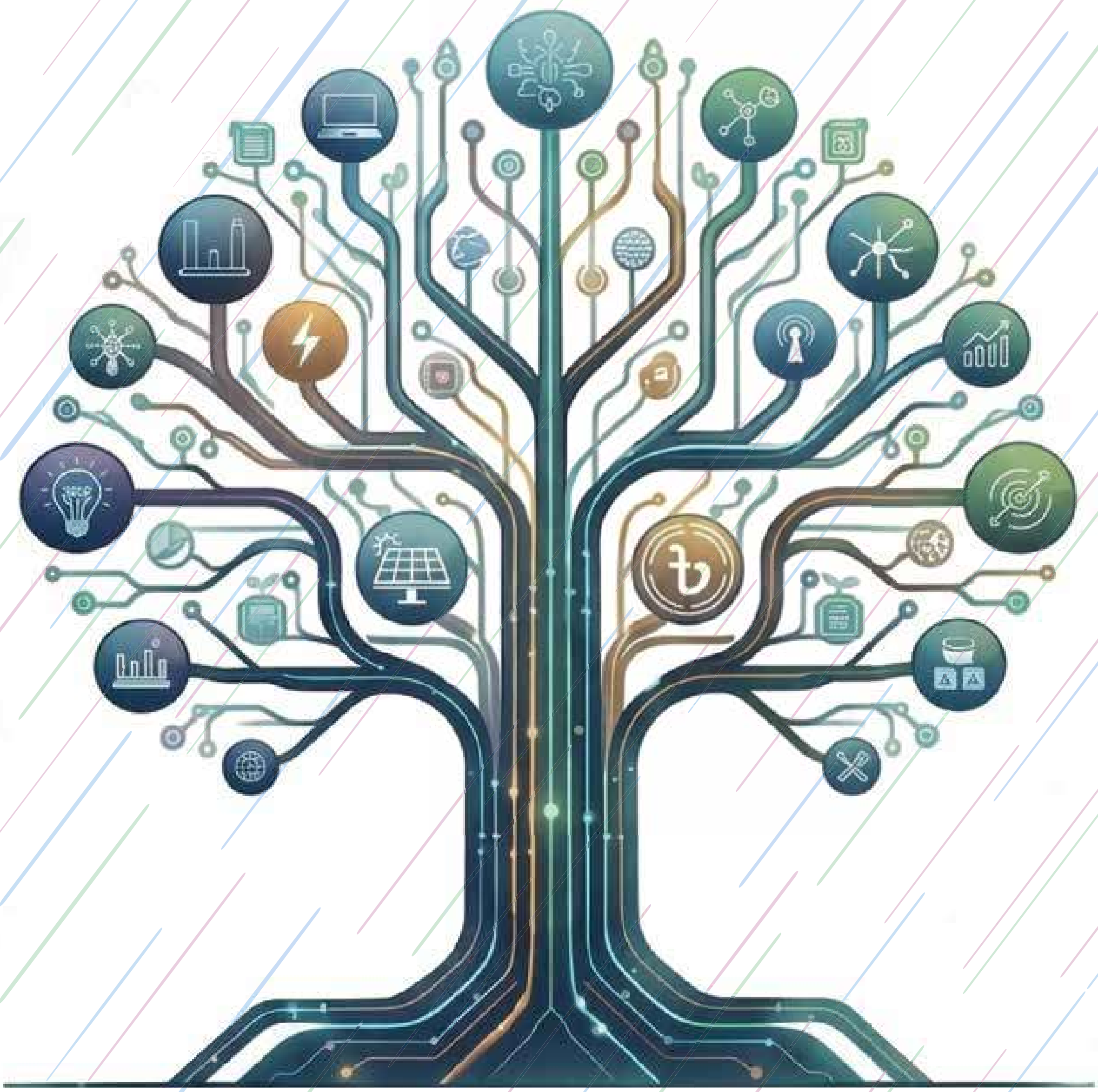
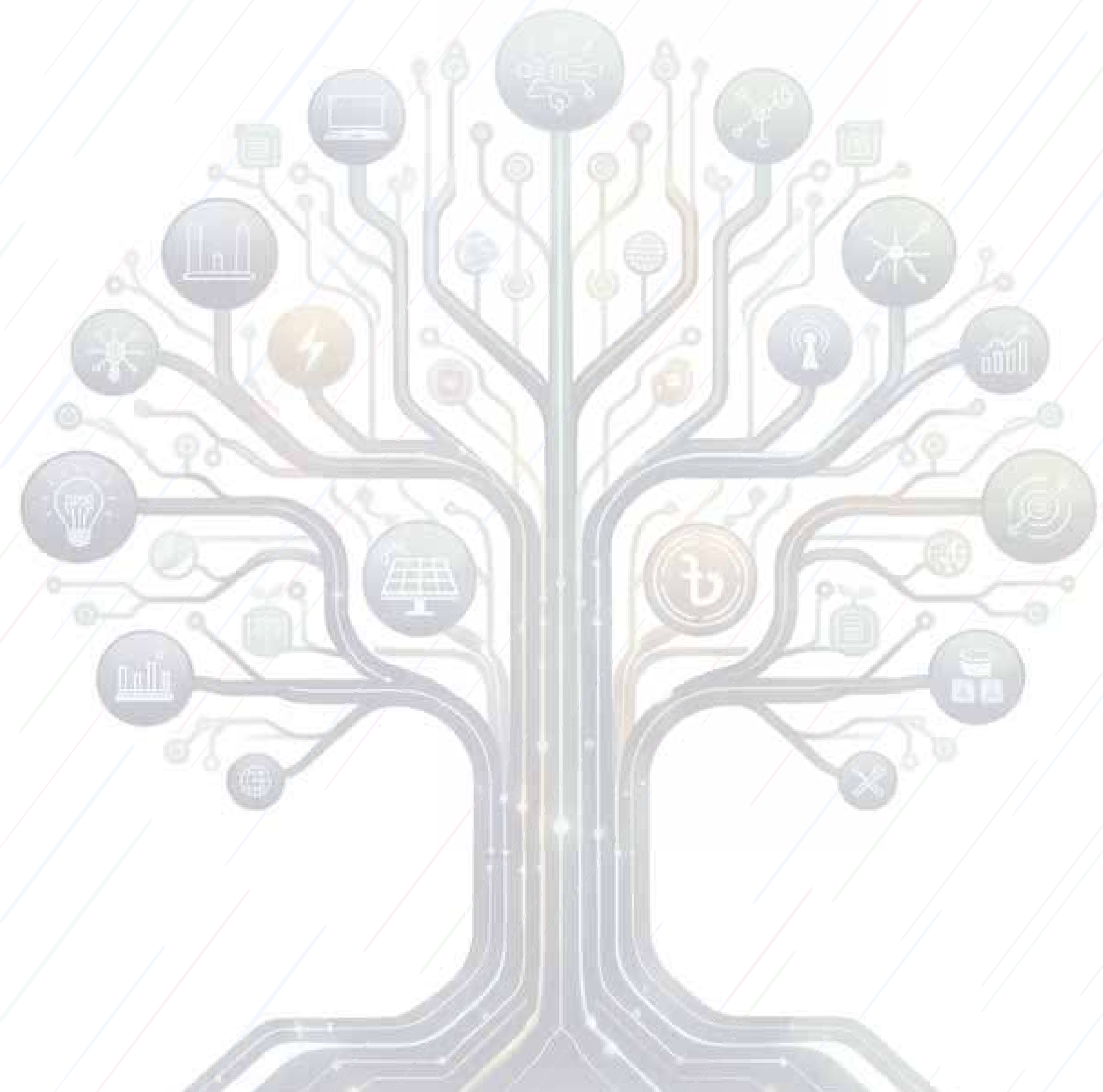
ANNUAL REPORT | 2025



Bay Leasing & Investment Limited

SECURE YOUR FUTURE©

ANNUAL REPORT | 2025



Bay Leasing & Investment Limited

SECURE YOUR FUTURE©

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Letter of Transmittal

To
All Shareholders,
BangladeshBank
Bangladesh Securities and Exchange Commission,
Registrar of Joint Stock Companies and Firms,
Dhaka Stock Exchange Limited and
Chittagong Stock Exchange Limited

Subject: Annual Report for the year ended December 31, 2025.

Dear Sir,
We are delighted to forward a copy of the Annual Report along with the Audited Financial Statements, Consolidated and Separate Balance Sheet as at December 31, 2025 and Income Statements, Cash Flow Statements and Statement of Changes in Equity for the year ended December 31, 2025.

Also attached are the notes of accounts of Bay Leasing and Investment Limited and its subsidiary BLI Capital Limited for your kind perusal and record.
Best regards

Yours sincerely,

Mohammad Rashedul Islam
Managing Director (CC)

Notice of the 30th Annual General Meeting

Notice is hereby given that the 30th Annual General Meeting (AGM) of Bay Leasing & Investment Limited will be held on **September 10, 2026** at **11.00 a.m** to transact the following business. The AGM will be held under Hybrid System as a physical presence at the DSE Multipurpose Hall, DSE Tower, Nikunja-2, Dhaka-1000, and virtual presence by logging the link: https://bayleasing.bdvirtualagm.com

AGENDA

01. To receive, consider, and adopt the Audited Financial Statements of the Company for the year ended on 31st December 2025 together with the reports of the Directors and Auditors thereon.
02. To declare Dividend for the year ended 31st December, 2025
03. To elect or re-elect Director(s), including the confirmation of the appointment of Director and Independent Director.
04. To appoint the Statutory Auditor(s) for the year 2026 and fix their remuneration.
05. To appoint the Compliance Auditor as per the Corporate Governance Code for the year 2026 and fix their remuneration.
06. To transact any other business with the permission of the Chair.

Dated, Dhaka
August 03 , 2026

By order of the Board

Sharmin Akhter
VP & Company Secretary

Notes:

01. As notified earlier the "Record Date" was fixed on August 10, 2026. The Shareholders whose names would appear in the Register of Members of the Company and/or in the Depository on the "Record Date" will be eligible to attend /participate and vote in the Annual General Meeting.
02. A member eligible to attend/Join and vote at the Annual General Meeting (AGM) may appoint a proxy to attend/Join and vote on his/her behalf. The Proxy Form, duly filled, signed, and stamped at BDT 100.00 must be sent through email to the Share Department of the company at **share@blilbd.com** at least 48 hours before the time of holding the meeting.
03. Pursuant to the BSEC notification link of the soft copy of the Annual Report for the year 2025 has been sent to the email address of the shareholders available in their BO account maintained with the depository and is also available on the company's website. **i.e www.blilbd.com**
04. The shareholders will join the AGM physically or virtually through the link https://bayleasing.bdvirtualagm.com.The shareholders will be able to submit their questions/comments and vote electronically before 24 (twenty-four) hours before the commencement of the AGM and during the AGM. Detailed Login /Participation Process for joining 30th AGM through online/Digital Platform will also be available the company website: https://www.blilbd.com.
05. No benefit or gift in cash or kind shall be given to the shareholders for attending the 30th Annual General Meeting as per Circular No. SEC/CMRRCD/2009-193/154 dated October 24, 2013.

For any IT related guidance Shareholders may contact vide email: it@blilbd.com, mobile Number 01710909292 and 01727159185

Our Vision

To be recognized as the most preferred multi-product financial institution for the communities we serve.

Our Mission

- We strive to innovate and offer a plethora of financial products and services.
- We endeavor to enrich the lives of people we touch by sharing, caring in our quest for excellence.
- We aim to build impressive economic value for our stakeholders through the strength of satisfied customers and consistently produce superior operating results.

Bay Leasing Story

Bay Leasing & Investment Limited was incorporated as a public limited company in February 1996 and the company obtained Bangladesh Bank's license as a non-banking financial institution in May 1996. Since its inception, guided by the Financial Institutions Act of 1993, BLIL has been running its operation in a professional manner under the valuable guidance and leadership of its Board of Directors.

From the inception BLIL commenced its Merchant Bank wing operations and later in 2002, the Securities and Exchange Commission (SEC) approved brokerage license which was named as BLI Securities Ltd. In 2009 Bay Leasing offered shares to the public and got listed both in Dhaka and Chittagong Stock Exchange. The following year in 2010, the Company issued "Right Shares" to the Shareholders and subsequently in 2012 the Merchant Banking Wing was converted into a fully owned subsidiary named BLI Capital Limited. In order to reach to a wider community through it's lending to the SME sector in Bangladesh, Bay Leasing took the initiative to participate in various re-finance schemes offered by Bangladesh Bank and signed a number of formal agreements under JICA, ADB funding programs.

These initiatives have enabled the company to facilitate the emerging SME sector to obtain funds at lower cost and improve their efficiency in operations and profitability. Over the years a significant number of business concerns including women owned enterprises, have benefited and expanded their business with the help of Bay Leasing's products and services. In the last 22 years Bay Leasing has ensured its strong presence and gained a good reputation amongst its clients for providing competitive loan and deposit products and have actively participated in the financial development of the society. The success story continued when, in September 2014, the company shifted its Corporate Head Office to its own premises at Eunoos Trade Center, considered as one of the landmark commercial buildings at the Dilkusha commercial area. In March 2015 the company inaugurated its Principal Branch at Dilkusha C/A and in October 2016, the company opened its first semi-urban branch at Mawna, Gazipur which is now being considered as an important industrial hub at the outskirts of Dhaka.

To increase the network of branches and expand the small and medium enterprise client base Bay Leasing formally opened yet another branch at its own premises at level 6 of Rupayan Trade Centre, Bangla Motor in December 2017. In November, 2019 Principal Branch has relocated at Taz Marriot, Plot-SW (I) 4, 2nd floor, 25 Gulshan Avenue, Dhaka-1212.

Core Values

Accountability

We take full responsibility of our actions that influence the lives of our customers and fellow workers.

Commitment

We are committed to roll out a wide range of products, services and other initiatives that impact the lives of both within and outside the organization.

Integrity

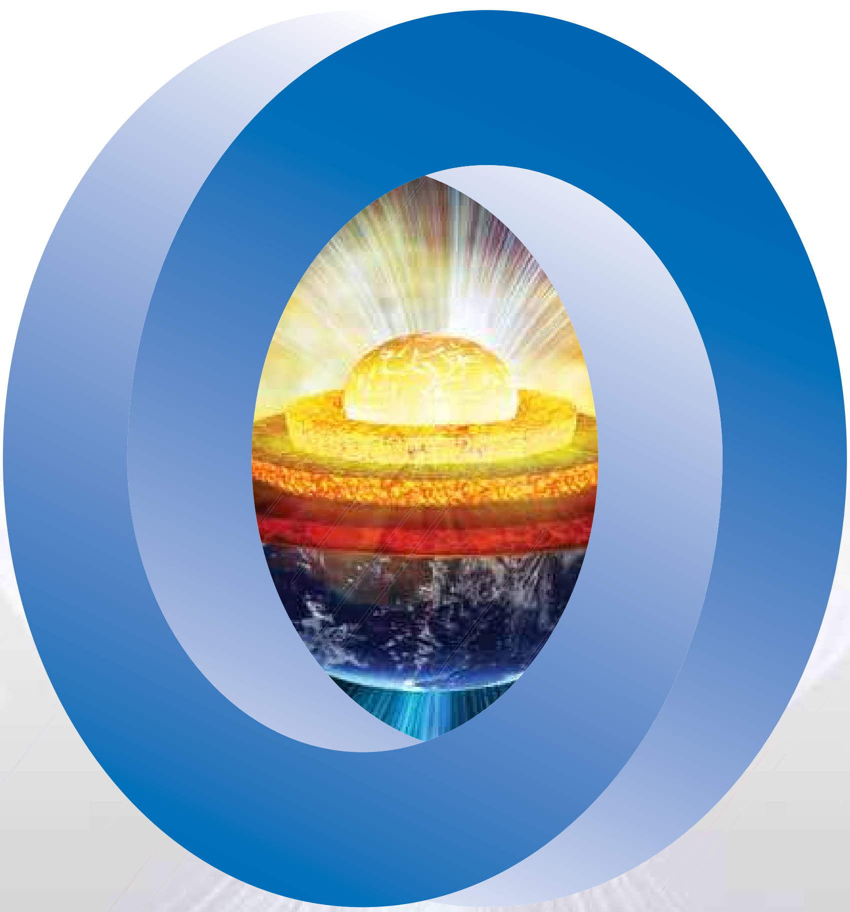
We strive to act with honesty and Integrity without compromising the truth.

Team Work

We believe in individual commitments to a group effort towards a common vission.

Service Excellence

We aim to provide the best quality service to our clients each passing day in our quest for excellence.



Corporate Information

Registered Name of the Company	:	**Bay Leasing & Investment Limited**
Legal Form		A Public Limited Company Incorporated in Bangladesh Under the Companies Act 1994, Listed in Dhaka Stock Exchange & Chittagong Stock Exchange. Licensed as a Non Banking Financial Institution Under the Financial Institutions Act of 1993.
Company Registration Number	:	C - 30251(1477)/96
Bangladesh Bank License Number	:	আঃ প্রঃ (অ-ব্যাংকিং) : বিভাগ/ঢাকা/১৩/৯৬
Trade License No.	:	TRAD/TSCC/274456/2019
Tin No.	:	446777288121
No. of Branch	:	03
Corporate Head Office	:	**Bay Leasing & Investment Limited** Eunoos Trade Center, Level-18 52-53 Dilkusha C/A, Dhaka-1000. Tel: 9592501-5, Fax: 9592500
Auditor	:	**Pinaki & Company** Ideal Trade Center (9th floor) 102 Shaheed Tajuddin Ahmed Sarani Tejgaon 1208. Bangladesh Tel: +8802-401-10592
Tax Advisor	:	**A.Wahab & Co.** Chartered Accountants Hotel Purbani, Annex-2 (4th Floor) 1, Dilkusha C/A, Dhaka
Legal Advisors	:	**Azad & Company** K.R.Plaza (6th Floor) 31, Purana Paltan, Dhaka-100. **LexConsultium** Suite No.-11/4 (11th Floor) 67/9, Kakrail, Dhaka-1000 **Citizen Law Firm** Meherba Plaza Suite No. 11-B (11th Floor), 33, Topkhana Road, Palton Dhaka, Bangladesh. **The Legal Empire** 48/3/E, R.K. Mission Road Dhaka-1203 **Haque & Associates** Shabbir Tower, 3/4 Purana Paltan Dhaka - 1000 **Nexus Legal Counsel** City View Apratment (1st floor), Flat # C2, 23/1 Tope Khana Road Paltan, Dhaka-1000
Memberships	:	**DCCI (Dhaka Chamber of Commerce Industry).** Bangladesh Leasing & Finance Companies Association. Bangladesh Association of Publicly Limited Company. Bangladesh Merchant Bankers Association.

Corporate Information

Company Email	:	**info@blilbd.com**
Company Web Site	:	**http://www.blilbd.com**
Bankers	:	Bank Asia Ltd. BASIC Bank Limited Dutch Bangla Bank Ltd. EXIM Bank Limited Midland Bank Ltd. Jamuna Bank Ltd. Janata Bank Ltd. Mercantile Bank Ltd. Mutual Trust Bank Limited First Security Islami Bank Ltd. National Credit & Commerce Bank Ltd. Sonali Bank Ltd. Pubali Bank Limited Shahjalal Islami Bank Ltd. Southeast Bank Limited Agrani Bank Ltd. Uttara Bank Limited Modhumati bank Limited United Commercial Bank Limited
Associate Company	:	**BLI Securities Limited** **Head Office** Rangs Panorama (4th floor), 80 Shatmosjid Road, Dhanmondi, Dhaka-1209.
Subsidiary Company	:	**BLI Capital Limited.** RupayanTrade Center, Level – 10 114 Kazi Nazrul Islam Avenue, Banglamotor, Dhaka-1000

BRANCH OF BAY LEASING & INVESTMENT LTD.

Principal Branch

Taz Marriot, Plot-SW(I)4, 2nd floor
25 Gulshan Avenue, Dhaka-1212

Mawna Branch

Hazi Riaz Uddin Complex (1st Floor)
Mawna Chowrasta, Sreepur, Gazipur

Bangla Motor Branch

Rupayan Trade Centre, Level-06
114 Kazi Nazrul Islam Avenue , Dhaka-1000

Milestones

1996

FEB - 07	Incorporation as a Public Limited Company
MAY - 19	Certificate for Commencement of Busiens
MAY - 25	Bangladesh Bank License as NBFI.
MAY - 27	Commencement of Commercial Operation.
JUNE - 25	Registration of Merchant Bank Wing.
JULY - 03	First Lease Agreement Signed.
JULY - 24	First AGM

2002

JAN - 09	SEC approval for brokerage house

2008

DEC - 07	Agreement with CDBL.

2009

JAN - 18	IPO opening date for subscription
MAY - 19	Certificate for Commencement of Busiens

2010

AUG - 04	Approval to issue Right Share

2012

JAN - 24	Agreement with Bangladesh Bank for ADB refinance scheme.
JUNE - 11	Agreement with Bangladesh Bank for JICA refinance scheme.
NOV - 07	SEC approval for Merchant Bank Subsidiary - BLI Capital Limited.

2013

JULY - 01	Commencement of business operations of BLI Capital Limited.

2014

SEP - 28	Relocation of Head Office to own premises at Eunoos Trade Centre.
NOV - 02	Bangladesh Bank approval for opening Principal Branch

2016

FEB - 11	Bangladesh Bank approval for opening Mawna Branch.

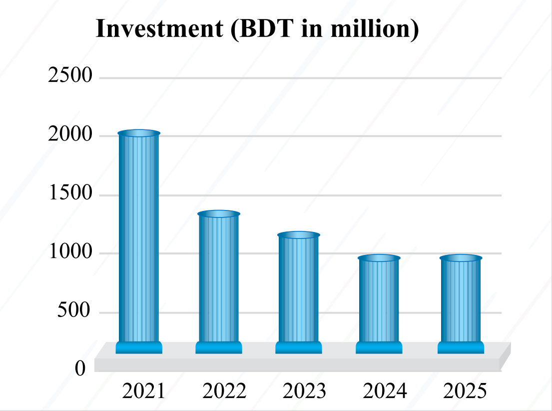
2017

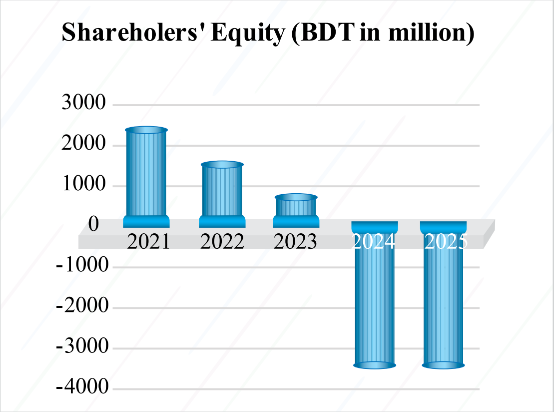
JUN - 15	Bangladesh Bank approval for opening Bangla Motor Branch.

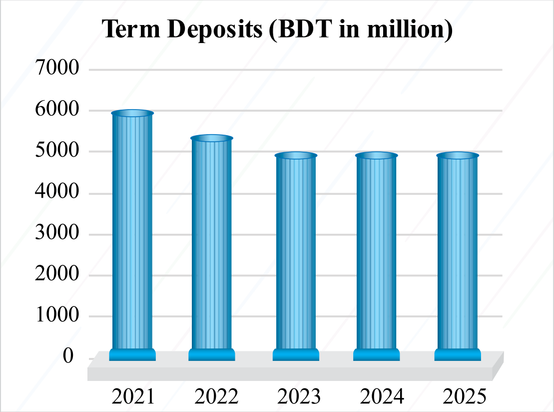
Financial Highlights

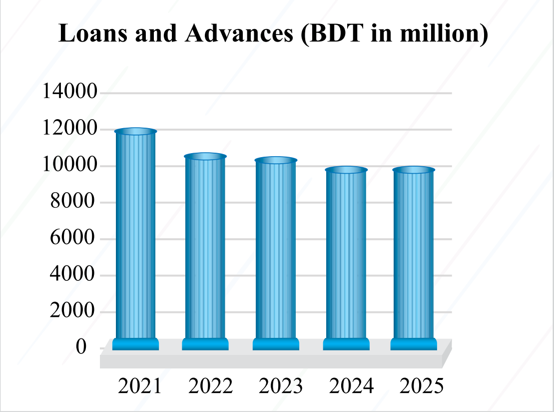
Particulars		2025	2024	2023	2022	2021
Lease, Term & Other Finance		10,245.07	10,123.10	10,613.51	10,823.61	12,149.78
Investments		960.17	1,002.00	1,208.86	1,407.92	2,081.77
Fixed Assets		1,366.83	1,397.07	1,415.03	1,438.25	1,421.03
Other Assets		192.70	194.70	205.83	310.86	419.08
Total Assets		12,939.00	13,428.83	14,419.49	15,236.88	17,190.84
Term & Other Deposits		4,865.92	5,042.18	5,088.17	5,628.57	6,311.03
Long Term Liabilities		10,222.35	10,562.07	7,503.90	7,270.43	7,252.21
Share Capital		1,408.88	1,408.88	1,408.88	1,408.88	1,408.88
Shareholders Equity		(2,768.54)	(3,550.12)	847.03	1,681.03	2,510.44
Operating Revenue		582.67	556.52	693.50	875.92	1,693.36
Financial Expenses		982.19	1,044.77	843.40	870.26	1,048.91
Operating Expenses		126.65	142.89	141.52	153.50	149.56
Profit/(Loss) before Taxation		(526.16)	(631.14)	(803.02)	(759.22)	(82.32)
Net profit/(Loss) after Tax		(968.41)	(4,389.81)	(828.10)	(828.47)	(139.17)
Current Ratio (Times)		0.99	1.10	1.20	1.25	1.29
Debt/Equity Ratio		(3.31)	(2.68)	10.79	6.48	5.40
Return on Equity		34.98%	128.45%	-97.78%	-46.89%	-5.54%
Return on Assets		-5.85%	-28.89%	-6.21%	-5.73%	-0.48%
Dividend	Cash	0.00%	0.00%	0.00%	0.00%	0.00%
	Stock	0.00%	0.00%	0.00%	0.00%	0.00%
Net Asset Value per Share		(19.65)	(25.20)	6.01	11.93	17.82
EPS		(6.87)	(31.16)	(5.88)	-5.88	-0.99

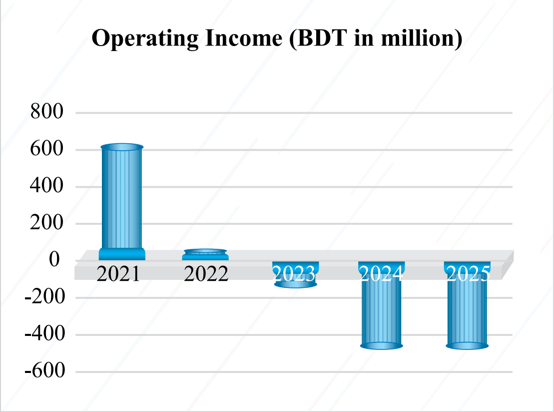
Key Perfomance Indicators











Board of Directors

Mrs. Fatema Zahir Majumder
Chairman

Mrs. Fatema Zahir Majumder takes charge as the Chairman of Bay Leasing and Investment Ltd. It is worth noting that Fatema Zahir Majumder has served efficiently on the Board of Directors of Bay Leasing and Investment Limited for a long time. In addition, she is associated with various organizations in the country and abroad as a woman entrepreneur. After earning her Honors and Master's degrees, she also studied law. She has also obtained French language certification from Alliance Française de Dhaka.

In addition, Fatema Majumder, a social welfare volunteer, is involved in various roles in several organizations including Gulshan Ladies Club, Language Proficiency Center, Tiger Tours Ltd., Blue Flying Academy and many others. She has been contributing as a communicative English language teacher for over two decades. She also plays an important role as a teacher for English language trainers at the American Center in Dhaka.

Abul Quasem
Independent Director

Mr. Abul Quasem is an Independent Director and member of the Board Audit Committee of Bay leasing and Investment Ltd. He completed his B.A. (Hons) and M.A. in Economics in 1967 and 1968 respectively from University of Dhaka.

After a short stint as Lecturer in Economics at Govt. Victoria College, Cumil- la, B.M. College & Syed Hatem Ati College, Barisal, Mr. Quasem joined National Board of Revenue in 1975. Mr. Qusem has 27 years of experience in customs & VAT service and he was the First Secretary and Member of the NBR. In those capac- ities he became fully acquainted with the development at all levels of customs & VAT administration. He was involved in the formulation of Fiscal Budget of GOB.

He was the head of Task force for the policy implementation of Custom Adminis- tration Modernization (CAM) project in the capacity of Member (Customs), NBR Mr. Quasem also worked as nominated Director of the Govt. in the Board of Pan Pacific Sonargaon Hotel while he was Member in NBR and in Bangladesh Gas Field Co. Limited (BGFCL) while he was First Secretary, NBR.

Board of Directors

Md. Habibullah Monju, FCA, is a distinguished finance professional and Fellow Chartered Accountant of the Institute of Chartered Accountants of Bangladesh with over three decades of experience in corporate finance, financial management, and strategic leadership. He has held top executive positions including Chief Financial Officer, Group Finance Director, and Company Secretary across leading multinational and local organizations such as Karnaphuli Fertilizer Company Limited, DBL Group, Pan Pacific Sonargaon Dhaka, Holcim Cement (Bangladesh) Ltd., and ICB Islamic Bank Ltd.

Currently serving as Group Chief Financial Officer and Company Secretary of Cross World Group, he provides strategic financial leadership, overseeing treasury, budgeting, investment planning, risk management, compliance, and capital structuring. Renowned for his expertise in corporate finance, ERP implementation, project financing, and regulatory engagement, Mr. Monju has played a pivotal role in large-scale investments, cross-border financing, and institutional strengthening.

He holds a Master of Commerce in Accounting from the University of Dhaka and qualified as a Chartered Accountant in 1999. His extensive experience and strategic insight make him a highly respected leader in Bangladesh's finance and corporate sector.

Md. Habibullah Monju
Independent Director

Mr. Tareq Ahmed Salahuddin Khan is a seasoned management consultant and development professional with over two decades of experience in SME sector development, project management, financial consulting, and entrepreneurship capacity building. As an Independent Director of Bay Leasing and Investment Ltd., he brings a strong combination of industry insight and development expertise.

Mr. Khan has collaborated extensively with international development partners, financial institutions, and government agencies on programs supported by the World Bank, Green Climate Fund (GCF), ILO, and other donor organizations. His professional portfolio includes key roles in the Program, Export Readiness Fund - a project under World Bank and Energy Efficiency in RMG Sector - a project under IDCOL.

Prior to his consulting career, Mr. Khan held senior roles in the financial sector at Union Capital Ltd., National Finance Ltd., MIDAS, and MIDAS Financing Ltd., contributing to product design, policy development, and institutional strengthening.

Mr. Khan holds a Master of Commerce degree from the University of Dhaka and a Post Graduate Diploma in Management Consulting from the Institute of Management Consultants Bangladesh (IMCB), where he is an Associate Member. He has also received advanced training in risk management, entrepreneurship development, and project appraisal from institutions in Japan, Sri Lanka, and Bangladesh.

Tareq Ahmed Salahuddin Khan
Independent Director

Board of **Directors**

Maksuda Akter Rosy
Independent Director

Ms. Maksuda Akter Rosy is a veteran banking professional with over 28 years of experience at Sonali Bank Limited, where she held senior leadership positions including General Manager, Deputy General Manager, and Branch Manager. She brings extensive expertise in branch operations, SME and retail banking, credit management, and organizational administration, along with a strong track record of leadership, regulatory compliance, and service excellence.

She holds an M.Sc. in Aquaculture & Management and a B.Sc. (Hons.) in Fisheries from Bangladesh Agricultural University, and has obtained the DAIBB professional certification. Ms. Rosy's long-standing experience and strategic insight contribute significantly to institutional governance and operational effectiveness.

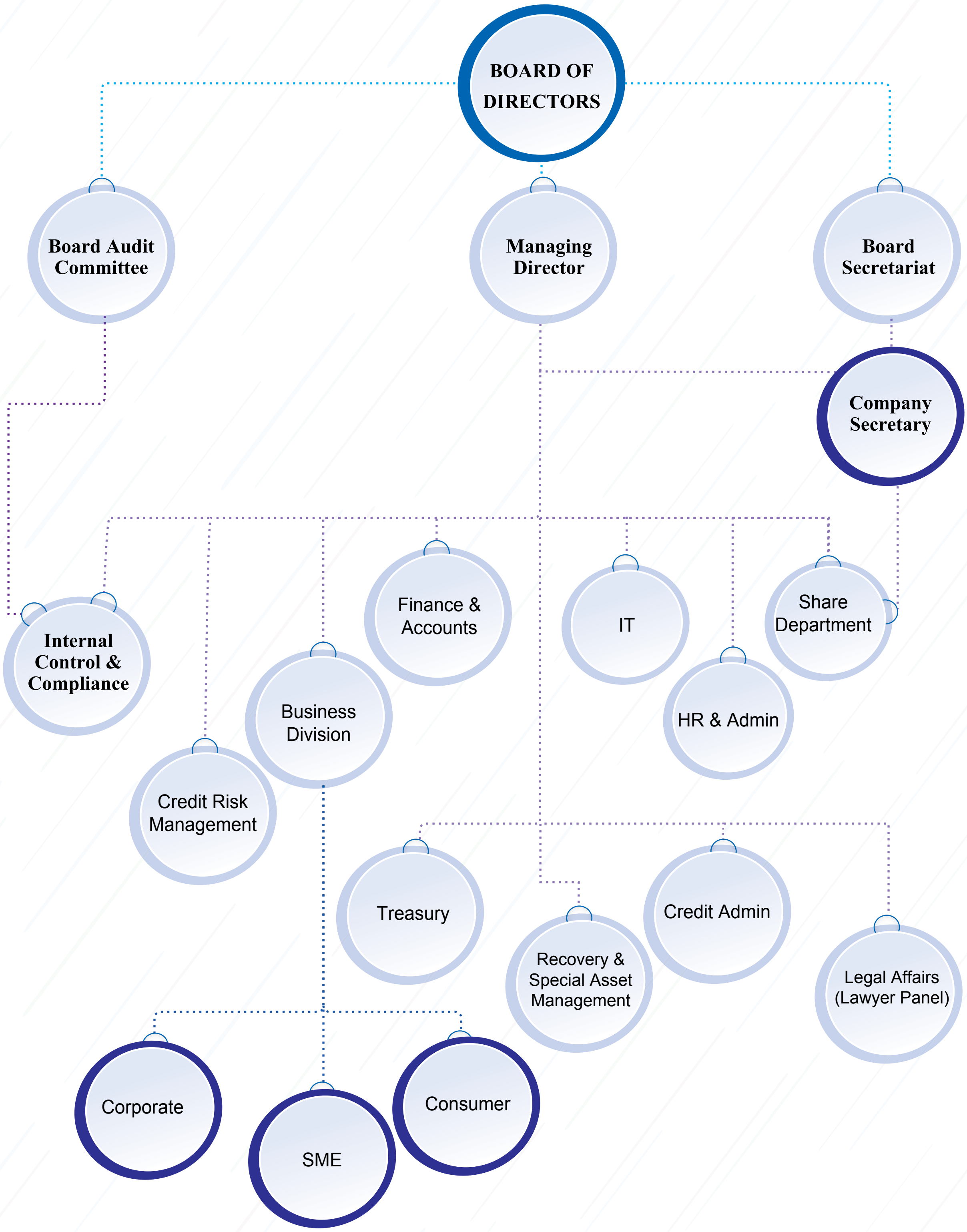
Mohammad Rashedul Islam
Managing Director (CC)

Mohammad Rashedul Islam has been acting as Managing Director (CC) of Bay Leasing & Investment Limited, since May 2025. His professional journey, spanning over 17 years, reflects a strong foundation in financial services and a steady progression in leadership roles.

Mohammad Rashedul Islam began his career as a Management Trainee Officer at IPDC in 2008, marking the start of a promising path in the financial industry. He subsequently served at BD Finance, further enhancing his exposure and expertise in the NBFI domain. In 2011, he joined Bay Leasing & Investment Limited, where he steadily rose through the ranks, notably serving as the Head of the Principal Branch.

A graduate in Engineering from Shahjalal University of Science and Technology (SUST), he further augmented his credentials with an MBA from the prestigious Institute of Business Administration (IBA), University of Dhaka. His blend of technical knowledge in his profession.

ORGANOGRAM


BOARD OF DIRECTORS
Board Audit Committee
Managing Director
Board Secretariat
Company Secretary
Internal Control & Compliance
Credit Risk Management
Business Division
Finance & Accounts
IT
HR & Admin
Share Department
Treasury
Recovery & Special Asset Management
Credit Admin
Legal Affairs (Lawyer Panel)
Corporate
SME
Consumer

Management Committee (MANCOM)

Mohammad Rashedul Islam
Managing Director (CC)
& Chairman, MANCOM

Mrs. Sharmin Akhter
Company Secretary
Member

Mr. Pronob Kumer Das
Head of SAM
Member

Md Zabed Miah
Head of Mawna Branch

Mr. Samir Saha
Head of ICC
Member

Mr. Enayet Kabir
Head of Finance & Accounts
Member

Mr. Faisal Bin Naser Ahmed
Head of CAD
Member

Mr. A.K.M. Jahirul Islam
Incharge CRM
Member

Mr. Md. Mahade Hasan Bhuyan
RM Corporate
Member Secretary

COMMITTEES

MANAGEMENT COMMITTEE (MANCOM)

Mohammad Rashedul Islam	- Chairman
Mrs. Sharmin Akhter	- Member
Mr. Pronab Kumar Das	- Member
Mr. Md. Zabed Miah	- Member
Mr. Samir Saha	- Member
Mr. Enayet Kabir	- Member
Mr. Faisal Bin Naser Ahmed	- Member
Mr. A.K.M. Jahirul Islam	- Member
Mr. Md. Mahade Hasan Bhuyan	- Member Secretary

CREDIT COMMITTEE (CC)

Mr. Mohammad Rashedul Islam	- Chairman
Mr. Pronab Kumar Das	- Member
Mr. Faisal Bin Naser Ahmed	- Member
Mr. A.K.M. Jahirul Islam	- Member
Mr. Md. Mahade Hasan Bhuyan	- Member Secretary

CENTRAL COMPLIANCE UNIT (CCU)

Mr. Mohammad Rashedul Islam	- CAMLCO
Mr. Md. Arifur Rahman Badhan	- DE-CAMLCO
Shakila Rahman	- Member

BASEL IMPLEMENTATION UNIT (BIU)

Mr. Mohammad Rashedul Islam	- Head of BIU
Mr. Enayet Kabir	- Member
Mr. Samir Saha	- Member
Md. Jashim Uddin Rajib	- Member

ASSET & LIABILITY MANAGEMENT COMMITTEE (ALCO)

Mr. Mohammad Rashedul Islam	- Chairman
Mr. Enayet Kabir	- Member
Mr. Samir Saha	- Member
Md. Golam Mahiuddin Polash	- Member
Mr. Md. Arifur Rahman Badhon	- Member Secretary

COMMITTEES

RISK MANAGEMENT FORUM (RMF)

Mr. Mohammad Rashedul Islam	- Chief Risk Officer
Mrs. Sharmin Akhter	- Member
Mr. Samir Saha	- Member
Md. Golam Mahiuddin Polash	- Member
Mr. A.K.M. Jahirul Islam	- Member

RISK ANALYSIS UNIT (RAU)

Mr. Nawshad Md. Aziz Arman	- Unit Head
Ms. Nasrin Akhter	- Member
Mr. Md. Jashim Uddin Rajib	- Member

INTEGRITY COMMITTEE

Mr. Mohammad Rashedul Islam	- Committee Head
Mrs. Sharmin Akhter	- Focal Point
Mr. Pronab Kumar Das	- Member
Ms. Aklima Akhi	- Member
Mr. Md. Arifur Rahman Badhon	- Member

SUSTAINABLE FINANCE COMMITTEE

Mr. Mohammad Rashedul Islam	- Committee Head
Mr. Faisal Bin Naser Ahmed	- Member
Mr. Samir Saha	- Member
Mr. Pronab Kumar Das	- Member
Mr. Md. Mahade Hasan Bhuyan	- Member Secretary

SUSTAINABLE FINANCE UNIT

Mr. Faisal Bin Naser Ahmed	- Unit Head
Mr. A.K.M. Jahirul Islam	- Focal Point Official
Mr. Nawshad Md. Aziz Arman	- Fallback Person
Ms. Nasrin Akhter	- Member

CHAIRMAN'S MESSAGE

Mrs. Fatema Zahir Majumder
Chairman

Dear Shareholders

On behalf of the Board of Directors, I am pleased to welcome our esteemed shareholders to the 30th Annual General Meeting of Bay Leasing & Investment Limited (BLIL). I want to brief you on the economic and financial sector developments that shaped the operating environment in 2025 and present the Company's performance for the year ended 31 December 2025.

