

Directors' Report

On behalf of the Board of Directors of NRB Bank PLC, I am delighted to extend a warm and heartfelt welcome to each of you to the Annual General Meeting (AGM) of the Bank. It is both a privilege and an honor to present the Integrated Annual Report 2024, a comprehensive reflection of our performance, strategic priorities, and vision for the future.

The report contains the audited financial statements of NRB Bank PLC and its subsidiary for the year ended 31 December 2024, prepared in strict compliance with all applicable financial reporting and regulatory standards.

The Directors' Report offers an insightful overview of the global and domestic macroeconomic landscape, framing the environment in which we navigated the past year. It illustrates the Bank's resilience, agility, and steadfast commitment to excellence in the face of both challenges and emerging opportunities.

Within these pages, we share not only our financial results and operational milestones but also our strategic roadmap, forward-looking initiatives, and ongoing efforts to strengthen governance, risk management, and stakeholder engagement. Our transparent discussion of competitive positioning, growth strategies, and regulatory compliance reaffirms our dedication to delivering sustainable value.

We extend our deepest gratitude to you—our valued shareholders—for your enduring trust, confidence, and support. As we advance on our journey of inclusive and innovative banking, we remain unwavering in our pledge to uphold the highest standards of corporate governance, financial integrity, and long-term value creation.

GLOBAL ECONOMY

The global economy in FY 2024 displayed remarkable resilience despite repeated shocks and unprecedented monetary tightening. Although no resolution appears at sight for the ongoing geopolitical tensions, FY 2024 also witnessed supply disruptions in key shipping routes along the Red Sea.

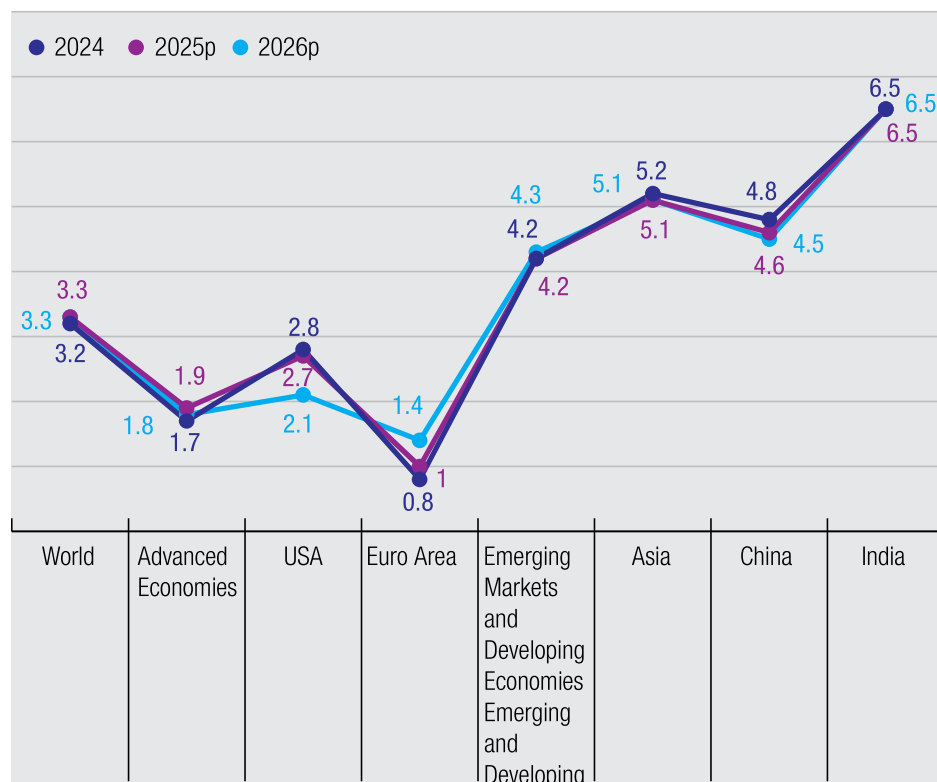
Growth in the US and several major emerging market economies (EMEs) has held up better than expected. While the manufacturing activity has remained subdued, services have exhibited strength. The rise in the cost of liquidity in

major currencies did not result in significant economic downturn as was expected. The entrenched inflation seen in most of the advanced economies and emerging market economies has now come down although the decline in core and services inflation is slow amidst continuing tightness in labour markets.

Major central banks in advanced economies have kept policy rates on hold to ensure aligning of inflation with targets and it is expected that Federal Reserve, Bank of England and European Central Bank may not change the rating stance in the near term.

Risks to the global outlook are broadly balanced in FY 2025. On the downside, new price spikes stemming from the geopolitical tensions, including those from the war in Ukraine and the conflict in Gaza and Israel, along with persistent tight labour markets could raise interest rate expectations. A divergence in disinflation speeds among major economies could cause currency movements that may put financial sectors under pressure.

Economic growth varies in 2024 among nations: China's growth was 4.8% affected by slower consumption despite strong export growth. India's growth slowed more than anticipated due to a drop in industrial activity. The euro area, especially Germany, saw weak manufacturing and goods exports, though consumption improved. In contrast, the U.S. economy grew robustly at 2.8%, driven by strong consumer spending. According to IMF, global economy grew at 3.2% in 2024.



