage Ltd.
UCB Investment Limited
UCB Asset Management Limited
UCB Fintech Company Limited
UCB Exchange (SG) PTE Ltd

G. No proceeds or part of proceeds of the issue of shares were applied directly or indirectly by the Company in purchase of any other business or an interest thereon.

H. Figures appearing previous year's column have been restated/rearranged, wherever necessary to ensure comparison and better presentation.

Signed for & on behalf of
Aziz Halim Khair Choudhury
Chartered Accountants
Sd/-
Md. Ashrafuzzaman ACA
Partner
ICAB Enrollment No: 2138

Dhaka

07 May 2026

United Commercial Bank PLC
Auditor's Report under Section-135(1), Para 24 (1), of Part -II of Schedule III to the Companies Act 1994
[As per Securities and Exchange Commission (Right Issue) Rules, 2006, Rule 7(2)(h) and 8(i)]

We, as the auditor and having examined the financial statements of United Commercial Bank PLC for the period ended 31 December 2025 and based on the audited financial statements of the company for the years ended 31 December 2025, 2024, 2023, 2022 and 2021 and other figures extracted from the said audited financial statements as certified, report the following in pursuance to Section 135(1) and paragraph 24(1) of part-II of the Schedule-III of the Companies Act, 1994 and Rule 7(2)(h) and 8(i) of Securities and Exchange Commission (Right Issue) Rules, 2006, report:

A) Balance Sheet:

Particulars	31-Dec-25	31-Dec-24	31-Dec-23	31-Dec-22	31-Dec-21
PROPERTY AND ASSETS					
Cash	**55,853,476,867**	**45,443,390,740**	**36,186,305,779**	**30,939,034,586**	**25,380,179,538**
Cash in hand (Including foreign currencies)	11,621,574,054	12,442,869,186	8,600,156,051	9,100,106,515	7,498,040,461
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	44,231,902,813	33,000,521,554	27,586,149,728	21,838,928,071	17,882,139,077
Balance with other Banks and Financial Institutions	**14,769,958,184**	**17,724,645,465**	**21,177,381,033**	**16,872,052,936**	**19,409,249,978**
In Bangladesh	10,271,901,408	11,565,022,275	4,278,424,813	3,405,505,992	18,344,218,194
Outside Bangladesh	4,498,056,776	6,159,623,190	16,898,956,220	13,466,546,944	1,065,031,784
Money at call on short notice	**3,500,707,200**	**2,500,000,000**	**-**	**-**	**3,200,000,000**
Investments:	**148,714,528,650**	**87,851,387,227**	**82,863,727,370**	**76,434,562,206**	**81,387,609,500**
Government	134,276,467,671	75,068,296,150	69,384,568,462	64,706,395,079	73,662,987,344
Others	14,438,060,979	12,783,091,077	13,479,158,908	11,728,167,127	7,724,622,156
Loans and Advances	**617,890,096,768**	**572,828,869,287**	**505,969,487,028**	**468,605,096,016**	**402,481,735,743**
Loans, cash credit, overdrafts etc.	594,045,728,589	562,845,184,850	496,241,532,519	445,113,711,670	375,926,324,265
Bills purchased and discounted	23,844,368,179	9,983,684,437	9,727,954,509	23,491,384,346	26,555,411,478
Fixed assets including premises, furniture and fixtures	**16,313,096,005**	**17,056,580,533**	**17,016,419,821**	**14,579,410,074**	**14,721,191,566**
Other assets	**26,995,634,921**	**25,371,267,219**	**21,799,089,941**	**20,646,673,379**	**18,734,245,157**
Non - banking assets	**18,956,000**	**3,336,000**	**-**	**-**	**-**
TOTAL ASSETS	**884,056,454,596**	**768,779,476,471**	**685,012,410,972**	**628,076,829,196**	**565,314,211,482**

Particulars	31-Dec-25	31-Dec-24	31-Dec-23	31-Dec-22	31-Dec-21
LIABILITIES AND CAPITAL					
Liabilities					
Borrowings from other banks, financial institutions and agents	**63,448,264,958**	**79,786,237,601**	**65,271,763,944**	**103,891,893,400**	**85,803,634,252**
Deposits and other accounts	**683,941,521,373**	**554,215,267,256**	**513,394,683,785**	**426,028,440,768**	**389,900,723,984**
Current accounts and other accounts	119,250,711,103	106,182,196,050	128,367,823,033	94,312,545,012	81,223,063,861
Bills Payable	8,390,361,338	6,626,968,382	8,344,605,942	7,016,021,483	8,845,268,369
Savings bank deposits	104,413,833,775	93,476,409,174	94,572,958,191	85,798,085,253	80,659,233,376
Fixed deposits	406,437,078,453	307,898,284,188	243,315,320,401	202,075,933,429	181,860,356,177
Bearer certificates of Deposit	-	-	-	-	-
Other deposits	45,449,536,704	40,031,409,462	38,793,976,218	36,825,855,591	37,312,802,201
Other liabilities	**94,612,743,873**	**92,987,149,524**	**63,501,440,259**	**57,199,836,761**	**52,167,845,818**
TOTAL LIABILITIES	**842,002,530,204**	**726,988,654,381**	**642,167,887,988**	**587,120,170,929**	**527,872,204,054**
Capital/Shareholders' Equity					
Paid -up capital	15,503,758,980	15,503,758,980	14,765,484,750	14,062,366,430	12,783,969,490
Share Premium	1,454,976,750	1,454,976,750	1,454,976,750	1,454,976,750	1,454,976,750
Statutory reserve	15,730,183,055	15,730,183,055	15,730,183,055	15,730,183,055	14,546,968,923
General reserve	26,577,961	26,577,961	26,577,961	26,577,961	26,577,961
Other reserve	2,830,905,303	2,767,663,734	3,097,316,597	2,797,068,995	2,631,853,888
Start-up Equity Investment Fund	133,512,705	-	-	-	-
Retained earnings	6,374,009,638	6,307,661,613	7,769,983,871	6,885,485,076	5,997,660,416
TOTAL SHAREHOLDERS' EQUITY	**42,053,924,392**	**41,790,822,093**	**42,844,522,984**	**40,956,658,267**	**37,442,007,428**
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	**884,056,454,596**	**768,779,476,471**	**685,012,410,972**	**628,076,829,196**	**565,314,211,482**
OFF-BALANCE SHEET EXPOSURES					
Contingent liabilities					
Acceptances and endorsements	77,568,061,302	105,263,752,167	121,717,014,733	95,629,506,243	110,309,146,988
Letters of guarantee	55,242,076,074	60,918,919,087	65,230,862,378	59,964,400,737	57,499,501,948
Irrevocable letters of credit	61,688,195,957	59,160,060,971	73,731,069,769	39,547,144,513	75,222,523,708
Bills for collection	16,790,891,900	24,780,647,517	21,273,365,163	20,526,625,910	17,381,986,506
Other Contingent liabilities	-	-	-	-	-
Total	**211,289,225,233**	**250,123,379,742**	**281,952,312,043**	**215,667,677,403**	**260,413,159,150**

Other commitments					
Documentary credits and short term trade related transactions	-	-	-	-	-
Forward assets purchased and forward deposits placed	642,181,098	10,736,246,402	9,723,925,200	2,272,080,692	-
Undrawn note issuance and revolving underwriting facilities	-	-	-	-	-
Undrawn formal standby facilities, credit lines and other commitments	-	-	-	-	-
Total	**642,181,098**	**10,736,246,402**	**9,723,925,200**	**2,272,080,692**	**-**
Total Off-Balance Sheet items including contingent liabilities	**211,931,406,331**	**260,859,626,144**	**291,676,237,243**	**217,939,758,095**	**260,413,159,150**

B) Profit and Loss Accounts:

Particulars	31-Dec-25	31-Dec-24	31-Dec-23	31-Dec-22	31-Dec-21
Interest income	59,184,717,010	56,114,658,916	37,881,518,594	31,684,836,835	27,323,646,852
Less: Interest paid on deposits and borrowings etc.	49,322,092,432	(35,257,762,623)	(22,149,750,317)	(17,010,387,394)	(13,927,259,014)
Net interest income	**9,862,624,578**	**20,856,896,293**	**15,731,768,277**	**14,674,449,441**	**13,396,387,838**
Investment Income	14,934,256,949	7,438,953,056	5,871,930,074	5,685,113,776	5,463,607,877
Commission, exchange and brokerage	7,474,997,431	7,926,924,617	7,385,221,720	7,899,474,370	5,739,170,575
Other operating income	254,906,726	246,412,832	239,764,676	263,702,890	220,574,859
	22,664,161,106	**15,612,290,505**	**13,496,916,470**	**13,848,291,036**	**11,423,353,311**
Total operating income	**32,526,785,684**	**36,469,186,798**	**29,228,684,747**	**28,522,740,477**	**24,819,741,149**
Salaries and allowances	9,691,480,130	9,372,438,905	8,539,916,432	7,658,696,939	7,166,522,140
Rent, taxes, insurance, electricity etc.	1,685,242,699	1,601,796,023	1,411,743,403	1,623,559,944	1,122,448,908
Legal expenses	223,064,036	159,313,658	90,864,365	94,587,412	128,654,592
Postage, stamp, telecommunication etc.	218,281,208	223,449,513	221,997,247	219,090,942	184,561,969
Stationery, printing, advertisements etc.	1,364,460,674	2,074,052,715	2,242,879,526	1,694,262,239	1,249,146,112
Chief Executive's salary and fees	19,900,000	17,695,000	16,435,484	14,098,442	13,450,900
Directors' fees	4,389,500	5,189,971	3,178,349	3,544,387	2,590,290
Auditors' fees	13,265,000	1,380,000	1,150,000	1,725,000	1,150,000
Depreciation and repair of bank's assets	2,281,479,032	2,517,600,162	2,448,805,449	2,073,607,674	1,822,185,672
Other expenses	5,244,299,565	5,418,376,644	4,525,994,100	3,670,796,436	2,945,319,029
Total operating expenses	**20,745,861,844**	**21,391,292,591**	**19,502,964,355**	**17,053,969,415**	**14,636,029,612**

Profit before provision	**11,780,923,840**	**15,077,894,207**	**9,725,720,392**	**11,468,771,062**	**10,183,711,537**
Provision for loans and advances	10,670,561,383	11,850,515,516	3,775,539,844	5,422,689,930	4,259,894,629
Provision for diminution in value of investments	(78,216,859)	862,483,227	61,249,230	612,038,691	(235,220,899)
Other provisions	(846,447,952)	219,505,616	711,543,580	(482,028,218)	549,132,684
Total Provision	**9,745,896,572**	**12,932,504,359**	**4,548,332,654**	**5,552,700,403**	**4,573,806,414**
Total Profit before taxes	**2,035,027,268**	**2,145,389,848**	**5,177,387,738**	**5,916,070,659**	**5,609,905,123**
Provision for taxation					
Current tax	350,870,065	4,312,972,008	2,986,535,476	3,133,378,030	3,823,478,709
Deferred tax	1,048,359,175	(2,775,386,412)	(494,234,025)	(1,241,318,525)	(1,390,744,489)
	1,399,229,241	**1,537,585,596**	**2,492,301,451**	**1,892,059,504**	**2,432,734,220**
Net profit after taxation	**635,798,027**	**607,804,252**	**2,685,086,287**	**4,024,011,154**	**3,177,170,903**
Appropriations					
Statutory reserve	-	-	-	1,183,214,132	1,121,981,025
Start-up fund	-	6,078,043	26,850,863	40,240,112	31,771,709
CSR Fund	-	-	-	245,965,311	-
Coupon payment on perpetual bond	570,000,002	587,500,000	367,500,000	388,370,000	-
Retained Surplus/(Deficit)	65,798,025	14,226,209	2,290,735,424	2,166,221,600	2,023,418,169
	635,798,027	**607,804,252**	**2,685,086,287**	**4,024,011,154**	**3,177,170,903**
Earning per share (EPS)-Basic	0.41	0.40	1.86	2.86	2.49
Earning per share (EPS)-Restated	0.41	0.39	1.77	2.79	2.26

C) Cash Flow Statement:

Particulars	31-Dec-25	31-Dec-24	31-Dec-23	31-Dec-22	31-Dec-21
Cash flows from operating activities					
Receipts of Interest	68,400,186,719	63,223,029,042	43,430,460,627	37,078,273,890	32,410,109,539
Payments of Interest	(45,442,530,512)	(27,111,596,805)	(20,774,811,903)	(16,574,786,563)	(14,078,145,160)
Receipts of Dividend	248,757,131	293,308,737	206,590,018	178,569,508	149,088,539
Receipt of Fees & Commission	6,032,741,895	6,427,325,644	5,797,038,753	4,383,768,584	4,167,689,559
Recoveries from previously written off loans and advances	1,136,127,598	369,041,609	409,590,871	236,944,194	102,577,518
Payments to employees	(9,711,380,130)	(9,390,133,905)	(8,556,351,916)	(7,867,795,381)	(7,179,973,040)
Payments to suppliers	(3,887,040,969)	(3,274,395,400)	(4,564,996,427)	(4,192,355,163)	(3,200,235,642)
Payments for Income Tax	(4,039,381,454)	(2,687,359,301)	(3,458,466,080)	(4,392,182,336)	(3,285,957,698)
Receipts from other operating activities	5,604,752,304	(806,907,709)	244,151,788	272,883,290	641,746,940
Payments for other activities	(5,998,694,825)	(5,885,117,503)	(5,039,493,776)	(3,962,642,308)	(2,895,277,427)

Operating profit before changes in operating assets and liabilities	**12,343,537,758**	**21,157,194,411**	**7,693,711,954**	**5,160,677,714**	**6,831,623,127**
Increase/(decrease) in operating assets and liabilities:					
Statutory Deposits	(61,001,243,712)	(6,021,159,996)	(4,380,922,450)	9,035,522,468	(16,679,987,307)
Purchase/Sales of trading Securities	(1,061,873,312)	840,193,258	(365,191,782)	(390,644,970)	(118,378,810)
Loans and advances to Customers	(58,680,320,688)	(66,859,382,258)	(37,364,391,015)	(66,123,360,271)	(50,798,176,340)
Other assets	(587,790,767)	(3,572,177,279)	(2,102,732,449)	(1,900,245,802)	(2,326,620,975)
Deposit from banks	19,683,094,026	(3,237,348,162)	(1,312,414,303)	798,799,900	3,495,509,363
Deposit from customers	110,043,160,092	44,057,931,633	87,678,657,321	35,328,916,884	32,247,232,604
Other Liabilities	4,478,275,296	8,748,794,396	1,056,943,835	(1,668,991,486)	2,885,991,733
	12,873,300,935	**(26,043,148,408)**	**43,209,949,157**	**(24,920,003,276)**	**(31,294,429,733)**
Net cash (used in)/flows from operating activities (A)	**25,216,838,692**	**(4,885,953,997)**	**50,903,661,111**	**(19,759,325,562)**	**(24,462,806,605)**
Cash flows from investing activities					
Net (Purchase)/Sale of Securities	(593,096,590)	(144,125,426)	444,200,000	(532,900,000)	(10,400,000)
Net Purchase of Property, Plant & Equipment	(832,059,884)	(1,353,571,568)	(3,685,469,312)	(1,490,081,364)	(1,250,599,100)
Net cash used in investing activities	**(1,425,156,474)**	**(1,497,696,994)**	**(3,241,269,312)**	**(2,022,981,364)**	**(1,260,999,100)**
Cash flows from financing activities					
Receipt/(Payment) from borrowing	(14,761,072,643)	13,291,673,656	(37,620,129,454)	19,908,259,148	29,404,508,263
Receipt/(Payment) of Sub-Ordinated Bond	(1,576,900,000)	1,222,800,000	(1,000,000,000)	(1,820,000,000)	(3,000,000,000)
Cash received from issuing of Right shares	-	-	-	-	-
Payment of cash dividend	-	(738,274,238)	(703,118,322)	-	(608,760,459)
Start-up Equity Investment Fund	133,512,705	-	-	-	-
Coupon payment on perpetual bond	(570,000,002)	(587,500,000)	(367,500,000)	-	-
Net cash from financing activities (C)	**(16,774,459,940)**	**13,188,699,418**	**(39,690,747,776)**	**18,088,259,148**	**25,795,747,804**
Net increase/(decrease) in cash and cash equivalents	**7,017,222,278**	**6,805,048,427**	**7,971,644,023**	**(3,694,047,778)**	**71,942,099**
Effects of exchange rate changes on cash and cash equivalents	**1,442,672,667**	**1,499,598,967**	**1,588,182,967**	**3,515,705,784**	**1,571,481,023**
Cash and cash equivalents at beginning of the year	**65,675,561,905**	**57,370,914,512**	**47,811,087,522**	**47,989,429,516**	**46,346,006,394**
Cash and cash equivalents at end of the year	**74,135,456,851**	**65,675,561,905**	**57,370,914,512**	**47,811,087,522**	**47,989,429,516**
Cash and cash equivalents at end of the year represents					
Cash in hand (including foreign currencies)	11,621,574,054	12,442,869,186	8,600,156,051	9,100,106,515	7,498,040,461

Balance with Bangladesh bank and its agent bank	44,231,902,813	33,000,521,554	27,586,149,728	21,838,928,071	17,882,139,077
Balance with other banks & financial institution	14,769,958,184	17,724,645,465	21,177,381,033	16,872,052,936	19,409,249,978
Money at call on short notice	3,500,707,200	2,500,000,000	-	-	3,200,000,000
Prize Bond	11,314,600	7,525,700	7,227,700	-	-
	74,135,456,857	**65,675,561,905**	**57,370,914,512**	**47,811,087,522**	**47,989,429,516**

D. Dividend

The history of dividend declared by the company was as follows:

Particulars	31-Dec-25	31-Dec-24	31-Dec-23	31-Dec-22	31-Dec-21
Cash Dividend (%)	0.00%	0.00%	5.00%	5.00%	0.00%
Stock Dividend (%)	0.00%	0.00%	5.00%	5.00%	10.00%

E. The United Commercial Bank PLC (the "Bank") is a private commercial bank, incorporated as a public limited company in Bangladesh on 26 June 1983 under the Companies Act, 1994. It started its banking businesses from 13 November 1983 under the license issued by Bangladesh Bank. The Bank has currently 234 branches, 50 Islami Banking Branch, 188 sub branches & 709 ATM booths and NPSB shared ATM booths all over Bangladesh.

F. No proceeds or part of proceeds of the issue of shares were applied directly or indirectly by the Company in purchase of any other business or an interest thereon.

G. Figures appearing previous year's column have been restated/rearranged, wherever necessary to ensure comparison and better presentation.

Signed for & on behalf of
Aziz Halim Khair Choudhury
Chartered Accountants
Sd/-
Md. Ashrafuzzaman ACA
Partner
ICAB Enrollment No: 2138

Dhaka

07 May 2026

LENGTH OF TIME DURING WHICH THE ISSUER HAS CARRIED ON BUSINESS

United Commercial Bank was incorporated as a Public Limited Company on 26 June 1983, vide registration no. C-10863/759, under the Companies Act 1913. The bank received approval from Bangladesh Bank to carry on banking operations on 28 June 1983, vide license no. BRPD/(LS-1)/745(17)/2023-462, and has been operating successfully for the past 42 years. The company was listed in the Dhaka Stock Exchanges on 30th November 1986 and Chittagong Stock Exchange on 15th November 1995.

SECTION 13
Rule 8 (k)

IMPLEMENTATION SCHEDULE FOR COMPLETION OF EACH SEGMENT OF THE PROJECT ALONG WITH THE PROPOSED DATES OF TRIAL AND COMMERCIAL OPERATION OF THE PROPOSED PROJECT
[see rule 8(k)]

The Board of Directors and the Shareholders of United Commercial Bank PLC have approved the increase of paid-up capital through Rights Offer of 775,187,949 Ordinary Shares of Tk. 10.00 each at an issue price of Tk. 10.00 each at total Tk. 7,751,879,490 offered on the basis of 01[R]: 02 i.e., 01 (One) rights share against 02 (Two) existing shares.

