



**ANNUAL REPORT
2025**

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Board of Directors



MS. Rinzin Lhamu
CHAIRPERSON



Mr. Sangay Tenzin
INDEPENDENT DIRECTOR



Mr. Nawang Gyetse
INDEPENDENT DIRECTOR



Mr. Tandin Dorji
DIRECTOR



Mr. Tashi Tshering
DIRECTOR



Mr. Pema Tshering
DIRECTOR/MEMBER SECRETARY
(Chief Executive Officer)

Management Team

Mr. Pema Tshering	Chief Executive Officer
Ms. Kencho Pemo	Chief, Credit Department
Ms. Kritika Pradhan	Chief, Banking Department
Mr. Probin Pradhan	Chief, IT Department
Ms. Kuenzang Choden.	Chief Financial Officer, F&A Department
Mr. Phuntsho Namgyal	Company Secretary
Mr. Chencho Dorji	Chief, ADM/HR Department

Branch Managers

Mr. Tshering Duba	Thimphu Branch
Mr. Sonam Tobgay	Phuentsholing Branch
Mr. Saha Bahadur Biswa	Wangdue Branch
Mr. Tsheltrim Dorjee	Gelephu Branch
Ms. Tshewang Dema	Paro Branch
Mr. Durga Prasad Subba	Mongar Branch
Mr. Rinchen Tshewang	Samdrup Jongkhar Branch
Mr. Tashi Dorji	Samtse Branch
Mr. Jamphel Singye	Tashigang Branch
Mr. Tashi Dendup	Trongsa Branch

Registered Office;

TBank Limited
TCC Complex Building
Samten Lam
Thimphu, Bhutan
Website: www.tbank.bt

A BRIEF INFORMATION ON T BANK LIMITED

T Bank Limited was established as a commercial bank on March 12, 2010. As of December 31, 2025, it operates ten branches across the country.

The Bank aligns its strategic direction with its Five -Years Corporate Strategy Plan 2022-2026 (CSP 2022-2026), which was developed in 2022. The strategy document provides a framework to guide leadership, management, coordination, and decision- making in response to the evolving complexities, changes and competitions faced by the bank.

The corporate strategy also outlines the Bank’s vision, mission and core values, which guide its overall operations and long-term growth.

Vision:

“The most preferred bank driven by passion for service excellence.”

Mission:

“To Pursue growth through innovative banking products and services with the adoption of smart technologies.”

Core Values:

- *Customer Centricity*
- *Integrity*
- *Innovation*

Ownership Structure

The shareholding pattern of T Bank Limited as at 31 December 2025 is as follows:

S.N	Shareholder Name	Shareholding
1	Ashi S. Dorji	20%
2	Dasho Wangchuk Dorji	20%
3	Dasho Topgyal Dorji	20%
4	General Public	40%
	Total	100%

DIRECTORS' REPORT 2025

On behalf of the Board of Directors and the management of T Bank Ltd., I am pleased to present the Annual Report of T Bank Limited for the financial year ended December 31, 2025, together with the Audited Financial Statements and the Auditor's Report.

1. Highlights of Financial Performance

During the financial year ended December 31, 2025, the Bank recorded the following financial performance:

Particulars	Year Ended December 31, 2025	Year Ended December 31, 2024
Total Operating Income in million Nu.	749.67	585.65
Profit Before Tax (PBT) in million Nu.	359.85	206.81
Provision for Income Tax in million Nu.	91.00	53.15
Net Profit in million Nu.	270.29	145.67
Transferred to General Reserve in million Nu.	49.02	36.64
Earnings Per Share in Nu.	2.58	1.91

The financial statements for 2025 have been prepared in compliance with the Bhutanese Accounting Standards (BAS). The Profit Before Tax (PBT) increased to Nu. 359.85 million in 2025, compared to Nu. 206.81 million in FY 2024, representing an increase of 74 percent.

The increase in the Profit is primarily attributed by:

- Increase in Interest income from loans & advances by 9.65%, with the housing sector being the highest contributor at 30.48%, followed by interest income from overdraft & working capital facilities at 24.01% and service & tourism sector at 16.64%.
- Interest income from other sources increased by 23.89 %, mainly due to higher income from Investments, fees and commission.
- Loan and other impairment write-back amounting to Nu. 30.89 million was recorded in 2025, whereas in 2024 an impairment expenses/charge of Nu. 19.72 million was recognized, which positively impacted profitability in 2025.

The loan portfolio grew from Nu. 14.15 billion in 2024 to Nu. 14.95 billion in 2025. Compared to 2024, the Gross Non-Performing Loan (GNPL) ratio increased to 1.54% from 0.52 %. The total Non-Performing Loan (NPLs) amounted to Nu. 230.83 million in 2025.