Source: IMF World Economic Outlook Update (January 2025); p for projection.

The global growth is forecasted at 3.3% both in 2025 and 2026. The euro area is anticipated to pick up although geopolitical tensions and 'reciprocal tariff' continue to impact sentiment. However, growth in the USA is expected to decelerate slightly. Emerging markets and developing economies are likely to experience steady growth from 2025 to 2026, although there may be differences in

growth rates among regions. IMF projects that global inflation will continue its downward trend; expected to decline to 4.2% in 2025 and to 3.5% in 2026. Goods prices have stabilized, but services price inflation remains high in many regions. However, several downside risks persist, including potential escalations in various regional conflicts, a resurgence in financial market volatility that could adversely affect sovereign debt markets, and an increase in protectionist trade measures. Moreover, the impact of 'reciprocal tariffs' imposed by the U.S. President on global economy is complex and multifaceted. It can lead to significant disruptions in global trade, investment, and economic stability.

BANGLADESH ECONOMY

Political instability, triggered by a government change in 2024, further eroded investor confidence and delayed crucial policy reforms. Additionally, youth unemployment has surged to 16%, highlighting a mismatch between the education system and labor market demands, which limits the economy's potential. External factors, including weakened global demand and reduced export growth, have also dampened economic momentum. In response to these challenges, Bangladesh Bank has revised the GDP growth target for FY 2024–25 to a modest 4–5%. Achieving this target will depend on controlling inflation, restoring investor confidence, and implementing structural reforms to boost productivity and ensure long-term economic recovery.

The trademark resilience and macro-economic stability enjoyed by Bangladesh for decades had been challenged in recent years and multiple fault lines centering around poor governance, manipulation of national statistics on purpose, inadequate revenue generation, heavy bank borrowing, dented confidence in financial system, high commodity prices, low investment and declining foreign reserves—have been exposed. The year 2024 proved to be a year of breakthrough due to the change of political regime through mass uprising in August 2024 leading to the formation of an interim government tasked with addressing Herculean challenges. Focusing on both immediate relief and near-term reforms to strengthen the economy, the government has implemented several key reform measures to stabilize the economy: raising policy rates several times to tame inflation, reconstituting the boards of some struggling banks, allowing markets to fix lending rates, opening up FCY rates to increase inward remittance and improve FX reserve etc. These were quite bold moves towards improving economic management and governance and addressing long-standing structural issues that have held back Bangladesh's true economic potential.

However, in recent months, Bangladesh's foreign currency reserves and exchange rate have stabilized mainly due to more than expected flow of inward remittances, moderate growth of export receipts and strict measures to curb trade based money laundering which have helped improve the balance of payments (BoP) deficit. Remittances surged by 27.6% during July–December of FY 2025, compared to a modest 2.9% growth in the same period of FY 2024. Gross foreign exchange reserves stood at USD 26.21 billion at the end of December 2024. According to BPM6, however, this gross foreign exchange reserves amounted to USD 21.42 billion.

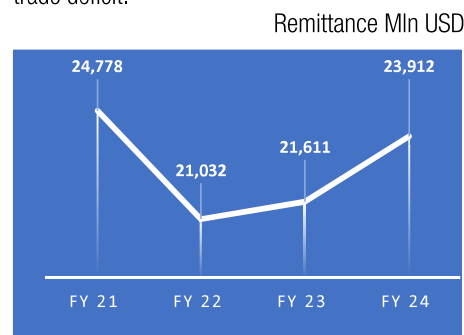
Inflation remains a key concern; Twelve-month average headline inflation rose to 10.34% in December 2024 while point to point CPI inflation was 10.89% in December 2024. A surge in inflation curtailed consumer purchasing power, contributing to a deceleration in estimated private consumption and investment growth. Bangladesh Bank (BB) has been continuing with contractionary monetary policy to reduce inflation. Despite some progress on the inflation front due to the various fiscal and monetary tightening measures implemented by the Government and BB, inflation still remains high. Delayed and inadequate policy responses in earlier periods, contraction of aggregate supply due to agricultural production losses and disruptions in supply chains caused by the twin floods in August and September 2024 have further worsened the inflation situation. However, a decline in global prices, stability in the exchange rate, and recent significant increases in policy rates should help alleviate domestic inflationary pressures in the coming months. BB expects that the current high rate of inflation will come down to 7–8 percent range by end-June 2025.

Due to limited revenue generation capacity of the government and over reliance on indirect taxes, our fiscal landscape remains complex. The tax-GDP ratio is arguably the most disappointing indicator

in the context of Bangladesh's development trajectory. Tax-to-GDP ratio is 7.38% in FY 2024 significantly lower compared to the neighboring countries like India, Indonesia, Vietnam, and Thailand. The implementation of the ADP has been low due to the political turmoil during the first two months of FY 2025 and reprioritization of projects. Private investment remains weak which is reflected through declining credit growth, FDI, and SME financing challenges. Market and product diversification for exports, FDI promotion, and structural reforms are critical for sustainable growth amid global uncertainties.