Proceeds from the rights issue will be utilized for the Bank’s regular business operations purposes. A detailed utilization plan and implementation schedule are mentioned below:

Particulars	Amount in BDT	Expected time of utilization
Corporate Loan	3,731,754,786	Within 12 months of receiving the Rights Issue proceeds
SME Loan	2,525,562,338	Within 12 months of receiving the Rights Issue proceeds
Retail Loan	1,494,562,366	Within 12 months of receiving the Rights Issue proceeds
Total	**7,751,879,490**	

Sd/-	Sd/-	Sd/-
Faruk Ahammad	**Tanvir Ahmed Siddiqui, ACS**	**Mohammad Mamdudur Rashid**
Deputy Managing Director & CFO	Company Secretary	Managing Director & CEO

Place: Dhaka
Date: 13 May 2026

SECTION 14
Rule 8 (l)

QUANTITY OF SHARES HELD BY EACH DIRECTOR AND PERSONS WHO HOLD 5% OR MORE OF THE PAID-UP SHARE CAPITAL OF THE ISSUER ON THE DATE OF THE RIGHTS SHARE OFFER DOCUMENT

[see rule 8(l)]

Quantity of shares held by each director on the date of the rights share offer document:

[As on 30 April 2026]

Name of the Directors	Position	Number of Shares	Percentage (%)
Mr. Sharif Zahir	Chairman	31,217,326	2.01%
Mr. Md. Shazzad Hossoin	Independent Director & Vice-Chairman	Nil	Nil
Mr. Md. Tanvir Khan	Director	31,100,000	2.01%
Mr. Obaidur Rahman FCA	Independent Director	Nil	Nil
Mr. Md. Yusuf Ali	Independent Director	Nil	Nil
Total		**62,317,326**	**4.02%**

Quantity of shares held by persons who hold 5% or more:
There is no shareholder who holds 5% or more shares of the United Commercial Bank PLC.

Statement of shareholding position of the Company:

[As on 30 April 2026]

Particulars	Number of Shares	Amount in BDT	Percentage (%)
Sponsor/Director	159,274,626	1,592,746,260	10.27
Government	12,555,635	125,556,350	0.81
Financial Institutions	569,606,053	5,696,060,530	36.74
Foreign	7,880,790	78,807,900	0.50
General Public	801,058,794	8,010,587,940	51.68
Total	**1,550,375,898**	**15,503,758,980**	**100%**

Sd/-
Faruk Ahammad
Deputy Managing Director & CFO

Sd/-
Tanvir Ahmed Siddiqui, ACS
Company Secretary

Sd/-
Mohammad Mamdudur Rashid
Managing Director & CEO

Place: Dhaka
Date: 13 May 2026

SECTION 15
Rule 8 (m)

NAME, ADDRESS, DESCRIPTION AND OCCUPATION OF DIRECTORS; MANAGING DIRECTOR, MANAGERS AND COMPANY SECRETARY OF THE COMPANY
[see rule 8(m)]

Board of Directors:

Name	Position	Address	Educational Qualification	Occupation
Mr. Sharif Zahir	Chairman	Plot: CWS(A)-1, Road: 34, Gulshan Avenue, Dhaka-1212, Bangladesh.	Bachelor of Arts in Economics and Finance, University of Texas	Business
Mr. Md. Shazzad Hossoin	Vice-Chairman	Plot: CWS(A)-1, Road: 34, Gulshan Avenue, Dhaka-1212, Bangladesh.	i) BSc Honors & Masters in Geography, ii) Masters in Economics, iii) MBA in Finance, iv) LLB, v) PGD in Computer Application & Management	Former Executive Director at Bangladesh Bank
Mr. Md. Tanvir Khan	Director	Plot: CWS(A)-1, Road: 34, Gulshan Avenue, Dhaka-1212, Bangladesh.	Bachelor of Commerce	Business
Mr. Obaidur Rahman FCA	Independent Director	Plot: CWS(A)-1, Road: 34, Gulshan Avenue, Dhaka-1212, Bangladesh.	i. Fellow (FCA) Member of ICAB ii. BBA & MBA in Accounting, Dhaka University	Partner at M A Fazal & Co., Chartered Accountants Firms.
Mr. Md. Yusuf Ali	Independent Director	Plot: CWS(A)-1, Road: 34, Gulshan Avenue, Dhaka-1212, Bangladesh.	i) Masters of Commerce in Accounting ii) Banking Diploma, iii) Fellow of National Defense College	Former Deputy Managing Director, Agrani Bank PLC & Sonali Bank PLC

Management and Executives:

Name	Position	Address	Educational Qualification	Occupation
Mohammad Mamdudur Rashid	Managing Director & CEO	Plot: CWS(A)-1, Road: 34, Gulshan Avenue, Dhaka-1212, Bangladesh.	i. FCPA, Australia ii. Master of Business Administration; Institute of Business Administration (IBA), Dhaka University & Merchant Mariner	Service
Mr. Abul Alam Ferdous	Additional Managing Director	Plot: CWS(A)-1, Road: 34, Gulshan Avenue, Dhaka-1212, Bangladesh.	Graduation & Post Graduation in Accounting, University of Chittagong.	Service
Mr. Nabil Mustafizur	Additional Managing	Plot: CWS(A)-1, Road: 34, Gulshan	MBA with a double major in Finance & Management,	Service

Rahman	Director	Avenue, Dhaka-1212, Bangladesh.	University of Dhaka.	
Mr. Adnan Masud	Additional Managing Director	Plot: CWS(A)-1, Road: 34, Gulshan Avenue, Dhaka-1212, Bangladesh.	i) MBA from University of British Columbia, Canada, ii) Master's in Finance and Banking from the University of Dhaka.	Service
Mr. Md. Abdullah Al Mamoon, PMP	Deputy Managing Director	Plot: CWS(A)-1, Road: 34, Gulshan Avenue, Dhaka-1212, Bangladesh.	i)Business graduate from Royal Roads University, British Columbia, Canada; ii) Globally certified Project Management Professional (PMP) from Project Management Institute (PMI), USA.	Service
Mr. Md. Shah Alam Bhuiyan	Deputy Managing Director	Plot: CWS(A)-1, Road: 34, Gulshan Avenue, Dhaka-1212, Bangladesh.	B. Com, CA (CC), MBA	Service
Mr. Faruk Ahammad FCA	Deputy Managing Director & CFO	Plot: CWS(A)-1, Road: 34, Gulshan Avenue, Dhaka-1212, Bangladesh.	FCA, The Institute of Chartered Accountants of Bangladesh	Service
M. Latif Hasan	Deputy Managing Director	Plot – CWS(A)-1, Road-34, Gulshan Avenue, Dhaka-1212, Bangladesh.	i) Master's degree in Finance from the University of Dhaka ii) MBA from Victoria University of Technology, Melbourne, Australia	Service
Tanvir Ahmed Siddiqui, ACS	Company Secretary	Plot – CWS(A)-1, Road-34, Gulshan Avenue, Dhaka-1212, Bangladesh.	ACS, Institute of Chartered Secretaries of Bangladesh	Service

Sd/-
Faruk Ahammad
Deputy Managing Director & CFO

Sd/-
Tanvir Ahmed Siddiqui, ACS
Company Secretary

Sd/-
Mohammad Mamdudur Rashid
Managing Director & CEO

Place: Dhaka
Date: 13 May 2026

SECTION 16

Rule 8 (n)

DECLARATION REGARDING PUBLIC LISTED COMPANY UNDER COMMON MANAGEMENT

[see rule 8(n)]

As per the Securities and Exchange Commission (Rights Issue) Rules, 2006, there is no Public Listed Company under the common Management of United Commercial Bank PLC.

Sd/-	Sd/-	Sd/-
Faruk Ahammad	**Tanvir Ahmed Siddiqui, ACS**	**Mohammad Mamdudur Rashid**
Deputy Managing Director & CFO	Company Secretary	Managing Director & CEO

Place: Dhaka
Date: 13 May 2026

SECTION 17
Rule 8 (o)

NAME AND ADDRESS OF THE UNDERWRITER(S) ALONG WITH THE NUMBER OF SHARES UNDERWRITTEN BY EACH UNDERWRITER AND ALSO THE NAME AND ADDRESS OF ISSUE MANAGER, AUDITORS, LEGAL ADVISER AND BANKER TO THE RIGHTS ISSUE

(a) Name and address of the underwriter(s) along with the number of shares underwritten by each underwriter

Name of Underwriter(s)	Address	No. of Share Underwritten	Amount Underwritten (Tk.)
Rupali Investment Limited	Shadharan Bima Tower (7th Floor), 37/A, Dilkusha C/A, Dhaka-1000	500,000,000	5,000,000,000
AIBL Capital Management Limited	36, Dilkusha C/A, Level 4, Dhaka-100	225,187,949	2,251,879,490
LankaBangla Investments PLC.	Assurance Nazir Tower (Level 8), 65/B Kemal Ataturk Avenue, Banani, Dhaka-1213	20,000,000	200,000,000
Dhaka Bank Investment Limited	Bilquis Tower (5th Floor), Plot # 06, Road # 46, Gulshan Circle 2, Dhaka 1212	30,000,000	300,000,000
Total		**775,187,949**	**7,751,879,490**

(b) Name and address of issue manager

Issue Manager(s)	Address
UCB Investment Limited	Bulus Center, (17th Floor), Plot-CWS-(A)-1, Road No-34, Gulshan Avenue, Dhaka -1212
	Website: www.ucb-investment.com
	Email: info@ucbil.com.bd
Rupali Investment Limited	Shadharan Bima Tower (7th Floor), 37/A, Dilkusha C/A, Dhaka-1000
	Website: www.ril.com.bd
	Email: info@riltd.org

(c) Name and address of the auditor

Auditor	Address
Aziz Halim Khair Choudhury Chartered Accountants	House # 75/A, Abasar Bhaban (2nd Floor), Road # 5/A Dhanmondi R/A, Dhaka-1209
	Website: www.pkfahkcbd.com
	Email: pkfahkc.co@pkfahkcbd.com

(d) Name and address of banker to the rights issue

Banker to the Rights Issue	Corporate Office Address
United Commercial Bank PLC.	Bulu's Centre, Plot-CWS-(A)-1, Road No-34 Gulshan Avenue, Dhaka-1212.

The shareholders shall deposit their subscription money along with rights issue application to any branch of United Commercial Bank PLC.

SECTION 18
Rule 8 (p)

PARTICULARS ALONG WITH THE TERMS AND CONDITIONS OF THE MATERIAL CONTRACTS INCLUDING VENDORS' AGREEMENT, UNDERWRITING AGREEMENT, ISSUE MANAGEMENT AGREEMENT, AGREEMENT WITH THE BANKER TO THE ISSUE AND CONTRACT FOR ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

SECTION CONTENTS	
(a)	Particulars of Vendor's Agreement
(b)	Particulars of Underwriting Agreement
(c)	Particulars of Issue Management Agreement
(d)	Particulars of the Banker's to the Issue Agreement
(e)	Particulars of Contract for Acquisition of Property, Plant & Equipment

(a) Particulars of Vendor's Agreement

The company did not enter into any vendor's agreement.

(b) Particulars of the Underwriting Agreement

The full amount of the Rights Offer of UCB has been underwritten by the underwriters as shown in **Section 17** of the ROD. The Underwriters will be paid an underwriting commission of 0.30% - 0.40% of the nominal value of shares underwritten by them out of the Rights Issue. Simultaneously, with the calling upon an underwriter to subscribe and pay for any number of shares, the company will pay no additional commission to that underwriter on the nominal value of shares required to be subscribed by them.

(c) Particulars of Issue Management Agreement

UCB Investment Limited & Rupali Investment Limited has been appointed as Issue Manager for the Rights Issue of the Company. Accordingly, separate agreement was made between the Issue Manager and the Issuer. The issuer shall pay an Issue Management fees of 0.60% of the issue size.

(d) Particulars of the Banker's to the Issue Agreement

United Commercial Bank PLC. is the Banker to the Issue who will collect the subscription money for the Rights Offer. The Rights Issue subscriptions money collected from the shareholders by the Bankers to the Issue will be remitted to the Company's Current Account Name **UCB Right Share Subscription 2025** and Account Number: **0951101000040234** with Corporate Branch.

(e) Particulars of Contract for Acquisition of Property, Plant & Equipment

After the balance sheet date as of 31 December 2025, the Company did not enter into any agreement for the acquisition of any property.

SECTION 19
Rule 8 (q)

NUMBER OF RIGHTS SHARES THAT THE DIRECTORS ARE GOING TO SUBSCRIBE AND IN CASE THEY PROPOSE TO MAKE RENUNCIATION, THE REASONS AND EXTENT OF SUCH RENUNCIATION

[see rule 8(q)]

Directors' Take-up of the Rights Offer

Directors are expected to exercise in full their portion of Rights Offer as under:

Name of the Directors	Position	Nos. of Shares Held	No. of Rights Share Offered	No. of Rights Share to be Renounced	Reason of Renunciation
Mr. Sharif Zahir	Chairman	31,217,326	15,608,663	N/A	N/A
Mr. Md. Shazzad Hossoin	Independent Director & Vice-Chairman	Nil	Nil	N/A	N/A
Mr. Md. Tanvir Khan	Director	31,100,000	15,550,000	N/A	N/A
Mr. Obaidur Rahman FCA	Independent Director	Nil	Nil	N/A	N/A
Mr. Md. Yusuf Ali	Independent Director	Nil	Nil	N/A	N/A
Total		**62,317,326**	**31,158,663**		

Sd/-	Sd/-	Sd/-
Faruk Ahammad	**Tanvir Ahmed Siddiqui, ACS**	**Mohammad Mamdudur Rashid**
Deputy Managing Director & CFO	Company Secretary	Managing Director & CEO

Place: Dhaka
Date: 13 May 2026

SECTION 20
Rule 8 (r)

DECLARATION REGARDING UTILIZATION OF PROCEED OF PREVIOUS PUBLIC OFFERING OR RIGHTS ISSUE

[see rule 3(b) & 8(r)]

United Commercial Bank PLC has raised its paid-up capital through Initial Public Offering (IPO) and subsequent Rights Issues. The details of capital raised through these public offerings are as follows:

Particulars	Year	No. of Shares	Issue Price	Amount in BDT
Initial Public Offer (IPO)	1986	360,000	100	36,000,000
Rights Issue	1988	400,000	100	40,000,000
Rights Issue	1994	37,109	100	3,710,996
Rights Issue	1994	200,000	100	20,000,000
Rights Issue	1997	63,296	100	6,329,600
Rights Issue	2011	290,995,350	15	4,364,930,250

The Bank has fully utilized the entire proceeds raised through the public offerings for the Bank's general business operation.

Sd/-	Sd/-	Sd/-
Faruk Ahammad	**Tanvir Ahmed Siddiqui, ACS**	**Mohammad Mamdudur Rashid**
Deputy Managing Director & CFO	Company Secretary	Managing Director & CEO

Place: Dhaka
Date: 13 May 2026

SECTION 21
Rule 8 (s)

APPLICATION FORM FOR DEPOSITING THE SUBSCRIPTION MONEY WITH THE BANKERS TO THE ISSUE FOR THE RIGHTS SHARE, WITH THE PROVISION FOR RENUNCIATION OF THE RIGHTS OFFER

SECTION CONTENTS	
(a)	Letter of Offer for Rights Issue to the Shareholders
(b)	Form of Acceptance and Application for Shares, Form-A
(c)	Form of Renunciation, Form-B
(d)	Application by Renouncee(s), Form-C

APPLICATION FORM FOR DEPOSITING THE SUBSCRIPTION MONEY WITH THE BANKERS TO THE ISSUE FOR THE RIGHTS SHARE, WITH THE PROVISION FOR RENUNCIATION OF THE RIGHTS OFFER

(a) Letter of Offer for Rights Issue to the Shareholders

UNITED COMMERCIAL BANK PLC

Bulus Center, Plot: CWS-(A)-1, Road: 34, Gulshan Avenue, Dhaka-1212
Tel: +88-02-55668070, +88-09610999999, Fax: +88-02-55668070-6000, +88-09610999911-5200
E-mail: info@ucb.com.bd; Website: www.ucb.com.bd

Folio/BO Account No	:	
Name	:	
Address	:	

LETTER OF OFFER FOR RIGHTS ISSUE

Dear Shareholder(s)

We are pleased to inform you that the Board of Directors during the Board Meeting held on May 29, 2025 recommended to issue **775,187,949** Ordinary Shares of Tk. 10.00 each at an issue price of Tk. 10.00 totaling Tk. **7,751,879,490** on the basis of **01[R]:02** i.e. 01 (One) Rights Shares for every 02 (Two) existing share held, which was approved by the Shareholders in the Annual General Meeting (AGM) held on 31 July 2025. As a registered Shareholder as on **04 August 2026** (Record date for entitlement), you are entitled to subscribe to your rights share.

If you wish to accept the above Rights Share in full or in part, you are required to submit a completed Application Form-A annexed hereto with necessary payments. You may, however, renounce your rights in respect of all or part of your entitlement in favor of others in which case the Renunciation Form-B and Form-C annexed here to be submitted duly filled in by you and the renouncee(s) along with necessary payments. The rights cannot be exercised for a fraction of a share i.e. below the full unit of share.

All the payments for accepted shares are to be made in cash or by PO/DD/Cheque @ Tk. 10.00 each and to be deposited with any of the branches of Bankers to the Issue during Banking hours. Any extension of time will be notified through national dailies. Payments through P.O/DD/Cheque must be payable to "United Commercial Bank PLC" and must be drawn on a Bank in the same town where the Branch of Bankers to the Issue in which the application form has been submitted is situated. It is to be noted that all transactions above Tk. 1.00 lac must be affected through Demand Draft/Crossed Cheque/Pay Orders.

The offer will be deemed to have been declined if completed Application Form-A and/or Renunciation Form-B and Form-C with necessary payments have not been received by **20 September 2026** or by such later date as may be notified through national dailies to that effect.

A self-explanatory Rights Share Offer Document is attached for your kind information and evaluation.

On behalf of the Board of Directors,

Sd/-
Mohammad Mamdudur Rashid
Managing Director & CEO

(b) Form of Acceptance and Application for Shares, Form-A

পুঁজিবাজার ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন।

"Investors are advised to carefully read the Rights Offer Document (RoD), including the risk factors associated with the subscription of the rights shares, before making any investment decision."

Application Form - A
United Commercial Bank PLC
Bulus Center, Plot: CWS-(A)-1, Road: 34, Gulshan Avenue, Dhaka-1212

Rights Offer of **775,187,949** Ordinary Shares of Tk. 10.00 each at an issue price of Tk. 10.00 totaling Tk. **7,751,879,490** offered on the basis of 01(One) [R]:02 (Two) i.e. One Rights Share against 02 (Two) existing share held to the shareholders whose name appeared in the share register at the close of business on 04 August 2026.

SUBSCRIPTION	
Opens on	**Closes on**
23 August 2026	20 September 2026
Within banking hours both days inclusive	

FORM OF ACCEPTANCE AND APPLICATION FOR SHARES

The Managing Director & CEO
United Commercial Bank PLC
Bulus Center, Plot: CWS-(A)-1, Road: 34, Gulshan Avenue
Dhaka-1212

Dated: ………../……………/…………..

Application Sl. No…………………
(Bank's Seal)

Dear Sir,
I/We apply for allotment of ordinary shares indicated below in response to your letter of Rights Offer and subject to the Memorandum and Articles of Association of the Company. I/We hereby agree to accept the shares as may be allotted to me/us on the terms laid down in the letter of offer and enclose the necessary remittance @Tk. 10.00 per share in cash or by Draft/Pay Order/Cheque No…………. dated......................drawn on ……………………… Bank ……………… Branch.

