

United Commercial Bank PLC and its Subsidiaries
Independent Auditor's Report and
Audited Consolidated and Separate Financial Statements
For the year ended 31 December 2024

**Independent Auditor's Report
To the Shareholders of United Commercial Bank PLC**

Report on the Audit of the Consolidated and Separate Financial Statements

Qualified Opinion

We have audited the consolidated financial statements of United Commercial Bank PLC and its subsidiaries (the "Group") as well as the separate financial statements of United Commercial Bank PLC (the "Bank"), which comprise the consolidated and separate balance sheets as at 31 December 2024 and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statements for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matters described in the "Basis for Qualified Opinion" section of our report, the accompanying consolidated financial statements of the Group and separate financial statements of the Bank give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Bank as at 31 December 2024, 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) as explained in note no. 2.1.

Basis for Qualified Opinion

1. i) As on 31 December 2024 the Bank's total loans and advances is Tk. 57,282.89 crore, which includes classified loans and advances amounting to Tk. 8,534.40 crore. Required provision for these classified loans and advances amount to Tk. 6,055.12 crore against which the bank has provided Tk. 2,705.62 crore only. Thus, an amount of Tk. 3,349.51 crore has remained short in the provision for the said classified loans and advances.
- ii) As disclosed in note # 4.1 to the financial statements, the Bank has fixed deposits of Taka 155.48 crore in different Non-Bank Financial Institutes (NBFIs) which became matured long ago but are doubtful of recovery. The provision requirement of the said FDRs is Taka 155.48 crore, but the bank has not maintained any provision for those FDRs as at 31 December 2024, thus there is short of provision of Taka 155.48 crore.
- iii) As disclosed in notes # 9 and 9.6 to the financial statements, the provision shortfall of other assets is Taka 391.27 crore which includes the impairment loss of UCB Fintech Company Limited, a subsidiary Company of United Commercial Bank PLC and commonly known as UPAY, for Taka 389.40 crore. The Bank holds 99.99% of the shares of the Company. As on 31 December 2024, the Company has incurred cumulative loss of Taka 389.40 crore, but the Bank has not accounted for the impairment loss in its financial statements on solo basis.

However, Bangladesh Bank vide their letter # DOS(CAMS)1157/41(Dividend)/2025-3111 dated 21 May 2025 has allowed the bank to finalize its financial statements for the year ended 31 December 2024 without adjusting the total shortfall amount of Taka 3,896.26 crore as stated above.

2. i) As per section 13 (2) of the Bank Company Act 1991 (amended in 2023) and BRPD circular no.18 dated 21 December 2014 to fulfil the Basel-III requirement, the required capital as on 31 December 2024 at Tk. 6,358.78 crore against which the bank's recorded capital is Tk. 5,385.90 crore. Thus, the bank's reported capital shortfall is Tk. 972.87 crore as on the balance sheet date. If the shortfall in provision of Tk. 3,896.26 crore as stated in para 1 above is considered, the capital shortfall of the Bank would have been Tk 3,613.06 crore.
- ii) As per Section 13(2) of the Bank Company Act 1991 (amended in 2023), BRPD Circular No. 35 dated 29 December 2010, and BRPD Circular No. 18 dated 21 December 2014 to fulfil the Basel-III requirement, the required Capital Adequacy Ratio (CRAR) of the Bank should have been 12.5% (including buffer) of Risk Weighted Assets but the Bank's reported CRAR is 10.59% approximately. If there were no forbearance from Bangladesh Bank and the shortfalls in provisions mentioned in this audit report were considered, as on 31 December 2024, the aggregated loss of the bank would have been Taka 2,009.42 crore and CRAR would have been 5.40% on solo basis.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), guidelines issued by Bangladesh Bank, and rules and regulations issued by Bangladesh Securities and Exchange Commission (BSEC), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the 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 qualified opinion.



Key Audit Matters

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

Description of key audit matters	Our response to key audit matters
1. Recognition of interest income from loans and advances	
Refer to note no. 7 and 21 to the consolidated and separate financial statements	
<p>Recognition of interest income has significant and wide influence on financial statements.</p> <p>Recognition and measurement of interest income has involvement of complex IT environment.</p>	<p>We tested the design and operating effectiveness of key controls over recognition and measurement of interest from loans and advances.</p> <p>We have performed test of operating effectiveness on automated control in place to measure and recognize interest income.</p>
<p>We have identified recognition of interest income from loans and advances as a key audit matter because this is one of the key performance indicators of the Bank and therefore there is an inherent risk of fraud and error in recognition of interest by management to meet specific targets or expectations.</p> <p>At the year ended 2024, the Group and the Bank reported total gross interest income from loans and advances of BDT 55,652 million (January 2023 to December 2023: BDT 37,414 million) and BDT 55,437 million (January 2023 to December 2023: BDT 36,768 million) respectively.</p>	<p>We have also performed substantive procedure to check whether interest income is recognized completely and accurately.</p> <p>We have assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>
2. Impairment assessment of unquoted shares	
Refer to note no. 6.3(C) to the consolidated and separate financial statements and para 1.iii of our basis for adverse opinion section	
In the absence of quoted price in an active market, the fair value of unquoted shares and securities, especially any impairment is calculated using valuation techniques which may take into consideration direct or indirect	We assessed the process and controls put in place by the Bank to ensure all major investment decisions are undertaken through a proper due diligence process.

Description of key audit matters	Our response to key audit matters
unobservable market data and hence requires an elevated level of judgement and assumption.	We have tested a sample of investment valuation as at 31 December 2024 and compared our results to the recorded value.
Due to high level of judgment and assumption involved in evaluating the impairment assessment of unquoted shares, we considered this to be a key audit matter.	Finally, we have assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines. The impairment assessment and recognition was properly done for all shares except for the impairment loss of UCB Fintech Company Limited, commonly known as UPAY is a subsidiary Company of United Commercial Bank PLC.

3. Valuation of treasury bills and treasury bonds

Refer to note no. 6a and 6.1 to the consolidated and separate financial statements

<p>The classification and measurement of treasury bills (T-Bills) and treasury bonds (T-Bonds) require judgment and complex estimates.</p> <p>In the absence of a quoted price in an active market, the fair value of T-Bills and T-Bonds is determined using complex valuation techniques which may take into consideration direct or indirect unobservable market data and complex pricing models which require an elevated level of judgment.</p>	<p>We assessed the processes and controls put in place by the Bank to identify and confirm the existence of treasury bills and treasury bonds.</p> <p>We have obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the treasury bills and treasury bonds valuation processes, including controls over market data inputs into valuation models, model governance, and valuation adjustments.</p> <p>We have tested a sample of the valuation models and the inputs used in those models, using a variety of techniques, including comparing inputs to available market data.</p> <p>Finally, we have assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>
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Description of key audit matters	Our response to key audit matters
4. Deferred tax assets	
Refer to note no. 9.2 to the consolidated and separate financial statements	
<p>As at 31 December 2024 the Group and the Bank reported net deferred tax assets of BDT 8,742 million (December 2023: BDT 5,965 million) and BDT 8,740 million (December 2023: BDT 5,964 million) respectively.</p> <p>Significant judgment is required in relation to measurement of deferred tax assets as their recoverability is dependent on forecasts of future profitability over a number of years.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the recognition and measurement of deferred tax assets and the assumptions used in estimating the Group and the Bank's future taxable income.</p> <p>We have assessed the completeness and accuracy of the data used for the estimations of future taxable income.</p> <p>We have involved tax specialist to assess key assumptions, controls, recognition and measurement of deferred tax assets.</p> <p>Finally, we have assessed the appropriateness and presentation of disclosures against IAS 12: Income Taxes.</p>
5. Legal and regulatory matter	
<p>We focused on this area because the Bank and its subsidiaries (the "Group") operates in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.</p> <p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities.</p> <p>Overall, the legal provision represents the Group's best estimation for existing legal matters that have a probable and estimable impact on the Group's financial position.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Group and Bank's key controls over the legal provision and contingency processes.</p> <p>We enquired those charged with governance to obtain their views on the status of all significant litigation and regulatory matters.</p> <p>We enquired of the Group and the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports. We also received formal confirmations from external counsel.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Group and the Bank's provisions and contingent liabilities disclosure.</p>

Description of key audit matters	Our response to key audit matters
6. IT systems and controls	
<p>Our audit procedures have focused on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.</p> <p>Our areas of audit focus included master data management, user access management and developer access to the production environment and changes to the IT environment. Among others, these are key to ensuring operating effectiveness of IT dependent application-based controls.</p>	<p>We tested the design and operating effectiveness of the Group and the Bank's IT access controls over the information systems that are critical to financial reporting. We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized.</p> <p>We tested the Group and the Bank's periodic review of access rights. We also inspected requests of changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.</p> <p>Where deficiencies were identified, we tested compensating controls or performed alternate procedures. In addition, we understood where relevant, changes were made to the IT landscape during the audit period and tested those changes that had a significant impact on financial reporting.</p>

Other Matter

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

Other Information

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

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

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

If, based on the work we have performed, on the other information obtained prior to the date of this audit report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those Charged with Governance for the Consolidated and Separate Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Group and also separate financial statements of the Bank in accordance with IFRSs as explained in note no. 2.1, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 (as amended up to date) and the Bangladesh Bank regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Group and the Bank. The management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

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

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect 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 judgement 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 Group and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, 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 which have been duly described in the basis for qualified opinion and the key audit matter section. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules, 2020, the Bank Company Act, 1991 (as amended up to date) and the rules and regulations issued by Bangladesh Bank, we also report that:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section in forming the above opinion on the consolidated financial statements of the Group and the separate financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:
 - (a) internal audit, internal control and risk management arrangements of the Group and the Bank as disclosed in the financial statements appeared to be materially adequate;
 - (b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Group and the Bank;
- (iii) consolidated financial statements of the Bank include 05 (five) subsidiaries, namely UCB Stock Brokerage Limited, UCB Investment Limited, UCB Asset Management Limited, UCB Fintech Company Limited and UCB Exchange (SG) PTE Ltd. which reflect total assets of BDT 11,574 million, BDT 1,477 million, BDT 1,136 million, BDT 2,299 million and BDT 06 million respectively as at 31 December 2024 and total revenue of BDT 852 million, BDT 166 million, BDT 64 million, BDT 487 million and nil respectively for the year ended 2024.
- (iv) in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- (v) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (vi) the consolidated balance sheet and consolidated profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- (vii) the expenditures incurred were for the purpose of the Group's and the Bank's business for the period;
- (viii) the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as explained in notes 2.10.51 and 2.1.1 as well as related guidance issued by Bangladesh Bank;



- (ix) provisions have been made for loans and advances and other assets which are in our opinion, doubtful of recovery, as per Bangladesh Bank Vide letter no. DBI-4/7007/2025-635 dated 27 April 2025 (refer to the matter as disclosed in Basis for Qualified Opinion para no. 1(i);
- (x) the information and explanations required by us have been received and found satisfactory;
- (xi) we have reviewed over 80% of the risk-weighted assets of the Bank and spent over 7,520 person hours; and
- (xii) Capital to Risk-weighted Assets Ratio (CRAR) has been maintained during the period based on provisions allowed by Bangladesh Bank against the requirement as explained in notes 13.1 and 14.6 as per Bangladesh Bank Vide letter no. DBI-4/7007/2025-635 dated 27 April 2025 (refer to the matter as disclosed in Basis for Qualified Opinion para no. 2).

Dhaka,

29 MAY 2025

ACNABIN, Chartered Accountants
FRC Registration# CAF-001-012

Abu Sayed Mohammed Nayeem, FCA
Partner

ICAB Enrollment Number# 0353

DVC: 2505290353AS455673

UNITED COMMERCIAL BANK PLC
**Consolidated Balance Sheet
As at 31 December 2024**

	Notes	31.12.2024 Taka	31.12.2023 Taka
PROPERTIES & ASSETS			
Cash	3	45,443,634,157	36,186,600,376
Cash in hand (including foreign currencies)		12,443,112,603	8,600,450,648
Balance with Bangladesh Bank & its agent bank(s) (including foreign currencies)		33,000,521,554	27,586,149,728
Balance with other banks & financial institutions	4	19,013,303,637	22,455,110,493
In Bangladesh		12,853,680,447	5,556,154,273
Outside Bangladesh		6,159,623,190	16,898,956,220
Money at call on short notice	5	2,500,000,000	-
Investments	6	90,756,764,423	85,611,169,843
Government		75,913,616,797	70,067,335,372
Others		14,843,147,626	15,543,834,471
Loans and Advances	7	578,130,846,373	510,710,023,606
Loans, Cash Credits, Overdrafts etc.		568,147,161,936	500,982,069,097
Bills purchased and discounted		9,983,684,437	9,727,954,509
Fixed assets including premises, furniture & fixture	8	19,567,070,636	19,583,158,058
Other assets	9	16,768,471,179	13,012,610,508
Non-banking assets	10	3,336,000	-
Total Assets		772,183,426,405	687,558,672,884
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	81,142,166,248	66,590,306,142
Deposits and other accounts	12	552,225,706,273	511,392,706,168
Current accounts & other accounts		104,192,635,067	126,365,845,416
Bills Payable		6,626,968,382	8,344,605,942
Savings Bank Deposits		93,476,409,174	94,572,958,191
Fixed Deposits		307,898,284,188	243,315,320,401
Bearer Certificates of Deposits		-	-
Other Deposits		40,031,409,462	38,793,976,218
Other Liabilities	13	98,818,436,734	67,997,142,418
Total Liabilities		732,186,309,255	645,980,154,728
Capital / Shareholders' Equity			
Paid up Capital	14	15,503,758,980	14,765,484,750
Share Premium	14.3	1,454,976,750	1,454,976,750
Statutory Reserve	15	15,828,739,273	15,802,731,273
General Reserve	16	26,577,961	26,577,961
Other Reserve	17	2,767,535,661	3,097,273,897
Retained Earnings	18	4,415,528,335	6,431,473,339
Total Shareholders' Equity		39,997,116,960	41,578,517,970
Non controlling interest		190	186
Total Shareholders' Equity with non-controlling interest		39,997,117,150	41,578,518,156
Total Liabilities and Shareholders' Equity		772,183,426,405	687,558,672,884

Notes	31.12.2024 Taka	31.12.2023 Taka
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Off Balance Sheet Items
Contingent Liabilities

	250,123,379,742	281,952,312,043
Acceptances & Endorsements	19.1 105,263,752,167	121,717,014,733
Letters of Guarantee	19.2 60,918,919,087	65,230,862,378
Irrevocable Letters of Credit	19.3 59,160,060,971	73,731,069,769
Bills for Collection	19.4 24,780,647,517	21,273,365,163
Other Contingent Liabilities	-	-

Other Commitments

	10,736,246,402	9,723,925,200
Documentary credit and short term trade related transactions	-	-
Forward assets purchased and forward deposits placed	10,736,246,402	9,723,925,200
Undrawn note issuance and revolving underwriting facilities	-	-
Undrawn formal standby facilities, credit lines and other commitments	-	-
Total Off-Balance Sheet items including contingent liabilities	260,859,626,144	291,676,237,243

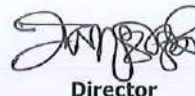
The annexed notes from 01 to 50 form an integral part of these financial statements.



Managing Director & CEO



Director



Director



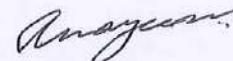
Director

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

Dhaka,

29 MAY 2025

ACNABIN, Chartered Accountants
FRC Registration# CAF-001-012



Abu Sayed Mohammed Nayeem, FCA
Partner

ICAB Enrollment Number# 0353

DVC:

2505290353AS455673

UNITED COMMERCIAL BANK PLC
Consolidated Profit and Loss Account
For the year ended 31 December 2024

	Notes	2024 Taka	2023 Taka
Interest Income	21	56,329,944,149	38,527,432,247
Interest paid on deposits and borrowings etc.	22	35,174,181,758	22,238,997,029
Net Interest Income		21,155,762,391	16,288,435,218
Investment income	23	7,591,575,460	6,004,840,458
Commission, exchange and brokerage	24	9,005,638,512	8,376,878,550
Other Operating Income	25	373,798,700	350,098,451
Total Operating Income (A)		38,126,775,063	31,020,252,677
Salary and allowances	26	10,130,961,651	9,280,023,731
Rent, taxes, insurance, electricity etc.	27	1,626,418,570	1,454,739,940
Legal expenses	28	170,602,614	99,486,632
Postage, stamps, telecommunications etc.	29	241,811,089	238,779,237
Stationery, printing, advertisements etc.	30	2,137,940,631	2,328,552,381
Chief Executive's salary and fees	31	17,695,000	16,435,484
Directors' fees	32	6,013,571	4,057,995
Auditors' fees	33	1,778,833	1,612,500
Depreciation and repair of banks assets	34	2,690,805,309	2,556,626,841
Other expenses	35	6,314,523,617	5,445,974,082
Total Operating Expenses (B)		23,338,550,885	21,426,288,823
Profit before provision (C) = (A-B)		14,788,224,178	9,593,963,854
Provision for Loans & Advances	36	11,852,866,574	3,792,688,396
Provision for diminution in value of investments	37	841,677,725	52,461,975
Other provisions	38	219,505,616	711,543,580
Total Provision (D)		12,914,049,915	4,556,693,951
Total Profit before Income Taxes (C - D)		1,874,174,263	5,037,269,903
Provision for Taxation	39	1,794,112,818	2,839,601,616
Current tax		4,570,211,087	3,339,864,344
Deferred tax expense/(income)		(2,776,098,269)	(500,262,728)
Net Profit after Taxation		80,061,445	2,197,668,287
Appropriations			
Statutory Reserve		26,008,000	38,422,834
Start-Up Fund		6,078,043	26,850,863
Coupon payment on Perpetual Bond		587,500,000	367,500,000
Retained Surplus/(Deficit)		(539,524,598)	1,764,894,591
		80,061,445	2,197,668,287
Attributable to			
Equity holders' of the Bank		(539,524,788)	1,764,894,405
Non controlling interest		190	186
		(539,524,598)	1,764,894,591
Earnings Per Share (EPS)	40	0.05	1.45

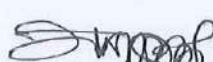
The annexed notes 01 to 50 form an integral part of these financial statements.



Managing Director & CEO



Director



Director




Director

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

ACNABIN, Chartered Accountants
FRC Registration# CAF-001-012

Dhaka,

29 MAY 2025


Abu Sayed Mohammed Nayeem, FCA
Partner
ICAB Enrollment Number# 0353

DVC:

2505290353AS455673

UNITED COMMERCIAL BANK PLC
Consolidated Statement of Changes in Equity
For the year ended 31 December 2024

Particulars	Paid up Capital	Share Premium	Statutory Reserve	General Reserve	Assets Revaluation Reserve	Investment Revaluation Reserve	Non-Controlling Interest	Foreign Currency translation gain/(loss)	Retained Earnings	Total
Balance as at 01 January 2024	14,765,484,750	1,454,976,750	15,802,731,273	26,577,961	2,534,101,559	418,083,770	186	145,088,568	6,431,473,339	41,578,518,157
Surplus/deficit on revaluation of investments	-	-	-	-	-	(337,730,308)	-	-	-	(337,730,308)
Currency translation difference (OBU)	-	-	-	-	-	-	-	7,992,073	-	7,992,073
Net Profit for the year	-	-	-	-	-	-	-	-	74,111,467	74,111,467
Transferred to statutory reserve	-	-	26,008,000	-	-	-	-	-	(26,008,000)	-
Cash Dividend	-	-	-	-	-	-	-	-	(738,274,238)	(738,274,238)
Stock Dividend	738,274,230	-	-	-	-	-	-	-	(738,274,230)	-
Coupon Payment Perpetual Bond	-	-	-	-	-	-	-	-	(587,500,000)	(587,500,000)
Non Controlling Interest	-	-	-	-	-	-	4	-	(4)	-
Balance as at 31 December 2024	15,503,758,980	1,454,976,750	15,828,739,273	26,577,961	2,534,101,559	80,353,462	190	153,080,640	4,415,528,335	39,997,117,150

For the year ended 31 December 2023

Particulars	Paid up Capital	Share Premium	Statutory Reserve	General Reserve	Assets Revaluation Reserve	Investment Revaluation Reserve	Non-Controlling Interest	Foreign Currency translation gain/(loss)	Retained Earnings	Total
Balance as at 01 January 2023	14,062,366,430	1,454,976,750	15,764,308,439	26,577,961	2,534,101,559	128,060,537	174	134,906,899	6,072,815,386	40,178,114,135
Surplus/deficit on revaluation of investments	-	-	-	-	-	290,023,233	-	-	-	290,023,233
Currency translation difference (OBU)	-	-	-	-	-	-	-	10,181,669	-	10,181,669
Net Profit for the year	-	-	-	-	-	-	-	-	2,170,817,425	2,170,817,425
Transferred to statutory reserve	-	-	38,422,834	-	-	-	-	-	(38,422,834)	-
Cash Dividend	-	-	-	-	-	-	-	-	(703,118,308)	(703,118,308)
Stock Dividend	703,118,320	-	-	-	-	-	-	-	(703,118,320)	-
Coupon Payment Perpetual Bond	-	-	-	-	-	-	-	-	(367,500,000)	(367,500,000)
Non Controlling Interest	-	-	-	-	-	-	12	-	(12)	-
Balance as at 31 December 2023	14,765,484,750	1,454,976,750	15,802,731,273	26,577,961	2,534,101,559	418,083,770	186	145,088,568	6,431,473,339	41,578,518,157

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



UNITED COMMERCIAL BANK PLC
Consolidated Cash Flow Statement
For the year ended 31 December 2024

	Notes	2024 Taka	2023 Taka
A. Cash flows from operating activities			
Receipts of Interest		63,967,566,565	44,338,215,812
Payments of Interest		(27,352,624,039)	(21,016,017,221)
Receipts of Dividend		329,838,753	231,790,122
Receipt of Fees & Commission		7,770,645,799	6,809,110,517
Recoveries from previously written off loans and advances		369,041,609	409,590,871
Payments to employees		(10,157,248,369)	(9,347,373,468)
Payments to suppliers		(4,301,989,387)	(5,597,917,983)
Payments for Income Tax		(2,955,963,224)	(3,714,962,839)
Receipts from other operating activities		(774,520,100)	255,557,185
Payments for other operating activities		(5,986,950,896)	(5,131,534,477)
Operating profit before changes in operating assets and liabilities		20,907,796,711	7,236,458,519
Increase/Decrease in operating assets and liabilities			
Statutory Deposits		(6,021,159,996)	(4,381,774,414)
Purchase/Sales of trading Securities		713,619,478	(467,176,700)
Loans and advances to Customers		(65,497,893,918)	(39,925,103,990)
Other assets		(3,478,097,639)	(182,765,341)
Deposit from banks		(3,237,348,162)	(1,312,414,303)
Deposit from customers		43,972,343,313	87,043,023,616
Other Liabilities		9,713,307,067	822,863,224
		(23,835,229,857)	41,596,652,092
Net cash (used in)/flows from operating activities (A)		(2,927,433,146)	48,833,110,611
B. Cash flows from investing activities			
Net (Purchase)/Sale of Securities		(163,935,183)	409,051,366
Net Purchase of Property, Plant & Equipment		(1,388,833,386)	(3,811,226,174)
Net Cash used in investing activities (B)		(1,552,768,569)	(3,402,174,808)
C. Cash flows from financing activities			
Receipt/(Payment) from borrowing		11,399,096,746	(35,215,219,004)
Receipt/(Payment) of Sub-Ordinated Bond		1,222,800,000	(1,000,000,000)
Payment of cash dividend		(738,274,238)	(703,118,322)
Coupon payment on perpetual bond		(587,500,000)	(367,500,000)
Net cash from financing activities (C)		11,296,122,509	(37,285,837,326)
D. Net Increase/(Decrease) in cash (A+B+C)		6,815,920,794	8,145,098,477
E. Effects of the changes of exchange rate on cash and cash equivalents*		1,499,604,132	1,588,182,965
F. Cash and Cash equivalents at beginning of the year		58,648,938,569	48,915,657,127
G. Cash and cash equivalents at the end of the year (D+E+F)		66,964,463,494	58,648,938,569
Consolidated Cash and cash Equivalents at end of the year			
Cash in hand (including foreign currencies)	3	12,443,112,603	8,600,450,648
Balance with Bangladesh bank and its agent bank	3	33,000,521,554	27,586,149,728
Balance with other banks & financial institution	4	19,013,303,637	22,455,110,493
Money at call on short notice	5	2,500,000,000	-
Prize Bond		7,525,700	7,227,700
		66,964,463,494	58,648,938,569

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

UNITED COMMERCIAL BANK PLC
Balance Sheet
As at 31 December 2024

	Notes	31.12.2024 Taka	31.12.2023 Taka
PROPERTIES & ASSETS			
Cash	3	45,443,390,740	36,186,305,779
Cash in hand (including foreign currencies)		12,442,869,186	8,600,156,051
Balance with Bangladesh Bank & its agent bank(s) (including foreign currencies)		33,000,521,554	27,586,149,728
Balance with other banks & financial institutions	4	17,724,645,465	21,177,381,033
In Bangladesh		11,565,022,275	4,278,424,813
Outside Bangladesh		6,159,623,190	16,898,956,220
Money at call on short notice	5	2,500,000,000	-
Investments	6	87,851,387,227	82,863,727,370
Government		75,068,296,150	69,384,568,462
Others		12,783,091,077	13,479,158,908
Loans and Advances	7	572,828,869,287	505,969,487,028
Loans, Cash Credits, Overdrafts etc.		562,845,184,850	496,241,532,519
Bills purchased and discounted		9,983,684,437	9,727,954,509
Fixed assets including premises, furniture & fixture	8	17,056,580,533	17,016,419,821
Other assets	9	25,371,267,219	21,799,089,941
Non-banking assets	10	3,336,000	-
Total Assets		768,779,476,471	685,012,410,972
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	79,786,237,601	65,271,763,944
Deposits and other accounts	12	554,215,267,256	513,394,683,785
Current accounts & other accounts		106,182,196,050	128,367,823,033
Bills Payable		6,626,968,382	8,344,605,942
Savings Bank Deposits		93,476,409,174	94,572,958,191
Fixed Deposits		307,898,284,188	243,315,320,401
Other Deposits		40,031,409,462	38,793,976,218
Other Liabilities	13	92,987,149,524	63,501,440,259
Total Liabilities		726,988,654,381	642,167,887,988
Capital / Shareholders' Equity			
Paid up Capital	14	15,503,758,980	14,765,484,750
Share Premium	14.3	1,454,976,750	1,454,976,750
Statutory Reserve	15	15,730,183,055	15,730,183,055
General Reserve	16	26,577,961	26,577,961
Other Reserve	17	2,767,663,734	3,097,316,597
Retained Earnings	18	6,307,661,613	7,769,983,871
Total Shareholders' Equity		41,790,822,093	42,844,522,984
Total Liabilities and Shareholders' Equity		768,779,476,471	685,012,410,972

Off Balance Sheet Items
Contingent Liabilities

Acceptances & Endorsements
Letters of Guarantee
Irrevocable Letters of Credit
Bills for Collection
Other Contingent Liabilities

Other Commitments

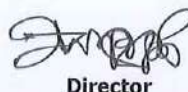
Documentary credit and short term trade related transactions
Forward assets purchased and forward deposits placed
Undrawn note issuance and revolving underwriting facilities
Undrawn formal standby facilities, credit lines and other commitments

Total Off-Balance Sheet items including contingent liabilities

Notes	31.12.2024 Taka	31.12.2023 Taka
	250,123,379,742	281,952,312,043
19.1	105,263,752,167	121,717,014,733
19.2	60,918,919,087	65,230,862,378
19.3	59,160,060,971	73,731,069,769
19.4	24,780,647,517	21,273,365,163
	-	-
19.5	10,736,246,402	9,723,925,200
	-	-
	10,736,246,402	9,723,925,200
	-	-
	-	-
19	260,859,626,144	291,676,237,243

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


Managing Director & CEO

Director

Director

Director

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

ACNABIN, Chartered Accountants
FRC Registration# CAF-001-012

Dhaka,

29 MAY 2025



Abu Sayed Mohammed Nayeem, FCA
Partner
ICAB Enrollment Number# 0353

DVC: 2505290353AS455673

UNITED COMMERCIAL BANK PLC
Profit and Loss Account
For the year ended 31 December 2024

	Notes	2024 Taka	2023 Taka
Interest Income	21	56,114,658,916	37,881,518,594
Interest paid on deposits and borrowings etc.	22	35,257,762,623	22,149,750,317
Net Interest Income		20,856,896,293	15,731,768,277
Investment income	23	7,438,953,056	5,871,930,074
Commission, exchange and brokerage	24	7,926,924,617	7,385,221,720
Other Operating Income	25	246,412,832	239,764,676
Total Operating Income (A)		36,469,186,798	29,228,684,747
Salary and allowances	26	9,372,438,905	8,539,916,432
Rent, taxes, insurance, electricity etc.	27	1,601,796,023	1,411,743,403
Legal expenses	28	159,313,658	90,864,365
Postage, stamps, telecommunications etc.	29	223,449,513	221,997,247
Stationery, printing, advertisements etc.	30	2,074,052,715	2,242,879,526
Chief Executive's salary and fees	31	17,695,000	16,435,484
Directors' fees	32	5,189,971	3,178,349
Auditors' fees	33	1,380,000	1,150,000
Depreciation and repair of banks assets	34	2,517,600,162	2,448,805,449
Other expenses	35	5,418,376,644	4,525,994,100
Total Operating Expenses (B)		21,391,292,591	19,502,964,355
Profit before provision (C) = (A-B)		15,077,894,207	9,725,720,392
Provision for Loans & Advances	36	11,850,515,516	3,775,539,844
Provision for diminution in value of investments	37	862,483,227	61,249,230
Other provisions	38	219,505,616	711,543,580
Total Provision (D)		12,932,504,359	4,548,332,654
Total Profit before Income taxes (C-D)		2,145,389,848	5,177,387,738
Provision for Taxation	39	1,537,585,596	2,492,301,451
Current tax expense		4,312,972,008	2,986,535,476
Deferred tax expense/(income)		(2,775,386,412)	(494,234,025)
Net Profit after Taxation		607,804,252	2,685,086,287
Appropriations			
Statutory Reserve		-	-
Start-Up Fund		6,078,043	26,850,863
CSR Fund		-	-
Coupon payment on perpetual bond		587,500,000	367,500,000
Retained Surplus/(Deficit)		14,226,209	2,290,735,424
		607,804,252	2,685,086,287
Earnings Per Share (EPS)	40	0.40	1.77