Remittance

Remittance figures observed a historical high (in recent years) recording USD 23,912 million in FY 2024. Amidst depleting foreign exchange reserve, remittance sent by workers abroad played a pivotal role as a source of foreign currencies to pay for import bill and reduce the trade deficit.



GDP in Bangladesh FY 2024

The post-pandemic economic recovery has been sluggish in Bangladesh, with real GDP growth of 4.22 percent in FY 2024. This is sub-par and below Bangladesh's potential. However, despite the slowdown in economic activity, the growth should be viewed as satisfactory given the numerous challenges facing the economy.

The GDP slowdown had been triggered primarily by sustained high inflation, reflecting the challenges stemming from the Russia-Ukraine war, global uncertainty and mediocre growth coupled with rising inflation in key trading partners and remittance sources. This growth has been influenced by several factors, including adjustments to the exchange rate that resulted in depreciation, lower import demand, a tight monetary policy and efforts to maintain fiscal discipline. The mass uprising in the summer of 2024 led to business disruption that caused a mere 1.81 percent real GDP growth



in the first quarter of FY 2025, down from 3.91 percent in the last quarter of FY 2024.

BANKING INDUSTRY OF BANGLADESH 2024

The year 2024 proved to be highly challenging for the economy of Bangladesh, exposing vital weaknesses across various sectors. The already fragile banking sector was plagued by factors such as high figures of non-performing loans, a financial account deficit, extreme exchange rate volatility, and depleting foreign exchange reserves. All of these factors combined have significantly undermined the country's macroeconomic stability.

After the political shift in August 2024, Bangladesh Bank has prioritized critical financial sector reforms to address longstanding structural issues. The key areas of focus include stabilizing the macro economy, preventing a potential banking crisis, implementing legal and policy reforms to tackle banking sector problems, strengthening BB's operations, and recovering assets stolen from the banking system.

Bangladesh Bank has formed a six-member task force to lead these reforms, including conducting an Asset Quality Review (AQR) of banks, with the support of Asian Development Bank (ADB) and the World Bank. BB has restructured the boards of 11 banks and financial institutions to improve governance putting them under close surveillance. To address liquidity shortages, BB has provided significant liquidity support and guarantees for interbank borrowing, boosting depositor confidence and ensuring smooth banking operations. While these measures have helped avert an immediate crisis, BB's focus remains on building a resilient banking system through medium term reforms based on the taskforce's recommendations.

Bangladesh's banking sector, in particular is struggling with a mounting amount of non-performing loans, exacerbated by lenient regulations favoring bank directors and defaulters. Additionally, harmful incidents such as amendments to banking laws have further weakened the authority of the Bangladesh Bank, aggravating the sector's problems. Public mistrust, particularly due to irregularities and scams in Shariah-based banks, has led to an increase in cash holdings. Additionally, the implementation of contractionary monetary policies to curb inflation has further intensified

the liquidity problem although BB has consistently provided various forms of liquidity support to maintain healthy liquidity in the struggling banks. These efforts are intended to restore public trust by strengthening governance standards and developing a resilient banking system.

Deposits of the banking system grew by 7.44% (y-o-y) in December 2024, which was 11.04% (y-o-y) in December 2023 despite rising deposit interest rates. This downturn may be linked to lower confidence in the banking sector, stemming from the deteriorating condition of few banks, as well as households' struggle to manage increasing living costs due to persistently high inflation.

Domestic credit growth narrowed to 9.12% (y-o-y) at the end of December 2024 compared to 11.89% (y-o-y) at the end of December 2023. Of the sources of domestic credit, the public sector credit and private sector credit grew by 16.32% and 7.28% (y-o-y) respectively at the end of December 2024.

To combat the adverse effect of rising level of supply of money, Bangladesh Bank will be taking measures to conduct open market operations to reduce the supply of money by issuing more government securities and raising the lending rate.

NRB Bank PLC – At a Glance

Corporate Banking

The Bank provides a wide range of products and services designed to meet the diverse financial needs of corporate clients. Combining expertise, innovation, and customized solutions, the Bank simplifies the complexities of the financial landscape, empowering clients to achieve their objectives efficiently. With a strong emphasis on building long-term, mutually beneficial relationships, the Bank is committed to support clients at every stage of their development journey.

NRB Bank offers comprehensive support to corporates through its extensive portfolio of traditional Corporate Banking products and services, enhanced by innovative solutions tailored to meet specific client requirements. By adopting a focused and client-centric approach, NRB Bank has consistently delivered creative and impactful financial solutions, enabling corporate clients to excel in their respective markets.

As a trusted book runner, mandated lead arranger, and underwriter of syndicated loans, NRB Bank has established a proven track record in managing complex transactions with flexibility and precision. Drawing on its vast experience, the Bank provides customized lending solutions and specialized services for syndication deals. With robust underwriting capabilities and a commitment to excellence, NRB Bank serves as a reliable financial partner, for clients with the tools and expertise needed to effectively raise capital and debt from the market.