The housing sector continues to hold the largest share in the Bank's loan portfolio, with a total exposure of Nu. 4,675.41 million, representing 31.25% of the total loan portfolio, followed by the hotel & tourism sector, with an exposure of Nu. 2,611.61 million, accounting to 17.46%.

Customer deposits increased by Nu. 946.75 million, from Nu. 18.49 billion in 2024 to Nu.19.43 billion in 2025, resulting in a corresponding increase in interest expenses.

Paid-up capital increased by 32%, from Nu. 792.32 million in 2024 to Nu. 1,045.89 million in 2025, mainly due to a bonus share issue in the ratio of 1:10 and rights offer in the ratio of 1:5.

The total reserves increased from Nu. 700.25 million in 2024 to Nu. 787.77 million in 2025, mainly due to profit appropriation during the year.

Despite challenges in achieving profitability targets due to rising financial costs and operating expenses, the Bank has demonstrated steady growth in loans and deposits, maintained sound asset quality, and strengthened its capital base through bonus shares and rights issue.

Going forward, the Bank will focus on capital enhancement, cost optimization, digital banking expansion, and strengthened risk management to support sustainable growth and long-term value creation.

2. Summary of Operations

a) International Remittance

In 2025, the Bank successfully facilitated a total inward remittance of USD 40.57 million from overseas. Of this, USD 32.01 million was received through remittances from Australia, while an additional USD 8.56 million was routed from Kuwait, the USA, Japan, Qatar, and Dubai through various international remittance platforms.

b) Digitization of the Bank

T Bank remains committed to strengthening our digital capabilities to keep pace with the evolving technological landscape. Our objective is to deliver smart, seamless, and efficient banking solutions that meet the growing expectations of our customers while enhancing operational efficiency.

During the year, the Bank implemented several initiatives to modernize its digital infrastructure and expand technology-driven services, improving service efficiency, security, operational resilience, and overall customer experience. These efforts reflect our continued commitment to building a robust, secure, and customer-centric digital banking ecosystem.

c) Expansion of Card & Payment Services

During the year, the Bank expanded its Card and Payment Services portfolio with the introduction of VISA Corporate Cards. This initiative enables our corporate clients to conduct international transactions with greater convenience, flexibility, and enhanced control over corporate expenditures.

The VISA Corporate Card offers businesses to effectively and efficiently manage their travel expenses, vendor payments, and other cross-border transactions. By providing secure and globally accepted payment solutions, the Bank continues to strengthen its support for the corporate sector and facilitate smoother international business operations.

d) Enhancements of Digital Banking Services

Aligned with our customer-centric vision and digital transformation strategy, the Bank introduced several innovative digital banking solutions designed to enhance accessibility, convenience, and service delivery.

i) TWallet Mobile Application

The Bank launched the TWallet Mobile Application, a secure and user-friendly mobile wallet designed to simplify everyday financial transactions. TWallet enables customers to send and receive funds instantly, make QR-based payments, split bills, and manage digital transactions with ease. Built with advanced security features and intuitive design, the application offers a convenient and efficient digital payment platform suitable for users across all age groups.

ii) Online Customer Onboarding using National Digital Identity (NDI)

To improve accessibility and customer convenience, the Bank introduced an Online Customer Onboarding system using the National Digital Identity (NDI) platform. This initiative allows new customers to open accounts digitally without the need to visit a branch, significantly reducing processing time while maintaining strong identity verification and regulatory compliance.

iii) Online eKYC using NDI

Further strengthening digital service delivery, the Bank implemented Online eKYC through the NDI platform, enabling secure and efficient electronic verification of customer identity. This solution enhances operational efficiency, minimizes paperwork, and supports the Bank's commitment to delivering fully digital banking services while maintaining strict compliance with regulatory requirements.

3. Cyber Security Enhancements

Ensuring the security and integrity of customer data and financial transactions remains a top priority for the Bank. In 2025, the Bank achieved a significant milestone by successfully obtaining the Payment Card Industry Data Security Standard (PCI DSS) v4.0.1 Certification.

This internationally recognized certification confirms that the Bank complies with the highest global standards for protecting cardholder data and payment systems. The certification demonstrates the Bank's strong commitment to maintaining a secure payment environment and mitigating potential cybersecurity risks.

In addition, the Bank successfully completed the ISO/IEC 27701 Privacy Information Management System (PIMS) Certification. This certification strengthens the Bank's privacy governance framework by ensuring that personal and sensitive customer information is managed in accordance with globally recognized privacy management standards. These achievements reflect the Bank's ongoing efforts to strengthen cybersecurity resilience, enhance data privacy protection, and reinforce customer trust in our digital banking ecosystem.