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



Managing Director & CEO



Director



Director




Director

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

ACNABIN, Chartered Accountants
FRC Registration# CAF-001-012

Dhaka,

29 MAY 2025



Abu Sayed Mohammed Nayeem, FCA
Partner

ICAB Enrollment Number# 0353

DVC:

2505290353AS455673



UNITED COMMERCIAL BANK PLC
Statement of Changes in Equity
For the year ended 31 December 2024

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

Amount in BDT

For the year ended 31 December 2023

Particulars	Paid up Capital	Share Premium	Statutory Reserve	General Reserve	Assets Revaluation Reserve	Investment Revaluation Reserve	Foreign Currency translation	Retained Earnings	Total Equity
Balance as at 01 January 2023	14,062,366,430	1,454,976,750	15,730,183,055	26,577,961	2,534,101,559	128,060,537	134,906,900	6,885,485,076	40,956,658,267
Net Surplus on revaluation of investments	-	-	-	-	-	290,023,233	-	-	290,023,233
Currency translation differences	-	-	-	-	-	-	10,224,368	-	10,224,368
Net profit for the year	-	-	-	-	-	-	-	2,658,235,424	2,658,235,424
Cash Dividend	-	-	-	-	-	-	-	(703,118,322)	(703,118,322)
Stock Dividend	703,118,320	-	-	-	-	-	-	(703,118,320)	-
Coupon Payment of Perpetual Bond	-	-	-	-	-	-	-	(367,500,000)	(367,500,000)
Balance as at 31 December 2023	14,765,484,750	1,454,976,750	15,730,183,055	26,577,961	2,534,101,559	418,083,770	145,131,268	7,769,983,871	42,844,522,984

Amount in BDT

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



UNITED COMMERCIAL BANK PLC
Cash Flow Statement
For the year ended 31 December 2024

Notes	2024 Taka	2023 Taka
A. Cash flows from operating activities		
Receipts of Interest	63,223,029,042	43,430,460,627
Payments of Interest	(27,111,596,805)	(20,774,811,903)
Receipts of Dividend	293,308,737	206,590,018
Receipt of Fees & Commission	6,427,325,644	5,797,038,753
Recoveries from previously written off loans and advances	369,041,609	409,590,871
Payments to employees	(9,390,133,905)	(8,556,351,916)
Payments to suppliers	(3,274,395,400)	(4,564,996,427)
Payments for Income Tax	(2,687,359,301)	(3,458,466,080)
Receipts from other operating activities	(806,907,709)	244,151,788
Payments for other operating activities	(5,885,117,503)	(5,039,493,776)
Operating profit before changes in operating assets and liabilities	21,157,194,411	7,693,711,954
Increase/Decrease in operating assets and liabilities		
Statutory Deposit	(6,021,159,996)	(4,380,922,450)
Net Sale/(Purchase) of trading securities	840,193,258	(365,191,782)
Loans and advances to customers	(66,859,382,258)	(37,364,391,015)
Other Assets	(3,572,177,279)	(2,102,732,449)
Deposit from Banks	(3,237,348,162)	(1,312,414,303)
Deposit from customers	44,057,931,633	87,678,657,321
Other liabilities	8,748,794,396	1,056,943,835
	(26,043,148,408)	43,209,949,157
Net cash (used in)/flow from operating activities (A)	(4,885,953,997)	50,903,661,111
B. Cash flows from investing activities		
Net (Purchase)/Sale of Securities	(144,125,426)	444,200,000
Net Purchase of Property, Plant & Equipment	(1,353,571,568)	(3,685,469,312)
Net cash used in investing activities (B)	(1,497,696,994)	(3,241,269,312)
C. Cash flows from financing activities		
Receipts/(Payment) from borrowing	13,291,673,656	(37,620,129,454)
Receipts/(Payment) of Sub-Ordinated Bond	1,222,800,000	(1,000,000,000)
Payment of cash dividend	(738,274,238)	(703,118,322)
Coupon payment on perpetual bond	(587,500,000)	(367,500,000)
Net cash flow from/ (used in) financing activities (C)	13,188,699,418	(39,690,747,776)
D. Net Increase in cash and cash equivalents (A+B+C)	6,805,048,427	7,971,644,023
E. Effects of the changes of exchange rate on cash and cash equivalents*	1,499,598,967	1,588,182,967
F. Cash and Cash equivalents at the beginning of the year	57,370,914,512	47,811,087,522
G. Cash and cash equivalents at the end of the year (D+E+F)	65,675,561,905	57,370,914,512
Cash and cash Equivalents at the end of the year		
Cash in hand (including foreign currencies)	3.1 12,442,869,186	8,600,156,051
Balance with Bangladesh bank and its agent bank	3.2 33,000,521,554	27,586,149,728
Balance with other banks & financial institution	4 17,724,645,465	21,177,381,033
Money at call on short notice	5 2,500,000,000	-
Prize Bond	7,525,700	7,227,700
	65,675,561,905	57,370,914,512

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



UNITED COMMERCIAL BANK PLC

**Liquidity Statement
Asset and Liability Maturity Analysis
As at 31 December 2024**

Particulars	Up to 1 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	More than 5 years	Amount in Taka	
						Total	Total
Assets							
Cash in hand	39,955,327,440	-	-	-	5,488,063,300		45,443,390,740
Balance with other banks & financial institutions	10,359,800,000	5,000,000,000	-	2,364,845,465	-		17,724,645,465
Money at call on short notice	2,500,000,000	-	-	-	-		2,500,000,000
Investment	1,237,425,942	7,631,393,866	19,246,367,419	14,736,400,000	44,999,800,000		87,851,387,227
Loans and Advances	53,418,481,147	116,172,056,758	135,226,918,187	181,479,105,791	76,548,622,967		562,845,184,850
Bill Purchased & Discounted	2,466,330,078	4,155,220,306	3,362,134,053	-	-		9,983,684,437
Fixed assets including premises, furniture & fixture	161,810,160	323,620,320	1,456,291,442	7,766,887,692	7,347,970,920		17,056,580,533
Other Assets	3,276,765,572	850,133,780	697,962,545	15,111,489,521	5,434,915,801		25,371,267,219
Non banking assets	-	-	-	-	3,336,000		3,336,000
Total Assets (A)	113,375,940,339	134,132,425,030	159,989,673,646	221,458,728,469	139,822,708,988		768,779,476,471
Liabilities							
Borrowing from Bangladesh bank, other banks, financial institutions and agents	22,755,101,528	9,289,433,448	22,157,102,129	9,927,913,822	15,656,686,674		79,786,237,601
Deposits	77,541,096,775	128,907,541,749	107,321,816,458	221,970,221,350	18,474,590,924		554,215,267,256
Provisions and other liabilities	4,211,368,281	75,211,893	16,823,646,166	6,931,168,476	64,945,754,712		92,987,149,528
Total Liabilities (B)	104,507,566,583	138,272,187,090	146,302,564,754	238,829,303,647	99,077,032,310		726,988,654,381
Net Liquidity Gap (A-B)	8,868,373,756	(4,139,762,060)	13,687,108,892	(17,370,575,179)	40,745,676,681		41,790,822,090



United Commercial Bank PLC and its Subsidiaries
Notes to the Financial Statements
For the Year Ended 31 December 2024

1. The Bank and Its Activities

1.1 Status of the Bank

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

As of 31 December 2024, UCB operates:

- 231 branches (2023: 228), including one Islamic Banking branch that adheres to Islamic Shariah principles.
- 50 Islamic Banking windows within conventional branches, providing Islamic Banking services in compliance with Shariah principles.
- 177 sub-branches (2023: 152).
- 716 ATMs/CRMs (2023: 672).
- 855 agent banking outlets (2023: 850).

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

1.2 Nature of Business

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

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

1.3 Offshore Banking Unit

The Offshore Banking Unit (OBU) operates as an independent business division of UCB under the regulatory framework set by Bangladesh Bank, as outlined in:

- Off-shore Banking Act, 2024.
- BRPD Circular No. 02, dated 25 February 2019.
- FE Circular Letter No. 01, dated 18 March 2024.
- Additional regulatory directives and guidelines.

The Bank received approval to establish its Offshore Banking Unit through Letter No. BRPD (P-3) 744 (117)/2010-2577, issued on 9 June 2010, and officially commenced operations on 10 November 2010.

Currently, UCB operates a single Offshore Banking Unit in Dhaka, which provides a comprehensive suite of foreign currency-based commercial banking services, ensuring full compliance with Bangladesh Bank regulations. The financial statements of the OBU are presented separately, maintaining transparency and regulatory adherence.

1.4 Islamic Banking

United Commercial Bank PLC received formal approval from Bangladesh Bank to commence Islamic Banking operations through Letter No. BRPD (P-3) 745 (17)/2020-1453, dated 6 February 2020.

The Bank currently operates through 50 Islamic Banking windows and a dedicated Islamic Banking branch, offering a comprehensive range of Shari'ah-compliant financial solutions tailored for retail, SME, and corporate clients.

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

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

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

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

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

1.5 Agent Banking

UCB received approval from Bangladesh Bank on 7 February 2017, through Letter No. BRPD (P-3) 745(17)/2017-677, to commence Agent Banking operations. Commercial operations officially began on 1 February 2018.

As of 31 December 2024, UCB has established 855 agent outlets across Bangladesh, securing the 5th position in the industry based on the number of agent outlets.

Key highlights:

- A strong, granular deposit portfolio of BDT 1,154 crore, sourced from grassroots-level banking.
- 245,000 accounts acquired, representing approximately 10% of the Bank's total accounts.

Core Services Provided:

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

Innovations & Technological Advancements:

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

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

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

1.6 Subsidiary Companies

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

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

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

1.6.1 UCB Stock Brokerage Limited

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

Company Background:

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

Core Activities:

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

Licensing & Regulatory Approvals:

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

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

1.6.2 UCB Investment Limited

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

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

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

1.6.3 UCB Asset Management Limited

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

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

1.6.4 UCB Fintech Company Limited

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

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

1.6.5 UCB Exchange (SG) PTE Ltd

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

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

1.6.6 Summary of Shareholding in Subsidiaries and Associates

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

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

1.6.7 UCB Foundation

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

Education Initiatives

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

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

Healthcare Contributions

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

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

Community Development Efforts

Beyond education and healthcare, the foundation collaborates with local and nonprofit organizations to:

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

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

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

2.1 Basis of Preparation

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

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

In compliance with Bangladesh Bank BRPD Circular No. 02, dated February 25, 2019, these financial statements for the year ended December 31, 2024, include the operations of both:

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

2.1.1 Statement of Compliance

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

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

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

Regulatory Precedence

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

i. Presentation of financial statements

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

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

ii. Investment in Equity instrument

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

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

iii. Subsequent measurement of Government securities

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

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

HTM securities which have not matured as at the balance sheet date are amortized at the year end and only gains on amortization are recognized in other reserve as a part of equity.

iv. Repo and Reverse Repo transactions

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

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

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

v. Provision on loans and advances

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

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 19 dated 27 December 2012, BRPD circular no. 05 dated 29 May 2013, BRPD circular no. 16 dated 18 November 2014, BRPD circular no. 12 dated 20 August 2017, BRPD circular no. 15 dated 27 September 2017, BRPD circular letter no. 3 dated April 21, 2019, BRPD circular no. 16 dated 21 July 2020 and BRPD circular letter no. 52 dated 20 October 2020, BRPD circular 09, dated 8 April, 2024 and circulars issued till end of 2024, a general provision at 0.25% to 2% under different categories of unclassified loans (standard/SMA loans) has to be maintained regardless of objective evidence of impairment. Also, provision for sub-standard loans, doubtful loans and bad/losses loans has to be provided at 5% to 20%, 5% to 50% and 100%, respectively for loans and advances depending on the duration of overdue. Again, as per BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 07 dated 21 June 2018 and BRPD circular no. 13 dated 18 October 2018 and BRPD circular no 06 dated 25 April 2023. a general provision at 0.25% to 1% is required to be provided for all off-balance sheet exposures, along with extra provision of 1%-5% on remaining overdue. Such provision policies are not specifically in line with those prescribed by International Financial Reporting Standards (IFRS) 9: Financial Instruments.

vi. Recognition of interest in suspense

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

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012, BRPD circular No. 03 dated 21 April 2019 and BRPD Circular Letter No. 56 dated 10 December 2020, once a loan is adversely classified, interest on such loans is not allowed to be recognized as income, rather the corresponding amount needs to be credited to an interest in suspense account, which is presented as liability in the balance sheet.

vii. Other comprehensive income

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

Bangladesh Bank: Bangladesh Bank has issued templates for financial statements through BRPD circular no. 14 dated 25 June 2003 which is strictly followed by all banks. The templates of financial statements issued by Bangladesh Bank do not include OCI nor are the elements of OCI allowed to be included in a single OCI statement. As such the Bank does not prepare an OCI statement. However, elements of OCI, if any, are shown in the statements of changes in equity.

viii. Financial instruments – presentation and disclosure

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

ix. Financial guarantees

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

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

x. Cash and cash equivalent

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

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

xi. Non-banking asset

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

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

xii. Presentation of intangible asset

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

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

xiii. Cash flow statement

IFRS: Cash flow statement can be prepared either in direct method or in indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, cash flows are the mixture of direct and indirect method.

xiv. Balance with Bangladesh Bank (Cash Reserve Requirement)

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

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

xv. Off-balance sheet items

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

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

xvi. Disclosure of appropriation of profit

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

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

xvii. Loans and advance net of provision

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

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

xviii. Provision on Financial Guarantees

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

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

xix. Provision for Startup Fund

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

Bangladesh Bank: In compliance with SMESPD circular 04 dated March 29, 2021 and SMESPD circular letter 05 dated April 26, 2021, the Bank has created Start-up Fund in first quarter 2021 appropriating BDT 3.17 Crore (1% of net profit of FY 2021 BDT 317.71 Crore). As a continuation of creating Start-up Fund, the bank has also contributed BDT 4.02 Crore (1% of net profit of FY 2022 BDT 393.28 Crore), BDT 2.68 Crore (1% of net profit of FY 2023 BDT 268.50 Crore) and BDT 0.61 Crore (1% of net profit of FY 2024 BDT 60.78 Crore). The objective of this fund is to provide loan facilities to the start-up entrepreneurs for their business and projects.

2.1.2 Going Concern

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

2.1.3 Disclosure on Basel III

Basel III is a comprehensive set of financial reforms developed by the Basel Committee on Banking Supervision (BCBS) to strengthen regulation, supervision, and risk management in the banking sector. Introduced in response to the 2008 Global Financial Crisis, Basel III aims to enhance banks' ability to withstand financial stress, improve transparency, and enforce higher liquidity standards.

Basel III mandates increased capital requirements, enhanced liquidity provisions, and the reduction of excessive leverage. The framework requires financial institutions to hold more capital of higher quality, introduces a leverage ratio as a supplementary measure to risk-based capital requirements, and enforces new liquidity standards to ensure banks can sustain operations during financial crises.

Key Principles of Basel III:

- **Capital Conservation Buffer:** Designed to absorb losses during financial and economic stress, banks must maintain a 2.5% capital conservation buffer, bringing the total Common Equity Tier 1 (CET1) requirement to 7% (4.5% CET1 + 2.5% buffer). Failure to maintain this buffer results in restrictions on dividend payments, share buybacks, and bonuses.
- **Higher Common Equity Tier 1 (CET1):** Increased to 4.5%, with a total requirement of 7% including the buffer.
- **Minimum Total Capital Ratio:** Set at 10%. Tier 2 capital instruments have been harmonized, and Tier 3 capital has been abolished. Banks must maintain a total capital ratio of 12.5% of their Risk-Weighted Assets (RWA) with the buffer.
- **Leverage Ratio:** Basel III introduced a minimum leverage ratio calculated as Tier 1 capital divided by the bank's average total consolidated assets, with a minimum requirement of 3.5%.

Liquidity Requirements:

Basel III introduced two essential liquidity ratios:

- Liquidity Coverage Ratio (LCR):** Ensures banks maintain adequate high-quality liquid assets to survive a severe one-month stress scenario.
- Net Stable Funding Ratio (NSFR):** Enhances long-term resilience by incentivizing financial institutions to rely on more stable funding sources.

2.2 Basis of Measurement

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

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

2.3 Basis of Consolidation

The consolidated financial statements include United Commercial Bank PLC and its subsidiaries: UCB Stock Brokerage Limited, UCB Investment Limited, UCB Asset Management Limited, UCB Fintech Company Limited, and UCB Exchange (SG) PTE Ltd. The consolidated financial statements have been prepared in accordance with IAS 27 (Separate Financial Statements) and IFRS 10 (Consolidated Financial Statements) for the financial year ending December 31, 2024.

Key principles of consolidation include:

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

2.4 Use of Estimates and Judgments

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

i) Provision for loans and advance

The Bank assesses its loans and advances for objective evidence of impairment on a regular basis and particularly at year end. Whilst the primary criteria set out in BRPD circular no. 14 dated 23 September 2012, BRPD circular letter no. 3 dated April 21, 2019, BRPD circular no. 16 dated 21 July 2020, BRPD circular letter no. 52 dated 20 October 2020 and circulars issued and effective till 2024 for determining whether a loan is impaired is objective, being based on borrower's ability to make timely repayments, loans and advances may also be classified based on qualitative judgment. This involves making assessments regarding the economic environment in which borrowers operate in addition to making judgments about a borrower's financial situation and net realizable value of any underlying collateral.

ii) Taxation

The estimation of current tax provision involves making judgments regarding admissibility of certain expenses, estimating the amount of other expenses for tax purposes and applicability of provision of Income Tax Act 2023 and Finance Act 2024, although return will be submitted for tax based on the Finance Act 2025.

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

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

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

iv) Depreciation

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

v) Provisions for expenses

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

vi) Lease Liabilities

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

2.5 Consistency

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

2.6 Foreign Currency Transactions and Translation

Functional and presentation currency

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

Foreign currency transactions

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

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

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

2.7 Cash Flow Statement

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

2.8 Statement of Changes in Equity

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

2.9 Liquidity Statement

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

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

2.10 Significant Accounting Policies

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

Accounting Policies of Subsidiaries

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

A. ASSETS AND BASIS OF VALUATION

2.10.1 Cash and Cash Equivalents

Cash and cash equivalents include:

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

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

2.10.2 Investments

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

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

2.10.3 Held-to-Maturity (HTM) Investments

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

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

2.10.4 Held-for-Trading (HFT) Investments

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

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

2.10.5 REPO and Reverse REPO Transactions

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

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

2.10.6 Investment in Listed/Quoted Securities

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

2.10.7 Investment in Unquoted Securities

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

Revaluation of Investments

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

2.10.8 Investment in Subsidiaries

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

2.10.9 Loans, Advances, and Provisions

- Loans and advances are stated at gross amount.
- Loans and advances are broadly classified under the heads of Continuous, Demand, Long Term and Short-Term Agriculture and Micro Credit. Continuous and Demand Loans are accounted under Capitalized method where interest accrues monthly and applied to loan account quarterly. Term loans are accounted under amortized method where repayments consist of no. of EMIs.
- Interest on unclassified loans & advances and SMA loans are credited to Interest Income. Interest on Sub-standard and Doubtful Loans and advances are not credited to interest income; it is kept in suspense account as per Bangladesh Bank instructions and such interest is not accounted for as income until realized from borrowers. Interest accrual is kept stopped for all Bad & Loss Loans.
- Commission and discounts on bills purchased and discounted are recognized at the time of realization.
- General provisions on unclassified loans and off-balance sheet items, specific provisions for classified loans and interest suspense thereon are shown under other liabilities. Provision against classified loans and advances is made on the basis of quarter end review by the management and instructions contained As per BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 19 dated 27 December 2012, BRPD circular no. 05 dated 29 May 2013, BRPD circular no. 16 dated 18 November 2014, BRPD circular no. 12 dated 20 August 2017, BRPD circular no. 15 dated 27 September 2017, BRPD circular letter no. 3 dated April 21, 2019, BRPD circular no. 16 dated 21 July 2020 and BRPD circular letter no. 52 dated 20 October 2020 and circulars issued till 2024.

Provisioning Rates

Category	Provision Rate
General Provisions on Unclassified Loans	
General loans and advances	1%
Small & Medium Enterprise (SME)	0.25%
Loans to BHs/MBs/SDs against shares	1%
Consumer Financing – Housing	1%
Consumer Financing – Loans for Professionals	2%
Consumer Financing – Credit Cards	2%
Consumer Financing – Others	2%
Short-term Agriculture & Micro Credit	1%
Special Mention Account (SMA)	0.25% - 2%
Off-balance sheet exposures	0.25% - 5%
Specific Provisions on Classified Loans	
Substandard (except short-term agri/micro credit)	20%
Doubtful (except short-term agri/micro credit)	50%
Bad/Loss loans and advances	100%
Substandard (short-term agri/cottage/micro/small credit)	5%
Doubtful (cottage/micro/small credit)	20%
Bad/Loss (cottage/micro/small credit)	100%

f) Loans and advances are written off based on Bangladesh Bank guidelines (BRPD Circular No. 04, dated February 18, 2024). The criteria include:

- Bad & Loss loans for two consecutive years.
- Deceased borrowers, after assessing the earning capacity of legal successors.
- Cases filed under Artha Rin Adalat Ain-2003 for borrowers with outstanding amounts above BDT 5.00 lakh (excluding deceased accounts).
- Provisioning must be adjusted by deducting interest suspense before executing a write-off.

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

Recognition & Initial Measurement

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

The initial cost of PPE includes:

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

Subsequent Measurement

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

Subsequent Expenditure

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

Depreciation

Depreciation is charged using the straight-line method, beginning in the month of acquisition and ceasing in the month of disposal. Land is not depreciated.

Asset Type	Depreciation Rate	Estimated Useful Life
Land	NIL	Not applicable
Building	2.50%	40 years
Furniture & Fixtures	10%	10 years
Office Equipment	20%	5 years
Computers & IT Equipment	20%	5 years
Computer Software	25%	4 years
Vehicles	20%	5 years

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

Capital Work-in-Progress (CWIP)

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

De-recognition of PPE

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

Revaluation of PPE

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

2.10.11 Lease Accounting

Assets obtained under Lease Agreements

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

As a lessee

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

The right-of-use assets are subsequently depreciated using the straight-line method from the initial application date or commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Bank by the end of the lease term or the cost of the right-of-use asset reflects that

the Bank will exercise a purchase option. In that case the right-of-use assets will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use assets are periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

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

i) Determining whether an arrangement contains a lease

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

ii) Leased Asset

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

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

iii) Lease Payment

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

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

2.10.12 Intangible Assets

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

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

2.10.13 Impairment of Assets

The Bank periodically reviews asset carrying amounts to determine any impairment indicators. If an asset's carrying amount exceeds its recoverable amount, an impairment loss is recognized in the profit and loss account, following IAS 36: Impairment of Assets. No impairment losses were recognized for the year ending December 31, 2024.

2.10.14 Other Assets

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

2.10.15 Receivables

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

2.10.16 Non-Banking Assets

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

Recognition of Non-Banking Assets

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

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

Measurement of Non-Banking Assets

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

B. Liabilities and Provisions

2.10.17 Borrowings from Other Banks, Financial Institutions, and Agents

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

2.10.18 Debt Securities

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

Subordinated Bonds:

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

Among the five subordinated bonds:

- The UCB 1st Subordinated Bond and UCB 2nd Subordinated Bond have been fully redeemed/repaid.
- The UCB 3rd Subordinated Bond and UCB 4th Subordinated Bond have been fully subscribed.
- The UCB 5th Subordinated Bond is yet to be fully subscribed.

Perpetual Bonds:

Among the two perpetual bonds:

- The UCB 1st Perpetual Bond has been fully subscribed.
- The UCB 2nd Perpetual Bond is yet to be fully subscribed, with a listed portion amounting to BDT 30 (Thirty) crore. *

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

2.10.19 Deposits and Other Accounts

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

2.10.20 Other Liabilities

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

2.10.21 Dividend Payments

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

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

2.10.22 Provision for Loans and Advances

Provision for classified loans and advances is made on the basis of quarter end review by the management and instructions contained in BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 19 dated 27 December 2012, BRPD circular no. 05 dated 29 May 2013, BRPD circular no. 16 dated 18 November 2014, BRPD circular no. 12 dated 20 August 2017, BRPD circular no. 15 dated 27 September 2017, BRPD circular letter no. 3 dated April 21, 2019, BRPD circular no. 16 dated 21 July 2020 and BRPD circular letter no. 52 dated 20 October 2020 and circulars issued till 2023.

Details are stated in Note 13.

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

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

2.10.24 Provision for Off-Balance Sheet Exposures

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

2.10.25 Provision for Other Assets

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

2.10.26 Provision for Nostro Accounts

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

2.10.27 Provision for Liabilities and Accrued Expenses

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

2.10.28 Employee Benefits and Retirement Benefit Schemes

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

Provident Fund

The Bank provides Provident Fund benefits to its employees in accordance with the registered Provident Fund rules. The Commissioner of Income Tax, Dhaka (North), recognized the fund under section 2(52) of the Income Tax Ordinance, 1984, in conjunction with Part B of the First Schedule. This recognition has been effective since November 30, 1988.

The fund is managed by a Board of Trustees comprising five members from the Bank. All confirmed employees contribute between 10% and 20% of their basic salary to the fund, with the Bank matching the contribution up to a maximum of 10%. Interest earned from investments is credited to members' accounts semi-annually.

Gratuity Fund

Gratuity benefits are provided per the approved Gratuity Fund rules. The National Board of Revenue recognized the fund on December 27, 1995. It is managed by a Board of Trustees consisting of five members from the Bank.

Employees become eligible for gratuity benefits after completing at least five years of service. The gratuity amount is calculated based on the last drawn basic salary at a rate of one month's basic pay for each completed year of service. The Gratuity Fund is classified as a "Defined Benefit Plan," with contributions determined through actuarial valuations.

The Bank's net obligation for gratuity is calculated based on future benefits earned by employees, discounted to present value, and reduced by the fair value of any plan assets. A qualified actuary conducts this calculation annually using the Projected Unit Credit Method.

Expenses related to the Defined Benefit Plan, including net interest expense and service costs, are recognized under salaries and allowances in the profit and loss account. Any changes to the plan, including curtailments, are recognized immediately in profit or loss.

Welfare Fund

The Employees' Welfare Fund was established on June 18, 2009, and operates under the UCB PLC policy on Employees' Welfare Fund, 2009. A Board of Trustees manages the fund, ensuring its administration and investment comply with relevant laws and regulations in Bangladesh.

Workers' Profit Participation Fund (WPPF)

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

Performance Bonus

The Bank awards performance bonuses annually to eligible employees at management's discretion. The bonus calculation is based on employee performance ratings and management decisions. While the bonus is paid in the following year, the associated cost is recognized in the financial period to which it pertains.

2.10.29 Taxation Policies

Current Tax

Current tax is the amount of income taxes payable (recoverable) in respect to the taxable profit (tax loss) for a period. Provision for current income tax has been made as per the prescribed rate in the Income Tax Act 2023 and Finance Act 2024 on the accounting profit made by the bank after considering some of the add-backs to income and disallowances of expenditure as per Income Tax Act 2023 and other applicable laws and regulations. Tax Assets under the group head of other assets are recognized for payment of advance income tax, tax deducted at source and tax paid at the time of IT Return for the year/years for which assessment has not yet been finalized. On the other hand, the tax provision (as estimated as per IAS-12: Income Taxes, provision of latest Finance Act, related SROs/guidelines etc.) are recognized as tax liability under the group head of other liability for the year/years for which assessment has not yet been finalized.

Deferred Tax

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

C. CAPITAL / SHAREHOLDERS' EQUITY

2.10.30 Capital

(a) Authorized Capital

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

(b) Paid-up Capital

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

2.10.31 Statutory Reserve

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

2.10.32 Asset Revaluation Reserve

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

2.10.33 Reserve for Amortization/Revaluation of Securities

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

2.10.34 Retained Earnings

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

2.10.35 Share Premium

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

2.10.36 Contingent Assets and Liabilities

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

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

2.10.37 Accounting for Derivative Financial Instruments

Derivatives

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

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

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

Embedded derivatives

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

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

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

D. REVENUE RECOGNITION

2.10.38 Interest Income

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

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

This ensures compliance with prudential regulations and financial transparency.

2.10.39 Fees and Commission Income

The Bank earns fees and commissions from financial services:

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

This approach prevents premature revenue recognition.

2.10.40 Interest Income from Investments

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

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

2.10.41 Income from Foreign Exchange

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

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

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

2.10.42 Dividend Income

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

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

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

2.10.43 Interest Paid on Borrowings and Deposits

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

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

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

2.10.44 Management and Other Expenses

The Bank incurs various operational expenses, including:

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

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

E. OTHERS

2.10.45 Materiality and Aggregation

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

2.10.46 Offsetting

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

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

2.10.47 Earnings Per Share (EPS)

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

- **Basic Earnings Per Share:** Basic EPS is calculated by dividing the profit or loss attributable to ordinary equity holders of the parent entity (numerator) by the weighted average number of ordinary shares outstanding (denominator) during the period.
- **Weighted Average Number of Ordinary Shares Outstanding:** This represents the number of ordinary shares outstanding at the beginning of the year, plus the number of shares issued during the year, multiplied by a time-weighted factor. The time-weighting factor corresponds to the number of days each share was outstanding as a proportion of the total days in the year.
- **Diluted Earnings Per Share:** Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

2.10.48 Related Party Transactions

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

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

2.10.49 Reconciliation of Books and Accounts

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

2.10.50 Credit Rating

Emerging Credit Rating Limited (ECRL) has assigned the Bank a credit rating as of December 31, 2023, with an "AA" rating for the Long Term (pronounced Double A) and an ST-2 rating for the Short Term. The rating was issued on June 11, 2024.