Retail Banking Business

Amidst intensifying competition from both banking and non-banking financial institutions, retail banking has emerged as a strategic priority for financial institutions seeking sustainable growth. No longer just a response to shrinking margins, retail banking has become essential for maintaining profitability and safeguarding market share. With an increasingly informed and financially active customer base, characterized by a growing credit culture and a tendency to switch providers for better value, banks must adopt a proactive, customer-centric approach.

At NRB Bank PLC, we remain steadfast in our commitment to developing flexible, need-based retail products backed by a robust technological infrastructure. Our expanding branch network, dedicated workforce, Direct Sales Executives, and diverse Alternate Delivery Channels (ADCs) ensure that we deliver seamless and convenient banking solutions — right to our customers' doorsteps.

NRB Bank's Retail Product Line

Credit Schemes

To address the diverse financing needs of our customers, NRB Bank offers a comprehensive suite of Consumer Credit Products, including:

- **Personal Loans** – Unsecured credit facilities for personal and family needs
- **Auto Loans** – For the purchase of private vehicles
- **Home Loans** – Tailored for home renovation, construction, or apartment purchase
- **Secured Loans** – Backed by financial securities for enhanced flexibility and lower rates

These products are designed with customer convenience, financial capacity, and long-term affordability in mind.

Deposit Products

Our deposit portfolio is thoughtfully curated to meet the savings and investment needs of various customer segments. Key offerings include:

- **Pearl Account** – A savings account exclusively for women, offering special features and benefits
- **Power Saver Plus** – A high-interest savings option for Premium depositors.
- **Senior Citizen Account** – Specially for 50 years and above aged citizens with exclusive features
- **Amar Shopno Account** – Designed to financially empower underprivileged individuals
- **My Early Account and My Future DPS** – Targeted at children and teenagers under the age of 18, promoting early financial literacy
- **Investment Savings Account** – Tailored for resident Bangladeshi investors participating in the capital market

These diversified offerings go beyond conventional deposit schemes and underscore our dedication to meeting the unique financial goals of our clients.

School Banking Initiative

Since inception, NRB Bank has actively championed financial inclusion among youth through its School Banking Program. The Bank has maintained a visible presence at all school banking conferences and seminars organized by Bangladesh Bank across different regions of the country.

Through our specially designed “**My Early Account**”, we aim to instill the habit of saving among students and familiarize them with the banking ecosystem from an early age. These accounts offer simplified, student-friendly features and time-efficient services, helping to build a foundation for responsible financial behavior among the younger generation.

At NRB Bank PLC, our retail banking strategy is guided by innovation, inclusion, and adaptability — ensuring we not only respond to changing market dynamics, but also lead in delivering value-driven solutions for every customer segment.

Agent Banking Business

In line with the inclusive financial concept of the Government of Bangladesh, NRB Bank intends to facilitate each of the marginalized population of our country with at least one bank account so that financial inclusion may prevail over their poverty and financial ignorance. With a view of providing banking services to those unbanked and underserved segment of the society at the geographically dispersed locations of our country, NRB Bank started its Agent Banking operation on 06th May, 2018 at Amtoli Bazar, Bijoynagar, B.Barua on pilot basis. Later, the honorable Chairman of the Bank, Mr. Mohammed Mahtabur Rahman formally inaugurated the operations of NRB Bank Agent Banking on 22nd July, 2018 at Balinga Bazar, Beani Bazar, Sylhet. Since then, the Bank's Agent Banking Division has successfully launched 312 (three hundred and Twelve) Agent Outlets at 69 (Sixty Nine)


Upazilas of 30 (Thirty) Districts in Bangladesh. Mentionable that 99% of NRBBPLC Agent outlets are in rural areas, aligning with the main goal of Bangladesh Bank to bring banking services to the unbanked population.

Creation and expansion of financial services targeted to poor and low-income populations can play a vital role in enhancing financial access. As such, NRB Bank has also expanded its Agent Banking channel through the Union Digital Centers (UDC) by signing an Agreement with the Government's a2i Programme under ICT Ministry on 31 July, 2018. Apart from this, NRB Bank has signed Agreements with various Government and Private Sector Bodies like, Rural Electrification Board (REB), Ekpays Project under a2i and PayWell Bangladesh Limited for facilitating its Agent Banking customers. Apart from its regular Banking Services, NRB Bank Agent Banking Outlets are equipped with various exceptional and customer friendly banking products like, Weekly and Monthly DPS, Bondhu Sanchita Account (Special Savings Product for Women), Bondhu Double, Triple, Der Goon (One & Half Times) and Monthly Benefits, Bondhu FDR and Lakhopati Schemes, Foreign Remittance Payments, School Banking, BEFTN, RTGS, Charge-free ATM Withdrawal Facilities, newly incorporated NRB Click app is an exciting new digitalization platform offering user-friendly features for Agent Banking customers. It allows NRBBPLC Agent Banking customers to manage their own accounts, transfer funds, top up, pay utility bills, use RTGS and BEFTN, deposit into various MFS, and more on.