In 2025, Bangladesh continued to navigate the consequences of the major political transition that followed the student-led mass uprising of July–August 2024. The interim government pursued a reform agenda focused on restoring institutional integrity, strengthening governance, and laying the groundwork for a credible democratic transition. While these reform initiatives generated cautious optimism, ongoing political uncertainty, discussions regarding the timing and scope of national elections, and the need to rebuild public trust continued to influence business confidence and investment decisions.

During the year, unresolved weaknesses in governance, the financial sector and the broader economy became more visible. The operating environment for Finance Companies remained difficult as high funding costs, liquidity constraints, weak borrower repayment capacity and continued concerns over asset quality weighed on sector performance.

Although the Company continued to face significant challenges in 2025, we believe the progress achieved in reducing losses, lowering provisions and maintaining operational continuity provides a basis for cautious optimism. We remain committed to disciplined recovery efforts, prudent risk management, stronger governance and careful use of available resources as we work to restore stakeholder confidence and return the Company to sustainable profitability over time.

Global Economy

The global economy in 2025 moved through a period of cautious stabilization. Inflationary pressure eased in many major economies compared with the previous peak, but monetary policy remained careful as central banks balanced price stability with the need to support growth. According to the International Monetary Fund (IMF), global economic growth is estimated at 3.0% in 2025, marginally higher than earlier projections but still below the historical average of 3.7% recorded prior to the pandemic. Global trade and investment sentiment continued to be influenced by geopolitical tensions, supply-chain realignment, energy market volatility, and shifting tariff and trade policy risks.

Despite these headwinds, investment in technology, artificial intelligence, clean energy and semiconductor capacity continued to shape long-term growth prospects. However, for emerging economies, the benefits of these trends were uneven, as high financing costs, external debt vulnerabilities, and exchange rate pressures continued to limit fiscal and investment flexibility.

Overall, 2025 was characterized by gradual adjustment rather than broad-based acceleration. The global outlook improved modestly as inflation moderated and selected economies began preparing for policy easing, but growth remained exposed to geopolitical fragmentation, trade uncertainty and uneven recovery across regions.

For Bangladesh and other emerging markets, the external environment remained challenging. Sustained growth continued to depend on stable policy frameworks, export competitiveness, prudent debt management, technological adaptation and the ability to attract long-term investment despite global uncertainty.

National Economy

Bangladesh's economy continued its gradual stabilization during 2025 amid ongoing macroeconomic reforms and improving external sector performance. According to the International Monetary Fund (IMF), real GDP growth moderated to approximately 3.8% in FY2024–25, compared with 4.2% in the previous fiscal year, reflecting subdued private investment, weaker industrial activity and the impact of tight monetary policy. Nevertheless, the economy showed increasing signs of recovery during the second half of the year, supported by stronger exports, record remittance inflows and improving foreign exchange reserve conditions.

Inflation remained one of the country's principal macroeconomic challenges. Although inflation gradually eased during the latter part of the year, average inflation remained around 10%, driven mainly by food prices, exchange rate adjustments and higher utility costs. Bangladesh Bank therefore maintained a prudent monetary policy stance while continuing the implementation of a market-based interest rate and exchange rate framework to strengthen macroeconomic stability. The external sector demonstrated notable resilience throughout the year. Merchandise exports continued to expand, led primarily by the ready-made garments (RMG) industry, while workers' remittance inflows reached a historic high of over US$30 billion, significantly strengthening foreign exchange liquidity. As a result, gross foreign exchange reserves recovered to above US$31 billion by June 2025, compared with less than US$20 billion a year earlier, improving the country's external position and import coverage

Fiscal policy remained focused on preserving macroeconomic stability while supporting social protection, infrastructure development and institutional reforms. The Government continued implementing measures to strengthen revenue mobilization, improve public financial management and accelerate structural reforms under the IMF-supported program.

Overall, the national economy in 2025 reflected a fragile and uneven recovery, with inflationary pressure, external debt vulnerabilities, weak private investment and fragile investor confidence continuing to shape the operating environment.

Financial Sector & Finance Companies (NBFI)

In 2025, Bangladesh's financial sector entered a more transparent but difficult phase as stricter loan classification standards and closer regulatory scrutiny exposed the depth of accumulated asset-quality stress. Non-performing loans rose sharply across the banking system, limiting credit capacity, increasing provisioning needs and weakening capital strength. While the recognition of problem assets created short-term pressure, it was also an important step toward restoring discipline, transparency and long-term stability in the sector.

Asset quality remained the sector's most pressing concern. According to Bangladesh Bank, total classified loans in the banking sector stood at approximately BDT 557,217 crore at the end of December 2025, representing 30.60% of total outstanding loans. Although this reflected an improvement from the record 35.73% reported in September 2025 following intensified recovery efforts, it remained substantially higher than the 20.20% recorded at the end of 2024, underscoring the continued vulnerability of the banking system.

Throughout the year, Bangladesh Bank continued implementing comprehensive financial sector reforms, including the adoption of a fully market-based interest rate framework, greater exchange rate flexibility and strengthened prudential supervision. These measures were intended to improve monetary policy transmission, enhance market discipline and align the country's financial system with international best practices. However, banks remained cautious in extending new credit, with lending activity constrained by weak borrower confidence, deteriorating asset quality and the need to preserve capital and liquidity.

The capital market also experienced another subdued year. Investor sentiment remained weak amid high interest rates, limited market liquidity and macroeconomic uncertainty. Although regulatory initiatives aimed at improving transparency, corporate governance and market discipline continued during the year, trading activity and capital market participation remained below historical levels.

For banks, income from government securities provided some support in the high-rate environment, but the sharp rise in classified loans and higher provision requirements weighed heavily on profitability and capital adequacy. For NBFIs, the operating challenge was more severe because weaker depositor confidence, limited access to stable funds, high funding costs and slow loan recovery restricted balance sheet growth and reduced their ability to support new business expansion.

The NBFI sector remained one of the most stressed segments of the financial system in 2025. Classified loans continued to rise as stricter monitoring revealed previously hidden weaknesses, while depositor confidence remained fragile amid concerns over weak institutions and possible sector consolidation. As of September 2025, classified loans of NBFIs increased to approximately BDT 29,400 crore, representing nearly 37% of total outstanding loans, reflecting a further deterioration in asset quality. The sector also continued to experience severe liquidity constraints, limited access to fresh deposits and higher funding costs, which adversely affected lending activities and profitability.

Against this challenging backdrop, most NBFIs concentrated on strengthening recovery efforts, improving credit discipline, preserving liquidity, reducing operating costs and enhancing risk management rather than pursuing aggressive business growth. Regulatory emphasis on improved governance, stricter loan classification, stronger provisioning requirements and enhanced supervisory oversight is expected to strengthen the resilience of the sector over the medium term.

Looking ahead, the outlook for Bangladesh's financial sector remains cautiously optimistic. The continuation of banking sector reforms, improvements in corporate governance, resolution of distressed assets and restoration of depositor confidence will be critical to rebuilding financial stability. As macroeconomic conditions gradually improve and policy reforms gain traction, both banks and NBFIs are expected to benefit from stronger credit demand, improved liquidity and a more sustainable operating environment.

Company Financial Position

For 2025, the Company's performance should be assessed against a difficult operating environment marked by elevated funding costs, constrained liquidity, weak borrower repayment capacity and continued pressure on asset quality across the NBFI sector. Although the net earnings of the Company remained loss, the year reflected progress in reducing the scale of losses and provisions, preserving operational continuity and strengthening recovery-focused initiatives.

The consolidated lease, loans and advances portfolio increased modestly by 1.20%, rising from BDT 10123.10 million in 2024 to BDT 10245.07 million in 2025. This limited growth was consistent with the Company's cautious approach to new business, with priority given to portfolio quality, collection discipline, liquidity management and the preservation of stakeholder confidence.

Total operating loss narrowed to BDT (399.51) million in 2025 from BDT (488.24) million in 2024, supported by higher interest income and higher other operating income. However, net interest income remained negative as elevated deposit and borrowing costs continued to outweigh the benefit of portfolio income. Management therefore remained focused on cost discipline, recovery of overdue accounts and improving the quality of earnings over time.

The Company reported a consolidated net loss after taxation of BDT (968.41) million in 2025, compared with a net loss of BDT (4,389.81) million in 2024. While this result remains unsatisfactory, the significant loss reduction reflects lower provisioning pressure, stronger recovery efforts and a more disciplined operating approach. Total provisions declined to BDT 429.69 million in 2025 from BDT 3,739.13 million in 2024, and earnings per share improved to BDT (6.87) from BDT (31.16).

Borrowings from banks, other financial institutions and agents decreased by 4.71% to BDT 4.30 billion in 2025 from BDT 4.52 billion in 2024, reflecting continued balance sheet discipline and cautious liability management. Deposits and other accounts decreased by 3.50% to BDT 4.87 billion from BDT 5.04 billion, mainly due to lower term deposits and other deposits. Total assets stood at BDT 12.94 billion, compared with BDT 13.43 billion in 2024, while the negative equity position improved to BDT (2.77) billion from BDT (3.55) billion, indicating gradual progress in stabilizing the Company's financial position.

Future Strategy

At Bay Leasing & Investment Limited, our foremost priority will continue to be strengthening asset quality, enhancing recovery efforts, maintaining prudent risk management, improving operational efficiency and preserving liquidity. We remain committed to building a sustainable and resilient institution through sound corporate governance, disciplined credit practices, effective cost management and continued digital transformation. These strategic priorities will enable us to strengthen our financial position and create sustainable value for our shareholders and stakeholders, considering the financial sector.

Acknowledge

Although 2025 remained a challenging year for the financial sector, we believe that the comprehensive reform initiatives undertaken by the Government and Bangladesh Bank have laid the foundation for a more resilient and transparent financial system. As macroeconomic stability gradually improves and confidence in the financial sector is restored, we remain optimistic about the long-term prospects of both the economy and the NBFI industry.

On behalf of the Board of Directors, I extend my sincere appreciation to my fellow Directors for their invaluable guidance, wisdom and unwavering support throughout the year. I also express my heartfelt gratitude to our valued shareholders, clients, business partners, lenders and all other stakeholders for their continued confidence and trust in Bay Leasing & Investment Limited during this challenging period. Also like to convey our sincere appreciation to Bangladesh Bank, the Securities and Exchange Commission (BSEC) and other regulatory bodies for their guidance and support.

Fatema Zahir Majumder
Chairman

MD's STATEMENT

Mohammad Rashedul Islam
Managing Director (CC)

Dear Valued Shareholders

Assalamu Alailkum oya Rahmatullahe Obarakatuhu,

I begin by extending my sincere wishes for your continued good health, happiness, and well-being. On behalf of Bay Leasing & Investment Limited, I express my deep appreciation to our valued shareholders for their continued trust, support, and encouragement, which have remained instrumental in sustaining the Company's operations amid the continuing challenges of 2025.

During the year, Bay Leasing & Investment Limited marked a significant milestone, completing 30 years since its incorporation in February 1996. Over nearly three decades, the Company has continued to serve its customers and stakeholders through varying economic cycles. However, the year 2025 continues to pose exceptional challenges, including global economic slowdown, persistent geopolitical tensions, inflationary pressure, elevated funding costs, and volatility in foreign exchange markets, all of which continued to affect economic activity and the financial sector.

Company Performance

During 2025, the Company continued to operate under a challenging business and financial environment. Notwithstanding these conditions, certain key indicators reflected signs of gradual improvement compared with the preceding year. Lease, loans and advances increased by 1.20% to BDT 10245.07 million from BDT 1012.3.10 million in 2024, indicating moderate portfolio growth. Total assets stood at BDT 12939.05 million as at 31 December 2025, compared with BDT 13428.83 million in the previous year. Borrowings from banks and other financial institutions decreased by 4.71% to BDT 4302.59 million, while deposits and other accounts declined by 3.50% to BDT 486.59 million. The Company reported a consolidated net loss after tax of BDT 968.41 million for the year, compared with a net loss of BDT 4,389.81 million in 2024, representing a significant loss reduction. Earnings per share also improved to negative BDT 6.87 from negative BDT 31.16 in the preceding year.

During the year under review, management remained firmly committed to maintaining operational continuity, enhancing internal discipline, and addressing the structural and market-related challenges that continued to affect the Company's performance. Although Bay Leasing & Investment Limited has not yet returned to profitability, the notable reduction in net loss compared with the preceding year indicates gradual progress arising from focused recovery measures, prudent cost control, and strengthened supervision of portfolio risk. The Company placed continued emphasis on borrower follow-up, depositor confidence, stakeholder communication, liquidity management, and the quality of new business decisions. Management also undertook regular reviews of operational priorities and strategic initiatives to ensure that the Company's actions remain aligned with its long-term objective of restoring financial stability, strengthening governance, and rebuilding sustainable value for shareholders and other stakeholders.

Business Strategy

Bay Leasing & Investment Limited remains committed to rebuilding a resilient and sustainable business model. The Company's strategy for the coming period will focus on improving asset quality, strengthening recovery initiatives, managing funding costs, and gradually diversifying the liability base toward more stable public deposits. The Company will continue to explore opportunities in the Cottage, Small, and Medium Enterprise sector while maintaining prudent credit standards. Cost efficiency, disciplined liquidity management, and continuous portfolio risk monitoring will remain central to the Company's efforts to restore financial strength and create long-term value for shareholders.

"OUR GOAL IS TO RESTORE FINANCIAL STRENGTH AND DELIVER PROFITABLE, SUSTAINABLE GROWTH OVER THE LONG TERM."

Risk Management

Risk management is embedded in the Company's organizational structure, culture, operations, systems, and processes. Business risks across the Company are addressed in a structured and systematic manner through a predefined risk management framework. The Board continuously assesses the risks faced by the Company and updates policies to maintain an appropriate balance between risk and growth. Management is responsible for implementing the policies approved by the Board across the organization.

Compliance & Governance

The Company considers compliance and sound corporate governance to be fundamental to sustainable recovery and long-term institutional strength. The Company continues to strengthen its governance practices with the objective of promoting transparency, accountability, responsible decision-making, and the protection of the interests of shareholders, customers, regulators, and other key stakeholders. BLIL complies with the Corporate Governance Code and other directives issued by the Bangladesh Securities and Exchange Commission, together with relevant circulars, policies, and guidelines issued by Bangladesh Bank, Dhaka Stock Exchange, Chittagong Stock Exchange, and other regulatory authorities.

Acknowledgement

I extend my sincere gratitude to our valued shareholders, regulators, customers, and other stakeholders for their continued support and patronage during another challenging year. I also convey my appreciation to my esteemed colleagues on the Board of Directors for their guidance and support in overseeing the affairs of the Company. Finally, I express my sincere appreciation to all employees for their dedication, professionalism, and resilience in carrying out their responsibilities and supporting the Company's recovery efforts throughout 2025.

Mohammad Rashedul Islam
Managing Director (CC)

Bay Leasing's Risk Management and Anti-Money Laundering & Combating Terrorist Financing Initiatives

Risk management is an area that is experiencing rapid growth and it entails various perspectives and factors that are involved, how they are conducted and their uses. As a consequence of global financial crisis, regulators and financial industry leaders agree on the need for a comprehensive risk management reform in the financial field. Even though solutions may differ, most agree that the lack of an appropriate risk management system was one of the key factors in causing the financial crisis.

Banks and financial institutions assume risks during the course of conducting business for the purpose of realizing returns on investments. It is obvious that these risks can potentially eliminate expected returns and entail losses for these institutions. Some are expected while others may be unexpected. Banks and Financial Institutions typically have reserves for expected losses but unpredictable events such as economic crisis or falling interest rates cause institutions to rely on their capital to alleviate related losses. This is where the need for effective risk management frameworks in banks and financial institutions are crucial for their survival. By utilizing efficient risk management systems, these institutions will become competent in optimizing their risk return trade off.

Because taking risk is an integral part of the business, it is not surprising that financial institutions have been practicing risk management from their nascent stage. The only real change is the degree of sophistication now required to reflect the more complex and fast paced environment.

The Asian financial crisis of 1997 illustrates that ignoring basic risk management can also contribute to economy-wide difficulties. The long period of remarkable economic growth and prosperity in Asia masked weaknesses in risk management at many financial institutions. Many Asian banks did not assess risk or conduct a cash flow analysis before extending a loan, but rather lent on the basis of their relationship with the borrower and the availability of collateral, despite the fact that collateral was often hard to seize in the event of default. The result was that loan portfolio expanded faster than the ability of the borrowers to repay. Additionally, because many banks did not have or did not abide by limits on concentrations of lending to individual firms or business sectors, loans to overextended borrowers worsened the situation and Bank/FI's who indulged in this practice weakened the most.

Although avoiding failure is a principal reason for managing risk, global financial institutions also have the broader objective of maximizing their risk - adjusted rate of return on capital, or RAROC. This means not just avoiding excessive risk exposures, but measuring and managing risks relative to returns and to capital. By focusing on risk - adjusted returns on capital, global institutions avoid putting too much emphasis on activities and investments that have high expected returns but equally high or higher risk. This has led to better management decisions and more efficient allocation of capital and other resources. Indeed, bank shareholders and creditors expect to receive an appropriate risk - adjusted rate of return, with the result that banks that do not focus on risk - adjusted returns will not be rewarded by the market.

A point too often overlooked, however, is that, by focusing on risk - adjusted returns, risk management also contributes to the strength and efficiency of the economy. It does so by providing a mechanism that is designed to allocate resources, initially financial resources but ultimately real resources to their most efficient use. Projects with the highest risk adjusted expected profitability is the most likely to be financed and to succeed. The result is more rapid economic growth. The ultimate gain from risk management is higher economic growth. Without sound risk management, no economy can grow to its potential. Stability and greater economic growth, in turn, lead to greater private saving, greater retention of that saving, greater capital imports and more real investment. Without it, not only do we lose these gains, but we also incur the considerable costs of bank disruptions and failures that follow from unexpected, undesired and unmanaged risk - taking.

Definition of Risk – Our simplified view

To simplify the concept and for better risk management, we define Risk as the combination of the probability of an event and its consequences. In simple term, risks can be seen as a combination of the chance that something may happen and the degree of damage or loss that may result if it does occur. Sticking with this simplified way of defining risk, Bay Leasing & Investment Limited try to grab all the potential areas of risks considering their probability of occurrence and try to fathom its depth of damage towards our company.

Risk Management Infrastructure of Bay Leasing

In Bay Leasing & Investment Limited, the issue of risk management is considered to be one of the major key matters of the company. To ensure utmost importance as well as to comply with the requirements of Bangladesh Bank, several committees comprising of subject matter experts, have been formed to have better risk management and monitring system. Furthermore, the teams related to compliance as well as the Board Audit Committee keenly monitor the overall risk management. The diagram attached herewith represents the teams and departments that are dealing with risk management issues:

The approval process has been designed in such a way to minimize the credit risks assosciated to lending. The continous rivew of operational processs also been maintained to elimiate potential operational risks.

However, apart from credit risk and operational risks there have been few more risk areas that have been emerged in recent decade. Among them the risk of Money Laundering (ML) and Terrorist Financing (TF) is considered to be one of the global issues. Considering the impact of such risk areas, ML/TF has been given a special attention from our management.

Special focus on combating Money Laundering and Terrorist Financing

The international community has made the fight against money laundering and the financing of terrorism a priority. Among the goals of this effort are: protecting the integrity and stability of the international financial system, cutting off the resources available to terrorists, and making it more difficult for those engaged in crime to profit from their criminal activities.

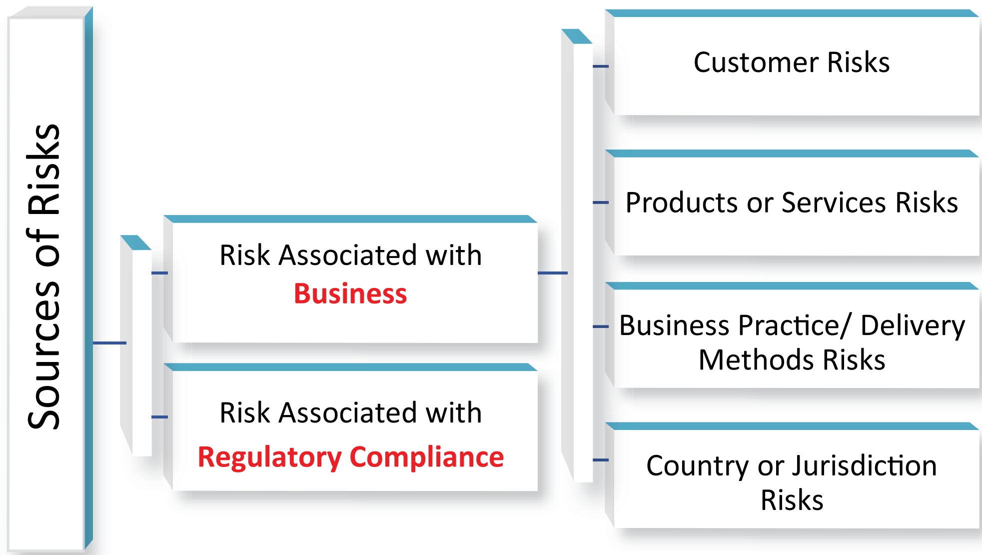
Recommendation 1 of Financial Action Task Force (FATF), the international standard setter on anti money laundering (AML) and combating terrorist financing (CFT) requires financial institutions and designated non-financial businesses and professions (DNFBPs) to identify, assess and take effective action to mitigate their money laundering and terrorist financing risks. This requirement is reflected in the Money Laundering Prevention Rules (MLPR) 2013. Rule 21 of MLPR 2013 contains that every Reporting Organization-Financial Institution (RO-FI) shall conduct periodic risk assessment and forward the same to the Bangladesh Financial Intelligence Unit (BFIU) for vetting. Rule 21 also contains that RO-FI shall utilize this risk assessment report after having vetted by BFIU.

Bangladesh Bank, as the Central Bank and the governing authority of Bay Leasing & Investment Limited, has provided guideline's with instructions and indications to identify, assess the risk of ML & TF in our businesses and to take effective measures to mitigate the identified risk and monitor and review the risk management procedures and controls of ML & TF risk.

In compliance to Bangladesh Bank's guidelines strictly, Bay Leasing has prepared its risk assessment report and meticously follow it to minimize and/or prevent the risk of money laundering and terrorst financing with utmost importance.

Risks to be managed

There are two main sources of ML/TF risks that the financial institution should take into account and to take necessary measures to mitigate this. They are:



Risk associated with Business: is the ML & TF risk that arises or generated in doing day to day business of the financial institution. Therefore, the particular term "business" of the financial institution exposed to four major categories of risks i.e. 1) Customers; 2) Products or Services; 3) Business Practice/ Delivery Methods; & 4) Country or Jurisdiction. Hence, the financial institution should have a strong measure to identify and mitigate the ML & TF risks associated with these four broader categories.

Regulatory risk: is associated with not meeting all obligations of the financial institution under the ML Prevention Act, 2012, Anti-Terrorism Act, 2009 (including all amendments), the respective Rules issues under these two Acts and instructions issued by BFIU. Regulatory Risk includes failure to report STR/SAR, unable or inappropriately verification of customers and lacking of AML and CFT program (how a business identifies and manages the ML and TF risk it may face) etc.

Risk-Based Approach (RBA)

A Risk-Based Approach (RBA) to AML/CFT means that the financial institution is expected to identify, assess and understand the ML&TF risks to which it is exposed and take AML/CFT measures adequate to those risks in order to mitigate them effectively. The RBA is not a "zero failure" approach. It is unrealistic that the financial institution would operate in a completely ML&TF risk-free environment, rather it is meant that the financial institution should properly identify the ML & TF risks it faces, and then works out the best ways to reduce and manage those risks.

Risk Management Framework

Bay Leasing & Investment Limited has constructed and tailored the risk management framework for the purpose of developing risk-based systems and controls and mitigation strategies in a manner that is most appropriate to the business structure (including financial resources and staff), the products and/or the services they provide. Such risk-based systems and controls should be proportionate to the ML&TF risk(s) a Financial Institution reasonably faces. The following principles shall be followed at all levels of the financial institution for effective management of ML and TF risks:

- Risk management contributes to the demonstrable achievement of objectives and improvement of performance, governance and reputation.
- Risk management is not a stand-alone activity that is separate from the main activities and processes of the FI. Risk management is part of the responsibilities of management and an integral part of all organizational processes, including strategic planning.
- Risk management helps decision makers making informed choices, prioritize actions and distinguish among alternative courses of action.
- Risk management explicitly takes account of uncertainty, the nature of that uncertainty, and how it can be addressed.
- A systematic, timely and structured approach to risk management contributes to efficiency and to consistent, comparable and reliable results.
- Risk management is based on the best available information.

- Risk management is aligned with the FI's external and internal context and risk profile.
- Risk management is transparent and inclusive.
- Risk management is dynamic, iterative and responsive to change.

Following the above mentioned principles, we have developed and maintained logical, comprehensive and systematic methods to address each of the components of risks, identified our approach to ML&TF risk, planned to implement and maintain on regular basis.

Flow of Work

As per guidelines of Bangladesh Financial Intelligence Unit (BFIU) of Bangladesh Bank, we have tried to maintain the following work flow. This risk assessment mechanism is broadly dividend into the following four segments.

Risk Identification

Identify the main ML&TF risks:

1) Customers
2) Products & Services
3) Business practices/ delivery methods or channels
4) Country/ jurisdiction

Identify the main regulatory risks:

1) Failure to report STRs/SARs
2) Inappropriate customer verification
3) Inappropriate record keeping
4) Lack of AML/CFT program

Risk Assessment

Measure the size & importance of risks:

1) Likelihood - Chance of the risk happening
2) Impact - the amount of loss or damage if the risk happened
3) Likelihood X Impact = Level of Risk (Risk Score)

Risk Treatment

Manage the business risks:

1) Minimize and manage the risks
2) Apply strategies, policies and procedures

Manage the regulatory risks:

1) Put in place systems and controls
2) Cary out the risk plan and AML&CFT program

Risk Monitoring

Monitor and review the risk plan:

1) Develop and carry out monitoring process
2) Keep necessary records
3) Review risk plan and AML&CFT program
4) Do internal audit or assessment
5) Do AML&CFT compliance report

- ✓ We tried to identify all the potential risk areas under the five broader category sources of risks mentioned earlier. To do so, we have involved participants from all the departments/work areas within our company and utilized different approaches i.e. group discussion, brain storming etc. to ensure the inclusion of every possible risk scenarios (referring to worksheets for details).
- ✓ Based on the best possible subjective judgement we tried to select the appropriate likelihood and impact associated with the particular risk items. In Risk Register, we also identified the risk scores based on the guideline provided from BFIU.
- ✓ We identified the required set of actions/treatments and categorized them into three major Tiers and assigned them based on the risk scores. The risk appetite has also been identified as per the guideline.
- ✓ Risk monitoring process has been identified which is to be executed and exercised on regular basis.

Tools/ Scales Used

We have meticulously followed the ML&TF Risk Guidelines while calculating the risk scores of all the potential risk factors. We used the likelihood & impact scale to identify the risk score of the particular risk items and also tried to identify the risk appetite level as per the given scale.

Likelihood Scale

Frequency	Likelihood of an ML&TF risk
Very likely	Almost certain: it will probably occur several times a year
Likely	High probability it will happen once a year
Unlikely	Unlikely, but not impossible

Consequence	Impact of an ML & TF risk
Major	Huge consequences – major damage or effect. Serious terrorist act or large-scale money laundering.
Moderate	Moderate level of money laundering or terrorism financing impact.
Minor	Minor or negligible consequences or effects.

Impact Scale

Risk Matrix

LIKELIHOOD				
	Very Likely	Medium	High	Extreme
	Likely	Low	Medium	High
	Unlikely	Low	Low	Medium
	What is the chance it will happen?	Minor	Moderate	Major

How serious is the risk? **IMPACT**

Risk Appetite Scale

Extreme	**Unacceptable Risk**
High	
Medium	**Acceptable Risk**

Category Selection

To identify the potential risk areas we have keenly analyzed the entire business operation of our company. We have also studied the ML&TF Risk Guideline of BFIU. After thorough examination we have identified the following four risk group which would cover our entire operation and every possible situation exposed to ML&TF risk:

Customer:

This risk group includes all the individuals and business entities from our existing client base as well as from any potential new client base.

Products and Services

This risk group includes all our existing products and services as well as any upcoming new products.

Business Practice/ Delivery Methods or Channels

This risk group consists of our entire business practice and delivery methods or channels.

Country/ Jurisdiction

This risk group consists of our entire business practice and delivery methods or channels.

Regulatory Risk

This risk group includes all the potential risk areas related to regulatory issues.

Risk Register

The following is only the extract of the entire Risk Register of Bay Leasing covering all the above mentioned categories. The detail list of risk factor with the category of 1) Products and Services, 2) Business Practice/ Delivery Methods or Channels, 3) Country/ Jurisdiction, and 4) Regulatory Risk have not been included here.

RISK REGISTER						
Srl. No.	**Risk Factor**	**Likelihood**	**Impact**	**Risk Score**	**Risk Appetite**	**Treatment/ Action**
CUSTOMER						
1	A new customer	Likely	Major	High	Unacceptable Risk	**Tier 3 Action Plan**
2	A new customer who wants to carry out a large transaction	Likely	Major	High	Unacceptable Risk	
3	A customer or a group of customers making lot of transactions to the same individual or group	Very likely	Major	Extreme	Unacceptable Risk	
4	A customer who has a business which involves large amounts of cash	Very likely	Moderate	High	Unacceptable Risk	
5	Customer opens account in the name of his/her family member who intends to credit large amount of deposits not consistent with the known sources of legitimate family income	Very likely	Major	Extreme	Unacceptable Risk	
6	A customer whose identification is difficult to check	Unlikely	Major	Medium	Acceptable Risk	**Tier 2 Action Plan**
7	Customers conducting their business relationship or transactions in unusual circumstances, such as:					
	A) Significant and unexplained geographic distance between the institution and the location of the customer	Unlikely	Major	Medium	Acceptable Risk	
	B) Frequent and unexplained movement of accounts to different institutions	Unlikely	Major	Medium	Acceptable Risk	
	C) Frequent and unexplained movement of funds between institutions in various geographic locations	Unlikely	Major	Medium	Acceptable Risk	
8	A non- resident customer	Likely	Moderate	Medium	Acceptable Risk	
9	A corporate customer whose ownership structure is unusual and excessively complex	Unlikely	Major	Medium	Acceptable Risk	
10	Customers that are politically exposed persons (PEPs) or influential persons (IPs) or head of international organizations and their family members and close associates	Likely	Moderate	Medium	Acceptable Risk	
11	Customers submits account documentation showing an unclear ownership structure	Unlikely	Major	Medium	Acceptable Risk	
12	A customer comes with premature encashment of fixed deposit	Likely	Moderate	Medium	Acceptable Risk	
13	Frequent Tendency of Early settlement of Loan/Lease	Unlikely	Major	Medium	Acceptable Risk	
14	Government employee having several large amounts of fixed deposit accounts	Unlikely	Major	Medium	Acceptable Risk	
15	A customer generally tries to convince for cash deposit but insists for financial instrument while withdrawing the deposit	Unlikely	Moderate	Low	Acceptable Risk	**Tier 1 Action Plan**
16	A customer who brings in large amounts of used notes and/or small denominations	Unlikely	Moderate	Low	Acceptable Risk	

Risk Treatment

We have so far identified nineteen (19) treatment measures to eliminate/minimize the degree of the severity of the potential risk. To have the efficiency we have categorized these risk treatment measures into three Tiers. They are:

Tier 3	Extreme & High
Tier 2	Medium
Tier 1	Low

The list of the risk treatment measures along with the categorization is mentioned below. The mark "Y" indicates whether a particular treatment task is included in the particular Tier or not.

	List of Actions	Three Action Plans		
		Tier 1	Tier 2	Tier 3
1	Know Your Customer (KYC)	Y	Y	Y
2	Customer Due Diligence (CDD)	Y	Y	
3	Extended Due Diligence (EDD)			Y
4	Know Your Employee (KYE)		Y	Y
5	Suspicious Activity Report (SAR)		Y	Y
6	Suspicious Transaction Report (STR)			Y
7	Apply/upgrade strategies, policies and procedures	Y	Y	Y
8	Putting in place systems and controls	Y	Y	Y
9	Carrying out the risk plan and AML&CFT program	Y	Y	Y
10	Setting transaction limits for high-risk products			Y
11	Having a management approval process for higher-risk products			Y
12	Not accepting customers who wish to transact with a high-risk country		Y	Y
13	Not accepting customers who already are listed under FATF or FSRB list	Y	Y	Y
14	Process to place customers in different risk categories and apply different identification and verification methods.		Y	Y
15	Ensure proper verification process in case of the services through online, internet, phone, email etc.	Y	Y	Y
16	To continue monitoring business activities of the clients relevant to ML&TF risk(s).	Y	Y	Y
17	To regularly assess the timeliness and relevance of information generated, together with its adequacy, quality and accuracy.			Y
18	To maintain the record of the documents with expiry date and to update the documents.	Y	Y	Y
19	Continuous process of arranging training sessions for the staffs on various subject matters especially on ML&TF.		Y	Y

Monitoring and Review Process

To have an effective ML&TF risk management system, we have identified the following tasks as well as their frequency that are to be executed/exercised meticulously:

Activity/Task	Frequency
Develop an effective plan of monitoring process	Yearly
Cary out the monitoring process	On regular basis
Necessary records are to be kept	On regular basis
Reviewing risk plan and AML&CFT program	Quarterly
Internal audit and assessment	Quarterly
Submission of Self-assessment report to BFIU	Half yearly
AML&CFT compliance report	On regular basis
CDD, EDD, SAR, STR (where necessary)	On regular basis

The overall Risk Management Strategies should include the following components:

- Reviews at senior management level of the FI's progress towards implementing stated ML&TF risk management objectives.
- Clearly defined management responsibilities and accountabilities regarding ML & TF risk management.
- Adequate staff resources to undertake functions associated with ML & TF risk management.
- Specified staff reporting lines from ML & TF risk management system level to board or senior management level, with direct access to the board member(s) or senior manager(s) responsible for overseeing the system.
- Procedural controls relevant to particular designated services.
- Documentation of all ML & TF risk management policies.
- A system, whether technology based or manual, for monitoring the FI's compliance with relevant controls.
- Policies to resolve identified non-compliance.
- Appropriate training program(s) for staff to develop expertise in the identification of ML & TF risk(s) across the bank's designated services.

The monitoring and review is a continuous process and would be continued round the year. The lesson learned during the monitoring process would be accumulated as a suggestions and would be used as the amendments (if needed) to the existing Risk Management Plan of our company.

Board of Directors **at the 29th AGM**

Director's Report

Dear Shareholders

On behalf of the Board of Directors at Bay Leasing & Investment Limited, I am pleased to extend a warm welcome to the 30th Annual General Meeting of our esteemed Company. We are grateful for your patience to provide an opportunity to present the Annual Report for the year 2025, featuring the audited financial statements and the auditor's report for the fiscal year ending December 31, 2025. These documents are now submitted for your esteemed consideration and approval, valued shareholders. The Board ratified these audited financial statements on June 30, 2026. This Annual Report adheres to the stipulations of the Companies Act 1994, the Financial Institutions Act 2023, and the guidelines established by the Securities and Exchange Commission, Bangladesh Bank, and other relevant regulatory authorities.

The year 2025 has been a period of profound transformation for the global economy, marked by policy realignments, trade fragmentation, and cautious adaptation in the face of persistent challenges. As economies worldwide navigated the complexities of elevated trade barriers, geopolitical tensions, rapid AI-driven automation reshaping financial services, and climate imperatives, the landscape of global finance and commerce underwent significant shifts.

Global Economy

The year 2025 witnessed a continuation of global economic headwinds from 2024, with trade policy uncertainties, geopolitical tensions, and monetary policy adjustments impacting markets. According to the International Monetary Fund (IMF), global growth moderated to approximately 3.2% in 2025, reflecting a slowdown from 3.3% in 2024 amidst escalating protectionist trade policies and subdued business confidence. Growth remained highly uneven across regions. Advanced economies experienced subdued expansion of around 1.5%, while emerging market and developing economies grew at just above 4.0%, with considerable divergence across countries.

Advanced Economies: Growth in advanced economies remained subdued, constrained by the lingering impact of elevated interest rates, softening labour markets, and declining industrial production. The United States experienced a moderation in consumer spending amid high borrowing costs and fiscal tightening, while the Eurozone continued to grapple with weak manufacturing output and limited fiscal space. Japan recorded modest growth supported by a weaker yen and export demand.

Emerging Markets and Developing Economies (EMDEs): Performance across EMDEs was mixed. India, Vietnam, and Indonesia demonstrated relative resilience, underpinned by strong domestic demand, infrastructure investment, and expanding manufacturing and digital sectors. In contrast, several low-income and commodity-importing economies faced heightened external vulnerabilities due to tightening global financial conditions and currency depreciation pressures.

Key Global Economic Drivers

Trade Policy and Tariff Barriers: The global trading environment deteriorated significantly in 2025 following the imposition of broad-based US tariffs and retaliatory measures by major trading partners. Although subsequent negotiations tempered some of the extreme tariff levels, the effective US statutory tariff rate remained elevated at approximately 13.5%. Global trade volume growth slowed markedly to below 2%, weighed down by supply chain disruptions, uncertainty, and rising non-tariff barriers.

Inflation and Monetary Policy: Global headline inflation moderated but remained above central bank targets in many regions, averaging 4.2% in 2025. Disinflation progress stalled in several advanced economies due to sticky services inflation and renewed energy price pressures. Central banks in the United States and Europe cautiously began easing monetary policy in the second half of the year, while emerging market central banks maintained relatively tight stances to anchor inflation expectations.

Geopolitical Risks: Rising geopolitical uncertainties, including escalating conflicts, trade fragmentation, and political transitions in several regions, continued to weigh on the global outlook. Supply chain realignments and commodity market volatility—particularly in energy and critical minerals—added further unpredictability to the economic environment.

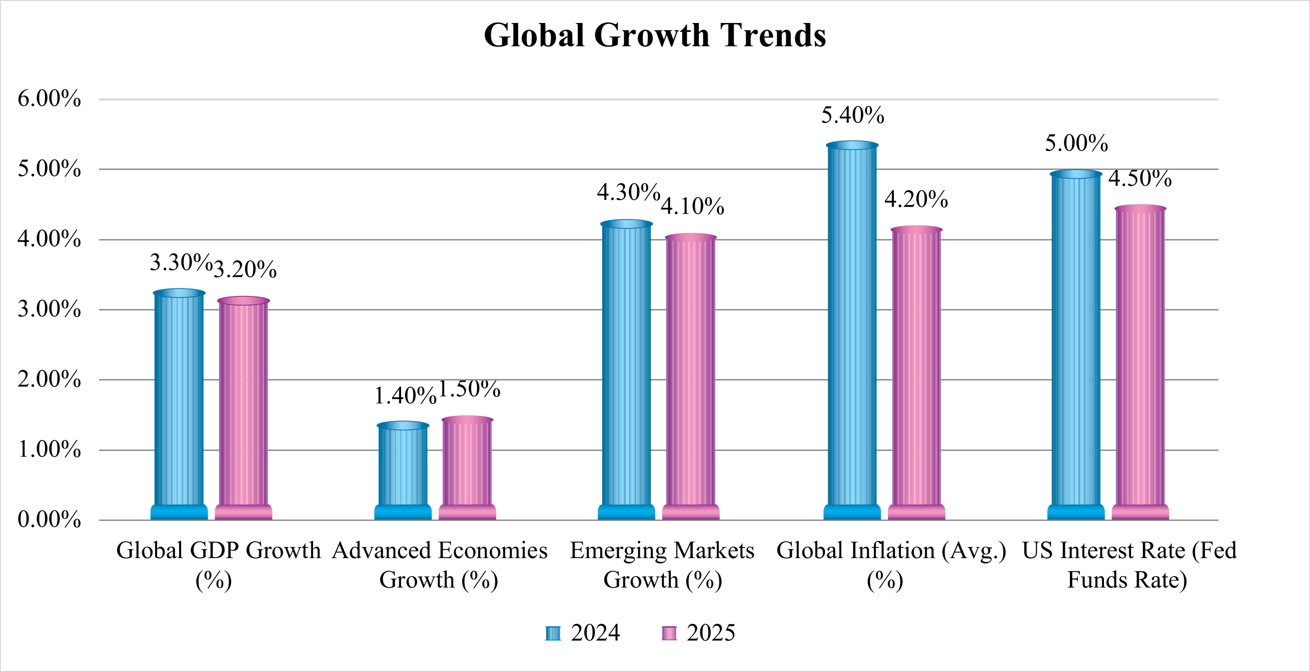
Financial Markets: Global equity markets experienced heightened volatility, reacting sharply to trade policy announcements, interest rate signals, and geopolitical news. Bond markets faced repricing risks as fiscal deficits widened across major economies. Capital flows to emerging markets remained cautious, with investors focusing on sovereign risk profiles and macroeconomic fundamentals.