Valid From	Valid To	Base Financial Year	Long Term Rating	Short Term Rating	Outlook
07 May 2024	06 May 2025	2023	AA	ST-2	Stable
07 May 2023	06 May 2024	2022	AA	ST-2	Stable
07 May 2022	06 May 2023	2021	AA	ST-2	Stable

The outlook of the rating is Stable. This rating reflects the strengths of the Bank, which are supported by its strong management, solid liquidity position, satisfactory capital base, and comprehensive branch coverage across the country.

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

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

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

IAS No.	Name of IAS	Status
33	Earnings Per Share	Applied
34	Interim Financial Reporting	Applied***
36	Impairment of Assets	Applied
37	Provisions, Contingent Liabilities, and Contingent Assets	Applied
38	Intangible Assets	Applied
40	Investment Property	N/A
41	Agriculture	N/A

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

Note:

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

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

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

N/A= Not Applicable

2.10.52 Operating Segments

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

Segment Name	Description
Corporate Banking	Focuses on large corporate groups, structured/syndicated finance, and a variety of advanced & deposit products.
SME Banking	Provides loans, deposits, and other services to SME customers.
Consumer Banking	Includes loans, deposits, and other services for retail customers.
Treasury	Manages the Bank's funding, SLR maintenance, asset-liability management, foreign exchange dealings, and investments in derivatives.
Investment Banking	Involves trading, investment in equities, and other capital market activities.
Offshore Banking	Offers commercial banking services in freely convertible currencies, with one unit in Dhaka.
Card and Alternate Delivery Channels	Provides various debit and credit card offerings to meet customer needs.
Mobile Financial Services	Facilitates banking through mobile networks, covering cash in/out, bill payments, and POS purchases.
Agent Banking	Aims to provide banking services to remote, financially excluded areas, with a focus on cashless transactions.

2.10.53 Risk Management

Risk in a banking context refers to potential events or actions that may adversely impact a bank's operations, either directly through losses in earnings or capital, or indirectly by hindering the achievement of business objectives. Such risks can arise from factors like economic downturns or fluctuations in interest rates. To absorb potential losses, banks rely on their capital reserves. The types and extent of risks a bank faces depend on several factors, including its size, the complexity of its activities, and the volume of its operations.

To enhance risk management practices, Bangladesh Bank initially issued guidelines covering six core risk areas. These guidelines have been implemented by banks in Bangladesh, including United Commercial Bank PLC (UCB). The Bank's risk management system, aligned with Bangladesh Bank's directives, addresses the following core risk areas:

- Credit Risk
- Foreign Exchange Risk
- Asset-Liability Management (ALM) Risk
- Internal Control & Compliance Risk
- Money Laundering and Terrorist Financing Risk
- Information & Communication Technology Risk

Credit Risk Management

Credit risk is the potential that a borrower or counterparty will fail to meet its obligations as agreed. Managing credit risk aims to maximize the risk-adjusted return by keeping credit exposures within acceptable limits. Banks must manage both individual credit risks and portfolio-level risks. Effective credit risk management is vital for long-term success.

Credit risk can stem from various activities, including loans, guarantees, and off-balance sheet transactions. It arises from dealings with individuals, SMEs, corporations, banks, financial institutions, or sovereign entities. Credit risk assessment involves evaluating the likelihood of default and the financial impact on the bank.

At UCB, credit risk management is independent of business origination to reduce conflicts of interest and establish stronger internal controls. The Chief Risk Officer and the Head of Credit Risk Management oversee credit risk, while the Board of Directors holds final responsibility. The Board also sets credit policies, which are implemented by management.

The Bank's risk management framework is designed to ensure well-calculated risks to safeguard its capital and financial resources, contributing to sustainable profitability. A dedicated risk management committee monitors critical risk areas regularly.

Foreign Exchange Risk Management

Foreign exchange risk arises from changes in currency exchange rates, affecting investments, exports, imports, and international transactions. UCB has developed a Foreign Exchange Risk Management policy, in line with Bangladesh Bank's guidelines, to minimize risks from foreign exchange transactions.

Asset-Liability Management Risk

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

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

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

Risks	Statement
Liquidity Risk	<ul style="list-style-type: none"> • Structural liquidity profile • Dynamic liquidity profile • Key Management Ratios • Cash flow projection
Interest Rate Risk	<ul style="list-style-type: none"> • Traditional Gap Analysis (up to 1 Year) • Traditional Gap Analysis (Total A-L) • Duration Gap Analysis • Balance Sheet VaR • Stress Testing
Currency Risk	<ul style="list-style-type: none"> • Currency wise Exposure • Value at Risk (VaR)

Internal Control & Compliance Risk

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

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

A strong internal control system, including effective internal audit function provides independent assurance to the board of directors and management on the quality and effectiveness of a bank's internal control, risk management and governance systems and processes, thereby helping the board and senior management

protect the organization and its reputation. Such a system is designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

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

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

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

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

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

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

- Compliance
- Information Security
- Internal Audit
- Monitoring

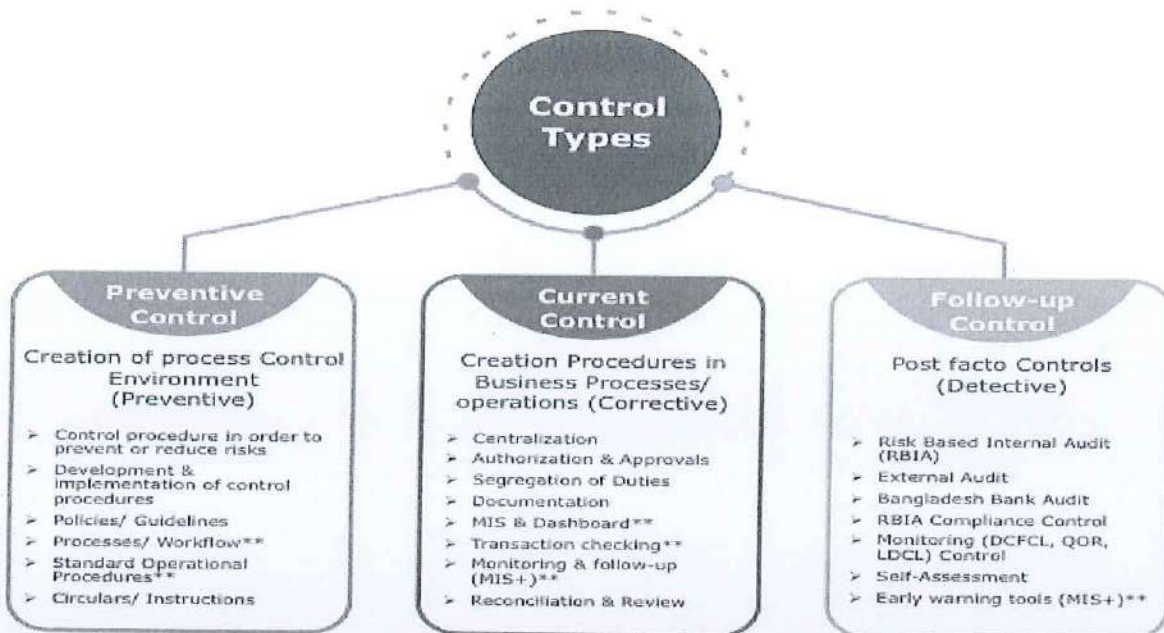
It helps to reinforce the 3 (three) types of control:

Preventive - creation of process control environment,

Corrective - Control Procedures in business processes/operation and

Detective - Post facto controls.

Internal Control- Scope/ Areas



Money Laundering & Terrorist Financing Risk Management

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

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

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

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

AML & ATF Division has arranged a number of training programs on prevention of money laundering and terrorist financing for 1479 Executives/Officers of the Bank through-out the year 2024 to develop their professional skill and ensure better regulatory compliance.

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

Fraud and Forgeries Risk

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

Information and Communication Technology (ICT) Risk

In order to enhance operational efficiency and strengthen ICT support for both internal users and customers, the Bank has restructured its Information Technology Operations Division. This restructuring, alongside key technological advancements, ensures that UCB remains at the forefront of providing secure and efficient banking services.

ICT Risk Management Approach

ICT risk management at UCB is a structured process for identifying, assessing, and mitigating risks associated with information security. The focus is on ensuring business transformation and technology-driven advancements while mitigating both operational risks and potential losses from missed opportunities.

ICT Policy and Regulatory Compliance

UCB has recently updated its ICT Policy to align with the latest technological trends and Bangladesh Bank's ICT guidelines. The Business Continuity Plan (BCP) and Disaster Recovery Plan (DRP) have been revised to ensure preparedness for potential disruptions. Furthermore, UCB adheres to global best practices such as ISO 27001 for information security and ISO 22301 for business continuity. The Bank has maintained PCI DSS certification for the seventh consecutive year and continues to uphold industry-leading standards for risk management and security.

Key ICT Risk Mitigation Initiatives

To strengthen its ICT security and mitigate fraud risks, UCB has implemented the following measures:

- Ongoing CBS Upgradation Project: The bank is actively upgrading its Core Banking System (CBS) from Oracle 12.2 to the latest 14.7 version, ensuring improved performance, security, and regulatory compliance.
- Data centre Expansion Project Completed: The bank successfully enhanced network and server rack space, cooling, power, and humidity control, ensuring improved operational capacity.
- High Availability (HA) Implementation: HA has been implemented at both Data Center (DC) and Near Disaster Recovery Centre (NDC) for Internet Router, Core Router, and Core Switch, improving redundancy and uptime.
- DDOS Attack and WAF Protection: HA implementation at DC and NDC for Distributed Denial-of-Service (DDOS) attack mitigation and Web Application Firewall (WAF) with F5, strengthening cybersecurity measures.
- Perimeter Firewall Deployment at NDC: Enhanced network security with high availability, traffic control, and better risk management.
- Deployment of a Next-Generation Core Firewall with advanced threat prevention for faster threat detection and flexible management.
- Implementation of a Robust Web Protection Solution with comprehensive threat protection, URL filtering, and malware blocking.
- Call Center Upgradation (Phase-1 Completed): Enhancements to improve service quality and response times, ensuring seamless customer support with chatbot and CRM 360-degree integration for improved customer experience and compliance.
- Replacement of TWPG with Cyber Source Payment Gateway: Transitioning to a more secure payment gateway to enhance transaction security and fraud prevention.
- Successful Completion of Regulatory Audit: The bank retained a "Satisfactory" rating, demonstrating compliance and best practices in IT security.

- Completion of Biometric Verification for Loan-related Charge Documents: Strengthening identity verification and fraud prevention in loan processing.
- Enhanced IP Telephony System with modern video conferencing, collaboration tools, and integrated voice recording and reporting.
- Compliance with 3DS Version 2 requirements for secure payment processing with VISA and MasterCard.
- Renewal of SWIFT Customer Security Program (CSP) Certification v2024 for enhanced transaction security.
- Implementation of a Privileged Access Management (PAM) Solution to control and monitor privileged access to critical systems.
- Deployment of Vulnerability Assessment and Penetration Testing (VA/PT) Tools to detect and mitigate security risks across applications, networks, databases, and endpoints.
- Operation of a Security Operations Centre (SOC) using IBM QRadar SIEM and X-Force intelligence for real-time cyber threat detection and analysis.
- Introduction of Two-Factor Authentication (2FA) and OTP Mechanisms for enhanced security in Internet Banking and credit card transactions.
- Integration of National Identity Card (NID) Verification System to prevent duplicate NID use in customer account openings.
- Deployment of Anti-Skimming Devices in ATMs to prevent card counterfeiting and fraudulent transactions.
- Adoption of EMV Standard Chip-Based Cards to reduce fraud risks related to skimming and duplication.
- Implementation of a Dual-Control Mechanism (maker-checker) in financial and non-financial transactions within core banking and card management systems.
- Real-Time Automated Fraud Management Solution capable of monitoring transactions based on predefined risk rules.
- Implementation of a Robust HRMS System for efficient employee management, reducing risks related to screening, recruitment, and benefits.
- Optimization of Core Banking Software and Database for enhanced performance and security.
- Regular ICT Security Awareness Training through simulated phishing campaigns to educate employees on cyber threats and secure practices.

UCB's proactive approach to ICT risk management ensures that the Bank is well-positioned to handle emerging security threats, while enhancing operational efficiency and customer satisfaction.

2.10.54 Internal Audit

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

2.10.55 Interest Rate Risk

Interest rate risk may arise from both the trading and non-trading portfolios of the Bank. The trading portfolio includes government treasury bills and bonds with varying maturities, and interest rate risk is primarily associated with mismatches in the timing of interest rate changes between assets and liabilities.

2.10.56 Interest Rate Risk Management

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

2.10.57 Operational Risk

Operational risk refers to the potential loss stemming from inadequate or failed internal processes, systems, personnel, or from external events. It is an inherent risk in the Bank's activities, and like other types of risk, it is managed within a comprehensive framework that includes checks and balances. This framework incorporates the "three lines of defence" model, where each business area is responsible for identifying its key operational risks and implementing controls to mitigate those risks. Independent risk management oversight ensures compliance with laws, regulations, and the Bank's policies.

The Bank's operational risk policy outlines the governing principles for managing operational risks and provides a structured framework. The primary objective is to manage operational risk in a manner that balances the need to avoid financial losses and reputational damage, with the aim of maintaining cost-effectiveness and fostering innovation. In all cases, the Bank's policy mandates compliance with applicable legal and regulatory requirements.

2.10.58 Operating Environment

The Bank's operating environment in 2024 has been significantly influenced by a variety of global and local events, including the ongoing Russia-Ukraine conflict, geopolitical tensions in the Middle East, volatility in fuel and commodity prices, and the sustained strength of the USD. These factors have had far-reaching impacts, affecting not only international markets but also the local economic landscape, which, in turn, has influenced the Bank's operations.

In response to these external challenges, the Government of Bangladesh and Bangladesh Bank have implemented a range of regulatory measures and directives aimed at mitigating the repercussions of these global events. The Bank has ensured compliance with these guidelines to maintain operational stability.

The Bangladesh banking sector faced several challenges in 2024, including political instability, economic uncertainty, regulatory shifts, and internal banking sector issues. These challenges were compounded by increased non-performing loans (NPLs), leading to severe liquidity pressures and exposing weaknesses in credit risk management. A revised loan classification policy unveiled hidden debts, raising concerns about reporting systems and asset quality assessments.

Frequent policy changes, including a sharp interest rate hike to 10% to curb inflation, created regulatory uncertainty, which impacted banks' ability to manage liquidity and lending practices effectively. In addition, unrest and supply chain disruptions had a negative impact on businesses, particularly those in sectors such as garments, posing a risk to business continuity. In response, the interim government and Bangladesh Bank introduced oversight reforms and forensic audits to stabilize operations and restore confidence in the banking sector.

2.10.59 Audit Committee

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

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

2.10.60 New Standards Issued but Not Yet Effective

The following new and amended standards are effective for annual periods beginning after 1 January 2025. While early adoption is permitted, the Bank has not opted for early adoption. However, none of these standards are expected to have a significant impact on the Bank's financial statements:

- Lack of Exchangeability (Amendments to IAS 21) – effective from 1 January 2025.
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7): - effective from 1 January 2026.
- Annual Improvements to IFRS Accounting Standards (IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7) - effective from 1 January 2026.
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7) - effective from 1 January 2026.
- Presentation and Disclosure in Financial Statements (IFRS 18) - effective from 1 January 2027.
- Subsidiaries without Public Accountability: Disclosures (IFRS – 19) - effective from 1 January 2027.

2.10.61 Events After the Reporting Period

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

2.11 General

Functional and Presentation Currency

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

Comparative Information

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

Reporting Period

These financial statements cover the period from 1 January 2024 to 31 December 2024.

Approval of Financial Statements

The financial statements were approved by the Board of Directors of the Bank in its meeting held on 29 May 2025.



	Consolidated		United Commercial Bank PLC	
	31.12.2024 Taka	31.12.2023 Taka	31.12.2024 Taka	31.12.2023 Taka
3 Cash	45,443,634,157	36,186,600,376	45,443,390,740	36,186,305,779
3.1 Cash in hand				
Local currency				
In branches	9,957,697,971	6,553,635,258	9,957,544,914	6,553,425,857
In ATMs & CRMs	2,180,949,500	1,967,571,200	2,180,949,500	1,967,571,200
	12,138,647,471	8,521,206,458	12,138,494,414	8,520,997,057
Foreign currency				
In branches	304,465,132	79,244,190	304,374,772	79,158,994
	12,443,112,603	8,600,450,648	12,442,869,186	8,600,156,051
3.2 Balance with Bangladesh Bank and its agent Bank(s)				
Local currency	27,512,458,254	22,280,256,425	27,512,458,254	22,280,256,425
Foreign currencies	5,488,063,300	5,305,893,303	5,488,063,300	5,305,893,303
	33,000,521,554	27,586,149,728	33,000,521,554	27,586,149,728
Total Cash in hand including balance with Bangladesh Bank & its agent Bank(s)	45,443,634,157	36,186,600,376	45,443,390,740	36,186,305,779
3.2.1 Balance with Bangladesh Bank				
Local currency	27,512,404,703	22,280,213,821	27,512,404,703	22,280,213,821
Foreign currency	5,488,063,300	5,305,893,303	5,488,063,300	5,305,893,303
	33,000,468,002	27,586,107,124	33,000,468,002	27,586,107,124
* The above balance represents amount as per Bank Book. In case of any difference, the difference is duly reconciled and subsequently adjusted.				
3.2.2 Balance with Sonali Bank (as agent of Bangladesh Bank)				
Local currency	53,552	42,604	53,552	42,604
Foreign currency	-	-	-	-
	53,552	42,604	53,552	42,604

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

All scheduled banks in Bangladesh have to maintain Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) in compliance with the instructions given in clause (1) of Article 36 of Bangladesh Bank Order, 1972 (as amended upto 2003) and clause (1) of section 33 of "Bank Company Act, 1991 (Amendment up to 2023)" respectively and Instructions contained in DOS Circular No. 01 & 26 dated 19 January 2014 & 19 August 2019 respectively, MPD circular No. 03 dated 09 April 2020 respectively and BRPD Circular letter No. 31 dated 18 June 2020 Issued by Bangladesh Bank.

The Cash Reserve Requirement (CRR) of the Bank calculated by-weekly basis @ 4.00% on average demand and time liabilities (ATDTL) and maintained 3.50% on daily minimum basis with Bangladesh Bank in current account and 13.00% Statutory Liquidity Ratio (SLR) on the same liabilities has also been maintained in the form of Cash in Hand, balance with Sonali Bank (as agent Bank), Treasury Bills, Treasury Bonds, Bangladesh Govt. Sukuk Bond, Prize Bond, FCY clearing account credit balance maintained with Bangladesh Bank & excess of CRR held.

3.3.1 Cash Reserve Requirement (CRR)**A. Conventional and Off-shore Banking:**

Average Total Demand and Time Liabilities (ATDTL)

DBU (Domestic Banking Unit)

OBU (Off-shore Banking Unit)

Total ATDTL of Conventional and Off-shore Banking

564,966,035,400	500,527,548,750
6,167,147,635	-
571,133,183,035	500,527,548,750

i) Daily basis:

DBU (3.5% of ATDTL)

OBU (1.5% of ATDTL)

Required reserve

Actual reserve maintained

Surplus

19,773,811,239	17,518,464,206
-	-
19,773,811,239	17,518,464,206
25,886,250,028	21,740,088,658
6,112,438,789	4,221,624,452

ii) Bi-weekly average basis:

DBU (4% of ATDTL)

OBU (2% of ATDTL)

Required reserve

Actual reserve maintained

Surplus

22,598,641,416	20,021,101,950
-	-
22,598,641,416	20,021,101,950
27,508,550,181	20,780,708,399
4,909,908,765	759,606,449

B. Islamic Banking:

Average total demand and time liabilities

DBU

OBU

Total ATDTL of Islamic Banking

21,810,807,400	15,982,622,250
-	-
21,810,807,400	15,982,622,250

i) Daily basis:

DBU (3.5% of ATDTL)

OBU (1.5% of ATDTL)

Required reserve

Actual reserve maintained

Surplus

763,378,259	559,391,779
-	-
763,378,259	559,391,779
1,407,515,901	892,260,265
644,137,642	332,868,486

Consolidated		United Commercial Bank PLC	
31.12.2024	31.12.2023	31.12.2024	31.12.2023
Taka	Taka	Taka	Taka
ii) Bi-weekly average basis:			
	DBU (4% of ATDTL)	872,432,296	639,304,890
	OBU (2% of ATDTL)	-	-
Required reserve		872,432,296	639,304,890
Actual reserve maintained		1,397,651,646	890,922,030
Surplus		525,219,350	251,617,140
Excess Reserve of CRR (referred to note 3.3.3)		5,435,128,116	1,011,223,588

3.3.2 Statutory Liquidity Ratio (SLR)

A. Conventional and Offshore Banking:

	DBU (13% of ATDTL)
	OBU (13% of ATDTL)
Required reserve	
Actual reserve maintained	
Surplus	

73,445,584,602	65,068,581,338
801,729,193	-
74,247,313,795	65,068,581,338
78,003,618,824	78,971,699,988
3,756,305,029	13,903,118,650

B. Islamic Banking:

	DBU (5.5% of ATDTL)
	OBU (5.5% of ATDTL)
Required reserve	
Actual reserve maintained	
Surplus	

1,199,594,407	879,044,224
-	-
1,199,594,407	879,044,224
1,404,245,280	985,009,212
204,650,873	105,964,989

3.3.3 Held for Statutory Liquidity Ratio

Cash in hand (note: 3.1)	
Balance with Sonali Bank (agent Bank) (note: 3.2.2)	
Govt. Securities (Treasury Bills) (note: 6.a)	
Govt. Treasury Bond (HTM) (note: 6.1)	
Govt. Treasury Bond (HFT) (note: 6.1)	
Bangladesh Bank - Sukuk Bond	
Stock of Prize Bond (note: 6.1)	
Excess Reserve of CRR (note: 3.3.1)	

12,442,869,186	8,600,156,051
53,552	42,604
12,536,057,619	16,504,227,798
49,569,879,765	52,045,125,998
122,133,066	8,826,966
906,653,000	819,160,000
7,525,700	7,227,700
5,435,128,116	1,011,223,588
81,020,300,004	78,995,990,705

4 Balance with other banks & financial institutions

In Bangladesh (note: 4.1)	
Outside Bangladesh (Annexure-A)	

12,853,680,447	5,556,154,273	11,565,022,275	4,278,424,813
6,159,623,190	16,898,956,220	6,159,623,190	16,898,956,220
19,013,303,637	22,455,110,493	17,724,645,465	21,177,381,033

4.1 In Bangladesh

A. Current account and others

Janata Bank PLC.	
Agrani Bank PLC.	
Rupali Bank PLC.	
Sonali Bank PLC.	
Standard Chartered Bank	

94,099,779	76,824,717
16,288,990	8,847,561
146,058	14,146,224
1,274,635,299	1,128,467,874
3,527,478	277,520
1,388,697,605	1,228,563,894

B. Fixed Deposits

B(i) - NBFI :

International Leasing	
Peoples Leasing & Finance Services	
Aviva Finance Limited	
Phoenix Finance and Investments Limited	
Uttara Finance and Investments Limited	
Meridian Finance and Investment Limited	

400,000,000	400,000,000
4,800,000	4,800,000
650,000,000	650,000,000
500,000,000	500,000,000
160,000,000	220,000,000
220,000,000	225,000,000
1,934,800,000	1,999,800,000

B(ii) - Islamic Banking:

Premier Bank PLC.	
NRB Bank PLC.	
Shahjalal Islami Bank PLC.	
Exim Bank PLC.	
City Bank PLC.	

2,000,000,000	1,000,000,000
211,574,670	50,059,857
599,950,000	1,062
430,000,000	-
5,000,000,000	-
8,241,524,670	1,050,060,919
10,176,324,670	3,049,860,919
11,565,022,275	4,278,424,813

Total (A+B)

Consolidated		United Commercial Bank PLC	
31.12.2024	31.12.2023	31.12.2024	31.12.2023
Taka	Taka	Taka	Taka

4.2 Maturity grouping of balance with other banks & financial institutions

On demand		1,388,690,000	1,228,563,894
Upto three months		13,971,110,000	18,394,017,139
More than three months but less than six months		-	-
More than six months but less than one year		-	-
More than one year but less than five years		2,364,845,465	1,554,800,000
		17,724,645,465	21,177,381,033

5 Money at call on short notice

Dutch Bangla Bank PLC.	2,500,000,000	-	2,500,000,000	-
	2,500,000,000	-	2,500,000,000	-

6 Investments

Government Securities	75,913,616,797	70,067,335,372	75,068,296,150	69,384,568,462
Other Investments	14,843,147,626	15,543,834,471	12,783,091,077	13,479,158,908
	90,756,764,423	85,611,169,843	87,851,387,227	82,863,727,370

a) Government Securities

Treasury Bills

Treasury bills (28 days)	-	-
Treasury bills (91 days)	-	8,834,589,915
Treasury bills (182 days)	8,654,285,905	-
Treasury bills (364 days)	3,881,771,714	7,669,637,883
Total Treasury Bills	12,536,057,619	16,504,227,798

Government Bonds

Prize Bonds	7,525,700	7,227,700
Government Bonds	62,524,712,831	52,873,112,964
Total Government Bonds	62,532,238,531	52,880,340,664
Total Government Securities	75,068,296,150	69,384,568,462

b) Other investments

Shares in listed companies	5,171,344,097	6,011,537,354
Shares in non-listed companies	636,746,980	817,621,553
Sub-ordinated Bonds	3,200,000,000	3,900,000,000
Perpetual Mudaraba Bond (Islamic)	230,000,000	230,000,000
Perpetual Bond Investment	2,050,000,000	2,050,000,000
Private Sukuk Bond under SPV (Special Purpose Vehicle, Islamic Banking)	300,000,000	300,000,000
Beximco zero coupon Bond	1,000,000,000	-
Investment in Alternative Investment Fund	195,000,000	170,000,000
Total other investments	12,783,091,077	13,479,158,908
Total Investments (a+b)	87,851,387,227	82,863,727,370

6.1 Government Securities are Classified as per Bangladesh Bank Circular

Treasury Bond - HTM	49,569,879,765	52,045,125,998
Treasury Bond - HFT	122,133,066	8,826,966
Treasury Bills - HTM	1,923,440,619	9,638,954,798
Treasury Bills - HFT	10,612,617,000	6,865,273,000
Bangladesh Bank - Sukuk Bond	906,653,000	819,160,000
Bangladesh Government Special Purpose Bond	11,926,047,000	-
Prize Bonds	7,525,700	7,227,700
	75,068,296,150	69,384,568,462

6.2 Maturity grouping of investments

On demand	-	1,997,590,000
Up to three months	8,868,819,808	10,753,205,716
More than three months but less than one year	19,246,367,419	13,032,593,870
More than one year but less than five years	14,736,400,000	17,479,493,513
More than five years	44,999,800,000	39,600,844,270
	87,851,387,227	82,863,727,370

6.3 Other Investments

A) Shares in listed companies other than BB Scheme

Name of the Company	Market Price On 31.12.2024	Cost Price On 31.12.2024	Cost Price On 31.12.2023
Square Pharmaceuticals PLC.	411,977,439	402,247,618	235,660,090
Grameenphone Limited	392,601,072	378,289,784	336,823,490
Brac Bank PLC.	1,031,837,345	708,305,798	556,686,199
Marico	83,173,818	89,992,559	74,661,958
National Housing Finance PLC	149,907,598	44,648,231	44,648,231
Berger Paints Bangladesh Limited	47,453,733	46,598,717	59,816,485
Shasha Denims Limited	-	-	147,310,199
City Bank PLC.	309,463,661	320,897,238	350,553,455
United Power Generation & Distribution Company Limited	-	-	67,031,572

	Consolidated		United Commercial Bank PLC	
	31.12.2024 Taka	31.12.2023 Taka	31.12.2024 Taka	31.12.2023 Taka
Name of the Company	Market Price On 31.12.2024	Cost Price On 31.12.2024	Cost Price On 31.12.2024	Cost Price On 31.12.2023
IFAD Autos PLC	10,300	52,318	69,778,759	
BATBC	507,543,850	629,157,348	465,345,631	
Renata PLC.	179,106,456	307,238,330	307,238,330	
Genex Infosys PLC	-	-	1,051,524,317	
Runner Automobiles PLC	85,105,236	139,745,732	140,288,089	
Delta Life Insurance Company Limited	716,710,294	1,314,688,276	1,314,688,276	
Sub Total (A)	3,914,890,801	4,381,861,950	5,222,055,079	

B) Shares in listed companies as per BB Scheme (DOS circular No. 01 dated 10 February 2020)

Name of the Company	Market Price On 31.12.2024	Cost Price On 31.12.2024	Cost Price On 31.12.2023
Grameenphone Limited	338,904,760	322,396,500	322,396,500
Brac Bank PLC.	434,375,004	312,895,386	312,895,084
BATBC	15,142,914	24,975,148	24,975,148
Square Pharmaceuticals PLC	135,641,904	129,215,580	129,215,580
Sub Total (B)	924,064,582	789,482,614	789,482,312

C) Shares in non-listed companies

Name of the Company	Cost Price On 31.12.2024	Cost Price On 31.12.2023
Karmasangsthan Bank	10,000,000	10,000,000
Central Depository (BD) Ltd	6,277,770	6,277,770
Prime Finance 1st Unit Fund	15,000,000	15,000,000
Energies Power Corporation	-	19,600,000
Fiber Shine	10,000,000	10,000,000
ICB AMCL Second NRB Unit Fund	-	40,985,125
SWIFT	8,258,622	8,258,622
UCB TAQWA Growth Fund	52,500,000	52,500,000
UCB AML First Mutual Fund	30,000,000	30,000,000
UCB Income Plus Fund	149,999,995	75,000,000
Strategic Equity Management Limited PBSL Fixed Income Fund	-	150,000,000
Bongo Building Materials Limited Sukuk Al Ijarah	300,000,000	300,000,000
Fair Electronics Ltd	354,710,588	400,000,000
Sub total (C)	936,746,975	1,117,621,517
Total (A+B+C)	6,108,091,539	7,129,158,908

6.3 (a) Cost and market value of investment as on 31 December 2024

Government securities

Particulars	Cost Price	Market Value/ Amortized Cost	Market Value/ Amortized Cost
Treasury Bills (Government Securities)	16,136,174,192	12,536,057,619	16,504,227,798
Treasury Bonds (Government Securities)	53,553,173,235	49,692,012,831	52,053,952,964
Others	-	11,926,047,000	-
Sukuk bond issued by Bangladesh Bank	906,653,000	906,653,000	819,160,000
Prize Bond	7,525,700	7,525,700	7,227,700
Total	70,603,526,127	75,068,296,150	69,384,568,462