Folio/BO Account No.	No. of Shares held at the close of business on 04 August 2026	No. of Shares offered	No. of Shares Accepted	Total Amount Paid (Tk.)

Yours faithfully,

1. Name (in block letters):	Signature:
Address:	
2. Name (in block letters):	Signature:
Address:	

BO Account No.																

As per provision of the Depository Act, 1999 and regulations made thereunder, rights share shall only be issued in dematerialized condition. An applicant must apply for allotment of rights shares mentioning his/her Beneficiary Owner (BO) Account number in the application form.
Note: Signature must be the same as was furnished to the Company earlier. In case of incomplete application, the offer will be deemed to have been declined. A/C payee Cheque/Draft/Pay order to be issued in favor of United Commercial Bank PLC.

…….................

ACKNOWLEDGEMENT RECEIPT OF SHARE MONEY

Received Tk…………….. (Taka……………………………………..............................…………….) only from Mr./Ms.......……………………………..………………………………… Folio/BO Account No....................................... …………………....for…..................………….…No.(s) of rights shares of **United Commercial Bank PLC** in Cash/Pay order/Draft/Cheque No…………...................date…………………….…of………………… Bank ……………………Branch.

Application Sl. No **(Bank's Seal)** **Signature of Receiving Officer**
Date:

(c) Form of Renunciation, Form-B

পুঁজিবাজার ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন।

"Investors are advised to carefully read the Rights Offer Document (RoD), including the risk factors associated with the subscription of the rights shares, before making any investment decision."

Renunciation Form – B
Application by Renouncer

United Commercial Bank PLC
Bulus Center, Plot: CWS-(A)-1, Road: 34, Gulshan Avenue, Dhaka-1212

Rights Offer of **775,187,949** Ordinary Shares of Tk. 10.00 each at an issue price of Tk. 10.00 totaling Tk. **7,751,879,490** offered on the basis of **01(One) [R]:02 (Two)** i.e. One Rights Share against 02 (Two) existing share held to the shareholders whose name appeared in the share register at the close of business on **04 August 2026.**

SUBSCRIPTION	
Opens on	**Closes on**
23 August 2026	20 September 2026
Within banking hours both days inclusive	

FORM OF RENUNCIATION

The Managing Director & CEO
United Commercial Bank PLC
Bulus Center, Plot: CWS-(A)-1, Road: 34, Gulshan Avenue
Dhaka-1212

Dated: ..../.............../..............

Application Sl. No.....................
(Bank's Seal)

Dear Sir,
I/We hereby renounce my/our rights to the shares offered to me/us as noted below in favor of person(s) accepting the same and signing in Application by Renouncee(s) and apply for allotment in his/her/their name(s).

Folio/BO Account No.	No. of Shares held at the close of business on 04 August 2026	No. of Shares offered	No. of Shares Renounced	Total Amount Paid (Tk.)

Yours faithfully,

1. Name (in block letters):	Signature:
Address:	
2. Name (in block letters):	Signature:
Address:	

Name(s) of Renouncee(s)	BO Account No.															
1. Name:																
2. Name:																

N.B. use photocopy in case of renouncement favoring more than 2 (two) persons

As per provision of the Depository Act, 1999 and regulations made thereunder, rights share shall only be issued in dematerialized condition. An applicant must apply for allotment of rights shares mentioning his/her Beneficiary Owner (BO) Account number in the application form.

Note: Signature must be the same as was furnished to the Company earlier. Incomplete or incorrectly filled application will be rejected.

(d) Application by Renouncee(s), Form-C

পুঁজিবাজার ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন।

"Investors are advised to carefully read the Rights Offer Document (RoD), including the risk factors associated with the subscription of the rights shares, before making any investment decision."

Renunciation Form – C
Application by Renouncee

United Commercial Bank PLC
Bulus Center, Plot: CWS-(A)-1, Road: 34, Gulshan Avenue, Dhaka-1212

Dated: ..../.............../..............

The Managing Director & CEO
United Commercial Bank PLC
Bulus Center, Plot: CWS-(A)-1, Road: 34, Gulshan Avenue
Dhaka-1212

Application Sl. No.....................
(Bank's Seal)

Dear Sir,
As the shareholder(s) at pre-page has/have renounced his/her/their rights to the shares offered, in my/our favor, I/We do hereby apply for the number of shares as renounced, by making payment of Tk. .... being the value of ....Shares @ Tk. 10.00 each.

Yours faithfully,

1 Signature:	2 Signature:
Name (in block letters):	Name (in block letters):
S/O. D/O. W/O.:	S/O. D/O. W/O.:
Address:	Address:
BO No.	BO No.

N.B. use photocopy in case of renouncement favoring more than 2 (two) persons

Signature of the Renouncer(s)			
Renouncer 1		**Renouncer 2**	

As per provision of the Depository Act, 1999 and regulations made thereunder, rights share shall only be issued in dematerialized condition. An applicant must apply for allotment of rights shares mentioning his/her Beneficiary Owner (BO) Account number in the application form.

Note: Signature must be the same as was furnished to the Company earlier. Incomplete or incorrectly filled application will be rejected.

....

ACKNOWLEDGEMENT RECEIPT OF SHARE MONEY

Received Tk.. (Taka..) only from Mr./Ms... Folio/BO Account No....................................... ....for...................................No.(s) of rights shares of **United Commercial Bank PLC** in Cash/Pay order/Draft/Cheque No..............................date.........................of..................... Bank ....Branch.

Application Sl. No **(Bank's Seal)** **Signature of Receiving Officer**
Date:

SECTION 22

Rule 8 (t)

DECLARATION ABOUT THE RESPONSIBILITY OF THE ISSUE MANAGER, THE UNDERWRITER, THE AUDITORS AND THE DIRECTORS IN FORMS-A, B, C AND D RESPECTIVELY

SECTION CONTENTS	
(a)	Declaration about the responsibility of the Issue Manager, Form-A
(b)	Declaration about the responsibility of the Underwriter, Form-B
(c)	Declaration about the responsibility of the Auditor, Form-C
(d)	Declaration about the responsibility of the Directors, Form-D

(a) Declaration about the responsibility of the Issue Manager(s), Form-A

(i) UCB Investment Limited

FORM-A
[Rule 5 and 8(t)]

Declaration (due diligence certificate) about responsibility of the issue manager in respect of the rights share offer document

This rights share offer document has been reviewed by us and we confirm after due examination that the rights share offer document constitutes full and fair disclosures about the rights issue and the issuer and complies with the requirements of the Securities and Exchange Commission (Rights Issue) Rules, 2006; and that the issue price is justified under the provisions of the Securities and Exchange Commission (Rights Issue) Rules, 2006.

For UCB Investment Limited

Sd/-
Tanzim Alamgir
Managing Director & CEO

Place: Dhaka
Dated: 14 August 2025

(ii) Rupali Investment Limited

FORM-A
[Rule 5 and 8(t)]

Declaration (due diligence certificate) about responsibility of the issue manager in respect of the rights share offer document

This rights share offer document has been reviewed by us and we confirm after due examination that the rights share offer document constitutes full and fair disclosures about the rights issue and the issuer and complies with the requirements of the Securities and Exchange Commission (Rights Issue) Rules, 2006; and that the issue price is justified under the provisions of the Securities and Exchange Commission (Rights Issue) Rules, 2006.

For Rupali Investment Limited

Sd/-
Md. Fokhrul Hasan
Chief Executive Officer

Place: Dhaka
Dated: 13 May 2026

(b) Declaration about the responsibility of the Underwriter, Form-B

I. Rupali Investment Limited

FORM-B

[see rule 6 and rule 8 (t)]

Declaration (due diligence certificate) about responsibility of the underwriter(s) in respect of the rights share offer document

This rights share offer document has been reviewed by us and we confirm after due examination that the issue price is justified under the provisions of the Securities and Exchange Commission (Rights Issue) Rules, 2006, and also that we shall subscribe for the under-subscribed rights shares within fifteen days of calling thereof by the issuer. The issuer shall call upon us for such subscription within ten days of closure of the subscription lists for the rights issue.

For Rupali Investment Limited

Sd/-
Md. Fokhrul Hasan
Chief Executive Officer

Place: Dhaka
Dated: 13 May 2026

II. AIBL Capital Management Limited

FORM-B

[see rule 6 and rule 8 (t)]

Declaration (due diligence certificate) about responsibility of the underwriter(s) in respect of the rights share offer document

This rights share offer document has been reviewed by us and we confirm after due examination that the issue price is justified under the provisions of the Securities and Exchange Commission (Rights Issue) Rules, 2006, and also that we shall subscribe for the under-subscribed rights shares within fifteen days of calling thereof by the issuer. The issuer shall call upon us for such subscription within ten days of closure of the subscription lists for the rights issue.

For AIBL Capital Management Limited

Sd/-
Mohammad Saleh Ahmed
Chief Executive Officer

Place: Dhaka
Dated: 14 August 2025

III. LankaBangla Investments PLC.

FORM-B

[see rule 6 and rule 8 (t)]

Declaration (due diligence certificate) about responsibility of the underwriter(s) in respect of the rights share offer document

This rights share offer document has been reviewed by us and we confirm after due examination that the issue price is justified under the provisions of the Securities and Exchange Commission (Rights Issue) Rules, 2006, and also that we shall subscribe for the under-subscribed rights shares within fifteen days of calling thereof by the issuer. The issuer shall call upon us for such subscription within ten days of closure of the subscription lists for the rights issue.

For LankaBangla Investments PLC.

Sd/-
Iftekhar Alam
Chief Executive Officer

Place: Dhaka
Dated: 14 August 2025

IV. Dhaka Bank Investment Limited

FORM-B

[see rule 6 and rule 8 (t)]

Declaration (due diligence certificate) about responsibility of the underwriter(s) in respect of the rights share offer document

This rights share offer document has been reviewed by us and we confirm after due examination that the issue price is justified under the provisions of the Securities and Exchange Commission (Rights Issue) Rules, 2006, and also that we shall subscribe for the under-subscribed rights shares within fifteen days of calling thereof by the issuer. The issuer shall call upon us for such subscription within ten days of closure of the subscription lists for the rights issue.

For Dhaka Bank Investment Limited,

Sd/-
Mahamudunnabi FCA
Managing Director

Place: Dhaka
Dated: 17 August 2025

(c) Declaration about the responsibility of the Auditor, Form-C

FORM-C

[Rule 8(h), 8(i) and 8(t)]

Auditors' Report to the Shareholders

We have audited the accompanying financial statements for the period from **01 January 2025 to 31 December 2025** of **United Commercial Bank PLC** in accordance with the International Standards of Auditing, as applicable in Bangladesh and we state that we have obtained all the information and explanations which we have required and after due verification thereof, we report that, in our opinion:

(a) These financial statements have been drawn up in accordance with the requirements of the Securities and Exchange Rules, 2020, as amended, the Companies Act, 1994 and other relevant laws where applicable and the International Accounting Standards, as applicable in Bangladesh.

(b) These financial Statements which are in agreement with the books of account of the issuer company give a true and fair view of the state of its affairs as at 31 December 2025 and of the result of its operations and cash flows for the period/year then ended.

(c) Proper Books of Account have been kept by the company as required by the relevant laws.

(d) The expenditure incurred was for the purposes of the issuer company's business.

We also certify that the above company has declared the following dividend for each of the following five years immediately preceding the issue of the rights share offer document under the Securities and Exchange Commission (Rights Issue) Rules, 2006 and that the company has duly paid off the following amounts of the declared dividend mentioned against respective year

Financial Year	Date of Dividend Declaration	Declared Dividend		
		Rate (%)	Total Amount (Tk.)	Total Paid (Tk.)
31 December 2025	30 April 2026	0%	-	-
31 December 2024	29 May 2025	0%	-	-
31 December 2023	29 April 2024	10%	1,476,548,468	1,464,765,441
31 December 2022	25 April 2023	10%	1,406,236,642	1,396,030,380
31 December 2021	30 March 2022	10%	1,278,396,940	1,276,134,920

* The Company is required to disburse dividend within the stipulated timeline prescribed by the regulators in this regard.

Signed for & on behalf of
Aziz Halim Khair Choudhury
Chartered Accountants

Sd/-
Md. Ashrafuzzaman ACA
Partner
ICAB Enrolment No: 2138

Dhaka
07 May 2026

(d) Declaration about the responsibility of the Directors, Form-D

FORM-D

Rule 8(t)

DUE DILIGENCE CERTIFICATE BY THE DIRECTORS ABOUT THEIR PERSONAL RESPONSIBILITY IN RESPECT OF THE RIGHTS SHARE OFFER DOCUMENT

This rights share offer document has been prepared, seen, reviewed and approved by us and we collectively and individually accept full responsibility for the accuracy of the information given in the rights share offer document, relevant documents and financial statements submitted to the Commission and others concerned under the Securities and Exchange Commission (Rights Issue) Rules, 2006.

We confirm, after making all reasonable enquiries, that all conditions concerning this rights issue, and the rights share offer document have been met. We further confirm that we have not concealed any information or statement which might have any bearing on the information already made. In case of any default or failure on our part, civil, criminal or administrative action may be taken against us.

Sd/- **Mohammad Mamdudur Rashid** Managing Director & CEO	Sd/- **Md. Yusuf Ali** Independent Director
Sd/- **Obaidur Rahman FCA** Independent Director	Sd/- **Md. Tanvir Khan** Director
Sd/- **Md. Shazzad Hossoin** Independent Director & Vice-Chairman	Sd/- **Sharif Zahir** Chairman

Place: Dhaka
Dated: 14 August 2025

SECTION 23
Rule 8 (u)

A STATEMENT THAT A LOCK-IN ON THE RIGHTS SHARES OF THE DIRECTORS (INCLUDING THEIR RENOUNCED SHARES) FOR A PERIOD OF THREE YEARS FROM THE DATE OF CLOSURE OF THE RIGHTS SHARE SUBSCRIPTION SHALL BE OPERATIVE

Section contents
A Declaration on the statement of lock-in on the rights shares of the directors including their renounced shares

A STATEMENT THAT A LOCK-IN ON THE RIGHTS SHARES OF THE DIRECTORS (INCLUDING THEIR RENOUNCED SHARES) FOR A PERIOD OF THREE YEARS FROM THE DATE OF CLOSURE OF THE RIGHTS SHARE SUBSCRIPTION SHALL BE OPERATIVE

[see rule 8(u)]

Statement of Lock-In on the Rights Shares

The rights share of directors and other shareholders holding 5% or more shares shall be subject to lock-in for a period of 3 (three) years from the date of closure of the rights share subscription. In the event of renunciation of rights share by the aforesaid persons, the renounced shares shall also be subject to lock-in for the same period.

Sl.	Name of Directors/ Shareholders (5% or more)	Position	No. of Shares held at the Record Date	Rights Share Portion	Date of Subscription Close	Expiry Date of Lock-in
1	Mr. Sharif Zahir	Chairman	31,217,326	15,608,663		
2	Mr. Md. Shazzad Hossoin	Independent Director & Vice-Chairman	Nil	Nil		
3	Mr. Md. Tanvir Khan	Director	31,100,000	15,550,000	-	-
4	Mr. Obaidur Rahman FCA	Independent Director	Nil	Nil		
5	Mr. Md. Yusuf Ali	Independent Director	Nil	Nil		

It is noted that there is no shareholder holding 5% or more of the paid-up capital of the company.

Sd/-
Faruk Ahammad
Deputy Managing Director & CFO

Sd/-
Tanvir Ahmed Siddiqui, ACS
Company Secretary

Sd/-
Mohammad Mamdudur Rashid
Managing Director & CEO

Place: Dhaka
Date: 13 May 2026

SECTION 24
Rule 8 (v)

DECLARATION REGARDING THE RIGHTS SHARES TO BE ISSUED IN DEMATERIALIZED FORM AND THE SUBSCRIBING SHAREHOLDERS HAVE TO APPLY WITH RESPECTIVE DEPOSITORY ACCOUNTS

[see rule 8 (v)]

In accordance with the provisions of the Depository Act, 1999, and the regulations made thereunder, the Rights Shares of United Commercial Bank PLC shall be issued in dematerialized form. Shareholders who are entitled to acquire Rights Shares must submit their applications with their respective depository accounts.

Sd/-	Sd/-	Sd/-
Faruk Ahammad	**Tanvir Ahmed Siddiqui, ACS**	**Mohammad Mamdudur Rashid**
Deputy Managing Director & CFO	Company Secretary	Managing Director & CEO

Place: Dhaka
Date: 13 May 2026

CREDIT RATING REPORT OF THE ISSUER

Summary of Credit Rating Report

Credit Rating Status		
Particulars	**Long Term**	**Short Term**
Entity rating	AA-	ST-2
Outlook	Developing	
Validity From	07 May 2026	
Validity of rating	06 May 2027	
Rating assigned by	Emerging Credit Rating Limited (ECRL)	

EMERGING
Credit Rating Ltd

United Commercial Bank PLC.

Credit Rating Report (Agreement Number: 2025-07-08-91758)

Valid From	Valid Till	Rating Action	Long Term Rating	Short Term Rating	Outlook
May 07, 2026	May 06, 2027	Surveillance-12	AA-	ST-2	Developing
May 07, 2025	May 06, 2026	Surveillance-11	AA	ST-2	Negative
May 07, 2024	May 06, 2025	Surveillance-10	AA	ST-2	Stable

Date of Incorporation	: June 26, 1983	
Managing Director & CEO	: Mr. Mohammad Mamdudur Rashid	
Authorized Capital	: BDT 50,000.00 Million	(As on December 31, 2025)
Paid up Capital	: BDT 15,503.76 Million	(As on December 31, 2025)
Total Assets	: BDT 884,056.45 Million	(As on December 31, 2025)
Total Liabilities	: BDT 842,002.53 Million	(As on December 31, 2025)
Contact Analysts	: Md. Sihab Hossain Md. Harun Chowdhury	sihab@emergingrating.com harun@emergingrating.com

Arifur Rahman FCCA, FCA, CSAA
Chief Executive Officer
Emerging Credit Rating Limited

Credit Analysis

Entity Rating

CREDIT ANALYSIS

Entity Rating

2026 Surveillance Review

United Commercial Bank PLC.

Major Rating Factors

Strengths

- Strong deposit growth
- Growth in non-interest income
- The bank complied with the regulatory requirements for CRR, SLR, and ADR
- Improved Advance-to-Deposit Ratio

Challenge/ Risks

- CRAR declined to 8.42%, well below the regulatory requirement of 12.50%
- High Non-Performing Loans (NPL) with high concentration in bad/loss
- Large provisioning shortfall
- High Level of Rescheduled Loans

Rationale

Emerging Credit Rating PLC (ECRL) has downgraded long term credit rating to **AA-** (Pronounced as 'Double A Minus') and affirmed **ST-2** short term credit rating to United Commercial Bank PLC. (hereinafter referred to as 'UCBPLC' or 'The Bank') based on audited financials of FY2022-2025 and other available information up to the date of rating declaration. The outlook on the rating is **Developing.** The ratings are consistent with ECRL's rating methodology for this type of company.

The rating reflects the Bank's operational scale and funding strength, supported by continuous growth in its asset base, loans and advances, and deposits over the review period. UCBPLC also demonstrated improvement in liquidity indicators, including compliance with regulatory Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) requirements, alongside a stronger deposit mobilization trend in FY2025, where deposits grew by 23.41%. In addition, the Bank maintained diversification in income streams, with non-interest income showing strong growth in FY2025, while the overall funding structure continued to rely predominantly on a stable deposit base.