Preaching the motto of financial inclusion of our country, NRB Bank has introduced Charge-free Bondhu Prantik Account and also for uplifting the socio-economic condition and achieving financial independence, the Bank has been facilitating the rural people of our country with various loan products like, Bondhu Proshar, Prerona, Young Entrepreneur, Quick Cash etc., which undoubtedly have added values to encompass the name of NRB Bank PLC in the arena of Financial Inclusion in Bangladesh.

Alternate Delivery Channel

NRB Bank has developed a robust network of Alternate Delivery Channels to enhance customer convenience. The Bank's ATM infrastructure spans both urban centers and rural communities across the country. Complementing this physical presence, NRB



Bank offers a comprehensive suite of digital and card-based services, including Visa Debit Cards, Credit Cards, Islamic Credit Cards, Prepaid Cards, SMS Banking, Apps banking and Internet Banking. To ensure uninterrupted service, a 24/7 Call Center is also available, allowing customers to access banking support anytime, from anywhere.

Automated Teller Machines (ATMs)

NRB Bank has notably strengthened its ATM footprint, now operating 51 ATMs alongside access to approximately 13,000 shared ATM booths through the National Payment Switch Bangladesh (NPSB) network. This strategic expansion is transforming customer preferences, positioning ATMs as a leading channel for everyday banking transactions. NRB Bank's ATMs are Visa-enabled, offering service accessibility to both local and international Visa cardholders. Participation in the NPSB network further ensures seamless interoperability—allowing NRB Bank customers to use ATMs of other member banks, and enabling clients of other banks to access NRB Bank ATMs with ease.

Green Finance: Sustainable Finance

Sustainable Finance refers to any form of financial service integrating environmental, social and economic criteria into the business or investment decisions for the lasting benefit of both clients and society at large. Sustainable Financing contributes to Sustainable development and value creation in economic, environmental and social terms. In other words, one that ensures and improves economic efficiency, prosperity, and economic competitiveness both today and in the long-term, while contributing to protecting and restoring ecological systems, and enhancing cultural diversity and social well-being is Sustainable Finance.

As climate change has become the burning issue over the last decade, NRBBPLC management is fully aware of the risk and also taking necessary steps to have an optimistic outcome on this issue. Complying with Bangladesh Bank's green banking policy, NRB Bank is financing environment friendly projects (such as Renewable Energy, Energy Efficiency, Green Shipyard -Ship building and ship breaking, Recycling and Recyclable Product, Maritime Transport, Green/Clean transportation projects, Health and Healthcare Services, development

of women entrepreneurs, Non-Fire Block Brick, Green Industry, Safety and Security of factory and others).

From the very beginning of its journey NRB Bank PLC. adopted CSR and Green Banking practices and activities which are the key areas of Sustainable Finance. Management of the Bank is very much passionate about green banking and this will contribute to reduce Green House Gas (GHG) emission which is the NRB Bank's commitment to green and sustainable economic growth. Each year the Bank contributes substantial amount of money towards CSR activities. NRB Bank PLC. has contributed to environment and climate change mitigation program and that initiative aligns with the Bank's commitment to societal development through environmental sustainability.

Since 2017, we have started direct Green Financing in environment friendly Brick manufacturing projects. From the inception of our Bank, top priority sectors of lending include SME and Agricultural sector. Every year, we fulfill Agricultural and Rural Credit disbursement target and receive appreciation from Bangladesh Bank. We have Agent Banking activities which has major impact in financial inclusion of underprivileged and rural people. As a whole, we are committed towards establishing Sustainable Finance in the country through integrating sustainability factors, i.e. environmental, social and economic considerations into our core banking activities and services.

NRB Islamic Banking

NRB Bank PLC has started providing Islamic banking services on 09 September 2021 with brand name "NRB Islamic Banking", which has already received a huge response among the public. The prime goal of NRB Islamic Banking is providing Islamic Banking Services complying Shariah norms and principles. Following Islamic Banking deposit products are available at NRB Islamic Banking: Al-Wadeeah Current Account, Mudaraba Savings Account, Mudaraba Short Notice Deposit Account, Mudaraba My NRB Savings Account, Mudaraba Payroll Account, Mudaraba Women Account, Mudaraba Senior Citizen Account, Mudaraba Term Deposit Account, Mudaraba Monthly Income Scheme, Mudaraba Deposit Pension Scheme, Mudaraba Hajj Savings Scheme, Mudaraba Bibaho Savings Scheme, Perpetual Cash Waqf Account, Temporary Cash Waqf Account. Moreover, following Islamic Banking financing products and services are also available: NRB Islamic Auto Finance, NRB Islamic Home Finance, working capital finance, Import finance, HPSM-household finance, Quard/ Withdrawal facility, LC opening, Bank Guaranty etc.