Investment in Shares, Bond & Debenture:

Particulars	Market Value/ Amortized Cost	Cost Price	Cost Price
Quoted Shares	4,838,955,383	5,171,344,564	6,011,537,391
Un-Quoted Shares	-	936,746,975	1,117,621,517
Total investment in shares	4,838,955,383	6,108,091,539	7,129,158,908

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

	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year
Securities sold under repo			
1) With Bangladesh Bank	978,499,000	33,627,137,000	15,577,736,234
2) With Bank & Financial Institutions	480,266,000	7,291,532,000	2,323,713,120
Securities Purchased under reverse repo			
1) From Bangladesh Bank	-	-	-
2) From Other Bank & Financial Institutions.	499,969,900	2,733,965,625	1,698,473,710

7 Loans and Advances

578,130,846,373 510,710,023,606 572,828,869,287 505,969,487,027

7.1 Maturity grouping of Loans & Advances (including bills purchased and discounted)

On demand	8,436,200,000	3,149,449,235	8,436,200,000	3,149,449,234
Not more than three months	167,775,888,289	140,382,437,491	167,775,888,289	140,382,437,491
More than three months but less than one year	143,890,529,424	121,911,062,877	138,589,052,239	117,178,492,813
More than one year but less than five years	181,479,105,791	172,768,779,783	181,479,105,791	172,768,779,783
More than five years	76,549,122,869	72,498,294,221	76,548,622,968	72,490,327,707
	578,130,846,373	510,710,023,606	572,828,869,287	505,969,487,028

7.2 Loans & Advances

i) Loans/Investments, Cash credit & overdraft etc.

a) Within Bangladesh

Loans & Advances/ Investments
Cash credits
Overdrafts

	31.12.2024 Taka	31.12.2023 Taka	31.12.2024 Taka	31.12.2023 Taka
	474,611,638,459	408,352,348,918	469,309,661,373	403,611,812,340
	24,997,295,418	27,986,948,164	24,997,295,418	27,986,948,164
	68,538,228,059	64,642,772,015	68,538,228,059	64,642,772,015
	568,147,161,936	500,982,069,097	562,845,184,850	496,241,532,519

b) Outside Bangladesh

	568,147,161,936	500,982,069,097	562,845,184,850	496,241,532,519
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ii) Bills Purchased & Discounted (note : 7.13)

a) Payable Inside Bangladesh

Bills Purchased & discounted (Inland)

	2,882,633,880	2,632,413,769	2,882,633,880	2,632,413,769
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b) Payable outside Bangladesh

Bills purchased & discounted (Foreign)

	7,101,050,557	7,095,540,740	7,101,050,557	7,095,540,740
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	9,983,684,437	9,727,954,509	9,983,684,437	9,727,954,509
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	578,130,846,373	510,710,023,606	572,828,869,287	505,969,487,027
--	------------------------	------------------------	------------------------	------------------------

7.3 Net Loans & Advances

Gross Loans & Advances (note- 7.2)

572,828,869,287 505,969,487,027

Less : Non Performing Loans & Advances (note- 7.10 b)

85,343,964,142 27,819,391,979

Interest suspense (note- 13.8)

28,633,083,407 19,090,019,324

Provision for Loans & Advances (note- 7.11)

60,551,260,557 20,151,133,575

174,528,308,106 67,060,544,878

398,300,561,181 438,908,942,149

7.4 Loans & Advances according to significant concentration

a) Advances to the companies or firms in which the Directors of the Bank are interested

- -

b) Advances to Chief Executive and other senior executives

- -

c) Advances to customers group

Agricultural Loan

8,159,000,308 6,568,180,940

Commercial Lending

58,795,046,450 56,071,048,857

Export Finance

3,127,502,168 3,582,154,965

House Building Loan

28,095,274,695 27,680,729,717

Import Finance

34,676,973,022 36,741,431,446

Industrial Loan

340,972,707,898 286,535,410,076

Personal Loan

26,614,251,710 20,560,392,863

Staff Loan

7,233,961,387 6,406,298,633

Transport Loan

4,021,030,882 3,522,602,819

Others

61,133,120,768 58,301,236,714

Total Loans & Advances

572,828,869,287 505,969,487,028

7.5 Industry wise Loans and Advances

Agriculture

8,159,000,308 6,568,180,940

Brick Field, Auto Bricks, Tiles

2,766,958,136 2,730,773,581

Cement Industries

18,132,827,346 13,588,045,741

Chemical & Chemical Products

25,502,430,975 14,870,720,044

Commercial Trade Financing

96,599,521,640 96,394,635,268

Construction (Other than Housing)

49,004,329,105 42,985,316,478

Diagnostic/Medical/Clinic

4,078,560,476 3,739,662,149

Educational Institute, Hotel, Restaurant

8,402,113,836 7,261,101,989

Electronics Media

318,895,514 328,246,157

Engineering, Basic Metal & Products

25,043,961,247 19,283,136,633

Food Products & Processing

31,240,165,868 21,786,185,497

Housing Industry

28,095,274,695 27,680,729,717

Jute Industries

231,084,968 221,677,511

Leather & Leather Products

1,627,023,409 1,500,969,515

Paper & Paper Products Industries

9,753,351,007 6,204,249,171

Power & Energy

21,199,259,727 15,155,411,460

RMG & Accessories

71,902,206,479 69,949,004,085

Ship Manufacturing

1,113,652,758 633,955,157

Ship Re-cycling

12,832,990,466 13,079,720,630

Telecommunication

3,005,745,077 2,748,317,595

Textile Industries

31,508,136,209 28,704,388,106

Transport & Communication

4,021,030,882 3,522,602,819

Wood & Wooden Products

2,367,336,814 2,371,121,519

Others

115,923,012,346 104,661,335,267

572,828,869,287 505,969,487,028

7.6 Geographical Location wise Loans & Advances

Urban branches:

Barisal Division

979,502,863 1,058,013,442

Chattogram Division

105,607,607,639 97,217,385,440

Dhaka Division

435,803,915,391 376,533,633,423

Khulna Division

8,330,555,976 8,535,332,220

Mymensingh Division

965,255,629 839,897,193

Rajshahi Division

4,639,812,636 5,423,489,119

Rangpur Division

1,341,985,455 1,169,115,489

Sylhet Division

1,887,348,053 2,424,315,061

559,555,983,643 493,201,181,387

Consolidated		United Commercial Bank PLC	
31.12.2024	31.12.2023	31.12.2024	31.12.2023
Taka	Taka	Taka	Taka

Rural branches:

Barisal Division
Chattogram Division
Dhaka Division
Khulna Division
Mymensingh Division
Rajshahi Division
Rangpur Division
Sylhet Division

103,733,830	79,482,793
2,328,093,507	2,417,185,109
9,005,312,183	8,497,336,591
521,647,980	455,863,724
394,912,025	456,463,066
350,209,514	363,630,641
288,317,151	229,520,787
280,659,456	268,822,931
13,272,885,645	12,768,305,642
572,828,869,287	505,969,487,028

7.7 Sector - wise Loans and Advances

Private sector
Government & autonomous
Co-operative sector

572,510,679,409	505,655,238,199
88,012,124	98,481,506
230,177,755	215,767,324
572,828,869,287	505,969,487,028

7.8 Details of large Loans and Advances

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

Total Capital of the Bank	53,859,011,572	55,214,433,306
Outstanding Advances (note : 7.8.1)	287,624,011,675	290,870,219,358
Number of customers	32	35

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

Name of the Borrower	Outstanding as on 31 December 2024			31 December 2023
	Funded	Non-Funded	Total	Total Taka
Abul Khair group	1,171,611,540	781,913,990	1,953,525,530	8,527,183,144
APS Group	-	-	-	3,840,253,087
AWR Group	7,496,858,249	69,874,201	7,566,732,449	6,915,628,838
B Trac Group	-	-	-	5,925,244,957
Balshakhi Group	4,455,469,043	5,163,565,722	9,619,034,765	7,722,496,814
Baraka Shikalbaha Group	-	-	-	3,625,026,307
Bashundara Group	9,612,358,242	-	9,612,358,242	8,376,102,346
Bashundara Oil	8,282,160,426	1,006,746,098	9,288,906,524	8,736,271,986
Bashundhara Chemical Group	7,922,519,918	1,006,737,276	8,929,257,194	6,987,458,495
Bashundhara LP Group	7,186,387,727	4,637,596,911	11,823,984,639	10,880,179,084
Bashundhara Multi Trading Group	13,566,388,045	4,224,995,351	17,791,383,396	-
Best Holdings Group	8,049,353,771	-	8,049,353,771	6,725,677,318
BSM Group	11,820,841,429	460,281,640	12,281,123,069	10,639,390,099
B-Trac Group	2,001,352,875	2,537,900,522	4,539,253,398	-
BSRM Group	-	-	-	5,538,366,049
City Group	4,295,010,589	8,056,467,845	12,351,478,433	13,169,917,049
DIRD Group	7,775,818,286	815,514,058	8,591,332,344	7,685,273,459
Four H group	6,345,876,461	8,588,770,892	14,934,647,353	13,739,522,114
GPH Group	8,015,430,476	8,296,348,485	16,311,778,961	15,770,403,135
LIZ GROUP	5,853,252,443	3,547,491,765	9,400,744,208	5,971,671,311
Metro (Panam) Group	2,656,975,747	6,161,984,514	8,818,960,262	6,464,433,493
Micro Fibre Group	1,766,993,149	3,595,917,295	5,362,910,444	11,187,435,399
Mondol Group	4,920,290,133	9,034,397,487	13,954,687,619	12,125,129,271
Mostafa-Hakim Group	7,438,112,417	4,137,803,574	11,575,915,991	12,218,646,838
Multi Trading Group	-	-	-	12,548,363,267
N.R. Group	2,942,426,491	6,274,118,788	9,216,545,279	7,588,107,449
Orion Group	6,285,807,448	-	6,285,807,448	8,510,882,281
Paramount	5,399,901,240	6,082,686,989	11,482,588,229	7,525,633,539
Pran Group	1,989,096,975	2,462,166,870	4,451,263,845	5,902,065,648
Rupayan Group	8,914,042,516	-	8,914,042,516	8,008,839,180
Smart Group	-	-	-	3,744,196,633
Spectra Group	-	-	-	3,059,648,969
SS Trading Group	6,139,159,240	944,654,222	7,083,813,462	12,662,203,807
Summit Group	-	-	-	-
Thermax Group	2,395,468,024	2,782,057,724	5,177,525,748	4,506,024,428
Toma Group	4,859,000,000	6,789,540,695	11,648,540,695	10,240,193,016
Universal Denims Group	5,579,076,015	254,447,885	5,833,523,900	4,861,314,030
Walton Group	501,375,331	343,848,154	845,223,484	-
Western Engineering (put) Ltd.	8,055,302,904	589,982,896	8,645,285,800	8,941,036,516
Yusra Group	4,976,619,046	305,863,629	5,282,482,676	-
Total	188,670,336,198	98,953,675,478	287,624,011,675	290,870,219,358

7.9 Disclosure of Particulars of Loans & Advances

i) Loans considered good in respect of which the banking company is fully & partly secured	428,254,380,443	368,689,953,588
ii) Loans considered good against which the banking company holds no security than the debtors	76,300,773,116	84,594,301,587
iii) Loans considered good secured by the personal undertakings of one or more parties in addition to the personal guarantee of the debtor.	68,273,715,729	52,685,231,852
iv) Loans adversely classified, provision not maintained there against.	-	-
	572,828,869,287	505,969,487,028

	Consolidated		United Commercial Bank PLC	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	Taka	Taka	Taka	Taka
v) Loans due by directors or officers of the banking company or any of them either separately or jointly with any other person			61,133,120,768	58,301,236,714
vi) Loans due from companies or firms in which the directors of the banking company have interests as directors, partners, or managing agents or in case of private companies, as members			-	-
vii) Maximum total amount of advances including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other person			61,133,120,768	58,301,236,714
viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the Directors of the Bank are interested as directors, partners or managing agents or in the case of private companies as members			-	-
ix) Due from banking companies			-	-
x) Amount of classified loans on which interest has not been charged:			60,927,652,221	21,707,835,100
a) (Decrease)/ Increase in provision			40,400,126,982	942,891,366
b) Amount realized against loan previously written off			369,041,609	409,590,871
c) Amount of provision kept against loan classified as Bad /Loss on the balance sheet date			46,477,890,873	8,176,458,758
d) Interest credited to the interest suspense account.			12,305,036,537	8,644,732,800
xi) Cumulative amount of the written off loan			28,856,490,694	22,097,061,871
xii) Amount written off during the year			7,128,470,432	4,651,224,986
Principal Written off	31 December 2024	31 December 2023		
Interest suspense written off	5,319,821,204	3,252,371,300		
	1,808,649,228	1,398,853,687		
	7,128,470,432	4,651,224,986		
xiii) Amount of written-off of loans for which law suit filed			31,845,833,468	24,717,363,036

7.10 Classification of Loans & Advances

a) Unclassified

Standard
Standard (SMA)
SMA-Special RSDL (BRPD-5)

455,720,861,170	468,817,311,591
30,721,993,982	7,862,506,898
1,042,049,993	1,470,276,561
487,484,905,145	478,150,095,050

b) Classified

Sub - Standard
Doubtful
Bad & Loss

22,167,316,116	5,483,840,521
2,248,995,806	627,716,359
60,927,652,221	21,707,835,100
85,343,964,142	27,819,391,979
572,828,869,287	505,969,487,028

Total

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

	Sub Standard	Doubtful	Bad & Loss	31 December 2024	31 December 2023
Corporate	11,050,118,609	1,718,289,460	45,583,912,268	58,352,320,336	14,876,569,405
Retail	1,029,317,047	56,523,517	1,108,873,513	2,194,714,078	685,428,096
SME	10,087,880,460	474,182,829	14,234,866,439	24,796,929,728	12,257,394,478
Total	22,167,316,116	2,248,995,806	60,927,652,221	85,343,964,142	27,819,391,979

As per to BRPD Circular no. 06 dated 2024, the bank has marked 33 (13 in the 3rd quarter of 2024 and another 20 in the 4th quarter of 2024) parties as wilful defaulter as on 31 December 2024 and initiate all the necessary measures to maintain the provision of the said circular. However, the bank has performed an extensive analysis on those wilfully defaulted parties in its internal audit report.

7.11 Particulars of required provision for Loans & Advances

Particulars	Base for Provision	Rate of Provision	Provision required	
General Provision (A)				
Special Mention Account	30,721,993,982	0.25% - 5%	244,513,712	84,399,489
Small & Medium Enterprise	103,939,606,748	0.25%	259,849,186	303,662,837
Consumer Fin.- Credit Card	5,120,815,310	2%	91,706,842	70,273,870
Consumer Fin-House Finance	9,671,347,535	1%	96,713,489	72,756,061
Consumer Fin - Professional	483,558,866	2%	9,671,178	9,427,825
Consumer Fin-Others	4,681,808,377	5%	94,021,696	103,961,277
Short Term Agri & Micro Credit	6,888,147,334	1%	68,881,534	68,083,576
Loan to BHs/MBs/SDs against share	2,104,067,719	2%	21,040,677	48,964,783
Other loans & advances	315,598,741,177	1%	3,829,059,188	3,852,199,400
Special General Provision- COVID-19	-	1%	-	1,630,000,000
Total	479,210,087,048		4,715,457,502	6,243,729,118
Specific Provision (B)				
Sub - Standard	16,331,942,912	5% - 20%	3,180,753,604	611,172,094
Doubtful	1,742,294,785	5% - 50%	871,147,492	68,669,640
Bad & Loss	34,635,263,430	100%	46,477,890,873	8,176,458,758
SMA-Special RSDL (BRPD-5)	623,041,836		401,533,301	504,066,419
Bangladesh Bank Directives	-		4,904,477,785	4,547,037,546
Total	53,332,542,964		55,835,803,055	13,907,404,457
Total provision required for Loans & Advances (A+B)	532,542,630,012		60,551,260,557	20,151,133,575
Total provision held for Loans & Advances			27,056,204,224	20,151,133,575
Excess/(Shortfall) of Provision			(33,495,056,333)	-

As per Bangladesh Bank letter no. DBI-4/7007/2025-635 dated 27 April 2025, shortfall in provision for loans and advances is BDT 3,349.51 crore. As per DOS letter no. DOS(CAMS)1157/41(Dividend)/2025-3111 dated 21 May 2025, Bangladesh Bank allowed the bank to finalise its financial statements for the year ended 31 December 2024 without adjusting the shortfall amount of BDT 3,896.26 crore which also includes shortfall in provisions for loans and advances of BDT 3,349.51 crore.

BDT 40.15 Crore under SMA-Special RSDL (BRPD-5) has been considered specific provision by following BRPD circular letter no. 06 dated 19 May 2019 issued for loans reschedule under onetime exit for booking mandatory provision against SMA under general provision and remaining portion against SMA-Special RSDL (BRPD-5) under classified loans.

Consolidated		United Commercial Bank PLC	
31.12.2024	31.12.2023	31.12.2024	31.12.2023
Taka	Taka	Taka	Taka

7.12 Suit filed by different branches against defaulted borrowers during the year
(Branch wise details)

Agrabad Branch	313,099,602	1,983,690,722
Anderkilla Branch	91,054,457	-
Ati Bazar Branch	8,324,989	-
Banani Branch	388,931,446	-
Baneshwar Branch	1,547,631	-
Bangshal Branch	123,017,183	11,573,206
Bijaynagar Branch	1,141,551,236	-
Bogura Branch	604,214,184	-
Brahmanbaria Branch	32,853,090	-
Card Division	40,903,976	202,524,592
Chandpur Branch	65,218,436	-
Chapainababgonj Branch	16,423,523	10,045,001
Chashara Branch	234,043,470	43,675,732
Chuadanga Branch	66,285,637	-
Comilla Branch	1,059,066,545	2,251,774,267
Corporate Branch	1,133,352,132	-
Cox's Bazar Branch	1,457,239	-
Dakshinkhan Branch	32,961,298	-
Dhanmondi Branch	2,998,839	-
Dhonia Branch	3,346,715	-
Dilkusha Branch	12,699,684	-
Eldgaon Branch	973,148	-
Elephant Road Branch	1,915,206,796	-
Faridpur Branch	204,286,954	232,085,247
Foreign Exchange Branch	1,889,716,393	-
Gazipur Chowrasta Branch	73,508,345	-
Gulshan Branch	4,825,779,847	721,136,739
Halishahar Branch	41,963,656	-
Jessore Branch	9,626,258	289,237,609
Jhawtala Branch	9,289,617	-
Jhenaidah Branch	7,238,431	-
Jubilee Road Branch	464,770,979	13,295,520
Kadamtali Branch	239,067,386	209,628,228
Kamarpada Branch	-	3,574,977
Kanchpur Branch	8,347,028	-
Kapasia Branch	1,142,077	-
Kamrangichar Branch	40,483,348	-
Kanaipur Branch	5,825,833	-
Kawran Bazar Branch	170,921,383	1,143,922,760
Khatungonj Branch	42,905,518	171,538,660
Khulna Branch	32,812,059	-
Khulshi Branch	2,159,032	-
Kushitia Branch	16,764,268	-
Lakshmipur Branch	44,080,013	317,672,897
Lohagara Branch	11,158,338	-
Madhabdi Branch	60,031,295	-
Mawna Branch	38,509,834	-
Mirpur Branch	10,738,794	-
Mirpur Road Branch	12,800,205	-
Mohakhali Branch	156,468,831	-
Moulvibazar (Sylhet)	-	1,159,827
Moulvibazar Dhaka	-	601,320
Mymensingh Branch	2,898,785	-
Narsingdi Branch	257,189,227	54,029,534
Nayabazar Branch	187,219,291	40,883,545
Narayanganj Branch	450,174,408	-
Nawabpur Branch	64,435,992	-
New Eskaton Branch	30,152,052	42,792,274
Nabigonj Branch	434,000	-
Naogaon Branch	236,849,014	-
O.R Nizam Road branch	-	31,707,773
Oxygen Branch	968,460	-
Pabna Branch	168,696,018	59,206,454
Paglabazar Branch	-	42,435,368
Pahartali Branch	24,940,353	64,651,902
Patuapara(Natore) Branch	79,752,690	-
Port Branch	406,289,297	89,383,955
Pragati Sarani Branch	-	-
Principal Branch	10,830,514	673,019,290
Raozan SME-Krishi Branch	-	21,187,844
Rajshahi Branch	483,983,596	-
Satarkul Branch	2,555,317	-
Satmasjid Road Branch	1,255,360	-
Sarulia Bazar Branch	56,686,915	9,556,527
Sitakunda Branch	43,577,103	178,682,091

	Consolidated		United Commercial Bank PLC	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	Taka	Taka	Taka	Taka
Shanti Nagar Branch			58,369,349	-
Sherpur Branch Sylhet			5,771,901	-
Station Road Branch			109,081,094	-
Sylhet Branch			-	-
Tangail Branch			1,739,030	-
Tejgaon Branch			3,619,191	-
Tongi Branch			211,046,515	27,440,546
Tongi Station Road Branch			84,742,866	-
Uttara Branch			74,731,255	-
Uttarkhan Branch			19,046,239	-
Zinzira Branch			20,730,805	3,536,258
			18,807,693,617	8,945,650,661

7.13 Bills purchased and discounted

a) Payable in Bangladesh	2,882,633,880	2,632,413,769	2,882,633,880	2,632,413,769
b) Payable in outside Bangladesh	7,101,050,557	7,095,540,740	7,101,050,557	7,095,540,740
	9,983,684,437	9,727,954,509	9,983,684,437	9,727,954,509

7.13.1 Maturity grouping of bills purchased and discounted

Payable within one month	2,466,330,078	3,795,954,510	2,466,330,078	3,795,954,510
More than one month but less than three months	4,155,220,306	2,978,500,000	4,155,220,306	2,978,500,000
More than three months but less than six months	3,362,134,053	483,441,130	3,362,134,053	483,441,130
More than six months	-	2,470,058,870	-	2,470,058,870
	9,983,684,437	9,727,954,510	9,983,684,437	9,727,954,510

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

As per letter # 178/FRC/APR/2021/27(45) dated 09 December 2021 issued by the Financial Reporting Council (FRC) regarding the compliance of BRPD Circular Letter # 04 dated 04 January 2021 and BRPD Circular Letter # 35 dated 06 July 2021, the status for the year 2024 is as follows:

Particulars	Compliance of BRPD Circular Letter # 04*		Compliance of BRPD Circular Letter # 35**	
	No of Files	% of compliance	No of Files	% of compliance
Complied Files	951	92%	811	85%
Total Files	1037		951	

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

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

8 Fixed assets including premises, furniture & fixture.

Land	5,824,042,003	6,282,956,179	4,395,054,283	4,395,054,283
Building	2,663,726,008	2,663,726,008	2,623,253,671	2,623,253,671
Furniture and fixtures	2,970,464,107	2,856,307,366	2,861,446,766	2,757,849,217
Office equipments	3,245,297,630	3,098,745,902	3,182,502,543	3,047,543,911
Computer & equipments	4,353,017,370	3,079,264,233	3,466,182,402	2,714,907,951
Vehicles	644,022,032	652,831,737	612,469,172	621,278,877
Capital Expenditure Work in Progress	4,265,842,706	3,676,537,344	4,265,604,893	3,642,387,048
	23,966,411,856	22,310,368,768	21,406,513,730	19,802,274,959
Intangible assets				
Computer software	2,204,305,615	2,140,291,715	1,919,296,024	1,899,974,139
Lease Asset				
Right of Use (ROU) assets	5,630,288,950	5,646,657,491	5,590,566,138	5,590,566,138
	31,801,006,421	30,097,317,974	28,916,375,892	27,292,815,236
Less: Accumulated depreciation & amortization	12,233,935,785	10,514,159,915	11,859,795,359	10,276,395,415
Written down value at the end of the year	19,567,070,636	19,583,158,058	17,056,580,533	17,016,419,821

A schedule of Fixed assets is given in Annexure - B

9 Other assets

Account with Stock Broker	269,431,574	144,889,416	269,431,574	144,889,416
Advance Deposit	5,691,476	4,535,836	4,587,876	4,535,836
Advance Income Tax (note - 9.1)	617,112,050	-	-	-
Advance Payment	1,909,433,874	2,687,827,043	1,794,662,820	1,974,507,977
Deferred Tax Asset (note - 9.2)	8,741,975,719	5,965,271,335	8,739,801,100	5,964,414,688
Head Office General Account (note - 9.3)	24,304,104	1,461,867	24,304,104	1,461,867
Income/Profit Receivable	127,300,909	39,695,639	97,402,475	39,695,639
Interest Receivable	2,242,089,750	1,893,534,274	2,204,645,186	1,893,534,274
Investment in share of subsidiary companies.	-	-	9,500,090,230	9,500,085,066
Receivable from Subsidiary Company	-	-	571,802	570,067
Stock of Stationery & Stamps	92,398,039	106,250,750	86,580,322	106,250,750
Suspense Account (note - 9.4)	740,665,657	1,484,516,966	740,665,657	1,484,516,979
UBS Required Settlement Account	1,901,402,221	677,277,285	1,901,402,221	677,277,285
Others (note - 9.5)	96,665,806	7,350,097	7,121,852	7,350,097
	16,768,471,179	13,012,610,508	25,371,267,219	21,799,089,941

Consolidated		United Commercial Bank PLC	
31.12.2024	31.12.2023	31.12.2024	31.12.2023
Taka	Taka	Taka	Taka

9.1 Advance income tax

Opening balance	-	1,529,764,179
Add: Advance Tax paid during the year	2,687,359,301	3,458,466,081
Less: Advance Tax adjustment with tax Provision	(2,687,359,301)	(4,988,230,260)
Balance at the end of the year	-	-

9.2 Deferred Tax Asset

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

Balance as at 31 December 2023

Deferred Tax Asset (a)	5,964,414,688
Deferred Tax Liability (b)	-
Net Deferred Tax Asset as at 31 December 2023 (a+b)	5,964,414,688

Balance as at 31 December 2024

Deferred Tax Asset (a)	8,739,801,100
Deferred Tax Liability (b)	-
Net Deferred Tax Asset as at 31 December 2024 (a+b)	8,739,801,100

Particulars	Accounting Base	Tax Base	Deductible/ (Taxable) Temporary Difference	Applicable Rate	Deferred Tax Asset/(Liability)
Provision Opening(Specific)	(13,907,404,457)	(2,406,430,030)	11,500,974,427	37.50%	4,312,865,410
Provision During the Year(Specific)	(13,753,163,470)	(2,913,391,175)	10,839,772,296	37.50%	4,064,914,611
Provision Opening(Dilution of Investment)	(673,287,921)	-	673,287,921	10.00%	67,328,792
Provision During the Year(Dilution of Investment)	(862,483,227)	-	862,483,227	10.00%	86,248,323
Property, Plant and Equipment	5,575,948,628	6,131,799,201	555,850,573	37.50%	208,443,965
Deferred tax asset (a)					8,739,801,100
Deferred tax liabilities (b)					-

9.3 Head Office General Account

This is made up as follows :

Inter Branch Debit Balance	252,788,527,613	207,317,874,095
Inter Branch Credit Balance	(252,764,223,509)	(207,316,412,228)
	24,304,104	1,461,867

9.4 Suspense accounts

Advance deposit and prepayments	247,795,157	593,526,445
Advance against Foreign Remittance Settlement	7,243,845	2,736,698
Claims on Sanchaypatra	-	17,783,953
Excise duty	-	-
Protested bill	95,311,809	97,462,235
Sundry receivable ATM	297,895,384	614,930,296
Card settlement account	92,317,962	130,647,064
Others	101,500	20,260,500
	740,665,657	1,484,516,979

9.5 Others

UCB International School Project	949,554	949,554
Settlement Account - others	6,172,298	6,400,543
	7,121,852	7,350,097

9.6 Income generating other assets

Investment in share of subsidiary companies:

UCB Stock Brokerage Limited	2,499,999,900	2,499,999,900
UCB Investment Limited	999,999,990	999,999,990
UCB Asset Management Limited	999,999,990	999,999,990
UCB Fintech Company Limited	4,999,999,990	4,999,999,990
UCB Exchange (SG) PTE. Ltd.	90,360	85,196
	9,500,090,230	9,500,085,066

Consolidated		United Commercial Bank PLC	
31.12.2024	31.12.2023	31.12.2024	31.12.2023
Taka	Taka	Taka	Taka

9.7 Non-income generating other assets

Stock of Stationery & Stamps	86,580,322	106,250,750
Receivable from subsidiary companies	571,802	570,067
Account with Stock Broker	269,431,574	144,889,416
Advance Payment	1,794,662,820	1,974,507,977
Advance Deposit	4,587,876	4,535,836
Advance Income Tax	-	-
Suspense Account	740,665,657	1,484,516,979
UBS Required Settlement Account	1,901,402,221	677,277,285
Head Office General Account	24,304,104	1,461,867
Deferred Tax Asset	8,739,801,100	5,964,414,688
Interest receivable	2,204,645,186	1,893,534,274
Income/profit receivable	97,402,475	39,695,639
Others	7,121,852	7,350,097
	15,871,176,989	12,299,004,874

10 Non-Banking Assets

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

The bank has been awarded ownership u/s 33(7) of Artha Rin Adalat Ain 2003, mortgaged properties against 31 accounts as of 31 December 2023 as per the verdicts of learned court. Mutation and physical possession of properties against 2 (two) accounts were obtained during the year, and properties against one account out of these two was sold during the year. Properties against another account were recognized as "Non-Banking Assets" following the BRPD circular no. 22 dated 20 September 2021 and presented below.

However, the Bank was also awarded ownership of properties against two accounts u/s 33(7) of Artha Rin Adalat Ain 2003 during 2024. Therefore, the total number of accounts against which ownership were awarded is 31 as of 31 December 2024. Mutation and physical possession of properties against these 31 accounts have not been completed yet. Therefore, the Bank have not recognized and reported those as non-banking asset in its financial statements as of 31 December 2024. Though the Bank is in process of receiving mutation and physical possession of some of these properties. The Bank will perform the valuation of those properties as per BRPD circular no. 22 dated 20 September 2021; and report in its financial statements upon fulfilment of these criteria of the said circular. A detailed list of those properties has been disclosed under Annexure-C.