However, these strengths are constrained by several material credit weaknesses. The Bank's Capital to Risk-Weighted Assets Ratio (CRAR) declined steadily to 10.59% in FY2024 and further to 8.42% in FY2025, remaining significantly below the regulatory requirement of 12.50%. Asset quality deteriorated sharply over the review period, with the gross NPL ratio rising from 5.50% in FY2023 to 14.90% in FY2024 and 15.50% in FY2025, alongside a substantial increase in classified loans and concentration in the Bad/Loss category. In line with this, the combined NPL and rescheduled loan ratio increased significantly to 38.30% of gross loans in FY2025 from 19.94% in FY2024. This increase was mainly due to the sharp rise in rescheduled loans to BDT 140,871.93 million in FY2025 from BDT 29,105.03 million in the previous year, reflecting increased stress in the loan portfolio and declining the bank's asset quality. Provisioning pressure intensified, resulting in a significant provision shortfall, which further stressed the capital position. Profitability also weakened considerably, as post-tax profit declined from BDT 2,685.09 million in FY2023 to BDT 607.80 million in FY2024 and remained subdued at BDT 635.80 million in FY2025, reflecting elevated provisioning and margin pressure.

Arifur Rahman FCCA, FCA, CSAA
Chief Executive Officer
Emerging Credit Rating Limited

The bank's capital base remained under pressure due to rising risk-weighted assets and sustained asset quality deterioration, resulting in continued regulatory capital shortfall conditions. As of 31 December 2025, classified loans amounted to BDT 95,762.32 million, an increase from BDT 85,343.96 million in FY2024. Against a regulatory provisioning requirement of BDT 76,794.22 million in FY2025, the Bank maintained provisions of only BDT 25,243.80 million, resulting in a loan provisioning shortfall of BDT 51,550.42 million during the period which was BDT 334,95.06 million in FY2024, showing a massive shortfall in provision in FY2025. In addition, the Bank did not recognize impairment losses of BDT 4,380.20 million related to its 99.99%-owned subsidiary, UCB Fintech Company Limited, bringing the aggregate shortfall to BDT 55,949.30 million. Consequently, asset quality remained under significant pressure in FY2025, and the resulting provisioning deficiency further strained the Bank's capital position. According to Bangladesh Bank Letter No. BSD-5 (Wing-3)/104/2026-410 dated 29 April 2026, the Bank was permitted to finalize its financial statements for the year ended 31 December 2025 without adjusting the aforementioned shortfall amount. While this regulatory forbearance supported the reported profitability and capital position, the unprovided amount continues to represent a significant challenge to the bank's asset quality and capital adequacy profile, requiring the successful implementation of the approved recovery and recapitalization plan.

The Bank's Capital to Risk-Weighted Assets Ratio (CRAR) has been declining over the last few years, falling from 13.06% in 2022 to 10.59% in 2024 and further to 8.42% in 2025. The ratio remained below the regulatory minimum requirement of 12.50%, including the Capital Conservation Buffer, indicating continued pressure on the Bank's capital adequacy position.

As of December 31, 2025, the Bank reported total regulatory capital of BDT 54,805.83 million and a capital shortfall of BDT 26,596.4 million. However, considering the provision shortfall of BDT 55,949.35 million, the capital position would weaken significantly. In such a scenario, the capital shortfall would increase to BDT 59,755.2 million, while the CRAR would decline sharply to 0.93%, highlighting substantial stress on the Bank's solvency and capital base. To address these challenges, the Bank submitted a comprehensive recovery plan to the central bank on June 22, 2025, aiming to reestablish its financial stability by 2029. The plan targets the gradual adjustment of the BDT 55,949.30 million provision shortfall by 2029, reduction of the gross NPL ratio to below 5.00% from around 15.50%, and improvement of the CRAR to 13.47% through retained earnings, rights issuance, and strategic equity investment.

As of December 31, 2025, the Bank's required capital stood at BDT 81,402.18 million against maintained capital of BDT 54,805.80 million. Consequently, the Bank reported a capital shortfall of BDT 26,596.40 million. However, after adjusting for the provision shortfall of BDT 55,949.30 million, the capital shortfall would have increased significantly to BDT 59,755.20 million.

In response to these challenges, the Bank has submitted a structured recovery and recapitalization plan to Bangladesh Bank, targeting phased resolution of provisioning gaps by 2029, reduction of the gross NPL ratio to below 5.00%, and improvement of CRAR to 13.47%. The plan also includes capital augmentation measures through rights issuance and strategic investment initiatives. In line with this, the Bank is strengthening its capital base through multiple initiatives. It has launched its 6th Subordinated Bond programme of BDT 8,000.00 million, of which BDT 1000.0 million has already been subscribed and the rest is expected to be fully subscribed within the year. In addition, a Rights Issue worth BDT 7,750.00 million is awaiting approval from the BSEC, which is expected to improve the CRAR to above 12.50% upon completion. Furthermore, the Bank has also approved a plan to bring in strategic investors through issuance of additional shares of BDT 7,750.00 million. However, the final execution of this plan remains subject to regulatory approvals.

UCBPLC's deposit base recorded strong and sustained growth over FY2022–FY2025, rising from BDT 426,028.44 million in FY2022 to BDT 683,941.52 million in FY2025.

Deposit growth remained positive throughout the period, with a significant acceleration in FY2025 at 23.41%, compared to 7.95% in FY2024, 20.51% in FY2023, and 9.27% in FY2022, reflecting a strengthening funding base. Meanwhile, the loan-to-deposit ratio showed some fluctuations but improved overall, declining to 83.03% in FY2025 from 91.31% in FY2024, indicating relatively better liquidity positioning and a more balanced funding structure compared to previous years.

UCB PLC's earnings profile weakened in FY2025, primarily due to a sharp decline in Net Interest Income (NII) to BDT 9,862.62 million from BDT 20,856.90 million in FY2024. The decline was driven by higher deposit costs, stronger deposit growth relative to loan growth, and increased classified loans. However, non-interest income grew significantly by 45.17% to BDT 22,664.16 million, partially offsetting the decline in NII. Consequently, pre-provision profit fell to BDT 11,780.92 million and pre-tax profit declined slightly to BDT 2,035.03 million. Despite these pressures, post-tax profit increased marginally by 4.61% to BDT 635.80 million in FY2025, supported by strong growth in non-interest income.

ECRL views UCB's outlook as **Developing**, due to its systemic importance, diversified operations, and improving funding base, the rating remains constrained by weak asset quality, capital adequacy pressure, and subdued profitability.

Exhibit 1: *Financial Highlights: United Commercial Bank PLC.*

FY 31 December	2025	2024	2023	2022
Total Assets (BDT million)	884,056.45	768,779.48	685,012.41	628,076.83
Total Assets Growth (%)	14.99	12.23	9.07	11.10
Gross Loans (BDT Million)	617,890.10	572,828.87	505,969.49	468,605.10
Gross Loans Growth (%)	7.87	13.21	7.97	16.43
Deposits (BDT Million)	683,941.52	554,215.27	513,394.68	426,028.44
Deposit Growth (%)	23.41	7.95	20.51	9.27
Gross NPL Ratio (%)	15.50	14.90	5.50	5.99
Loan to Deposit Ratio (%)	83.03	91.31	86.57	86.14
Net Interest Income (BDT million)	9,862.62	20,856.90	15,731.77	14,674.45
Net Interest Income Growth (%)	(52.71)	32.58	7.21	9.54
Non-Interest Income (BDT million)	22,664.16	15,612.29	13,496.92	13,848.29
Non-Interest Income Growth (%)	45.17	15.67	(2.54)	21.23
Pre-Tax Profit (BDT million)	2,035.03	2,145.39	5,177.39	5,916.07
Post-Tax Profit (BDT million)	635.80	607.80	2,685.09	4,024.01
Post-Tax Profit Growth (%)	4.61	(77.36)	(33.27)	26.65
Post-Tax ROAE (%)	1.52	1.44	6.41	10.27
CRAR (%)	8.42	10.59	12.58	13.06

FY2022-2025 data extracted from Audited Financial Statements

Arifur Rahman FCCA, FCA, CSAA
Chief Executive Officer
Emerging Credit Rating Limited

A. BUSINESS DESCRIPTION

A.1. Company Background

United Commercial Bank PLC. (UCBPLC) was incorporated as a public limited company in Bangladesh on June 26, 1983 under the companies Act 1913 and was given permission by Bangladesh Bank on June 28, 1983 to commence its banking business. The bank got listed with Dhaka Stock Exchange Limited on 30th November 1986 and Chittagong Stock Exchange Limited on 15th November 1995. It started its journey with an initial paid up capital of BDT 35.50 million which subsequently rose to BDT 15,503.76 million at the end of 2025. Its vision is to be the bank of first choice through maximizing value for its clients, shareholders & employees and contributing to the national economy with social commitments and its mission is to offer financial solutions that create, manage and increase its clients' wealth while improving the quality of life in the communities it serves. The bank offers services for all commercial banking needs of the customers, which include deposit banking, loans & advances, export & import financing, inland & international remittance facility etc. In addition, the bank has commenced operation of its offshore banking unit from 2010 and currently the bank has 1 offshore banking unit operating in Dhaka. With the view to bringing the unbanked people into the banking facilities, UCBPLC has started Mobile Banking Services under the title of UCash in 2013. The Bank obtained permission for Islamic Banking Branch from Bangladesh Bank on 6 February 2020 and offering all types of Islamic Shariah compliant finances. The bank has five subsidiaries, (i) UCB Stock Brokerage Limited which provides brokerage service, margin loan etc., (ii) UCB Investment Limited which carries out full-fledged merchant banking activities in Bangladesh, (iii) UCB Asset Management Limited which aims to manage portfolio and fund of both individuals and institutions and (iv) UCB Fintech Company Limited that offers mobile transactions, utility bill payment, in-store and e-commerce payment and other value added financial services, (v) UCB Exchange (SG) PTE. Ltd.

A.2. Operational Network

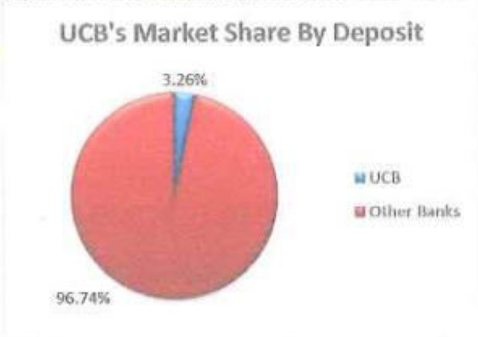
United Commercial Bank PLC. has a country-wide network of 234 (2024: 231) branches, 188 sub-branches (2024: 177), 709 (2024: 716) ATMs/CRMs and 620 agent banking outlets all over the country. The company has also 50 Islamic Banking windows within conventional branches, providing Islamic Banking services in compliance with Shariah principles.

A.3. Market Share

UCBPLC's loans & advances and deposit position were BDT 617,890.10 million and BDT 683,941.52 million, respectively, at the end of December 2025. Considering the banking industry as a whole, all scheduled banks' total loans & advances and deposit were BDT 17,773,160.00 million and 21,005,340.00 million respectively at the end of December 2025. UCBPLC contributed 3.48% of market share in terms of loans and advances and 3.26% of market share in terms of deposit at the end of December 2025.

Figure 1: *UCBPLC's market share by deposits*

Figure 2: *UCBPLC's market share by loans & advances*



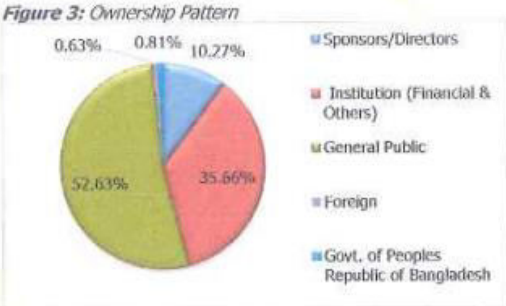
A.4. Products and Services

UCBPLC offers a full range of commercial banking products and services under Retail Banking, NRB Banking, SME & Agri Banking, Corporate Banking and Agent Banking. Under retail banking the products and services include various types of savings accounts, current account, dynamic benefit savings, UCB NRB savings, UCB youngsters savings, sabuj shanchay account, fixed deposit, DPSs, various personal, auto and home loan, credit and debit card, locker services, SMS banking etc. Under SME banking, the bank offers UCBPLC SME Installment Loan (USIL) and various other loans as well as SME deposit accounts such as current accounts, easy account, monthly deposit, women entrepreneur and fixed deposit. For Corporate customers, the bank offers export and import finance, house building finance, industrial loan, letter of credit, project finance, syndicated/structured finance, working capital finance and other corporate banking loans. Moreover, the bank offers various savings, DPSs, remittance services under its NRB banking service. Besides the above-mentioned products and services, UCBPLC also offers Agent Banking with a vision to deliver banking services to the unbanked population across Bangladesh. Recently the bank also started to offer Islamic banking products such as Taqwa deposit, Taqwa investment etc.

A.5. Shareholding Structure

United Commercial Bank PLC. started its journey with paid-up capital of BDT 35.50 million. Presently it has authorized capital of BDT 50,000.00 million and paid-up capital of BDT 15,503.76. As on December 31, 2025, the four broad categories, Sponsors/Directors, Institution (Financial & Others), General Public, Foreign and Govt. of Peoples Republic of Bangladesh represented 10.27%, 35.66%, 52.63%, 0.63% and 0.81% of the total paid-up capital of the bank respectively as shown in the chart.

***Figure 3:** Ownership Pattern*



B. INDUSTRY ANALYSIS

B.1. Banking Industry

The banking sector of Bangladesh plays a vital role in economic growth and financial intermediation, forming the backbone of the financial system. The industry is largely driven by private commercial banks, alongside state-owned, specialized, and foreign banks. Following nationalization in 1972, reforms supported by the World Bank and the International Monetary Fund introduced privatization and enhanced competition, while technological advancements in digital and mobile banking have strengthened financial inclusion.

For analytical purposes, private banks are further categorized into five generations based on their establishment period: the first generation (1972–1987), second generation (1992–1998), and third generation (1999–2001), followed by the fourth generation comprising banks established in 2013, and the fifth generation including those established thereafter.

B.1.1. Credit and Deposit Scenario

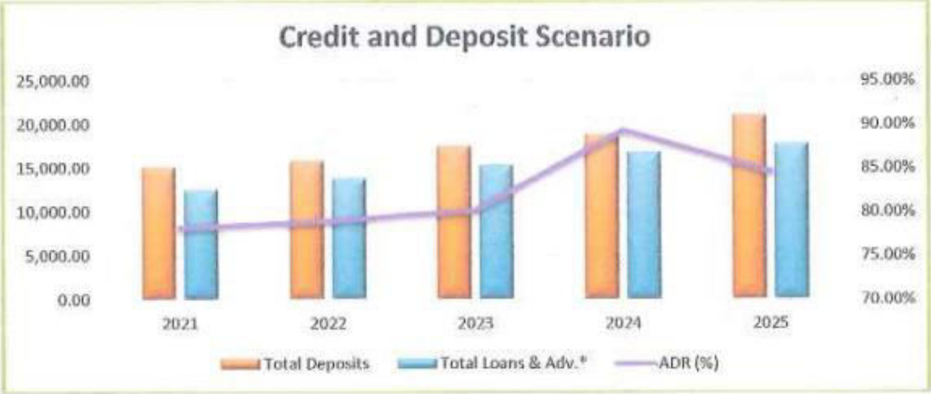
Over the period from 2021 to 2025, the banking sector witnessed a steady increase in both credit and deposits, though credit growth consistently outpaced deposit mobilization. In 2025, following the removal of interest rate caps and the move toward market-driven rates, deposit growth showed a slight resurgence as banks offered more competitive rates to combat high inflation.

Exhibit 02: 5-Year Banking Sector Growth Trend *(BDT in Billion)*

Particulars	2021	2022	2023	2024	2025
Total Deposits	15,124.70	15,880.10	17,491.30	18,837.11	21,005.34
Total Loans & Adv.*	12,567.30	13,858.50	15,383.40	16,828.78	17,773.16
ADR (%)	**78.20%**	**79.00%**	**80.20%**	**89.33%**	**84.61%**

Source: *Scheduled Bank Statistics & Quarterly Reports, Bangladesh Bank.*
*Banking Sector Banking Statistics Division, Statistics Department, Bangladesh Bank.

Figure 4: *5-Year Banking Sector Growth Trend*



The banking sector of Bangladesh maintained its growth momentum in FY2025, with total deposits increasing to BDT 21,005.34 billion from BDT 18,837.11 billion in FY2024, the highest level observed over the period. Total loans and advances also rose to BDT 17,773.16 billion in FY2025 from BDT 16,828.78 billion in FY2024, although the growth pace remained relatively moderate compared to earlier years such as FY2022–FY2023. The Advance-to-Deposit Ratio (ADR) declined to 84.61% in FY2025 from a peak of 89.33% in FY2024, the highest across the five-year period, indicating a normalization in credit expansion and improved liquidity positioning following the prior year's elevated level.

B.1.2. Asset Quality (NPL Analysis)

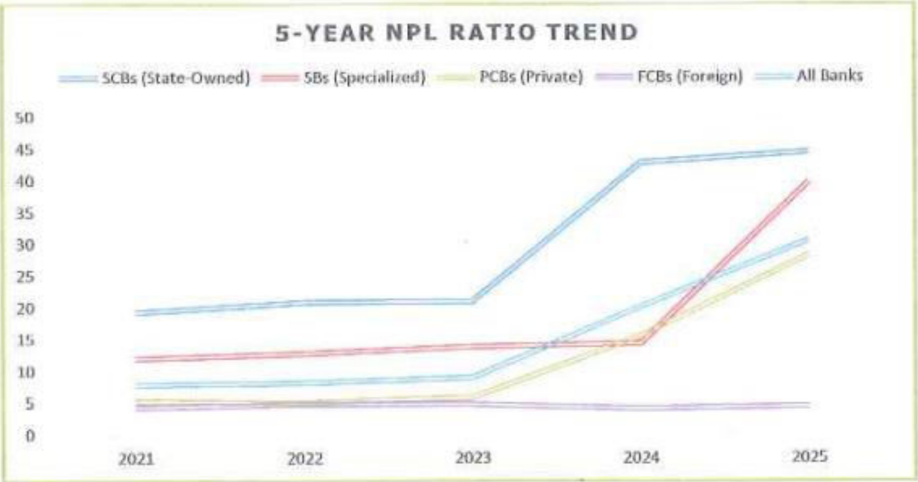
Asset quality saw its most significant deterioration in 2025. This was primarily a "reporting correction" rather than a sudden business failure. In April 2025, BB reduced the loan classification threshold from 180 days to 90 days, forcing banks to recognize "hidden" defaults that were previously categorized as overdue.

Exhibit 03: *5-Year NPL Ratio Trend (%)*

Bank Types	2021	2022	2023	2024	2025
SCBs (State-Owned)	19.30	20.90	20.99	42.83	44.44
SBs (Specialized)	12.00	12.80	13.87	14.37	39.74
PCBs (Private)	5.30	5.10	5.93	15.60	28.25
FCBs (Foreign)	4.30	4.90	4.82	4.13	4.51
All Banks	**7.90%**	**8.20%**	**9.00%**	**20.20%**	**30.60%**

Source: Banking Regulation and Policy Department-1, Bangladesh Bank.

Figure 5: 5-Year NPL Ratio Trend (%)



The banking sector of Bangladesh recorded a sharp rise in non-performing loans in FY2025, with the overall ratio increasing to 30.60% from 20.20% in FY2024, the highest in the observed period. State owned commercial banks remained the most stressed segment at 44.44% in FY2025, while specialized banks showed a steep jump to 39.74% from 14.37% in FY2024. Private commercial banks also deteriorated to 28.25%, whereas foreign commercial banks remained comparatively stable at 4.51%, continuing to reflect the strongest asset quality.

B.1.3. Provisioning and Capital (CRAR)

The sharp rise in NPLs has put immense pressure on capital adequacy. As banks were required to maintain massive provisions against defaulted loans, their net capital eroded significantly.