NRB Bank Securities PLC

NRB Bank Securities PLC is a fully owned subsidiary of NRB Bank PLC. The principal activities of the company are to act as a TREC Holder of Dhaka Stock Exchange PLC to carry on the business of brokers or dealers in stocks, shares, securities and Government Bonds. NRB Bank Securities PLC started commercial Operations since 10th November, 2022 obtaining license from Bangladesh Securities and Exchange Commission (Trading Right Entitlement Certificate) Rules 2020 vide no. Registration/DSE/TREC # 266/2021/293, Dated September 01, 2021. NRBSPLC also obtained license from Securities and Exchange Commission vide No. 3.1/DSE-266/2022/623 and vide No. 3.1/DSE-266/2022/624 to transact public shares in the Capital Market as a Broker and Dealer. The corporate office of NRB Bank Securities PLC is located Baliaaree (4th Floor), House no: 30, Road no: 130, South Avenue, Gulshan-1, Dhaka-1212, Bangladesh.

Internal Control

The Board of Directors holds the responsibility for endorsing the overarching business strategies and significant policies of the Bank, as well as establishing acceptable risk levels and ensuring that senior management takes requisite measures to identify, assess, monitor, and mitigate these risks. Furthermore, the Board approves the implementation of an effective internal control system, which entails establishing an appropriate control structure with defined control activities at each business level. These activities encompass top-level management reviews, departmental/divisional activity controls, physical controls, adherence to exposure limits, diligent follow-up on non-compliance issues, authorization and approval systems, and robust verification and reconciliation procedures. The system of Internal control is sound in design and has been effectively implemented and monitored.

Risk and Concerns

In its ongoing commitment to achieving sustainable growth and long-term success, NRB Bank places a high priority on effective risk management. The Board and management are dedicated to maintaining a prudent and responsible approach to risk, ensuring that the Bank's operations are carried out in a manner that safeguards its stability, reputation, and overall viability. To uphold this commitment, the Board is supported by the Risk Management Committee (RMC), which plays a critical role in evaluating and overseeing the Bank's comprehensive risk management framework. The Risk Management Committee (RMC) is instrumental in identifying, assessing, and monitoring risks across the Bank. It provides valuable guidance to the Board by thoroughly reviewing the Bank's risk management policies, procedures, and practices. Through continuous evaluation of the evolving risk landscape, the RMC ensures that the Bank's risk management strategies remain aligned with industry standards, regulatory requirements, and best practices.

As part of its commitment to transparency and accountability, NRB Bank's Annual Report features the 'Chief Risk Officer's Report on Risk Management.' This report offers a detailed analysis of the risks the Bank faces and outlines the strategies and measures that have been implemented to effectively manage and mitigate those risks. By providing this comprehensive overview, NRB Bank reaffirms its dedication to maintaining a robust and resilient risk management system.

Financial Performance 2024 highlights of NRB Bank PLC.

Summary

The Bank earned total operating profit of BDT 2,003 million for the year 2024. After keeping as provision against classified and unclassified loans and advances, diminution in the value of investments, off-balance sheet exposures and other assets, the pre-tax profit and net profit after tax stood at BDT 65 million and BDT 72 million respectively for the year 2024.

Loans and Advances

Loans and Advances was at BDT 67,242 million in 2024 compared to BDT 60,071 million in 2023, i.e. representing a growth up by 11.94% year-on-year basis. Non-performing Loans (NPLs) of the Bank stood at BDT 10,498 million 2024 which is 15.61% of the total loans and advances of the Bank. The Loans and Advances cover up the areas of corporate (based on both Conventional and Islamic Shariah Mode), SME, Retail and Credit Card. Corporate lending is still the core business of the Bank and continues to remain the major segment of the business. While disbursing loans to our customers, the policy of Bangladesh Bank is strictly followed. The portfolio has further been diversified to avoid risk of single industry concentration and remains in line with the Bank's credit norms relating to risk quality. The Customer Relationship has been strengthened and frequent visits to the clients have been ensured for further cementing existing relationship.

Five years comparison of financials

Particulars	BDT in Million				
	2024	2023	2022	2021	2020
Loans & Advances	67,242	60,071	49,491	40,244	38,849
Deposits	75,234	66,851	54,875	44,755	41,831
Investment	17,807	14,901	13,064	10,385	7,665
Investment in govt. securities	13,339	10,268	8,669	7,747	6,079
Shareholders' Equity	8,741	8,143	7,766	7,002	5,804
Net Interest Income	1,165	1,463	958	1,100	995
Operating Income	4,157	3,242	2,325	2,632	2,439
Operating Profit	2,003	1,430	772	1,203	950
Profit Before Tax	65	1,384	684	629	959
Profit After Tax	72	794	556	428	671
CRAR(%)	14.54%	15.44%	16.41%	18.23%	16.07%

Deposits

The Bank successfully enhanced the deposit portfolio to BDT 75,234 million in 2024 with a growth of 12.54% compared to BDT 66,851 million in 2023. Cost of deposit stood at 7.48% in 2024, as against 5.88% in 2023. The strong customer-based deposits comprise of individual, corporation, small & medium size enterprises, NBFIs, government entities, NGOs, autonomous bodies and others.

Fixed Assets and Other Assets

The aggregate amount of written down value of fixed assets of the Bank stood at BDT 430 million in 2024, compared to BDT 395 million in 2023. On the other hand, other assets comprise of advance income tax, accrued interest on investment, etc.