Name of the parties	Type of Assets	Location	Booking Date	31 December 2024	31 December 2023
M/s. Tonmoy Traders	8 decimal land	Mouza: Daygram, Thana: Nabilgonj, District: Habigonj	29 December 2024	1,056,000	-
M/s. Tonmoy Traders	10 decimal land	Mouza:, Mostafapur, Thana: Nabilgonj, District: Habigonj	29 December 2024	480,000	-
M/s. Tonmoy Traders	10 decimal land	Mouza: Modhasomet, Thana: Nabilgonj, District: Habigonj	29 December 2024	1,800,000	-
Total				3,336,000	-

	Consolidated		United Commercial Bank PLC	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	Taka	Taka	Taka	Taka
11 Borrowings from other banks, financial institutions and agents				
In Bangladesh (note - 11.1)	81,142,166,248	61,377,181,142	79,786,237,601	60,058,638,944
Outside Bangladesh (note - 11.2)	-	5,213,125,000	-	5,213,125,000
	81,142,166,248	66,590,306,142	79,786,237,601	65,271,763,944
11.1 In Bangladesh				
UCBL Subordinated Bond (note - 11.1.1)			11,702,800,000	10,480,000,000
UCBL Perpetual Bond (note - 11.1.2)			5,700,000,000	5,400,000,000
Borrowings from Bangladesh Bank - IPFF Fund			8,234,542,263	5,972,589,070
Borrowings from Bangladesh Bank - EDF			13,278,717,743	18,326,727,563
Borrowing from Bangladesh Bank Pre-finance/Refinancing scheme			6,604,700,595	8,616,847,311
Borrowing from Bangladesh Bank-Repo			11,926,047,000	-
Borrowings from Off-shore Banking Unit (note - 11.1.3)			-	1,327,975,000
Borrowing from Banks (note - 11.1.4)			13,359,720,000	5,225,500,000
Money at Call on Short Notice (note - 11.1.5)			8,979,710,000	4,709,000,000
			79,786,237,601	60,058,638,944
11.1.1 UCBL Subordinated Bond				
UCBL 3rd Subordinated Bond			700,000,000	2,100,000,000
UCBL 4th Subordinated Bond			3,280,000,000	4,880,000,000
UCBL 5th Subordinated Bond			7,722,800,000	3,500,000,000
			11,702,800,000	10,480,000,000
Note: UCBL 1st and 2nd subordinated bonds were fully repaid.				
11.1.2 UCBL Perpetual Bond				
UCBL 1st Perpetual Bond			4,000,000,000	4,000,000,000
UCBL 2nd Perpetual Bond			1,700,000,000	1,400,000,000
			5,700,000,000	5,400,000,000
11.1.3 Borrowings from Off-shore Banking Unit				
Al Arafah Islami Bank PLC.			-	1,327,975,000
			-	1,327,975,000
11.1.4 Borrowing from Banks				
Agrani Bank PLC.			599,950,000	-
Bank Asia PLC.			-	2,500,000,000
Commercial Bank of Ceylon PLC.			-	1,097,500,000
City Bank PLC.			5,000,000,000	-
Eastern Bank PLC.			2,000,000,000	-
Jamuna Bank PLC.			-	878,000,000
NRB Commercial Bank PLC.			-	250,000,000
One Bank PLC.			359,970,000	-
Premier Bank PLC.			2,000,000,000	-
Shahjalal Bank PLC.			3,399,800,000	-
State Bank of India, Dhaka Branch			-	500,000,000
			13,359,720,000	5,225,500,000
11.1.5 Money at call on short notice				
Banks				
Agrani Bank PLC.			479,960,000	-
Bangladesh Development Bank Limited			-	200,000,000
Bengal Commercial Bank PLC.			300,000,000	-
Citizens Bank PLC.			500,000,000	-
Commercial Bank of Ceylon PLC.			-	500,000,000
Jamuna Bank PLC.			-	439,000,000
Mercantile Bank PLC.			1,639,930,000	-
Modhumoti Bank PLC.			400,000,000	-
Mutual Trust Bank PLC.			300,000,000	-
NRB Bank PLC.			600,000,000	-
One Bank PLC.			1,839,930,000	1,300,000,000
Shahjalal Islami Bank PLC.			1,319,890,000	-
State Bank of India, Dhaka Branch			-	970,000,000
The Premier Bank PLC.			-	1,000,000,000
Uttara Bank PLC.			-	300,000,000
			7,379,710,000	4,709,000,000
NBFIs				
DBH Finance PLC.			1,500,000,000	-
Alliance Finance PLC. (Formerly named as Lankan Alliance Finance Limited)			100,000,000	-
			1,600,000,000	-
			8,979,710,000	4,709,000,000

Consolidated		United Commercial Bank PLC	
31.12.2024	31.12.2023	31.12.2024	31.12.2023
Taka	Taka	Taka	Taka

11.2 Outside Bangladesh

Caixa Bank, Spain
Emirates Islamic Bank, UAE
Emirates NBD Bank PJSC, UAE

-	2,304,750,000
-	1,262,125,000
-	1,646,250,000
-	5,213,125,000

11.3 Security against borrowings from other banks, financial institutions and agents

Secured
Unsecured

-	-
79,786,237,601	65,271,763,944
79,786,237,601	65,271,763,944

11.4 Maturity Grouping of Borrowings from other banks, financial institutions & agent

Payable on demand
Payable within one month
More than one month but within six months
More than six month but within one year
More than one year but within five years
More than five years*

1,408,000,000	2,579,673,338
21,347,101,528	7,643,368,890
9,289,433,448	28,936,399,845
22,157,102,129	1,333,393,879
9,927,913,822	12,023,188,542
15,656,686,674	12,755,739,450
79,786,237,601	65,271,763,944

* Includes perpetual bond amounting to BDT 5,700,000,000 which do not have any maturity.

12 Deposits and other accounts

Inter Bank deposits
Deposit from customers and others

768,496,883	4,194,040,994	768,496,883	4,194,040,994
551,457,209,389	507,198,665,173	553,446,770,372	509,200,642,790
552,225,706,273	511,392,706,168	554,215,267,256	513,394,683,785

a. Current accounts & other accounts

Current deposits
Foreign currency deposits
Sundry deposits (note - 12.1)

48,830,157,693	57,353,703,311	50,819,718,676	59,355,680,928
7,114,844,547	5,734,188,626	7,114,844,547	5,734,188,626
48,247,632,827	63,277,953,479	48,247,632,827	63,277,953,479
104,192,635,067	126,365,845,416	106,182,196,050	128,367,823,033

b. Bills Payable

Pay order
Demand draft payable
Others Payable

6,621,695,464	8,338,544,188	6,621,695,464	8,338,544,188
5,272,918	6,061,754	5,272,918	6,061,754
-	-	-	-
6,626,968,382	8,344,605,942	6,626,968,382	8,344,605,942

c. Savings Bank deposits

Savings Bank deposits

93,476,409,174	94,572,958,191	93,476,409,174	94,572,958,191
93,476,409,174	94,572,958,191	93,476,409,174	94,572,958,191

d. Fixed deposits

Fixed deposits
Scheme Deposits

223,942,583,654	205,113,968,139	223,942,583,654	205,113,968,139
83,955,700,534	38,201,352,262	83,955,700,534	38,201,352,262
307,898,284,188	243,315,320,401	307,898,284,188	243,315,320,401

e. Special notice deposits

Total Deposits and other accounts (a+b+c+d+e)

40,031,409,462	38,793,976,218	40,031,409,462	38,793,976,218
552,225,706,273	511,392,706,168	554,215,267,256	513,394,683,785

*The Bank has BDT 17,600,796 unclaimed deposits of more than 10 years as of 31 December 2024 which will be deposited to Bangladesh Bank following section 35 of the Bank Company Act 1991 (amended up to 2023).

12.1 Sundry deposits

Sundry creditors
Security deposits
Debit & Credit card
FC held against deemed export LC
FC held against BTB LC
Others

162,870,865	208,272,702
16,010,050	13,347,050
8,297,262	24,043,552
3,963,023,147	3,228,297,525
23,279,211,760	24,870,941,803
160,654,798	96,299,504

Margin

Letter of guarantees
Letter of credit
SME Loan
Export Proceed

4,899,742,338	3,021,658,843
15,665,665,125	31,702,291,565
25,436,265	11,144,730
66,721,217	101,656,205
48,247,632,827	63,277,953,479

12.2 Maturity analysis of deposits & other accounts

a. Inter- Bank Deposits

Payable on demand
Payable within one month
More than one month but within six months
More than six month but within one year
More than one year but within five years
More than five years but within ten years

47,050,289	349,172,279
21,446,594	1,356,672,765
700,000,000	2,300,000,000
-	-
-	-
-	-
768,496,883	4,005,845,045

Consolidated		United Commercial Bank PLC	
31.12.2024	31.12.2023	31.12.2024	31.12.2023
Taka	Taka	Taka	Taka
b. Deposit from customers and others			
Payable on demand		5,831,449,711.12	5,734,785,015.94
Payable within one month		71,641,150,180	63,955,142,353
More than one month but within six months		128,207,541,749	143,772,082,947
More than six month but within one year		107,321,816,458	47,862,948,873
More than one year but within five years		221,970,221,350	133,989,484,730
More than five years but within ten years		18,474,590,924	114,074,394,822
		553,446,770,373	509,388,838,740
Total deposits and other accounts (a+b)		554,215,267,256	513,394,683,785

12.3 Sector-wise deposits

Foreign Currency Deposits	7,114,844,547.00	5,734,188,626.00
Government	7,184,323,462	7,426,467,140
Private	502,184,984,741	465,897,088,309
Public	31,062,428,167	29,011,308,965
Semi-Government	6,668,686,339	5,325,630,745
	554,215,267,256	513,394,683,785

13 Other Liabilities

Provision for loans & advances (note - 13.1)	27,431,007,409	18,521,133,575	27,056,204,224	18,521,133,575
Provision for special general - COVID_19 (note - 13.2)	-	1,630,000,000	-	1,630,000,000
Provision for diminution of investment (note - 13.3)	1,547,793,022	673,287,921	1,535,771,148	673,287,921
Provision for off-balance sheet exposure (note - 13.4)	2,568,900,000	2,342,179,465	2,568,900,000	2,342,179,465
Provision for classified fixed assets (note - 13.5)	3,972,000	3,972,000	3,972,000	3,972,000
Provision for classified other assets (note - 13.6)	427,924,588	425,356,588	427,924,588	425,356,588
Provision for current tax (note - 13.7)	5,598,603,038	3,888,618,764	4,719,899,343	3,094,286,636
Provision for Non Banking Assets	3,336,000	-	3,336,000	-
Interest suspense account (note - 13.8)	29,982,955,933	19,090,019,324	28,633,083,407	19,090,019,324
Payable to UCB foundation (note - 13.9)	75,211,893	57,504,000	75,211,893	57,504,000
Unclaimed Dividend*	86,295,204	91,126,207	86,295,204	91,126,207
Interest/profit payable	14,514,374,551	6,603,552,218	14,514,374,551	6,603,552,218
Lease Liabilities as per IFRS 16	3,627,110,756	3,922,902,223	3,594,491,532	3,922,902,223
Sundry liabilities (note - 13.10)	12,746,258,286	10,508,543,861	9,562,991,580	6,807,173,835
Start-Up Fund (note - 13.11)	133,512,705	127,434,662	133,512,705	127,434,662
CSR Fund (note - 13.12)	71,181,348	111,511,610	71,181,348	111,511,610
	98,818,436,734	67,997,142,418	92,987,149,524	63,501,440,259

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

As per Bangladesh Bank letter no. DBI-4/7007/2025-635 dated 27 April 2025, shortfall in provision is BDT 3,992.30 crore. However, shortfall in provision against investment amounting to BDT 100 crore has been booked in the year 2024 and surplus in provision against off-balance sheet exposure amounting to BDT 3.96 crore has been utilized. Hence, remaining shortfall in provision as of 31 December 2024 is BDT 3,896.26 crore (comprising of BDT 3,349.51 crore against loans and advance; BDT 155.48 crore against deposit in NBFIs; and BDT 391.27 crore against other assets). However, total provision provided in 2024 is BDT 1,293 crore.

As per DOS letter no. DOS(CAMS)1157/41(Dividend)/2025-3111 dated 21 May 2025, Bangladesh Bank allowed the bank to finalise its financial statements for the year ended 31 December 2024 without adjusting the shortfall amount of BDT 3,896.26 crore. However, no specific timeline has been provided by Bangladesh Bank in the said letter to recover the shortfall amount. Rather Bangladesh Bank has instructed to submit Management's action plan regarding recovery of the above mentioned shortfall amount; and management is working on that accordingly.

13.1 Provision for loans & advances

General provision (Notes 13.1.1)	4,715,457,502	4,613,729,118
Specific Provision (Notes 13.1.2)	22,340,746,722	13,907,404,457
	27,056,204,224	18,521,133,575

13.1.1 General provision

Opening balance	4,613,729,118	4,371,528,522
Add: Provision made during the year	96,393,654	231,767,659
Add: Exchange Difference	5,334,730	10,432,937
	4,715,457,502	4,613,729,118

13.1.2 Specific Provision

Opening balance	13,907,404,457	13,206,713,687
Less: Adjustment due to written off	(5,319,821,205)	(3,252,672,286)
Add: Provision made during the year	13,384,121,861	3,543,772,185
Add: Recoveries of amounts previously written off	369,041,609	409,590,871
Closing balance	22,340,746,722	13,907,404,457

13.2 Special General Provision for COVID_19

Opening balance	1,630,000,000	1,630,000,000
Less: Release of special provision for COVID_19	(1,630,000,000)	-
	-	1,630,000,000

Consolidated		United Commercial Bank PLC	
31.12.2024	31.12.2023	31.12.2024	31.12.2023
Taka	Taka	Taka	Taka
Total provision maintained for Loans & Advances (Note 13.1 & 13.2)		27,056,204,224	20,151,133,575
Total provision required for Loans & Advances (Note 7.11)		60,551,260,557	20,151,133,575
Excess/(Shortfall) in provision for loans and advances		(33,495,056,333)	-

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

13.3 Provision for diminution in value of investment

Opening balance	673,287,921	612,038,691
Add: Provision made/(reversed) during the year	862,483,227	61,249,230
	1,535,771,148	673,287,921

13.4 Provision for off-balance sheet exposure

Opening balance	2,342,179,465	1,944,055,532
Add: Provision made during the year	216,937,616	391,186,992
Add: Exchange Difference	9,782,919	6,936,941
	2,568,900,000	2,342,179,465

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

13.5 Provision for classified fixed assets

Opening balance	3,972,000	3,972,000
Add: Provision made during the year	-	-
	3,972,000	3,972,000

13.6 Provision for classified other assets

Opening balance	425,356,588	105,000,000
Add: Provision made during the year	2,568,000	320,356,588
Total provision maintained for classified other assets	427,924,588	425,356,588
Total provision required for for classified other assets	5,895,424,588	425,356,588
Excess/(Shortfall) in provision for classified other assets (B)	(5,467,500,000)	-
Total shortfalls in provision for loans & advances and other assets (A+B)	(38,962,556,333)	-

13.7 Provision for current tax

Opening balance	3,094,286,636	5,095,981,421
Add: Addition during the year	4,312,972,008	2,986,535,476
Less: Adjustment with previous year	(3,714,931,222)	(5,433,266,576)
Add: Adjustment with advance Tax	1,027,571,921	445,036,315
Net current tax liability	4,719,899,343	3,094,286,636

13.8 Interest suspense account

Opening balance	19,090,017,013	15,162,207,211
Add: Amount transferred to Interest suspense account during the year	12,305,036,537	8,644,732,800
Less: Amount recovered from Interest suspense account during the year	(439,145,047)	(3,257,615,199)
Less: Interest waiver/remission allowed	(514,175,869)	(60,451,801)
Less: Amount written off during the year	(1,808,649,228)	(1,398,853,687)
	28,633,083,407	19,090,019,324

13.9 Payable to UCB foundation

Opening balance	57,504,000	87,000,000
Add: contribution during the year	90,000,000	75,000,000
Less: Fund transfer to UCB Foundation	(44,873,532)	(104,496,000)
Less: Utilization of behalf of UCB Foundation	(27,418,575)	-
	75,211,893	57,504,000

13.10 Sundry liabilities

UCB Employees' Funds	-	360,000,000
Sundry Payable	2,347,551,939	1,166,534,998
Other Payable to Employee (Welfare Fund)	100,307,400	100,307,400
Compensation Suspense Account (Islamic Banking)	3,241,289	1,127,097
Unearned Income (Islamic Banking)	632,866,302	414,621,620
Payable Tax VAT Excise Duty	2,522,268,840	1,825,664,782
Payable Debit & Credit Card	407,595,979	341,235,673
Other Sundry Liabilities	3,128,646,888	2,318,248,246
ATM Payable	369,772,813	248,514,579
Compensation Realisable Account (Islamic Banking)	45,103,404	28,004,600
Settlement Accounts Payable (Cards)	5,636,726	2,914,840
	9,562,991,580	6,807,173,835

13.11 Start Up Fund

Opening balance	127,434,662	100,583,799
Add: Provision made during the year	6,078,043	26,850,863
	133,512,705	127,434,662

Utilization of proceeds from the start up fund is BDT 43,477,306 as of 31 December 2024.

Consolidated		United Commercial Bank PLC	
31.12.2024	31.12.2023	31.12.2024	31.12.2023
Taka	Taka	Taka	Taka

13.12 Corporate Social Responsibility (CSR) Fund

Opening balance		111,511,610	245,965,311
Provision made during the year		-	-
Less: Expenses incurred from UCB CSR Fund		(40,330,262)	(134,453,701)
		71,181,348	111,511,610

14 Share Capital

Opening balance		14,765,484,750	14,062,366,430
Add: Bonus shares issued		738,274,230	703,118,320
		15,503,758,980	14,765,484,750

14.1 Authorized Capital

2,500,000,000 ordinary shares of Tk. 10.00 each		25,000,000,000	15,000,000,000
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14.2 Issued, subscribed and paid up Capital

1,476,548,475 ordinary shares @ Taka 10.00 each		14,765,484,750	14,062,366,430
70,311,832 ordinary shares @ Taka 10.00 each issued as bonus share in the year 2023		-	703,118,320
73,827,423 ordinary shares @ Taka 10.00 each issued as bonus share in the year 2024		738,274,230	-
		15,503,758,980	14,765,484,750

Shareholding position

Particulars	31.12.2024		31.12.2023	
	No. of Shares	Taka	No. of Shares	Taka
Sponsors/Directors	159,274,626	1,592,746,260	529,748,133	5,297,481,330
Government of People's Republic of Bangladesh	12,574,769	125,747,690	11,975,972	119,759,720
General Public	810,184,595	8,101,845,950	615,085,527	6,150,855,270
Institution(Financial & Others)	568,341,908	5,683,419,080	319,738,843	3,197,388,430
Total	1,550,375,898	15,503,758,980	1,476,548,475	14,765,484,750

14.3 Share Premium

290,995,350 ordinary shares of Taka 5 each per share		1,454,976,750	1,454,976,750
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Rights share (1:1; 1 share for each share held) has been issued in the year 2011 @ Tk. 15 each including share premium of Tk. 5 each.

14.4 Classification of Shareholders by holding as at 31 December 2024

Shareholding Range	Number of Shareholders	Number of Shares	Value of Shares Taka	31 December 2024 Total Holdings %	31 December 2023 Total Holdings %
Upto 500 Shares	16,583	2,374,544	23,745,440	0.15%	0.17%
501 to 5000 Shares	18,345	32,716,733	327,167,330	2.11%	2.33%
5001 to 10,000 Shares	3,084	21,348,469	213,484,690	1.38%	1.42%
10,001 to 20,000 Shares	1,834	25,615,496	256,154,960	1.65%	1.74%
20,001 to 30,000 Shares	642	15,633,511	156,335,110	1.01%	1.07%
30,001 to 40,000 Shares	316	10,915,199	109,151,990	0.70%	0.59%
40,001 to 50,000 Shares	164	7,410,183	74,101,830	0.48%	0.47%
50,001 to 100,000 Shares	347	24,268,181	242,681,810	1.57%	1.42%
100,001 to 10,00,000 Shares	355	96,713,990	967,139,900	6.24%	6.28%
10,00,001 & above	155	1,313,379,592	13,133,795,932	84.71%	84.52%
Total	41,825	1,550,375,898	15,503,758,992	100.00%	100.00%

14.5 History of Paid Up Capital

Year	Number of Shares Issued	Amount in BDT	Cumulative Paid up Capital
1983	355,000	35,500,000	35,500,000
1984	85,000	8,500,000	44,000,000
1986	360,000	36,000,000	80,000,000
1988	400,000	40,000,000	120,000,000
1991	171,428	17,142,800	137,142,800
1994	397,963	39,796,300	176,939,100
1995	176,939	17,693,900	194,633,000
1996	291,949	29,194,900	223,827,900
1997	63,296	6,329,600	230,157,500
2007	690,473	69,047,300	299,204,800
2010	26,107,487	2,610,748,700	2,909,953,500
2011	436,493,025	4,364,930,250	7,274,883,750
2012	109,123,256	1,091,232,560	8,366,116,310
2013	-	-	8,366,116,310
2014	-	-	8,366,116,310
2015	167,322,326	1,673,223,260	10,039,339,570
2016	50,196,697	501,966,970	10,541,306,540
2017	-	-	10,541,306,540
2018	-	-	10,541,306,540
2019	105,413,065	1,054,130,650	11,595,437,190
2020	57,977,185	579,771,850	12,175,209,040
2021	60,876,045	608,760,450	12,783,969,490
2022	127,839,694	1,278,396,940	14,062,366,430
2023	70,311,832	703,118,320	14,765,484,750
2024	73,827,423	738,274,230	15,503,758,980

Consolidated		United Commercial Bank PLC	
31.12.2024	31.12.2023	31.12.2024	31.12.2023
Taka	Taka	Taka	Taka

14.6 Capital to Risk Weighted Asset Ratio (CRAR)

The calculation of CRAR has been done as per Guidelines on Risk Based Capital Adequacy - Revised regulatory Capital Framework for Banks in line with BASEL-III vide BRPD circular no.18 dated 21 December 2014. Required Capital with Capital Conservation Buffer of the bank at the close of business on 31 December 2024 was Taka 63,587,780,366 as against available Tier-1 Capital of Taka 36,171,854,070 and Tier-2 Capital of Taka 17,687,157,502 making a Total Regulatory Capital of Taka 53,859,011,572 thereby the shortage of capital of Taka 9,728,768,794 at that date.

Details are shown below:

Tier-I Capital

Common Equity Tier-1 Capital (CET1)

Paid up Capital (note: 14.2)

Share Premium (note: 14.3)

Statutory Reserve (note: 15)

General Reserve (note : 16)

Retained Earnings (note : 18)

15,503,758,980	14,765,484,750
1,454,976,750	1,454,976,750
15,730,183,055	15,730,183,055
26,577,961	26,577,961
6,307,661,613	7,769,983,871
39,023,158,359	39,747,206,387

Less: Regulatory Adjustments

Goodwill and all other Intangible Assets

Deferred Tax Assets (DTA)

Reciprocal crossholdings and excess investment above limit

Others

248,493,244	332,487,711
8,302,811,045	5,666,193,954
-	-
-	-
8,551,304,289	5,998,681,664

Total Common Equity Tier-1 Capital

Additional Tier-1 Capital (AT-1)

Less: Others

Total Tier-1 Capital

30,471,854,070	33,748,524,723
5,700,000,000	5,400,000,000
-	-
36,171,854,070	39,148,524,723

Tier-II Capital

General Provision

Revaluation Reserve

Subordinated Bond

7,284,357,502	8,585,908,583
-	-
10,402,800,000	7,480,000,000
17,687,157,502	16,065,908,583

Less: Regulatory Adjustments

Revaluation Reserve

Reciprocal crossholdings in the T-2 Capital of NBFIs & Insurance Entities

Investments exceeding the approved limit under section 26(2) of Bank Company Act, 1991 (50% of Investment)

Others

-	-
-	-
-	-
-	-

Total Admissible Tier-2 Capital

Total Regulatory Capital

17,687,157,502	16,065,908,583
53,859,011,572	55,214,433,306

Risk Weighted Assets (note-14.8)

Minimum Capital Requirement with Capital Conservation Buffer (12.5% of Risk Weighted Assets)

Capital (Shortfall)/Surplus

508,702,242,926	438,856,375,554
63,587,780,366	54,857,046,944
(9,728,768,794)	357,386,362

14.7 Composition of Capital	31 December 2024		31 December 2023	
	Required	Held	Required	Held
Common Equity Tier -I	6.00%	5.99%	6.00%	7.69%
Tier-I Capital	6.00%	7.11%	6.00%	8.92%
Tier-II Capital	0.00%	3.48%	0.00%	3.66%
Tier-I Capital with Buffer	8.50%	7.11%	8.50%	8.92%
Total CRAR	12.50%	10.59%	12.50%	12.58%

14.8 Computation of Risk weighted assets

On- Balance Sheet

Off-Balance sheet

Credit Risk (A)

Market Risk (B)

Operational risk (C)

Total Risk Weighted assets (A+B+C)

394,840,831,307	328,645,730,693
44,873,040,115	50,754,703,774
439,713,871,422	379,400,434,467
14,331,950,490	14,422,652,539
54,656,421,014	45,033,288,548
508,702,242,926	438,856,375,554

15 Statutory Reserve

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

Opening Balance	15,802,731,273	15,764,308,439	15,730,183,055	15,730,183,055
Add : Transferred during the year	26,008,000	38,422,834	-	-
	15,828,739,273	15,802,731,273	15,730,183,055	15,730,183,055

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

16 General Reserve

Opening Balance
Add: Transferred during for the year

Consolidated		United Commercial Bank PLC	
31.12.2024	31.12.2023	31.12.2024	31.12.2023
Taka	Taka	Taka	Taka
26,577,961	26,577,961	26,577,961	26,577,961
-	-	-	-
26,577,961	26,577,961	26,577,961	26,577,961

17 Other Reserve

Asset Revaluation Reserve (notes: 17.1)
Foreign currency translation gain/(loss)
Revaluation Reserve on HTM Securities (notes: 17.2.1)
Revaluation Reserve on HFT Securities (notes: 17.2.2)

2,534,101,559	2,534,101,559	2,534,101,559	2,534,101,559
153,080,640	145,088,568	153,208,713	145,131,268
79,059,721	410,585,991	79,059,721	410,585,991
1,293,741	7,497,779	1,293,741	7,497,779
2,767,535,661	3,097,273,897	2,767,663,734	3,097,316,597

17.1 Asset Revaluation Reserve

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

Opening Balance
Reserve made for the year

2,534,101,559	2,534,101,559	2,534,101,559	2,534,101,559
-	-	-	-
2,534,101,559	2,534,101,559	2,534,101,559	2,534,101,559

17.2 Revaluation Reserve

HTM Securities (notes 17.2.1)
HFT Securities (notes 17.2.2)

79,059,721	410,585,991
1,293,741	7,497,779
80,353,462	418,083,770

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

17.2.1 Revaluation Reserve on HTM Securities

Opening Balance
Add: Net Revaluation gain/(adjustment) during the year

410,585,991	128,060,537
(331,526,270)	282,525,454
79,059,721	410,585,991

17.2.2 Revaluation Reserve on HFT Securities

Opening Balance
Add: Net Revaluation gain/(adjustment) during the year

7,497,779	-
(6,204,038)	7,497,779
1,293,741	7,497,779

18 Retained Earnings

Opening Balance
Add: Retained surplus transferred during for the year
Add: Adjustment for Deferred Tax Asset
Less: Issuance of Stock Dividend
Less: Issuance of Cash Dividend
Less: Coupon Payment Perpetual Bond

7,769,983,871	6,885,485,076
14,226,209	2,290,735,424
-	-
(738,274,230)	(703,118,308)
(738,274,238)	(703,118,322)
-	-
6,307,661,613	7,769,983,871

18(a) Consolidated Retained Earnings

United Commercial Bank PLC
UCB Stock Brokerage Limited
UCB Investment Limited
UCB Asset Management Limited
UCB Fintech Company Limited
UCB Exchange (SG) PTE. Ltd.
Less: Non controlling Interest
Total balance of retained earnings attributable to the ordinary Share holders
Non controlling interest

6,307,661,613	7,769,983,872
1,601,426,541	1,490,864,391
304,251,785	233,434,837
98,126,749	73,184,149
(3,894,000,868)	(3,134,906,250)
(1,937,295)	(1,087,474)
4,415,528,525	6,431,473,525
190	186
4,415,528,335	6,431,473,339
190	186

19 Contingent liabilities & other commitment

Acceptances & endorsement (note- 19.1)
Letters of guarantee (note- 19.2)
Irrecoverable letters of credit (note- 19.3)
Bills for collection (note-19.4)
Other Commitments (note-19.5)

105,263,752,167	121,717,014,733
60,918,919,087	65,230,862,378
59,160,060,971	73,731,069,769
24,780,647,517	21,273,365,163
10,736,246,402	9,723,925,200
260,859,626,144	291,676,237,243

	Consolidated		United Commercial Bank PLC	
	31.12.2024 Taka	31.12.2023 Taka	31.12.2024 Taka	31.12.2023 Taka
19.1 Acceptances & endorsements				
Bankers liabilities for accepted against usance LC			62,439,327,819	88,653,907,826
Bankers liabilities for accepted against BB usance			42,824,424,348	33,063,106,907
			105,263,752,167	121,717,014,733
19.2 Letters of guarantee				
Bankers liabilities for letters of guarantee (Inland)			38,709,146,101	40,981,884,381
Bankers liabilities for letters of guarantee (Foreign)			22,209,772,986	24,248,977,997
			60,918,919,087	65,230,862,378
19.3 Irrecoverable letters of credit				
Letters of credit (Inland)			354,382,355	616,078,492
Letters of credit (Foreign)			29,426,166,877	50,745,308,457
Back to back LC			27,681,009,935	21,447,284,505
Letters of credit EDF			1,691,129,438	912,497,339
Letters of credit EPZ			7,372,366	9,900,976
			59,160,060,971	73,731,069,769
19.4 Bills for collection				
Bills for collection			15,381,158,719	13,125,385,296
Foreign Bills for collection			9,399,488,798	8,147,979,867
			24,780,647,517	21,273,365,163
19.5 Other Commitments				
Documentary credit and short term trade related transactions			-	-
Forward assets purchased and forward deposits placed			10,736,246,402	9,723,925,200
Undrawn note issuance and revolving underwriting facilities			-	-
Undrawn formal standby facilities, credit lines and other commitments			-	-
			10,736,246,402	9,723,925,200
	Consolidated		United Commercial Bank PLC	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
20 Income Statement				
Income				
Interest, discount and similar income (note - 20.1)			64,313,023,776	43,542,471,539
Dividend income			293,308,737	206,590,018
Fees, commission and brokerage			6,427,325,649	5,797,038,753
Gains less losses arising from dealing in securities			-	-
Gains less losses arising from investment securities			(1,052,800,541)	4,337,111
Gain less losses arising from dealing in foreign currencies			1,499,598,968	1,588,182,967
Income from non-banking asset			-	-
Other operating income			246,492,832	239,814,676
			71,726,949,421	51,378,435,064
Expenses				
Interest paid on deposits and borrowings etc.			35,257,762,623	22,149,750,317
Administrative expenses (note - 20.2)			14,179,685,400	13,321,945,005
Other operating expenses			5,418,376,644	4,452,740,091
Depreciation on banks assets			1,793,230,547	1,728,279,259
			56,649,055,214	41,652,714,672
			15,077,894,207	9,725,720,392
20.1 Interest, discount and similar income				
Interest Income			56,114,658,916	37,881,518,594
Interest income from investments			8,198,364,860	5,660,952,945
			64,313,023,776	43,542,471,539
UCB PLC has Islamic Banking Unit (Taqlwa). Profit (Income) and profit (paid) are included in Interest, discount and similar income and Interest paid on deposits and borrowings etc. respectively. Please see the relevant notes in the Financial Statements of UCB Islamic Banking.				
20.2 Administrative expenses				
Salary and allowances			9,372,438,905	8,539,916,432
Rent, taxes, Insurance, electricity etc.			1,601,796,023	2,039,834,071
Legal expenses			159,313,658	90,864,365
Postage, stamps, telecommunications etc.			223,449,513	221,997,247
Stationery, printing, advertisements etc.			2,074,052,715	1,688,042,867
Chief Executive's salary and fees			17,695,000	16,435,484
Directors' fees			5,189,971	3,178,349
Auditors' fees			1,380,000	1,150,000
Repair of banks assets			724,369,615	720,526,190
			14,179,685,400	13,321,945,005

21 Interest Income

Interest/profit on loans and advances/investments
Interest on balances with other banks & financial institutions
Interest on money at call on short notice
Interest on balance with foreign Bank

Consolidated		United Commercial Bank PLC	
2024	2023	2024	2023
Taka	Taka	Taka	Taka
55,652,206,990	37,413,938,804	55,436,921,757	36,768,025,151
56,597,710	297,848,512	56,597,710	297,848,512
86,959,613	342,515,030	86,959,613	342,515,030
534,179,837	473,129,901	534,179,837	473,129,901
56,329,944,149	38,527,432,247	56,114,658,916	37,881,518,594

UCB PLC has Islamic Banking Unit (Taqwa). Profit (income) from Islamic Banking unit includes in Interest on loans and advances. Please see the relevant notes in the Financial Statements of UCB Islamic Banking.