Exhibit 04: 5-Year Capital Adequacy (CRAR) Trend (%)

Bank Types	2021	2022	2023	2024	*2025
SCBs	8.10	6.40	6.13	(8.42)	0.48
PCBs	13.70	13.00	13.48	10.98	(4.25)
FCBs	25.90	26.40	37.30	42.09	42.08
All Banks	**12.00%**	**11.20%**	**11.64%**	**3.08%**	**(2.93)%**

**September, 2025*
Source: Supervisory Data Management and Analytics Department, Bangladesh Bank

The capital adequacy position of the banking sector of Bangladesh showed significant weakening in recent years, with the overall CRAR turning negative at 2.93% in FY2025 from 3.08% in FY2024, reflecting broad based capital pressure. State owned commercial banks improved slightly to 0.48% in FY2025 after a negative position in FY2024, while private commercial banks further deteriorated to 4.25% negative from 10.98% in FY2024, indicating heightened capital strain. In contrast, foreign commercial banks remained strongly capitalized and stable at around 42.09% in FY2025, continuing to be the most resilient segment of the industry.

B.1.4. Islamic Banking Performance

Islamic banking has expanded significantly both globally and in Bangladesh, supported by its ethical framework, risk sharing principles, and asset backed financing structure. The sector has grown steadily with policy support from the Bangladesh Bank and rising demand for Shariah compliant financial products. It operates through full-fledged Islamic banks, Islamic banking branches, and Islamic windows of conventional banks. Recently, consolidation initiatives such as the formation of Sommilito Islami Bank PLC through the merger of weaker institutions have been undertaken to strengthen governance, stability, and overall sector resilience.

Exhibit 05: 5-Year Islamic Banking Scenario (BDT in Billion)

Particulars	2021	2022	2023	2024	2025
Deposits	3,931.40	4,087.87	4,434.00	4,398.00	4,811.92
Investment	3,534.40	4,208.94	4,450.00	4,793.00	5,250.71
Liquidity excess/(Shortfall)	336.25	91.05	111.07	94.35	193.92
CRAR (%)	**12.40%**	**12.61%**	**12.70%**	**12.10%**	**(0.95)%**

Source: Quarterly Report on Islamic Banking in Bangladesh, October-December 2025

Islamic banking in Bangladesh continued its expansion in FY2025, with deposits increasing to BDT 4,811.92 billion from BDT 4,398.00 billion in FY2024, reflecting renewed funding growth after a temporary slowdown. Investment also rose to BDT 5,250.71 billion in FY2025 from BDT 4,793.00 billion in FY2024, marking a consistent upward trend over the five-year period. Liquidity position improved notably, with excess liquidity increasing to BDT 193.92 billion in FY2025, the highest level compared to recent years. However, capital adequacy weakened sharply, with CRAR turning negative at 0.95% in FY2025 from 12.10% in FY2024, indicating emerging capital pressure within the segment.

C. BUSINESS RISK ANALYSIS

Risk is an integral part of financing business and thus every financial institution is exposed to risk of different type and magnitude. So, the prime responsibility of every financial institution is to manage its risk such that its return from business can be maximized. Banks are exposed to five core risks through their operation, which are Credit Risk, Asset/Liability Risk, Foreign Exchange Risk, Internal Control & Compliance Risk, Money Laundering Risk, and Information & Communication Technology Security Risk. As a prudent and responsible financial institution, the Company attaches top priority to ensuring safety and security of the finances that are being extended.

C.1. Credit Risk

Credit risk is one of the most vital risks for any commercial bank as like United Commercial Bank PLC. Credit risk arises from non-performance by a borrower. It may arise from either an inability or an unwillingness to perform in the pre-commitment contracted manner. The real risk from credit is the deviation of portfolio performance from its expected value. The credit risk of a bank is also effect the book value of a bank. The more credit of a particular is in risk, the more probability of a bank to be insolvent.

C.2. Asset Liability Management Risk

Asset Liability Management (ALM) is an integral part of Bank Management; and so it is essential to have a structured and systematic process to manage the Balance Sheet risk properly. UCBPLC has developed an "Assets Liability Management Committee" comprising of the senior management of the bank to make important decisions related to the Balance Sheet of the bank. It also developed a guideline in line with Bangladesh Bank guidelines to meet abovementioned purpose. The Asset Liability Management Committee (ALCO) of UCBPLC is headed by the Managing Director of the Bank which meets at least once in every month to look after the financial market activities, manage liquidity risk, interest rate risk and FX or currency risk. Asset Liability Management (ALM) desk of the Treasury is primarily responsible for management of liquidity risk on a daily basis by appropriate coordination of funding activities. Asset Liability Management risk can be classified into three major categories such as liquidity risk, interest risk, foreign exchange risk.

C.2.1. Liquidity Risk

Liquidity risk is the potential for loss to a bank arising from either its inability to meet its obligations as they fall due or to fund increases in assets without incurring unacceptable cost or losses. Liquidity risk arises when the cushion provided by the liquid assets are not sufficient enough to meet maturing obligations. Liquidity risk is often triggered by the consequences of other financial risks such as credit risk, interest rate risk, foreign exchange risk, etc. For instance, a large loan default or changes in interest rate can adversely impact a bank's liquidity position. Loans to deposit ratio indicates a banks liquidity position and UCBPLC's loans deposit ratio stood at 86.57% in December 2023 which indicates the overall liquidity position is in satisfactory level. UCBPLC's Asset Liability Committee (ALCO) is entrusted with the responsibility of managing short-term and long-term assets and ensuring adequate liquidity at optimal funding cost. ALCO also reviews liquidity requirement of the bank, the maturity of assets and liabilities, deposit and lending pricing strategy and the liquidity contingency plan.

C.2.2. Interest Rate Risk

Interest rate risk is the possible loss from adverse movements in market interest rates. Changes in interest rates affect a bank's earnings by changing its net interest income and the level of other interest-sensitive income and operating expenses. An investment's value will change due to change in the absolute level of interest rates. Such changes usually affect securities inversely and can be reduced by diversifying or hedging (through an interest rate swap) techniques. The Asset Liability Committee (ALCO) of UCBPLC is the main body which looks after and monitors investment profit rate structure. The committee also evaluate any market risk arises from the regulatory pressure thus reducing the profit rate. Moreover, ALCO committee is always watchful to adverse movement of the different market variables.

C.2.3. Foreign Exchange Risk

Foreign exchange risk is the current or prospective risk to earnings and capital arising from adverse movements in currency exchange rates. Managing foreign exchange risk involves prudently managing foreign currency positions in order to control, within set parameters, the impact of changes in exchange rates on the financial position of the bank. Introduction of market based exchange rate of Taka has resulted in both trading opportunities and associated foreign exchange volatility risk. UCBPLC has developed a "Foreign Exchange Risk Management Policy" complying with the Bangladesh Bank guideline in order to identify and combat the foreign exchange risk. UCBPLC has formed Exchange Operation Department to make sure of timely, properly and authentic reporting to regulatory authority.

C.3. Operational Risk

Bangladesh Bank defines operational risk as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This operational risk also includes legal risks but not strategic and reputational risks.

C.3.1. Anti-Money Laundering Policy

Money laundering risk refers to acquired or earned properties directly or indirectly through illegal means. In boarder sense, illegal transfer, conversion, concealment of location or assistance in the above act of the properties acquired or earned directly or indirectly through legal or illegal means. So Anti Money Laundering risk is defined as the loss of reputation and expenses incurred as penalty for being negligent in prevention of money laundering activities. UCBPLC has formulated a guideline on AML and ATF issues since in line with the amendment of the AML Act 2012 made by the Government. Central Compliance Unit (CCU) is in force headed by the Chief Anti Money Laundering Compliance (CAMLCO) at Head Office and Branch Compliance Unit (BCU) headed by the Branch Anti Money Laundering Compliance Officer (BAMLCO) who is entrusted to comply with BFIU instructions in order to prevent Money Laundering and Combating Financing of Terrorism. In line with this, they independently review the transactions of the accounts to verify suspicious transactions. UCBPLC has also prepared its own policy on "Prevention of Trade Based Money Laundering" on September 29, 2020 based on the BFIU guidelines on the same.

C.3.2. Internal Control and Compliance (ICC)

UCBPLC has a diversified and complex financial activity within the country. Since its activity involves high risk, the issue of effective internal control system, corporate governance, transparency, accountability has become significant issues to ensure smooth performance in banking industry of Bangladesh. In many banks internal control is identified with internal audit; 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. Internal Audit on the other hand is a part of Internal Control system which reinforces the control system through regular review. In line with this, it plays an important role in preventing and detecting fraud and protecting the organization's resources. At the organization level, internal control objectives relate to the reliability of financial reporting, timely feedback on the achievement/strategic goals, and compliance with laws and regulations. At the specific transaction level, internal control refers to the actions taken to achieve a specific objective. As per BB requirement, UCBPLC has revised its organogram and structure of internal control and compliance division along with audit division and audit division has been separated from ICCD which will act independently from now. Internal control can provide reasonable not absolute assurance that the objectives of an organization will be met. Effective internal control implies that the organization generates reliable financial reporting and substantially complies with all laws and regulations that apply to it.

D.3.3. Information & Communication Technology (ICT) Security System

Risks surrounding IT, such as network failure, lack of skills, hacking and viruses and poor system integration have the potential to have a negative impact on a Bank. UCBPLC has developed an "ICT Policy" comply with the 'Guideline on information & Communication technology" issued by Bangladesh Bank for protecting the ICT systems. So it becomes prerequisite to establish disaster recovery site for rescuing valued data and to re-establish normal business operation. The bank implemented a disaster recovery site that would be activated in case of disaster, which brought and restored data in authenticated way. The new CORE Banking Software (CBS) of UCBPLC, namely Flexcube UBS of Oracle Financial Systems Software (OFSS), went live from 22nd June 2014. With the implementation of CBS, as the entire Database now reside centrally at the UCBPLC Data Centre as well as the Disaster Recovery Site; the chances of Data corruption and loss has become almost negligible. The bank has also improved its transaction role risk by introducing CBS system. Notably, by implementing CBS system along with the Maker-Checker concept, the bank has improved to reduce its fraud and forgery risk. UCBPLC has implemented Real-time gross settlement systems (RTGS) in 2015. UCBPLC has implemented Nexpose vulnerability management software to identify latest ICT security threats and to make the workplace more secured. UCBPLC is connected to Bangladesh Bank & other Banks network. So Bank can transfer/receive money and securities in real time. It reduces the cost of exchanging money and services, and is indispensable to the functioning of the interbank, money, and capital markets. To provide more convenient and efficient service to the customers, the bank has developed the branch automation and delivery channels.

D. FINANCIAL RISK ANALYSIS

D.1. Asset Composition & Trends

Exhibit 6: Selected Indicators for UCBPLC

FY 31 December	2025	2024	2023	2022
Total Asset (BDT Million)	884,056.45	768,779.48	685,012.41	628,076.83
Asset Growth (%)	14.99	12.23	9.07	11.10
Gross Loans (BDT Million)	617,890.10	572,828.87	505,969.49	468,605.10
Gross Loans Growth (%)	7.87	13.21	7.97	16.43
Investments (BDT Million)	148,714.53	87,851.39	82,863.73	76,434.56
Investments Growth (%)	69.28	6.02	8.41	(6.09)
NPLs (BDT Million)	95,762.32	85,343.96	27,819.39	28,077.69
NPLs Growth (%)	12.21	206.78	(0.92)	58.30
Gross Loans to Total Assets (%)	69.89	74.51	73.86	74.61
Gross NPL Ratio (%)	15.50	14.90	5.50	5.99
Net NPL Ratio (%)	6.90	5.73	(2.45)	(1.45)
Loan Loss Reserve Coverage (%)	26.36	31.70	72.44	68.41
NPLs to Equity & Loan Loss Reserve (%)	142.30	123.96	44.16	46.67

FY2022-2025 data extracted from Audited Financial Statements

As of December 31, 2025, the asset base of the bank demonstrated a steady growth trend throughout the review period. Consequently, the total asset base of United Bank PLC (UBPLC) stood at BDT 884,056.45 million in FY2025, registering a healthy growth of 14.99% compared to the previous financial year.

The growth in the asset portfolio was mainly driven by Gross Loans and Advances, which accounted for 69.89% of the total asset base in FY2025, although slightly lower than the 74.51% recorded in FY2024. In addition, Investments in Government Securities and other instruments emerged as the second-largest component of the asset portfolio, representing 16.82% of total assets in FY2025, compared to 11.43% in the previous year. Among the other components of the asset base, cash represented 6.32% of the total asset portfolio, followed by other assets at 3.05%, fixed assets at 1.85%, and balance with other banks and financial institutions at 1.67% in FY2025. The remaining portion of the asset base consisted of money at call and non-banking assets.

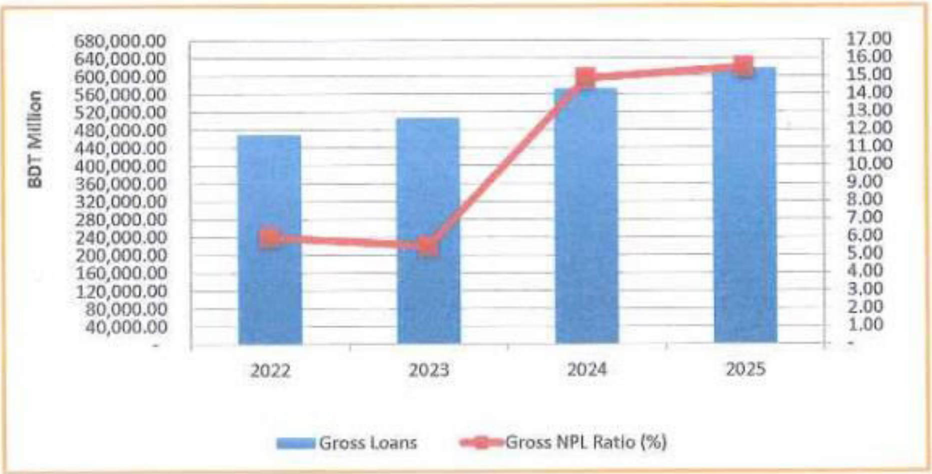
D.1.1. Asset Quality

The asset quality of United Commercial Bank PLC deteriorated significantly following the political transition in August 2024 and the subsequent tightening of loan classification policies by Bangladesh Bank. The stricter regulatory approach led to the recognition of a large volume of previously rescheduled, deferred, or weak-quality loans, resulting in a sharp rise in classified assets during 2024 and 2025.

In FY2024, the bank's classified loans and advances increased substantially to BDT 85,343.96 million from BDT 27,819.39 million in 2023, reflecting a year-on-year growth of 206.78%. Consequently, the gross NPL ratio rose to 14.90% in FY2024 and in FY2025 which is 15.50% indicating severe stress in the loan portfolio.

As of December 31, 2025, the bank's total loan and advance portfolio stood at BDT 617,890.10 million, while classified loans further increased to BDT 95,762.32 million, registering a moderate growth of 12.21% over the previous year. Although the pace of deterioration slowed in 2025, the overall level of classified loans remained considerably high.

***Figure 6:** Selected Indicators of UCBPLC*

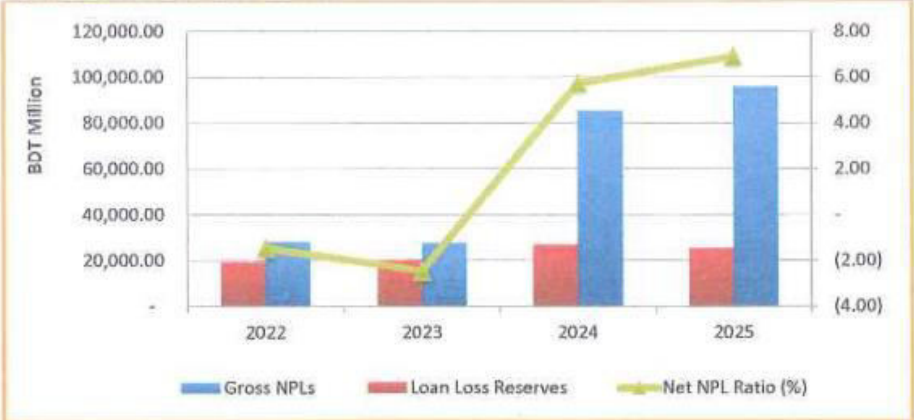


The composition of classified loans also reflects elevated credit risk. In 2024, around 71.39% of total classified loans were concentrated in the Bad/Loss category, while Sub-standard loans accounted for 25.97%. By the end of 2025, the Bad/Loss category further increased to 91.67% of total classified loans, indicating that a significant portion of the problem loans had become severely impaired with lower recovery prospects.

As a result of the deterioration in asset quality, the bank's provisioning requirement increased sharply. As of December 2025, the required provision stood at BDT 76,794.20 million against an actual maintained provision of BDT 25,243.80 million, resulting in a substantial provision shortfall of BDT 51,550.40 million.

The significant increase in classified loans and provisioning pressure adversely affected the bank's profitability and capital position during the period. Going forward, recovery of large classified accounts, strengthening of provisioning coverage, and improvement in overall credit risk management will remain key challenges for the bank.

***Figure 7:** Selected Indicators of UCBPLC*



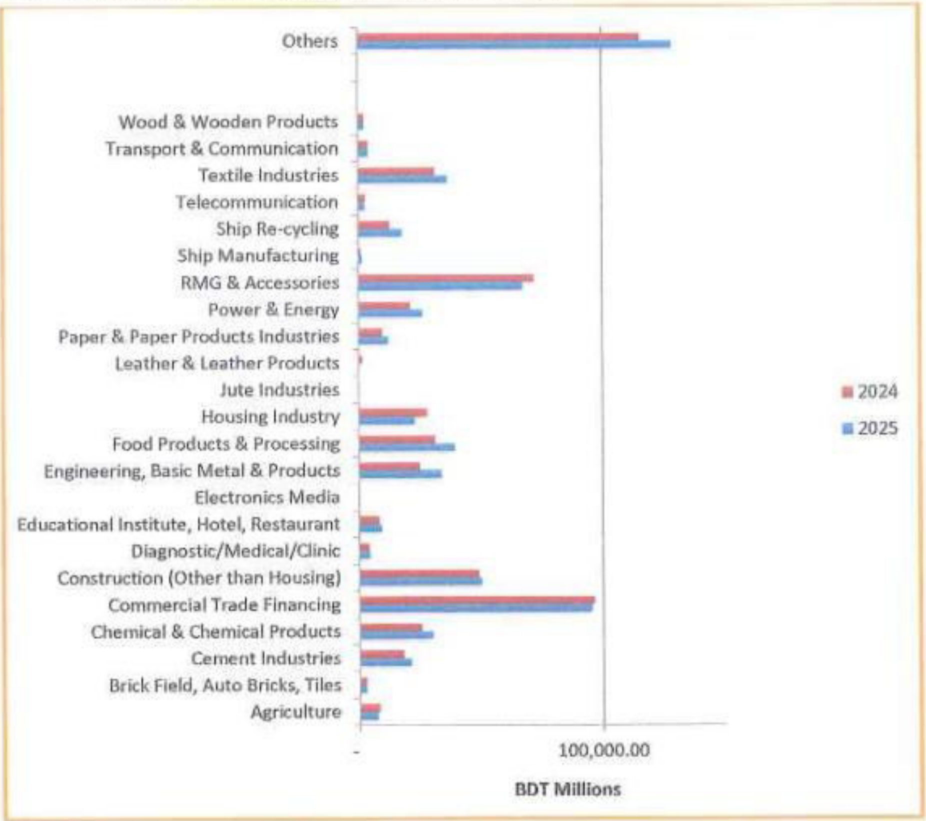
D.1.2. Loan Diversification and Concentration

The credit portfolio of United Commercial Bank PLC remains concentrated in large corporate and industrial lending, resulting in elevated sectoral and borrower concentration risk. Historically, the bank maintained significant exposure in sectors such as agriculture, telecommunications, trading, manufacturing, chemicals, energy, and steel. During 2024–2025, exposure in chemicals, energy, and industrial sectors increased further through large corporate financing, while sectors such as ship recycling, brick fields, and certain trading businesses faced operational and liquidity stress, contributing to the rise in classified loans.