Energy and Climate Transitions: The energy landscape remained sensitive to geopolitical developments and trade policy shifts. Brent crude oil prices averaged approximately $69 per barrel in 2025, declining from 2024 levels due to subdued global demand and increased OPEC+ supply. Meanwhile, global investment in renewable energy and climate transition infrastructure accelerated, reaching an estimated $2.4 trillion, reflecting the growing momentum towards decarbonisation and green finance.

Global Economic Summary Table (2025)

Indicator	2024	2025	Remarks
Global GDP Growth (%)	3.3%	3.2%	Moderated due to trade fragmentation and monetary tightening
Advanced Economies Growth (%)	1.4%	1.5%	Subdued amid weak consumption and investment
Emerging Markets Growth (%)	4.3%	4.1%	Driven by India, Vietnam, and other Asian EMDEs
Global Inflation (Avg.) (%)	5.4%	4.2%	Continued easing but still above targets in many regions
US Interest Rate (Fed Funds Rate)	5.0%	4.50%	Cautious easing began in H2 2025 amid moderating inflation
Oil Price (Brent, avg. per barrel)	$78	$69	Declined due to subdued demand and increased OPEC+ supply
Capital Flows to EMs (USD trillion)	0.9	1.0	Cautious investor sentiment amid sovereign risk concerns
Green Investment (USD trillion)	2.1	2.4	Accelerated climate transition infrastructure investment

(Source: International Monetary Fund (IMF)



(Source: IMF World Economic Outlook, 2024–2025)

Bangladesh Economy

In 2025, Bangladesh's economy faced significant headwinds, with GDP growth decelerating sharply to an estimated 3.49% in fiscal year 2024–25, according to the Bangladesh Bureau of Statistics (BBS). This marked a substantial decline from 4.22% growth recorded in FY24 and 5.78% in FY23. The deceleration was driven by the far-reaching impact of political transition and civil unrest in mid-2024, which disrupted economic activity. Persistent high inflation, subdued private sector investment, and weak external demand further compounded the slowdown.

Despite these challenges, certain sectors demonstrated notable resilience:

The Ready-Made Garment (RMG) industry remained the backbone of exports, though export growth slowed significantly to approximately 0.9% in 2025, according to the World Trade Organization (WTO), the lowest among Asian competitors, reflecting subdued global demand and intensifying competition in international markets.

The ICT and services sector continued to expand, supported by digital transformation initiatives, growing software exports, and the expanding freelance economy. The sector provided an important cushion to overall economic activity amid weaker industrial performance.

Remittance inflows registered remarkable growth, surging by 22% year-on-year to reach a record $30.3 billion in FY25, driven by competitive exchange rate dynamics, improved monitoring of informal channels, and increased migration to Middle Eastern markets. Remittances emerged as a critical pillar of macroeconomic stability, contributing 6.57% of GDP.

Agriculture posted moderate growth, supported by favorable weather conditions and government support programmes, although rising input costs and supply chain disruptions posed ongoing challenges.

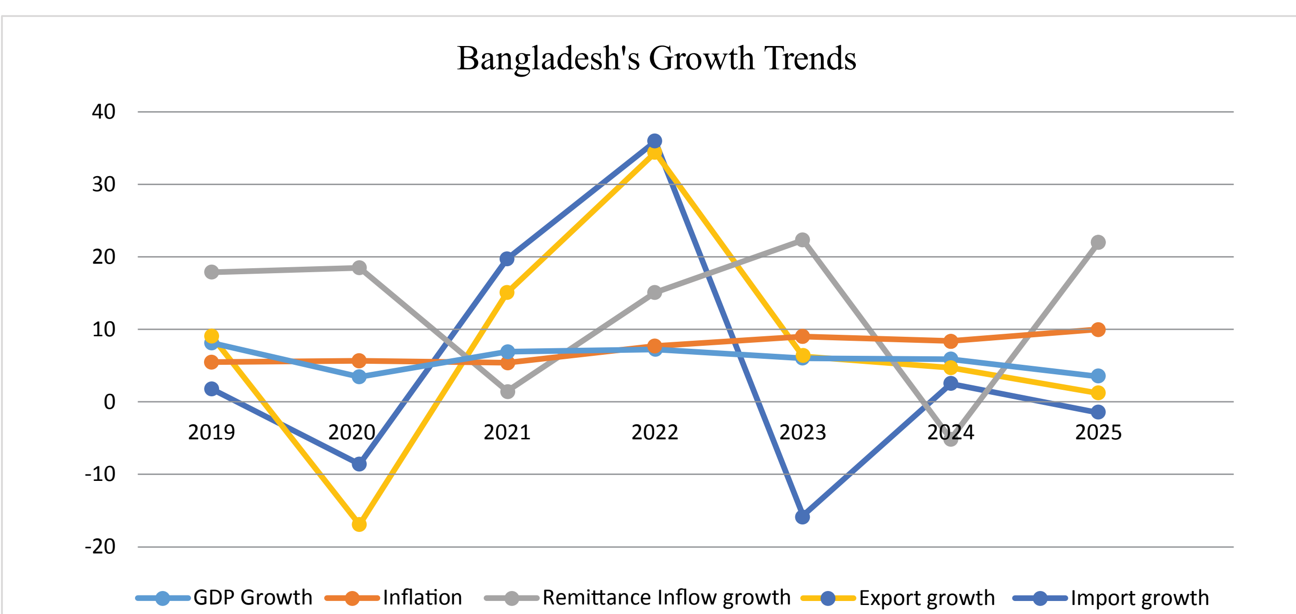
Government efforts to stabilize the macroeconomic environment—including monetary tightening through a repo rate maintained at 10.00%, exchange rate reforms with a shift to a market-based crawling peg, and engagement with the International Monetary Fund (IMF) under a continued programme helped stabilize the external sector. Foreign exchange reserves improved to approximately $25 billion by end-2025, and the current account moved towards balance, supported by strong remittance inflows and moderating import demand.

However, significant challenges remain. Inflation averaged around 10% in 2025, eroding household purchasing power and constraining private consumption. Private sector credit growth fell to historic lows of 6.29% by September 2025, reflecting weak business confidence and tight monetary conditions. The investment-to-GDP ratio declined to 28.54% in FY25 from 30.70% in FY24. Looking ahead, restoring macroeconomic stability, strengthening revenue mobilization, enhancing export diversification, and rebuilding private sector confidence will be critical to reviving inclusive and sustainable growth.

Key Economic Indicators (2018–2025)

Selected economic indicators (%)	2019	2020	2021	2022	2023	2024	2025
GDP Growth	8.15	3.45	6.94	7.25	6.03	5.9	3.5
Inflation	5.48	5.65	5.40	7.70	9.02	8.40	10.0
Remittance Inflow growth	17.89	18.51	1.51	15.12	22.3	-5.1	22.0
Export growth	9.1	-16.93	15.10	34.38	6.28	4.70	1.2
Import growth	1.8	-8.57	19.73	35.93	-15.68	2.50	-1.5

(Source: BB, Economic statistics)



Capital Market

The capital market acts as a bridge of long-term financing for the industrial development of a country through investment in shares, debentures, bonds, mutual funds, treasury bills, certificates, etc. The turnover of the capital market contributes significantly to the country's economic activities. In Bangladesh, the capital market comprises two full-fledged stock exchanges – the Dhaka Stock Exchange (DSE) and the Chittagong Stock Exchange (CSE), regulated by the Bangladesh Securities and Exchange Commission (BSEC).

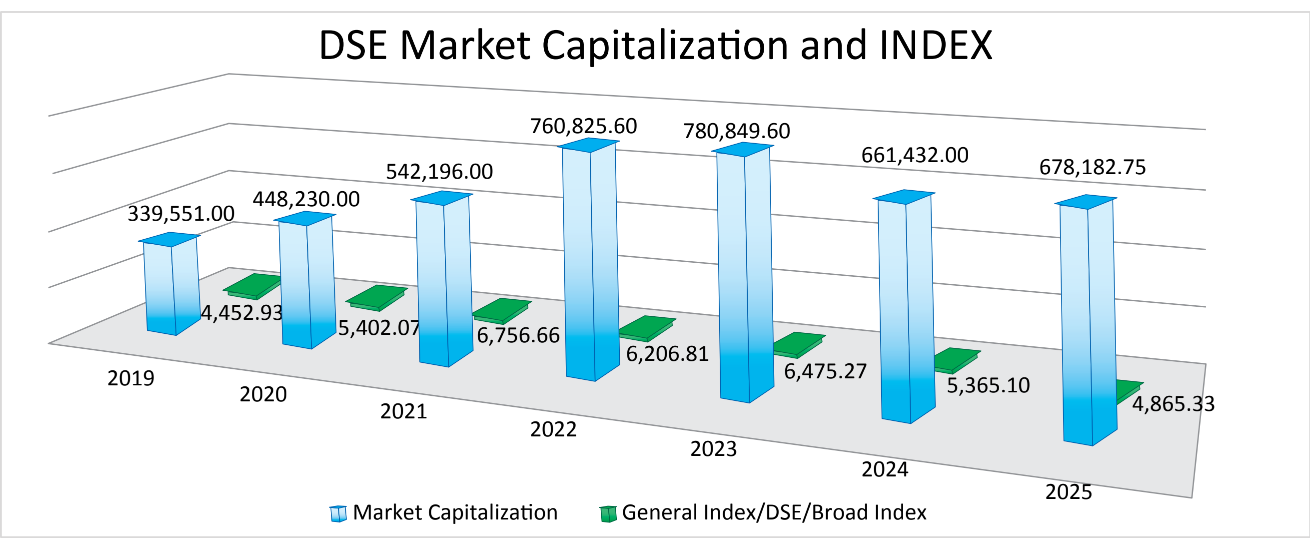
During the year 2025, the capital market of Bangladesh experienced persistent challenges, reflecting the broader macroeconomic and political headwinds. The number of listed securities declined marginally to 653 issues, including mutual funds and debentures, down from 656 in 2024, as no new companies were listed on the main board amidst a prolonged IPO drought. The total issued capital and debentures remained steady at BDT 433,857.40 crore.

The DSE Broad Index (DSEX) opened the year at 5,365.10 and declined by 9.31% to close at 4,865.33, reflecting sustained investor caution amid political uncertainty, elevated dividend taxes, and subdued corporate earnings. Market capitalization experienced a minor recovery to BDT 678,182.75 crore by end-2025, up from BDT 661,432.00 crore at the end of 2024. Total annual turnover on the DSE fell by 16.49% to BDT 125,148.76 crore, with daily average turnover declining to BDT 521.45 crore, indicating reduced market participation.

Annual Capital Market Developments (DSE)

Calendar Year	Enlisted issues (Incl. Mutual Funds/Deb.)	Issued Capital & Debentures	Market Capitalization	Turnover during the year	General Index/DSE/ Broad Index
2019	587	129,481.00	339,551.00	67,030.00	4,452.93
2020	597	137,528.00	448,230.00	21,588.00	5,402.07
2021	617	146,597.00	542,196.00	353,978.62	6,756.66
2022	656	411,716.10	760,825.60	234,300.21	6,206.81
2023	654	433,857.40	780,849.60	140,352.08	6,475.27
2024	656	446,120.80	661,432.00	149,865.00	5,365.10
2025	653	454,910.30	678,182.75	125,148.76	4,865.33

Source: Dhaka Stock Exchange / Bangladesh Bank Major Economic Indicators



Performance of the Banking and NBFI Sectors in 2025

In 2025, Bangladesh’s financial sector comprising both banks and non-bank financial institutions (NBFIs) experienced significant divergence. While the banking sector showed signs of stabilization in deposit growth and regulatory reforms, the NBFI sector continued to grapple with severe asset quality deterioration, liquidity pressures, and heightened regulatory scrutiny.

Banking Sector

Profitability and Growth:

The banking sector demonstrated resilience in deposit mobilisation, with total deposits reaching BDT 19.73 trillion at the end of December 2025, reflecting an 11.10% year-on-year increase the highest growth in 50 months. This recovery was underpinned by robust remittance inflows, higher deposit interest rates, and restored public confidence following the political transition. However, credit expansion remained sluggish, with private sector credit growth falling to a historic low of 6.29% in September 2025, constrained by tight monetary policy, weak business confidence, and elevated borrowing costs amidst the policy repo rate maintained at 10.00%.

Non-Performing Loans (NPLs):

The NPL ratio remained a critical vulnerability, surging from an already elevated 20.20% at the end of December 2024 to a historic high of 30.60% by December 2025. Total defaulted loans ballooned year-on-year from Tk 3.45 lakh crore in 2024 to Tk 5.57 lakh crore by the close of 2025, with state-owned commercial banks bearing the brunt of this asset deterioration through a disproportionately high NPL ratio of 45.79%. This sharp escalation was primarily driven by the uncovering of previously concealed bad loans following the political transition and stricter regulatory standards, notably Bangladesh Bank's reduction of the overdue classification threshold from six to three months. Several institutional measures were initiated under international reform frameworks to address the deepening crisis, including asset quality reviews by global audit firms, the creation of special recovery cells, and the drafting of a Bank Resolution Ordinance.

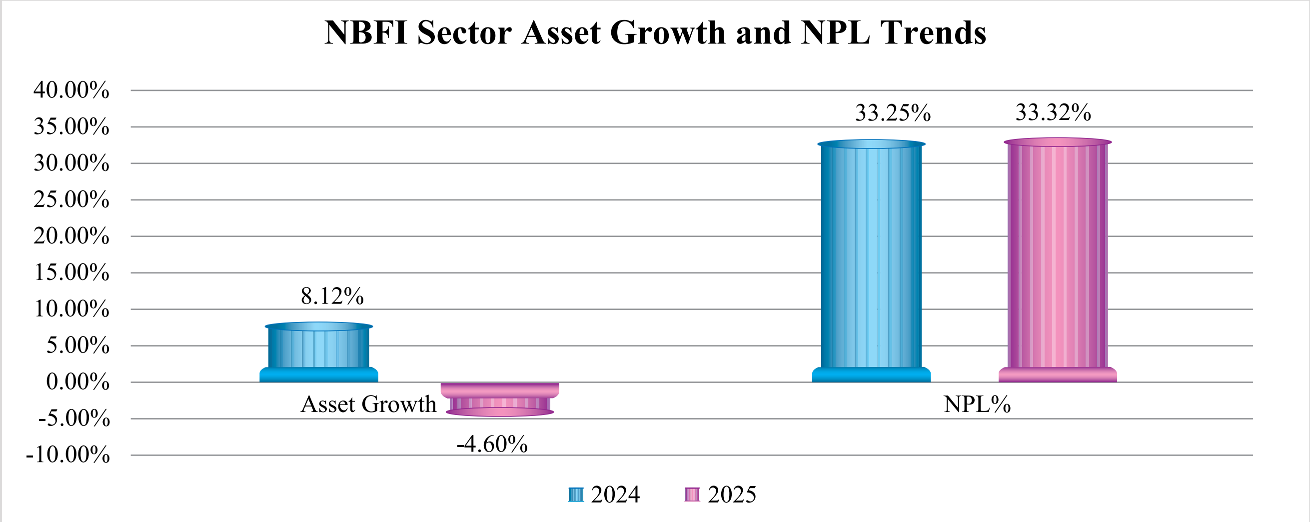
Digital Banking and Financial Inclusion:

Digital banking achieved remarkable growth in 2025, with mobile financial services (MFS) and agent banking continuing to expand into rural and semi-urban areas. MFS transaction volumes rose significantly, driven by increased adoption of QR payments, wallet-to-bank integrations, and government digital disbursements. The rollout of interoperable digital transaction platforms and fintech partnerships further supported the banking sector’s commitment to expanding financial inclusion.

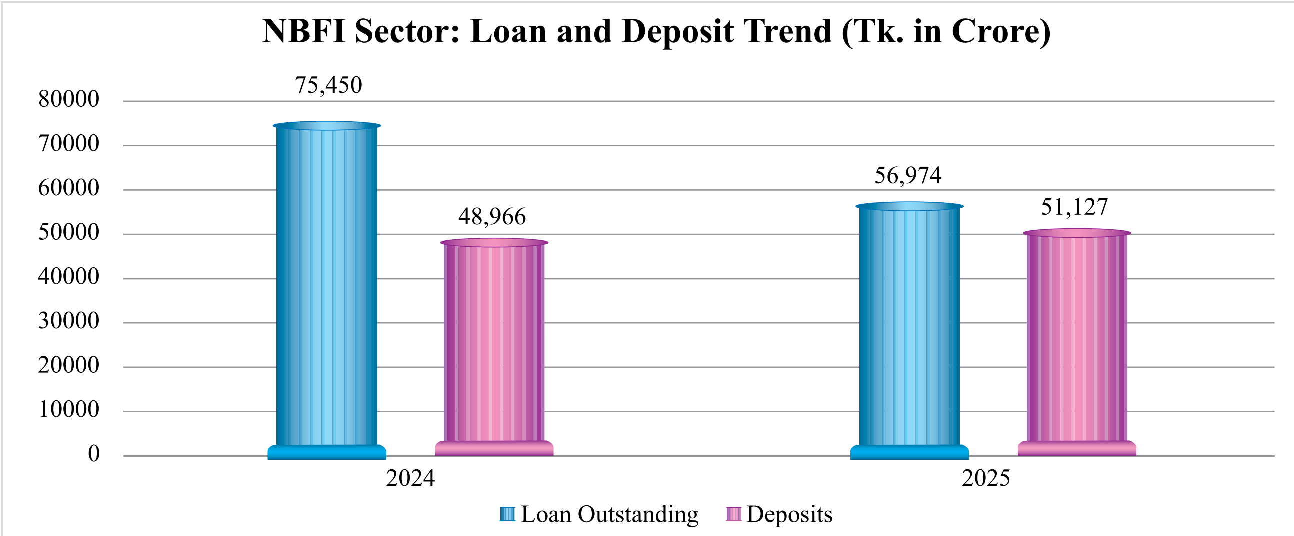
Non-Banking Financial Institutions (NBFIs)

Asset Growth and Profitability:

The NBFI sector continued to face acute stress in 2025. Total assets stood at Tk 94,921.20 crore as of December 2025, that was Tk. 99,493 at the end of December 2024 marking a negative year-on-year growth rate of -4.60%. In December 2025, NBFI’s overall non-performing loans were 33.32% and the NPL amount of Tk.23,264 crore. Whereas, at the end of 2024, the NPL ratio stood at 33.25% and the NPL amount of Tk 25,089 crore. Intense central bank monetary tightening compressed the average interest rate spread to 3.10%, with weighted average lending and deposit rates hitting 14.15% and 11.05% respectively. Despite escalating default anxieties and a mid-year political transition, widespread retail deposits and sector deposits managed to peak at Tk 51,127 crore, resulting in a 4.41% annual growth rate from December 2024.



The graph above illustrates the shifting dynamics of asset growth and non-performing loan (NPL) ratios for Non-Bank Financial Institutions (NBFIs) in Bangladesh between 2024 and 2025. In 2025, sector asset growth contracted sharply to -4.60%, reversing the 8.12% expansion recorded in 2024 and reflecting severe liquidity strains and a downsized lending portfolio. Meanwhile, the NPL ratio remained highly critical but stable, moving marginally from 33.25% in 2024 to close at 33.32% in 2025, underlining a persistent and unresolved asset quality crisis across the industry.



The chart above presents the trend in total loans outstanding and deposits of Non-Bank Financial Institutions (NBFIs) in Bangladesh between 2024 and 2025. In 2025, total loans outstanding contracted sharply to Tk 56,974 crore from Tk 75,450 crore in 2024, reflecting an aggressive downsizing of loan and strict credit tightening. Conversely, deposits showed a modest recovery, rising to Tk 51,127 crore in 2025 from Tk 48,966 crore in the previous year, which helped narrow the structural gap between outstanding assets and mobilization liabilities amid prevailing industry challenges.

Challenges:

The NBFI sector entered 2025 facing an unprecedented confluence of challenges. Record levels of non-performing loans, liquidity constraints from deposit limitations under the Finance Companies Act 2023, and mounting regulatory pressure created a challenging operating environment. The situation deteriorated to the point where Bangladesh Bank initiated liquidation proceedings for nine deeply distressed NBFIs while placing 20 institutions on a red list with possible license cancellation unless they shore up capital and improve recoveries.

The Finance Companies Act 2023, while intended to address irregularities and corruption within the NBFI sector, has introduced significant operational challenges for well-managed institutions. Several provisions of the Act have been identified as particularly consequential:

Deposit Limitations: The Act imposes stringent deposit limits, capping individual holdings at Tk 50 lakh in a single name and jointly Tk 1 crore. While aimed at preventing excessive concentration and irregularities, these restrictions have strained liquidity management and constrained the ability of NBFIs to mobilize funds, potentially exacerbating the liquidity crunch facing the sector.

Competitive Disadvantage: These uneven regulatory boundaries unconsciously generate adverse market signaling, altering risk perception among retail and institutional depositors. By heavily restricting the operational scope of NBFIs relative to commercial banks, the regulatory frameworks inadvertently weaken public confidence regarding the structural safety of NBFs. Consequently, under these regulatory parameters, NBFIs face severe systemic obstructions in deposit mobilization, significantly amplifying their cost of funds and compounding liquidity matching friction when competing against the more flexible capital-gathering frameworks of the overall banking sector.

Asset Quality and Recovery Challenges: The recovery environment remained exceedingly challenging in 2025, with many borrowers showing reluctance to repay. NPLs in the NBFI sector had reached a highest 37.11% of total outstanding loans by September 2025, though it was 33.32% at the end of December 2025. The Bangladesh Bank's decision to enforce stricter loan classification standards has compelled financial institutions to recognize the true scale of bad loans—much of which had been previously concealed through repeated rescheduling.

Shareholding and Governance Restrictions: The Act's cap on individual and family shareholding at 15% of a financial institution's shares, with surplus shares to be transferred or forfeited within two years, aims to combat irregularities but has created uncertainty regarding ownership structures and long-term investment in the sector.

Regulatory and Compliance Burden: Stricter provisions concerning unsecured loans (capped at Tk 10 lakh), penalties for non-compliance (increased from Tk 10 lakh to Tk 50 lakh), and potential criminal sanctions for willful default have heightened the compliance burden. While these measures aim to improve governance, the sector has expressed concerns that the cumulative regulatory weight may stifle innovation and impede the sector's ability to serve critical economic segments, including agriculture and micro, small, and medium enterprises (MSMEs). Potential contradictions between the Finance Companies Act 2023 and BSEC regulations for publicly listed companies—particularly concerning shareholding limits and board composition—have added further complexity.

Looking ahead, the NBFI sector requires a carefully calibrated regulatory approach that balances governance reforms with operational flexibility. The ongoing consolidation—including the liquidation of unviable institutions and exploration of mergers—must be accompanied by meaningful governance improvements. The restoration of depositor confidence, resolution of the NPL crisis, and clarification of the regulatory framework will be essential to revitalising the sector's role as a vital source of long-term financing for Bangladesh's economic development.

Bay Leasing Overview

Loans & Advances

The total portfolio of the company stood at BDT 10245.06 million at the end of the year 2025, with a positive growth rate of 1.20% against the previous year.

Sources of Funds

To achieve our business growth and improvement of ratings, the company had to try to increase core deposits. Consequently, the total deposits were BDT 4865.91 million at the end of the year 2025, which is 4.70% less than the previous year, and total borrowing was BDT 4302.59 million at the end of the year 2025, which was 3.49% less than the previous year.

Shareholders' Equity

The Authorized Capital of the company was BDT.3000.00 million and paid-up Capital was BDT.1,408.88 million as on December 31, 2025. The Capital and Reserve of the Company in 2025 stood at Tk. (2,858.91) million. The Capital and Reserve of the Company as on 31st December, 2025 are appended below:

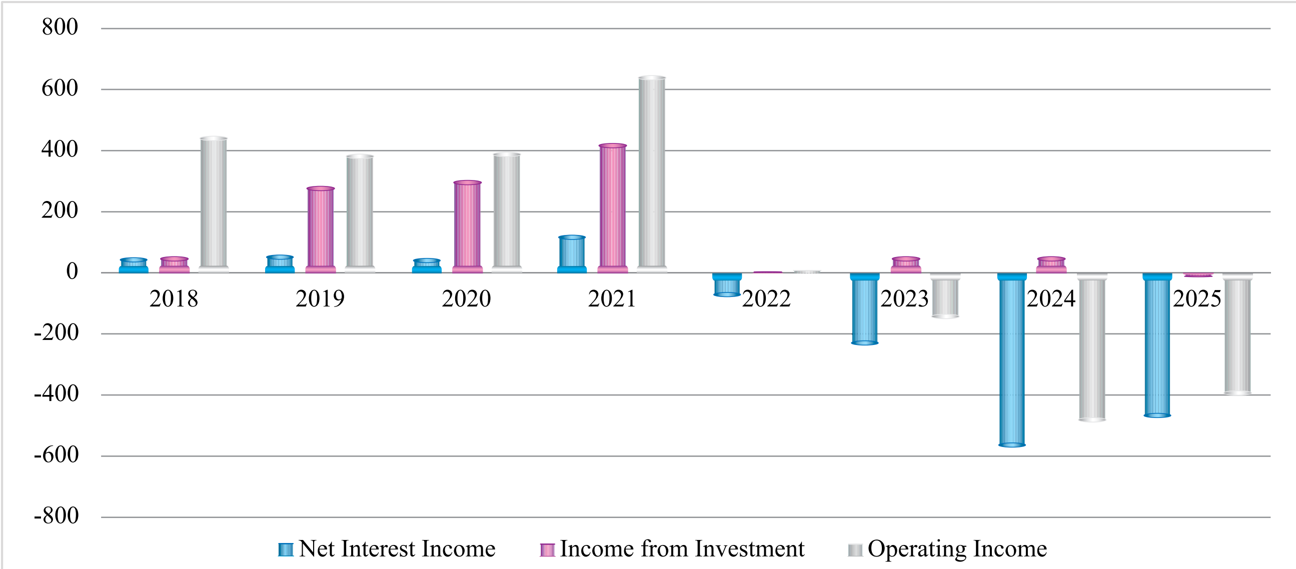
Particulars	BDT in Million	
a) Core Capital:	2025	2024
Paid -Up Capital	1,408.88	1,408.88
Statutory Reserve	623.95	623.95
Non-Repayable Share premium account	121.12	121.12
General Reserve	111.27	111.27
Retained Earnings	(5684.93)	(5424.67)
Total Core Capital	(2830.06)	(3519.45)
b) Supplementary Capital:		
Assets Revaluation Reserve	294.82	300.54
Total Supplementary Capital	294.82	300.54
Total	(3124.88)	(2858.91)

Operating Revenue & Profit

The year 2025 was a most challenging year for the Bangladesh economy and BLIL's financial and operational performances had impacts of this as well. In this adverse situation, we prudently utilized our resources and capacity to get the maximum benefits for our shareholders as well as to protect their interests from any uncertain business risks. But our mainstream business of Loans and Advances has improved which is a positive sign for our sustainable business in the long run. The following table depicts the components of operating profit.

BDT in Million

Years	Net interest Income	Income from Investment	Operation Profit
2018	49.69	53.69	445.34
2019	58.02	283.77	387.49
2020	47.45	304.19	394.56
2021	123.96	421.06	644.45
2022	-79.10	0.30	5.67
2023	-237.37	48.43	-149.90
2024	-574.43	52.25	-488.24
2025	-477.14	-12.08	-399.51



Earnings Per Share (EPS)

Our EPS was (31.16) and (6.87) for the year 2024 and 2025, respectively. EPS reflects cumulative losses. However, the company's EPS has improved in the immediately previous year.

Provision for Tax

Provision for tax at the end of the year 2025 was BDT 12.56 million, which was BDT 19.55 million on December 31, 2024.

Going Concern

The Board of Directors has carefully considered the Emphasis of Matter included in the Auditors' Report relating to the Company's ability to continue as a going concern. As disclosed in the financial statements, as at December 31, 2025, the Company's liabilities exceeded its assets, resulting in accumulated negative retained earnings of Tk. 5,684.93 million and negative operating cash flows of Tk. 320.89 million. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

The Board acknowledges these challenges, which primarily stem from the prolonged stress experienced by the non-bank financial institution (NBFI) sector, elevated levels of non-performing loans, significant provisioning requirements, constrained liquidity, and the adverse impact of these factors on the Company's financial position.

However, despite the above, the financial statements have been prepared on a going concern basis as the Board has adopted and continues to implement a comprehensive recovery and business turnaround strategy. The key initiatives include:

- Intensifying recovery efforts through legal proceedings, negotiated settlements, restructuring, and recovery of classified and written-off loans;
- Improving asset quality by strengthening credit administration, monitoring, and recovery mechanisms;
- Enhancing liquidity through recovery of outstanding receivables, optimization of funding sources, and prudent cash flow management;
- Reducing operating costs and improving operational efficiency across the organization;
- Strengthening risk management, internal controls, and governance practices to support sustainable business operations;
- Pursuing business opportunities with prudent risk selection to gradually restore profitability.

The Board remains committed to restoring the Company's financial strength and safeguarding the interests of its shareholders, depositors, creditors, customers, and other stakeholders.

Human Capital

BLIL recognizes that its employees are its most valuable asset. The company always tries to ensure a healthy workplace environment. It provides positive working conditions that can lead to employee satisfaction and enhanced productivity. BLIL values its employees' contributions and adopts different policies to reward them. The employee turnover ratio of BLIL is very low in comparison to the industry average. In the year 2025, the employee turnover ratio for BLIL was more than 5%.

Training & Workshops

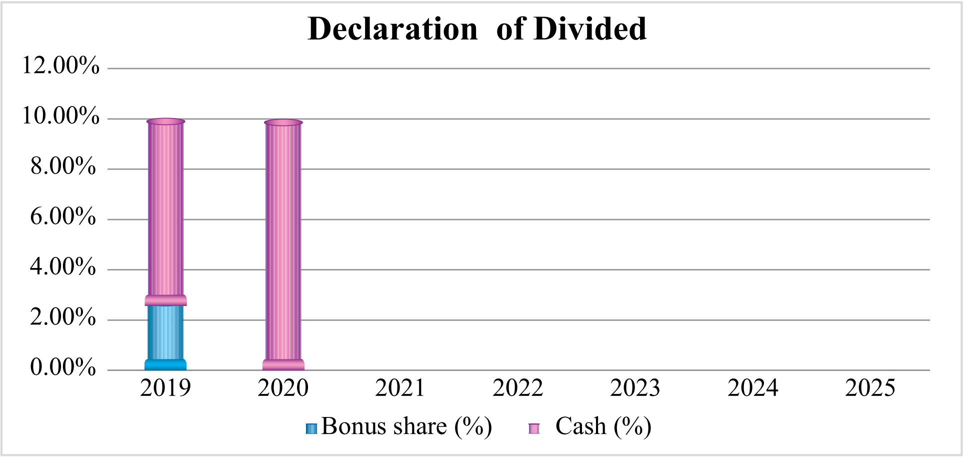
The changing nature of work and the workplace environment require a skilled, knowledgeable workforce with employees who are adaptive, flexible, dynamic, energetic, and focused on the future. We also emphasized soft skill development to cope up with the uncertain business situation. Employees of Bay Leasing & Investment Ltd. have participated in both in-house and external training programs provided by BIBM, BBTA, IFC, SEDF etc. Employees are also highly encouraged to participate in various relevant workshops, seminars, and fairs organized by chamber bodies and other professional institutes.

Employee welfare & facilities

BLIL offers its employees a highly competitive remuneration package. It provides its employees various facilities such as Home Loan, Car Loan, and Personal Loan to raise their standard of living. It also provides an employee profit sharing scheme, provident fund and gratuity to its employees to create an efficient, healthy and loyal working force for the company. We also adopted a comprehensive insurance policy to protect the employees from any health or accidental hazards.

Dividend declaration

Particulars	2019	2020	2021	2022	2023	2024	2025
Bonus share (%)	2.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Cash (%)	7.50%	10.00%	0.00%	0.00%	0.00%	0.00%	0.00%



BLIL has shown negative EPS in 2024 due to maintaining of additional provision against lease, loans and advances of Tk.3,739.12 million. Net Operating Cash Flows Per Share has also reflected substantial downtrend due to encashment of Bank and Corporate deposits, withdrawal of treasury placements (call money).

Directors

A brief resume of the directors are appended in page no-14 which include his/her nature of expertise and qualifications. An analysis of the directors' experience and expertise and its impact on the corporate governance of the company is included in the corporate governance report.

Related entities with the Directors

The names of the companies in which the directors hold their directorship of committees of the board are included in the note related party transactions of the financial statements page no. 121

Subsidiary and Associates

Bay Leasing's Subsidiary company of `BLI Capital Limited', Head Office, Rupayan Trade Center, Level-10, 114 Kazi Nazrul Islam Avenue, Banglamotor, Dhaka-1000 and associate company of BLI Securities Limited, Head Office, Rangs Panorama (4th floor), 80 Shatmosjid Road, Dhanmondi, Dhaka-1209

Shareholding Pattern :

The shareholding pattern is shown in page no. 69 of Annual Report, 2025

Income Segment

Segments	2025	2024	Growth
Net Interest Income	(477,143,352)	(574,425,963)	-16.94%
Investment Income	12,085,475	52,249,234	-1.91%
Other Operating and Commission Income	89,722,826	33,934,818	259.27%

Future Strategies

Bay Leasing is committed to restoring financial strength through an intensified focus on loan recovery, reduction of classified assets, and improvement of overall asset quality. The Company continues to strengthen its recovery initiatives by pursuing negotiated settlements, legal actions, and close monitoring of delinquent accounts to maximize cash recoveries and minimize credit losses.

To ensure sustainable business growth, Bay Leasing has adopted a prudent and selective lending strategy, emphasizing low-risk, security-backed financing products, particularly home loans, car loans, and small-ticket secured loans. New disbursements are being undertaken only after rigorous credit appraisal and comprehensive risk assessment, with preference given to borrowers offering adequate collateral and demonstrating strong repayment capacity.

The Company is also focused on enhancing operational efficiency through technology-driven processes, enabling faster credit decisions, improved portfolio monitoring, and effective risk management. Strategic priorities include optimizing operating costs, diversifying funding sources, strengthening internal controls, and reinforcing governance practices to support long-term financial stability.

In addition, Bay Leasing remains committed to providing superior customer service, particularly in the retail liability segment, while maintaining disciplined cost management and prudent balance sheet growth. Through these initiatives, the Company aims to rebuild stakeholder confidence, improve profitability, and establish a resilient foundation for sustainable future growth.

Retirement and Re-election of Directors

In accordance with the provisions in the Articles of Association of the company the Director representing one-third of the number of existing Directors will retire by rotation in the next Annual General Meeting.

As per section 128 of the articles of associations of the company Fatema Zahir Majumder, chairman, will retire and eligible for re-election at the 30th Annual General Meeting of the company.

External Auditors

M/s. Pinaki & Company, Chartered Accountants, have completed their third year and completed their term and are not eligible for reappointment. The Board recommended the appointment of M/s. A Wahab & Company, Chartered Accountants as the auditors of the company for the year 2026.

Anti-Money Laundering/Combating the financing of terrorism

Money laundering has been identified as a major threat to the financial services community. It is important that the management of Bay Leasing consider the prevention of money laundering as part of their core risk management strategies and not simply treat it is a stand-alone requirement as detailed on page no. 28

Status of the Compliance

Status of the compliance of conditions of corporate governance code imposed by Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/207 Admin/80 dated 03 June, 2018 along with a certificate from a chartered accountant’s firm has been enclosed on page no.65

Fatema Zahir Majumder

Chairman

Disclosures under Pillar III- Market Discipline

For the year ended 31st December 2025

Overview

The Basel-II disclosures presented in these documents are related to BLIL for the year ended December 31, 2025. These disclosures have been made in accordance with Prudential Guidelines on Capital Adequacy and Market Discipline for Financial Institutions introduced by the Department of Financial Institutions and Markets. The Basel-II framework consists of the following three pillars:

Pillar-I: Minimum Capital Requirement

Banks must hold minimum regulatory capital against Credit, Market and Operational Risk inherent in Banking Business.

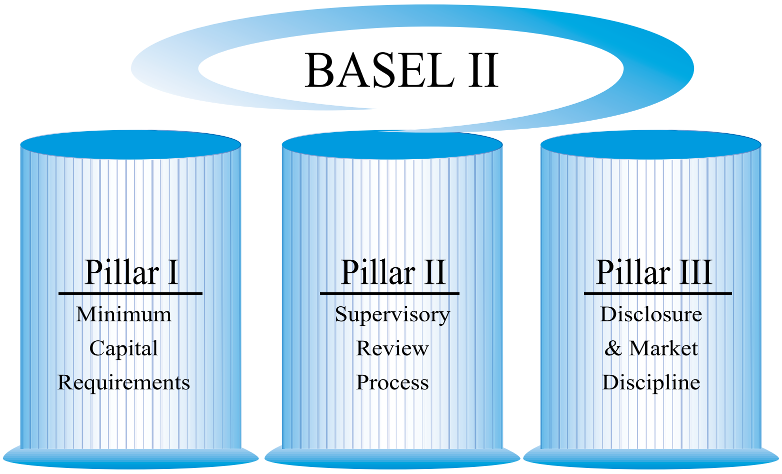
Pillar-II: Supervisory Review Process (SRP)

SRP basically deals with other risks faced by a bank but not covered in Pillar-I. The key principle of SRP is that banks have a process for assessing overall capital adequacy in relation to their risk profile and a strategy for maintaining their capital at an adequate level. The assessment of adequate capital would be the outcome of the dialogue to be held between the bank's SRP and Bangladesh Bank's SREP team.

Pillar-III: Market Discipline

The purpose of Market Discipline in the Revised Capital Adequacy Framework is to complement the minimum capital requirement and the supervisory review process. The aim of introducing Market Discipline in the revised capital framework is to establish a more transparent and more disciplined financial market so that stakeholders can assess the position of a bank regarding holding of assets and to identify the risks relating to the assets and capital adequacy to meet probable loss of assets.

BASEL-II Principle



1) *Scope of Application*

Qualitative Disclosures:

The name of the corporate entity in the group to which the guidelines apply.

- **Bay Leasing & Investment Limited**

The financial statements have been prepared in accordance with the Bangladesh Accounting Standard (BAS).

Any restrictions or other major impediments to the transfer of funds or regulatory capital within the group.

- Not applicable

2) Capital Structure

Qualitative Disclosure

The assets, liabilities, revenue and expenses of all profit center divisions are related in BLIL's audited financial statements as of the year ended December 31, 2025.

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

Tier 2 capital includes:

- General provision up to a limit of 1.25% of Risk Weighted Asset (RWA) for Credit Risk;
- 50% Revaluation reserve for fixed assets;
- All other preference shares;

Conditions for maintaining regulatory capital:

The calculation of Tier 1 capital and Tier 2 capital shall be subject to the following conditions**:**

- The amount of Tier 2 capital will be limited to 100% of the amount of Tier 1 capital.
- 50% of revaluation reserves for fixed assets and 45% of revaluation reserves for securities are eligible for Tier 2 capital.