22 Interests Paid on deposits and borrowings etc.

Interest paid on deposits (note - 22.1)
Interest/profit paid on borrowings (note - 22.2)

30,385,766,610	18,930,537,162	30,385,766,610	18,930,537,162
4,788,415,148	3,308,459,867	4,871,996,013	3,219,213,155
35,174,181,758	22,238,997,029	35,257,762,623	22,149,750,317

UCB PLC has Islamic Banking Unit (Taqwa). Profit paid on deposits, borrowings, etc. related to Islamic Banking unit includes in Interest paid on deposits and Interest paid on borrowings respectively. Please see the relevant notes in the Financial Statements of UCB Islamic Banking.

22.1 Interest paid on deposits

Savings Deposits
Special Notice Deposits
Fixed Term Deposits
Scheme Term Deposits

2,202,324,661	2,433,605,303
1,645,207,644	1,506,041,363
19,507,632,655	11,891,187,434
7,030,601,650	3,099,703,062
30,385,766,610	18,930,537,162

22.2 Interest/profit paid on borrowings

Borrowing from Bangladesh Bank
Borrowing from other Bank & financial institution
Borrowings from Bangladesh Bank - EDF
Subordinated Bond
Foreign currency borrowings
Other bank repo
Money at call on short notice

1,422,032,055	522,425,378
488,978,886	519,594,454
561,753,158	755,250,913
1,070,538,393	908,617,842
604,150,213	405,559,130
30,515,963	3,504,667
694,027,345	104,260,771
4,871,996,013	3,219,213,155

23 Investment income

Interest income from investments (note - 23.1)
Non interest income from investments (note - 23.2)

8,350,987,264	5,793,863,329	8,198,364,860	5,660,952,945
(759,411,804)	210,977,129	(759,411,804)	210,977,129
7,591,575,460	6,004,840,458	7,438,953,056	5,871,930,074

23.1 Interest income from investments

Government treasury bills/bonds
Bangladesh Bank Bill
Sub-ordinated bonds
Term Placement (Islamic Banking Unit)
Short Notice Deposit Accounts (Islamic Banking Unit)
Perpetual Mudaraba Bond (Islamic Banking Unit)
Bangladesh Government Investment in SUKUK
Perpetual bonds
Bangladesh Government Special Purpose Bond
Zero Coupon Bond
Reverse Repo with Other Bank
SUKUK Bond (note - 23.1.1)
Gain/(Loss) on revaluation on government securities (note - 23.1.2)

6,026,304,669	4,817,208,560
-	-
337,768,835	250,517,630
196,275,833	90,377,639
11,872,122	971,656
14,229,332	19,659,795
-	-
204,999,999	206,874,999
568,510,263	-
50,000,000	-
5,490,740	5,128,088
64,043,465	51,705,093
718,869,602	218,509,485
8,198,364,860	5,660,952,945

23.1.1 SUKUK Bond

Bangladesh Government Investment in SUKUK
Bangladesh Government Investment in SUKUK (Islamic Banking Unit)
Private Sukuk Bond Under SPV (Islamic Banking Unit)

4,843,200	4,855,807
38,748,787	33,679,943
20,451,478	13,169,342
64,043,465	51,705,093

23.1.2 Gain/(Loss) on revaluation on government securities

Gain on revaluation on government securities
Less : Loss on revaluation on government securities

718,869,602	221,975,431
-	(3,465,946)
718,869,602	218,509,485

23.2 Non interest income from investments

Dividend on shares
Gain/(Loss) on sale of share (note - 23.2.1)
Prize money on prize bond

293,308,737	206,590,018
(1,052,800,541)	4,337,111
80,000	50,000
(759,411,804)	210,977,129

23.2.1 Gain/(Loss) on sale of shares

Gain on sale of shares
Less : Loss on sale of shares

600,000	4,599,382
(1,053,400,541)	(262,271)
(1,052,800,541)	4,337,111

24 Commission, Fees, Exchange & Brokerage

Commission (note - 24.1)
Fees (note - 24.2)
Exchange earning (note - 24.3)

2024 Taka	2023 Taka	2024 Taka	2023 Taka
4,351,348,410	4,159,194,471	3,272,634,515	3,167,537,641
3,154,691,134	2,629,501,112	3,154,691,134	2,629,501,112
1,499,598,968	1,588,182,967	1,499,598,968	1,588,182,967
9,005,638,512	8,376,878,550	7,926,924,617	7,385,221,720

24.1 Commission

Remittance Inland
Remittance Foreign
Letters of guarantee
Letters of credit
Letters of credit (back to back)
Irrevocable Reimbursement Undertaking
Commission on sale of shares
Bangladesh Sanchaypatra/Paribarik Sanchaypatra
Acceptance
Exchange commission & rebate
Outward clearance
Merchant commission (Cards)
MFS Commission
Others

9,512,873	8,426,066
8,683,637	7,991,393
523,297,863	582,291,330
807,386,304	928,926,542
366,119,539	284,240,592
-	-
-	-
33,848	10,362,758
1,206,959,157	1,068,465,233
273,033,544	209,737,173
1,972,532	1,906,091
31,778,981	24,681,653
-	-
43,856,237	40,508,810
3,272,634,515	3,167,537,641

24.2 Fees

Bills for collection
Account maintenance
Appraisal or processing
Online transaction
BACH/BEFTN
Cash incentive
Standing instruction charges
FC endorsement
LC, BC & BG (others)
Debit card
Credit card
Arrangement
Agent Banking Systems
SMS banking
Miscellaneous

54,509,785	49,205,737
214,364,756	189,266,529
178,695,711	211,686,269
74,417,599	74,980,894
-	-
21,894,450	24,736,000
-	-
1,208,100	1,087,500
960,068,640	811,815,926
532,822,816	425,108,816
911,519,172	646,143,029
16,933,251	13,930,415
2,962,902	2,383,190
150,926,423	147,922,575
34,367,529	31,234,232
3,154,691,134	2,629,501,112

24.3 Exchange Earning

Exchange earning (general)
Revaluation gain/(Loss) on foreign currency
FX Deal Discount Income

2,054,756,898	1,760,195,275
(235,322,507)	(70,593,598)
(319,835,423)	(101,418,710)
1,499,598,968	1,588,182,967

25 Other Operating Income

Income from locker rent
Premises rent
Swift charges
Cheque Book Issuance
Gain on Sale of Fixed Assets
Corporate Income from Others
SME Income from Others
Retail Income from Others
Income from subsidiaries
Miscellaneous earning

24,535,529	17,460,300	24,535,529	17,460,300
328,854	526,168	328,854	526,168
52,922,718	61,286,854	52,922,718	61,286,854
88,887,980	81,323,532	88,887,980	81,323,532
24,401,777	7,091,502	24,401,777	7,091,502
18,197	2,432,983	18,197	2,432,983
916,511	31,754,920	916,511	31,754,920
53,940,174	37,061,933	53,940,174	37,061,933
127,385,867	110,333,776	-	-
461,093	826,484	461,093	826,484
373,798,700	350,098,451	246,412,832	239,764,676

26 Salaries and allowances

Basic salary
Allowances
Bonus
Provident fund and Welfare fund
Gratuity fund

4,746,578,869	4,489,673,356	3,988,056,123	3,749,566,057
1,850,002,691	1,785,658,376	1,850,002,691	1,785,658,376
1,877,028,663	1,614,082,303	1,877,028,663	1,614,082,303
457,351,428	430,609,696	457,351,428	430,609,696
1,200,000,000	960,000,000	1,200,000,000	960,000,000
10,130,961,651	9,280,023,731	9,372,438,905	8,539,916,432

26(a) Consolidated Salary and allowances

United Commercial Bank PLC
UCB Stock Brokerage Limited
UCB Investment Limited
UCB Asset Management Limited
UCB Fintech Company Limited

Consolidated		United Commercial Bank PLC	
2024	2023	2024	2023
Taka	Taka	Taka	Taka
		9,372,438,905	8,539,916,432
		357,009,435	364,523,885
		38,274,612	30,311,427
		31,283,223	26,190,457
		331,955,476	319,081,530
		10,130,961,651	9,280,023,731

27 Rent, taxes, insurance, electricity etc.

Rent premises
Rates & taxes
Rental charges
Insurance premium
Electricity, Water & Gas

547,832,702	401,305,320	523,210,155	358,308,783
124,640,602	209,159,942	124,640,602	209,159,942
184,380,647	181,427,610	184,380,647	181,427,610
400,843,315	344,317,026	400,843,315	344,317,026
368,721,304	318,530,042	368,721,304	318,530,042
1,626,418,570	1,454,739,940	1,601,796,023	1,411,743,403

28 Legal expenses

Legal expenses
Professional expenses

30,176,665	21,398,399	18,887,709	12,776,132
140,425,949	78,088,233	140,425,949	78,088,233
170,602,614	99,486,632	159,313,658	90,864,365

29 Postage, stamps, telecommunications etc.

Postage
Telecommunication expenses
Router
Internet
Online connectivity expenses

44,749,185	45,602,081	44,749,185	45,602,081
44,815,520	43,632,274	44,815,520	43,632,274
6,317,391	4,426,978	6,317,391	4,426,978
4,257,200	3,394,737	4,257,200	3,394,737
141,671,793	141,723,167	123,310,217	124,941,177
241,811,089	238,779,237	223,449,513	221,997,247

30 Stationery, printing & advertisements etc.

Stationery and printing
Advertisement

291,358,631	306,477,753	291,358,631	306,477,753
1,846,582,000	2,022,074,628	1,782,694,084	1,936,401,773
2,137,940,631	2,328,552,381	2,074,052,715	2,242,879,526

30.1 Stationery and printing

Office Stationery
IT Stationery
Security Stationery

139,173,057	180,764,369	139,173,057	180,764,369
113,740,475	88,173,904	113,740,475	88,173,904
38,445,099	37,539,480	38,445,099	37,539,480
291,358,631	306,477,753	291,358,631	306,477,753

30.2 Advertisement

Print Media (note - 30.2.1)
Electronic Media (note - 30.2.2)
Sponsorship
Branding expenses
UCB Imperial Lounges expense
Promotional Material
Miscellaneous advertisement

28,415,525	22,325,927	28,415,525	22,325,927
72,520,219	171,601,544	72,520,219	171,601,544
40,423,521	141,381,004	40,423,521	141,381,004
713,745,502	787,098,165	649,857,586	701,425,310
833,200,109	757,954,599	833,200,109	757,954,599
112,059,924	127,922,450	112,059,924	127,922,450
46,217,200	13,790,940	46,217,200	13,790,940
1,846,582,000	2,022,074,628	1,782,694,084	1,936,401,773

30.2.1 Print Media

News paper
Magazine

27,249,725	21,189,130	27,249,725	21,189,130
1,165,800	1,136,797	1,165,800	1,136,797
28,415,525	22,325,927	28,415,525	22,325,927

30.2.2 Electronic Media

Television
Bill board & neon sign

68,520,644	36,780,881	68,520,644	36,780,881
3,999,575	134,820,663	3,999,575	134,820,663
72,520,219	171,601,544	72,520,219	171,601,544

31 Chief Executive's salary and fees

Basic salary
House Rent Allowances
Festival Bonus
Incentive Bonus

13,016,667	13,235,484	13,016,667	13,235,484
758,333	-	758,333	-
2,420,000	2,200,000	2,420,000	2,200,000
1,500,000	1,000,000	1,500,000	1,000,000
17,695,000	16,435,484	17,695,000	16,435,484

32 Directors fees

Meeting fees
Other meetings' fees (travelling expenses)

5,476,529	3,264,446	4,652,929	2,384,800
537,042	793,549	537,042	793,549
6,013,571	4,057,995	5,189,971	3,178,349

Each director of the Bank is paid for BDT 10,000 as per BRPD circular letter no. 11 dated 4 October 2015 for each board or board committee meeting attended in 2024.

	Consolidated		United Commercial Bank PLC	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
33 Auditors fees	1,778,833	1,612,500	1,380,000	1,150,000
34 Depreciation and repair of bank's assets	2,690,805,309	2,556,626,841	2,517,600,162	2,448,805,449
34.1 Depreciation				
Furniture/fixtures	209,859,954	223,267,448	199,808,714	213,924,698
Vehicles	41,047,579	51,119,858	36,394,216	45,420,010
Office equipments	378,213,269	385,762,767	368,786,775	376,194,478
Computer equipments	506,976,052	380,089,875	424,588,640	308,614,922
Computer software	247,374,041	242,168,331	218,251,169	238,724,118
Immovable property (Building)	66,593,150	66,593,150	65,581,342	65,581,342
Right of Use(ROU) assets	499,997,057	479,819,691	479,819,691	479,819,691
	1,950,061,102	1,828,821,120	1,793,230,547	1,728,279,259
34.2 Repair & maintenance				
Furniture /fixtures (note - 34.2.1)	22,297,052	6,159,970	6,894,126	6,159,970
Vehicles	15,958,419	18,744,142	15,958,419	18,744,142
Office equipments	114,359,176	168,330,156	114,359,176	162,868,721
Computer equipments	8,926,367	9,215,238	7,954,700	7,397,143
Computer Software	515,839,837	484,336,567	515,839,837	484,336,567
Building & Premises	63,363,357	41,019,647	63,363,357	41,019,647
	740,744,207	727,805,721	724,369,615	720,526,190
34.2.1 Furniture /fixtures				
Furniture/Fixture	20,679,550	5,412,813	5,276,624	5,412,813
Interior	1,617,502	747,157	1,617,502	747,157
	22,297,052	6,159,970	6,894,126	6,159,970
35 Other expenses				
Entertainment	101,165,328	91,608,612	91,545,631	81,717,663
Petrol, oil & lubricant	312,014,598	293,432,719	297,360,182	275,143,494
Subscription	39,683,192	27,431,967	38,451,444	26,544,318
Donation	220,024,192	352,923,319	219,991,942	352,893,319
Traveling	282,648,036	268,801,460	259,919,705	245,909,639
Business Development	213,883,625	73,254,009	213,883,625	73,254,009
Cartage and freight	23,869,259	22,333,607	22,664,522	20,442,132
Hon. general	17,002,150	7,472,000	17,002,150	7,472,000
Fees commission & charges	759,779,189	742,217,199	238,700,638	176,355,037
Meeting Seminar and staff training	28,699,179	47,434,970	27,901,006	41,698,621
Fees Commission and Charges Debit Card	292,738,868	95,477,136	292,738,868	95,477,136
Fees Commission and Charges Credit Card Local	470,205,750	397,974,040	470,205,750	397,974,040
Liveries & uniforms	3,629,117	4,146,347	245,831	1,351,374
Medical expenses	259,747,199	250,378,491	258,904,625	247,081,778
Car expenses	258,094,929	191,201,786	234,552,929	174,650,524
Loss on sale of assets	30,179	10,836	-	-
BATCH/BEFTN Charges	549,359	533,474	549,359	533,474
UCB Foundation	90,000,000	75,000,000	90,000,000	75,000,000
Interest expense for lease liabilities	212,593,028	228,965,220	209,628,759	228,965,220
Outsource Staff Expenses	2,386,848,524	1,974,997,445	2,378,790,732	1,968,016,574
Other Expenses	341,317,916	300,379,445	55,338,946	35,513,748
	6,314,523,617	5,445,974,082	5,418,376,644	4,525,994,100
36 Provision for Loans & Advances				
Unclassified Loans & advances	98,739,713	231,767,659	96,393,654	231,767,659
Classified loans & advances	13,753,168,469	3,970,511,608	13,753,163,470	3,953,363,056
Release of special provision for COVID_19	(1,630,000,000)	-	(1,630,000,000)	-
Recoveries from previously written off loan	(369,041,609)	(409,590,871)	(369,041,609)	(409,590,871)
	11,852,866,574	3,792,688,396	11,850,515,516	3,775,539,844
37 Provision for diminution in value of investments				
Provision required during the year	841,677,725	52,461,975	862,483,227	61,249,230
	841,677,725	52,461,975	862,483,227	61,249,230
38 Other Provision				
Provision for other assets	2,568,000	320,356,588	2,568,000	320,356,588
Provision for off-balance sheet exposures	216,937,616	391,186,992	216,937,616	391,186,992
	219,505,616	711,543,580	219,505,616	711,543,580

Provision for Off-Balance Sheet Exposure

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

Consolidated		United Commercial Bank PLC	
2024	2023	2024	2023
Taka	Taka	Taka	Taka

39 Provision for Taxation

Provision for current tax has been calculated based on the profit before provision considering admissible & inadmissible expenses as per provision of the Income Tax Act 2023 and Finance Act 2024.

Current Tax	4,570,211,087	3,339,864,344	4,312,972,008	2,986,535,476
Deferred tax expense/(income)	(2,776,098,269)	(500,262,728)	(2,775,386,412)	(494,234,025)
	1,794,112,818	2,839,601,616	1,537,585,596	2,492,301,451

40 Earnings per Share (EPS)

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

Net Profit after Tax (Numerator)	80,061,445	2,197,688,287	607,804,252	2,685,086,287
Number of Ordinary shares outstanding (Denominator)	1,513,967,854	1,513,967,854	1,513,967,854	1,513,967,854
Earning Per Share (EPS)	0.05	1.45	0.40	1.77

EPS decreased due to increased provision requirements on loans and advances.

41 Receipt from other operating activities

Exchange earning & brokerage	1,499,598,968	1,588,182,967	1,499,598,968	1,588,182,967
Other operating income	(774,520,100)	255,557,185	(806,907,709)	244,151,788
	725,078,868	1,843,740,152	692,691,259	1,832,334,755

42 Payment for other operating activities

Legal expenses	159,313,658	90,864,365	159,313,658	90,864,365
Directors' fees & other expenses	5,189,971	3,178,349	5,189,971	3,178,349
Auditors' fees	1,380,000	1,150,000	1,380,000	1,150,000
Repair of fixed assets	724,369,615	720,526,191	724,369,615	720,526,191
Other expenditures	5,096,697,652	4,315,815,572	4,994,864,259	4,223,774,871
	5,986,950,896	5,131,534,477	5,885,117,503	5,039,493,776

43 Increase/(decrease) of other assets

Investment in share of subsidiary companies.	-	(2,000,000,000)
Receivable from Subsidiary Company	(1,735)	(569,957)
Stock of Stationery & Stamps	19,670,428	(33,601,702)
Account with Stock Broker	(124,542,158)	137,605,186
Advance Payment	207,147,780	143,224,487
Advance Deposit	(52,040)	118,570
Suspense Account	(480,043,830)	(464,344,601)
Head Office General Account	(22,842,237)	(1,321,396)
Others	(3,171,513,487)	116,156,963
Increase /Decrease for the year	(3,572,177,279)	(2,102,732,449)

44 Increase / Decrease of other liabilities

Write-off of loans	(7,128,470,432)	(4,651,224,986)
Interest suspense account	3,928,939,210	3,928,939,210
Dividend payable	(4,831,003)	28,471,943
Sundry liabilities	1,383,257,668	1,383,257,668
Increase /Decrease for the year	(1,821,104,556)	689,443,836

45 Net Operating Cash Flows Per Share (NOCFPS)

Net Cash from operating activities	(2,927,433,146)	48,833,110,611	(4,885,953,998)	50,903,661,111
Number of Ordinary shares outstanding (Denominator)	1,513,967,854	1,513,967,854	1,513,967,854	1,513,967,854
Net Operating Cash Flows Per Share (NOCFPS)	(1.93)	32.26	(3.23)	33.62

NOCFPS decreased mainly due to higher loan disbursement in comparison with lower deposit growth. However, the bank has been maintaining all the liquidity measures required by regulators.

46 Net Asset Value Per Share (NAVPS)

Net Asset Value	39,997,117,150	41,578,518,156	41,790,822,093	42,844,522,984
Number of Ordinary shares outstanding (Denominator)	1,513,967,854	1,513,967,854	1,513,967,854	1,513,967,854
Net Asset Value Per Share (NAVPS)	26.42	27.46	27.60	28.30

NAV decreased mainly due to increased provision requirements on loans and advances which led to lower retained profit.

United Commercial Bank PLC

2024	2023
Taka	Taka

47 a. Reconciliation of Net Profit after Taxes and Operating profit before changes in operating assets and liabilities of the bank
Cash flows from operating activities

Net profit after taxes	607,804,252	2,685,086,287
Provision for taxation	1,537,585,596	2,492,301,451
Provision for investment, shares & contingent liabilities	12,932,504,359	4,548,332,654
(Increase)/decrease interest receivable	(311,110,912)	80,171,787
Increase/(decrease) interest payable on deposits	8,415,097,229	796,598,694
Depreciation & amortization of fixed assets	1,793,230,546	1,728,279,258
Recoveries on loans & advances previously written-off	369,041,609	409,590,871
Income tax paid	(2,687,359,301)	(3,458,466,081)
Effect of exchange rate changes on cash and cash equivalents	(1,499,598,967)	(1,588,182,967)
Operating profit before changes in operating assets and liabilities- as per calculation	21,157,194,411	7,693,711,954
Operating profit before changes in operating assets and liabilities- as per cash flow statement	21,157,194,411	7,693,711,954

b. Reconciliation of effective tax rate

Particulars	Effective Rate	31 December 2024	Effective Rate	31 December 2023
Profit before income taxes as per profit & loss account		2,145,389,848		5,177,387,738
Income taxes as per applicable tax rate	37.5%	804,521,193	37.5%	1,941,520,402
Factors affecting the tax charge in current year				
Inadmissible expenses	212%	4,544,090,238	38.10%	1,972,634,692
Admissible expenses in the current year	-50.6%	(1,084,725,206)	-18.71%	(968,861,441)
Tax from reduced tax rates for dividend	2.73%	58,661,747	0.80%	41,318,004
Tax from reduced tax rates for capital gain	-0.45%	(9,591,964)	0.00%	(86,181)
Tax from reduced tax rates for prize bond	0.00	16,000	0.00%	10,000
Effect of deferred tax income	-129%	(2,775,386,412)	-9.55%	(494,234,025)
Total income tax expenses	71.67%	1,537,585,596	48.14%	2,492,301,451

48 A. Audit Committee Meeting

The 1st Audit Committee of the Board was constituted by the Board of Directors of the Bank in its emergent meeting held on 03 April 2004. Subsequently the Committee was reconstituted in its Board meeting from time to time. The Audit Committee of the Board of Director consisted of the following 2 (Two) members of the Board as on 31 December 2024.

Existing Committee

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

Former Committee (Before reconstitution of the Board)

Name	Status with the Bank	Status in the Committee	Educational Qualification
Mr. Touhid Shipar Rafiquzzaman	Independent Director	Chairman	Master of Arts
Mr. Syed Kamruzzaman	Former Director	Member	B. Com (Hons) in Accounting, FCMA
Mr. Muhammed Shah Alam	Former Director	Member	M. Com in Accounting, FCMA
Dr. Aparup Chowdhury	Independent Director	Member	M.Sc. (Zoology), MBA (Human Resources Management), PHD (USA)
Mr. Kanak Kanti Sen	Director	Member	M. Com in Management, FCMA

During the year 2024, the Audit Committee has conducted 09 (Nine) meetings.

Details of the meeting are shown below by date-wise.

Sl. No	Meeting No.	Held on
1	134th	19.03.2024
2	135th	29.04.2024
3	136th	10.06.2024
4	137th	30.07.2024
5	138th	01.09.2024
6	139th	09.09.2024
7	140th	09.10.2024
8	141st	29.10.2024
9	142nd	28.11.2024

The Audit Committee discussed the following issues during the year 2024

1. Updated Compliance Status of Previous RBIA Objections (2022-2023);
2. Approval of Audit Findings on Interest Waivers for 14 Customers;
3. Approval of Audit Findings/Observations on Interest Waiver of 14 nos. (Fourteen) Customers of Different Branches;
4. Summary of RBIA Findings (High-Risk Issues) – Three Branches;
5. Annual Health Report (as of December 31, 2023);
6. Statutory Audit Plan for Year Ending December 31, 2024
7. Review Un-Audited Financial Statements of the Bank for the 3rd Quarter (Q3) ended September 30, 2024;
8. Discussion on Compliance Status of 2023-2024;
9. Discussion on Compliance of Surprise Inspection Report of Bangladesh Bank on Munshigonj Branch, Munshigonj as on 24.11.2022;
10. Discussion on Compliance of Surprise Inspection Report of Bangladesh Bank on Bangshal Branch, Dhaka as on 14.06.2023;
11. Discussion on report of Bangladesh Bank Officials visit for inspection - August & September 2024;
12. Approval of Audit Findings/Observations on Interest Waiver of 11 nos. (Eleven) Customer of Different Branches;
13. Post Facto Approval of Audit Findings/Observations on Interest Waiver of 10 nos. (Ten) Customer of Different Branches;
14. Investigation Report On Investment in Beximco 1st Unsecured Zero Coupon Bond for an Amount of BDT 100.00 Crore;
15. Discussion on Internal Audit Report on Genex Infosys;
16. Discussion on 'Forensic Audit' of the Bank;
17. Discussion on 'Whistle Blowing Policy' of the Bank;
18. Discussion on 'Organogram of Audit Division and ICCD' of the Bank;
19. Any other Business;
A) The self-assessment of the anti-fraud internal controls report
B) Investment decision in Genex Infosys

20. Discussion on Compliance of Surprise Inspection Report of Bangladesh Bank on Shyamoli Ring Road Branch, Dhaka as on 21.05.2024;
21. Discussion on "Annual Health Report-2023" as on 31 December 2023;
22. Discussion on 'Self-Assessment of Anti-Fraud Internal Controls' report for the period of Jan-June 2024;
23. Discussion on 'Whistle Blowing Policy' of the Bank;
24. Confirmation of the minutes of the 135th & 136th(Special) Meeting of the Audit Committee held on April 29, 2024 & June 10, 2024 respectively;
25. Review Un-Audited Financial Statements of the Bank for the 2nd Quarter (Q2) ended 30 June, 2024;
26. Special Discussion with Bangladesh Bank on Financial Statements -2023.
27. Review of Auditor's Report and Audited Financial Statements of the Year Ended 31 December, 2023;
28. Review Un-Audited Financial Statements of the Bank for the 1st Quarter (Q1) ended 31 March, 2024;
29. Appointment of External Auditors and Fixation of their Remuneration;
30. Approval of the Report of the Audit Committee for the Annual Report 2023;
31. Review the Management Discussion and Analysis for the Annual Report 2023.
32. Discussion on Approval of Internal Audit Strategic Plan (RBIA) for the year 2024;
33. Discussion on Approval of Information System Security Audit (IT Audit) strategic plan for the year 2024;
34. Discussion on Summary of Risk Based Internal Audit Findings (High Risk issues) of 05 (five) branches;
35. Discussion on Details of pending legal cases of Risk Based Internal Audit Findings (High Risk Issues) of 5 (Five) branches as per the Recommendation of the Audit Committee of the Board (ACB) in its 130th meeting held on 30.05.2023;
36. Discussion on Up-to-date status of the problematic borrowers accounts of Risk Based Internal Audit Findings (High Risk Issues) of 7 (Seven) branches as per Memo No. 019/2023 dated 27.09.2023 submitted by ICCD;
37. Discussion on Self-Assessment of Anti-Fraud Internal Controls for the period from July-December' 2023;

B. Board of Directors Meetings

During the year 2024, the Board of Directors has conducted 16 (Sixteen) meetings. Details of the meeting are shown below by date wise.