As of December 31, 2025, the bank's total loan and advance portfolio stood at BDT 617,890.10 million. The portfolio continues to be highly concentrated among a limited number of large borrowers and business groups. Several funded and non-funded exposures remained significantly high relative to the bank's capital base, creating pressure on single borrower exposure limits and large loan concentration ceilings prescribed by Bangladesh Bank. Such concentration increases the bank's vulnerability to adverse financial performance of a few large corporate borrowers.

The bank's lending operations are primarily concentrated in major urban and commercial areas, particularly Dhaka and Chattogram, where large corporate clients are located. However, the bank has gradually expanded SME and agricultural financing activities in rural and semi-urban regions to improve portfolio diversification and support financial inclusion initiatives. In 2025, the bank also emphasized SME financing programs for women entrepreneurs and rural businesses through its branch, agent banking, and mobile financial services network.

Figure 8: Industry-wise distribution of loans & advances of UCBPLC



D.1.3. Rescheduled and Written-Off Loans

UCB's asset quality indicators reflect a continued reliance on both loan write-offs and rescheduling mechanisms, with notable changes observed between FY2024 and FY2025. During FY2025, the volume of loans written off increased substantially to BDT 25,874.94 million, compared to BDT 7,128.47 million in FY2024, indicating a higher-level write-off. Total recovery stood at BDT 16,280.00 million an increase from BDT 6,140.00 million in FY2024, showing a strong 165% year-on-year growth. Recovery from written-off accounts was BDT 1,140.00 million, reflecting a sharp increase of around 171% compared to the previous year. The overall performance highlights significant improvement in recovery efficiency.

Rescheduling activity remained high during FY2025 and continued to play an important role in managing the bank's stressed loan portfolio. Total rescheduled loans increased significantly to BDT 140,871.93 million with outstanding of BDT 140,871.93 million as on December 31, 2025, representing 22.80% of gross loans, compared to BDT 28,956.00 million with outstanding of BDT 29,105.03 million as of December 31, 2024 or 5.08% of gross loans in FY2024. Rescheduled loans increased significantly in FY2025 due to higher stressed assets and regulatory support measures, as the Bank restructured eligible borrowers to improve recovery and asset quality.

D.1.4. Large Loan Exposure

The bank's large loan exposures, including both funded and non-funded loans exceeding 10% of the total capital, increased in FY2025. The number of customers remained 35, while the total outstanding large loan amount rose to BDT 312,391.48 million from BDT 287,624.01 million in FY2024.

D.1.5. Off-Balance sheet exposure

In FY2025, UCBPLC's off-balance sheet exposure decreased to BDT 211,931.41 million from BDT 260,859.63 million in FY2024. This decline was primarily driven by reductions in acceptances and endorsements, letters of guarantee, forward assets, and irrevocable letters of credit. In FY2025, the off-balance sheet exposure was mainly concentrated in acceptances and endorsements, which accounted for 36.60% of the total, followed by irrevocable letters of credit (29.11%), letters of guarantee (26.07%), bills for collection (7.92%), and forward assets (0.30%).

D.2. Capital Adequacy

Exhibit 7: *Selected indicators of UCBPLC*

FY 31 December	2025	2024	2023	2022
Tier-I Capital (BDT Million)	37,314.27	36,171.85	39,148.52	36,328.23
Total Capital (BDT Million)	54,805.83	53,859.01	55,214.43	52,673.82
Total Risk Weighted Assets (BDT Million)	651,217.42	508,702.34	438,856.38	403,261.21
Tier-I Ratio (%)	5.73	7.11	8.92	9.01
CRAR (%)	8.42	10.59	12.58	13.06

FY2022-2025 data extracted from Audited Financial Statements

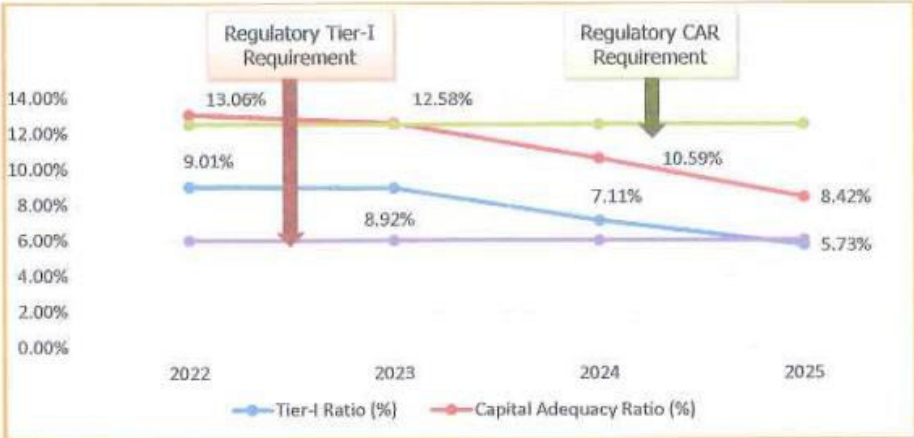
United Commercial Bank PLC's capital adequacy position came under notable pressure during FY2025 due to rising stress in asset quality and a significant provision shortfall, which also resulted in increased regulatory concern reflected in the Qualified Audit Opinion. The bank's Capital to Risk-Weighted Assets Ratio (CRAR) showed a continuous declining trend, decreasing from 13.06% in 2022 to 10.59% in 2024 and further to 8.42% in 2025. This level remained well below the regulatory minimum requirement of 12.50%, including the Capital Conservation Buffer, indicating non-compliance with Basel III guidelines.

According to the audited financial statements, the bank reported total regulatory capital of BDT 54,805.83 million along with a capital shortfall of BDT 26,596.35 million. However, if the entire provision shortfall of BDT 55,949.30 million is fully adjusted, the capital position weakens substantially. Under such a fully adjusted scenario, the estimated capital shortfall would rise to BDT 59,755.20 million, while the CRAR would decline sharply to only 0.93%, reflecting significant pressure on the bank's solvency position. This gap indicates that the bank's reported capital strength is currently supported by regulatory relaxation provided by Bangladesh Bank, which has allowed phased adjustment of the provisioning shortfall up to 2029.

To address these challenges, the bank submitted a comprehensive recovery plan to the central bank on June 22, 2025, with a target to normalize its financial position by 2029. The recovery roadmap includes gradual adjustment of the BDT 55,949.30 million provision shortfall by 2029, reduction of the gross NPL ratio to below 5% from the current level of around 15.5%, and improvement of the CRAR to 13.47% through retained earnings, rights issuance, and strategic equity investment. In addition, the bank has approved the issuance of fresh shares equivalent to 50% of its existing paid-up capital as of December 2024 to attract a strategic investor. The authorized capital has also been increased from BDT 25,000.00 million to BDT 50,000.00 million to support future capital raising initiatives.

Overall, the planned corrective measures provide a structured long-term recovery framework; however, the bank's current capital position remains under pressure and largely dependent on continued regulatory support and successful implementation of the recapitalization plan.

Figure 9: *Capital-to-risk Weighted Assets Ratio (CRAR) Position of UCBPLC*



D.3. Funding and Liquidity

Exhibit 8: Selected indicators of UCBPLC

FY 31 December	2025	2024	2023	2022
Deposits (BDT Million)	683,941.52	554,215.27	513,394.68	426,028.44
Deposit Growth (%)	23.41	7.95	20.51	9.27
Loan to Deposit (%)	83.03	91.31	86.57	86.14
Net Loans to Stable Funding Base (%)	723.52	135.89	148.35	158.91
Net Loans to Customer Deposits (%)	82.00	93.31	90.91	101.93
Deposits to Total Funding (%)	77.36	72.09	74.95	67.83
Interbank Liabilities to Total Funding (%)	7.18	10.38	9.53	16.54

FY2022-2025 data extracted from Audited Financial Statements

D.3.1. Fund Management

UCBPLC's deposit base continued to show strong expansion in FY2025, increasing to BDT 683,941.52 million from BDT 554,215.27 million in FY2024. This builds on the steady growth trend observed in previous years, where deposits stood at BDT 513,394.68 million in FY2023 and BDT 426,028.44 million in FY2022. As a result, deposit growth accelerated to 23.41% in FY2025 compared to 7.95% in FY2024, 20.51% in FY2023, and 9.27% in FY2022, reflecting varying but overall positive expansion in the funding base.

The loan-to-deposit ratio declined to 83.03% in FY2025 from 91.31% in FY2024. It was recorded at 86.57% in FY2023 and 86.14% in FY2022, indicating fluctuations over the period but a notable reduction in FY2025 compared to the previous year.

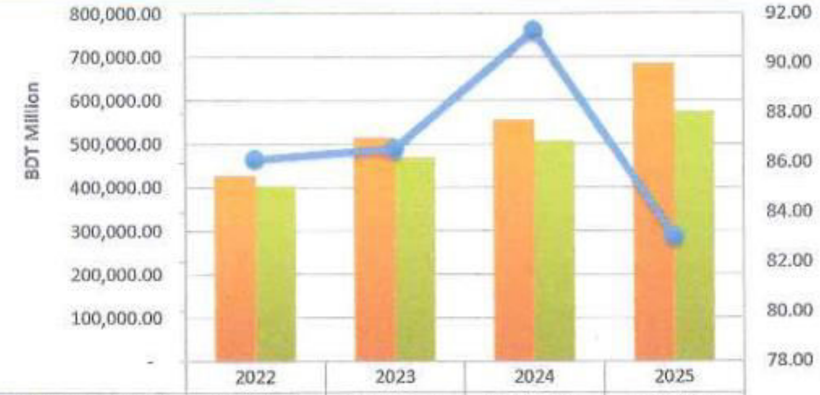
Net loans to stable funding base increased significantly to 723.52% in FY2025 from 135.89% in FY2024. This follows a declining trend in earlier years, with the ratio at 148.35% in FY2023 and 158.91% in FY2022. The sharp increase in FY2025 reflects a material movement in the composition of net loans relative to stable funding sources during the year.

Net loans to customer deposits declined to 82.00% in FY2025 from 93.31% in FY2024. The ratio was 90.91% in FY2023 and 101.93% in FY2022, showing a consistent downward adjustment in recent years, with FY2025 recording the lowest level over the four-year period.

Deposits as a proportion of total funding increased to 77.36% in FY2025 from 72.09% in FY2024. This compares with 74.95% in FY2023 and 67.83% in FY2022, indicating a gradual strengthening of reliance on customer deposits within the overall funding structure.

Interbank liabilities as a share of total funding declined to 7.18% in FY2025 from 10.38% in FY2024. It stood at 9.53% in FY2023 and 16.54% in FY2022, reflecting a steady reduction in reliance on interbank funding over the review period.

Figure 10: *Selected indicators of UCBPLC*



	2022	2023	2024	2025
Loans & Advances	402,481.74	468,605.10	505,969.49	572,828.87
Customer Deposits	426,028.44	513,394.68	554,215.27	683,941.52
Loan to Deposit (%)	86.14	86.57	91.31	83.03

D.3.2. Liquidity Management

UCBPLC has maintained compliance with Bangladesh Bank's requirements for both CRR and SLR under its conventional and Islamic banking operations. In FY2025, the bank reported a combined CRR surplus of BDT 2,035.31 million, compared to BDT 5,435.13 million in FY2024, indicating a decline in the buffer position.

For SLR, the surplus increased significantly to BDT 60,724.92 million in FY2025 from BDT 3,960.96 million in FY2024, reflecting a much stronger liquidity position under statutory requirements.

The bank's maturity-wise asset-liability profile shows liquidity gaps in the 1–3 months, 3–12 months, and 1–5 years buckets. However, despite these short- to medium-term mismatches, the overall cumulative liquidity position across all maturity bands remains in surplus. This indicates that the bank continues to maintain an adequate liquidity buffer to support its obligations during the review period.

D.4. Earning Trends and Profitability

Exhibit 9: Selected indicators of UCBPLC

FY 31 December	2025	2024	2023	2022
Net Interest Income (BDT Million)	9,862.62	20,856.90	15,731.77	14,674.45
Net Interest Income Growth (%)	(52.71)	32.58	7.21	9.54
Non-Interest Income (BDT Million)	22,664.16	15,612.29	13,496.92	13,848.29
Non-Interest Income Growth (%)	45.17	15.67	(2.54)	21.23
Pre-Provision Profit (BDT Million)	11,780.92	15,077.89	9,725.72	11,468.77
Pre-Tax Profit (BDT Million)	2,035.03	2,145.39	5,177.39	5,916.07
Post-Tax Profit (BDT Million)	635.80	607.80	2,685.09	4,024.01
Post-Tax Profit Growth (%)	4.61	(77.36)	(33.27)	26.65
Post - Tax ROAE (%)	1.52	1.44	6.41	10.27
Interest Spread (%)	6.62	7.62	4.68	4.16
Net Interest Margin (%)	0.39	1.48	0.66	0.61
Cost to Income Ratio (%)	63.78	58.66	66.73	59.79

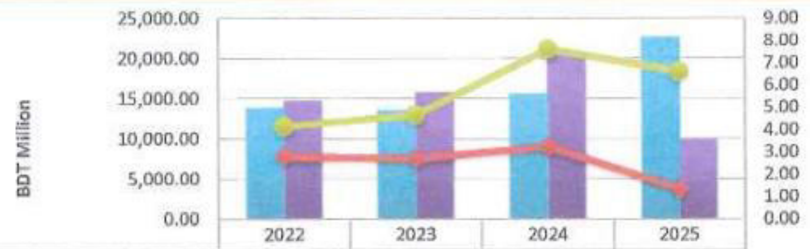
FY2022-2025 data extracted from Audited Financial Statements

UCBPLC recorded a sharp decline in Net Interest Income (NII), which decreased to BDT 9,862.62 million in FY2025 from BDT 20,856.90 million in FY2024. This follows a growth of 32.58% in FY2024, when NII stood at BDT 20,856.90 million compared to BDT 15,731.77 million in FY2023. The bank's interest spread also declined to 6.62% in FY2025 from 7.62% in FY2024, after increasing from 4.68% in FY2023.

In contrast, non-interest income increased to BDT 22,664.16 million in FY2025 from BDT 15,612.29 million in FY2024. This compares with BDT 13,496.92 million in FY2023 and BDT 13,848.29 million in FY2022. As a result, non-interest income growth stood at 45.17% in FY2025, following 15.67% growth in FY2024 and a contraction of 2.54% in FY2023.

Pre-provision profit declined to BDT 11,780.92 million in FY2025 from BDT 15,077.89 million in FY2024. Earlier, it stood at BDT 9,725.72 million in FY2023 and BDT 11,468.77 million in FY2022.

Figure 11: *Selected indicators of UCBPLC*



	2022	2023	2024	2025
Net Interest Income	14,674.45	15,731.77	20,856.90	9,862.62
Non-Interest Income	13,848.29	13,496.92	15,612.29	22,664.16
Interest Spread (%)	4.16	4.68	7.62	6.62
Net Interest Margin (%)	2.80	2.72	3.25	1.36

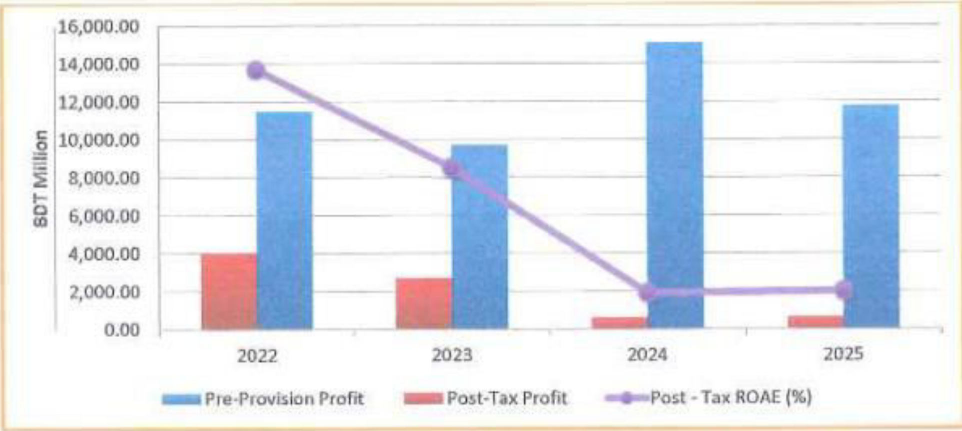
Pre-tax profit decreased slightly to BDT 2,035.03 million in FY2025 from BDT 2,145.39 million in FY2024. This compares with BDT 5,177.39 million in FY2023 and BDT 5,916.07 million in FY2022.

Post-tax profit increased marginally to BDT 635.80 million in FY2025 from BDT 607.80 million in FY2024. However, this remains significantly lower than BDT 2,685.09 million in FY2023 and BDT 4,024.01 million in FY2022. Post-tax profit growth was 4.61% in FY2025, following a contraction of 77.36% in FY2024 and 33.27% in FY2023, while it recorded growth of 26.65% in FY2022.

Return on Average Equity (ROAE) improved slightly to 1.52% in FY2025 from 1.44% in FY2024, but remained below 6.41% in FY2023 and 10.27% in FY2022.

The cost-to-income ratio increased to 63.78% in FY2025 from 58.66% in FY2024. It was 66.73% in FY2023 and 59.79% in FY2022, reflecting fluctuations over the review period.

Figure 12: *Selected indicators UCBPLC*



E. MANAGEMENT AND OTHER QUALITATIVE FACTORS

E.1. Corporate Governance

United Commercial Bank PLC prioritizes ethics, innovation, and transparency to establish robust corporate governance. The main goal is to build a strong, sustainable, and competitive company for the benefit of shareholders, employees, business associates, and society. Aligned with regulatory requirements from Bangladesh Bank and Bangladesh Securities & Exchange Commission (BSEC), the bank maintains high corporate governance standards.

The Board of Directors (BoD), led by Mr. Sharif Zahir as a Chairman. Mr. Sharif Zahir is a distinguished businessman and visionary leader in Bangladesh, known for his exceptional contributions to the country's economy and business landscape. Mr. Zahir has been an integral part of the UCB Board for over 20 years, serving as Vice Chairman of the bank from 2013 to 2015. The BoD ensures proper segregation of duties, approves budgets, and reviews policies for effective risk management and internal controls. Sub-committees are established to monitor operations, performance, and strategy in line with Bangladesh Bank's guidelines.

E.1.1. Executive Committee

The Executive Committee of the UCBPLC consists of 3 members and is headed by Mr. Md. Tanvir Khan (Director & Chairman of Executive Committee). The committee takes decision on emergency matters as and when required and assists the BoD to fulfill its responsibilities such as to set objectives, strategies and overall business plans for effective functioning of the bank. The committee reviews the policies and guidelines issued by the Bangladesh Bank regarding credit and other operations of the banking industry. The Executive Committee of the Board approves the credit proposals as per approved policy of the Board. The management ensures due diligence of the credit policy and risk management at the time of submitting the credit proposals. Executive Committee held 13 (thirteen) meetings during FY2025.

E.1.2. Audit Committee

The Audit Committee of UCBPLC is comprised of 2 members of the BoD and is chaired by Mr. Obaidur Rahman, FCA (Independent Director & Chairman of Audit Committee). This Audit Committee acts as a bridge among the BoD, Executive Authority, Depositors and Shareholders etc. The committee reviews the financial statement of the bank at least on quarterly basis. They conduct various special reviews by the Board Audit Cell, a highly empowered cell working under the committee. Audit Committee meets with the external auditors to discuss audit plan and risk management process of the bank. Audit Committee held 10 (ten) meetings during FY2025.