Formation of Basel Implementation Unit (BIU)

The Basel Implementation Unit (BIU) of Bay Leasing & Investment Limited has been formed as per the Basel – II Guideline of Bangladesh Bank. The Basel Implementation Unit (BIU) at the Head Office will be headed by the Managing Director. He will examine the report received from the Basel Implementation Desk (BID) of the Risk Management Department, which manages the Basel activities.

The Basel Implementation Unit (BIU), consisting of three members, has been formed at the Head Office, headed by the Managing Director. The members of the unit are:

Sl.	Name	Designation	Designation (CCU)
01.	Mohammad Rashedul Islam	Managing Director (CC)	Head of BIU
02.	Mr. Samir Saha	Sr. Asst. Vice President	Member
03.	Md. Enayet Kabir	Sr. Asst. Vice President	Member
04.	Md. Jashim Uddin Rajib	Executive Officer	Member

Quantitative Disclosure

Particulars	Amount in Crore
Paid up capital	140.89
Statutory reserve	62.39
Non-repayable share premium account	12.11
General reserve	11.13
Retained earnings	(532.86)
Minority interest in subsidiaries	-
Non-cumulative irredeemable preference shares	-
Dividend equalization account	-
Total Tier-1 (Core Capital)	**(306.35)**
Deductions from Tier-1 Capital	-
Tier-2 (Supplementary Capital)	
General Provision (Unclassified loans up to specified limit+SMA+Off Balance Sheet exposure)	10.63
Asset Revaluation Reserves up to 50%	14.74
Tier-2 Capital	**25.37**
Total Eligible Capital (1+2)	**(280.98)**

Risk Weighted Assets (RWA)

Particulars	2025
A. Credit Risk:	**1067.26**
On-Balance sheet	1064.26
Off-Balance sheet	3.00
B. Market Risk	**69.63**
C. Operational Risk	**12.81**
Total Risk Weighted Assets	**1149.70**

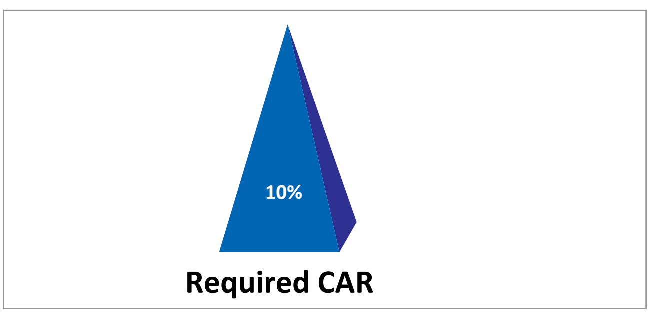
3) Capital Adequacy

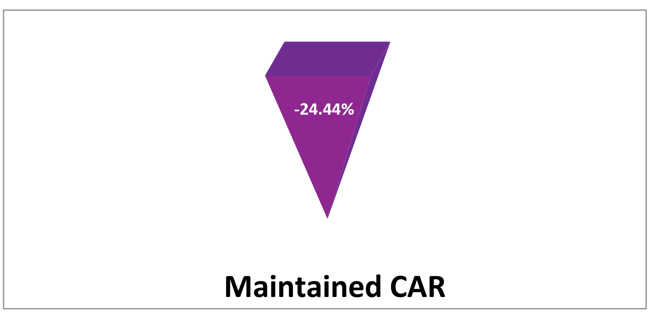
Qualitative Disclosure

Bay Leasing & Investment Limited, with its focused strategy on risk management, has always been consistent in maintaining a capital adequacy ratio above the regulatory requirements. BLIL has been successfully managing the incremental growth of the Risk Weighted Assets by ensuring diversification of the portfolio in SME, Retail and Corporate segments. However, RWA is also managed by taking collateral against its loans. BLIL strives to extend our relationship with corporate clients having good credit ratings. While computing the capital adequacy, BLIL has applied the Standardized Approach for Credit Risk and Market Risk and Basic Indicator Approach for Operational Risk.

Quantitative Disclosure

Particulars	Amount in Crore	
A. Eligible Capital:	**2025**	**2024**
1.Tier-1 Capital	(306.35)	(385.08)
2.Tier-2 Capital	25.37	25.68
3. Total Eligible Capital (1+2)	**280.98**	**359.40**
B. Total Risk Weighted Assets (RWA)	**1149.70**	**1350.95**
C. Capital Adequacy Ratio (CAR) (A3/B)*100	**-24.44%**	**-32.64%**
D. Core Capital to RWA (A1/B)*100	**-26.65%**	**-30.46%**
E. Supplementary Capital to RWA (A2/B)*100	**2.21%**	**2.18%**
F. Minimum Capital Requirement (MCR) 10% of RWA	**114.97**	**117.98**





CAR as on December 31, 2025

4) Credit Risk

Qualitative Disclosure

Credit Risk: Credit risk is the risk of financial losses resulting from the failure by a client or counterparty to meet its contractual obligations to the Company. Credit risk arises from the Company's dealings with or lending to corporations, individuals, and other banks or financial institutions.

Corporate Credit Policy: BLIL is managing its Credit Risk through a Board-directed and approved Corporate Credit Policy in line with the Bangladesh Bank Core Risk Management Guidelines, which outline robust processes and procedures to ensure the quality of its asset portfolio. The Credit Policy also contains the general principles to govern the implementation of detailed lending procedures and risk grading systems of borrowers. And, as such, it specifically addresses the areas of (a) Loan Originating; (b) Credit Approval; (c) Credit Administration; (d) Risk Management; and (e) Monitoring, Collection and Recovery activities.

Credit Risk Management: An independent Credit Risk Management (CRM) Department is in place, at BLIL, to scrutinize projects from a risk-weighted point of view and assist the management in creating a high-quality credit portfolio and maximizing returns from risk assets. The research team of CRM regularly reviews the market situation and exposure of BLIL in various industrial sub-sectors. CRM has been segregated from the Credit Administration Department in line with Central Bank's Guidelines. CRM assesses credit risks and suggests mitigations before the recommendation of every credit proposal while Credit Administration confirms that adequate security documents are in place before disbursement.

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

Quantitative Disclosure

Industry-wise distribution of exposures, broken down by types of credit exposure

Amount in Crore

Sector	2025	2024
Agricultural Sector	14.18	13.95
Textile	63.41	59.94
Garments	82.03	83.12
Jute and jute products	-	0.13
Food production/processing industry	19.30	19.30
Plastic industry	8.90	9.44
Leather & leather products	-	0.43
Ship Manufacturing Industry	-	3.46
Chemical & Pharmaceutical	0.23	0.24
Cement/Concrete and allied industry	48.19	50.69
Service Industry	38.31	34.37
Paper, printing and packaging industry	21.26	21.44
Wood, Furniture & Fixtures	7.43	7.54
Glass and ceramic industry	-	-
Electronics and electrical industry	12.13	14.03
Iron, Steel & Engineering	7.69	7.99
Trade and commerce	101.34	86.92
Power, Gas, water and sanitary service	2.79	2.68
Transport & Communication	-	-
Real Estate & Housing	231.35	238.60
Merchant Banking	103.30	102.34
Consumer Finance	8.31	6.97
Others	76.09	68.19
Total	**846.26**	**831.79**

Geographical distribution of exposures, broken down by major types of credit exposure

Area	Amount in crore
Dhaka Division	845.10
Chittagong Division	-
Khulna Division	-
Rajshahi Division	0.80
Rangpur Division	-
Barishal Division	-
Sylhet division	-
Mymanshing	0.36
Total	**846.26**

Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure.

Particulars	Amount in crore
On demand	-
Up to 1 month	30.39
Over 1 month but not more than 3 months	89.52
Over 3 months but not more than 1 year	280.63
Over 1 year but not more than 5 years	428.90
Over 5 years	16.82
Total	**846.26**

5) Equities: Banking Book Positions

Qualitative Disclosure

The general qualitative disclosure requirement with respect to equity risk, including:

Differentiation between holdings on which capital gains are expected and those taken under other objectives, including for relationship and strategic reasons; and
Total equity share holdings are for capital gain purposes.

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

Shares are valued at cost prices and if the total cost of a particular share is lower than the market value of that particular share, then provisions are maintained as per the terms and conditions of the regulatory authority.

Quantitative Disclosure

Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value.

Particular	Market Value
Ordinary Shares	34.81

Capital requirements broken down by appropriate equity groupings, consistent with the FI's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements.

Specific Risk- Market value of investment in equities is BDT 34.81 crore. Capital Requirement is 10% of the said value which stands at BDT 3.48 crore

General Risk- Market value of investment in equities is BDT 34.81 crore. Capital Requirement is 10% of the said value which stands at BDT 3.48 crore.

6) Market Risk

Qualitative Disclosure

Market Risk: Market risk is defined as the risk of losses arising from movements in market prices reported in and Off--balance sheet positions. BLIL is exposed to Market Risk mostly stemming from the risks pertaining to interest rate-related instruments and equities in the trading book.

Methods Used to Measure Market Risk: We use a Standardized (Rule Based) Approach to measure the market risk as per the guidelines of Bangladesh Bank where, for Interest Rate Risk and Equity Risk both General and Specific risk factors are applied for calculating required capital charges against Market Risk.

Market Risk Management System:

Asset Liability Management: Changes in market liquidity and/or interest rate expose the company's business to the risk of loss, which may in extreme cases, threaten the survival of the institution. Bangladesh Bank controls and limits these risks and proper resources are available for the evaluation and control of these risks. The Asset Liability Committee

(ALCO) of the company monitors the balance sheet and liquidity risk of the company. This Committee also reviews the country's overall economic position, the company's liquidity position, ALM ratios, Interest Rate Risk, Capital Adequacy, Deposit Advance Growth, Cost of Deposit, Market Interest Rate, Loan Loss Provision adequacy, deposit and lending pricing strategy.

Market Analysis: Market analysis of interest rate movements is reviewed by the Treasury of the company. The type and level of mismatch interest rate risk of the company is managed and monitored from two perspectives, being an economic value perspective and an earnings perspective.

GAP Analysis: ALCO has established guidelines in line with the Central Bank's policy for the management of assets and liabilities, monitoring and minimizing interest rate risks at an acceptable level. ALCO in its regular monthly meeting, analyzes Interest Rate Sensitivity by computing GAP i.e. the difference between Rate Sensitive Assets and Rate Sensitive Liabilities, and takes a decision of enhancing or reducing the GAP according to prevailing market situation, aiming to mitigate interest rate risk.

Continuous Monitoring: Company's treasury manages and controls day-to-day trading activities under the supervision of ALCO that ensures continuous monitoring of the level of assumed risks.

Quantitative Disclosure

Particulars	Amount in crore
Interest rate risk	-
Equity positions risk	69.63
Foreign exchange positions and commodity risk (if any)	-

7) Interest rate in the banking book

Qualitative Disclosure

The general qualitative disclosure requirement including the nature of interest risk and key assumptions, including assumptions regarding loan prepayments and behavior of non-maturity deposits.

Interest rate risk in the banking book arises from mismatches between the future yield of assets and their funding cost. Assets Liability Committee (ALCO) monitors the interest rate movement on a regular basis. BLIL measures the Interest Rate Risk by calculating the Duration Gap i.e. a positive Duration Gap affects the company's profitability adversely with the increment of interest rate and a negative Duration Gap increases the company's profitability with the reduction of interest rate.

8) Operational Risk

Qualitative Disclosure

Operational Risk: Operational risk is defined as the risk of losses resulting from inadequate or failed internal processes, people and systems or from external events. This definition includes legal risk, but excludes strategic or reputation risk. The Board of Directors (BOD) of BLIL and its Management firmly believe that efficient management of operational risks always contribute to personnel. We have developed user-friendly Operations Manual, enclosed with functional processes for all employees who are the end users of these processes.

This is a critical initiative for the company because having a mapped-out process enables users to operate more efficiently, enhances knowledge amongst staff and fills in the holes in operations. We ensure that all the policies and processes address clear responsibilities and accountabilities of the cross functional departments including the employees.

Performance gap of executives and staff: BLIL's recruitment strategy is based on retaining and attracting the most suitable people at all levels of the business and this is reflected in our objective approach to recruitment and selection. The approach is based on the requirements of the job (both now and in the near future), matching the ability and potential of the individual. Qualification, skills and competency form our basis for nurturing talent. We are proud to state that favorable job responsibilities are increasingly attracting greater participation from different level of employees in the BLIL family. We aim to foster a sense of pride in working for BLIL and to be the employer of choice.

Mitigation of 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. BLIL uses basic indicator approach for calculating the capital charge against operational risk i.e. 15% of the average positive annual gross income of the company over the last three years.

Potential external events: No potential external event exists to raise operational risk of BLIL at the time of reporting.

Policies and procedures for mitigating operational risk: BLIL has also established an Internal Control and Compliance Department (ICC) to address operational risk and to frame and implement policies to encounter such risks. ICC assesses operational risk across the company as a whole and ensures that an appropriate framework exists to identify, assess and manage operational risk.

Approach for Calculating Capital Charges for Operational Risk: We follow the Basic Indicator Approach (BIA) for calculating the capital charges for Operational Risk as per the guidelines of Bangladesh Bank. As per BIA, the capital charge for Operational Risk is a fixed percentage denoted by α (alpha) of the average positive gross annual income of the bank over the past three years.

Quantitative Disclosure

Particulars	Amount in crore
Capital requirement for operational risk	12.81

Report of the Audit Committee

Role of the Audit Committee

The Board Audit Committee of Bay Leasing & Investment Ltd. is a sub-committee under the Board of Directors. The Audit Committee serves as the company's core administrator, safeguarding stakeholders' interests. The role and terms of reference of the Audit Committee are to assist the Board in fulfilling its oversight responsibilities regarding the integrity of BLIL's financial statements, risk management and internal control, internal and external audit functions, compliance with laws and regulations and the external auditors' performance and independence.

Composition and members of the Audit Committee

The present members of the committee are as follows:

Name	Status in the Committee	Status in the Board
Md. Habibullah Monju	Chairman	Independent Director
Mr. Abul Quasem	Member	Independent Director
Mr. Tareq Ahmed Salauddin Khan	Member	Independent Director

As per regulatory guidelines, the Company Secretary of BLIL Mrs. Sharmin Akhter is the secretary of the Audit Committee.

Meetings of the Audit Committee

Four meetings were held in the year 2025. The Managing Director and other Division Heads of BLIL attended the meetings on invitation.

Terms of Reference of the Audit Committee

- Md. Habibullah Monju, in his capacity as the Independent Director, shall be the Chairman of the Audit Committee.
- The tenure of office of the Audit Committee shall be 3 (three) years.
- The Company Secretary shall act as Secretary to the Audit Committee.
- The terms of reference of the Audit Committee shall be as specified in the DFIM Circular and BSEC's Notification.

Scope of work

The Committee is authorized to monitor and review the effectiveness of the Company's internal audit and compliance function in the context of the Company's overall risk management system. The Committee

- Review and satisfy itself that the Internal Audit & Compliance department has the competency and qualifications to maintain its mandates;
- Review the status report from the Internal Audit & Compliance department and ensure that appropriate actions have been taken to implement its recommendations;
- Recommend any broader review deemed necessary as a consequence of any issues that may have been identified.
- Request and review any special audit when deemed necessary;

Internal Audit and Compliance

The Audit Committee reviews the Internal Audit & Compliance. The Committee reviews the following activities:

- Received reports from the internal auditors
- Review the efficiency and effectiveness of the internal audit function
- Review the annual internal audit plan and approve the same
- Review the appropriate system and controls in place for the effectiveness of the internal audit function
- Review the findings and recommendations made by the internal audit
- Reviewed the actions taken by the Management for the implementation of audit committee observations on issues deliberated in the audit committee reports;
- Reviewed the actions taken by the Management for the implementation of audit committee observations on issues deliberated in the audit committee reports;

Other Reviews

- Reviewed the management's discussion and analysis before disclosing in the Annual Report
- Reviewed the statement of significant related party transactions submitted by the management

External Audit

Pinaki & Co, Chartered Accountants acted as external auditors to the Company for the year. The external auditors are not engaged by the Company on any non-audit work.

Reporting of the Audit Committee

The Audit Committee placed its regular reports to the Board of the Company for review and monitoring of the activities with recommendations on the internal control system, compliance with rules and regulations of the regulatory bodies.

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Independence of External Auditors and Appointment of Statutory Auditors

As a policy, the committee prohibits the external auditors from performing any work that they may subsequently need to audit or which might otherwise create a conflict of interest. The committee also monitors the balance between audit and non-audit related functions to ensure that the auditors' independence is maintained. The Chief Financial Officer is permitted to engage the external auditors on matters that do not create such conflicts.

The committee considered the independence, expertise and objectivity of external auditors and also reviewed their effectiveness as external auditors before submitting its recommendation to the Board that their reappointment could be proposed to the shareholders.

Acknowledgement

The members of the Audit Committee expressed their thanks to the Board of Directors and the Management for their cooperation while performing their duties and responsibilities.

Md. Habibullah Monju
Chairman, Audit Committee

Status of Compliance on Corporate Governance Under condition No. 1(5)(xxvii) of CGC

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRCD/2006-158/207/Admin/80, dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1.0	**Board of Directors**			
1.1	Board Size (minimum - 5 and maximum - 20)	√		The board consists of five members, including four independent directors.
1.2	***Independent Directors***			
1.2 (a).1	At least 2 (two) or 1/5th of total as Independent Director (ID)	√		
1.2 (a).2	Provided that the Board shall appoint at least 1(one) female independent director in the Board of Directors of the company	√		
1.2 (b)	"Without contravention of any provision of any other laws, for the purpose of this clause, an "independent director" means a director-"			
1.2 (b) (i)	Does not hold any share of less than 1% shares in the Company	√		
1.2 (b) (ii)	Not a Sponsor of the Company	√		
1.2 (b) (iii)	Who has not been an executive of the company	√		
1.2 (b) (iv)	Does not have other relationship	√		
1.2 (b) (v)	Not a Member or TREC, Director or Officer of any Stock Exchange	√		
1.2 (b) (vi)	Not a Shareholder/Director/Officer of any Member/TREC holder of Stock Exch.	√		
1.2 (b) (vii)	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.	√		
1.2 (b)(viii)	Not an 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; and	√		
1.2 (b)(x)	Not convicted for a Criminal Offence	√		
1.2 (c)	Appointed by the Board and approved by the shareholders in AGM	√		Independent directors have been appointed in the Board Meeting and at the upcoming AGM, it will be approved.

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1.2 (d)	Post cannot remain vacant more than 90 days.	√		No vacancy Occurred
1.2 (e)	Tenure of the Independent Director shall be for a period of 3 (three) years which may be extended for 1 (one) tenure only.			N/A
1.3	**Qualification of Independent Director**			
1.3(a)	Independent Director shall be a knowledgeable individual.	√		
1.3(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk.100.00 million or any listed company or a member of any national or international chamber of commerce or registered business association; or"			N/A
1.(3)(b)(ii)	Should be a Corporate Leader	√		
1(3)(b)(iii)	Former or existing official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law: Provided that in case of appointment of existing official as independent director, it requires clearance from the organization where he or she is in service; or"	√		
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law.			N/A
1(3)(b)(v)	Professional Chartered Accountant/ Secretary or equivalent qualification.			N/A
1 (3) (c)	The independent director shall have at least 10 (ten) years of experiences.	√		
1 (3) (d)	Relaxation in special cases.			N/A
1.4	**Quality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer**			
1(4)(a)	The posts of Chairperson of the board and CEO are different individuals.	√		
1(4)(b)	MD and/or CEO of a listed Company shall not hold the same position in another listed Company.	√		
1(4)(c)	The Chairperson shall be elected from among the non-executive directors.	√		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or CEO.	√		
1(4)(e)	In absence of Chairperson of the Board etc.			N/A
1.5	**The Directors' Report to Shareholders**			
1(5)(i)	Industry outlook and possible future developments in the industry.	√		
1(5)(ii)	Segment-wise or product-wise performance	√		
1(5)(iii)	Risks and concerns including internal and external risk factor.			N/A
1(5)(iv)	Discussion on Cost of Goods sold, Gross profit Margin and Net Profit Margin.	√		
1(5)(v)	Discussion on continuity of any extraordinary activities and implications.			N/A
1(5)(vi)	Detailed discussion and statement on related party transactions.	√		
1(5)(vii)	Utilization of proceeds from public/rights issues and/or through any others.			N/A
1(5)(viii)	Explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Offer, Direct Listing, etc.			N/A

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1(5)(ix)	Explanation by the Management if significant variance occurs between Quarterly Financial Performance and Annual Financial Statements.			N/A
1(5)(x)	Remuneration to Directors including Independent Director.	√		
1(5)(xi)	Statement that financial statements prepared by the management of the issuer present fairly its state of affairs, the result of its operations, cash flows and changes in equity.	√		
1(5)(xii)	Proper books of account of the issuer company have been maintained.	√		
1(5)(xiii)	Appropriate accounting policies have been consistently applied in preparation to the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	√		
1(5)(xiv)	International Accounting Statement (IAS) or International Financial Reporting standard (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)	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 in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress.	√		
1(5)(xvii)	There are 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)	Significant deviations from the last year's operation results of the issuer company shall be highlighted and the reasons there of should be explained.	√		
1(5)(xix)	Key operating and financial data of at least preceding 5 (Five) years shall be summarized.	√		
1(5)(xx)	If the issuer company has not declared dividend (cash or stock) for the Year, the reasons there of shall be given.	√		
1(5)(xxi)	Board's statement to the effect that no bonus shares or stock dividend paid as interim dividend.			N/A
1(5)(xxii)	The number of Board meetings held during the year and attendance by each Director shall be disclosed.	√		
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate (name wise details).	√		
1(5)(xxiii)(a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details).	√		
1(5)(xxiii)(b)	Directors, CEO, Company Secretary, and CFO, HIAC and their spouses and minor children (name wise details).	√		
1(5)(xxiii)(c)	Executives	√		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	√		
1(5)(xxiv)(a)	A brief resume of the director in case of appointment or reappointment.	√		

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1(5)(xxiv) (b)	Nature of his/her expertise in specific functional areas.	√		
1(5)(xxiv) (c)	Names of the companies in which the person also holds the directorship and the memberships of committees of the board.	√		
1(5)(xxv)	**Management discussion and analysis signed by CEO/MD presenting detail analysis of the company's position and**			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements.	√		
1(5)(xxv) (b)	Changes in accounting policies and estimation as well as cash flows on absolute figure for such changes.			N/A
1(5)(xxv) (c)	Comparative analysis and financial position as well as cash flew for current financial year with immediate preceding five years explaining reasons.	√		
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario.	√		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and globe.	√		
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements.	√		
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation shall be explained to the shareholders in the next AGM	√		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per **Annexure-A;**	√		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed.	√		
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.			N/A
1(6)	**Meeting of the Board of Directors**			
1(6)	Compliance under Bangladesh Secretarial Standards (BSS)	√		
1(7)	**Code of Conduct for the Chairperson, other Board members and Chief Executive Officer**			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee(NRC)			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.			N/A
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.	√		
2(b)	Independent Director of holding company also in the subsidiary company.	√		
2(c)	Minutes of subsidiary to be placed in the meeting of 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.	√		
2(e)	The Audit Committee of the holding company shall also review the financial statements in particular the investments made by the subsidiary company.	√		

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
3	**Managing Director (MD) or Chief Executive Officer, Chief Financial Officer (CFO), Head of Internal Audit and Company Secretary**			
3.1	**Appointment**			
3(1)(a)	Board shall appoint a MD or CEO, Company Secretary, CFO, and HIAC.	√		
3(1)(b)	The positions of the MD, CEO, CS, CFO & HIAC shall be filled by different individuals.	√		
3(1)(c)	The MD or CEO, CS, CFO, and HIAC of a listed company shall not hold any executive position in any other company at the same time:	√		
	Provided that CFO or CS of any listed company may 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;"			N/A
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS.	√		
3(1)(e)	MD or CEO, CS, CFO, and HIAC shall not be removed from their position without approval of the Board and be disseminated to the commission and exchange.	√		
3.2	**Requirement to attend Board of Directors' Meetings**			
3 (2)	MD or CEO, CS, CFO and HIAC shall attend the meetings of the Board.	√		
3.3	**Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)**			
3(3)(a)(i)	The statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.	√		
3(3)(a)(ii)	The statements together present a true and fair view of the company's affairs and are in compliance.	√		
3(3)(b)	The MD or CEO and CFO to certify on due diligence in the Report.	√		
3(3) (c)	The certification of the MD/CEO and CFO shall be disclosed in the Annual Report.	√		
4	**Board of Directors' Committee**			
4 (i)	Audit Committee	√		
4 (ii)	Nomination and Remuneration Committee			Complied as per the prudential guidelines given by Bangladesh Bank.
5	**Audit Committee**			
5.1	**Responsibility to the Board of Directors**			
5(1) (a)	Company shall have an Audit Committee as a sub-committee of the Board.	√		
5(1) (b)	Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company.	√		
5(1) (c)	Audit Committee shall report on its activities to the Board of Directors.	√		
5.2	**Constitution of the Audit committee**			
5(2) (a)	The Audit Committee shall be composed of at least 3 (three) members.	√		

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
5(2) (b)	Board shall appoint members of the Audit Committee who shall be non-executive 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.	√		
5(2) (d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 60 (sixty) days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;"			N/A
5(2) (e)	The Company Secretary shall act as the Secretary of the Audit Committee	√		
5(2)(f)	Quorum of Audit Committee meeting, at least One independent director.	√		
5.3	**Chairperson of the Audit Committee**			
5(3)(a)	The Board shall select Chairperson of the Audit Committee who will be ID.	√		
5(3)(b)	Absence of the Chairperson of the Audit Committee members to elect one.	√		
5(3)(c)	Chairperson of the Audit Committee shall remain present in the AGM.	√		
5.4	**Meeting of the Audit Committee**			
5(4)(a)	The Audit Committee shall conduct at least 4 meetings in a financial year.	√		
5(4)(b)	Quorum of Audit Committee, presence of 2 or 2/3 members whichever is higher.	√		
5.5	**Role of the Audit Committee**			
5(5)(a)	Oversee the financial reporting process.	√		
5(5)(b)	Monitor choice of accounting policies and principles.	√		
5(5)(c)	Internal Audit and Compliance process to ensure that it is adequately resourced.	√		
5(5)(d)	Performance of external auditors.	√		
5(5)(e)	Hold meeting with the auditors, review the annual financial statements before submission to the Board for approval or adoption.	√		
5(5)(f)	Review with the management, the annual financial statements before submission to the Board for approval.	√		
5(5)(g)	Review with the management, the Quarterly and half yearly financial statements before submission to the Board for approval.	√		
5(5)(h)	The review 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 Mgt.	√		
5(5)(k)	Review management letters or letter of Internal Control weakness issued by statutory auditors.	√		
5(5)(l)	Oversee determination of audit fees based on scope and magnitude.	√		
5(5)(m)	Oversee whether IPO proceeds utilized as per the published Prospectus.			N/A

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
5.6	**Reporting of the Audit Committee**			
5.6 (a)	**Reporting to the Board of Directors**			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√		
5(6)(a)(ii)(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.			N/A
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliance including securities related laws, relies and regulation.			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
5.6 (b)	**Reporting to the Authorities**			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from 5 (7) the date of first reporting to the Board, whichever is earlier.			N/A
5.7	**Reporting to the Shareholders and General Investors**			
5(7)	Reporting to the Shareholders and General Investors	√		
6	**Nomination and Remuneration Committee (NRC)**			Complied as per the prudential guidelines given by Bangladesh Bank.
6.1	**Responsibility to the Board of Directors**			
6(1)(a)	The company shall have a NRC as a sub-committee of the Board.			N/A
6(1)(b)	NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications			N/A
6(1)(c)	The Terms of Reference of the NRC shall be clearly set forth in writing.			N/A
6.2	**Constitution of the NRC**			
6(2)(a)	The Committee shall comprise of at least three members including an ID.			N/A
6(2)(b)	At list 02 (two) 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)	Board have authority to remove and appoint any member of the committee.			N/A
6(2)(e)	Board shall fill the vacancy within 180 days of such vacancy in the Committee.			N/A
6(2)(f)	The Chairperson of the Committee may appoint/co-opt any external expert.			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 any remuneration/advisory, other than Director's fees or honorarium form the company.			N/A

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
6.3	**Chairperson of the NRC**			
6(3)(a)	Board shall select 1 member of the NRC to be Chairperson of the Committee			N/A
6(3)(b)	Absence of chairperson, the remaining members may elect one of them.			N/A
6(3)(c)	Chairperson of the NRC shall attend the AGM.			N/A
6.4	**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.			N/A
6(4)(c)	Quorum of NRC meeting, presence of 2 or 2/3 members whichever is higher.			N/A
6(4)(d)	Proceedings of NRC meeting shall be recorded in the minutes and such minutes shall be confirmed in the next meeting.			N/A
6.5	**Role of NRC**			
6(5)(a)	NRC shall be independent and responsible/accountable to the Board and to the shareholders.			N/A
6(5)(b)(i)(a)	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)	Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.			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.			N/A
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, experience etc.			N/A
6(5)(b)(iii)	Identifying persons who are qualified the criteria laid down and recommend their appointment and removal to the Board.			N/A
6(5)(b)(iv)	Formulating criteria for evaluation of performance of independent directors and the Board.			N/A
6(5)(b)(v)	Identifying company's needs for employees at different levels and determine their selection, transfer or replacement.			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 at a glance in its annual report.			N/A
7	**External or Statutory Auditors**			
7(1)	Issuer company shall not engage its external auditors to perform the following:	√		
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 service related to the account ion records.	√		
7(1)(iv)	Broker–dealer services	√		
7(1)(v)	Actuarial services	√		
7(1)(vi)	Internal/special audit services.	√		
7(1)(vii)	Any services that the Audit Committee may determine.	√		

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
7(1)(viii)	Certification services on compliance of corporate governance as required under condition No 9(1).	√		
7(1)(ix)	Any other service that may create conflict of interest.	√		
7(2)	No partner or employees of the External/Statutory Auditors audit firms shall possess any share of the company they audit at least during the tenure.	√		
7(3)	Representative of External Auditors shall remain present in the AGM.	√		
8	**Maintaining a website by the company**			
8(1)	The company shall have an official website linked with that 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 exchanges.	√		
9	**Reporting and Compliance of Corporate Governance**			
9(1)	The company shall obtain a certificate from a practicing professional firm on yearly basis regarding compliance of conditions of Corporate. Governance and such certificate shall be disclosed in the Annual Report	√		
9(2)	The professional who will provide the certificate on compliance of Corporate Governance shall be appointed by the Shareholders in the AGM.	√		29th AGM date: 28th August, 2025
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the director's report whether the company has complied with these conditions or not.	√		

চৌধুরী ভট্টাচার্য্য এন্ড কোং
CHOWDHURY BHATTACHARJEE & CO.
CHARTERED ACCOUNTANTS
SINCE 1985

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Bay Leasing & Investment Limited
Certificate of Compliance
Under Condition # 1(5) (xxvii) of CGC

Report to the Shareholders' of Bay Leasing & Investment Limited
On compliance on the Corporate Governance Code

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

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

This is 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 Company has complied the conditions of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission;

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

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

(d) The governance of the Company is satisfactory.

Place: Dhaka
Date: 06 August 2026

B. K. Bhattacharjee, FCA
Enrollment No: 517
Partner
Chowdhury Bhattacharjee & Co.
Chartered Accountants

Chowdhury Bhattacharjee & Co.
Chartered Accountants
Dhaka

BRANCH OFFICE : 922, Jubilee Road, Chattogram-4000, Ph: 031-614907, Mob : 01971-115171, E-mail : cbcctg1980@gmail.com

Compliance Report on Bangladesh Bank's Guidelines on Corporate Governance

Bangladesh Bank requires the Financial Institutions to comply with the guidelines on Corporate Governance as per the DFIM Circular no. 7 dated September 25, 2007 taking appropriate steps to comply with the guidelines and implemented the same. Status report on compliance with those guidelines is given below:

Condition No.	Particulars	Compliance Status		Remarks
		Complied	Not Complied	
Responsibilities and authorities of Board of Directors	A. **Work Planning and Strategic Management**			
	i. The Board shall determine the objectives and goals and to this end shall chalk out strategies and work-plans on annual basis. It shall specially engage itself in the affairs of making strategies consistent with the determined objectives and goal and in the issues relating to structural change and reorganization for enhancement of institutional efficiency and other relevant policy matters. It shall analyze/monitor at quarterly rests the development of implementation of the work-plans.	√		
	ii. The Board shall have its analytical review incorporated in the Annual report as regard the success/failure in achieving the business and other targets as set out in its annual work-plan and shall apprise the shareholders of its opinions/recommendations on future plans and strategies.	√		
	iii. The Board will set the Key Performance Indicators (KPIs) for the CEO and other senior executives and will evaluate half yearly / yearly basis.	√		
	B. **Formation of sub-committee**			
	To expedite the process of making timely decision on key operational issues, Executive Committee and Audit Committee may be formed. No alternative director shall be included in this committee.	√		
	C. **Financial Management**			
	i. Annual budget and statutory financial statements shall be adopted finally with the approval of the Board.	√		
	ii. Board shall review and examine in quarterly basis various statutory financial statements such as statement of income-expenses, statement of loan/lease, statement of liquidity, adequacy of capital, maintenance of provision, legal affairs including actions taken to recovery of overdue loan/lease.	√		
	iii. Board shall approve the procurement policy and shall accordingly the delegation of power for making such expenditure. The maximum delegation of power shall rest on the CEO and top management. However, decision relating to purchase of land, building and vehicles shall remain with the Board.	√		
	iv. The Board shall adopt the operation of bank accounts. Groups maybe formed among the management to operate bank accounts under joint signatures.	√		

Condition No.	Particulars	Compliance Status		Remarks
		Complied	Not Complied	
Responsibilities and authorities of Board of Directors	A. **Management of loan/lease/investments**			
	i. Policy on evaluation of loan/lease/investment proposal, sanction and disbursement and its regular collection and monitoring shall be adopted and reviewed by the Board regularly based on prevailing laws and regulations. Board shall delegate the authority of loan/lease/investment specifically to management preferably on Managing Director and other top executives.	√		
	ii. No director shall interfere on the approval of loan proposal associated with him. The director concerned shall not give any opinion on that loan proposal.	√		
	iii. Any syndicated loan/lease/investment proposal must be approved by the Board.	√		
	B. **Risk Management**			
	Risk Management Guideline framed in the light of Core Risk Management Guideline shall be approved by the Board and reviewed by the Board regularly.	√		
	C. **Internal Control and Compliance**			
	A regular Audit Committee as approved by the Board shall be formed. Board shall evaluate the reports presented by the Audit Committee on compliance with the recommendation of internal auditor, external auditors and Bangladesh Bank Inspection team.	√		
	D. **Human Resources Management**			
	i. Board shall approve the policy on Human Resources Management and Service Rule. Chairman and director of the Board shall not interfere on the administrative job in line with the approved Service Rule.	√		
	ii. Only the authority for the appointment and promotion of the Managing Director/Deputy Managing Director/ General Manager and other equivalent position shall lie with the Board incompliance with the policy and Service Rule. No director shall be included in any Executive Committee formed for the purpose of appointment and promotion of others.	√		
	E. **Appointment of the Managing Director and Increase of Salaries & Allowances**			
	The Board shall appoint a competent CEO for the Company with the approval of the Bangladesh Bank and shall approve any increment of his salary and allowances.	√		
	F. **Benefit to the Chairman**			
	Chairman may be offered an office room, a personal secretary, a telephone at the office, a vehicle in th e business-interest of the Company subject to the approval of the Board.	√		

Condition No.	Particulars	Compliance Status		Remarks
		Complied	Not Complied	
Responsibilities and authorities of the Chairman	i. Chairman shall not participate in or interfere into the administrative or operational and routine affairs of the Company as he has no jurisdiction to apply executive power;	√		
	ii. The minutes of the Board meetings shall be signed by the Chairman;	√		
	iii. Chairman shall sign-off the proposal for appointment of Managing Director and increment of his salaries & allowances;	√		
Responsibilities of Managing Director	i. Managing Director shall discharge his responsibilities on matters relating to financial, business and administration vested by the Board upon him. He is also accountable for achievement of financial and other business targets by means of business plan, efficient implementation of administration and financial management;	√		
	ii. Managing Director shall ensure compliance of Financial Institutions Act 1993 and other relevant circulars of Bangladesh Bank and other regulatory authorities;	√		
	iii. All recruitment/ promotion/ training, except recruitment/ promotion/ training of DMD, shall be vested upon the Managing Director. He shall act such in accordance with the approved HR Policy of the Company;	√		
	iv. Managing Director may re-schedule job responsibilities of employees;	√		
	v. Managing Director may take disciplinary actions against the employees except DMD and General Manager;	√		
	vi. Managing Director shall sign all the letters/statements relating to compliance of polices and guidelines. However, Departmental/Unit Heads may sign daily letters/statements as set out in DFIM circular no. 2 dated 06 January 2009 if so authorized by the Managing Director.	√		

Shareholding of the Sponsor/Directors as on 31 December, 2025

Sl No.	Name of sponsors/ promoters and Directors	Position	No .of share	% of holding
01	FATEMA ZAHIR MAJUMDER	CHAIRMAN	29,69,150	2.11
02	A.K.M AZIZUR RAHMAN	SPONSOR /PROMOTERS	10,77,381	0.76
03	HAMIDA HOSSAIN	SPONSOR / PROMOTERS	7,48,181	0.53
04	ABDUL MATLUB AHMAD	SPONSOR / PROMOTERS	1,74,32,633	12.37
05	RAIYAN KABIR	SPONSOR / PROMOTERS	2,826,008	2.00
06	QUAMRUNNESSA RATNA	SPONSOR / PROMOTERS	51,487	0.04
07	FARHANA KABIR	SPONSOR / PROMOTERS	6,86,916	0.49
		Total	**25,791,756**	**18.30**

Pattern of Directors as on 31 December, 2025

Sl No.	Name of sponsors/ promoters and Directors	Position	No .of share	% of holding
01	FATEMA ZAHIR MAJUMDER	CHAIRMAN	29,69,150	2.11
02	ABUL QUASEM	INDEPENDENT DIRECTOR		
03	MD HABIBULLAH MONJU	INDEPENDENT DIRECTOR		
04	TAREQ AHMED SALAHUDDIN KHAN	INDEPENDENT DIRECTOR		
05	MAKSUDA AKHTER ROSY	INDEPENDENT DIRECTOR		
		Total		

Shareholders holding 10% or more

Sl No.	No .of share	No. of Shares	% of holding
01	ABDUL MATLUB AHMAD	1,74,32,633	12.37

Shareholding Composition as on 31-12-2025

Sl. No.	Shareholder's Group	No. of Shares Held	% of Total Shares	No. of Shareholders
1	**Sponsors & Directors**			
	I. Local (Individual + Corp. Body)	25,791,756	18.30	7
2	**Corporate Bodies**			
	I. Local (other than in sl no. 1)	33,028,153	23.44	122
	II. Foreign (other than in sl. no. 1)	579	0.00	1
3	**General Investors**			
	I. Local Individual	81,643,995	57.96	8,932
	II. Non-Resident Bangladeshis (NRBs)	423,960	0.30	114
	Total	**140,888,443**	**100.00**	**9,176**

Summary of Unclaimed Dividend

As per sec 9(1) of Bangladesh Securities and Exchange Commission (Capital Market Stabilization Fund) Rules, 2021, we transferred the following unclaimed dividend to CMSF:

SL NO.	Year	Total Amount
01.	2010-2018	19,615,777.39

Stock Dividend

SL No.	Year	Total BO/Folio ID	Total No of Shares
01.	2010-2019	4	2832

We preserve the following unclaimed dividends at our Share Department which will be transferred to CMSF as per Sec. 9 (1) of Bangladesh Securities and Exchange Commission (Capital Market Stabilization Fund) Rules, 2021 in further after the completion of the stipulated time:

Unclaimed Dividend In Hand

SL No.	Year	Amount
2.	2019	2,746,301.00
3.	2020	934,195.72

Attendence by the Directors at the Board Meetings during the year 2025

SL No	Name of Sponsor Directors/Shareholders	Status	Total Meeting	Attended	Attended Fee	Remarks
1	Prof. Suraiya Begum	Chairman	10	7	56,000	Retired and not elected as Director in the 29th AGM held on 28.08.2025
2	Mrs. Fatema Zahir Majumder	Director	10	8	64,000	
3	Shahid Hossain	Independent Director	10	6	48,000	Retired as Independent Director on 06.08.2025
4	Abul Quasem	Independent Director	10	10	80,000	
	Total				248,000	

Audit Committee Meeting and attendance of Directors during the year 2025

SL No	Name of Sponsor Directors/Shareholders	Status	Total Meeting	Attended	Attended Fee	Remarks
1	Shahid Hossain	Chairman	4	2	16,000	Retired as Independent Director on 06.08.2025
2	Mrs. Fatema Zahir Majumder	Member	4	4	32,000	
3	Abul Quasem	Independent Director	4	4	32,000	
	Total				80,000	

Transactions with Senior Executives 2025

SL No	Name of Sr. Executives	Designation	Remuneration/Salary	Loan Outstanding
1	Mohammad Rashedul Islam	Senior Vice Predident	2,585,856	4,135,051
2	Ms. Sharmin Akhter	Vice Predident	1,978,368	6,886,904
3	Mr. Shabbir Minhaz Chowdhury	Senior Assistant Vice Predident	1,151,970	-
4	Md. Zabed Miah	Senior Assistant Vice Predident	1,800,960	4,903,553
5	Samir Saha	Senior Assistant Vice Predident	1,727,046	4,976,193
6	Md. Enayet Kabir	Senior Assistant Vice Predident	1,727,046	6,236,886
7	Faisal Bin Naser Ahmed	Senior Assistant Vice Predident	1,727,046	698,867
8	Pronab Kumar Das	Senior Assistant Vice Predident	1,653,120	1,495,242
9	Md. Golam Mahiuddin (Polash)	Senior Assistant Vice Predident	1,804,626	116,953

DIVIDEND DISTRIBUTION POLICY

A. Dividend Policy

As per Directive of the Bangladesh Securities and Exchange Commission bearing No. BSEC/CMRRCD/2021-386/03 dated 14 January 2021, this Dividend Distribution Policy is formulated and shall be disclosed in the annual report and official websites.