4. Future Outlook

Moving forward, T Bank remains committed to driving digital innovation and enhancing seamless customer experiences. We will continue to invest in digital infrastructure, explore strategic partnerships and strengthen cybersecurity to safeguard financial transactions.

We will continue to evolve with emerging technologies and uphold our position as a trusted financial partner in the banking industry.

5. Human Resources Management

In 2025, the Bank hired 38 employees to facilitate the replacement of high attrition of employees and to accommodate the growing volume of banking business. A total of 26 employees resigned, resulting in an attrition rate of 13.07%. As of December 31, 2025, the bank had a total of 199 employees.

In order to ensure that employees stay up-to-date with the latest developments in the banking industry and improve their skills and knowledge, it is imperative for the bank to invest in human capacity development through various training programs.

6. Corporate Governance:

The Bank is in adherence to the Corporate Governance Rules & Regulations 2024 issued by the Royal Monetary Authority, the Financial Services Act 2011, and the Companies Act of Bhutan 2016. The Bank has fully implemented all the Board directives. The Board sub-committees held their respective required number of meetings as stipulated by the RMA. The Internal Service Rules are also in line with the provisions of the Labour & Employment Act.

7. Board of Directors

The Board of Directors are entrusted with the ultimate responsibility for guiding the strategic direction and performance of the Bank to achieve its goals and objectives.

a) Composition of the Board and attendance in FY 2025

SN	Name of Directors	Designation	Date of Appointment/Retirement	Term	Nos	Sitting Fee
1	Mr. Tsenchok Thinlay	Director/Chairperson (retired)	2nd April 2019 – 27th March 2025	2nd	2	40,000
2	Ms. Rinzin Lhamu	Independent Director/Chairperson	24th February 2023	1st	6	120,000
3	Mr. Nawang Gyetse	Independent Director	17th September 2020	2nd	6	120,000
4	Mr. Tashi Tshering	Director	12th March 2020	2nd	6	120,000
5	Mr. Sangay Tenzin	Independent Director	18th July 2024	1st	6	120,000
6	Mr. Tandin Dorji	Director	28th April 2025	1st	4	80,000
7	Mr. Pema Tshering	Director/CEO/Member Secretary	1st March 2016	2nd	6	120,000

b) Board Meetings

A total of six (6) Board Meetings were held in 2025. The meetings were held as frequently as required by the Companies Act of Bhutan 2016.

c) Board Committee Meetings

In compliance with the Companies Act of Bhutan 2016, (5) Board Audit Committee Meetings, (4) Board Governance Meeting, (5) Board Credit Committee Meetings and (4) Board Risk Committee Meeting were convened during the year 2025 to discuss on the various aspects pertaining to audit, governance, credit, operations and risk related issues and activities of the Bank.

i) Board Governance Committee:

SN	Names	Designation	Nos	Sitting Fees
1	Mr. Tashi Tshering	Chairperson (Retired)	2	20,000.00
2	Ms. Rinzin Lhamu	Independent Director	3	30,000.00
3	Mr. Pema Tshering	Director/CEO	3	30,000.00
4	Mr. Tandin Dorji	Chairperson- Present	2	20,000.00
5	Mr. Nagwang Gyetse	Independent Director	1	10,000.00
6	Mr. Jigme Dorji	Member Secretary (Retired)	3	15,000.00
7	Mr. Chencho Dorji	Member Secretary	1	5,000.00

ii) Board Audit Committee:

SN	Names	Designation	Nos	Sitting Fees
1	Ms. Rinzin Lhamu	Chairperson (Retired)	4	40,000.00
2	Mr. Nawang Gyetse	Chairperson	5	50,000.00
3	Mr. Sangay Tenzin	Independent Director	5	50,000.00
4	Mr. Tashi Tshering	Director	1	10,000.00
5	Mr. Tshering Dorjee	Member Secretary (Retired)	4	40,000.00
6	Mr. Tshering Tashi	Member Secretary	1	5,000.00

iii) Board Risk Committee:

SN	Name	Designation	Nos.	Sitting fees
1	Mr. Nawang Gyetse	Chairperson (Retired)	3	30,000.00
2	Mr. Tashi Tshering	Chairperson	3	30,000.00
3	Mr. Pema Tshering	Member (CEO)	3	30,000.00
4	Mr. Tandin Dorji	Director	2	20,000.00
5	Mr. Surja Man Samal	Member Secretary	4	20,000.00

iv) Board Credit Committee

The Board Credit Committee (BCC) was constituted by the 80th Board meeting held on June 05, 2025.