Name of the Members	Status with the Bank
Mr. Sharif Zahir	Chairman
Mr. Md. Shazzad Hossoin	Independent Director & Vice Chairman
Mr. Md. Tanvir Khan	Chairman, Executive Committee
Mr. Md. Yusuf Ali	Independent Director & Chairman, Risk Management Committee
Mr. Obaidur Rahman, FCA	Independent Director & Chairman, Audit Committee
Mr. Mohammad Mamdudur Rashid	Managing Director & CEO

Name of the Former Members	Status with the Bank
Mrs. Rukhmila Zaman	Former Director
Mr. Bashir Ahmed	Former Director
Mr. Anisuzzaman Chowdhury	Former Director
Mr. Touhid Shipar Rafiquzzaman	Former Independent Director
Mr. M. A. Sabur	Former Director
Mr. Md. Nasim Kalam	Former Director
Mr. Bazal Ahmed	Former Director
Mr. Nurul Islam Chowdhury	Former Director
Mr. Syed Kamruzzaman	Former Director
Mrs. Roxana Zaman Chaudhury	Former Director
Mr. Asifuzzaman Chowdhury	Former Director
Ms. Afroza Zaman	Former Director
Mrs. Masuma Parvin	Former Director
Mr. Muhammed Shah Alam	Former Director
Mr. Kanak Kanti Sen	Former Director
Mr. Md. Aksed Ali Sarker	Former Director
Dr. Aparup Chowdhury	Former Independent Director
Professor Dr. Iftekhhar Uddin Chowdhury	Former Independent Director
Mr. Md. Abdul Hannan	Former Independent Director

Details of the Board Meeting in the year 2024

Sl. No	Meeting No.	Held on
1	489	31-Jan-2024
2	490	13-Mar-2024
3	491	29-Apr-2024
4	492	27-May-2024
5	493 (Special)	10-Jun-2024
6	494	30-Jul-2024
7	495 (Emergent)	27-Aug-2024
8	496 (Emergent)	29-Aug-2024
9	497	4-Sep-2024
10	498	11-Sep-2024
11	499	29-Sep-2024
12	500	14-Oct-2024
13	501	29-Oct-2024
14	502	21-Nov-2024
15	503	11-Dec-2024
16	504	26-Dec-2024

C. Executive Committee Meeting

During the year 2024, the Executive Committee has conducted 09 (Nine) meetings. Details of the meeting are shown below by date wise.

Existing Committee

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

Former Committee (Before reconstitution of the Board)

Name of the Former Members	Status in the Committee
Mr. Anisuzzaman Chowdhury	Former Member
Mr. Bashir Ahmed	Former Member
Mr. M. A. Sabur	Former Member
Mr. Bazal Ahmed	Former Member
Mr. Nurul Islam Chowdhury	Former Member
Mrs. Roxana Zaman Chaudhury	Former Member
Mr. Asifuzzaman Chowdhury	Former Member

Details of the Executive Committee Meeting in the year 2024

Sl. No	Meeting No.	Held on
1	467	30-Jan-2024
2	468	1-Apr-2024
3	469	10-Jun-2024
4	470	4-Sep-2024
5	471	29-Sep-2024
6	472	30-Oct-2024
7	473	21-Nov-2024
8	474	11-Dec-2024
9	475	30-Dec-2024

D. Risk Management Committee Meeting

During the year 2024, the Risk Management Committee has conducted 04 (Four) meetings. Details of the meeting are shown below by date wise.

Existing Committee

Name	Status in the Committee
Mr. Md. Yusuf Ali	Chairman
Mr. Sharif Zahir	Member
Mr. Md. Shazzad Hossein	Member
Mr. Obaidur Rahman, FCA	Member

Former Committee (Before reconstitution of the Board)

Name	Status in the Committee
Mr. M. A. Sabur	Former Member
Mr. Anisuzzaman Chowdhury	Former Member
Mr. Nurul Islam Chowdhury	Former Member
Ms. Afroza Zaman	Former Member
Professor Dr. Iftekhar Uddin Chowdhury	Former Member

Details of the Risk Management Committee Meeting in the year 2024

Sl. No	Meeting No	Held on
1	42	1-Apr-2024
2	43	29-Apr-2024
3	44	18-Sep-2024
4	45	10-Dec-2024

E. Shariah Supervisory Committee Meeting

During the year 2024, the Shariah Supervisory Committee has conducted 03 (Three) meetings. Details of the meeting are shown below by date wise.

Existing Committee

Name	Status in the Committee
Professor Dr. Shamsul Alam	Chairman
Dr. Ebrahim Khalil	Member
Professor Dr. K M Saiful Islam Khan	Member
Professor Dr. Mohammed Nasir Uddin (Azhary)	Member
Associate Professor Dr. Mohammad Manjurur Rahman	Member

Former Committee (Before reconstitution of the Board)

Name	Status in the Committee
Professor Dr. Muhammad Abdur Rashid	Member
Professor Dr. K M Saiful Islam Khan	Member

Details of the Shariah Supervisory Committee Meeting in the year 2024

Sl. No	Meeting No	Held on
1	12	5-Mar-2024
2	13	25-Jun-2024
3	14	24-Dec-2024

49 Related Party Disclosers
49.1 (a): Name of the Directors and their shareholding in the Bank.

Name of the Directors	Status in the Board	Opening Share holding position as on 01 January 2024	Closing Share holding position as on 31 December 2024
Mr. Sharif Zahir	Chairman	-	31,217,326
Mr. Md. Tanvir Khan	Director	28,445,320	31,100,000
Mr. Md. Shazzad Hossoin	Vice-Chairman & Independent Director	-	-
Mr. Md. Yusuf Ali	Independent Director	-	-
Mr. Obaidur Rahman, FCA	Independent Director	-	-
Mr. Mohammad Mamdudur Rashid	Managing Director & CEO	-	-

49.1 (b): Name of the Directors and the entities in which they had interest as at 31 December 2024

Name of Directors	Status	Entities of interest
Mr. Sharif Zahir	Chairman	1. Ananta Apparels Limited 2. Ananta Knitwear Limited 3. Ananta Hotel & Resorts Limited 4. Ananta Real Estate Limited 5. Ananta Group Limited 6. Ananta Development Limited 7. Ananta Properties Limited 8. Ananta Energy Resources Limited
Mr. Md. Shazzad Hossein	Independent Director & Vice Chairman	Nil
Mr. Md. Tanvir Khan	Chairman, Executive Committee	1. J.K. Fabrics Ltd. 2. J.K. Knit Composite Ltd. 3. Tanim Knit Comp. Ltd. 4. J.K. Spinning Mills Ltd. 5. J.K. Cotton Mills Ltd. 6. J.K. Synthetic Mills Ltd. 7. Ocean Tiger BD. Ltd. 8. MM Fishing Ltd. 9. MR Fishing Ltd. 10. Pacific Eagle Ltd.
Mr. Md. Yusuf Ali	Independent Director & Chairman, Risk Management Committee	Nil
Mr. Obaidur Rahman FCA	Independent Director & Chairman, Audit Committee	MA Fazal & CO.
Mr. Mohammad Mamdudur Rashid	Managing Director & CEO	Nil

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

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

49.4 Related Party Transactions **Nil**

The related party transactions have been disclosed as per International Accounting Standard (IAS) 24: Related Party Disclosure as follows.

a) For Subsidiaries

Name of the Related Party	Nature of transactions	Opening Balance as at 01.01.2024	Addition/ (Adjustment) during the year	Closing Balance as at 31.12.2024
UCB Stock Brokerage Limited	Receivable against Beneficiary Owners (BO)	144,889,416	123,783,264	268,672,680
	Overdraft loan	1,930,395,461	332,823,932	1,597,571,529
	Bank account	114,243,794	607,230,558	721,474,352
UCB Asset Management Limited	Current Account	80	-	80
	SND Account	1,508,474	12,467,993	13,976,467
UCB Fintech Company Limited	Interest Payable	36,041,667	(4,791,667)	31,250,000
	Cash at banks	412,092,201	(281,481,132)	130,611,069
	Investment in FDR	1,000,000,000	(500,000,000)	500,000,000
	Trust cum settlement accounts (TCSA)	385,258,330	202,766,353	588,024,682

b) Directors related transactions

Name of the related parties	Nature of the transactions	Global Limit	BDT Dues	USD Dues
Sharif Zahir	Credit Card	1,000,000	46,123	48
Tahsin Mahbub	Credit Card	1,000,000	205852	675
Md Jahangir Alam Khan	Credit Card	1,000,000	Nil	Nil
Md Tanvir Khan	Credit Card	900,000	20,312	Nil
Monowara Begum	Credit Card	1,000,000	Nil	Nil
Md Tysir Khan	Credit Card	900,000	37,528	Nil
Sumaiya Mehjabin	Credit Card	900,000	Nil	Nil
Tahsina Khanam	Credit Card	500,000	Nil	Nil
Tahamina Khanam	Credit Card	600,000	Nil	3
Fariha Mahzebin	Credit Card	1,000,000	8,264	Nil

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

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

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

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

50 Events after Balance Sheet date

As per DOS letter no. DOS(CAMS)1157/41(Dividend)/2025-3111 dated 21 May 2025, as there is no distributable profit at the end of the year and bank's minimum capital will fall under 10% if the shortfall in provision is adjusted fully. Therefore, no dividend can be declared for the year ended 31 December 2024. This is also in line with the DOS circular no. 01 dated 13 March 2025.

General

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

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

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

UNITED COMMERCIAL BANK PLC
Highlights on Overall Activities

Particulars	Amount in BDT	
	2024	2023
Paid-up Capital	15,503,758,980	14,765,484,750
Total Capital	53,859,011,572	55,214,433,306
Capital Surplus/(Shortfall)	(9,728,768,794)	357,386,362
Total Assets	768,779,476,471	685,012,410,972
Total Deposits	554,215,267,256	513,394,683,785
Total Loans & Advances	572,828,869,287	505,969,487,028
Total Contingent Liabilities & Commitments	260,859,626,144	291,676,237,243
Credit Deposit Ratio (%)	91.31	86.57
Percentage of Classified Loans against Total Loans and Advances	14.90	5.50
Operating Profit	15,077,894,207	9,725,720,392
Profit after Tax & Provision	607,804,252	2,685,086,287
Amount of Classified Loans during the year	57,524,572,163	(258,293,517)
Classified Loans and advance at the end of the year	85,343,964,142	27,819,391,979
Provision kept against Classified Loans	22,340,746,722	13,907,404,457
Provision Surplus/(Deficit)	(38,962,556,333)	-
Cost of Fund (%)	8.52	7.06
Interest Earning Assets	677,658,650,898	606,721,538,234
Non-interest earning Assets	91,120,825,573	78,290,872,738
Return on Investment (ROI) (%)	8.72	7.37
Return on Assets (ROA) (%)	0.08	0.41
Net Asset value per share	27.60	28.30
Income from Investments	7,438,953,056	5,871,930,074
Earning per share (Taka) - Restated 2023	0.40	1.77
Net Income per share (Taka) - Restated 2023	0.40	1.77
Price earning ratio (Times)	22.92	6.99

(Annexure-A)

UNITED COMMERCIAL BANK PLC

Balance with Nostro Accounts (Balance with Foreign Bank)
As on 31 December 2024

Nostro Bank	Name of the Country	Currency	2024			2023		
			Amount in FC	Rate	Amount in BDT	Amount in FC	Rate	Amount in BDT
AB Bank PLC	India	ACU	318,487	119.99	38,215,244	556,794.08	109.75	61,108,150
Axis Bank Limited	India	ACU	310,712	119.99	37,282,294	217,360.84	109.75	23,855,352
Bank AL Bilad	Saudi Arabia	SAR	12,491	31.98028	399,467	17,366.04	29.27	508,246
Bank of Bhutan	Bhutan	ACU	31,497	119.99	3,779,296	129,184.14	109.75	14,177,959
Bank of Tokyo Mitsubishi	Japan	JPY	10,864,785	0.760393	8,261,505	1,805,941.56	0.78	1,402,208
Citi Bank N.A., New York, USA	USA	USD	(435,632)	119.99	(52,271,515)	15,567,999.62	109.75	1,708,587,958
Commerz Bank AG	Germany	USD	2,655,362	119.99	318,616,930	827,583.62	109.75	90,827,302
Commerz Bank AG	Germany	EUR	146,769	125.0776	18,357,557	177,942.79	122.03	21,714,541
Emirates NBD Bank (P.J.S.C)	India	ACU	1,084,580	119.99	130,138,783	430,441.87	109.75	47,240,995
Habib American Bank	USA	USD	3,629,982	119.99	435,561,509	18,225,695.47	109.75	2,000,270,078
Habib American Bank, NY, (OBU)	USA	USD	2,293,970	119.99	275,253,477	9,674,840.89	109.75	1,061,813,788
Habib Metropolitan Bank Limited	Pakistan	ACU	211,337	119.99	25,358,283	138,295.22	109.75	15,177,900
HDFC Bank Limited	India	ACU	227,818	119.99	27,335,831	587,813.19	109.75	64,512,498
ICICI Bank Limited	India	ACU	480,836	119.99	57,695,536	285,339.26	109.75	31,315,984
ICICI Bank Limited	India	USD	25,209	119.99	3,024,782	409,444.33	109.75	44,936,515
ICICI Bank Limited, Hong Kong (USD)	Hong Kong	USD	109,660	119.99	13,158,073	93,299.14	109.75	10,239,581
ICICI Bank Ltd, Hong Kong (CNY)	Bhutan	CNY	406,116	16.79638	6,821,280	116,093.70	15.42	1,790,135
Indusind Bank Limited, India (ACU)	India	ACU	20,585	119.99	2,469,994	20,585.00	109.75	2,259,204
JP Morgan NY	USA	USD	(3,191,946)	119.99	(383,001,560)	28,881,816.06	109.75	3,169,779,313
KOOKMIN Bank	Korea	USD	114,563	119.99	13,746,470	8,967.41	109.75	984,173
Mashreq Bank Psc	India	ACU	58,595	119.99	7,030,783	488,610.48	109.75	53,625,000
Mashreq Bank Psc	USA	USD	5,059,888	119.99	607,135,946	26,791,101.92	109.75	2,940,323,436
Mashreq Bank Psc	UAE	AED	164,832	32.67346	5,385,620	20,635,945.60	29.89	616,723,860
Mashreq Bank Psc NY (OBU)	USA	USD	43,161	119.99	5,178,935	222,956.40	109.75	24,469,465
Meezan Bank Limited	Pakistan	ACU	271,208	119.99	32,542,264	131,743.87	109.75	14,458,890
Nabil Bank Limited, Nepal	Nepal	ACU	747	119.99	89,609	746.80	109.75	81,961
Peoples Bank Colombo	Sri Lanka	ACU	90	119.99	10,799	90.00	109.75	9,878
Punjab National Bank Limited	Pakistan	ACU	(81,245)	119.99	(9,748,541)	146,961.93	109.75	16,129,072
Sonali Bank PLC	India	ACU	191,739	119.99	23,006,752	152,451.51	109.75	16,731,553
Standard Chartered Bank Germany (EUR)	Germany	EUR	31,527	125.0776	3,943,258	269,807.80	122.03	32,924,923
Standard Chartered Bank Limited	India	ACU	311,444	119.99	37,370,212	613,761.35	109.75	67,360,308
Standard Chartered Bank Limited	USA	USD	36,976,759	119.99	4,436,841,255	34,554,388.73	109.75	3,792,344,163
Standard Chartered Bank, United Kingdom (GBP)	United Kingdom	GBP	33,630	150.9354	5,076,014	52,916.39	140.66	7,442,987
State Bank of India	India	ACU	180,090	119.99	21,609,017	180,090.15	109.75	19,764,894
Wells Fargo Bank N.A	USA	USD	(97,120)	119.99	(11,653,395)	8,248,972.98	109.75	905,324,785
Zhejiang Chouzhou Commercial Bank	China	USD	129,742	119.99	15,567,780	169,093.63	109.75	18,558,026
Zhejiang Chouzhou Commercial Bank	China	CNY	2,003	16.79638	33,645	11,747.30	15.42	181,140
Total					6,159,623,190			16,898,956,220

UNITED COMMERCIAL BANK PLC
Schedule of Fixed Assets
As on 31 December 2024

Particulars	COST				Rate	DEPRECIATION				Amount in Taka
	Balance as on 01 January 2024	Addition during the period	Adjustment during the period	Total Balance as on 31 December 2024		Balance as on 01 January 2024	Adjustment during the period	Charged during the period	Total Balance as on 31 December 2024	
Land	4,395,054,283	-	-	4,395,054,283	-	-	-	-	-	4,395,054,283
Building	2,623,253,671	-	-	2,623,253,671	2.5%	631,307,435	-	65,581,342	696,888,776	1,926,364,895
Furniture & Fixtures	2,757,849,217	147,212,021	43,614,472	2,948,675,710	10.0%	1,650,001,578	37,372,917	199,808,714	1,887,182,209	1,049,009,391
Office Equipment	3,047,543,911	189,687,172	54,708,540	3,291,939,623	20.0%	2,185,177,231	54,707,020	368,786,775	2,498,670,026	683,245,557
Computer Equipment	2,714,907,951	817,818,962	66,544,511	3,599,271,424	20.0%	1,567,486,428	66,534,646	424,588,640	1,925,549,614	1,540,641,980
Vehicles	621,278,877	42,406,326	51,216,031	1,114,891,234	20.0%	499,097,415	51,216,019	36,394,216	484,275,612	128,193,560
Computer Software	1,899,974,139	19,321,885	-	1,919,296,024	25.0%	1,452,551,611	-	218,251,169	1,670,802,780	248,493,244
Right of use assets (ROU)	5,590,566,138	-	-	5,590,566,138	-	2,290,773,718	-	479,819,691	2,770,593,409	2,819,972,729
Capital Expenditure Work In Progress	3,642,387,048	1,839,644,211	1,216,426,366	6,698,457,625	-	-	-	-	-	4,265,604,893
Total as on 31 December 2024	27,292,815,236	3,056,070,577	1,432,509,921	28,916,375,892		10,276,395,415	209,830,602	1,793,230,546	11,859,795,359	17,056,580,533

As on 31 December 2023

Particulars	COST				Rate	DEPRECIATION				Amount in Taka
	Balance as on 01 January 2023	Addition during the period	Adjustment during the period	Total Balance as on 31 December 2023		Balance as on 01 January 2023	Adjustment during the period	Charged during the period	Total Balance as on 31 December 2023	
Land	4,395,054,283	-	-	4,395,054,283	-	-	-	-	-	4,395,054,283
Building	2,623,253,671	-	-	2,623,253,671	2.5%	565,726,093	-	65,581,342	631,307,435	1,991,946,237
Furniture & Fixtures	2,693,736,543	108,263,953	44,151,279	2,846,151,775	10.0%	1,477,400,718	41,323,837	213,924,697	1,732,649,252	1,107,847,639
Office Equipment	2,713,986,040	374,254,248	40,696,377	3,128,936,665	20.0%	1,849,611,257	40,628,504	376,194,478	2,185,177,231	862,366,680
Computer Equipment	2,190,846,756	542,699,957	18,638,762	2,751,185,475	20.0%	1,277,492,966	18,621,460	308,614,922	1,567,486,428	1,147,421,524
Vehicles	610,872,113	29,895,000	19,488,236	659,255,349	20.0%	473,165,626	19,488,221	45,420,010	499,097,415	122,181,462
Computer Software	1,848,510,667	51,463,472	-	1,899,974,139	25.0%	1,213,827,493	-	238,724,118	1,452,551,611	447,422,528
Right of use assets (ROU)	5,590,566,138	-	-	5,590,566,138	-	1,810,954,027	-	479,819,691	2,290,773,718	3,299,792,420
Capital Expenditure Work In Progress	3,642,387,048	4,168,201,634	1,106,576,630	8,917,164,712	-	-	-	-	-	3,642,387,048
Total as on 31 December 2023	23,247,588,255	5,274,778,264	1,229,551,283	27,292,815,236		8,668,178,180	120,062,023	1,728,279,258	10,276,395,415	17,016,419,821



UNITED COMMERCIAL BANK PLC
List of Non-Banking Assets

Sl. No.	Branch Name	Name of the account & Key Person	Categories	Land Area	Mutation	Possession
1	Banani Branch	M/s Anacon Overseas	33(7)	Land Area:31.4 Decimals, Mouza: Sreekhandia, Savar, Dhaka	No	Yes
2	Banani Branch	M/s Nadira Rahman and Nahinur Rahman	33(7)	1700 sft flat being no. A/7 at , Nekation, Gulshan-1	Yes	No
3	Elephant Road Branch	M/s. Maruf Sharee Fashion	33(7)	19.75 decimal Land at Diabari, PS-Mirpur, Dist.- Dhaka.	No	No
4	Elephant Road Branch	M/s. Dolly Resort	33(7)	R.M of 438.50 dec land. Acquisition by RHD-220.81 dec land=rest 217.61 dec land value Tk.870.47 lac	No	No
5	Goalabazar Branch Sylhet	M/S Ratul Enterprise	33(7)	Land Area:2 Decimals, Mouza: Bramogram, Osmananigar, Sylhet	Yes	No
6	Islampur Branch	M/s. Faridpur Medicine Store	33(7)	Land Area:6 Decimals, Mouza; Badda, Gulshan, Dhaka	No	No
7	Islampur Branch	M/s. A. N. Enterprise	33(7)	Land Area: 4.12 Decimals Mouza; Ramna, Dhaka.	No	No
8	Khatungonj	M/s. Albia Trading,	33(7)	Equitable Mortgage of 7.50 decimal land Mouza-Bakalia, Ctg	No	No
9	Nayabazar Br.	M/s. Haque Steel Complex Ltd.	33(7)	104.25 decimal land situated within Dist.- Narayanganj, Mouza- Dpa Idrakpur, PS & Sub-registry office: Fatullah	No	No
10	Principal Branch	M/s. Himalaya Marble,	33(7)	Quantum of Land: 1) 1.60 Katha land, Hatirpool, Dhaka. 2) 6.32 khata land 3) 6.06 katha land 4) 7.67 Katha land 5) 5 katha land Situated at Zoarshahara, Dhaka. 6) 13.63 Katha Paritra, Dhaka.	No	No
11	Principal Branch	M/s. Jenesis Fashions,	33(7)	Land Area:25.68 , 44 , 50.00, decimals, Mouza; Faridpur Teghoria Teghoria, Faridpur Dhaka	No	No
12	Uttara Branch	Md.Farhad Hossain	33(7)	Land Area:910Sft & 0495 Ajutangsha , Mouza:Bailjuri, Dhaka Rajuk.	No	No
13	Elephant Road Branch	M/s. Vision Corporation.	33(7)	41.00 decimals Land at Nandi Para, Sabujbagh, Dhaka.	No	No
14	Elephant Road Branch	M/s. Bengal Jutex Ltd.	33(7)	18.864 bigha Land at Mouza-Bawnia, PS-Pollabi, Dist.-Dhaka	No	No
15	Elephant Road Branch	M/s. Samiya Enterprise	33(7)	20.21 decimal & 46.00 Dec. 02. at Mouza-Ibrahim Pur, PS-Kafrul & Mouza-Ulon, PS-Gulshan, Dist.- Dhaka.	No	No
16	Elephant Road Branch	M/s. Shipu Enterprise.	33(7)	4.50 katha Land at Mouza-Choto sayek, PS-Mirpur, Dist.- Dhaka.	No	No
17	New Eskaton	M/s Catena Computers.	33(7)	1550 sft. Flat (along with undivided and undemarcated 0.44 decimal land)	No	Yes
18	Principal Branch	M/s. Business Mart. Prop:Ayub Hassain.	33(7)	29.50 dec land, at Nandi Para, Shobujbagh, Dhaka.	No	No
19	Principal Branch	M/s. Crystal Trading	33(7)	i) 12 Dec. of Land at Bakalia, Chittagong ii) 98 Dec. of Land at Kachkura, Uttara, Dhaka	No	No
20	Gulshan Branch	M/s Shah Alam & Nasrin Alam	33(7)	0087.50 Ajutangsha of land along with Flat no.6/C on the 6th floor of the 10th storied building constructed thereon measuring 1,025 sft, Dhaka city corporation Holding No. 33/6/C , Chamellibagh, 1st lane,	No	No
21	Noapara (Jessore) Branch	M/s. Mayur Enterprise.	33(7)	16.60 decimal land with building	No	No
22	Khatungonj	Solaiman & Brothers. Prop: Md. Solaiman	33(7)	8.00 dec and 10.00 dec at Mouza-West Solasahar, PS-Panchlaish, Dist.- Chittagong	No	No
23	Faridpur Branch	M/s National Electric	33(7)	16.04 Dec at North Alipur, PO-Ambikapur, Faridpur	Yes	No
24	O.R. Nizam Road	M/s Monowara Corporation	33(7)	0.10 acre of Land and 0.53 acre of Land at East Nasirabad, Panchlaish, Chittagong and Fultoli, Anowara, Chittagong.	Yes	No



SL No.	Branch Name	Name of the account & Key Person	Categories	Land Area	Mutation	Possession
25	O.R. Nizam Road	M/s. R.S.N. Fabric House	33(7)	I) RM of 8.75 Dec land at Nasirabad Housing Society owned by Rubaiyet-E-Hasnath II) RM of 8 decimal land at Jalalabad	Yes	No
26	Dinajpur	M/s D.D Auto Rice Mill	33(7)	Land Area: 155 Decimal, Mouza: Vhuipara Dinaj pur	Yes	No
27	Elephant Road Branch	Awake Sons	33(7)	Land Area 28 decimals	Yes	No
28	Principal Branch	M/s Rahima Composite,	33(7)	District- Dhaka , Mouza- Turag 8.25	No	No
29	Kanaiapur	Tapan Store	33(7)	6.60+15.75+81.31+123.72	Yes	No
30	New Eskaton	Mrs Rokeya Begun & Kamal Hossain	33(7)	1669 sft Flat , Mouza- Boro Moghbazar Dhaka 0089 Land	No	No
31	Nawabpur Br.	Mithu Electromcs	33(7)	33 56 Gazipur , Sadar and Kaliakair Thana, Mouza- Barendra and Bhannara	No	No



United Commercial Bank PLC
Off-shore Banking Unit
Balance Sheet
As at 31 December 2024

Notes	31.12.2024		31.12.2023
	USD	BDT	BDT
PROPERTY AND ASSETS			
Cash			
In hand (including foreign currencies)	-	-	-
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	-	-	-
Balance with other banks and financial institutions	3	7,362,339	883,407,100
In Bangladesh		5,000,000	599,950,000
Outside Bangladesh		2,362,339	283,457,100
Loans and advances	4	50,479,684	6,057,057,306
Loans, cash credits, overdrafts, etc.		6,789,503	814,672,488
Bills purchased and discounted		43,690,181	5,242,384,818
Fixed assets including premises, furniture and fixtures	5	3	234
Other asstes	6	6,042	724,940
Non - banking assets		-	-
Total Properties and Assets		57,848,068	6,941,189,580
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	7	53,601,227	6,431,611,253
Deposits and other accounts		625,766	75,085,649
Current accounts & other accounts		625,766	75,085,649
Bills Payable		-	-
Other Deposits		-	-
Other liabilities	8	1,833,548	220,007,411
Total liabilities		56,060,541	6,726,704,313
Capital / Shareholders' equity		1,787,527	214,485,267
Paid up capital		-	-
Statutory reserve		-	-
Foreign currency gain		-	-
Other reserve		-	8,077,351
Retained earnings	9	1,787,527	206,407,916
Total Liabilities and Shareholders' Equity		57,848,068	6,941,189,580

Notes	31.12.2024		31.12.2023
	USD	BDT	BDT

Off Balance Sheet Items
Contingent liabilities

Acceptances and endorsements

Letters of guarantee

Irrevocable letters of credit

Bills for collection

Other contingent liabilities

	84,493,452	10,138,369,305	11,013,864,787
	-	-	-
	84,493,452	10,138,369,305	11,013,864,787
	-	-	-
	-	-	-
	-	-	-

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

Liabilities against forward purchase and sale

Other commitments

	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-

Total Off-Balance Sheet Exposures Including Contingent Liabilities

84,493,452 10,138,369,305 11,013,864,787

The annexed notes from 01 to 14 form integral part of these financial statements.

United Commercial Bank PLC
Off-shore Banking Unit
Profit and Loss Account
For the Year ended 31 December 2024

	Notes	2024		2023
		USD	BDT	BDT
Interest income	10	7,509,512	867,132,392	974,336,542
Interest paid on deposits, borrowings, etc.	11	6,196,106	715,471,785	652,397,290
Net interest Income		1,313,406	151,660,607	321,939,252
Investment Income	13	-	-	-
Commission, exchange, brokerage, etc.	12	272,907	31,512,833	18,967,826
Total operating income (A)		1,586,313	183,173,440	340,907,078
Salaries and allowances	13	13,983	1,614,661	1,567,903
Rent, taxes, insurance, electricity, etc.		-	-	-
Legal expenses		-	-	-
Postage, stamp, telecommunication, etc.		-	-	-
Stationery, printing, advertisements, etc.		-	-	-
Auditors' fees		-	-	-
Depreciation and repair of Bank's assets		-	-	1,151
Other expenditure	14	1,968	227,270	230,667
Total operating expenses (B)		15,951	1,841,931	1,799,721
Profit before provision (C=A-B)		1,570,361	181,331,509	339,107,357
Provision for loans and advances / investments				
Specific provision		-	-	-
General provision		(58,000)	(6,697,330)	(167,372,425)
Provision for Off Balance Sheet Exposure		(159,166)	(18,379,077)	(11,542,467)
Total provision (D)		(217,166)	(25,076,407)	(178,914,892)
Total profit before Taxes (C-D)		1,787,527	206,407,916	518,022,249
Provision for taxation		-	-	-
Current tax		-	-	-
Deferred tax		-	-	-
Net profit after taxation		1,787,527	206,407,916	518,022,249

The annexed notes from 01 to 14 form integral part of these financial statements.