B. Approval Time

The annual or final Dividend shall be paid off to the entitled shareholder within 30 (Thirty) days of approval. Provided that interim dividend shall be paid off to the entitled shareholder, within 30 (Thirty) days of record date.

C. Cash Dividend distribution process

Cash Dividend shall be distributed in the following manner and procedures, namely:-

(i) Within 10 (ten) days of declaration of cash dividend by the board of directors, an amount equivalent to the declared cash dividend payable for the concerned year shall be kept in a separate bank account of the Bay Leasing & Investment Limited, dedicated for this purpose only;

(ii) The Bay Leasing & Investment Limited shall pay off cash dividend directly to the bank account of the entitled shareholder or unit holder as available in the BO account maintained with the Depository Participant (DP), or the bank account as provided by the shareholder or unit holder in paper form, through Bangladesh Electronic Funds Transfer Network (BEFTN);

Provided that the Bay Leasing & Investment Limited may pay off such cash dividend through bank transfer or any electronic payment system as recognized by the Bangladesh Bank, if not possible to pay off through BEFTN;

(iii) The Bay Leasing & Investment Limited, upon receiving the claim on cash dividend from a stock broker or a merchant banker or a portfolio manager for the margin client or customer who has debit balance or margin loan, or as per intention of the client of stock broker or merchant banker or portfolio manager, shall pay off such cash dividend to the Consolidated Customers' Bank Account (CCBA) of the stock broker or the separate Bank Account of the Merchant Banker or the Portfolio Manager through BEFTN;

Provided that upon receiving the cash dividend, the stock broker of merchant banker or portfolio manager shall immediately account for such dividend in the individual client's portfolio account;

Provided further that the stock broker or merchant banker or portfolio manager shall provide detailed information (e.g., BO Account number, code number, Bank account number, intention, etc. of the client or customer including CCBA of stock broker or separate bank account of merchant banker or portfolio manager) to the Bay Leasing & Investment Limited for such claim.

(iv) The Bay Leasing & Investment Limited, in case of non-availability of bank account information or not possible to distribute cash dividend through BEFTN or any electronic payment system, shall issue cash dividend warrant/cheque and shall send it by post to the shareholder or unit holder;

(v) The Bay Leasing & Investment Limited shall pay off cash dividend to non-resident sponsor, director, shareholder, unit holder or foreign portfolio investors (FPI) through the security custodian in compliance with the rules or regulations in this regard;

(vi) The Bay Leasing & Investment Limited immediately after disbursement of the cash dividend and issuance of certificate of tax deducted at source, if applicable, shall intimate to the shareholder or unit holder through a short message service (SMS) to the mobile number or email address as provided in the BO account or as provided by the shareholder or unit holder;

(vii) The Bay Leasing & Investment Limited shall maintain detailed information of unpaid or unclaimed dividend and rationale thereof; as per BO account number-wise or name-wise or folio number-wise of the shareholder or unit holder; and shall also disclose the summary of aforesaid information in the annual report and shall also report in the statements of financial position (Quarterly/Annually) as a separate line item 'Unclaimed Dividend Account';

Provided that the Bay Leasing & Investment Limited shall publish the year-wise summary of its unpaid or unclaimed dividend in the websites;

Provided further that any unpaid or unclaimed cash dividend including accrued interest (after adjustment of Bank Charge, if any) thereon, if remains, shall be transferred to a separate bank account of the Bay Leasing & Investment Limited as maintained for this purpose, within 2 (two) years from the date of declaration or approval or record date, as the case may be.

D. Stock Dividend or Bonus Share Distribution Policy

The Bay Leasing & Investment Limited, shall credit stock dividend directly to the BO account or issued the bonus share certificate of the entitled shareholder, as applicable, within 30 (Thirty) days of declaration or approval or record date, as the case may be, subject to clearance of the exchange(s) and the Central Depository Bangladesh Limited (CDBL);

E. Issuance of Stock Dividend or Bonus Share process

The Bay Leasing & Investment Limited, the CDBL and the Exchange(s) shall follow the provisions of প্রবিধান ৪৬ of the ডিপোজিটরি (ব্যাবহারিক) প্রবিধানমালা, ২০২৩ for issuance of bonus Shares;

Provided that the Bay Leasing & Investment Limited shall maintain a suspense BO account for undistributed or unclaimed stock dividend or bonus shares and shall also follow the under mentioned procedures for ensuring the rightful ownership:

(i) The Bay Leasing & Investment Limited shall send at least 3 (Three) reminders to the entitled shareholder;

(ii) The Suspense BO Account shall be held under Block Module and such undistributed or unclaimed stock dividend or bonus shares shall not be transferred in any manner except for the purpose of allotting the bonus shares as and when the allottee approaches to the Bay Leasing & Investment Limited;

Provided that any corporate benefit in terms of shares accrued on such undistributed or unclaimed stock dividend or bonus share shall be credited to the Suspense BO Account.

(iii) The Bay Leasing & Investment Limited shall, upon receiving application from the allottee and after proper verification of identity and his entitlement, credit the bonus shares lying with the Suspense BO Account to the BO Account of the allottee, or issue bonus shares to the allottee, as applicable, within 15 (Fifteen) days of receiving application with an intimation to the commission and the Exchange(s);

(iv) Any voting rights on such undistributed or unclaimed stock dividend or Bonus shares shall remain suspended till the rightful ownership claim of the shareholder is established.

F. Compliance Report regarding Dividend Distribution

The Bay Leasing & Investment Limited shall submit a compliance report to the Commission and the Exchange(s) in a specific format at Annexure-A [sample given by the BSEC] in respect of the Clause (B), (C), (D) and (E) above, within 7 (Seven) working days of completion of dividend distribution;

Provided that the Bay Leasing & Investment Limited shall publish the compliance report in its website.

G. Forfeiture of unclaimed cash dividend or stock dividend

The Bay Leasing & Investment Limited shall not forfeit any unclaimed cash dividend or stock dividend till the claim becomes barred by the law of the land in force.

H. Transferred to the Fund of the Commission for unpaid or unclaimed or unsettled cash dividend

If any cash dividend remains unpaid or unclaimed or unsettled including accrued interest (after adjustment of bank charge, if any) thereon for a period of 3 (Three) years from the date of declaration or approval or record date, as the case may be, shall be transferred by the Bay Leasing & Investment Limited to the fund as directed or prescribed by the commission;

Provided that the Bay Leasing & Investment Limited shall provide detailed information to the manager of the fund during transfer of cash dividend as directed or prescribed by the Commission;

Provided further that if any shareholder or unit holder claims his cash dividend after transfer of such dividend to the Fund, within 15 (Fifteen) days of receiving such claim, the Bay Leasing & Investment Limited shall, after proper verification of the claim, recommend to the manager of the fund to pay off such dividend to the claimant in accordance with the provisions and procedures as directed or prescribed by the commission.

I. Transferred to the Fund of the Commission for unclaimed or unsettled stock dividend or bonus shares

If any stock dividend or bonus shares remain unclaimed or unsettled including corporate benefits in terms of bonus shares thereon for a period of 3 (Three) years from the date of declaration or approval or record date, as the case may be, shall be transferred in dematerialized form to the BO Account of the fund as mentioned at Clause No. H;

Provided that the Bay Leasing & Investment Limited shall provide detailed information to the manager of the fund during transfer of stock dividend or bonus shares as directed or prescribed by the Commission;

Provided further that if any shareholder claims his stock dividend or bonus shares after transfer of such dividend or bonus share to the BO Account of the Fund, within 15 (Fifteen) days of receiving such claim, the Bay Leasing & Investment Limited shall, after proper verification of the claim, recommend to the manager of the fund to pay off such dividend or bonus share to the claimant's BO Account in accordance with the provisions and procedures as directed or prescribed by the commission.

J. Maintaining Detail Information of the shareholder or unit holder for the purpose of proper distribution of cash dividend or stock dividend

The Bay Leasing & Investment Limited, by itself or by appointing an Agent, shall maintain detailed information of BO Account, Bank Account, Mobile Phone Number, E- mail address and address of the shareholder or unit holder for the purpose of proper distribution of cash dividend or stock dividend;

Provided that the Bay Leasing & Investment Limited or its agent or the CDBL or its DP shall keep confidentiality of information.

Provided further that the Bay Leasing & Investment Limited shall collect such detailed updated information from the CDBL or its DP from time to time when needed for the purpose of proper distribution of cash dividend or stock dividend and other compliances. In case of holding paper shares, the Bay Leasing & Investment Limited shall update the information at least once a year.

K. Binding clause

In the event of any confusion or difference of opinion on any matter whatsoever, the Bay Leasing & Investment Limited shall be bound to follow the decision of the Commission and shall consider the decision of the commission is final on all concerned.

Sustainable Finance Initiatives

Environmental Sustainability

BLIL has focused on environmental sustainability as a key part of its social responsibility. In alignment with Bangladesh Bank's Sustainable Finance Policy (2020) and the updated Guidelines on Environmental and Social Risk Management (ESRM) 2025, BLIL has integrated sustainability principles into its core business strategy. Since BLIL is committed to the environment and combating climate change, BLIL has formulated environmental sustainability policies, goals, and practices that support its activities both internally and externally, reducing both its direct impact through the use of natural resources by its internal operations and its indirect impact through its financial activity.

Environment Friendly Loan Financing

BLIL has incorporated sustainability principles into the day-to-day activities of the Company, aiming to do its best to ensure that the credits BLIL extends to the customers are utilized for environmentally sound and sustainable purposes. BLIL ensures that the borrower has the due environmental clearance certificate from the concerned authorities while granting or renewing credit facilities. BLIL has assessed environmental and social issues related to the projects at the time of granting credit facilities, which reflects BLIL's strong commitment to ensuring environmental and social safeguards of the projects, while creating a sense of accountability for the borrowers.

Following the Bangladesh Bank's ESRM Guidelines 2025, BLIL has adopted the upgraded Environmental and Social Due Diligence (ESDD) Risk Assessment Tool for all credit proposals. This tool automatically generates a quantitative risk rating-High, Medium, or Low-based on responses to ESG criteria, including assessment of carbon emissions, biodiversity impact, and community displacement. Projects falling under High or Medium risk categories are subject to enhanced mitigation measures and periodic monitoring. BLIL also encourages its borrowers to install solar panels in their projects at the time of appraising and granting housing loan facilities. In the future, the Company aims to enhance its effort on preserving ecosystem, land, air, and water, in line with the broad corporate mission of the Company and the national sustainable development agenda.

Plantation

To give back to the creation that has facilitated life from the inception of life is what can be claimed humane now. BLIL planted trees in the areas near our branch locations and continues to be a part of the solution to climate breakdown.

In-House Environmental Sustainability Practices

BLIL is maintaining a balanced initiative and supporting activities to contain things that may adversely affect the environment. BLIL encourages rational use of energy in the office and promotes the spirit of environmental sustainability action plans. Reduced utilization of electricity and minimum uses of utilities and office stationeries have become mandatory for the officials as follows:

Energy Conservation: BLIL substituted all inefficient older light bulbs with compact fluorescent light (CFL) or Light Emitting Diode (LED) bulbs. All employees use screen savers for their computers and turn off computers after work and when idle for more than 30 minutes. In line with Bangladesh Bank guidelines, BLIL has initiated carbon footprint measurement of its internal operations to reduce its greenhouse gas emissions.

Paper Reduction: BLIL encourages the use of both sides of the paper for lengthy documents, electronic mail for interoffice memoranda and reports, and processing documents electronically using the scan option on a copier when appropriate rather than printing hard copies. BLIL prints documents in small fonts, with wide margins and reduced spacing, uses letter-sized paper, files, and pouches rather than legal-sized items whenever possible.

Green Procurement Policies: The purchase of environmentally sustainable office equipment in a viable way in which offices can reduce electricity demand, save money, and help the office reduce its direct and indirect impact on the environment through the purchase of energy-efficient products. Green procurement is the purchase of products and services that have a minimal or reduced environmental and human health impact. In addition to improved environmental performance, many environmentally preferred products work as well or better than traditional products.

Fuel Conservation

Expanding every day, BLIL is much known for its collaborations with valuable partners for the good of all the parties. Such collaborations call for several meetings, which in turn bring a lot of fuel emission for travelling back and forth to office premises. Hence, that brings video conferencing into the picture to be used instead of face-to-face meetings with partners.

Environmental Due Diligence (EDD)

Environmental Due Diligence is maintained by BLIL at the time of processing the proposal before placing the same to Management. As per the updated ESRM Guidelines 2025 issued by Bangladesh Bank, BLIL has implemented the enhanced ESDD Risk Assessment Tool, which evaluates ESG factors including carbon emissions, biodiversity impact, and community displacement. A few clients of BLIL have been found applicable for EDD, and after conducting Environmental Risk Rating (EnvRR), it is found that few clients have fallen in the category of low risk and moderate risk level. No client has been categorized as high risk during the reporting period. BLIL continues to monitor risk ratings on a periodic basis and applies enhanced due diligence for moderate-rated clients.

Sustainable Finance Targets and Green Taxonomy

In compliance with Bangladesh Bank's Sustainable Finance Policy (2020) and the Green Finance and Sustainable Finance Target circular (SFD Circular No. 02, 2024), BLIL has set minimum targets for green finance disbursement as a percentage of its total funded loan portfolio. BLIL aligns its financing activities with Bangladesh Bank's Sustainable Finance Taxonomy, which encompasses both Green Taxonomy — covering green banking activities, green finance policy, ESDD, utilization of Climate Risk Fund, and internal environmental management including carbon footprint measurement — and Sustainable Finance Taxonomy, covering sustainable agriculture, CMSME, and socially responsible financing.

Environmental and Social Obligations

The obligation of any business to protect and serve the public interest is known as the social responsibility of business. According to the concept of social responsibility, the objective of managers for taking business decisions is not merely to maximize profits or shareholders' value but to serve and protect the interests of society such as workers, consumers, and the community as a whole.

An important component of corporate responsibility is environmental reporting, which describes the systematic and complete disclosure to stakeholders of an institution's environmental performance encompassing its impacts on the environment and its actions to reduce adverse effects on ecosystems or restore environmental conditions.

BLIL aims to report its obligations to the stakeholders voluntarily. As part of its environmental and social obligations, BLIL refrains from financing environmentally hazardous industries and/or investors and operates a separate department for financing to clean development mechanism projects and energy efficiency projects. BLIL will always try to ensure meeting environmental and social obligations to fulfill the demand of the present era.

Governance and Sustainability Rating

BLIL has established a Sustainable Finance Unit and a Sustainable Finance Committee, as mandated by Bangladesh Bank, to oversee the implementation of sustainable finance policies, monitor ESG risks, and ensure compliance with regulatory targets. The Committee, comprising senior management, reviews the Company's sustainability performance, sets strategic direction, and approves green finance targets.

Declaration of CEO and CFO to the Board of Directors

Annexure-A

Date: June 30, 2026

The Board of Directors
Bay Leasing & Investment Limited

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

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

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

In this regard, we also certify that:

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

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

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

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

Sincerely Yours,

Mohammad Rashedul Islam	**Enayet Kabir**
Managing Director (CC)	Head of Accounts & Finance

AUDITORS' REPORT

BAY LEASING & INVESTMENT LIMITED

Independent Auditor's Report

To The Shareholders of Bay Leasing & Investment Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **Bay Leasing & Investment Limited** and its subsidiary (the Group) as well as the separate financial statements of **Bay Leasing & Investment Limited** (the Company), which comprise the consolidated and separate statement of financial position as at 31 December 2025, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying consolidated and separate financial statements of the Company give a true and fair view of the consolidated and separate financial position of the Group and the separate financial position of the Company 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 International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987, and other applicable laws and regulations.

Basis for Opinion:

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the consolidated and separate Financial Statements section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for professional Accountants (IESBA Code) and Bangladesh Securities and Exchange Commission (BSEC), and we have fulfilled our ethical responsibilities in accordance with the IESBA Code and Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter:

- The company has no ability to meet up its obligations as the liabilities of the company is excess than its assets as on December 31, 2025 resulting from the cumulative negative balance of retained earnings Tk. 5,684,928,963.00 and negative operating cash flow Tk.320,890,739.00.The impact of both negative balance indicates a substantial doubt about the company's ability to continue its operation in near future.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters are discussed below together with an explanation of how the risk and our audit response were tailored to address these specific areas.

Please refer to Annexure: 1 Key Audit Matters (KAM) for illustrative purposes.

Annexure-1

Key audit matter description	How the scope of our audit responded to the key audit matter.
Lease, Loans and Advances	
The Company has reported Lease, Loans and advances of **BDT 10,245,067,090.00** There is a chance of erroneous recording, processing errors or fraudulent transactions when there is a high volume of originating and paying loans. Due to the possibility and the severity of misstatements on the existence, completeness and accuracy of loans and advances, which calls for further audit consideration. See note no. 7a for details.	We have tested the design and operating effectiveness of key controls and substantive procedures focusing on the following: With an emphasis on credit evaluation, loan disbursement, and the loan and advance documentation procedure, we evaluated the design and operational efficacy of essential controls. Prior to disbursing loans and advances, we carried out a procedure to verify that the company had made sure that the necessary documentation was in order in accordance with Bangladesh Bank guidelines and the company's policy. Additionally, we have carried out a procedure to verify that the loans and advances that were in existence on the reporting date are fully and accurately reported. In addition, we evaluated the disclosure in light of Bangladesh Bank rules.

Interest Income on Lease, Loans, and Advances	
The Company's has reported interest income on Lease, Loans and advances of **BDT 430,316,270** for the year ended 31 December 2024. Interest income recognition and measurement have involved a complicated IT infrastructure. Since interest income from loans and advances is one of the company's key performance indicators, we have identified it as a key audit matter. As such, there is an inherent risk of fraud and error in management's recognition of interest in order to meet particular targets or expectations. See note no. 20 a for details.	We have tested the design and operating effectiveness of key controls and substantive procedures focusing on the following: With regard to the automated control used to calculate and record interest income, we tested its operational efficacy. Additionally, we have conducted comprehensive procedures to verify whether interest income is accurately and fully recognized. In accordance with pertinent accounting standards and Bangladesh Bank regulations, we evaluated the disclosure's propriety and presentation.
Provision for Leases, Loans and Advances	
Estimating the provision for leases, loans and advances portfolio related to credit risk is a substantial and intricate procedure. As at 31 December 2025, the Group reported total gross leases, loans and advances of BDT 10,245,067,091. (2024: BDT 10,123,101,792) and provision for loans and advances of BDT 3,160,395,532(2024:BDT3,123 ,049,016). As part of our risk assessment, we identified the following significant judgments and estimates which could give rise to material misstatement or management bias • Completeness and timing of recognition of loss events in accordance with criteria set out in DFIM Circular no 04, dated 26 July 2021, DFIM Circular no 09, dated 14 September 2021, DFIM Circular no 27 dated 21 December 2022 and DFIM Circular no 13, dated 28 June 2022; and DFJM Circular no 33, dated 19 December 2021. • For individually assessed provisions, the measurement of the provision may be dependent on the valuation of collateral, estimates of exit values and the timing of cash flow. Provision measurement is primarily dependent upon key assumptions relating to probability of default, ability to repossess collateral and recovery rates. See note no. 7.13 & 7a for details.	We developed our audit strategy by concentrating on the following when examining the layout and functionality of key controls: • Completeness of appropriate documentation before disbursement of loan as well as recording of loan balance • Identification of loss events, including early warning and default warning indicators • Credit appraisal, loan disbursement procedures, monitoring and provisioning process • Reviewed quarterly Classification of Loans (CL); Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following: • Reviewed the adequacy of the companies general and specific provisions; • based, recalculated the provisions and tested the completeness and accuracy of the underlying information; • Evaluated the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines; and • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh
Adequacy of income tax provision and measurement of deferred tax liabilities	
Calculation of income tax provision required compliance with the Income Tax Act (ITA) 2023 including careful consideration of various temporary and permanent differences. Furthermore, upon final settlement of pending tax assessments any excess or short provision of current tax is also adjusted in the current year. Finally, significant judgment is required in relation to deferred tax assets as their recoverability is dependent on forecasts of future profitability over several years. Accordingly, this area has been considered as a key audit matter. As at 31 December 2025 the Bank reported income tax provision net off AIT of BDT 144,292,994.(2024:BDT131,839,526.) and corresponding current income tax charges of BDT5,474,670.(2024:19,546,317). In addition, total deferred tax liabilities of BDT 6,225,283. (2024:4,750,613) recognized by the Bank. See note no. 9.02,12.5 & 35a & for details.	We obtained an understanding, evaluated the design and tested the operational effectiveness of the financial institutions key controls over the recognition and measurement of both current tax and deferred tax, including the assumptions used in estimating the Bank's taxable income. We reviewed tax position for those years where income tax assessment is pending and assess adequacy of tax provision recorded by the financial institution. Special focus/attention was given to any reversal/adjustment of income tax provision from the prior year. We involved tax specialists to assess key assumptions, controls, recognition and measurement of current and deferred tax. Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax including deduction of DTL on specific provision from regulatory capital.

Other Information:

Management is responsible for the other information. The other information comprises all of the information in the Annual Report but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation and fair presentation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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

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

Auditor's Responsibilities for the Audit of 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 a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the Company 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. However, documentation process need be strengthened further.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 and the Securities and Exchange Rules, 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report the following:

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

b) In our opinion, proper books of accounts as required by law have been kept by the Company and so far as it appeared from our examination of these books;

c) The consolidated and separate statement of financial position and statements of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and

d) The expenditure incurred was for the purposes of the Company's business.

Pinaki Das

Pinaki Das FCA
Senior Partner
ICAB Enroll. No. 151
FRC Enlistment No.: CA-001-133
Pinaki & Company
Chartered Accountants
FRC Firm Enlistment No.: CAF-001-113

Place: Dhaka, Bangladesh
Dated: 01 July 2026
DVC: 2607010151AS229595

Bay Leasing & Investment Limited
Consolidated Balance Sheet
As at 31 December 2025

Particulars	Notes	Amount in Taka 31-12-2025	Amount in Taka 31-12-2024
PROPERTY AND ASSETS			
Cash	3a	39,760,509	52,250,721
In hand (including foreign currencies)		173,845	157,841
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)		39,586,664	52,092,880
Balance with banks and other financial institutions	4a	134,522,234	659,704,606
In Bangladesh		134,522,234	659,704,606
Outside Bangladesh		-	-
Money at call and short notice		-	-
Investments	6a	960,166,172	1,002,006,202
Government		-	-
Others		960,166,172	1,002,006,202
Lease, loans and advances	7a	10,245,067,090	10,123,101,792
Lease, loans and advances		10,245,067,090	10,123,101,792
Bills purchased and discounted		-	-
Fixed assets including premises, furniture and fixtures	8a	1,366,832,997	1,397,068,540
Other assets	9a	192,704,286	194,698,167
Non - financial institutional assets		-	-
Total Assets		**12,939,053,288**	**13,428,830,028**
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from banks, other financial institutions and agents	10.01a	4,302,592,131	4,515,166,404
Deposits and other accounts	11a	4,865,917,642	5,042,176,251
Current Accounts & Other Accounts etc.		-	-
Bills Payable		-	-
Savings Bank Deposits		-	-
Term Deposits		4,829,093,809	4,989,945,325
Bearer Certificates of Deposits		-	-
Other Deposits		36,823,833	52,230,926
Other liabilities	12a	6,539,085,141	7,421,608,295
Total Liabilities		**15,707,594,914**	**16,978,950,950**
Capital / Shareholders' equity			
Paid- up capital		1,408,884,435	1,408,884,435
Statutory Reserve		623,950,000	623,950,000
Share premium		121,115,565	121,115,565
General reserve		111,271,430	111,271,430
Assets Revaluation reserve		294,825,451	300,546,673
Retained surplus	17a	(5,328,590,543)	(6,115,895,074)
Total equity attributable to the equity holders of the company		**(2,768,543,662)**	**(3,550,126,972)**
Non-Controlling Interest	18a	2,036	6,049
Total Liabilities and Shareholders' Equity		**12,939,053,288**	**13,428,830,028**

Bay Leasing & Investment Limited
Off-Balance Sheet Items
As at 31 December 2025

Particulars	Notes	Amount in Taka	
		31-12-2025	31-12-2024
Contingent Liabilities	38	150,000,000	150,000,000
Acceptances and endorsements		-	-
Corporate guarantee		150,000,000	150,000,000
Irrevocable letters of credit		-	-
Bills for collection		-	-
Other contingent liabilities		-	-
Other Commitments		-	-
Documentary credits and short term trade -related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities , credit lines and other commitments		-	-
Total Off-Balance Sheet items including Contingent Liabilities		**150,000,000**	**150,000,000**
Net asset value per share	19a	**(19.65)**	**(25.20)**

Chairman **Director** **Managing Director** **Company Secretary**

Pinaki Das FCA
Senior Partner
ICAB Enroll. No. 151
FRC Enlistment No.: CA-001-133
Pinaki & Company
Chartered Accountants
FRC Firm Enlistment No.: CAF-001-113

Date: 01 July 2026
Dhaka, Bangladesh
DVC: 2607010151AS229595

Bay Leasing & Investment Limited
Consolidated Profit & Loss Account
For the year ended 31 December 2025

Particulars	Notes	Amount in Taka 31-12-2025	Amount in Taka 31-12-2024
Interest Income	20a	505,047,549	470,340,719
Interest paid on Deposit, Borrowing etc.	21a	(982,190,901)	(1,044,766,682)
Net Interest Income		**(477,143,352)**	**(574,425,963)**
Investment Income	22a	(12,085,475)	52,249,234
Commission, Exchange and Brokerage Income	23a	15,008,648	23,692,151
Other Operating Income	24a	74,714,178	10,242,667
Total Operating Income		**(399,506,001)**	**(488,241,911)**
Salary and allowances	25	66,113,242	75,308,942
Rent, taxes, insurance, electricity, etc	26a	7,186,195	9,996,483
Legal expenses		2,279,618	952,725
Postage, stamp, telecommunication, etc	27a	1,386,601	1,338,013
Stationery, Printing, advertisement, etc.	28a	1,516,841	2,027,255
Managing Director's salary and benefits		1,965,323	4,511,000
Directors' fees		353,600	404,800
Auditor's fees	30	658,250	733,000
Charges on Loan Losses		-	-
Depreciation and repairs of assets	31a	32,895,828	34,961,617
Other expenses	32a	12,296,810	12,660,580
Total operating expenses		**126,652,308**	**142,894,415**
Profit before provision		**(526,158,309)**	**(631,136,326)**
Provision against lease, loans, advances	33a	37,376,481	1,446,315,547
Provision against diminution in value of Investment	34a	(532,135)	56,276,838
Other Provision		392,842,333	2,236,533,539
Total Provision		**429,686,679**	**3,739,125,924**
Net Profit/(Loss) before taxes		**(955,844,988)**	**(4,370,262,249)**
Provision For Tax	35a	12,565,718	19,546,317
Net Profit/(Loss) after taxation		**(968,410,706)**	**(4,389,808,567)**
Net profit after tax attributable to:			
Equity holders of the Company		(968,406,693)	(4,389,804,557)
Non Controlling Interest		(4,013)	(4,010)
		(968,410,706)	**(4,389,808,567)**
Appropriations			
Statutory reserve		-	-
General reserve		-	-
Non-Controlling Interest		(4,013)	(4,010)
		(4,013)	(4,010)
Retained Surplus		**(968,406,693)**	**(4,389,804,557)**
Earning Per Share (EPS)	36a	**(6.87)**	**(31.16)**

Chairman **Director** **Managing Director** **Company Secretary**

Pinaki Das FCA
Senior Partner
ICAB Enroll. No. 151
FRC Enlistment No.: CA-001-133
Pinaki & Company
Chartered Accountants
FRC Firm Enlistment No.: CAF-001-113

Date: 01 July 2026
Dhaka, Bangladesh
DVC: 2607010151AS229595

Bay Leasing & Investment Limited
Consolidated Cash Flow Statement
For the year ended 31 December 2025

Particulars	Amount in Taka 31-12-2025	31-12-2024
A) Cash flows from operating activities		
Interest receipts	772,594,941	692,024,569
Interest payments	(987,470,435)	(1,137,579,516)
Dividend receipts	4,548,869	64,596,543
Fees and commission receipts	-	-
Payments to employees	(63,944,633)	(57,848,789)
Payments to suppliers	(29,355,163)	(35,980,368)
Receipts from other operating activities	76,578,259	24,075,995
Payments for other operating activities	(19,649,837)	(17,982,014)
Cash generated from operating activities before changes in operating assets and liabilities	(246,697,999)	(468,693,580)
Increase / decrease in operating assets and liabilities		
Other assets	(8,272,150)	149,748
Lease, loans and advances to customers	(158,981,612)	334,762,748
Margin Loan	10,232,131	137,025,469
Margin Deposit	(14,688,843)	(4,985,964)
Deposits from other banks, Institution & Individual	(160,851,516)	(43,522,268)
Payment as Call Loan	(45,755,300,000)	(164,200,000,000)
Receipt as Call Loan	45,712,500,000	164,150,000,000
Other liabilities account of customers	308,912,802	162,475,099
	(66,449,188)	**535,904,832**
Net cash from operating activities	**(313,147,187)**	**67,211,252**
B) Cash flows from investing activities		
Proceeds from sale of securities	42,506,860	206,855,695
Payments for purchases of securities	(4,876,450)	-
Proceeds from sale of Fixed Assets	215,000	284,000
Purchase of property, plant and equipment	(993,979)	(5,295,873)
Net cash from investing activities	**36,851,431**	**201,843,822**
C) Cash flows from financing activities		
Receipts of long term loan	401,498,310	215,029,195
Net draw down/(payment) of short term loan	(662,830,220)	(748,348,934)
Dividend paid	(44,918)	(44,918)
Net Cash from financing activities	**(261,376,828)**	**(533,364,657)**
D) Net increase / (decrease) in cash and cash equivalents (A+ B + C)	**(537,672,584)**	**(264,309,583)**
E) Effects of exchange rate changes on cash and cash equivalents	**-**	**-**
F) Cash and cash equivalents at beginning of the year	**711,955,327**	**976,264,910**
G) Cash and cash equivalents at end of the year	**174,282,743**	**711,955,327**
Cash and cash equivalents at end of the year		
Cash in hand (including foreign currencies)	173,845	157,841
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	39,586,664	52,092,880
Balance with banks and other financial institutions (notes 4 (b))	134,522,234	659,704,606
Total	**174,282,743**	**711,955,327**

Chairman **Director** **Managing Director** **Company Secretary**

Bay Leasing & Investment Limited
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	Retained earnings	Total	Non-Controlling Interest	Total
Balance as at January 01, 2025	1,408,884,435	121,115,565	623,950,000	111,271,430	300,546,673	(6,115,895,074)	(3,550,126,971)	6,049	(3,550,120,922)
Prior period error adjustment	-	-	-	-	-	-	-	-	-
Restated balance as at January 01, 2024	1,408,884,435	121,115,565	623,950,000	111,271,430	300,546,673	(6,115,895,074)	(3,550,126,971)	6,049	(3,550,120,922)
Surplus / deficit on account of revaluation of properties	-	-	-	-	-	-	-	-	-
Surplus / deficit on account of revaluation of investments	-	-	-	-	-	-	-	-	-
Transferred during the year	-	-	-	-	(5,721,222)	5,721,222	-	-	-
Net gains and losses not recognized in the income statement	-	-	-	-	-	-	-	-	-
Net profit after taxation for the year	-	-	-	-	-	(968,406,692)	(968,406,692)	(4,013)	(968,410,705)
Share Premium	-	-	-	-	-	-	-	-	-
Cash Dividend	-	-	-	-	-	-	-	-	-
Appropriation made during the year	-	-	-	-	-	-	-	-	-
Balance as at December 31, 2025	**1,408,884,435**	**121,115,565**	**623,950,000**	**111,271,430**	**294,825,451**	**(7,078,580,543)**	**(4,518,533,663)**	**2,036**	**(4,518,531,626)**
Balance as at December 31, 2024	**1,408,884,435**	**121,115,565**	**623,950,000**	**111,271,430**	**300,546,673**	**(6,115,895,074)**	**(3,550,126,971)**	**6,049**	**(3,550,120,922)**

Chairman **Director** **Managing Director** **Company Secretary**

Bay Leasing & Investment Limited
Balance Sheet
As at 31 December 2025

Particulars	Notes	Amount in Taka	
		31-12-2025	31-12-2024
PROPERTY AND ASSETS			
Cash	3	39,646,317	52,225,918
In hand (including foreign currencies)		59,653	133,038
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)		39,586,664	52,092,880
Balance with banks and other financial institutions	4	111,277,830	652,289,261
In Bangladesh		111,277,830	652,289,261
Outside Bangladesh		-	-
Money at call and short notice	5	-	-
Investments	6	677,411,509	691,077,400
Government		-	-
Others		677,411,509	691,077,400
Lease, loans and advances	7	8,462,665,152	8,317,974,426
Lease, loans and advances		8,462,665,152	8,317,974,426
Bills purchased and discounted		-	-
Fixed assets including premises, furniture and fixtures	8	813,019,397	827,530,763
Other assets	9	1,908,151,764	1,904,826,438
Non - financial institutional assets		-	-
Total Assets		**12,012,171,969**	**12,445,924,207**
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from banks, other financial institutions and agents	10	3,294,459,155	3,578,494,971
Deposits and other accounts	11	4,837,266,014	4,998,835,780
Current Accounts & Other Accounts etc.		-	-
Bills Payable		-	-
Savings Bank Deposits		-	
Term Deposits		4,829,093,809	4,989,945,325
Bearer Certificates of Deposits		-	-
Other Deposits		8,172,205	8,890,455
Other liabilities	12	7,005,328,882	6,727,504,494
Total Liabilities		**15,137,054,051**	**15,304,835,245**
Capital / Shareholders' equity			
Paid- up capital	13	1,408,884,435	1,408,884,435
Statutory reserve	14	623,950,000	623,950,000
Share premium	15	121,115,565	121,115,565
General reserve		111,271,430	111,271,430
Assets Revaluation reserve	16	294,825,451	300,546,673
Retained surplus	17	(5,684,928,963)	(5,424,679,141)
		(3,124,882,082)	**(2,858,911,039)**
Total Liabilities and Shareholders' Equity		**12,012,171,969**	**12,445,924,207**

Bay Leasing & Investment Limited
Off-Balance Sheet Items
As at 31 December 2025

Particulars	Notes	Amount in Taka	
		31-12-2025	31-12-2024
Contingent Liabilities	38	150,000,000	150,000,000
Acceptances and endorsements		-	-
Letters of guarantee		150,000,000	150,000,000
Irrevocable letters of credit		-	-
Bills for collection		-	-
Other contingent liabilities		-	-
Other Commitments		-	-
Documentary credits and short term trade -related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities , credit lines and other commitments		-	-
Total Off-Balance Sheet items including contingent liabilities		**150,000,000**	**150,000,000**
Net asset value per share		**(22.18)**	**(20.29)**

Chairman **Director** **Managing Director** **Company Secretary**

Pinaki Das FCA
Senior Partner
ICAB Enroll. No. 151
FRC Enlistment No.: CA-001-133
Pinaki & Company
Chartered Accountants
FRC Firm Enlistment No.: CAF-001-113

Date: 01 July 2026
Dhaka, Bangladesh
DVC: 2607010151AS229595

Bay Leasing & Investment Limited
Profit & Loss Account
For the year ended 31 December 2025

Particulars	Notes	Amount in Taka 31-12-2025	Amount in Taka 31-12-2024
Interest Income	20	466,236,643	517,838,943
Interest paid on Deposit, Borrowing etc.	21	(664,336,981)	(907,321,405)
Net Interest Income		**(198,100,338)**	**(389,482,462)**
Investment Income	22	339,249	64,596,543
Commission, Exchange and Brokerage Income	23	-	-
Other Operating Income	24	64,206,792	1,428,967
Total Operating Income		**(133,554,297)**	**(323,456,952)**
Salary and allowances		56,068,042	57,504,564
Rent, taxes, insurance, electricity, etc	26	4,163,417	4,131,292
Legal & Professional fees		1,928,898	698,625
Postage, stamp, telecommunication, etc	27	907,857	782,635
Stationery, Printing, advertisement, etc.	28	1,336,864	1,843,895
Managing Director's salary and benefits		1,965,323	4,511,000
Directors' fees	29	353,600	404,800
Auditor's fees		408,250	483,000
Charges on Loan Losses		-	-
Depreciation and repairs of assets	31	16,893,497	18,292,116
Other expenses	32	6,071,983	7,588,743
Total operating expenses		**90,097,731**	**96,240,670**
Profit before provision		(223,652,028)	(419,697,622)
Provision against lease, loans, advances	33	37,376,481	1,446,315,547
Provision against diminution in value of Investment	34	(532,135)	56,276,838
Other Provision		-	1,749,990,000
Total Provision		**36,844,346**	**3,252,582,385**
Net Profit/(Loss) before taxes		**(260,496,374)**	**(3,672,280,006)**
Provision For Tax	35	5,474,670	15,808,291
Net Profit/(Loss) after taxation		**(265,971,044)**	**(3,688,088,298)**
Appropriations			
Statutory reserve		-	-
General reserve		-	-
Dividends		-	-
		-	-
Retained Surplus		**(265,971,044)**	**(3,688,088,298)**
Earning Per Share (EPS)	36	**(1.89)**	**(26.18)**

Chairman **Director** **Managing Director** **Company Secretary**

Pinaki Das FCA
Senior Partner
ICAB Enroll. No. 151
FRC Enlistment No.: CA-001-133
Pinaki & Company
Chartered Accountants
FRC Firm Enlistment No.: CAF-001-113

Date: 01 July 2026
Dhaka, Bangladesh
DVC: 2607010151AS229595

Bay Leasing & Investment Limited
Cash Flow Statements
For the year ended 31 December 2025