Investments

During the year ended on December 31, 2024, the investment increased by 19.50% to BDT 17,807 million in 2024 from BDT 14,901 million in 2023. Bank's investment comprises of government securities of BDT 13,339 million and others investment of BDT 4,468 million (investment in shares, corporate bonds, etc.)

Equity

The Common Equity has increased by BDT 1,000 million during 2024 through IPO to BDT 6,906 million as on December 31, 2024 compared to BDT 5,906 million as on December 31, 2023. Statutory reserve stood at BDT 1,213 million in 2024 which was BDT 1,200 million in 2023. Despite of facing lots of financial challenges and keeping sufficient provision on loan and advance we have made profit after tax BDT 72 million during 2024, thereafter retained earnings decreased by BDT 427 million to BDT 601 million due to payment of cash dividend for the 2023.

Cash in hand

Cash in hand balance stood at BDT 2,120 million in 2024 compared to BDT 1,450 million in 2023, i.e. 46.21% growth over 2023.

Interest Income & Interest Expenses

NRB Bank PLC earned interest income from loans and advances and profit from Islamic Banking investment amounting BDT 7,044 million during the year 2024 as against BDT 5,377 million during the year 2023 where interest and profit paid on deposits and

borrowings BDT 5,879 million in 2024 against BDT 3,914 million in 2023.

Total Operating Expenses

The operating expenses shown in Profit and Loss account was BDT 2,154 million in 2024 compared to BDT 1,812 million in the previous year. Salary and allowances constituted 56% of total operating expenses in 2024. The total operating expenses of the Bank increased by 18.88% from previous year.

Net Profit after Tax

Net profit after tax decreased to BDT 72 million for the year 2024 from BDT 794 million of 2023 and earnings per share decreased to BDT 0.11 for the year 2024 whereas it was BDT 1.34 of 2023.

Going Concern

Going concern is one of the fundamental assumptions in accounting on the basis of which financial statements are prepared. Financial statements are prepared assuming that a business entity will continue to operate in the foreseeable future without the need or intention on the part of management to liquidate the entity or to significantly curtail its operational activities. Therefore, it is assumed that the entity will realize its assets and settle its obligations in the normal course of the business. NRB Bank PLC has prepared its Financial Statement considering the going concern assumption.

Preparation of Financial Statements

The financial statements prepared by the management present fairly its state of affairs, the result of its operations, cash flows and changes in equity. These statements have been prepared in accordance with the "First Schedule (Section-38) of the Bank Company Act 1991 (amended upto 2023), BRPD circular # 14 dated 25 June 2003, the rules and regulations issued by Bangladesh Bank, International Financial Reporting Standards (IFRS) as adopted by the Financial Reporting Council (FRC), the Securities and Exchange Rules 2020, Dhaka and Chittagong Stock Exchange's listing regulations and relevant rules & regulations applicable in Bangladesh. The financial statements of 2024 have been reviewed by the Audit Committee of the Board of Directors of the Bank and then referred to the Board of Directors for its consideration. The financial statements present fairly its state of affairs, the result of its operations, cash flows, and changes in equity.

Maintaining Proper Books of Account

NRB Bank maintained proper books of accounts for its financial transactions occurred during the year 2024. The transactions are recorded as per guidelines stipulated by the International Accounting Standard (IAS) and International Financial Reporting Standards (IFRS) as applicable for the bank. The books of accounts have also been reviewed by the external auditors, M/S. G. Kibria & Co., Chartered Accountants.

Appropriate Accounting Policies

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

Follow up of IAS & IFRS in Preparation of Financial Statements

International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as applicable in Bangladesh have been followed in preparation of the financial statements. However, in case if requirement for provisioning and Circulars issued by Bangladesh Bank differs with those of other regulatory authorities and accounting standards, Circulars issued by Bangladesh Bank has prevailed. As such the Bank has departed from certain requirements of IFRS in order to comply with the rules and regulations of Bangladesh Bank which are disclosed in notes to the financial statements.

Contribution to national exchequer

NRB Bank regularly pays corporate tax on time, sometime even before it falls due if demanded by the tax authority. We also deposit excise duty, withheld tax and VAT to government exchequer on time deducted from customers, employees' salary as well as on bills from third parties including vendors.

Corporate Governance

Corporate governance constitutes the foundational framework through which the Bank is directed and controlled. It reflects the core values and ethical standards that underpin NRB Bank's day-to-day operations. Recognizing the critical importance of sound governance practices, the Bank remains firmly committed to upholding a robust corporate governance structure to ensure operational integrity, institutional accountability, and long-term sustainability. Accordingly, NRB Bank has instituted comprehensive systems, policies, and procedures designed to articulate clear strategic objectives and safeguard the interests of the Bank and its stakeholders. These governance mechanisms are instrumental in facilitating prudent oversight, risk management, and performance monitoring across all levels of the organization. Besides, NRB Bank has complied the conditions of Corporate Governance Code 2018 imposed by Bangladesh Securities and Exchange Commission (BSEC).