United Commercial Bank PLC
Off-shore Banking Unit
Cash Flow Statement
For the year ended 31 December 2024

	2024		2023
	USD	BDT	BDT
A) Cash flows from operating activities			
Interest receipts in cash	7,509,512	867,132,392	974,336,542
Interest payments	(6,196,106)	(715,471,785)	(652,397,290)
Fees and commission receipts in cash	272,907	31,512,833	18,967,826
Cash payments to employees	(13,983)	(1,614,661)	(1,567,903)
Cash payments to suppliers	-	-	-
Receipts from other operating activities	-	-	-
Payments for other operating activities	(1,968)	(227,270)	(230,667)
Cash generated from operating activities before changes in operating assets and liabilities	1,570,361	181,331,509	339,108,508
Increase / (decrease) in operating assets and liabilities			
Loans and advances to other banks	-	-	-
Loans and advances to customers	5,805,660	696,621,101	16,921,802,696
Other assets	6,042	724,940	-
Deposits from other banks / borrowings	(5,998,773)	(719,792,747)	(17,164,500,833)
Deposits from customers	625,766	75,085,649	-
Other liabilities	(129,111)	(15,492,036)	(126,897,712)
	309,583	37,146,907	(369,595,849)
Net cash flow from / (used in) operating activities	1,879,944	218,478,416	(30,487,341)
B) Cash flows from investing activities			
Purchase / sale of property, plant and equipment	-	-	-
Proceeds / Loss from sale of property, plant and equipment	-	-	-
Net cash flow from investing activities	-	-	-
C) Cash flows from financing activities			
Retained earnings sent to Central Operation	(4,824,847)	(474,368,435)	(1,027,536,124)
Net Cash from financing activities	(4,824,847)	(474,368,435)	(1,027,536,124)
D) Net increase / (decrease) in cash and cash equivalents (A+B+C)	(2,944,903)	(255,890,019)	(1,058,023,465)
E) Effects of exchange rate changes on cash and cash equivalents	-	8,077,351	10,178,461
F) Cash and cash equivalents at beginning of the year	10,307,242	1,131,219,768	2,179,064,772
G) Cash and cash equivalents at end of the year (D+E+F)	7,362,339	883,407,100	1,131,219,768
Cash and cash equivalents at end of the year			
Cash in hand (including foreign currencies)	-	-	-
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	-	-	-
Balance with other banks and financial institutions	7,362,339	883,407,100	1,131,219,768
	7,362,339	883,407,100	1,131,219,768

The annexed notes from 01 to 14 form integral part of these financial statements.

United Commercial Bank PLC
Off-shore Banking Unit
Notes to the Financial Statements
For the year ended 31 December 2024

1 Status of the units

Off-shore Banking Units of United Commercial Bank PLC, governed under the rules and guidelines of Bangladesh Bank. The Bank obtained permission for 2 (two) units of Off-shore Banking Unit (OBU) vide letter no. BRPD (P-3) 744 (117)/2010-2577 dated 9th June 2010. The Bank commenced the operation of its Off-shore Banking Unit from November 10, 2010. Presently the Bank has 1 (one) unit in Dhaka.

1.1 Principal activities

The principal activities of the unit is to provide all kinds of commercial banking services to its customers through its off-shore Banking Units in Bangladesh.

1.2 Significant accounting policies and basis of preparation of financial statements

1.2.1 Basis of accounting

The Off-shore Banking Units maintain its accounting records in USD from which accounts are prepared according to the Bank Company Act 1991 (amendment 2023), Bangladesh Accounting Standards and other applicable directives issued by Bangladesh Bank.

1.2.2 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

1.2.3 Foreign currency transaction

a) Foreign currencies translation

Foreign currency transactions are converted into equivalent Taka using the ruling exchange rates on the dates of respective transactions as per IAS-21 "The Effects of Changes in Foreign Exchange Rates". Foreign currency balances held in US Dollar are converted into Taka at weighted average rate of inter-bank market as determined by Bangladesh Bank on the closing date of every month. Balances held in foreign currencies other than US Dollar are converted into equivalent US Dollar at buying rates of New York closing of the previous day and converted into Taka equivalent.

b) Commitments

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

c) Translation gains and losses

The resulting exchange transaction gains and losses are included in the profit and loss account.

1.2.4 Cash flow statement

Cash flow statement has been prepared in accordance with the International Accounting Standard-7 "Cash Flow Statement" under direct method as recommended in the BRPD Circular No. 14, dated June 25, 2003 issued by the Banking Regulation & Policy Department of Bangladesh Bank.

1.2.5 Reporting period

These financial statements cover from January 01 to December 31, 2024.

2 General

- a) These financial statements are presented in Taka, which is the Bank's functional currency and figures appearing in these financial statements have been rounded off to the nearest Taka.
- b) Assets and liabilities & income and expenses have been converted into Taka currency @ US\$1 = Taka 119.9900 (closing rate as at 31st December 2024) and Tk. 115.4712 (average rate which represents the year end).

	31.12.2024		31.12.2023
	USD	BDT	BDT
3 Balance with other banks and financial institutions			
In Bangladesh	5,000,000	599,950,000	-
Outside Bangladesh	2,362,339	283,457,100	1,131,219,768
	7,362,339	883,407,100	1,131,219,768
4 Loans and advances			
i) Loans, cash credits, overdrafts, etc.			
Loan (General)	-	-	-
Hire purchase	-	-	-
Lease finance	-	-	-
Term Loan	6,789,503	814,672,488	1,408,089,994
	6,789,503	814,672,488	1,408,089,994
ii) Bills purchased and discounted (note-5)			
Payable Inside Bangladesh			
Inland bills purchased	-	-	-
Payable Outside Bangladesh			
Foreign bills purchased and discounted	43,690,181	5,242,384,818	4,769,226,492
	43,690,181	5,242,384,818	4,769,226,492
	50,479,684	6,057,057,306	6,177,316,486
5 Fixed assets			
Cost			
Furniture & Fixtures	18,986	1,479,935	1,479,935
Computer and equipments	809	63,027	63,027
	19,795	1,542,962	1,542,962
Less: Accumulated Depreciation			
Furniture & Fixtures	18,984	1,479,779	1,479,779
Computer and equipments	808	62,949	62,949
	19,792	1,542,728	1,542,728
Written down value (WDV)	3	234	234
6 Other assets			
Advance deposits and advance rent	-	-	-
Interest Receivable	6,042	724,940	-
Foreign currency translation reserve	-	-	-
	6,042	724,940	-
7 Borrowings from other banks, financial institutions and agents			
Borrowings from Head office	53,601,227	6,431,611,253	-
Al Arafah Islami Bank PLC	-	-	1,327,975,000
CAIXA Bank Spain	-	-	2,304,750,000
Emirates Islamic Bank	-	-	1,262,125,000
Emirates NBD Bank PJSC (UAE)	-	-	1,646,250,000
	53,601,227	6,431,611,253	6,541,100,000
8 Other liabilities			
Interest payable	478,548	57,420,961	66,690,570
Provision for Loans & Advances	510,000	61,194,900	62,557,500
Provision for Off Balance Sheet Exposure	845,000	101,391,550	109,987,708
	1,833,548	220,007,411	239,235,778
9 Retained earnings			
Opening Balance	-	-	-
Current year profit	1,787,527	206,407,916	518,022,249
Retained earnings transferred to central operation	(1,787,527)	(206,407,928)	(518,021,811)
Effect of changes in exchange rate	-	8,077,351	10,178,461
	-	8,077,339	10,178,899

10 Interest income

	2024		2023
	USD	BDT	BDT
Term Loan	850,577	98,217,128	144,457,250
Bills purchased & Discount	6,181,280	713,759,849	761,098,914
Others	-	-	-
Interest on loans and advances	7,031,857	811,976,977	905,556,164
Interest on balance with other banks and financial institutions	13,081	1,510,510	36,174,329
Interest received from foreign banks	464,574	53,644,905	32,606,049
Total Interest income	7,509,512	867,132,392	974,336,542

11 Interest on deposits, borrowings, etc.

Interest paid on deposits	-	-	-
Interest paid on local bank accounts	-	-	-
Interest paid on Borrowings	6,196,106	715,471,785	652,397,290
	6,196,106	715,471,785	652,397,290

12 Commission, exchange and brokerage

LC, BC & BG (Others) Fees and Charges	253,381	29,258,167	15,339,786
Exchange Gain/(Loss)	13,041	1,505,835	3,397,163
Income from Nostro	6,485	748,831	230,877
Revaluation Gain/(Loss) on foreign currency	-	-	-
	272,907	31,512,833	18,967,826

13 Salaries and allowances

Basic pay	7,092	818,870	762,485
Allowances	3,645	420,914	427,207
Bonus	2,537	292,991	301,961
Contribution to fund	709	81,886	76,250
	13,983	1,614,661	1,567,903

14 Other expenditure

Foreign bank correspondence charges	-	-	-
Miscellaneous Expenses	1,968	227,270	230,667
Revaluation loss on foreign currency	-	-	-
	1,968	227,270	230,667

United Commercial Bank PLC
Islamic Banking Unit
Balance Sheet
As at 31 December 2024

	Notes	31.12.2024 Taka	31.12.2023 Taka
PROPERTY AND ASSETS			
Cash	3	1,473,564,576	918,812,281
In hand (including foreign currencies)		66,048,675	16,433,837
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		1,407,515,901	902,378,444
Balance with other Banks and Financial Institutions	4	7,641,574,670	1,050,060,919
In Bangladesh		7,641,574,670	1,050,060,919
Outside Bangladesh		-	-
Placement with other banks and financial institutions		-	-
Investments in shares and securities	5	1,385,613,000	1,298,120,000
Government		803,113,000	715,620,000
Others		582,500,000	582,500,000
Investments	6	14,325,866,708	13,185,442,170
General Investment		13,949,586,810	12,890,561,304
Bills purchased and discounted		376,279,898	294,880,866
Fixed assets including premises, furniture and fixtures	7	17,951,494	22,711,109
Other assets	8	1,718,548,392	2,367,723,377
Non - banking assets		-	-
Total Properties and Assests		26,563,118,840	18,842,869,856
LIABILITIES AND CAPITAL			
Liabilities			
Placement from other banks, financial institutions and agents	9	3,379,815,998	322,536,839
Deposits and other accounts	10	21,267,884,440	17,226,699,084
Al-wadeeah current and other deposits accounts, etc.		3,555,259,852	2,249,773,362
Bills Payable		21,820,212	22,027,021
Mudaraba Savings Deposits		5,550,782,061	4,943,935,234
Mudaraba term Deposits		12,140,022,315	10,010,963,467
Other liabilities	11	1,915,418,402	1,293,633,933
Total liabilities		26,563,118,840	18,842,869,856
Capital / Shareholders' equity			
Paid up capital		-	-
Statutory reserve		-	-
Foreign currency gain		-	-
Other reserve		-	-
Deficit in profit and loss account / Retained earnings	12	-	-
Total Shareholders' equity		-	-
Total Liabilities and Shareholders' Equity		26,563,118,840	18,842,869,856

Notes	31.12.2024 Taka	31.12.2023 Taka
Off Balance Sheet Items		
Contingent liabilities	13,780,069,222	9,295,750,089
Acceptances and endorsements	6,352,291,164	4,707,264,615
Letters of guarantee	465,651,794	209,122,107
Irrevocable letters of credit	5,003,748,125	3,074,843,896
Bills for collection	1,958,378,139	1,304,519,471
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	-	-
Liabilities against forward purchase and sale	-	-
Other commitments	-	-
Total Off-Balance Sheet exposures including contingent liabilities	13,780,069,222	9,295,750,089

The annexed notes from 01 to 21 form integral part of these financial statements.

United Commercial Bank PLC
Islamic Banking Unit
Profit and Loss Account
For the Year ended 31 December 2024

	Notes	2024 Taka	2023 Taka
Investment income	13	1,278,115,223	888,359,123
Profit paid on deposits, borrowings, etc	14	869,340,845	481,295,192
Net Investment Income		408,774,378	407,063,931
Profit on Investment with bank and financial institutions		281,577,553	157,858,376
Commission, exchange, brokerage	15	313,207,511	196,994,878
Other operating income	16	13,369,614	10,609,857
Total operating income (A)		1,016,929,056	772,527,042
Salaries and allowances	17	46,097,878	41,945,173
Rent, taxes, insurance, electricity, etc.		12,661,954	8,906,852
Legal expenses		-	-
Postage, stamp, telecommunication, etc.		518,072	270,217
Stationery, printing, advertisements, etc.		4,059,467	33,969,191
Depreciation and repair of Bank's assets	18	14,993,182	18,788,049
Other expenditure	19	19,816,408	15,822,129
Total operating expenses (B)		98,146,961	119,701,611
Profit before provision (C=A-B)		918,782,095	652,825,431
Provision for Investments	20	112,709,503	89,440,941
Provision for Deminution in Value of Investment in Shares		-	-
Other Provision	21	90,868,610	92,957,501
Total provision (D)		203,578,113	182,398,442
Total profit after taxes (C-D)		715,203,982	470,426,989

The annexed notes from 01 to 21 form integral part of these financial statements.

United Commercial Bank PLC
Islamic Banking Unit
Cash Flow Statement
For the year ended 31 December 2024

Note	2024 Taka	2023 Taka
A) Cash flows from operating activities		
Profit receipts	1,504,394,814	1,024,648,402
Profit payments	(869,330,018)	(481,295,192)
Dividend receipt	-	-
Fees & Commission receipt	238,730,726	171,218,719
Recoveries from previously written off advances	-	-
Payments to employees	(46,097,878)	(41,945,173)
Payments to suppliers	(17,239,493)	(43,146,260)
Payment for Advance Income Tax	195,149	976,266
Receipt from other operating activities	13,369,614	10,609,857
Payment for other operating activities	(20,380,974)	(16,263,807)
Operating profit before changes in operating assets and liabilities	803,641,940	624,802,812
Increase /Decrease in operating assets and liabilities		
Statutory Deposit	-	16,000
Purchase/Sale of trading securities	(87,493,000)	(767,870,000)
Loans and advances to customers	(1,140,424,536)	(5,836,517,835)
Other Assets	(215,681,194)	3,885,551
Deposit from Banks	(344,901,351)	295,574,781
Deposit from customers	4,386,086,707	6,394,609,005
Other liabilities	621,784,467	545,805,262
	3,219,371,093	635,502,764
Net cash flow from operating activities (A)	4,023,013,033	1,260,305,576
B) Cash flows from investing activities		
Purchase/Sale of Securities	-	-
Purchase of Property, Plant & Equipments	(8,502,931)	(2,333,469)
Cash used in investing activities (B)	(8,502,931)	(2,333,469)
C) Cash flows from financing activities		
Receipt from borrowing	3,057,279,159	265,585,545
Sub-Ordinated Bond	-	-
Cash received from issuing of Right shares	-	-
Cash dividend payment	-	-
Net cash flows from financing activities (C)	3,057,279,159	265,585,545
D) Net increase in cash and cash equivalents (A+B+C)	7,071,789,261	1,523,557,652
E) Effects of the changes of exchange rate on cash and cash equivalents	74,476,785	25,776,159
F) Cash and cash equivalent at the beginning of the year	1,968,873,200	419,539,389
G) Closing cash and cash equivalents at the end of the period	9,115,139,246	1,968,873,200

The annexed notes from 01 to 21 form integral part of these financial statements.

United Commercial Bank PLC
Islamic Banking Unit
Notes to the Financial Statements
For the year ended 31 December 2024

1 Status of the Islamic Banking units

Islamic Banking refers to a system of Banking or Banking activity that is consistent with the principles of the Sharia's (Islamic rulings) and its practical application through the development of Islamic economics. Sharia's prohibits the payment or acceptance of interest or excess (Riba) for the Lending and Borrowing of money. It carries out trade and other real economic activities to generate income rather than earning through trade of money (Interest). It also avoids Gharar (ambiguity) in any dealings or contracts and also avoids Maisir (gambling) in all activities. The principle also emphasises moral and ethical values in all dealings.

The operation of our Islamic Banking is totally different from the Bank's conventional operation as the former operates their business on the basis of Islamic Shariah. Accounting system is vital for ensuring Shariah compliance in such banking operation. Our Islamic Banking operation is committed to follow the accounting principles that refrain from interest. In a nutshell, we follow under noted principles for accounting under its Islamic Banking umbrella, run through a separate Islamic Banking software namely i-FLEXCUBE.

1.1 Governance and Shari'ah Compliance

UCB has established a robust Shari'ah governance framework to ensure compliance with Islamic financial principles. The key components include

- Shari'ah Supervisory Board (SSB): Oversees the Islamic banking operations and ensures compliance with Islamic laws.
- Internal Shari'ah Audit: Conducts periodic audits to assess compliance with Shari'ah principles.
- Shari'ah Review and Advisory Unit: Provides ongoing guidance and approvals for product development and implementation.

1.2 Principal Activities and Nature of Business

The Islamic Banking units of UCB offers all kinds of Islamic Shari'ah based commercial Banking services to its customers through its windows following the provisions of the Bank Companies Act 1991 (as amended up to 2023), Bangladesh Bank's Directives and directives of other regulatory authorities and the principles of the Islamic Shari'ah.

1.3 Deposits Principles

1.3.1 Shariah principles for receiving deposits

Islamic banks receive deposits under two principles:

- i) Al-Wadeeah principle.
- ii) Mudaraba principle.

1.3.1.1 Al-Wadeeah:

Fund which is deposited with Banks by the depositors with clear permission to utilize /invest the same is called Al-Wadeeah. Islamic banks receive deposits in Current Accounts on the basis of this Al-Wadeeah Principle. Islamic banks obtain permission from the AlWadeeah depositors to utilise the Funds at its own responsibility and the depositors would not share any profit or loss earned/incurred out of using of this funds by the bank. The banks have to pay back the deposits received on the principle of Al-Wadeeah on demand of the holders. The depositors have to pay government taxes and other charges, if any.

1.3.1.2 Mudaraba:

Mudaraba is a partnership of labour and capital, where one partner provides full capital and the other one manages the business. The capital provider is called Sahib-Al-Maal and the user of the capital is called Mudarib. As per Shariah principles, the Mudarib will conduct the business independently following Shariah principles. The Sahib-Al-Maal may provide advices, if he deems fit but he can not impose any decision over the Mudarib. Profit, if any, is divisible between the Sahib-Al-Maal and the Mudarib at a predetermined ratio, while loss, if any, is borne by the Sahib-Al-Maal. The deposits, received by Islamic banks under this principle are called Mudaraba Deposits. Here, the depositors invest as Sahib-Al-Maal and the bank manages the business as Mudarib.

The Mudaraba deposits include:

- i) Mudaraba Savings Deposits (MSD)
- ii) Mudaraba Short Notice Deposits (MSND)
- iii) Mudaraba Term Deposits (MTD).

1.3.1.3 Income Sharing Ratio (ISR)

UCB Taqwa - Islamic banking declares Income Sharing Ratio (ISR) between Bank and Customer, which is applicable on its Bangladeshi Taka UCB Taqwa Mudaraba Savings Account, UCB Taqwa Mudaraba SND Account, UCB Taqwa Mudaraba Term Deposit Account, UCB Taqwa Monthly Income Term Deposit, UCB Taqwa Monthly Deposit Scheme.

UCB Taqwa profit bearing accounts are operated under Shariah Mode "Mudaraba" where, it is a partnership business contract between Bank & Customer. Customer provides capital (Shaheb Al Maal) and bank manages the business (Mudarib). Income generated is distributed between partners as per agreed Income Sharing Ratio (ISR).

- UCB Taqwa does not offer any provisional rate for any types of Mudaraba Accounts.
- Profit rate will be determined every month according to the Income Sharing Ratio (ISR) between Bank and Customer and Income from investment.



1.4 Investment Principles & Investment Products

Islamic banks do not directly deal in money. They run business with money. The funds of Islamic banking are mainly invested in the following modes:

- 1) Musharaka;
- 2) Bai-Murabaha (Murabaha to the purchase orders);
- 3) Salam and agency;
- 4) Ijarah Muntahia Bittamleek (Hire Purchase);
- 5) Hire Purchase Shirkat al Melk (HPSM);

1.5 Significant Accounting Policies

1.5.1 Basis of preparation of the Financial Statements

Islamic Banking unit of the Bank is being operated in strict compliance with the rules of Islamic Shari'ah. The financial statements of the unit have been prepared under the historical cost convention in accordance with International Financial Reporting Standards (IFRSs) and as per provisions of the "Guidelines for Islamic Banking" issued by Bangladesh Bank through BRPD Circular No. 15 dated 09 November 2009 with reference to the provisions of the Bank Companies Act, 1991 (as amended) and other circulars/ instructions of Bangladesh Bank, the Companies Act 1994, the Securities and Exchange Rules 1987 and Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as a member of that organization.

In case any requirement of the Bank Companies Act 1991 (as amended) and provisions and circulars issued by Bangladesh Bank differ with those of IFRSs as adopted, the requirements of the Bank Companies Act 1991 (as amended) and provisions and circulars issued by Bangladesh Bank shall prevail.

1.6 Income/ Revenue Recognition Principle

The bank earns income from various sources such as charges, fees, commission and investment income. To recognize all sorts of income, Islamic Banking units of UCB follows Shariah principle strictly. Recognition of income from investment follows principles as under:

- Income from Islamic financing: Recognized based on the contractual terms of Islamic financing instruments, following profit realization principles.
- Profit distribution: Earnings from investment accounts are distributed among depositors and shareholders as per agreed profit-sharing ratios.
- Zakat obligations: If applicable, the bank facilitates Zakat calculations for depositors.
- Prohibition of interest: No income is earned or recognized from interest-based transactions.

1.7 Cost Recognition Principle

Cost in respect of profit paid on deposit is recognized on accrual basis. Monthly accruals in this respect are calculated on the basis of Income Sharing Ratio. Other costs are also recognized on the accrual basis following the matching concept of Accounting.

1.8 Risk Management Framework

Islamic banking operations are exposed to unique risks, including Shari'ah non-compliance risk, liquidity risk, and credit risk. UCB implements a comprehensive risk management framework to mitigate these risks by:

- Ensuring thorough Shari'ah compliance checks for all products and transactions.
- Conducting regular internal and external audits.
- Maintaining adequate liquidity buffers as per regulatory requirements.
- Strengthening credit assessment procedures for Islamic financing contracts.

1.9 Islamic Banking Products and Services

UCB offers a range of Shari'ah-compliant products, including:

- Deposit Products: Mudarabah Savings Account, Mudarabah Term Deposits, and Wadiah Current Accounts.
- Financing Products: Murabaha, Ijarah, Musharakah, and Mudarabah-based financing solutions.
- Trade Finance: Shari'ah-compliant letters of credit, export financing, and working capital solutions.
- Investment Banking: Islamic Sukuk, equity-based financing, and other halal investment opportunities.

1.10 Corporate Social Responsibility (CSR) and Islamic Philanthropy

UCB's Islamic banking division actively participates in social welfare activities, including:

- Disbursement of Zakat and charity funds to eligible beneficiaries.
- Financing social projects through Qard Hasan (benevolent loans).
- Promoting financial inclusion and ethical banking practices.

1.11 Reporting period

These financial statements cover from January 01 to December 31, 2024.

2 General

These financial statements are presented in Taka, which is the Bank's functional currency and figures appearing in these financial statements have been rounded off to the nearest Taka.

	31.12.2024 Taka	31.12.2023 Taka
3 Cash	1,473,564,576	918,812,281
Cash in hand		
Local currency	57,260,607	15,408,772
Cash in ATM	-	-
Foreign currency	8,788,068	1,025,065
	66,048,675	16,433,837
Balance with Bangladesh Bank and its agent Bank(s)		
Local currency	1,407,515,901	902,378,444
Foreign currency	-	-
	1,407,515,901	902,378,444
4 Balance with other banks and financial institutions		
In Bangladesh	7,641,574,670	1,050,060,919
Outside Bangladesh	-	-
	7,641,574,670	1,050,060,919
5 Investments in Shares and Securities		
Perpetual Mudaraba Bond Investment	230,000,000	230,000,000
Investment in Un-Quoted Securities	52,500,000	52,500,000
Bangladesh Government Investment Sukuk	803,113,000	715,620,000
Private Sukuk Bond	300,000,000	300,000,000
Prize Bond	-	-
	1,385,613,000	1,298,120,000
6 Investments		
i) General Investments		
General Investment	13,949,586,810	12,890,561,304
	13,949,586,810	12,890,561,304
ii) Bills purchased and discounted		
Payable Inside Bangladesh		
Inland bills purchased	13,441,617	14,990,928
Payable Outside Bangladesh		
Foreign bills purchased and discounted	362,838,281	279,889,938
	376,279,898	294,880,866
	14,325,866,708	13,185,442,170
7 Fixed assets		
Cost		
Furniture and Fixture	15,652,712	6,272,107
Office equipments	2,375,450	2,227,420
Computer and equipments	2,461,133	2,345,983
Computer software	67,944,879	67,944,879
	88,434,174	78,790,389
Less: Accumulated Depreciation		
Furniture and Fixture	2,099,013	1,110,080
Office equipments	1,096,222	635,894
Computer and equipments	1,403,141	950,617
Computer software	65,884,304	53,382,689
	70,482,680	56,079,280
Written down value (WDV)	17,951,494	22,711,109
8 Other assets		
Advance deposits and advance rent	-	-
Advance Income Tax Paid	195,149	532,536
Income & Compensation Receivable	97,402,475	39,695,639
Stock of Stationery & Stamps	264,900	325,070
Head Office General Account	1,620,685,868	2,327,170,132
	1,718,548,392	2,367,723,377

9 Placement from other banks, financial institutions and

Borrowings from Head office
EDF Borrowing from Bangladesh Bank
Bangladesh Bank Pre-Financing Scheme
Borrowing from Bank and NBFİ

31.12.2024 Taka	31.12.2023 Taka
-	-
294,515,998	282,803,506
85,300,000	39,733,333
3,000,000,000	-
3,379,815,998	322,536,839

10 Deposits and other accounts

Inter Bank deposits
Other deposits

874,937	345,776,288
21,267,009,503	16,880,922,796
21,267,884,440	17,226,699,084

a. Al-Wadeeah Current and Other Deposits

Current deposits
Foreign currency deposits
Sundry deposits

1,553,998,285	788,330,303
152,114,769	125,069,632
1,849,146,798	1,336,373,427
3,555,259,852	2,249,773,362

b. Bills Payable

Pay order
Demand draft payable
Others Payable

21,820,212	22,027,021
-	-
-	-
21,820,212	22,027,021

c. Mudaraba Savings Deposits

Savings Bank deposits

5,550,782,061	4,943,935,234
5,550,782,061	4,943,935,234

d. Mudaraba Term Deposits

Fixed deposits
Special notice deposits
Scheme Deposits

9,945,606,766	7,879,410,949
1,933,547,877	2,037,962,514
260,867,672	93,590,004
12,140,022,315	10,010,963,467

Total Deposits and other accounts (a+b+c+d)

21,267,884,440	17,226,699,084
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11 Other liabilities

Provision for Investment (Notes-11.1)
Provision for off-balance sheet exposure
Profit payable
Payable Tax, VAT and Excise Duty
Unearned Income
Compensation Realisable Account
Profit Suspense Account
Compensation Suspense Account
Other Sundry Liabilities
Head Office General Account

112,709,503	89,440,941
90,868,610	92,957,501
943,339,026	619,206,263
54,530,230	46,870,767
632,866,302	414,621,620
45,103,404	28,004,600
3,807,419	1,104,345
3,241,289	1,127,097
28,952,619	300,799
-	-
1,915,418,402	1,293,633,933

11.1 Provision for Investments

General Provision
Specific Provision

112,709,503	89,440,941
-	-
112,709,503	89,440,941

12 Retained Earnings

Opening Balance
Add: Transferred during for the year
Retained earnings transferred to central operation
Effect of changes in exchange rate

-	-
-	-
-	-
-	-
-	-

	2024 Taka	2023 Taka
13 Investment Income		
Term Investment	1,278,115,223	887,046,623
Bills purchased & Discount	-	-
Others	-	-
Interest on Investment	1,278,115,223	887,046,623
Income on balance with other banks and financial institutions	-	1,312,500
Islamic Bond _Islami Banking	-	-
Income received from foreign banks	-	-
Total Interest income	1,278,115,223	888,359,123
14 Profit paid on deposits, borrowings, etc.		
Profit paid on deposits	839,841,658	474,749,528
Profit paid on local bank accounts	-	-
Profit paid on Borrowings	29,499,187	6,545,664
	869,340,845	481,295,192
15 Commission, exchange and brokerage		
Exchange Gain/(Loss)	74,476,785	25,776,159
Income from Commission	152,203,191	113,548,401
Income from Fees	86,527,535	57,670,318
Income from Brokerage	-	-
	313,207,511	196,994,878
16 Other operating income		
Income from Others	13,369,614	10,609,857
	13,369,614	10,609,857
17 Salaries and allowances		
Basic pay	28,841,551	26,265,073
Allowances	10,681,269	10,059,369
Bonus	3,272,465	2,975,554
Provident Fund and Welfare Fund	3,302,593	2,645,177
	46,097,878	41,945,173
18 Depreciation and repair of Bank's assets		
Depreciation		
Computer Equipment	477,740	410,128
Computer Software	12,501,615	16,986,219
Furniture and Fixture	988,933	627,199
Office Equipment	460,328	322,825
	14,428,616	18,346,371
Repair and Renovation		
Premises	34,605	1,200
Repair and Renovation Expense Supply Items	297,879	199,136
Vehicles	81,412	138,482
Repair Office Equipment	136,670	98,860
Software Maintenance Charge	14,000	4,000
	564,566	441,678
	14,993,182	18,788,049



19 Other Expenditure

Fees, Commission and Charges
Car Expense
Medical Expense
Other expense

2024 Taka	2023 Taka
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88,490	67,778
2,930,053	2,003,890
1,422,989	1,289,991
15,374,876	12,460,470
19,816,408	15,822,129

20 Provision for Investments

Provision for Classified Investments
Provision for Unclassified Investments

-	-
112,709,503	89,440,941
112,709,503	89,440,941

21 Other Provision

Provision for Off Balance Sheet Exposure

90,868,610	92,957,501
90,868,610	92,957,501