Particulars		Amount in Taka 31-12-2025	Amount in Taka 31-12-2024
A)	**Cash flows from operating activities**		
	Interest receipts	733,784,035	641,404,668
	Interest payments	(669,616,515)	(902,016,114)
	Dividend receipts	4,548,869	64,596,543
	Fees and commission receipts	-	-
	Payments to employees	(63,944,633)	(57,848,789)
	Payments to suppliers	(1,336,864)	(1,843,895)
	Receipts from other operating activities	63,486,948	3,917,453
	Payments for other operating activities	(19,649,837)	(17,982,014)
	Cash generated from operating activities before changes in operating assets and liabilities	**47,272,003**	**(269,772,148)**
	Increase / decrease in operating assets and liabilities		
	Other assets	(13,591,357)	(29,024,737)
	Lease, loans and advances to customers	(158,981,612)	334,762,748
	Deposits from other banks / borrowings	(160,851,516)	(43,522,268)
	Payment as Call Loan	(45,755,300,000)	(164,200,000,000)
	Receipt as Call Loan	45,712,500,000	164,150,000,000
	Other liabilities account of customers	8,061,743	100,420,883
		(368,162,742)	**312,636,626**
	Net cash flows from operating activities	**(320,890,739)**	**42,864,478**
B)	**Cash flows from investing activities**		
	Proceeds from sale of securities	14,332,721	70,000,000
	Payments for purchases of securities	(4,876,450)	-
	Proceeds from sale of Fixed Assets	215,000	284,000
	Purchase of property, plant and equipment	(1,090,830)	(5,095,371)
	Net cash from investing activities	**8,580,441**	**65,188,629**
C)	**Cash flows from financing activities**		
	Movement of long term loan	401,498,310	215,029,195
	Movement of Overdraft	(642,734,126)	(574,547,555)
	Dividend paid	(44,918)	(44,918)
	Net Cash from financing activities	**(241,280,734)**	**(359,563,278)**
D)	**Net increase / (decrease) in cash and cash equivalents (A+ B + C)**	**(553,591,032)**	**(251,510,171)**
E)	**Effects of exchange rate changes on cash and cash equivalents**	**-**	**-**
F)	**Cash and cash equivalents at beginning of the year**	**704,515,179**	**956,025,350**
G)	**Cash and cash equivalents at end of the year**	**150,924,147**	**704,515,179**
	Cash and cash equivalents at end of the year:		
	Cash in hand (including foreign currencies)	59,653	133,038
	Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	39,586,664	52,092,880
	Balance with banks and other financial institutions (notes 4 (b))	111,277,830	652,289,261
	Total	**150,924,147**	**704,515,179**

Chairman **Director** **Managing Director** **Company Secretary**

Bay Leasing & Investment Limited

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	Retained earnings	Total
Balance as at January 01, 2025	1,408,884,435	121,115,565	623,950,000	111,271,430	300,546,673	(5,424,679,141)	(2,858,911,038)
Prior period error adjustment	-	-	-	-	-	-	-
Restated balance at January 01, 2024	1,408,884,435	121,115,565	623,950,000	111,271,430	300,546,673	(5,424,679,141)	(2,858,911,038)
Surplus / deficit on account of revaluation of properties	-	-	-	-	-	-	-
Surplus / deficit on account of revaluation of investments	-	-	-	-	-	-	-
Prior period adjustment (Note- 2.36)	-	-	-	-	(5,721,222)	5,721,222	-
Net gains and losses not recognized in the income statement	-	-	-	-	-	-	-
Net profit after taxation for the year	-	-	-	-	-	(265,971,044)	(265,971,044)
Bonus Share	-	-					-
Cash Dividend	-	-	-	-	-	-	-
Appropriation made during the year	-	-	-	-	-	-	-
Balance as at December 31, 2025	**1,408,884,435**	**121,115,565**	**623,950,000**	**111,271,430**	**294,825,451**	**(5,684,928,963)**	**(3,124,882,082)**
Balance as at December 31, 2024	**1,408,884,435**	**121,115,565**	**623,950,000**	**111,271,431**	**300,546,673**	**(5,424,679,141)**	**(2,858,911,038)**

Chairman **Director** **Managing Director** **Company Secretary**

Bay Leasing & Investment Limited
Liquidity Statements
(Analysis of Maturity of Assets & Liabilities)
For the year ended 31 December 2025

(Amount in BDT)

Particulars	Up to 1 month	1-3 months	3-12 months	1-5 years	Above 5 years	Total
Assets:						
Cash in hand	59,653	-	-	-	-	59,653
Balance with Bangladesh Bank and its agent	39,586,664	-	-	-	-	39,586,664
Balance with banks and other financial institutions	21,135,328	23,650,204	66,492,298		-	111,277,830
Money at call and short notice	-	-	-	-	-	-
Investments	40,218,496	132,000,487	273,840,573	108,422,411	122,929,542	677,411,509
Leases, loans and advances	303,865,244	895,211,957	2,806,321,769	4,289,064,002	168,202,180	8,462,665,152
Fixed assets including premises, furniture and fixtures	-	-	-	-	813,019,397	813,019,397
Other assets	-	-	271,852,031	732,615,999	903,683,734	1,908,151,764
Non banking assets	-	-	-	-	-	-
Total assets (A):	**404,865,385**	**1,050,862,648**	**3,418,506,671**	**5,130,102,412**	**2,007,834,853**	**12,012,171,969**
Liabilities:						
Borrowings from banks, other financial institutions and agents	57,749,428	229,026,819	690,542,733	1,405,397,542	911,742,633	3,294,459,155
Deposits & Other Accounts	245,771,631	670,232,549	2,381,742,100	1,265,290,177	274,229,557	4,837,266,014
Provision and other liabilities	94,562,133	158,021,498	387,052,812	1,056,030,200	5,309,662,239	7,005,328,882
Total liabilities (B):	**398,083,192**	**1,057,280,866**	**3,459,337,645**	**3,726,717,919**	**6,495,634,429**	**15,137,054,051**
Net liquidity gap (A - B):	**6,782,193**	**(6,418,218)**	**(40,830,974)**	**1,403,384,493**	**(4,487,799,576)**	**(3,124,882,082)**

Chairman **Director** **Managing Director** **Company Secretary**

Bay Leasing & Investment Limited
Notes to the Financial Statements
as at and for the year ended 31 December 2025

1. Company and its activities

1.1 Legal status and nature of the Company

Bay Leasing & Investment Limited, a Public Limited Company was incorporated in Bangladesh on 7th February 1996 under the Companies Act 1994 and Bangladesh Bank granted license to the Company on 25-05-1996 to function as a Non-Banking Financial Institution under the Financial Institutions Act 2023.

The Company also registered itself as a Merchant Bank with the Securities & Exchange Commission on June 25, 1998.

The registered office of the Company is located at Eunoos Trade Centre, Level-18. 52-53 Dilkusha C/A, Motijheel C/A, Dhaka-1000.

1.2 Principal activities and nature of operation

The Company extends lease financing as its core business for all types of machinery and equipment including vehicles for industrial, commercial and private purposes. It has also expanded its activities into term finance, housing finance etc.

1.3 Subsidiary Company

BLI Capital Limited a subsidiary company of The Bay Leasing & Investment Limited Originally being incorporated as a Public Limited Company on 13th day of March 2011 under the Companies Act 1994. Registered office of the company is situated at Rupayan Trade Center, 10th Floor 114, Kazi Nazrul Islam Avenue, Banglamotor, Dhaka-1000.

1.4 Associate Company

Bay Leasing & Investment Limited has an Associate Company namely BLI Securities Limited as on 31-12-2025.

2. Basis of preparation and significant accounting policies

2.1 Statement of compliance

a) The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), the Companies Act, 1994 and other applicable laws and regulations. The presentation of the financial statements has been made as per the requirements of DFIM Circular No: 11, dated December 23, 2009 issued by the Department of Financial Institutions and Markets of Bangladesh Bank.

b) Other regulatory compliance

c) As required BLI Capital Limited also complies with the applicable provisions of the following major laws/ statutes:
-Securities and Exchange Rules, 1987;
-Securities and Exchange Commission Act, 1993;
-Securities and Exchange Commission (Stock-Dealer, Stock-Broker and Authorized Representatives) Rules, 2000;
-Income Tax Ordinance, 2023;
-Income Tax Rules, 2023;
-Negotiable Instruments Act, 1881; and
Other applicable laws and regulations.

2.2 Basis of measurement

This financial statement has been prepared on a going concern basis under the historical cost convention in accordance with International Financial Reporting Standards (IFRS). The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous year (except IFRS 16: Lease, See Note- 8, 9,12,21,26 & 31).

2.3 Disclosure of deviations from few requirements of IAS/IFRS due to mandatory compliance of Bangladesh Bank's requirements

Bangladesh Bank (the local Central Bank) is the prime regulatory body for Non-Banking Financial Institutions (NBFI) in Bangladesh. Some requirements of Bangladesh Bank's rules and regulations contradict with those of financial instruments and general provision standards of IAS and IFRS. As such the Company has departed from those requirements of IAS/IFRS in order to comply with the rules and regulations of Bangladesh Bank.

2.3.1 As per Financial Institutions Act 2023, 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. As such the Company measures and recognizes investment in quoted and unquoted shares at cost if the year-end market value for quoted shares and book value for unquoted shares including investment in associate are higher than the cost. However as per requirements of IAS 39 investment in shares falls either under "at fair value through profit and loss account" or under "available for sale" where any change in the fair value at the year-end is taken to profit and loss account or revaluation reserve respectively. But as per IAS 28 investment in associate need to be accounted for using equity method.

2.3.2 As per DFIM circular No. 04 dated 26 July 2021, a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained. However, such general provision cannot satisfy the conditions of provision as per IAS 39.

2.3.3 Bangladesh Bank has issued templates for financial statements which shall strictly be followed by all banks and NBFIs. The templates of financial statements issued by Bangladesh Bank differ from IAS 1**:** Presentation of Financial Statements so long the templates do not include Other Comprehensive Income (OCI) nor are the elements of Other Comprehensive Income allowed to be included in the Single Comprehensive Income (SCI) Statement. As such the company does not prepare the other comprehensive income statement. However, the company does not have any elements of OCI to be presented.

2.4 Accounting policy for IFRS 16: Leases

BLIL has applied IFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17 as Operating Lease.

Policy applicable from 1 January 2019

At inception of a contract, BLIL assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, BLIL assesses whether:

- The contract involves the use of an identified asset - this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified.
- BLIL has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- BLIL has the right to direct the use of the asset. BLIL has the right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, BLIL has the right to direct the use of the asset if either:

(i) BLIL has the right to operate the asset; or

(ii) BLIL designed the asset in a way that predetermines how and for what purpose it will be used.

The policy is applied to contracts entered into, or changed, on or after 01 January 2019.

BLIL as a lessee

BLIL recognizes a right of use asset and a lease liability from the beginning of 2019. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, 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 asset is depreciated using the straight-line methods from the commencement date (from the beginning of 2019) to the earlier of the end of the useful life of the right of use asset or the end of the lease term. In addition, the right of use asset is 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 commencement date (from the beginning of 2019), discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, and BLIL's incremental borrowing rate. The lease liability is measured at amortized cost using the efective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in BLIL 's estimate of the amount expected to be payable under a residual value guarantee, or if BLIL changes its assessment of whether it will exercise purchase, extension or termination option. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right to use asset, or is recorded in profit or loss if the carrying amount of the right to use asset has been reduced to zero.

BLIL presents right of use assets in Annexure-A and lease liabilities in note-12.0 separately.

BLIL as a lessor

When BLIL acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, BLIL makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, BLIL considers certain indicators such as whether the lease is for the major part of the economic life of the asset. If an arrangement contains lease and non-lease components, BLIL applies IFRS 15 to allocate the consideration in the contract. BLIL recognizes lease payments received under operating leases as income over the lease term.

2.5 Directors' responsibility statement

The Board of Directors takes responsibility for the preparation and presentation of these financial statements.

2.5.1 Date of authorization

The Board of Directors has authorized these financial statements as of June 30, 2026 in the 228th Board of Directors meeting.

2.6 Presentation and functional currency and level of precision

The financial statements are presented in Bangladesh Taka (BDT) currency, which is the Company's functional currency. All financial information presented in BDT has been rounded off to the nearest BDT.

2.7 Use of estimates and judgments

The preparation of financial statements in conformity with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. It also requires disclosures of contingent assets and liabilities at the date of the financial statements. The most critical estimates and judgments are applied to the following:

- Provision for impairment of loans, leases and investments
- Gratuity
- Useful life of depreciable assets

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. However, the estimates and underlying assumptions are reviewed on an ongoing basis and the revision is recognized in the period in which the estimates are revised. In accordance with the guidelines as prescribed by IAS 37: Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations:

Provisions:

Provisions are liabilities that are uncertain in timing or amount. Provisions are recognized when: the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Contingent Liability:

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or the Group has a present obligation as a result of past events but is not recognized because it is not likely that an outflow of resources will be required to settle the obligation; or the amount cannot be reliably estimated. Contingent liabilities normally comprise legal claims under arbitration or court process in respect of which a liability is not likely to occur.

Contingent Assets:

A contingent asset is possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are never recognized; rather they are disclosed in the financial statements when they arise.

2.8 Basis of consolidation of operations of subsidiaries

The financial statements of the Company and its subsidiaries have been consolidated in accordance with International Financial Reporting Standard 10 “Consolidated Financial Statements”. The consolidation of the financial statement has been made after eliminating all material inter-company balances, income and expenses arising from inter-company transactions. The total profits of the Company and its subsidiary are shown in the consolidated profit and loss account with the proportion of profit after taxation pertaining to non-controlling shareholders being deducted as ‘Non-controlling Interest’. All assets and liabilities of the Company and of its subsidiary are shown in the consolidated balance sheet. The interest of non-controlling shareholders of the subsidiary are shown separately in the consolidated balance sheet under the heading ‘Non-controlling Interest’.

2.9 Accounting for leases

The Company has been following Finance Method of accounting for lease transactions as per IAS-17. In accordance with the said standard, the aggregate lease receivable including un-guaranteed residual value are recorded as gross lease receivable while the excess of gross lease receivable over the total acquisition cost, including interest thereon for acquiring the lease equipment, constitutes the unearned lease income being usually amortized to revenue on a monthly basis over the lease term yielding a constant rate of return over the period.

2.10 Reporting period:

The reporting period of the company cover one calendar year from 1st January 2025 to 31st December 2025.

2.11 Accounting for direct finance

Books of accounts for direct finance operation are maintained on the basis of accrual method of accounting. Outstanding loans, along with the accrued interest thereon, for term finance, and unrealized principal for long-term finance, real estate finance, car loans and other finances are accounted for as direct finance assets of the Company. Interest earnings are recognized as operational revenue periodically.

2.12 Property, Plant and Equipment

Recognition and measurement

Owned assets

Items of own property and equipments are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the assets to its working condition for its intended use as per International Accounting Standard (IAS) 16 "Property, Plant and Equipment's".

2.13 Subsequent expenditure on property and equipment

Subsequent expenditure is capitalized only when it increases the future economic benefit from the assets and that cost can be measured reliably. All other expenditures are recognized as an expense as and when they are incurred.

2.14 Depreciation

Depreciation is charged to amortize the cost of assets, over their estimated useful lives, using the reducing balance method in accordance with IAS-16 “Property, Plant and Equipment”. Full depreciation is charged on additions irrespective of date when the related assets are put into use and no depreciation is charged from the month of disposal. Asset category wise depreciation rates are as follows:

Particulars	Rates
Furniture and fixtures	10.00%
Building	2.50%
Office equipment	15.00%
Office decoration	20.00%
Motor vehicles	20.00%
Software	20.00%

The difference between the sale proceeds and the carrying amount of an asset is recognized in the profit and loss account as gain or loss on disposal or retirement of an asset.

2.15 Revenue recognition

Revenue is only recognized when it meets the following five steps model framework as per IFRS 15: “Revenue from Contracts with Customers”:

a) identify the contract (s) with a customer(s);
b) identify the performance obligations in the contract;
c) determine the transaction price;
d) allocate the transaction price to the performance obligations in the contract;
e) recognize revenue when (or as) the entity satisfies a performance obligation.

Interest income from loans and other sources is recognized on an accrual basis of accounting.

Revenue is recognized only when it is measurable and probable that the economic benefits associated with the transaction will follow to the company and in accordance with per IFRS 15: “Revenue from Contracts with Customers” unless otherwise mentioned or otherwise guided by the separate IAS/IFRS. Interest income from loans and other sources is recognized on an accrual basis of accounting.

Dividend income and profit or loss on sale of securities:

Dividend is recognized as income when the right to receive income is established whereas profit or loss arising from the sale of securities is accounted for only when the securities are sold/disposed off.

2.16 Accounts receivable

Accounts receivable at the balance sheet date is stated at amounts that are considered realizable. Specific allowance is made for receivables considered to be doubtful for recovery.

2.17 Borrowing cost

Borrowing costs are recognized as expense in the year in which they are incurred unless capitalization is permitted under International Accounting Standard (IAS) 23 “Borrowing Costs”.

2.18 Cash flow statements

The cash flow statement is prepared using the direct method as stipulated in International Accounting Standard (IAS) 7 "Cash Flow Statements" as prescribed by DFIM circular no. 11 dated December 23, 2009.

2.19 Conversion of foreign currency transactions

Foreign currency transactions are translated into Taka at rates prevailing at the respective dates of transactions, while foreign currency monetary assets at the end of the year are reported at the rates prevailing on the balance sheet date. Exchange gains or losses arising out of the said conversions are recognized as income or expense for the year after netting off as per **IAS 21:** The Effects of Changes in Foreign Exchange Rates.

2.20 Investment in securities

Investment in marketable ordinary shares has been shown at cost. As per DFIM Circular No-02 dated 31-01-2012 provision against loss on investment in Securities Market may be made by netting off gain & loss. As such Bay Leasing & Investment Calculated the provision requirement as per the circular DFIM circular/02, date 31-01-2012 published by Bangladesh Bank. Investment in non-marketable shares has been valued at cost.

2.21 Write off.

Write-off describes a reduction in recognized value. It refers to recognition of the reduced or zero value of an asset. Generally, it refers to an investment for which a return on the investment is now impossible or unlikely. The items recognize value is thus canceled and removed from ("written off") the Company's balance sheet. Recovery against debts written off/provided for is credited to revenue. Income is recognized where amounts are either recovered and/or adjusted against securities/properties or advances there-against or are considered recoverable.

2.22 Employees' benefit obligation.

Bay Leasing & Investment Limited offers several benefit plans which include a contributory provident fund, gratuity plan, Group Insurance & Employees' Real Estate/Home Loan as per IAS 19**:** Employee Benefits.

2.23 Contributory Provident Fund

The company operates a contributory provident fund for its permanent employees. The fund is approved by the National Board of Revenue (NBR), administered separately by a Board of Trustees and is funded by equal contributions from the company and the employees. This fund is invested separately from the company's assets. Provident Funds are invested in Fixed Deposit with other Banks and to the Government Sanchaypatra. Interest earned from the investments is credited to the members' accounts on a yearly basis.

2.24 Gratuity Scheme

Bay Leasing & Investment Limited has a funded gratuity for the qualifying officers and staff member on the retirement from the service of the company at the following rates:

i)	Those who have put in 1-7 years of service	-	One Basic pay (last basic pay) for each year of service.
ii)	Those who have put in 8-15 years of service	-	One and half basic pay (last basic pay drawn) for each year of service.
iii)	Those who have put in service of 16 years and above	-	Two basic pay (last basic pay drawn) for each year of service.

Other Benefits obligation

The Company operates a group life insurance scheme for its permanent employees.

The Company also has home /real estate loans for its permanent employees.

2.25 Taxation

Tax expense comprises current and deferred tax.

2.26 Deferred tax

The Company accounts for deferred tax as per International Accounting Standard (IAS) 12 "Income Taxes". Deferred tax is provided using the balance sheet method for all temporary timing differences arising between the tax base (as per assessment) of assets and liabilities and their carrying value for financial reporting purposes. Tax rate prevailing at the balance sheet date is used to determine deferred tax.

2.27 Current Tax

Provision for current tax is made based on the profit for the year as adjusted for taxation purposes in accordance with the provisions of the Income Tax Ordinance, 2023 and amendments made thereto from time to time.

2.28 Cash and cash Equivalents

This represents cash in hand and cash at bank, the details of which is given in the note No.3.

2.29 Statutory Reserve:

This represents 20% of Profit before tax set aside in compliance with Clause 6 of the Financial Institutions Act, 2023.

2.30 Provision for doubtful leases and loan:

The provision has been made at an estimated rate of outstanding exposures based on rental receivable on Lease and Installment Receivable on Loan against Receivable as per Department of Financial Institutions and Markets (DFIM) circular No. 04 dated 26 July 2021 of Bangladesh Bank. The Provision is considered adequate to meet probable losses.

2.31 Earning per share (EPS)

The Company calculates earnings per share in accordance with "International Accounting Standards (IAS) 33 "Earnings per Share" which has been shown in the face of the Profit and Loss Account.

2.32 Related party disclosure

As per International Accounting Standards (IAS) 24 "Related Party Disclosures", parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party disclosures have been given in note …..

2.33 Events after the Reporting Period (IAS-10)

Recommended:

Proposed Dividend:

The Board of Directors, in its 228th meeting, held on June 30, 2026 has recommended no dividend for the year 2025. The above is subject to approval of regulatory authorities and shareholders in the 30th Annual General Meeting, scheduled to be held on September 27, 2026 at DSE Multipurpose Hall, DSE Tower, Nikunja-2, Dhaka.

2.34 Compliance of International Financial Reporting Standards (IFRS)

SL. no	Name of IAS/IFRS	Status
01	IAS 1: Presentation of Financial Statements	*Partially Departed
02	IAS 2: Inventories	Not Applicable
03	IAS 7: Statements of Cash Flows	*Partially Departed
04	IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors	Complied
05	IAS 10: Events after the Reporting Period	Complied
06	IAS 11: Construction Contracts	Not Applicable
07	IAS 12: Income Taxes	*Partially Departed
08	IAS 16: Property, Plant and Equipment's	Complied
09	IAS 17: Leases	Complied
10	IAS 19: Employee Benefits	Complied
11	IAS 20: Accounting for Govt. Grants and disclosures of Govt. Assistances	Not Applicable
12	IAS 21: The Effects of Changes in Foreign Exchange Rates	Complied

SL. no	Name of IAS/IFRS	Status
13	IAS 23: Borrowing Costs	Complied
14	IAS 24: Related Party Disclosures	Complied
15	IAS 26: Accounting and Reporting by Retirement Benefit Plan	Not Applicable
16	IAS 27: Separate Financial Statements	Complied
17	IAS 28: Investments in Associates	*Partially Departed
18	IAS 32: Financial Instruments: Presentation	*Partially Departed
19	IAS 33: Earnings Per Share	Complied
20	IAS 34: Interim Financial Reporting	Complied
21	IAS 36: Impairment of Assets	Complied
22	IAS 37: Provisions, Contingent Liabilities and Contingent Assets	Complied
23	IAS 38: Intangible Assets	Not Applicable
24	IAS 39: Financial Instrument: Recognition and Measurement	*Partially Departed
25	IAS 40: Investment Property	Not Applicable
26	IAS 41: Agriculture	Not Applicable
27	IFRS 1: First-time adoption of International financial Reporting Standards	Not Applicable
28	IFRS 2: Share-based Payment	Not Applicable
29	IFRS 3: Business Combinations	Not Applicable
30	IFRS 4: Insurance Contracts	Not Applicable
31	IFRS 5: Non-current Assets Held for Sale and Discontinued Operations	Not Applicable
32	IFRS 6: Exploration for and Evaluation of Mineral Resources	Not Applicable
33	IFRS 7: Financial Instruments: Disclosures	Not Applicable
34	IFRS 8: Operating Segments	Complied
35	IFRS 10: Consolidated Financial Statements	Complied
36	IFRS 11: Joint Arrangements	Not Applicable
37	IFRS 12: Disclosure of Interests in Other Entities	Complied
38	IFRS 13: Fair Value Measurement	Complied
39	IFRS 15: Revenue from Contracts with Customers	Complied
40	IFRS 16: Leases	Complied
*Partially Departed standards are those requirements of which are different from those of Bangladesh Bank. Note – 1 contains details about such departure from IFRS requirements to comply with Bangladesh Bank.		

2.35 Components of the financial statements

The financial statements comprise of (As per DFIM Circular No. 11,

Dated 23 December 2009):

a) Consolidated and Separate Balance Sheet as at 31 December 2025;
b) Consolidated and Separate Profit and Loss Account for the year ended 31 December 2025;
c) Consolidated and Separate Statement of Cash Flows for the year ended 31 December 2025;
d) Consolidated and Separate Statement of Changes in Equity for the year ended 31 December 2025;
e) Liquidity Statement for the year ended 31 December 2025 and
f) Notes to the Consolidated and Separate Financial Statements for the year ended 31 December 2025.

2.36 Financial risk management

Bay Leasing & Investment Ltd. always concentrates on delivering high value to its stakeholders through appropriate trade off between risk and return. A well structured and proactive risk management system is in place within the Company to address risks relating to credit, market, liquidity and operations. In addition to the industry best practices for assessing, identifying and measuring risks, Bay Leasing & Investment Ltd. also considers guidelines for managing core risks of financial instructions issued by the Country's Central Bank, Bangladesh Bank, vide FID Circular No. 10 dated September 18, 2005 for management of risks.

Credit risk

To encounter and mitigate credit risk the company employed multilayer approval process, policy for maximum sector and group exposure limit, policy for customers maximum asset exposure limit, mandatory search for credit report from Credit Information Bureau, looking into payment performance of customer before financing, annual review of clients, adequate insurance coverage for funded assets, vigorous monitoring and follow up by Special Assets Management Team, strong follow up of compliance of credit policies by Operational Risk Management Department, taking collateral, seeking external legal opinion, maintaining neutrality in politics and following arm's length approach in related party transactions, regular review of market situation and industry exposure etc. The Credit Evaluation Committee (CEC) regularly meets to review the market and credit risk related to lending and recommend and implement appropriate measures to counter associated risks.

Market risk

The Asset Liability Committee (ALCO) of the Company regularly meets to assess the changes in interest rate, market conditions, carry out asset liability maturity gap analysis, re-pricing of products and thereby takes effective measures to monitor and control interest rate risk. Bay Leasing & Investment Ltd. has also strong access to money market and credit lines at a competitive rate through good reputation, strong earnings, financial strength and credit rating.

Liquidity Risk

Liquidity requirements are managed on a day-to-day basis by the Treasury Division which is responsible for ensuring that sufficient funds are available to meet short term obligations, even in a crisis scenario, and for maintaining a diversity of funding sources. Treasury Division maintains liquidity based on historical requirements anticipated funding requirements from operation, current liquidity position, collections from financing, available sources of funds and risks and returns.

Operational Risk

Appropriate internal control measures are in place, Bay Leasing & Investment Ltd, to address operational risks. BLIL has also established an internal control and compliance department (ICCD) to address operational risk and to frame and implement policies to encounter such risks. This department assesses operational risk across the Company as a whole and ensures that an appropriate framework exists to identify, assess and manage operational risk. The function of ICCD is to constant vigilance against leakage of Shareholders value by identify, assess, measure, manage and transfer operational risk resulting from inadequate or failed internal processes, people and system or from external events.

2.37 Others:

a) There is no claim against the company, which has not been acknowledged as debt in the Balance Sheet.
b) There exist no commitments except those already entered into agreement and are in the process of execution.
c) There was a contingent liability as on 31-12-2025, except which are disclosed in note# 38.00 of the financial statements.
d) The figures appearing in these accounts have been rounded off to the nearest taka.
e) Figures of the previous year have been rearranged, wherever considered necessary to conform to the current year's presentation.
f) The number of employees (63 nos.) engaged for the whole year or Part.

Note	Particulars	Amount in BDT 31-12-2025	31-12-2024
3.00	**Cash :**		
	Cash in hand	59,653	133,038
	Balance with Bangladesh Bank and its agent bank(s)	39,586,664	52,092,880
	Total:	39,646,317	52,225,918
3.01	**Cash in hand:**		
	The above balance is made up as follows:		
	In local currency	59,653	133,038
	In foreign currency	-	-
		59,653	133,038
3 a)	**Consolidated Cash in Hand**		
	Bay Leasing & Investment Ltd.	59,653	133,038
	BLI Capital Ltd.	114,192	24,803
	Total:	173,845	157,841
3.02	**Balance with Bangladesh Bank and its agent bank(s):**		
	The above balance is made up as follows:		
	In local currency with Bangladesh Bank	39,586,664	52,092,880
	In foreign currency	-	-
	Total:	39,586,664	52,092,880

3.03 Statutory Deposits:

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

Cash Reserve Requirement and Statutory Liquidity Ratio have been calculated and maintained in accordance with the Financial Institutions Act 2023 and DFIM circular no. 03 dated June 21, 2020.

The cash reserve requirement (CRR) has been calculated at the rate of 1.5% on the Company's time deposits which is preserved in current account maintained with Bangladesh Bank. Statutory Liquidity Reserve (SLR) has been calculated at the rate of 5% on total liabilities, Including CRR and has been maintained in the form of balance with bank's and other Financial Institutions, call money deposit etc. Total Time Deposits means Term or Fixed Deposit, Security Deposit against Lease/Loan and other Term Deposits, received from individuals and institutions (except Banks and FI's). Both the reserves maintained by the Company are in excess of the statutory requirements, as shown below:

a)	Cash Reserve Requirement:		
	Required reserve	35,173,506	35,959,995
	Actual reserve maintained	39,586,664	52,092,880
	Surplus/(deficit)	4,413,158	16,132,885
b)	Statutory Liquidity Reserve:		
	Required reserve (including CRR)	127,658,665	132,243,618
	Actual reserve maintained including CRR (note-3.04)	306,935,578	319,515,179
	Surplus/(deficit)	179,276,913	187,271,561
3.04	**Actual reserve maintained (including CRR):**		
	Cash in hand	59,653	133,038
	Balance with Bangladesh Bank and its agent bank(s)	39,586,664	52,092,880
	Balance with banks and other financial institutions	267,289,261	267,289,261
	Total:	306,935,578	319,515,179
4.00	**Balance with banks and other financial institutions:**		
	The above balance is made up as follows:		
	In Bangladesh (4.01)	111,277,830	652,289,261
	Outside Bangladesh	-	-
	Total:	**111,277,830**	**652,289,261**

Note	Particulars	Amount in BDT	
		31-12-2025	31-12-2024
4.01	**In Bangladesh:**		
	Current Deposits:		
	The above balance is made up as follows:		
	Bank Alfalah Limited	262,388	262,388
	BASIC Bank Limited	3,900	1
	Dutch Bangla Bank Ltd.	106,996	107,686
	Midland Bank Ltd	2,652	32
	EXIM Bank Limited	-	517
	First Security Bank Ltd.	8,418	9,108
	Janata Bank Ltd.	3,872	4,562
	NCC Bank Limited	211,905	208,349
	Southeast Bank Limited	437,116	7,522,983
	Dhaka Bank Ltd.	25,611	-
	Pubali Bank Limited	5	120
	Uttara Bank Limited	118	118
	Sub Total:	**1,062,981**	**8,115,864**
	Short-term deposits/SND:		
	In Local Currency:		
	Jamuna Bank Limited	143,510	26,098
	Mutual Trust Bank Ltd.	81	472
	Dhaka Bank Ltd.	8,810,453	-
	Southeast Bank Limited	1,260,805	18,946,827
		10,214,849	**18,973,397**
	In Foreign Currency:		
		-	-
	Sub Total:	**10,214,849**	**18,973,397**
	Fixed deposits:		
	Southeast Bank Limited	100,000,000	435,000,000
	Uttara Bank Limited	-	100,000,000
	Bangladesh Finance Limited	-	90,200,000
	Sub Total:	**100,000,000**	**625,200,000**
	Grand Total:	**111,277,830**	**652,289,261**
4 a)	**Consolidated Balance with banks and other financial institutions:**		
	Bay Leasing & Investment Ltd.	111,277,830	652,289,261
	BLI Capital Ltd.	23,244,404	7,415,345
	Total	**134,522,234**	**659,704,606**
4.02	**Maturity grouping of balance with banks and other financial institutions:**		
	On demand	-	-
	Up to 1 month	21,135,328	37,562,451
	Over 1 month but not more than 3 months	23,650,204	28,235,248
	Over 3 months but not more than 1 year	66,492,298	586,491,562
	Over 1 year but not more than 5 years	-	-
	Over 5 years	-	-
	Total	**111,277,830**	**652,289,261**
5.00	**Money at call and short notice:**		
	i) Investments are as follows:	-	-
		-	-
	Total		

Note	Particulars	Amount in BDT	
		31-12-2025	31-12-2024
6.00	**Investments for BLIL:**		
	The above balance is made up as follows:	**4,876,450**	**-**
	Government securities	-	-
	Treasury Bills	4,876,450	-
	National Investment Bonds	-	-
	Bangladesh Bank Bill	-	-
	Govt. notes/bonds	-	-
	Prize Bonds	-	-
	Others:		
	Other investment	**672,535,059**	**691,077,400**
	Investment in non marketable ordinary shares (note-6.01)	1,569,450	1,569,450
	Investment in Preference Shares	-	-
	Investment in debenture and bond	-	-
	Investment in marketable Securities (note-6.02)	670,965,609	689,507,950
	Total	**677,411,509**	**691,077,400**

6.01	**Investment in non marketable ordinary shares**		
	Central Depository Bangladesh	1,569,450	1,569,450
	Total	**1,569,450**	**1,569,450**

6.02 Investment in marketable securities:

Listed Securities

Name of the Company	Qty.	Cost Price	Market price per share on 31-12-2025	Market Price	Provision
Asia Insurance Ltd	956,898	31,980,087	27.20	26,027,626	(5,952,461)
Exim Bank Ltd.	2,283,729	53,914,232	3.00	6,851,187	(47,063,045)
National Life Ins. Co. Ltd.	939	172,444	93.40	87,703	(84,741)
Southeast Bank Ltd.	31,439,948	521,989,334	9.00	282,959,532	(239,029,802)
Prime Bank Ltd	1,432,273	43,165,848	28.70	41,106,235	(2,059,612)
United Air	935,396	19,743,664	1.60	1,496,634	(18,247,030)
Total Marketable Sec.		**670,965,609**		**358,528,916**	**(312,436,693)**

Non marketable shares

Central Depository Bangladesh		1,569,450		1,569,450	-
Sub- Total		**1,569,450**		**1,569,450**	**-**
Grand Total		**672,535,059**		**360,098,366**	**(312,436,693)**

6 a)	**Consolidated Investment:**		
	Bay Leasing & Investment Ltd.	677,411,509	691,077,400
	BLI Capital Ltd.	282,754,663	310,928,802
		960,166,172	**1,002,006,202**

All investments in marketable securities are valued on cost price at the balance sheet date. Provision has required Tk. 312,436,693/- after net off gain/loss from market price of shares as per DFIM Circular # 02; date: 31.01.2012.