Appointment of Auditors

The external auditors are responsible for reviewing the system of internal controls to form an opinion on the financial statements. M/S. G. Kibria & Co., Chartered Accountants successfully conducted the audit of NRB Bank for the year 2023 and 2024. As per provision of Bangladesh Bank Circular, they are eligible for re-appointment.

Retirement and Re-election of Directors

In the 12th Annual General Meeting, election and re-election of Directors will be held as per Companies Act 1994, Bank Companies Act 1991, Bangladesh Bank's Circular/Instruction, Articles of Association of the Bank and other prevailing rules & regulations.

Related Party Transactions

The Directors and other key Management personnel are very much cautious to avoid any conflicts of interest in conformity with the prevailing rules and regulations. Related party transactions, when undertaken, are carried out on an arm's length basis without any special benefit to the related party. All such transactions have been approved by competent authority in compliance with Bangladesh

Bank's BRPD circular # 04 dated 23 February 2014. All related party transactions have been incorporated in Note-41 of the financial statements.

Shareholder Rights and Engagement

At our Bank, we are deeply committed to protecting and empowering our shareholders, recognizing their integral ownership in the institution. We uphold shareholder rights rigorously, ensuring timely notification and transparent execution of Shareholders' Meetings in full compliance with regulatory frameworks. To facilitate effective participation, whether in person or by proxy, we furnish all shareholders with the Annual Report and other essential documents and information well in advance. Our Annual Report is a comprehensive resource, encompassing financial notes for the audited year, detailed business performance analysis, future strategic plans, and all other pertinent corporate information and disclosures.

We are dedicated to providing our shareholders with a return on their investment, consistently aiming to distribute a portion of our profits through annual dividends. We maintain a steadfast commitment to equitable treatment for all shareholders, adhering to the principle of "one vote per share." Furthermore, we are vigilant in safeguarding minority shareholders from any abusive actions. A crucial role of our shareholders is to appoint qualified directors and auditors, thereby ensuring robust governance and accountability within the Bank.

Meeting of the Board of Directors

During the year 2024, the number of the meetings held by the Board of Directors was 21 (twenty-one) and that of the Executive Committee was 11 (Eleven). The Audit Committee of the Board of Directors held 07 (seven) meetings and the Risk Management Committee of the Board sat for 04 (four) meetings during the period under report.

Remuneration of Directors

The Directors' Remuneration for the year ended 31 December 2024 has been given in Note 30 of the financial statements.

Recommendation of "No Dividend"

As per the Bangladesh Bank letter No. DOS(CAMS)1157/41(Dividend)/2025-3113, dated 22 May 2025, the Bank does not have any distributable profit for the year ended 31 December 2024. In accordance with this directive, the Bank has not been permitted to declare any dividend for the year 2024. Accordingly, the Board of Directors have recommended "No Dividend" for the year 2024.

Annual General Meeting (AGM)

12th Annual General Meeting of the Bank will be held on Thursday, 18 December 2025 at 11.00 a.m. (BD Standard Time) through Hybrid System i.e. online video conferencing as well as physical presence of honorable Shareholders of the Bank at The Westin Dhaka (Grand Ballroom, Level-1), Plot 01, Road 45, Gulshan-2, Dhaka-1212. The Financial Statements were adopted in the 206th Meeting of the Board of Directors held on 29 May 2025 for the presentation to and approval of the Shareholders in the AGM.

Maximizing Shareholder Value

At the heart of our strategic imperatives lies the unwavering commitment to maximizing shareholder value – indeed, the very essence and ultimate objective of our institution. This guiding principle directs our steadfast focus towards bolstering profitability, thereby elevating Earnings per Share, enhancing dividend distributions, and solidifying shareholder confidence.

In collaborative synergy with our esteemed banking professionals, we are resolute in our aspiration to propel NRB Bank to the pinnacle of excellence, establishing it as a preeminent brand both within our national borders and on the global stage. A truly supreme brand possesses the inherent resilience to navigate and overcome adversities, and it is our collective vision to fortify NRB Bank with such enduring strength. With unwavering determination, the Board of Directors of NRB Bank pledges to realize your aspiration of positioning the bank as 'The First Choice of the Customers' in the foreseeable future.

Expressions of Gratitude

We extend our deepest gratitude and highest regard to our esteemed shareholders for their unwavering trust and enduring support. Their confidence continues to serve as the cornerstone of our endeavors. We would also like to express our sincere appreciation to the Ministry of Finance, Bangladesh Bank, Bangladesh Securities and Exchange Commission, Registrar of Joint Stock Companies and Firms, Dhaka Stock Exchange PLC and Chittagong Stock Exchange PLC for their invaluable guidance, continuous cooperation and prudent counsel throughout our journey. Our heartfelt thanks go to the Management, Executives, Officers and the entire staff of NRB Bank for their relentless commitment and dedication to advancing the mission and vision of the Bank.

Moreover, we remain profoundly grateful to our valued clients, sponsors, shareholders, patrons and well-wishers for their steadfast support and enduring patronage. Their continued engagement has been pivotal in driving the sustained growth and success of the Bank.

On behalf of the Board of Directors,

Iqbal Ahmed OBE DBA
Chairman