E.1.3. Risk Management Committee

Apart from the Executive committee and Audit Committee of the Board, a Risk Management Committee has been formed which is responsible for planning and guiding on overall risk management of the bank. This committee consists of 4 members and is chaired by Mr. Md. Yusuf Ali (Independent Director & Chairman of Risk Management Committee). These committee's prime responsibilities are to define the risk appetite, designing organizational structure to manage risk within the bank, understanding the inherent risks of the bank, then reviewing and approving risk management policies. The committee is also involved in enforcing and using adequate recordkeeping and reporting systems, reviewing and approving limits and reviewing at least annually and last but not the least monitoring compliance with overall risk management policies and limits. During FY2025, Risk Management Committee held 4 (four) meetings.

E.2. Senior Management

The strategic management activities and overall business operations of UCBPLC are supervised and directed by the Managing Director & CEO, Mr. Mohammad Mamdudur Rashid. Mr. Rashid was a prominent figure in the Banking industry, having held roles such as Chief Financial Officer, Strategic Head for the SME business, and Additional Managing Director at United Commercial Bank PLC (UCB) and BRAC Bank, respectively. During his fifteen years at Citibank, Bangladesh, Mr. Rashid held several roles, including COO of Citibank-Bangladesh and Head of Strategic Planning for Citibank's institutional banking in New Zealand and Australia. At BRAC and BRAC International, he was also the group chief financial officer. With a remarkable career spanning more than three decades in the banking industry, Mr. Mohammad Mamdudur Rashid has joined United Commercial Bank PLC as Managing Director & CEO.

Apart from functional departments, several Management committees have been formed to handle the banking operation and identify and manage the risk associated with the business. The key committees are Senior Management Team (SMT) and Asset Liability Committee (ALCO) for ensuring compliance with Bangladesh Bank's guidelines.

Senior Management Team (SMT): SMT of UCBPLC comprises of senior executives of the management and headed by the Managing Director & CEO of the bank. SMT meets on regular basis to discuss relevant agenda and scrutinizes all the cases thoroughly before referring to Executive Committee/Board for due approval decision.

Asset Liability Committee (ALCO): The bank has set up Asset Liability Committee which is headed by the Managing Director. The committee's prime roles and responsibilities are to manage liquidity & profit rate risk of deposit and lending, understanding the market dynamics and risk elements involved within the business, assuming money market activities and last but not least complying bank's statutory obligations with the local Central Bank regulations.

E.3. Human Resource Management

UCBPLC has consistently been feeding the development requirements of employees in various job grades with the requisite competencies enabling them to meet the changing business needs and also to replenish employees retiring from bank's services.

CORPORATE INFORMATION

Board of Directors

Mr. Sharif Zahir	Chairman
Mr. Md. Shazzad Hossoin	Independent Director & Vice-Chairman
Mr. Md. Tanvir Khan	Director & Chairman, Executive Committee
Mr. Obaidur Rahman FCA	Independent Director & Chairman, Audit Committee
Mr. Md. Yusuf Ali	Independent Director & Chairman, Risk Management Committee
Mr. Mohammad Mamdudur Rashid	Managing Director & CEO

Senior Management Team

Mr. Mohammad Mamdudur Rashid	Managing Director & CEO
Mr. Abul Alam Ferdous	Additional Managing Director
Mr. Nabil Mustafizur Rahman	Additional Managing Director
Mr. Adnan Masud	Additional Managing Director
Mr. Md. Abdullah Al Mamoon	Deputy Managing Director
Mr. Md. Shah Alam Bhuiyan	Deputy Managing Director
Mr. Faruk Ahammad FCA	Deputy Managing Director & Group CFO
Mr. M. Latif Hasan	Deputy Managing Director
Mr. Mohammad Shafiqur Rahman	Senior Executive Vice President
Mr. Mohammad Ridwanul Hoque	Senior Executive Vice President
Mr. Zeeshan Kingshuk Huq	Senior Executive Vice President
Mr. Syed Hasnain Mamun	Executive Vice President

Shareholders

Sponsors/Directors	10.27%
Institutions (Financial & Others)	35.66%
General Public	52.63%
Foreign	0.63%
Govt. of Peoples Republic of BD	0.81%

Auditors

Aziz Halim Khair Choudhury
Chartered Accountants
DVC: 2604301721AS567931
House # 75/A, Abasar Bhaban (2nd floor),
Road # 5/A, Dhanmondi R/A, Dhaka-1209

Corporate Head Office

Bulus Center
Plot - CWS- (A)-1, Road No - 34
Gulshan Avenue, Dhaka-1212
Phone: +880-2-55668070
Website: www.UCBPLC.com.bd

RATING SYMBOL

LONG-TERM RATINGS

ECRL's Long-Term Ratings are assigned to debt with maturities of more than one year. These debt ratings specifically assess the likelihood of timely repayment of principal and payment of interest over the term to maturity of such debts.

RATING	DEFINITION (Credit Rating Companies Rules, 2022. 10.(15))
AAA	Strongest credit quality
AA+	Below strongest credit quality
AA	Very strong credit quality
AA-	Below very strong credit quality
A+	Very good credit quality
A	Above average credit quality
A-	Moderately good credit quality
BBB+	Moderate credit quality
BBB	Average credit quality
BBB-	Below average credit quality
BB+	Moderately below average credit quality
BB	Slightly below average credit quality
BB-	Less than average credit quality
B+	Significantly below average credit quality
B	Weak credit quality
B-	Very weak credit quality
C	Poor credit quality
D	Default (Failed to meet their rated financial commitment on time or when due)

SHORT-TERM RATINGS

ECRL's Short-Term (ST) Ratings are assigned to specific debt instruments with original maturities of one year or less, and are intended to assess the likelihood of timely repayment of principal and payment of interest.

RATING	DEFINITION (Credit Rating Companies Rules, 2022. 10.(15))
ST - 1	Strongest ability to meet short term financial commitments
ST - 2	Above average ability to meet short term financial commitments
ST - 3	Average ability to meet short term financial commitments
ST - 4	Below average ability to meet short term financial commitments
ST - 5	Well below average ability
ST - 6	Default (Failed to meet their short term financial commitments)

***Notes:** Short-Term (ST) Ratings will also carry a suffix (bg) for bank-guaranteed issues, (cg) for corporate-guaranteed issues, (fg) for FGI-guaranteed issues, and (s) for all other supports when such guarantees or supports give favorable effect to the assigned rating.*

Rating Outlook

ECRL's Rating Outlook assesses the potential direction of the Corporate Debt Rating over the intermediate term (typically over a one to two-year period). The Rating Outlook may either be :

POSITIVE	Which indicates that a rating may be raised;
NEGATIVE	Which indicates that a rating may be lowered;
STABLE	Which indicates that a rating is likely to remain unchanged; or
DEVELOPING	Which indicates that a rating may be raised, lowered or remain unchanged.

In line with Bangladesh Securities and Exchange Commission (Credit Rating Companies) Rules, 2022. 10(8)A(g), the following disclosure is provided

EMERGING CREDIT RATING LTD Estd. 2009

SECTION 26

CORPORATE GOVERNANCE CERTIFICATE

SECTION CONTENTS	
(a)	Certificate on Compliance with Corporate Governance Code
(b)	Corporate Governance Compliance Status

(a) Certificate on Compliance with Corporate Governance Code

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

Report to the Shareholders of
United Commercial Bank PLC
on
Compliance on the Corporate Governance Code
For the year ended December 31, 2025

We have examined the compliance status to the Corporate Governance Code by United Commercial Bank PLC for the year ended on December 31, 2025. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated June 03, 2018 (amended up to 2024) of the Bangladesh Securities and Exchange Commission.

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

This is a scrutiny and verification and 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) The Bank has complied with the conditions of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission, except for the status relating to Condition 2(b), 7(3).

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

(c) Proper books and records have been kept by the Bank as required under the Companies Act, 1994, the securities laws and other relevant laws or not complied.

(d) The Governance of the Bank is satisfactory, with the status stated in clause (a) of the report.

For: Hossain & Hossain
Chartered Accountants

Place: Dhaka
Date: May 14, 2026

Sd/-
Md. Anowar Hossain FCA
Partner
Enrollment Number: 2079

(b) Corporate Governance Compliance Status

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column) Complied	Not Complied	Remarks (if any)
1 Board of Directors					
Size of the Board of Directors	1(1)	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty)	✓		
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): Provided that the Board shall appoint at least 1 (one) female independent director in the Board of Directors of the Company; Provided that the Board shall appoint at least 1 (one) female independent director in the Board of Directors of the Company;			The Board of Directors of 5 members including 3 Independent Directors was formed by Bangladesh Bank through Special Order on August 27, 2024.Bangladesh Bangladesh Bank Letter No. BRPD(BMMA)651/9(6) DA/2024-7444
	1(2)(b)(i)	Who does not hold any Share in the Company or holds less than One Percent (1%) Shares of the total Paid-Up Shares of the Company;	✓		
	1(2)(b)(ii)	Who is not a Sponsor of the Company or is not connected with the Company's any Sponsor or Director or Nominated Director or Shareholder of the Company or any of its Associates, Sister Concerns, Subsidiaries and Parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the Company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the Company: Provided that spouse, son, daughter, father, mother, brother, sister, son- in-law, and daughter-in-law shall be considered as family members;	✓		

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not Complied	
	1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years;	✓		
	1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		
	1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	✓		
	1(2)(b)(vi)	Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	✓		
	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;	✓		
	1(2)(b)(viii)	Who is not independent director in more than 5 (five) listed companies;	✓		
	1(2)(b)(ix)	Who has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for non-payment of any loan or advance or obligation to a bank or a financial institution.	✓		
	1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	✓		
	1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM); Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of the recommendation of the Nomination and Remuneration Committee (NRC) of the company;			No Independent Director has been appointed by the board during this year.
	1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and			N/A

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not Complied	
	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: 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:			N/A
Qualification of Independent Director	1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business	✓		
	1(3)(b)	Independent director shall have following qualifications			
	1(3)(b) (i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk.100.00 million or any listed company or a member of any national or international chamber of commerce or 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; or	✓		
	1(3)(b)(iii)	Former or existing official of government or statutory or autonomous or regulatory body in a 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:	✓		
	1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or			N/A

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not Complied	
		Business Studies or Law; or			
	1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	✓		
	1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	✓		
	1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.			N/A
Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer	1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals	✓		
	1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓		
	1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company	✓		
	1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	✓		
	1(4)(e)	In the absence of the Chairperson of the Board, the remaining Members may elect one of themselves from non-executive Directors as Chairperson for that particular Board's Meeting; the reason of absence of the regular Chairperson shall be duly recorded in the Minutes of the Board Meeting.			N/A
The Directors' Report to	1(5)	The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the Companies			

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not Complied	
Shareholders		Act, 1994 (Act No. XVIII of 1994):			
	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);	✓		
	1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓		
	1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;	✓		
	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.;	✓		
	1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	✓		
	1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓		
	1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓		
	1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	✓		
	1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation	✓		

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not Complied	
		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 a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓		
	1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	✓		
	1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		
	1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	✓		
	1(5)(xxi)	Board's statement to the effect that no bonus shares or stock dividend has been or shall be declared as interim dividend;	✓		
	1(5)(xxii)	The total number of Board meetings held during the year and	✓		

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not Complied	
		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 and their spouses and minor children (name-wise details);	✓		
	1(5)(xxiii)(c)	Executives; and	✓		
	1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	✓		No one has Ten percent (10%) or more voting interest
	1(5)(xxiv)(a)	A brief resume of the director	✓		
	1(5)(xxiv)(b)	Nature of his or her expertise in specific functional areas; and	✓		
	1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board	✓		
	1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the Company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:	✓		
	1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements	✓		
	1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	✓		
	1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓		
	1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
	1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country	✓		

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not Complied	
		and the globe;			
	1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓		
	1(5)(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM	✓		
	1(5)(xxvi)	Declaration or Certification by the MD and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A;	✓		
	1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	✓		
	1(5)(xxviii)	The Directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality.	✓		
Meetings of the Board of Directors	1(6)	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.	✓		
Code of Conduct for the Chairperson, other Board members and Chief Executive Officer	1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company			N/A
	1(7)(b)	The Code of Conduct as determined by the NRC shall be posted on the website of the Company including, among others, prudent conduct and behavior; confidentiality; conflict of			N/A

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not Complied	
		interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.			
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 on the Board of the holding company shall be a director on the Board of the subsidiary company;		✓	
	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;	✓		
	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;	✓		
	2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	✓		
3 Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)					
Appointment	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 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;	✓		

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not Complied	
		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 for 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 shared by appointing companies proportionately;			
	3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
	3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓		
Requirement to attend Board of Directors' Meetings	3(2)	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓		
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)	Financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		
	3(3)(a)(ii)	Financial 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	✓		

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not Complied	
		fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;			
	3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4 Board of Directors' Committee					
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			In compliance with the Bangladesh Bank's BRPD Circular Letter no. 21 dated 12 May 2024, the responsibilities of Nomination & Remuneration Committee have been entrusted to the Audit Committee of the Board
5 Audit Committee					
Constitution of the Audit Committee	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;			N/A
	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 the Committee member expires, Board shall appoint new Committee member immediately or not later than 60 (sixty) days from the date of vacancy.			N/A
	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)	✓		

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not Complied	
		independent director.			
Chairperson of the Audit Committee	5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director	✓		
	5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		
	5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	✓		
Meeting of the Audit Committee	5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year:	✓		
	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.	✓		
Role of Audit Committee	5(5)(a)	Oversee the financial reporting process.	✓		N/A
	5(5)(b)	Monitor choice of accounting policies and principles;			N/A
	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	✓		

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not Complied	
		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; and	✓		
	5(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission: Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses,			N/A

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not Complied	
		working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results: Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee			
Reporting to the board of Directors	5(6)(a)	Reporting to the Board of Directors			
	5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓		
	5(6)(a)(ii)	The Audit Committee shall immediately Report to the Board on the following findings, if any:			
	5(6)(a)(ii)(a)	Report on conflicts of interests			N/A
	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;	✓		
	5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			N/A
	5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board Immediately			N/A
Reporting to The Authorities	5(6)(b)	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.			N/A
Reporting to	5(7)	Report on activities carried out by	✓		In compliance with

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not Complied	
the Shareholders and General Investors		the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer Company.			the Bangladesh Bank's BRPD Circular Latter no. 21 dated 12 May 2024, the responsibilities of Nomination & Remuneration Committee have been entrusted to the Audit Committee of the Board.
6 Nomination and Remuneration Committee (NRC)					In compliance with the Bangladesh Bank's BRPD Circular Latter no. 21 dated 12 May 2024, the responsibilities of Nomination & Remuneration Committee have been entrusted to the Audit Committee of the Board.
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			N/A
	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;			N/A
	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).			N/A
Constitution of the NRC	6(2)(a)	The Committee shall comprise of at least three members including an independent director			N/A
	6(2)(b)	All members of the Committee shall be non-executive directors;			N/A
	6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;			N/A
	6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;			N/A

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not Complied	
	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;			N/A
	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;			N/A
	6(2)(g)	The company secretary shall act as the secretary of the Committee;			N/A
	6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;			N/A
	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.			N/A
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			N/A
	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;			N/A
	6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders:			N/A
Meeting of the NRC	6(4)(a)	The NRC shall conduct at least one meeting in a financial year;			N/A
	6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;			N/A
	6(4)(c)	The quorum of the meeting of the			N/A

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not Complied	
		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			N/A
Role of the NRC	6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;			N/A
	6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:			N/A
	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 following:			N/A
	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;			N/A
	6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and			N/A
	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;			N/A
	6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;			N/A
	6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level			N/A

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not Complied	
		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;			N/A
	6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and			N/A
	6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;			N/A
	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.			N/A
7 External or Statutory Auditors					
	7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely: -			
	7(1)(i)	Appraisal or valuation services or fairness opinions	✓		
	7(1)(ii)	Financial information systems design and implementation;	✓		
	7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements;	✓		
	7(1)(iv)	Broker-dealer services;	✓		
	7(1)(v)	Actuarial services;	✓		
	7(1)(vi)	Internal audit services or special audit services;	✓		
	7(1)(vii)	Any service that the Audit Committee determines;	✓		
	7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓		
	7(1)(ix)	Any other service that creates conflict of interest	✓		
	7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any	✓		

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not Complied	
		shares in the said company			
	Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.				
	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 listing regulations of the concerned stock exchange(s).	✓		
9 Reporting and Compliance of Corporate Governance					
	9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		
	9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	✓		Hossain & Hossain Chartered Accountants was appointed in the 42nd AGM by the Shareholders.
	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.	✓		

SECTION 27

TERMS AND CONDITIONS OF THE RIGHTS ISSUE

SECTION CONTENTS	
(a)	Basis of the Offer
(b)	Entitlement
(c)	Acceptance of the Offer
(d)	Renunciation
(e)	General
(f)	Condition of Subscription
(g)	Payment of Share Price
(h)	Lock-in on Rights Share
(i)	Others

(a) Basis of the Offer

The Company records its share register of members on **04 August 2026** to determine the shareholders who are eligible to receive this offer of shares on a rights basis. The ordinary shares are now offered on a rights basis to the shareholders holding shares on the record date at Tk. 10.00 each, in the ratio of 01[R]:02, i.e., 01 (One) right shares for every 02 (Two) existing shares held on the record date.

(b) Entitlement

As a shareholder of the Company on the record date on **04 August 2026** the shareholders are entitled to this Rights Offer. Only the holder(s) of a minimum of two fully paid ordinary shares is entitled to receive the Rights Offer.

(c) Acceptance of the Offer

A shareholder may accept and apply for the shares hereby offered, wholly or in part by filling in Application Form A and submitting the same along with the application money to the Bankers to the Issue on or before the Closing Date of subscription of **20 September 2026.**

(d) Renunciation

A shareholder may renounce all or part of the shares he/she is entitled to in favor of any other person(s) other than an infant or person of unsound mind. He/she can renounce his/her rights/entitlement of shares by signing Renunciation Form-B. Renouncee(s) shall fill in Form-C appropriately.

(e) General

All applications should be made on the printed form provided by the Company in this Rights Share Offer Documents only and should be completed in all respects. Applications which are not completed in all respects or are made otherwise than as herein provided or are not accompanied by the proper application amount of deposit are liable to be rejected and the application money received in respect thereof shall be refunded.

All communications in connection with the application for the Rights Share should be addressed to the Company quoting the registered folio number/BO ID number in the form.

(f) Condition of Subscription

Rights Offer of 775,187,949 Ordinary Shares of Tk. 10.00 each at an issue price of Tk. 10.00, totaling Tk. 7,751,879,490 offered on the basis of 01 (One) [R]: 02 (Two) i.e., 01 (One) rights share against 02 (Two) existing shares held by the Shareholder(s) whose name(s) appeared in the Company's Share Register at the record date as on **04 August 2026.**

(g) Payment of Share Price

Payments for the full value of Shares applied for shall be made with designated Branches of Bankers to the Issue by Cash/Pay Order/Demand Draft payable to "United Commercial Bank PLC." and crossed. The Pay Order/Demand Draft for payment of share price must be drawn on a Company in the same town to which the application form has been submitted. It is to be noted that all transactions above Tk. 1.00 lac must be affected through Demand Draft/Crossed Cheque/Pay Orders.

(h) Lock-in on Rights Share

The Rights Shares of Directors and other shareholders holding 5% or more shares shall be subject to lock-in for a period of 3 (three) years from the date of closure of the rights share subscription. In the event of renunciation of rights shares by aforesaid persons, the renounced shares shall also be subject to lock-in for the same period shall be operative.