6.03	**Maturity grouping of investments:**		
	On demand	-	-
	Up to 1 month	40,218,496	39,562,233
	Over 1 month but not more than 3 months	132,000,487	152,366,942
	Over 3 months but not more than 1 year	273,840,573	61,665,296
	Over 1 year but not more than 5 years	108,422,411	114,528,129
	Over 5 years	122,929,542	322,954,800
		677,411,509	**691,077,400**

Note	Particulars	Amount in BDT 31-12-2025	Amount in BDT 31-12-2024
7.00	**Lease, loans and advances**		
	Broad category-wise break up:		
	Inside Bangladesh		
	Lease Finance	498,608,437	511,508,603
	Term Finance	5,909,921,771	5,743,102,015
	Housing Finance	2,054,134,944	2,063,363,808
		8,462,665,152	**8,317,974,426**
	Outside Bangladesh	-	-
	Total	**8,462,665,152**	**8,317,974,426**
7 a)	**Consolidated Lease, Loans & advances**		
	Bay Leasing & Investment Ltd.	8,462,665,152	8,317,974,426
	BLI Capital Ltd.	2,724,331,942	2,734,564,073
		11,186,997,094	**11,052,538,499**
	Less: Inter company balance eliminated	941,930,004	929,436,707
	Total	**10,245,067,090**	**10,123,101,792**
7.01	**Lease Finance:**		
	Principal Outstanding	498,608,437	511,508,603
	Interest Receivable	-	-
	Total:	**498,608,437**	**511,508,603**
	Details are given below:		
	Opening Balance	511,508,603	544,609,889
	Add: Disbursement during the year	-	-
	Add: Interest and other charges during the year	8,064,819	14,170,338
		519,573,422	**558,780,227**
	Less: Write-off during the year	-	-
	Realization during the year	(20,964,985)	(47,271,624)
	Total:	**498,608,437**	**511,508,603**
	Movement of Balance Principal:		
	Gross lease receivable	848,506,284	679,352,600
	Less: Unearned finance income	349,897,847	167,843,997
	Balance Principal	**498,608,437**	**511,508,603**
7.02	**Term Finance:**		
	The above balance is made up as follows:		
	Principal Outstanding	5,909,921,771	5,743,102,015
	Interest Receivable	-	-
	Total:	**5,909,921,771**	**5,743,102,015**
	Details are given below:		
	Movement of Outstanding Balance		
	Opening Balance	5,743,102,015	6,539,987,688
	Add: Disbursement during the year	10,319,339	316,528,135
	Add: Interest and other charges during the year	363,483,243	310,882,611
		6,116,904,597	**7,167,398,434**
	Less: Write-off during the year	-	-
	Realization/adjustment during the year	(206,982,826)	(1,424,296,419)
	Total:	**5,909,921,771**	**5,743,102,015**
7.03	**Housing Finance:**		
	The above balance is made up as follows:		
	Principal Outstanding	2,054,134,944	2,063,363,808
	Interest Receivable	-	-
	Total:	**2,054,134,944**	**2,063,363,808**
	Movement of Outstanding Balance		
	Balance at January 01	2,063,363,808	1,568,139,597
	Add: Disbursement during the year	10,017,284	14,365,210
	Add: Interest and other charges during the year	58,768,208	124,388,080
		2,132,149,300	**1,706,892,887**
	Realization/adjustment during the year	(78,014,356)	356,470,921
	Balance at December 31	**2,054,134,944**	**2,063,363,808**

Note	Particulars	Amount in BDT	
		31-12-2025	31-12-2024
7.04	**Classification wise Lease, Loans & Advances**		
	Unclassified:		
	Standard	**1,702,319,423**	**1,023,942,839**
	CMSMEF	108,773,252	95,722,599
	Other than CMSMEF	1,593,546,171	928,220,241
	Special Mention Account (SMA)	227,487,422	627,945,952
		1,929,806,846	**1,651,888,791**
	Classified:		
	Sub-Standard	18,446,516	92,641,480
	Doubtful	1,401,786,830	1,574,255,434
	Bad/Loss	5,112,624,960	4,999,188,721
		6,532,858,306	**6,666,085,635**
	Total	**8,462,665,152**	**8,317,974,426**
7.05	**Maturity grouping of lease, loans and advances:**		
	On demand	-	-
	Up to 1 month	303,865,244	292,596,201
	Over 1 month but not more than 3 months	895,211,957	871,285,940
	Over 3 months but not more than 1 year	2,806,321,769	2,812,356,477
	Over 1 year but not more than 5 years	4,289,064,002	4,215,206,305
	Over 5 years	168,202,180	126,529,503
	Total:	**8,462,665,152**	**8,317,974,426**
7.06	**Lease, loans and advances on the basis of significant concentration**		
	Lease, loans and advances to:		
	Directors of the Company have interests	-	-
	Chief Executive and other Senior Executives	29,225,263	32,533,200
	Customers groups	8,433,439,889	8,285,441,226
		8,462,665,152	**8,317,974,426**

7.07 Number of clients with outstanding amount and classified lease, loans and advances exceeding 15% of total capital of the Company is as follows:

	31-12-2025	31-12-2024
Number of clients	16	26
Amount of outstanding advances	6,399,831,844	7,222,603,280
Amount of classified advances	4,984,883,184	4,994,178,200
Measures taken for recovery	Not applicable	Not applicable

7.08 Details of large Lease, loans and advances

As per Financial Institutions Act 2023, a financial institution can not sanction any loan exceeding 30% of its capital and reserve with out permission of Bangladesh Bank. During the year 2025 BLIL has not disbursed large Lease, loans and advances;

	31-12-2025	31-12-2024
Number of clients	8	19
Amount of outstanding advances	4,254,531,835	6,568,353,495
Amount of classified advances	3,181,175,966	4,740,258,232
Measures taken for recovery	Not applicable	Not applicable

7.09 Industry-wise distribution of lease, loans and advances

	31-12-2025	31-12-2024
1. Agricultural sector	141,811,004	139,476,306
2. Industrial sector:		
a) Textile	634,154,717	599,391,806
b) Garments	820,289,190	831,181,967
c) Jute and jute products	-	1,259,628
d) Food production/processing industry	193,045,710	192,975,823
e) Plastic industry	88,955,252	94,365,200
f) Leather & leather products	-	4,379,814
g) Ship manufacturing Industry	-	34,652,754
h) Chemical & Pharmaceutical	2,390,389	2,490,389
i) Cement/Concrete and allied industry	481,868,549	506,868,549
j) Service industry	383,128,128	343,764,306
k) Paper, Printing and packaging industry	212,651,066	214,395,069
l) Wood, Furniture & Fixture	74,315,032	75,395,032
m) Glass and ceramic industry	-	-

Note	Particulars	Amount in BDT 31-12-2025	Amount in BDT 31-12-2024
	n) Electronics and electrical industry	121,299,177	140,363,136
	o) Iron, Steel & Engineering	76,925,582	79,937,879
	3. Trade & Commerce	1,013,385,966	869,174,602
	4. Power, Gas, Water and sanitary service	27,910,382	26,786,580
	5. Transport & Communication	-	-
	6. Real Estate & Housing	2,313,540,363	2,386,006,658
	7. Merchant Banking	1,033,019,665	1,023,438,741
	8. Consumer Finance	83,122,328	69,742,741
	9. Others	760,852,652	681,927,446
	Total	**8,462,665,152**	**8,317,974,426**

7.10 Geographical location-wise lease, loans and advances:

The above balance is made up as follows:

	31-12-2025	31-12-2024
Inside Bangladesh		
Urban		
Dhaka Division	8,451,034,716	8,299,864,183
Chittagong Division	-	-
Khulna Division	-	-
Rajshahi Division	8,001,314	12,279,308
Rangpur Division	-	-
Barisal Division	-	-
Mymensingh Division	3,629,122	5,830,935
Sylhet Division	-	-
	8,462,665,152	**8,317,974,427**
Outside Bangladesh	**-**	**-**
Total	**8,462,665,152**	**8,317,974,427**

7.11 Particulars of Lease, Loan and Advances

The above balance is made up as follows:

		31-12-2025	31-12-2024
i)	Lease, loans and advances considered good in respect of the FI is fully secured	4,119,013,727	4,210,761,316
ii)	Lease, loans and advances considered good in respect of the FI holds no security other than the debtors personal guarantee	1,755,724,764	1,533,946,984
iii)	Lease, loans and advances considered good secured by the personal undertakings of one or more paties in addition to the debtors personal guarantee	2,587,926,661	2,573,266,127
		8,462,665,152	**8,317,974,427**
iv)	Lease, loans & advances adversely classified; provision not maintained there against	-	-
v)	Lease, loans & advances due by directors or officers of the company or any of them either separately or jointly with any other persons	29,225,263	32,533,200
vii)	Maximum total amount of advances including temporary advances made at any time during the year to directors or managers or officers of the financial institution or any of them either separately or jointly with any other person.	-	-
viii)	Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the directors of the financial institution have interest as directors, partners or managing agents or in the case of private companies, as member.	-	-
ix)	Due from bank and financial institutions	370,332,875	391,821,935
x)	**Classified loans, advances and leases**		
a)	Classified loans, advances and leases on which interest has not been charged	6,532,858,306	6,666,085,635
	Provision on doubtful loans, advances and leases	435,756,618	437,893,806
	Provision on bad loans, advances and leases	2,884,356,987	3,110,649,821
	Total provisions charged during the year	**3,320,113,605**	**3,548,543,627**
c)	Amount of written off loans, advances and leases	437,491,549	437,491,549
	Total amount realized against loans and leases previously written off	75,069,665	11,129,365
d)	Provision kept against loans and advances classified as bad debts	2,884,356,987	3,110,649,821
e)	Interest credited to Interest Suspense Account	1,285,968,750	1,028,687,389
xi)	Cumulative amount of written off loans, advances and leases		
	Opening Balance	437,491,549	437,491,549
	Amount written off the year	-	-
		437,491,549	**437,491,549**

Note	Particulars	Amount in BDT 31-12-2025	Amount in BDT 31-12-2024
	Classified loans, advances and leases		
a)	Classified loans, advances and leases on which interest has not been credited to income	6,532,858,306	6,666,085,635
b)	Provision on doubtful leases, loans and advances	435,756,618	437,893,806
	Provision on bad loans, advances and leases	2,884,356,987	3,110,649,821
	Total specific provisions	3,320,113,605	3,548,543,627
c)	Amount of written off lease, loans and advances	-	-
	Total amount realised against loans and leases previously written off	63,940,300	140,000
d)	Provision kept against loans and advances classified as bad debts	2,884,356,987	3,110,649,821
e)	Interest credited to Interest Suspense Account	1,285,968,750	1,028,687,389

7.12 Cumulative amount of written off loans, advances & leases

As per FID Circular no.03 dated 15 March 2007 of Bangladesh Bank , a financial institution should write- off loans/ lease to clean-up its financial statements subject to fulfilment of the following criteria:

(i) Loans /leases classified as Bad and Losses against which 100% provision has been made;

(ii) Approval from the Board of Directors is required;

(iii) Best endeavors shall be made to recover the written-of loans/ leases and legal process should be initiated if not started before.

	31-12-2025	31-12-2024
Opening Balance	437,491,549	437,491,549
Amount written off during the year	-	-
The amount of written off loans, advances and leases	**437,491,549**	**437,491,549**

7.13 Particulars of Required provision for lease, loans & advances

Required provision has been made as per Bangladesh Bank guidelines. As per BB guidelines, provision at the following rates have been made in the financial statements depending on the status of classification (exclusive method).

Investment up to 5 years term	Classification status	Provision (%)
Below 3 months	Standard (CMSMEF)	0.25
Below 3 months	Std. (other than CMSMEF)	1
3 to 6 months	SMA (CMSMEF)	0.25
3 to 6 months	SMA (other than CMSMEF)	5
6 to 11 months	SS (CMSMEF)	5
6 to 11 months	SS (other than CMSMEF)	20
12 to 18 months	DF (CMSMEF)	20
12 to 18 months	DF (other than CMSMEF)	50
18 monts and above	BL	100

Investment up to 5 years term	Classification status	Provision (%)
Below 6 months	Standard (CMSMEF)	0.25
Below 6 months	Standard (other than CMSMEF)	1
6 to 12 months	SMA (CMSMEF)	0.25
6 to 12 months	SMA (other than CMSMEF)	5
12 to 18 months	SS (CMSMEF)	5
12 to 18 months	SS (other than CMSMEF)	20
18 to 24 months	DF (CMSMEF)	20
18 to 24 months	DF (other than CMSMEF)	50
24 months and above	BL	100
Loan to Subsidiary, Sister Concern etc	Standard	2
Prov. Against Off Balance Sheet Exposure		1
Additional Provision for Deferral as per BB Circular		2

* The above Provision rate has been revised as per DFIM circular Letter no. 37 dated 04 December 2024 of Bangladesh Bank..

Status	Base for Provision	Rate	Provision 31-12-2025	Provision 31-12-2024
Unclassified- General Provision				
Standard	**1,702,319,423**		**16,207,395**	**9,521,509**
CMSMEF	108,773,252	0.25%	271,933	239,306
Other than CMSMEF	1,593,546,171	1.00%	15,935,462	9,282,202
Special Mention Account (SMA)	**216,711,958**		**9,040,934**	**27,400,316**
CMSMEF	37,782,389	0.25%	94,456	173,247
Other than CMSMEF	178,929,569	5.00%	8,946,478	27,227,069
Prov. On OFF B/S Exposure	150,000,000	1.00%	1,500,000	1,500,000
Additional Prov. for Loan to Subs.	-	1.00%	-	-
Prov. has been kept for conditional reschedule			78,908,040	67,316,415
Additional Prov. for Deferral	30,277,863	2.00%	605,557	727,149
Total General Provision Required			**106,261,927**	**106,465,389**
Classified- Specific provision				
Sub-Standard	**4,069,526**		**652,584**	**11,677,452**
CMSMEF	1,075,473	5.00%	53,774	93,299
Other than CMSMEF	2,994,053	20.00%	598,811	11,584,152
Doubtful	**872,847,029**		**435,104,034**	**426,216,355**
CMSMEF	4,398,268	20.00%	879,654	5,802,624
Other than CMSMEF	868,448,761	50.00%	434,224,381	420,413,731
Bad/Loss	**2,884,356,987**	**100.00%**	**2,884,356,987**	**3,110,649,821**
Total Specific Provision Required			**3,320,113,605**	**3,548,543,627**
Required provision for lease, loans & advances			**3,426,375,532**	**3,655,009,016**
Less: Defferal from B.Bank (1329900000/5*1)			265,980,000	531,960,000
Total provision kept for lease, loans & advances			**3,160,395,532**	**3,123,049,016**
Excess provision for lease, loans & advances			**-**	**-**

7.14 Disclosure regarding Provision Defferal

Bangladesh Bank Inspection Team have completed Classification of Loans (CL) Inspection and recommended large amount of additional provisioning (Tk.132.99 crore) and in response to which we have applied to DFIM to allow "Provision Deferral" vide our last letter we **GjAvBGj/2023Bs/0513** Dated July 16, 2023. In response our application for provision Deferral, DFIM has allowed us 5 years provision deferral calculated by B.Bank Inspection team through vide letter# DFIM(C)1054/16/2023-3051 dated September 07, 2023. Break up shown below:

Total Required provision for lease, loans & advances (as per CL)	3,426,375,532
Deferral approved by B.Bank through above letter (1329900000*1/5)	265,980,000
Total provision kept for lease, loans & advances	**3,160,395,532**

8.00 Fixed assets including premises, furniture and fixtures:

The above balance is made up as follows:

	31-12-2025	31-12-2024
Cost & Revaluation		
Furniture and fixtures	22,379,480	22,379,480
Office equipment	18,271,623	18,091,868
Office Decoration	28,786,304	28,786,304
Right of Use Assets	13,613,749	13,613,749
Motor Vehicles	13,425,898	15,225,898
Intangible Assets	10,651,075	10,500,000
Building	461,107,440	461,107,440
Construction WIP	80,079,800	80,079,800
Land	377,230,535	376,470,535
	1,025,545,904	**1,026,255,074**
Less: Accumulated depreciation	212,526,506	198,724,310
Net book value at the end of the year (Schedule-1)	**813,019,397**	**827,530,763**

Note	Particulars		Amount in BDT 31-12-2025	Amount in BDT 31-12-2024
8 a	**Consolidated Fixed Assets**			
	Bay Leasing & Investment Ltd.		813,019,397	827,530,763
	BLI Capital Ltd.		553,813,600	569,537,777
			1,366,832,997	**1,397,068,540**
9.00	**Other Assets:**			
	Inside Bangladesh			
	The above balance is made up as follows:			
	Income generating:		**1,761,110,808**	**1,771,216,839**
	Investment in associate & Subsidiaries	9.01	1,760,115,000	1,760,115,000
	Interest receivable		835,808	11,101,839
	Other receivable		160,000	-
	Non-income generating:		**147,040,956**	**133,609,599**
	Advance, deposit and Prepaid expenses		2,014,841	1,032,078
	Advance corporate tax	9.02	144,292,994	131,839,526
	Advance Office Rent		-	-
	Stationery & Stamp in hand		5,911	10,785
	Security Deposit		727,210	727,210
	Advance against Decoration, Preliminary Exp, Development		-	-
	Branch Adjustment		-	-
	Suspense Account		-	-
			1,908,151,764	**1,904,826,438**
	Outside Bangladesh		-	-
	Total		**1,908,151,764**	**1,904,826,438**
9 a	**Consolidated Other Assets :**			
	Bay Leasing & Investment Limited		1,908,151,764	1,904,826,438
	BLI Capital Limited		34,542,522	39,861,729
	Adjustment for dealing with Subsidiary		(1,749,990,000)	(1,749,990,000)
	Total:		**192,704,286**	**194,698,167**
9.01	**Investment in Associate / Subsidiaries:**		**1,760,115,000**	**1,760,115,000**
	Investment in Associate			
	BLI Securities Limited		10,125,000	10,125,000
	Total:		**10,125,000**	**10,125,000**
	Investment in associates recorded under the cost method.			
	Investment in Subsidiaries:			
	BLI Capital Ltd		1,749,990,000	1,749,990,000
	Total:		**1,749,990,000**	**1,749,990,000**

BLIL has one subsidiary company as on reporting date. Consolidated financial statements has bees prepared for subsidiary following the requirements of International Financial Reporting Standard (IFRS) 10; 'Consolidated Financial Statements'

Note	Particulars		31-12-2025	31-12-2024
9.02	**Advance corporate tax:**			
	Balance as on January 01		131,839,526	103,496,947
	Addition during the year		12,453,468	28,342,579
	Adjustment of previous years' tax liabilities		-	-
	Consolidated Advance income tax			
	Bay Leasing & Investment Ltd.		144,292,994	131,839,526
	BLI Capital Ltd.		-	-
			144,292,994	**131,839,526**
10.00	**Borrowing from banks, other financial institutions and agents:**			
	The above balance is made up as follows:			
	In Bangladesh	10.01	3,294,459,155	3,578,494,971
	Outside Bangladesh		-	
	Total		**3,294,459,155**	**3,578,494,971**

Note	Particulars	Note	Amount in BDT	
			31-12-2025	31-12-2024
10.01	**In Bangladesh:**			
	Bank overdraft			
	Mutual Trust Bank Ltd.		259,425,854	230,446,532
	United Commercial Bank Ltd		119,308,782	107,439,418
	Midland Bank Ltd		-	107,364,471
	Basic Bank Ltd		-	155,553,915
	Uttara Bank Limited		11,609,991	432,274,417
	Sub Total (a)		**390,344,627**	**1,033,078,753**
	Short term loan/Call Money			
	Southeast Bank Ltd- Call Money		517,200,000	550,000,000
	Uttara Bank Limited - Call Money		100,000,000	110,000,000
	Sub Total (b)		**617,200,000**	**660,000,000**
	Long term loan			
	United Commercial Bank Ltd		52,213,244	50,209,191
	Basic Bank Ltd		251,617,376	81,226,595
	Modhumoti Bank Limited		17,090,283	20,020,237
	Midland Bank Ltd		121,001,650	-
	Bank Asia Ltd		80,617,563	74,701,793
	Mercantile Bank Ltd		242,355,954	226,972,068
	Pubali Bank Limited		31,774,844	31,230,932
	First Security Bank Ltd.		493,917,232	480,265,634
	Uttara Bank Limited		929,070,075	840,993,389
	Shahjalal Islami Bank Ltd		20,221,856	28,462,561
	Mutual Trust Bank Ltd		42,196,680	42,114,335
	Sub Total (c)		**2,282,076,757**	**1,876,196,735**
	Bangladesh Bank refinancing			
	Bangladesh Bank		4,837,771	9,219,483
	Sub Total (d)		**4,837,771**	**9,219,483**
	Total (a+b+c+d)		**3,294,459,155**	**3,578,494,971**
10.01 a	**Consolidated Borrowing from Banks & Other FI's**			
	Bay Leasing & Investment Ltd.		3,294,459,155	3,578,494,971
	BLI Capital Ltd.		1,950,062,980	1,778,264,343
			5,244,522,135	**5,356,759,314**
	Less: Inter company balance eliminated		941,930,004	841,592,910
	Total:		**4,302,592,131**	**4,515,166,404**
10.02	**Analysis by security against borrowing from banks, other financial institutions and agents:**			
	Secured (assets pledged as security for liabilities)		11,609,991	539,638,888
	Unsecured		3,282,849,164	3,038,856,083
	Total:		**3,294,459,155**	**3,578,494,971**

The loans are secured by first charge on all present and future floating assets of the Company ranking pari passu among the lenders.

10.03	**Maturity grouping of borrowing from banks, other financial institutions and agents**			
	On demand		-	-
	Up to 1 month		57,749,428	56,324,641
	Over 1 month but within 3 months		229,026,819	216,769,408
	Over 3 months but within 1 year		690,542,733	675,988,476
	Over 1 year but within 5 years		1,405,397,542	1,708,035,594
	Over 5 years		911,742,633	921,376,852
	Total:		**3,294,459,155**	**3,578,494,971**
11.00	**Deposits and other accounts:**			
	Current Accounts & Other Accounts etc.		-	-
	Bills Payable		-	-
	Savings Bank Deposits		-	-
	Term Deposits	11.01	4,829,093,809	4,989,945,325
	Bearer Certificates of Deposits		-	-
	Other deposits	11.02	8,172,205	8,890,455
	Total:		**4,837,266,014**	**4,998,835,780**

Note	Particulars	Note	Amount in BDT 31-12-2025	31-12-2024
11 a	**Consolidated Deposits and other accounts:**			
	Bay Leasing & Investment Ltd.		4,837,266,014	4,998,835,780
	BLI Capital Ltd.		28,651,628	43,340,471
			4,865,917,642	**5,042,176,251**
11.01	**Term deposits:**			
	Plain Term Deposits	11.1.2	4,408,245,237	4,584,604,519
	Flexi Savings		5,325,612	8,783,296
	Super DPS		29,274,378	39,122,729
	BLIL Wealth Plan		1,421,951	749,701
	Profit Take Home Plan		381,318,819	349,534,740
	BLI Chamak		467,634	483,486
	Double Money Plan		3,040,178	6,666,854
			4,829,093,809	**4,989,945,325**
11.1.1	**This represents deposits received from individuals and institutions for a period not less than three months.**			
	Deposits from banks and financial institutions		2,260,500,000	2,354,200,000
	Deposits from other than banks and financial institutions		2,568,593,809	2,635,745,325
			4,829,093,809	**4,989,945,325**
11.1.2	**Sector-wise break-up of plain term deposits:**			
	Government		-	-
	Banks and financial institutions		2,260,500,000	2,354,200,000
	Individual		268,195,626	404,674,062
	Other Institutions		1,879,549,611	1,825,730,457
	Total:		**4,408,245,237**	**4,584,604,519**
11.1.2	**Maturity analysis of term deposits:**			
	a) Maturity analysis of deposits from Banks & Financial Institutions			
	Payable on demand		-	-
	Up to 1 month		126,529,942	128,653,244
	Over 1 month but within 3 months		370,000,000	390,000,000
	Over 3 months but within 1 year		556,970,058	568,546,756
	Over 1 year but within 5 years		995,000,000	1,027,000,000
	Over 5 years but within 10 years		212,000,000	240,000,000
	Over 10 years		-	-
	Sub Total:		**2,260,500,000**	**2,354,200,000**
	b) Maturity Analysis of Deposits from other than Banks and Financial Institutions			
	Payable on demand		-	-
	Up to 1 month		119,241,689	117,118,387
	Over 1 month but within 3 months		300,232,549	280,232,549
	Over 3 months but within 1 year		1,824,772,042	1,813,195,344
	Over 1 year but within 5 years		262,117,972	390,967,198
	Over 5 years but within 10 years		62,229,557	34,231,847
	Over 10 years		-	-
	Sub Total:		**2,568,593,809**	**2,635,745,325**
	Grand Total:		**4,829,093,809**	**4,989,945,325**
11.02	**Other deposits:**			
	Security deposit		7,542,365	8,260,615
	Lease Advance & Others		629,840	629,840
	Total:		**8,172,205**	**8,890,455**
12.00	**Other liabilities:**			
	Interest suspense account	12.01	1,285,968,750	1,028,687,389
	Accrued expenses and payables	12.02	374,006,082	393,336,393
	Provision for lease, loans and advances	12.03	5,222,822,225	5,186,007,844
	Provision for income tax	12.04	107,000,000	103,000,000
	Deferred Tax Liability	12.05	6,225,283	4,750,613
	Lease Liability		5,626,045	8,041,758
	Unpaid/Unclaimed Dividend	12.06	3,680,497	3,680,497
	Total		**7,005,328,882**	**6,727,504,494**

Note	Particulars	Note	Amount in BDT 31-12-2025	31-12-2024
12 a	**Consolidated Other Liabilities**			
	Bay Leasing & Investment Ltd.		7,005,328,882	6,727,504,494
	BLI Capital Ltd.		1,283,746,259	781,947,598
	Adjustment for dealing with Subsidiary		(1,749,990,000)	(87,843,797)
	Total		**6,539,085,141**	**7,421,608,295**

12.01 Interest suspense account:

This represents interest receivable on lease, hire purchase, term finance and short term finance outstanding over ninety days as per Bangladesh Bank guidelines.

Balance on January 01	1,028,687,389	902,829,107
Add: Amount trans. to "interest suspense" account during the year	257,281,361	125,858,282
Less: Amount recovered from "interest suspense" account during the year	-	-
Less: Amount written-off during the year	-	-
Balance as on December 31	**1,285,968,750**	**1,028,687,389**

12.02 Accrued expenses and payables:

Liabilities For Financial expenses	12.02.1	234,865,027	241,184,848
Liabilities for accrued expenses	12.02.2	609,500	1,464,625
Liabilities for Gratuity Fund	12.02.3	26,119,913	32,031,181
Suspense for Rent		19,513,130	14,305,840
Others Payable		92,898,512	104,349,899
Total		**374,006,082**	**393,336,393**

12.02.1 Liabilities For Financial expenses:

Interest Payable on Term Deposits	226,110,666	233,921,939
Interest Payable on Other Deposit	8,754,361	7,262,909
Total	**234,865,027**	**241,184,848**

12.02.2 Liabilities for accrued expenses:

Audit Fee	408,250	483,000
Office Rent	-	793,500
Credit Rating Fee	201,250	188,125
Total	**609,500**	**1,464,625**

12.03 Provision for lease, loans, advances & Investments:

Management, on the basis of guidelines issued by Bangladesh Bank has computed provisions for loans, advances andleasas. Adequate provision has been kept as per BB circular to cover possible future losses.

General provision on unclassified lease, loans and advances	106,261,927	106,465,389
Specific provision on classified lease, loans and advances	3,054,133,605	3,016,583,627
Provision against Other Assets	1,749,990,000	1,749,990,000
Provision against Investment in Shares	312,436,693	312,968,828
Provision as on 31 December	**5,222,822,225**	**5,186,007,844**
Movement of General provision;		
Balance on January 01	106,465,389	145,265,657
Add: Provision made during the year	(203,462)	(38,800,268)
Less: Provision released during the year	-	-
Provision as on 31 December	**106,261,927**	**106,465,389**
Movement of Specific provision;		
Balance on January 01	3,016,583,627	1,531,467,812
Add: Provision made during the year	303,529,978	2,017,075,815
Less: Defferal from B.Bank (1329900000/5*1)	(265,980,000)	(531,960,000)
Less: Provision released during the year	-	-
Provision as on 31 December	**3,054,133,605**	**3,016,583,627**

Note	Particulars	Amount in BDT 31-12-2025	Amount in BDT 31-12-2024
12.04	**Provision for Income Tax:**		
	Balance on January 01	103,000,000	88,000,000
	Add: Provision made for the year 2025	4,000,000	-
	Provision made for the year 2024	-	15,000,000
		-	-
	Less: Settlement of previous years' tax liabilities	-	-
		107,000,000	**103,000,000**

Reconciliation of Effecive Tax Rate:

	2025 %	2025 Taka
Profit before income tax as per profit and loss account		**(260,496,374)**
Applicable Tax rate as per Income Tax rules	37.50%	(97,686,140)
Factors affecting the tax changed in current year:		
On non deductible expenses	-2.22%	5,770,796
Tax exempted Income	0.00%	-
Tax savings from reduced tax rates (on dividend, Gain on sale of shares)	0.19%	(488,812)
Total income tax expenses	**35.47%**	**(92,404,156)**

	2024 %	2024 Taka
Profit before income tax as per profit and loss account		**(3,672,280,007)**
Applicable Tax rate as per Income Tax rules	37.50%	(1,377,105,003)
Factors affecting the tax changed in current year:		
On non deductible expenses	-0.18%	6,428,371
Tax exempted Income	0.00%	-
Tax savings from reduced tax rates (on dividend, Gain on sale of shares)	0.35%	(12,919,309)
Total income tax expenses	**37.67%**	**(1,383,595,941)**

12.05 Deferred Tax Liability

Deferred tax has been calculated based on deductible taxable temporary difference arising due to difference in the carrying amount of the assets and its tax base in accordance with the provision of International Accounting Standard (IAS) 12 "Income Taxes" and DFIM circular- 07; dated 31-07-2011.

Particulars	Carrying Amount at Balance Sheet	Tax Base	Taxable/ deductible temporary difference
Gratuity	26,119,913	-	26,119,913
Fixed Assets	515,569,561	472,848,892	(42,720,669)
Total	**541,689,474**	**472,848,892**	**(16,600,756)**
Applicable Tax Rate			37.50%
Deferred Tax Liability as on December 31, 2025			6,225,283
Deferred Tax Liability as on December 31, 2024			4,750,613
Additional Deffered Tax for Revaluation			-
Deferred tax Expense for the year 2025			(1,474,670)
Total Liability against Deferred Tax			**6,225,283**

12.06 Unclaimed Dividend Account

Ageing of Unclaimed Cash Dividend:	31-12-2025	31-12-2024
Upto 1 year	-	-
Over 1 year but within 3 years	3,680,497	3,680,497
Over 3 years but within 4 years	-	-
Over 4 years but within 5 years	-	-
Above 5 years	-	-
	3,680,497	**3,680,497**

Note	Particulars	Amount in BDT	
		31-12-2025	31-12-2024

As per the Directive No. BSEC/CMRRCD/2021-386/03, dated January 14, 2021, and the Capital Market Stabilization Fund (CMSF) Rules, 2021, dated June 01, 2021, of Bangladesh Securities and Exchange Commission (BSEC) any entitlement dividend which remains unclaimed for a period of 3 (three) years from the date of approval or date of subscription, shall be transferred to the fund named "Capital Market Stabilization Fund" within such time as directed by the Commission or the Fund from time to time. Accordingly, we have transferred unclaimed Cash Dividend (from 2010 to 2017) an amount of BDT 17,771,144.27 a to the "Capital Market Stabilization Fund", from SND A/C No. 13100001017, Southeast Bank Limited, Motijheel Branch, Dhaka dated on September 30, 2021 and cash dividend- 2018 an amount of BDT 18,44,748.00 to the "Capital Market Stabilization Fund", from SND A/C No. 13100001017, Southeast Bank Limited, Motijheel Branch, Dhaka dated on September 19, 2023.

13.00 Share Capital:

13.01 Authorized capital

	31-12-2025	31-12-2024
300,000,000 ordinary shares of Taka 10 each	3,000,000,000	3,000,000,000

13.02 Issued, subscribed and fully paid-up capital

	31-12-2025	31-12-2024
140,888,443. ordinary shares of Taka 10 each	1,408,884,435	1,408,884,435

13.03 Capital adequacy ratio:

In terms of Bangladesh Bank DFIM circulars no. 08 and 14 dated August 02, 2010 and December 28, 2011 respectively; required implementation of Basel Accord Minimum Capital Requirement (MCR) of the Company at the close of business on December 31, 2025 was Taka 1,007,450,000 as against available Core Capital (Tier-I) of Taka (3,419,707,532) and Supplementary Capital (Tier-II) of Taka 253,674,652 making a Total Eligible Capital of Taka (3,166,032,880) thereby showing a Surplus capital/equity of Taka (4,173,482,881) at that date. Details are shown below:

	31-12-2025	31-12-2024
Core capital (Tier-I)		
Fully paid-up Capital	1,408,884,435	1,408,884,435
Statutory Reserve	623,950,000	623,950,000
Non-repayable Share premium account	121,115,565	121,115,565
General Reserve	111,271,430	111,271,430
Retained Earnings	(5,684,928,963)	(5,424,679,141)
	(3,419,707,533)	**(3,159,457,711)**
Supplementary capital (Tier-II)		
General provision maintained against Unclassified loan	106,261,927	106,465,389
General provision on off-balance sheet items	-	-
General provision on off-shore Banking Units	-	-
Revaluation gain / loss on investments	-	-
Assets revaluation reserve	147,412,725	150,273,336
	253,674,652	**256,738,725**
A. Eligible Capital:		
1. Tier-1 Capital	(3,419,707,533)	(3,159,457,711)
2. Tier-2 Capital	253,674,652	256,738,725
3. Total eligible Capital (1+2)	**(3,166,032,881)**	**(2,902,718,986)**
B. Total Risk Weighted Assets (RWA)	10,074,500,000	10,214,600,000
C. Capital Adequacy Ratio	-31.43%	-28.42%
D. Core Capital to RWA (A1/B)*100	-33.94%	-30.93%
E. Supplementary Capital to RWA (A2/B)*100	2.52%	2.51%
F. Minimum Capital Requirement (MCR) 10% of RWA =Bx10%	**1,007,450,000**	**1,021,460,000**
G) Surplus (A-F)	**(4,173,482,881)**	**(3,924,178,986)**

13.04 Percentage of shareholding at the closing date:

	No. of shares		Percentage	
	2025	2024	2025	2024
(i) Sponsors & Director				
Foreign	-	-		
Domestic	25,791,756	27,665,484	18.31	19.64
	25,791,756	**27,665,484**	**18.31**	**19.64**

Note	Particulars			Amount in BDT	
				31-12-2025	31-12-2024
	(ii) Corporate Bodies				
	Foreign	579	579	0.00	0.00
	Domestic	33,028,153	38,943,702	23.44	27.64
		33,028,732	**38,944,281**	**23.44**	**27.64**
	(iii) General public				
	Foreign	-	-	-	-
	NRB	423,960	410,545	0.30	0.29
	Domestic	81,643,995	73,868,133	57.95	52.43
	Director Managing Director	**82,067,955**	**74,278,678**	**58.25**	**52.72**
	Total	**140,888,443**	**140,888,443**	**100.00**	**100.00**

13.05 Shareholding range on the basis of shareholding as at December 31, 2025

No. of shares	Number of Shareholders	Total number of shares	Percentage of total holdings
Less than 5000	6932	10,510,140	7.46%
5,001 to 10,000	970	7,400,257	5.25%
10,001 to 20,000	574	8,363,079	5.94%
20,001 to 30,000	214	5,412,018	3.84%
30,001 to 40,000	136	4,799,498	3.41%
40,001 to 50,000	83	3,834,732	2.72%
50,001 to 100,000	153	11,084,715	7.87%
100,001 to 1,000,000	99	25,323,294	17.97%
1,000,001 to 10,000,000	15	64,160,710	45.54%
Total	**9,176**	**140,888,443**	**100.00%**

14.00 Statutory Reserve:

The above balance is made up as follows:

	31-12-2025	31-12-2024
Balance as at January 01	623,950,000	623,950,000
Addition during the year	-	-
Balance as at December 31	**623,950,000**	**623,950,000**

As per section 8 of the Financial Institutions Act, 2023, at least 20% on profit after tax has to be transferred to Statutory Reserve Fund. During the year the Company has been incurred Loss, so that no requirement of transferred to the statutory reserved fund.

15.00 Share Premium:

	31-12-2025	31-12-2024
Balance as at January 01	121,115,565	121,115,565
Addition during the year	-	-
Less: Premium use against stock dividend	-	-
Balance as at December 31	**121,115,565**	**121,115,565**

This represents a premium of Tk.150 per share for issuance of 10,20,000 shares in 2009 amounting to Tk. 153,000,000 & Tk.250 per share over the per value of Tk.100 per share received against the issue of 30,60,000 right shares in 2010 amounting to Tk. 765,000,000. Stock dividend declare @20% on 2011, @15% on 2013, @5% on 2017 & @ 2.5% on 2019 which is adjusting against share premium.

16.00 Assets Revaluation Reserve:

	31-12-2025	31-12-2024
Balance as at January 01	300,546,673	306,414,593
Sale of Assets	-	-
Transferred to Retained Earnings	(5,721,222)	(5,867,920)
Balance as at December 31	**294,825,451**	**300,546,673**

17.00 Adjusted Retained Earnings Balance

The above balance is made up as follows:

	31-12-2025	31-12-2024
Balance as at January 01	(5,424,679,141)	(1,735,108,765)
Dividend for last year	-	-
Previous year adjustment	-	(7,349,998)
Transfer from Revaluation reserve (Note- 2.36)	5,721,222	5,867,920
Sub total (a)	**(5,418,957,919)**	**(1,736,590,843)**
Net profit after taxation for the year	(265,971,044)	(3,688,088,298)
Appropriation from current years profit:		
Transfer to statutory reserve	-	-
Sub total (b)	**(265,971,044)**	**(3,688,088,298)**
Balance as at December 31, Grand total (a + b)	**(5,684,928,963)**	**(5,424,679,141)**

Note	Particulars	Amount in BDT	
		31-12-2025	31-12-2024
17 a	**Consolidated Retained Earnings**		
	Bay Leasing & Investment Ltd.	(5,684,928,963)	(5,424,679,141)
	BLI Capital Ltd.	(1,393,651,580)	(691,215,933)
	Adjustment for dealing with Subsidiary	1,749,990,000.00	-
	Balance as at December 31	**(5,328,590,543)**	**(6,115,895,074)**

18.00 Non-Controlling Interest

Pursuant to the International Financial Reporting Standard (IFRS) 10, 'Consolidated Financial Statements", non-controlling interest has been presented in the consolidated Balance Sheet within equity, separately from the equity of the owners of the parent. Non controlling interest is made up as follows:

		31-12-2025	31-12-2024
	Opening balance	6,049	10,059
	Less: Interim Dividend	-	-
	Add: addition during the year	(4,013)	(4,010)
	Closing balance	**2,036**	**6,049**
	Share Capital	10,000	10,000
	Retained Earnings	(7,964)	58.95
	Total	2,036	10,059
19.00	**Net asset value per share**		
	Total asset	12,012,171,969	12,445,924,207
	Total liabilities	15,137,054,051	15,304,835,245
		(3,124,882,082)	**(2,858,911,038)**
	Number of share outstanding	140,888,443	140,888,443
	Net asset value per share	**(22.18)**	**(20.29)**
19 a	**Consolidated Net asset value per share**		
	Total asset	12,939,053,288	13,428,830,028
	Total liabilities	15,707,594,914	16,978,950,950
		(2,768,541,626)	**(3,550,120,921)**
	Consolidated Net asset value per share	**(19.65)**	**(25.20)**
20.00	**Interest Income:**		
	Interest from Lease	8,064,819	14,170,338
	Interest from Term Finance	363,483,243	310,882,611
	Interest from House Finance	58,768,208	124,388,080
	Interest on Fixed Deposits with Banks and Other FI's	35,741,185	68,178,690
	Interest on balance with Banks	146,158	219,224
	Interest from Bills & Bonds	33,030	-
	Total	**466,236,643**	**517,838,943**
20 a	**Consolidated Interest Income**		
	Bay Leasing & Investment Ltd.	466,236,643	517,838,943
	BLI Capital Ltd.	38,810,906	50,619,901
		505,047,549	**568,458,844**
	Less: Inter company balance eliminated	-	98,118,125
	Total	**505,047,549**	**470,340,719**
21.00	**Interest paid on Deposit, Borrowing etc.:**		
	Interest on Deposits:	**297,852,933**	**467,018,235**
	Interest on Term Deposits	250,663,613	431,548,766
	Interest on Other Deposits	47,189,320	35,469,469
	Interest on Borrowings:	**366,484,048**	**440,303,170**
	Interest on Call Loan & STL	44,330,293	68,397,083
	Interest on Over Draft	127,296,451	175,299,888
	Interest on Term Loan & BB refinance	193,817,017	196,104,779
	Interest on Lease Rent	1,040,287	501,420
	Total	**664,336,981**	**907,321,405**
21 a	**Consolidated Interest paid on Deposit, Borrowing etc.**		
	Bay Leasing & Investment Ltd.	664,336,981	907,321,405
	BLI Capital Ltd.	317,853,920	235,563,402
		982,190,901	**1,142,884,807**
	Less: Inter company balance eliminated	-	98,118,125
	Total	**982,190,901**	**1,044,766,682**

Note	Particulars	Amount in BDT	
		31-12-2025	31-12-2024
22.00	**Investment Income:**		
	Dividend Income	4,548,869	64,596,543
	Gain on Investment on Share	(4,209,620)	-
		339,249	**64,596,543**
22 a	**Consolidated Investment Income**		
	Bay Leasing & Investment Ltd.	339,249	64,596,543
	BLI Capital Ltd.	(12,424,724)	(12,347,309)
		(12,085,475)	**52,249,234**
	Less: Inter company balance eliminated	-	-
	Total	**(12,085,475)**	**52,249,234**
23.00	**Commission, Exchange and Brokerage Income:**		
	Income from Commission	-	-
	Total	**-**	**-**
23 a	**Consolidated Commission, Exchange and Brokerage Income:**		
	Bay Leasing & Investment Ltd.	-	-
	BLI Capital Ltd.	15,008,648	23,692,151
	Total	**15,008,648**	**23,692,151**
24.00	**Other Operating Income:**		
	Service Fees	1,978	811,000
	Gain on sale of Fixed Assets	1,594	26,129
	Early settlement charge	132,025	125,253
	Documentation Fee	1,585	180,355
	Rental Income	-	-
	Recovery from Write Off	63,940,300	140,000
	Income from Transfer Fee	58,800	97,500
	Miscellaneous Income	70,510	48,730
	Total	**64,206,792**	**1,428,967**
24 a	**Consolidated Other Operating Income**		
	Bay Leasing & Investment Ltd.	64,206,792	1,428,967
	BLI Capital Ltd.	10,507,386	8,813,700
	Total	**74,714,178**	**10,242,667**
25.00	**Consolidated Salary and allowances**		
	Bay Leasing & Investment Ltd.	56,068,042	57,504,564
	BLI Capital Ltd.	10,045,200	17,804,378
	Total	**66,113,242**	**75,308,942**

Salaries and allowances

Salaries and allowances of Bay Leasing & Investment Limited include annual contribution of BDT 1,726,800/- to Provident Fund and BDT 4,465,282/- to Gratuity Fund.

25.01 Employee benefits

Bay Leasing & Investment Limited operates a funded gratuity scheme (which is a defined benefit scheme as specified in IAS 19). Employees are entitled to gratuity benefit after completion of minimum years of service with the Company. The Company is contributing to the fund as prescribed rate/amount.

26.00 Rent, Taxes, Insurance & Electricity:

The above balance is made up as follows:

		31-12-2025	31-12-2024
	Office Rent	518,400	518,400
	Rates & Taxes	248,738	271,959
	Utility	3,330,597	3,213,677
	Insurance Premium	65,682	127,256
	Total	**4,163,417**	**4,131,292**

Note	Particulars	Amount in BDT	
		31-12-2025	31-12-2024
26 a	**Consolidated Rent, Taxes, Insurance & Electricity**		
	Bay Leasing & Investment Ltd.	4,163,417	4,131,292
	BLI Capital Ltd.	3,022,778	5,865,191
	Total	**7,186,195**	**9,996,483**
27.00	**Postage, stamp, telecommunication, etc.**		
	Postage & stamp	39,066	20,172
	Telecommunication	868,791	762,463
	Total	**907,857**	**782,635**
27 a	**Consolidated Postage, stamp, telecommunication, etc.**		
	Bay Leasing & Investment Ltd.	907,857	782,635
	BLI Capital Ltd.	478,744	555,378
	Total	**1,386,601**	**1,338,013**
28.00	**Stationery, Printing, advertisement, etc.**		
	Printing	164,797	547,983
	Stationery	157,734	200,462
	Advertisement	1,014,333	1,095,450
	Total	**1,336,864**	**1,843,895**
28 a	**Consolidated Stationery, Printing, advertisement, etc.**		
	Bay Leasing & Investment Ltd.	1,336,864	1,843,895
	BLI Capital Ltd.	179,977	183,360
	Total	**1,516,841**	**2,027,255**
29.00	**Directors Fee:**		
	Directors Fee	353,600	404,800
	Total	**353,600**	**404,800**
	Each Director is paid TK. 8,000/- per meeting per attendance.		
30.00	**Consolidated Auditor's Fees**		
	Bay Leasing & Investment Ltd.	408,250	483,000
	BLI Capital Ltd.	250,000	250,000
	Total	**658,250**	**733,000**
31.00	**Depreciation and repairs of assets**		
	Depreciation	15,388,790	17,142,322
	Fuel & Octane	559,966	626,815
	Repair of assets	944,741	522,979
	Total	**16,893,497**	**18,292,116**
31 a	**Consolidated Depreciation and repairs of assets**		
	Bay Leasing & Investment Ltd.	16,893,497	18,292,116
	BLI Capital Ltd.	16,002,331	16,669,501
	Total	**32,895,828**	**34,961,617**
32.00	**Other Expenses**		
	Bank Charges	1,367,423	1,996,986
	Conveyances & Travelling	226,569	173,133
	Credit Rating Fees	201,250	188,125
	Office Maintenance	1,157,837	2,038,732
	Govt. & Other Fees	331,303	255,971
	Entertainment Expenses	774,220	681,281
	Listing & Other Regulatory Fees	1,375,554	1,326,684
	AGM & EGM Expenses	192,878	492,466
	Subscription & Donation	421,100	335,000
	Surveyors fee	-	51,750
	Newspaper & Periodicals	16,349	16,615
	Training Fee	7,500	32,000
	Total	**6,071,983**	**7,588,743**

Note	Particulars	Amount in BDT	
		31-12-2025	31-12-2024
32 a	**Consolidated Other Expenses**		
	Bay Leasing & Investment Ltd.	6,071,983	7,588,743
	BLI Capital Ltd.	6,224,827	5,071,837
	Total	**12,296,810**	**12,660,580**
33.00	**Provision against lease, loans and advances:**		
	On classified loans and other advances (Note-12.03)	37,549,978	1,485,115,815
	On un-classified loans (Note-12.03)	(203,462)	(38,800,268)
	Total	**37,346,516**	**1,446,315,547**
33 a	**Consolidated Provision against lease, loans and advances:**		
	Bay Leasing & Investment Ltd.	37,346,516	1,446,315,547
	BLI Capital Ltd.	392,842,333	-
	Total	**430,188,849**	**1,446,315,547**
34.00	**Provision for Diminution in Value of Investment in Shares:**		
	Opening Balance	312,968,828	256,691,990
	Ending Balance	312,436,693	312,968,828
	Addition/ Adjustment	**(532,135)**	**56,276,838**
34 a	**Consolidated Provision for Diminution in Value of Investment in Shares:**		
	Bay Leasing & Investment Ltd.	(532,135)	56,276,838
	BLI Capital Ltd.	-	-
	Total	**(532,135)**	**56,276,838**
35.00	**Provision for Tax:**		
	Current Year Tax	4,000,000	15,000,000
	Previous year Tax	-	-
	Deferred Tax	1,474,670	808,291
	Total	**5,474,670**	**15,808,291**
35 a	**Consolidated Provision for Tax:**		
	Bay Leasing & Investment Ltd.	5,474,670	15,808,291
	BLI Capital Ltd.	7,091,048	3,738,026
	Total	**12,565,718**	**19,546,317**
36.00	**Earnings per share (EPS):**		
	Earning per share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as on December 31, 2025 as per International Accounting Standard (IAS) -33.		
	Net profit after tax	(265,971,044)	(3,688,088,298)
	Number of ordinary shares outstanding	140,888,443	140,888,443
	Earnings per share	**(1.89)**	**(26.18)**
36 a	**Consolidated Earnings per share (EPS):**		
	Net profit after tax	(968,410,706)	(4,389,808,567)
	Number of ordinary shares outstanding	140,888,443	140,888,443
	Earnings per share	**(6.87)**	**(31.16)**
37.00	**Net Operating Cash Flows Per Share (NOCFPS)**		
	Net cash flows from operating activities	(320,890,739)	42,864,478
	No. of Shares outstanding	140,888,443	140,888,443
		(2.28)	**0.30**
37 a)	**Consolidated Operating Cash Flows Per Share (NOCFPS)**		
	Net Cash flows from operating activities	(313,147,187)	67,211,252
	No. of Shares outstanding	140,888,443	140,888,443
		(2.22)	**0.48**
37.01	**Reconciliation of Net Profit with Cash Flows from Operating Activities**		
	Total Profit before taxes	**(260,496,374)**	**(3,672,280,007)**
	Adjustments:		
	Depreciation	12,973,077	14,187,742
	Gain on sale of Fixed Assets	(1,594)	(26,129)
	Gain on Investment on share	4,209,620	-
	Provision for lease, loans, advances & Investments:	36,844,346	3,252,582,385
		(206,470,925)	**(405,536,009)**

Note	Particulars	Amount in BDT	
		31-12-2025	31-12-2024
	Increase / decrease in operating assets and liabilities		
	Other assets	(3,310,372)	(25,233,294)
	Lease, loans and advances to customers	(144,690,726)	334,762,748
	Deposits & Other Account	(161,569,766)	(41,007,653)
	Payment as Call Loan	(45,755,300,000)	(164,200,000,000)
	Receipt as Call Loan	45,712,500,000	164,150,000,000
	Other liabilities account of customers	237,951,050	229,878,686
	Net cash flows from operating activities	**(320,890,739)**	**42,864,478**

38.00 Contingent liabilities

The Company is contingently liable on behalf of BLI Securities ltd for the guarantee given below in favour of:

	31-12-2025	31-12-2024
Corporate Guarantee-BLI Securities Ltd for Dhaka Stock Exchange	150,000,000	150,000,000
Total Off-Balance Sheet items including contingent liabilities	**150,000,000**	**150,000,000**

38.01 Unacknowledged debt

The Company had no claim, legal or others, which has not been acknowledged as debt at the balance sheet date.

39.00 Related Party Disclosures

39.01 Particulars of Directors of the Company as on December 31, 2025

Sl. No.	Name of Directors	Designation	Shareholding status
1	Mrs. Fatema Zahir Majumder	Chairman	2.00%
2	Mr. Abul Quasem	Independent Director	0.00%
3	Mr.Md Habibullah Monju	Independent Director	0.00%
4	Mr.Tareq Ahmed Salah Uddin Khan	Independent Director	0.00%
5	Ms. Maksuda Akhter Rosy	Independent Director	0.00%
	Total		2.00%

39.02 Name of Directors and their interest in different entities as on December 31, 2025

Sl. No.	Name of Directors	Position with BLIL	Entities Where they have interest	
			Name	Position
1	Mrs. Fatema Zahir Majumder	Chairman	Tiger Tours & Travels	Chairman
			Blue Flying Academy	Director
			Language Proficiency Centre Ltd	Director
2	Mr. Abul Quasem	Independent Director	Pharmasia Pharmaceutical Company	Independent Director
3	Mr.Md Habibullah Monju	Independent Director	Islam Group	Group CFO
4	Mr.Tareq Ahmed Salah Uddin Khan	Independent Director	1) Young Consultants 2) Empower nEdge Ltd	1) Project Administrator 2) Consultant
5	Ms. Maksuda Akhter Rosy	Independent Director	N/A	

39.03 Related Party Transactions

Parties are considered to be related if one party has the ability to control the other party or exercises significant influence over the other party in making financial and operational decision and include associated companies with or without common Directors and key management positions. The Company has entered into transaction with other related entities in normal course of business that fall within the definition of related party as per International Accounting Standard 24: " Related Party Disclosures." Transactions with related parties are executed on the same terms, including interest rate and collateral, as those prevailing at the time for comparable transactions with other customers of similar credentials and do not involve more than a normal risk.

Details of transactions with related parties and balances with them as at December 31, 2025 were as follows:

Name of the related party	Relationship	Nature of transaction	Transaction amount / Outstanding receivable / (Payable)	
			2025	2024
BLI Capital Ltd	Subsidiary Company	Loan	941,930,004	929,436,707
BLI Securities Ltd	Associate Company	Term Deposit	97,846,057	94,872,986
		Contingent Liability	150,000,000	150,000,000
Blue Flying Academy	Director of Ms. Fatema Zahir Majumder	Loan	792,771	1,201,920

39.04 Significant contract where FI is party and wherein Directors have interest

As on 31 December 2025 no such contract exists.

Bay Leasing & Investment Limited
Schedule of Fixed Assets
As at December 31, 2025

Particulars	Cost as on 01.01.2025	Revaluation as on 01-01-2025	Addition during the year	Revaluation during the year	Disposals/ Adjustments during the year	Balance as on 31.12.2025			Depreciation									W.D.V.as on 31.12.2025
						Cost	Revaluation	Total	Rate of Depreciation	Balance as on 01.01.2025		Charged during the Year		Adjustment for Disposals	Balance as on 31.12.2025			
										Cost	Revaluation	Cost	Revaluation		Cost	Revaluation	Total	
	1	2	3	4	5	(1+3-5)=6	(2+4)=7	(6+7)=8	9	10	11	12	13	14	(10+12-14)=15	(11+13)=16	17	(8-17)=18
Furniture and Fixtures	22,379,480	-	-	-	-	22,379,480	-	22,379,480	10%	13,541,856	-	883,762	-	-	14,425,618	-	14,425,618	7,953,862
Office Equipment	18,091,868	-	179,755	-	-	18,271,623	-	18,271,623	15%	13,514,226	-	698,465	-	-	14,212,691	-	14,212,691	4,058,932
Office Decoration	28,786,304	-	-	-	-	28,786,304	-	28,786,304	20%	23,279,104	-	1,101,440	-		24,380,544	-	24,380,544	4,405,760
Right of Use Assets	13,613,749		-		-	13,613,749		13,613,749		5,571,990		2,415,713	-		7,987,703		7,987,703	5,626,046
Motor Vehicles	15,225,898	-	-	-	1,800,000	13,425,898	-	13,425,898	20%	10,476,594	-	939,880	-	1,586,594	9,829,881	-	9,829,881	3,596,017
Software	10,500,000	-	151,075			10,651,075		10,651,075	20%	5,604,000	-	990,257		-	6,594,257		6,594,257	4,056,818
Building	140,437,900	320,669,540	-	-	-	140,437,900	320,669,540	461,107,440	2.50%	34,915,879	91,820,661	2,638,051	5,721,222	-	37,553,930	97,541,883	135,095,813	326,011,627
Construction WIP	80,079,800	-	-	-	-	80,079,800	-	80,079,800	0%	-	-	-	-	-	-	-	-	80,079,800
Land	302,148,356	74,322,179	760,000	-	-	302,908,356	74,322,179	377,230,535	0%	-	-	-	-	-	-	-	-	377,230,535
Total	**631,263,355**	**394,991,719**	**1,090,830**	**-**	**1,800,000**	**630,554,185**	**394,991,719**	**1,025,545,904**		**106,903,649**	**91,820,661**	**9,667,568**	**5,721,222**	**1,586,594**	**114,984,623**	**97,541,883**	**212,526,506**	**813,019,397**
2024	**617,377,299**	**394,991,719**	**15,496,756**	**-**	**1,610,700**	**631,263,355**	**394,991,719**	**1,026,255,074**		**96,982,076**	**85,952,741**	**11,274,402**	**5,867,920**	**1,352,829**	**106,903,649**	**91,820,661**	**198,724,310**	**827,530,763**

Bay Leasing & Investment Limited

Highlights on the overall Activities

as on 31 December 2025

Sl No.	Particulars	31-12-2025	31-12-2024
1	Paid-up capital	1,408,884,435	1,408,884,435
2	Total Shareholder's Equity	(3,124,882,082)	(2,858,911,038)
3	Capital Surplus/(deficit)	(4,169,192,881)	(3,924,178,986)
4	Total Assets	12,012,171,969	12,445,924,207
5	Total Deposits	4,837,266,014	4,998,835,780
6	Total Loans and advances	8,462,665,152	8,317,974,426
7	Total Contingent Liabilities and Commitment	150,000,000	150,000,000
8	Investment Deposit Ratio	1.75	1.80
9	Percentage of Classified Investment against Total Investments	77.20%	80.14%
10	Net Profit after Tax	(265,971,044)	(3,688,088,298)
11	Total Classified Investments	6,532,858,306	6,666,085,635
12	Total Provision Kept	5,222,822,225	5,186,007,844
13	Provision Kept against classified Investments	3,054,133,605	3,016,583,627
14	Provision Surplus/(deficit)	-	-
15	Cost of Fund	11.47%	10.88%
16	Interest earning Assets	8,573,942,982	8,970,263,687
17	Non-Interest earning Assets	3,438,228,987	3,475,660,520
18	Return on equity	8.51%	128.45%
19	Return on Average Assets	-0.53%	-28.89%
20	Income from Investment	339,249	64,596,543
21	Income Per Share	(1.89)	(26.18)
22	Earning Per Share	(1.89)	(26.18)
23	Price earning Ratio (P/E Ratio)	(1.69)	(0.27)

AUDITORS' REPORT

BLI CAPITAL LIMITED

Independent Auditor's Report

To The Shareholders of BLI CAPITAL LIMITED

Report on the Audit of The Financial Statements

Opinion

We have audited the financial statements of **BLI CAPITAL LIMITED** (the Company), which comprise the statement of financial position as at 31 December 2025, and the Statement of Profit or Loss and Other Comprehensive Income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2025 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors Responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Reference to note- 11, retained earnings shown negative balance for the amount of Tk. 1,393,659,544/- which raise significantly doubt about the company's ability to continue as a going concern.

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

Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with International Financial Reporting Standards (IFRS), the Companies Act 1994, and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation and fair presentation of Financial Statements that are free from material misstatement, whether due to fraud or error. In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of Financial Statements

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

We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, 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.
- 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. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

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 accounts as required by law have been kept by the Company and so far, as it appeared from our examination of those books;

iii. The Company's Financial Position as at 31 December 2025 and Statement of Profit or Loss and Other Comprehensive Income and its Cash Flows dealt with by the report are in agreement with the books of account and returns;

Pinaki Das

Pinaki Das FCA
Senior Partner
ICAB Enroll No.: 151
FRC Enlistment No.: CA-001-133
Pinaki & Company
Chartered Accountants
FRC Firm Enlistment No.: CAF-001-113

Place: Dhaka
Date: 29 June 2026
DVC: 2606290151AS311779

BLI CAPITAL LIMITED
Statement of Financial Position
as at 31 December 2025

Particulars	Notes	Amount in Taka	
		31-12-2025	31-12-2024
PROPERTY AND ASSETS			
NON-CURRENT ASSETS		**553,813,600**	**569,537,777**
Property, Plant and Equipment	4	553,813,600	569,537,777
CURRENT ASSETS		**3,064,987,723**	**3,092,794,752**
Advance Deposit and Pre-Payments	5	30,947,588	38,045,813
Accounts Receivable	6	3,594,934	1,815,916
Investment in Share	7	282,754,663	310,928,802
Margin Loan	8	2,724,331,942	2,734,564,073
Cash and Cash Equivalent	9	23,358,596	7,440,148
TOTAL ASSETS		**3,618,801,323**	**3,662,332,529**
EQUITY AND LIABILITIES			
CAPITAL & RESERVE		**356,340,456**	**1,058,780,117**
Shareholders Equity	10	1,750,000,000	1,750,000,000
Retained Earnings	11	(1,393,659,544)	(691,219,883)
NON-CURRENT LIABILITIES		**815,710,955**	**841,592,910**
Loan from Bank & Financial Institution	12	815,710,955	841,592,910
CURRENT LIABILITIES		**2,446,749,912**	**1,761,959,502**
Short Term Loan EXIM		490,000,000	481,826,433
Short Term Loan SIBL		452,457,294	454,845,000
Margin Deposit		28,651,628	43,340,471
Other Payable	13	501,929,107	203,287,268
Provision for Tax	14	75,860,306	73,651,086
Provision for Negative Equity	15	897,851,577	505,009,244
TOTALCURRENT LIABILITIES		**3,262,460,867**	**2,603,552,412**
TOTAL EQUITY AND LIABILITIES		**3,618,801,323**	**3,662,332,529**

AVP & Chief Executive Officer (CC) **Director** **Director**

BLI CAPITAL LIMITED

Statement of Profit or Loss and Other Comprehensive Income

for the year ended 31 December 2025

Particulars	Notes	Amount in Taka 01 January 2025 to 31 December 2025	Amount in Taka 01 January 2024 to 31 December 2024
Interest Income	16	38,810,906	50,619,901
Interest Paid on Deposit, Borrowing etc.	17	(317,853,920)	(235,563,402)
Net Interest Income		**(279,043,015)**	**(184,943,501)**
Investment Income / Loss	18	(12,424,724)	(12,347,309)
Commission, Exchange and Brokerage Income	19	15,008,648	23,692,152
Other Operating Income	20	10,507,386	8,813,700
Total Operating Income		**13,091,311**	**20,158,542**
Salary and Allowances	21	10,045,200	17,804,378
Rent, Taxes, Insurances, Electricity etc	22	3,022,778	5,865,191
Legal Expenses	23	350,720	254,100
Postage, Stamp, Telecommunication etc	24	478,744	555,378
Stationery, Printing, Advertisement etc	25	179,977	183,360
Audit Fee		250,000	250,000
Depreciation & Repairs of Assets	26	16,002,331	16,669,501
Others Expenses	27	6,224,827	5,071,837
Total Operating Expenses		**36,554,577**	**46,653,745**
Net Profit/(Loss) Before Tax		**(302,506,281)**	**(211,438,704)**
Less: Provision for Tax	14	7,091,048	3,738,026
Less: Provision for Negative Equity	15	392,842,333	486,543,539
Net Profit/(Loss) after Tax		**(702,439,661)**	**(701,720,269)**

AVP & Chief Executive Officer (CC) **Director** **Director**

BLI CAPITAL LIMITED

Statement of Changes in Equity

for the year ended 31 December 2025

Particulars	Share Capital	Retained Earnings	Total
Balance as at 01 January 2025	**1,750,000,000**	**(691,219,883)**	**1,058,780,117**
Add: Profit During the year	-	(702,439,661)	**(702,439,661)**
Less:Interim Dividend	-	-	-
Balance as at 31 December 2025	**1,750,000,000**	**(1,393,659,544)**	**356,340,456**

BLI CAPITAL LIMITED

Statement of Changes in Equity

for the year ended 31 December 2024

Particulars	Share Capital	Retained Earnings	Total
Balance as at 01 January 2024	**1,750,000,000**	**10,500,386**	**1,760,500,386**
Add: Profit During the year	-	(701,720,269)	(701,720,269)
Less: Interim Dividend	-	-	-
Balance as at 31 December 2024	**1,750,000,000**	**(691,219,883)**	**1,058,780,117**

AVP & Chief Executive Officer (CC) **Director** **Director**

BLI CAPITAL LIMITED

Statement of Cash Flows

for the year ended 31 December 2025

Particulars	Amount in Taka 01 January 2025 to 31 December 2025	Amount in Taka 01 January 2024 to 31 December 2024
A. Cash Flow from Operating Activities		
Cash Receipt from Customer	38,810,906	50,619,901
Cash Received from Others	13,091,311	20,158,542
Cash Paid to Suppliers and Others	(28,018,299)	(34,136,473)
Provision for Tax	2,209,220	(15,045,876)
Advance Deposit & Pre-Payment	7,098,225	25,460,793
Accounts Receivable	(1,779,018)	3,713,692
Bank Interest	(317,853,920)	(235,563,402)
Mergin Deposit	(14,688,843)	(4,985,964)
Other Payable	298,641,839	77,100,092
Mergin Loan	10,232,131	137,025,469
Net Cash flow from Operating Activities	**7,743,551**	**24,346,774**
B. Cash Flow from Investment Activities		
Acquisition of Asset	-	(200,502)
Gain from Sale of Car	96,851	-
Investment in Share	28,174,139	136,855,695
Net Cash flow from Investment Activities	**28,270,990**	**136,655,193**
C. Cash Flow from Financing Activities		
Loan From Bank & Financial Institutes	(20,096,094)	(173,801,379)
Net Cash flow from Financing Activities	**(20,096,094)**	**(173,801,379)**
D. Net Cash Inflow/Outflow for the year (A+B+C)	**15,918,448**	**(12,799,412)**
E. Opening Cash and Bank Balance	**7,440,148**	**20,239,560**
F. Closing Cash and Bank Balance (D+E)	**23,358,596**	**7,440,148**

AVP & Chief Executive Officer (CC) **Director** **Director**

BLI CAPITAL LIMITED
Notes to the Financial Statement
as at & for the year ended 31 December 2025

1. Legal Status and Nature of the Company
BLI CAPITAL LIMITED (hereinafter referred to as "the Company") was incorporated in Bangladesh as a public limited company on 13.04.2011 under the Companies Act 1994 and granted registration number C-91999/11.

1.1 Address of the Registered Office
The company operates its activities from Rupayan Trade Centre (10th Floor) 114, Kazi Nazrul Islam Avenue, Banglamotor, Dhaka-1000, Bangladesh.

1.2 Nature of Business Activities
The main object of **BLI CAPITAL LIMITED** is to carry on the business of merchant banking under the Securities and Exchange Commission (Merchant Banker and Portfolio Manager) Rules, 1996.

2. Significant Accounting Policies
2.1 Measurement Bases Used in Preparing the Financial Statements
The elements of financial statements have been measured on "Historical Cost" basis, which is one of the most commonly adopted bases provided in "the framework for the preparation and presentation of financial statements" issued by the International Accounting Standard Board (IASB).

2.2 Going Concern
Financial statements have been prepared on going concern basis as there was no significant doubt or uncertainty to continue the operation of the company in the foreseeable future.

2.3 Components of Financial Statements
According to International Accounting Standard (IAS) – 1, "Presentation of Financial Statements" The Complete Set of Financial Statements Includes the Following Components:

i) Statement of Financial Position
ii) Statement of Profit or Loss and Other Comprehensive Income.
iii) Statement of Changes in Equity
iv) Statement of Cash Flows and
v) Notes to the Financial Statements.

2.4 Property, Plant & Equipment
i) Recognition & Measurement

Own Assets

Item of own fixed assets are measured at cost less accumulated depreciation & any accumulated impairment loss. The cost of an asset comprises its purchase price & any directly attributable costs of bringing the assets to its working condition for its intended use as per International Accounting Standard (IAS)16: Property, Plant & Equipment.

ii) Depreciation

Depreciation is charged to amortize the cost of assets, over their estimated useful lives, using the straight-line method in accordance with IAS-16: Property, Plant & Equipment. Asset Category wise depreciation rates are as follows:

Property Plant & Equipment	Rate
Office Equipment	15%
Furniture & Fixtures	10%
Motor Vehicle	20%
Land & Building	2.5%

2.5 Income Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year & any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any, in accordance with provisions of Income Tax Act 2023. It is measured using tax rates enacted or substantively enacted at the reporting date.

Applicable tax rate for the company for the year 2025 are mentioned below:

Regular Business Tax Rate	Rate
BLI Capital Limited -Merchant Bank	37.5%

2.6 Bank Loan

Bank loans are recorded at the proceeds received. Interest on bank loans is accounted for on accounted for on accrual basis & charged to profit & loss account.

2.7 Revenue Recognition

Revenue only recognized when it meets the following five steps model framework as per IFRS15; Revenue from contract with customers.

a) Identify the contract (s) with a customers
b) Identify the performance obligations in the contract
c) Determine the transaction price
d) Allocate the transaction price to the performance obligations in the contract
e) Recognize revenue when the entity satisfies a performance obligation

Interest income from loans & others sources is recognized on an accrual basis of accounting & where applicable, on the basis of instruction from Bangladesh Bank considering on the future risk of recovery.

Portfolio Management Fee

Portfolio management fees are recognized on the market value of the client's portfolio monthly basis & charged to clients' balance on quarterly basis.

Brokerage Commission

Brokerage commission is recognized as income when selling or buying order is signed & trade is executed**.**

2.8 Statement of Compliance

The Financial Statements of **BLI CAPITAL LIMITED** have been prepared in accordance with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), Companies Act 1994 and other applicable laws and regulations

Name of IASs	IAS No	Status
Presentation of Financial Statements	1	Applied
Statement of Cash Flows	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Income Taxes	12	Applied
Property, Plant & Equipment	16	Applied

2.9 Cash Flow Statement

Cash Flow Statement is prepared in accordance with IAS 7 "Cash Flow Statement". The cash flow from the operating activities have been presented under Direct Method as prescribed by the Securities and Exchange Rules 1987 and considering the provisions of Paragraph 18(b) of IAS-7 which provides that "Enterprises are encouraged to report Cash Flow from Operating Activities using the Direct Method". Change in advance deposit & prepayment is shown in operating activities instead of financing activities.

2.10 Reporting Currency and Level of Precision

The figures in the Financial Statements represent Bangladesh Currency (Taka), which have been rounded-off to the nearest Taka.

3.0 Others

Figures of the previous year have been rearranged, wherever considered necessary to conform to current year's presentation.

Notes	Particulars		Amount in Taka	
			01 January 2025 to 31 December 2025	01 January 2024 to 31 December 2024
4	**Property, Plant and Equipment**			
	Written Down Value (a-b)		**553,813,600**	**569,537,777**
	Opening Balance - At Cost		698,484,010	698,283,508
	Add: Addition during the year (At Cost)		-	200,502
			698,484,010	**698,484,010**
	Less : Adjustment during the year		902,000	-
	Closing Balance (a)		**697,582,010**	**698,484,010**
	Accumulated Depreciation			
	Opening Balance		128,946,233	112,690,935
	Add: Charged during the year		15,627,326	16,255,298
			144,573,559	**128,946,233**
	Less : Adjustment during the year		805,149	-
	Closing Balance (b)		**143,768,410**	**128,946,233**
5	**Advance Deposit and Pre-Payments**		**30,947,588**	**38,045,813**
	Advance Income Tax	Note-5.1	28,473,691	26,264,471
	House Building Loan		1,999,266	4,223,929
	FDR Exim Bank Ltd.		-	6,000,000
	National Securities Ltd.		-	1,204,693
	Advance Against Salary		474,631	352,720
5.1	**Advance Income Tax**		**28,473,691**	**26,264,471**
	Opening Balance		26,264,471	37,915,195
	Add: During the Year		7,091,048	3,738,026
			-	**41,653,221**
	Less: During the Year		4,881,828	15,388,750
6	**Accounts Receivable**		**3,594,934**	**1,815,916**
	BLI Securities Ltd.		103,498	584,331
	Innova Securities Ltd.		2,480,897	1,217,068
	City Brokerage Ltd.		1,010,539	-
	National Securities & Consultant Ltd.		-	14,517
7	**Investment in Shares**		**282,754,663**	**310,928,802**
	1. Investment in Shares		187,004,662	215,178,802
	2. Investment in Placement Shares		95,750,000	95,750,000
8	**Margin Loan**		**2,724,331,942**	**2,734,564,073**
	Opening Balance		2,734,564,073	2,871,589,542
	Add: During the year		624,861,586	1,218,535,102
			3,359,425,659	**4,090,124,644**
	Less:Adjustment during the year		635,093,716	1,355,560,571
9	**Cash and Cash Equivalent**		**23,358,596**	**7,440,148**
	Cash in Hand		114,192	24,803
	Cash at Bank	Note-9.1	23,244,404	7,415,345

Notes	Particulars		Amount in Taka 01 January 2025 to 31 December 2025	Amount in Taka 01 January 2024 to 31 December 2024
9.1	**Cash at Bank**		**23,244,404**	**7,415,345**
	First Security Islami Bank PLC.	A/C: 11100028921	14,000	15,150
	Social Islamic Bank PLC.	A/C: 1271330001583	5,830,495	588,992
	Union Bank PLC.	A/C: 0021010008171	96,997	97,917
	EXIM Bank PLC.	A/C: 0111000802901	7,694,655	7,357
	Mercantile Bank PLC.	A/C: 1111000783047	69,528	71,138
	Southeast Bank PLC.	A/C: 13100000094	2,849,147	5,763,732
	Southeast BankPLC.	A/C: 11100007470	5,961,575	573,959
	Southeast Bank PLC.	A/C: 11100048157	35,417	36,107
	Southeast Bank PLC.	A/C: 13100000783	132,279	132,023
	Southeast Bank PLC.	A/C: 13100000029	364,003	8,645
	Southeast BankPLC.	A/C: 13500000001	188,690	43,171
	Southeast Bank PLC.	A/C: 13100000071	7,618	77,157
10	**Shareholders Equity**			
	Authorized Capital			
	20,00,00,000 shares of Tk. 10/-each		**2,000,000,000**	**2,000,000,000**
	Issued, Subscribed and Paid Up Capital		**1,750,000,000**	**1,750,000,000**
	17,50,00,000 shares of Tk. 10/-each			
11	**Retained Earnings**		**(1,393,659,544)**	**(691,219,883)**
	Opening Balance		(691,219,883)	10,500,386
	Add: Profit During the year		(702,439,661)	(701,720,269)
	Less: Interim Dividend		-	-
12	**Loan From Bank & Financial Institution**		**815,710,955**	**841,592,910**
	ICB-02		6,157,839	12,254,707
	ICB-03		51,492,106	59,779,193
	Bay Leasing & Investment Ltd.(Term Loan) Monthly Payment		212,356,789	216,576,789
	Bay Leasing (Term Loan) Monthly Payment		319,075,979	326,353,979
	Bay Leasing & Investment Ltd. (Interest Basis)		226,628,242	226,628,242
13	**Other Payable**		**501,929,107**	**203,287,268**
	Interest Payable SIBPLC.		117,187,238	36,571,495
	Interest Payable EXIM Bank PLC.		74,707,493	5,324,930
	Interest Payable Bay Leasing		134,622,698	82,374,072
	Interest Payable Bay Leasing (Term Loan)		96,826,497	36,643,280
	Interest Payable Bay Leasing (44Crore)		75,793,800	40,860,345
	Advance Received against Office Rent		690,000	690,000
	Payable to City Brokerage Ltd.		-	847
	Dividend Payable		1,100	1,100
	Payable Office Rent		1,279,080	-
	Audit Fees		250,000	250,000
	Service Charge		571,200	571,200

Notes	Particulars	Amount in Taka	
		01 January 2025 to 31 December 2025	01 January 2024 to 31 December 2024
14	**Provision for Tax**	**75,860,306**	**73,651,086**
	Opening Balance	73,651,086	88,696,962
	Add: Under Provision of Tax	4,870,576	3,353,203
	Add: During the year	7,091,048	3,738,026
		85,612,710	**95,788,191**
	Less: Adjustment during the year	9,752,404	22,137,105
15	**Provision for Negative Equity**	**897,851,577**	**505,009,244**
	Opening Balance	505,009,244	18,465,705
	Add/(Less): During the year	392,842,333	486,543,539
16	**Interest Income**	**38,810,906**	**50,619,901**
	Interest Income	38,810,906	50,619,901
17	**Interest Paid on Deposits, Borrowings, etc**	**(317,853,920)**	**(235,563,402)**
	Bank Inertest	(317,853,920)	(235,563,402)
18	**Investment Income**	**(12,424,724)**	**(12,347,309)**
	Gain / Loss on Investment in Share	(12,424,724)	(12,347,309)
19	**Commission, Exchange and Brokerage Income**	**15,008,648**	**23,692,152**
	Dividend Income	4,342,965	8,479,247
	Brokerage Settlement Charges	8,740,768	11,882,559
	Portfolio Management Fee	1,901,915	3,305,845
	Documentation Fee	23,000	24,500
20	**Other Operating Income**	**10,507,386**	**8,813,700**
	Rental Income	9,095,300	7,639,200
	Other Income	1,412,086	1,174,500
21	**Salary and Allowances**	**10,045,200**	**17,804,378**
	Salary Allowances	10,045,200	17,804,378
22	**Rent, Taxes, Insurance & Electricity**	**3,022,778**	**5,865,191**
	Office Rent	1,598,850	4,056,090
	Fuel & Lubricants	125,450	357,113
	Water Bill	28,541	49,507
	Electricity Bill	545,226	885,629
	WASA Bill	355,111	348,152
	Agent Commission	369,600	168,700
23	**Legal Expenses**	**350,720**	**254,100**
	Legal Charge	50,000	-
	Registration & Renewal Fee	236,720	254,100
	Professional Fees	54,000	-
	Training & Conference	10,000	-

Notes	Particulars	Amount in Taka	
		01 January 2025 to 31 December 2025	01 January 2024 to 31 December 2024
24	**Postage, Stamp, Telecommunication, etc**	**478,744**	**555,378**
	Internet & Network Charge	139,910	173,900
	Telephone & Mobile Bill	338,834	381,478
25	**Stationery, Printing, Advertisement, etc.**	**179,977**	**183,360**
	Printing & Stationary	179,977	183,360
26	**Depreciation & Repairs of Assets**	**16,002,331**	**16,669,501**
	Repair & Maintenance	308,683	254,954
	Car Maintenance	66,322	159,249
	Depreciation	15,627,326	16,255,298
27	**Other Expenses**	**6,224,827**	**5,071,837**
	Entertainment	675,779	588,133
	CDBL Charges	575,187	677,891
	Credit Rating Fees	-	100,000
	Software Maintenance Expense	300,000	300,000
	Conveyance	228,680	110,140
	Newspaper	8,625	9,776
	Courier	9,415	8,013
	Service Charge	613,057	836,568
	Bank Charge	120,084	232,549
	Miscellaneous Expenses	1,700,000	1,108,767
	Business Development Expenses	1,994,000	1,100,000

BLI CAPITAL LIMITED
Notes to the Financial Statement
as at 31 December 2025

Schedule - A

Particulars	Category	COST				Rate	DEPRECIATION				W.D.V as on 31.12.2025
		Balance as on 31.12.2024	Addition during the year	Adjustment during the year	Balance as on 31.12.2025		Balance as on 31.12.2024	Charged during the year	Adjustment during the year	Balance as on 31.12.2025	
Computer	Equipment	2,528,300			2,528,300	15.00	1,670,844	128,618		1,799,463	728,837
UPS	Equipment	31,850			31,850	15.00	21,001	1,627		22,629	9,221
Monitor	Equipment	6,300			6,300	15.00	4,583	258		4,841	1,459
Fax Machine	Equipment	26,000			26,000	15.00	23,988	302		24,290	1,710
Chair	Furniture	73,201			73,201	10.00	56,739	1,646		58,385	14,816
Cookeries	Equipment	60,050			60,050	15.00	37,231	3,423		40,654	19,396
Telephone Set	Equipment	59,300			59,300	15.00	45,893	2,011		47,904	11,396
Internet Modem	Equipment	44,755			44,755	15.00	39,168	838		40,006	4,749
Vacuum Cleaner	Equipment	17,320			17,320	15.00	15,309	302		15,611	1,709
Software	Equipment	2,991,903			2,991,903	15.00	2,080,742	136,674		2,217,416	774,487
Website	Equipment	159,031			159,031	15.00	79,339	11,954		91,293	67,738
Micro Oven	Equipment	53,440			53,440	15.00	24,439	4,350		28,789	24,651
Refrigerator	Equipment	128,720			128,720	15.00	81,121	7,140		88,261	40,459
File Cabinet	Furniture	95,465			95,465	10.00	68,452	2,701		71,153	24,312
Fan	Equipment	60,650			60,650	10.00	30,488	3,016		33,504	27,146
Printer	Equipment	146,700			146,700	15.00	105,062	6,246		111,308	35,392
Networking Switch	Equipment	41,100			41,100	15.00	32,226	1,331		33,557	7,543
Photocopier	Equipment	145,000			145,000	15.00	114,164	4,625		118,789	26,211
Scanner	Equipment	13,800			13,800	15.00	9,837	594		10,431	3,369
Office Decoration	Furniture	22,919,459			22,919,459	10.00	11,796,809	1,112,265		12,909,074	10,010,385
Access Control	Equipment	61,900			61,900	15.00	40,472	3,214		43,686	18,214
Water Cooler	Equipment	25,200			25,200	15.00	17,663	1,131		18,794	6,406
PABX System	Equipment	209,060			209,060	15.00	129,496	11,935		141,431	67,629
Furniture & Fixtures	Furniture	1,370,970			1,370,970	10.00	375,081	99,589		474,670	896,300
Server Cabinet	Furniture	14,000			14,000	10.00	8,576	542		9,118	4,882
Krone Rack & Network Con Plate	Equipment	121,610			121,610	15.00	86,499	5,267		91,766	29,844
Television	Equipment	680,590			680,590	15.00	414,503	39,913		454,416	226,174
Tea Maker	Equipment	2,900			2,900	15.00	2,230	101		2,331	570
Car DM-GA-27-1411	Vehicle	902,000		902,000	-	20.00	805,149	-	805,149	-	-
Car DM-GA-26-6541	Vehicle	2,403,600			2,403,600	20.00	2,000,342	80,652		2,080,994	322,606
Car DM-GA-34-6784	Vehicle	2,616,750			2,616,750	20.00	2,067,978	109,754		2,177,732	439,018
Floor Space Rupayan Housing	Property	190,597,176			190,597,176	2.50	34,945,649	3,891,288		38,836,937	151,760,239
Floor Space Eunos Trade Centre	Property	182,800,505			182,800,505	2.50	40,886,412	3,547,852		44,434,264	138,366,241
Floor Space Rupayan Housing (2nd)	Property	239,530,640			239,530,640	2.50	28,481,225	5,276,235		33,757,460	205,773,180
Floor Space Gulshan	Property	47,544,765			47,544,765	2.50	2,347,523	1,129,931		3,477,454	44,067,311
Balance as on 31 December 2025		**698,484,010**		**902,000**	**697,582,010**		**128,946,233**	**15,627,326**	**805,149**	**143,768,410**	**553,813,600**
Balance as on 31 December 2024		**698,283,508**	**200,502**	**-**	**698,484,010**		**112,690,935**	**16,255,298**	**-**	**128,946,233**	**569,537,777**

Products & Services

CORPORATE FINANCE

SME FINANCE

HOME LOAN

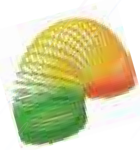
LEASE FINANCE

AUTO LOAN

WOMEN ENTREPRENEUR LOAN

REGULAR TDR

MONTHLY INCOME DEPOSIT



FLEXI MONTHLY SAVINGS PLAN

MONTHLY SAVINGS PLAN

BLI Centuria

INCOME FIRST DEPOSIT

DOUBLE MONEY PLAN

Chamak Plan

Proxy No:...............Date:................

Bay Leasing & Investment Limited

SECURE YOUR FUTURE©

Authorized Officer Signature

PROXY FORM

I/We...

Registered BO ID :

of..

being a shareholder of Bay Leasing & Investment Limited ("the Company") do hereby appoint Mr./Mrs./Ms..................................

....

of..

as my/our proxy to attend and vote for my/us on my/our behalf at the **30th Annual General Meeting** of the Company to be held on by **September 10, 2026 at 11.00 a.m** through Hybrid System as a Physical Presence at DSE Multipurpose Hall, DSE Tower, Nikunja-2, Dhaka. Presence by logging the link **https://bayleasing.bdvirtualagm.com** and adjournment thereof.

Signed this...day of 2026...

Revenue stamp @ 100/-

SIGNATURE OF THE PROXY

SIGNATURE OF THE SHAREHOLDER

i) Signature of the shareholder must be in accordance with specimen signature registered with Depository Participant(s)/Company.

ii) A Member of the Company entitled to attend and vote at the **30th Annual General Meeting** may appoint as a Proxy to attend and vote on his/her/their behalf. The Proxy Form duly signed and stamped must be through email to share@blilbd.com not later than 48 hours before commencement of the AGM.

Bay Leasing & Investment Limited

SECURE YOUR FUTURE©

ATTENDANCE SLIP

Name of Shareholder/Proxy...

Registered BO ID :

Number of Share:...

I hereby record my attendance at the 30th **Annual General Meeting** of the Company to be held on by **September 10, 2026 at 11.00 a.m** througe Hybrid System as a Physical Presence at DSE Multipurpose Hall, DSE Tower, Nikunja-2, Dhaka. Presence by logging the link https://bayleasing.bdvirtualagm.com

SIGNATURE OF THE PROXY/SHARE HOLDER

SIGNATURE VERIFIED BY

Corporate Office: Eunoos Trade Centre (Level 18), 52-53, Dilkusha C/A, Dhaka -1000, Bangladesh
Tel: 9592501, Fax: 88 02 9592500, email: info@blilbd.com, www.blilbd.com