(i) Others

The application not properly filled in shall be treated as cancelled and deposited money will be refunded. For any reason, no profit/compensation will be paid on the refunded amount.

The offer will be deemed to have been declined if completed Application Form-A with necessary payments have not been received by **20 September 2026** or by such later date as may be notified through national dailies to that effect.

SECTION 28

Rule 3

OTHER INFORMATION REGARDING CONDITIONS TO BE FULFILLED PRIOR TO MAKING RIGHTS ISSUE

SECTION CONTENTS	
(a)	Such rights issue and price thereof have been approved by the shareholders in a general meeting
(b)	The proceed of previous public offering, or rights issue, has been utilized full
(c)	Annual general meeting has been held regularly
(d)	The rights issue has been fully underwritten on a firm commitment basis by the underwriter
(e)	The financial statements of the company is prepared as per International Accounting Standards (IAS), as applicable in Bangladesh, and audited as per International Standards of Auditing (ISA) as applicable in Bangladesh
(f)	The issuer or any of its directors is not a bank-defaulter
(g)	The issuer has been credit rated by a credit rating company, if the offer is at a premium
(h)	Profitability record in the immediate preceding year

(a) Such rights issue and price thereof have been approved by the shareholders in annual general meeting

The Board of Directors of United Commercial Bank PLC in its 513th meeting held on May 29, 2025, recommended Rights Offer of 775,187,949 Ordinary Shares of Tk. 10.00 each at an issue price of Tk. 10.00 each totaling Tk. 7,751,879,490 offered on the basis of 01 (One) [R]: 02 (Two) i.e., 01 (One) Rights Share against 02 (Two) existing shares held on the record date. The recommendation of the Board was approved in the 42nd Annual General Meeting (AGM) held on July 31, 2025. The extract of the minutes of the AGM regarding the approval is presented in **Annexure-1**.

(b) The proceed of previous public offering, or rights issue, has been utilized full

DECLARATION REGARDING UTILIZATION OF PROCEED OF PREVIOUS PUBLIC OFFERING OR RIGHTS ISSUE

[see rule 3(b) & 8(r)]

United Commercial Bank PLC has raised its paid-up capital through Initial Public Offering (IPO) and subsequent Rights Issues. The details of capital raised through these public offerings are as follows:

Particulars	Year	No. of Shares	Issue Price	Amount in BDT
Initial Public Offer (IPO)	1986	360,000	100	36,000,000
Rights Issue	1988	400,000	100	40,000,000
Rights Issue	1994	37,109	100	3,710,996
Rights Issue	1994	200,000	100	20,000,000
Rights Issue	1997	63,296	100	6,329,600
Rights Issue	2011	290,995,350	15	4,364,930,250

The Bank has fully utilized the entire proceeds raised through the public offerings for the Bank's general business operation.

Sd/-
Faruk Ahammad
Deputy Managing Director & CFO

Sd/-
Tanvir Ahmed Siddiqui, ACS
Company Secretary

Sd/-
Mohammad Mamdudur Rashid
Managing Director & CEO

Place: Dhaka
Date: 13 May 2026

(c) Annual general meeting has been held regularly

DECLARATION REGARDING ANNUAL GENERAL MEETING HAS BEEN HELD REGULARLY

[see rule 3(c)]

United Commercial Bank PLC holds its Annual General Meeting (AGM) regularly. The details of the AGMs held over the past five (5) years are as follows:

Year End	Date of AGM	Dividend Declared (%)		
		Cash	Stock	Total
31 December 2024	31-07-2025	-	-	-
31 December 2023	30-06-2024	5%	5%	10%
31 December 2022	26-06-2023	5%	5%	10%
31 December 2021	09-06-2022	-	10%	10%
31 December 2020	05-08-2021	5%	5%	10%

Sd/-
Faruk Ahammad
Deputy Managing Director & CFO

Sd/-
Tanvir Ahmed Siddiqui, ACS
Company Secretary

Sd/-
Mohammad Mamdudur Rashid
Managing Director & CEO

Place: Dhaka
Date: 13 May 2025

(d) The rights issue has been fully underwritten on a firm commitment basis by the underwriter

This rights issue has been fully underwritten on a firm commitment basis. Details of the underwriters and declarations are presented under **SECTION - 17** of this document.

(e) The financial statements of the company are prepared as per International Accounting Standards (IAS), as applicable in Bangladesh, and audited as per International Standards of Auditing (ISA) as applicable in Bangladesh

The financial statements of United Commercial Bank PLC are prepared as per International Accounting Standards (IAS), as applicable in Bangladesh, and audited as per International Standards of Auditing (ISA) as applicable in Bangladesh. The detail of compliance is disclosed in the Independent Auditor's report under **SECTION - 10** on this ROD.

(f) The issuer or any of its directors is not a bank-defaulter

The issuer and its directors are free from loan default as per Bangladesh Bank.

(g) The issuer has been credit rated by a credit rating company if the offer is at a premium

Summary of Credit Rating Report:

Credit Rating Status		
	Long Term	**Short Term**
Entity rating	AA-	ST-2
Outlook	Developing	
Validity From	07 May 2026	
Validity of rating	06 May 2027	
Rating assigned by	Emerging Credit Rating Limited	

Details credit rating report has given **SECTION – 25**.

(h) Profitability record in the immediately preceding year

United Commercial Bank PLC has maintained a consistent profitability record over the past five years, demonstrating stable financial performance and sustainable growth. The detailed consolidated profitability figures in BDT for the year ended 31 December 2021 to 31 December 2025 are presented below:

Particulars	31 Dec 2025	31 Dec 2024	31 Dec 2023	31 Dec 2022	31 Dec 2021
Net Profit after Tax	238,289,133	80,061,445	2,197,668,288	3,298,647,127	2,451,706,715

SECTION 29

ADDITIONAL DISCLOSURES

Disclosure Regarding the Auditor's Qualified Opinion

The Independent Auditor, in its report on the financial statements for the year ended 31 December 2025, expressed a qualified opinion in respect of (i) a provision shortfall against loans and advances, and (ii) non-recognition of impairment loss on the Bank's investment in its subsidiary.

The aggregate provision shortfall against loans and advances stands at BDT 5,155 crore, which is a direct legacy of extraordinary political and governance failures of the preceding period. Notwithstanding this challenge, the Bank has consistently channelled most of its profit before provision and tax (operating profit) toward provisioning requirements. Accordingly, provisions of BDT 1,293 crore and BDT 975 crore were recognised in FY2024 and FY2025 respectively, representing approximately 86% and 83% of operating profit in each respective year. The Management is firmly committed to sustaining this trajectory until the provision shortfall is fully extinguished.

The auditors have additionally highlighted provisioning requirements against other assets amounting to BDT 439.89 crore, which includes non-recognition of an impairment loss of BDT 438.02 crore against the Bank's investment in UCB Fintech Company Limited a subsidiary in which the Bank holds a 99.99% equity interest.

The Management of the Bank, having regard to the subsidiary's long-term business prospects, ongoing restructuring initiatives, technology development roadmap and expected future recoverable value, is of the considered view that immediate recognition of the full impairment loss in the standalone financial statements would not appropriately reflect the intrinsic and strategic value of this investment. Accordingly, such impairment has not been recognised in the standalone financial statements as at 31 December 2025; however, it has been duly accounted for in the consolidated financial statements of the Bank.

The proposed Rights Issue is expected to materially strengthen the Bank's Tier-I capital base, improve its Capital Adequacy Ratio, and enhance the Bank's overall capacity to absorb any provisioning or impairment impact, as may arise, in the future. The strengthened capital position will further support sustainable business growth, regulatory compliance, and the long-term financial stability of the Bank.

The Management remains confident that the strategic and operational measures being undertaken in relation to the subsidiary, combined with the enhanced capital position arising from the Rights Issue, will support sustained long-term value creation for the Bank and its shareholders.

Disclosure Regarding Utilization of Rights Issue Proceeds

The proceeds from the proposed Rights Issue are primarily intended to strengthen the Bank's Tier-I capital base and improve the Capital to Risk Weighted Assets Ratio (CRAR) in accordance with Basel III requirements and Bangladesh Bank directives. The capital raised through the Rights Issue will support the implementation of the Bank's Board-approved Strategic Recovery Plan and enhance the Bank's overall financial resilience.

The Rights Issue proceeds will be deployed principally for the expansion of Corporate, SME/CMSME, Retail and Agricultural lending portfolios, with a strategic focus on comparatively lower-risk and capital-efficient sectors to optimise Risk Weighted Assets (RWA) and improve overall asset quality. The Bank anticipates that this portfolio rebalancing strategy will contribute to sustainable earnings growth, meaningful diversification of credit exposure and a gradual improvement in capital efficiency.

The utilization plan will be implemented within 12 months of receipt of funds, as specified in Section 13 of the Rights Offer Document, in alignment with projected business growth targets, liquidity management requirements, provisioning obligations and regulatory capital objectives. The proposed utilization is further expected to support operating profit growth, improve liquidity support, reinforce depositor confidence, and facilitate the gradual recovery of the Bank's CRAR from 8.42% in FY2025 to the projected level of 14.47% by FY2031 under the Strategic Recovery Plan.

The Bank further expects that the enhanced capital position arising from the Rights Issue will improve its capacity to absorb provisioning requirements, support the reduction of NPLs, and sustain compliance with applicable regulatory and prudential standards.

Disclosure Regarding Profitability Fluctuations, Dividend Status and Impact of the Rights Issue on Key Financial Indicators

The Bank's financial performance in recent years has been shaped by prevailing macroeconomic conditions, regulatory provisioning requirements, competitive market dynamics, recovery performance and strategic business investments. Fluctuations in profitability have occurred primarily as a consequence of elevated provisioning requirements, conservative risk management measures and adjustments arising from regulatory compliance obligations. Notwithstanding these challenges, the Bank has sustained its core banking operations with stable business growth, a strong customer franchise and ongoing recovery efforts.

Regarding dividend declaration, the Bank's ability to declare dividends is subject to profitability levels, capital adequacy, provisioning compliance and the applicable regulatory approval requirements of Bangladesh Bank. The Management remains committed to maintaining a balanced and prudent approach between strengthening the capital base and ensuring sustainable long-term shareholder value.

The proposed Rights Issue is expected to positively impact the Bank's financial position by strengthening Tier-I capital, improving the Capital Adequacy Ratio (CAR), enhancing liquidity support and expanding the Bank's capacity for future business growth. However, following the Rights Issue, certain per-share indicators including Earnings Per Share (EPS), Net Asset Value (NAV) per share and Net Operating Cash Flow Per Share (NOCFPS) may experience a short-term dilution effect arising from the increase in the number of outstanding shares. The Management believes that the strengthened capital base and improved financial stability resulting from the Rights Issue will support sustainable long-term growth and progressive enhancement of shareholder value.

Disclosure Regarding Profitability and the Regulatory Treatment of Provisioning

Bangladesh Bank, by way of its regulatory No Objection Certificate (NOC), permitted UCB PLC to prepare and publish its audited financial statements for the year ended 31 December 2025 without adjusting the provision shortfall identified as at the reporting date. Accordingly, the audited financial statements have been prepared and finalised in full compliance with the directives and regulatory treatment prescribed by Bangladesh Bank, the primary prudential regulator of banks in Bangladesh. Comprehensive disclosure of both the provision shortfall and the capital shortfall has been incorporated in the audited financial statements.

On the basis of this regulatory treatment, the Bank reported a profit for the year ended 31 December 2025 and has complied with the applicable regulatory reporting framework. In this regard, the Bank is of the considered view that it satisfies the requirement of Rule 3(h) of the Securities and Exchange Commission (Rights Issue) Rules, 2006, which pertains to the demonstration of a satisfactory profitability record in the immediately preceding financial year.

The proposed Rights Issue is intended to strengthen the Bank's capital base, improve capital adequacy, support regulatory compliance and enhance the Bank's capacity to absorb future provisioning requirements, as may arise. The Management believes that the strengthened capital position following the Rights Issue will contribute positively to the Bank's long-term financial stability, business growth and overall resilience.

The foregoing matters, including the regulatory treatment of provisioning and its attendant financial implications, have been appropriately disclosed in this Rights Offer Document to ensure full transparency for investors and all other stakeholders.

Disclosure Regarding the Potential Dilution Effect and Theoretical Ex-Rights Price (TERP)

The market price of UCB PLC shares is subject to prevailing macroeconomic conditions and the operational performance of the Bank, and may trade below or above the Rights Issue price at any given time during or following the subscription period. In accordance with standard market practice, the Theoretical Ex-Rights Price (TERP) represents the weighted average estimated market price of the shares immediately following the completion of the Rights Issue, assuming full subscription. Investors are advised to note that upon issuance of the Rights Shares, there may be a short-term dilution effect on the market price and certain per-share indicators, attributable to the increase in the total number of outstanding shares. Existing shareholders who elect not to subscribe to their Rights entitlement may experience dilution of their proportionate ownership interest in the Bank.

The proposed Rights Issue is fully underwritten, and any unsubscribed portion will be acquired by the appointed underwriters. This underwriting arrangement reflects institutional confidence in the Bank's recovery strategy and provides assurance of the targeted capital raising.

The Management further notes that UCB PLC has already demonstrated encouraging signs of financial stabilization, reflected in significant deposit growth, fresh deposit mobilization, a meaningful reduction in the Advance-to-Deposit Ratio (ADR) and recovery from written-off loans during FY2025. The proceeds from the Rights Issue are expected to strengthen the Bank's capital base, improve the Capital Adequacy Ratio (CAR), support provisioning compliance and enhance overall financial resilience.

Management projects a gradual improvement in asset quality, reduction of the NPL ratio to below 5% by FY2030, full extinguishment of the provision shortfall, and resumption of dividend declarations from FY2030. Subject to the successful implementation of the recovery plan and prevailing market conditions, Management expects the market price of the Bank's shares to progressively converge toward intrinsic value over the medium to long term.

Disclosure regarding provision & capital management strategy

NPL Movement (BDT Crore)

Particulars	2024 (Actual)	2025	2026	2027	2028	2029
Opening Balance	2,782	8,542	8,342	7,542	6,542	5,342
Add: New Classification	6,400	1,000	600	500	300	250
Less: Recovery	108	600	600	600	500	600
Less: Write-off	532	600	800	800	1,000	1,000
Closing Balance	**8,542**	**8,342**	**7,542**	**6,642**	**5,342**	**3,992**
Outstanding Portfolio	57,283	62,983	69,403	76,465	84,233	92,778
NPL %	**14.91%**	**13.24%**	**10.87%**	**8.69%**	**6.34%**	**4.30%**

Provision Shortfall Movement (BDT Crore)

Particulars	2024	2025	2026	2027	2028	2029
Opening Balance	5,189	3,896	3,296	2,396	1,096	496
Add: New Required Provision	750	600	500	400	300	-
Less: Provision Made	1,293	1,350	1,500	1,800	1,000	796
Closing Balance	**3,896**	**3,296**	**2,396**	**1,096**	**496**	**0**

Capital Management Strategy (BDT Crore)

Tier-I Capital

Particulars	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**
Paid-up Capital	1,550	2,325	3,100	3,178	3,305	3,470
Non-repayable Share Premium	146	146	533	533	533	533
Statutory Reserve	1,573	1,573	1,573	1,573	1,573	1,573
General Reserve	3	3	3	3	3	3
Retained Earnings	631	791	879	833	1,414	2,475
Perpetual Bond	570	570	570	570	570	570
Less: Regulatory Adjustments	(855)	(941)	(1,035)	(1,138)	(1,252)	(1,377)
Total CET-1 Capital	**3,048**	**3,897**	**5,053**	**4,982**	**5,576**	**6,677**
Total Tier-I Capital	**3,618**	**4,467**	**5,623**	**5,552**	**6,146**	**7,247**

Tier-II Capital

Particulars	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**
General Provision	728	802	879	963	1,057	1,159
Subordinated Debt	1,040	1,510	1,840	2,118	2,344	2,060
Total Tier-II Capital	**1,768**	**2,312**	**2,719**	**3,081**	**3,401**	**3,219**

Total Regulatory Capital

Particulars	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**
Total Tier-I Capital	3,618	4,467	5,623	5,552	6,146	7,247
Total Tier-II Capital	1,768	2,312	2,719	3,081	3,401	3,219
Total Regulatory Capital	**5,386**	**6,779**	**8,342**	**8,633**	**9,547**	**10,466**

<u>Scenario Analysis</u>

Scenario	**Key Assumptions**	**Impact on Bank**	**Impact on Investors**	**Conclusion on Rights Issue**
Scenario 1: Recovery Plan Succeeds (Optimistic)	NPL declines from 14.9% to ~4.3%; provision shortfall eliminated by 2029; strong recoveries and controlled new NPL formation; capital plan fully executed	Asset quality improves significantly; provisioning burden declines; profitability and capital adequacy strengthen; capacity for business growth increases	Higher ROE potential, improved valuation, stronger dividend prospects, and capital appreciation over the medium-to-long term	Highly Beneficial. Rights issue creates shareholder value as fresh capital supports growth after balance-sheet cleanup.
Scenario 2: Partial Success (Most Realistic)	NPL declines to 7–8%; provision shortfall reduced but not fully eliminated (around BDT 2,000–2,500 crore); recovery targets partly achieved	Balance sheet improves gradually; provisioning pressure remains but becomes manageable; capital position strengthens moderately	Moderate return potential; slower earnings growth; dividend recovery may be delayed; share price appreciation likely but limited	Moderately Beneficial. Rights issue helps stabilize the bank, but investor returns may take longer to materialize.
Scenario 3: Recovery Plan Fails (Stress Case)	NPL remains above 12%; significant new defaults; recovery targets missed; provision shortfall remains high or increases	Continued pressure on profitability and capital adequacy; possibility of further capital requirements; weak balance-sheet improvement	Low ROE, potential dilution from future capital raising, weak dividend prospects, and limited share price upside	Marginally Beneficial to the Bank but Not to Investors. Rights issue mainly covers losses and regulatory requirements rather

				than creating shareholder value.

Annexure-1: Extract of AGM held on 31 July 2025

ইউনাইটেড কমার্শিয়াল ব্যাংক পিএলসি এর ৪২ তম বার্ষিক সাধারণ সভা জুলাই ৩১, ২০২৫ইং তারিখ রোজ-বৃহস্পতিবার, সময়-সকাল ৯.০০ ঘটিকায় কুর্মিটোলা গল্‌ফ ক্লাব, ঢাকা ক্যান্টনমেন্ট, ঢাকায় অনুষ্ঠিত হয়। উক্ত সভার কার্যবিবরনীর অংশ বিশেষঃ

বিশেষ আলোচ্যসূচি-২ ঃ

To issue Right Shares:

উপরোক্ত প্রস্তাব অনুমোদনের জন্য প্রস্তাবক জনাব মোহাম্মদ নাসিম কালাম, (বিও নং, ১২০৫৫৯০০১৫৮৮৭৩৮২, সাবেক পরিচালক, ইউনাইটেড কমার্শিয়াল ব্যাংক পিএলসি) এর সম্মতিতে উত্থাপন করা হয় এবং জনাব মোঃ আলী আকবর মিয়া (বিও নং ১২০৪২৯০০২১৪৬৫৯৯০, শেয়ারহোল্ডার, ইউনাইটেড কমার্শিয়াল ব্যাংক পিএলসি) প্রস্তাবটি অনুমোদনের জন্য সমর্থন করেন এবং সবসম্মতিক্রমে উক্ত প্রস্তাবটি নিম্নোক্তভাবে অনুমোদিত ও গৃহীত হয় ঃ-

"Resolved that raising of capital of the Bank by issuing right share @ 2:1 i.e. one right share for every two existing shares held at Tk.10/- each share on paid up capital subject to approval of the regulatory authorities be approved."

পুলক চৌধুরী
কোম্পানী সেক্রেটারী (চলতি দায়িত্ব)

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