SN	Name	Designation	Nos.	Sitting fees
1	Mr. Sangay Tenzin	Chairperson	5	50,000.00
2	Mr. Ngawang Gyetse	Independent Director	1	10,000.00
3	Mr. Tashi Tshering	Director	2	20,000.00
4	Mr. Pema Tshering	Member (CEO)	5	50,000.00
5	Ms. Kencho Pemo	Member Secretary	5	30,000.00
6	Mr. Gembo Dorji	Member Secretary	1	5,000.00

8. Annual General Meeting

The 15th Annual General Meeting (AGM) of the Bank was held on March 14, 2025 and was attended by the shareholders, Board of Directors, Chief Executive Officer and Company Secretary of T Bank Ltd.

9. Corporate Social Responsibility (CSR)

As part of the Bank's Corporate Social Responsibility, the Bank has spent Nu. 0.67 million in CSR, focusing on sustainability and welfare development of the community as below:

SN	Particulars	Amount (Nu.)
1	Contribution for celebration of His Majesty's Birth Anniversary	250,000.00
2	World Environment Day Charitable Trust	25,000.00
3	Contribution for the Gyalyum Charitable Trust	100,000.00
4	Contribution for Music Festival	25,000.00
5	Contribution for GMC	200,000.00
6	Contribution for Moenlam Chenmo/National Kurim	176,000.00
7	Contribution for South Asian Taekwondo Union Championship	100,000.00
8	Contribution for the National Day Celebration Event	169,000.00
	Total	670,000.00

Apart from the monetary contribution as CSR, to showcase the Bank's commitment to preserve the environment and enhance local community well-being, the Bank organized cleaning campaign along the Wangchu river from Lungtenzampa bridge till Changjiji Bazam on May 02, 2025 coinciding with the birth anniversary of 3rd Druk Gyalpo. The Bank employees also actively contributed to public health by participating in the blood donation campaign during the Bank's foundation day on March 12, 2025.

The bank remains fully committed to similar CSR mandates in the future.

10. Statutory Audit

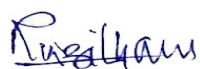
The Auditors, M/s S.N. Mukherji & Co. Chartered Accountants, firm's registration no. 301079E based in Kolkata, West Bengal, India was appointed to audit the books of account for the Bank for the financial year 2025.

11. Acknowledgement

The Board expresses its sincere appreciation and gratitude to shareholders, customers, employees, bankers, Government authorities and stakeholders for their unwavering support and trust. We remain committed to delivering sustainable value and long-term growth.

For and on behalf of the Board of Directors.

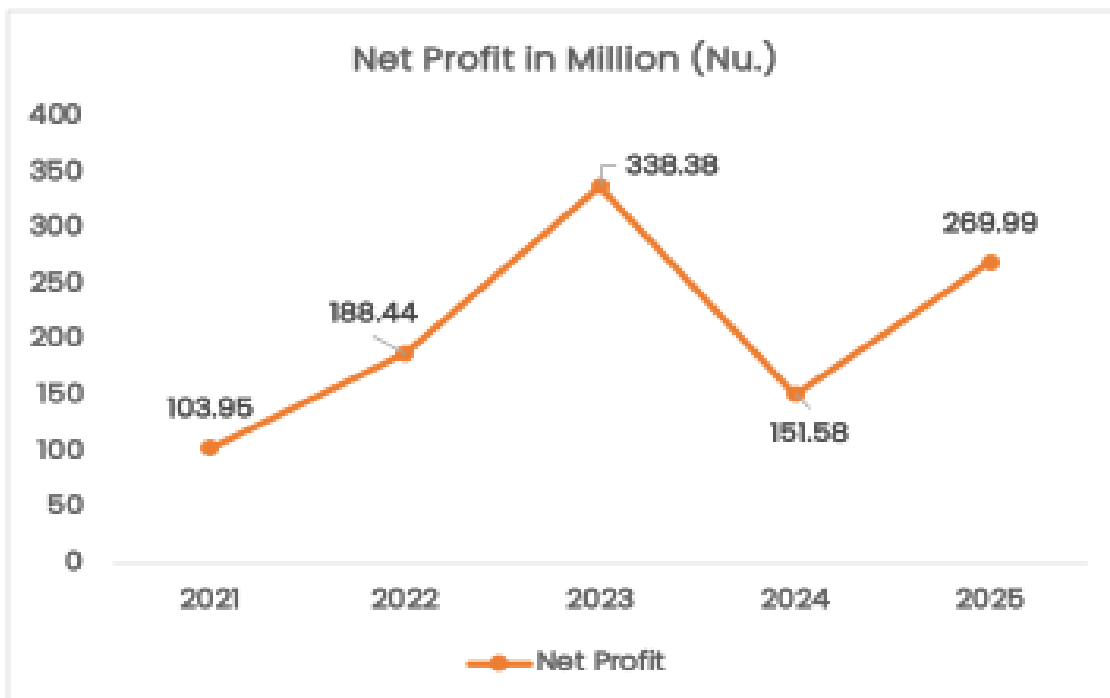
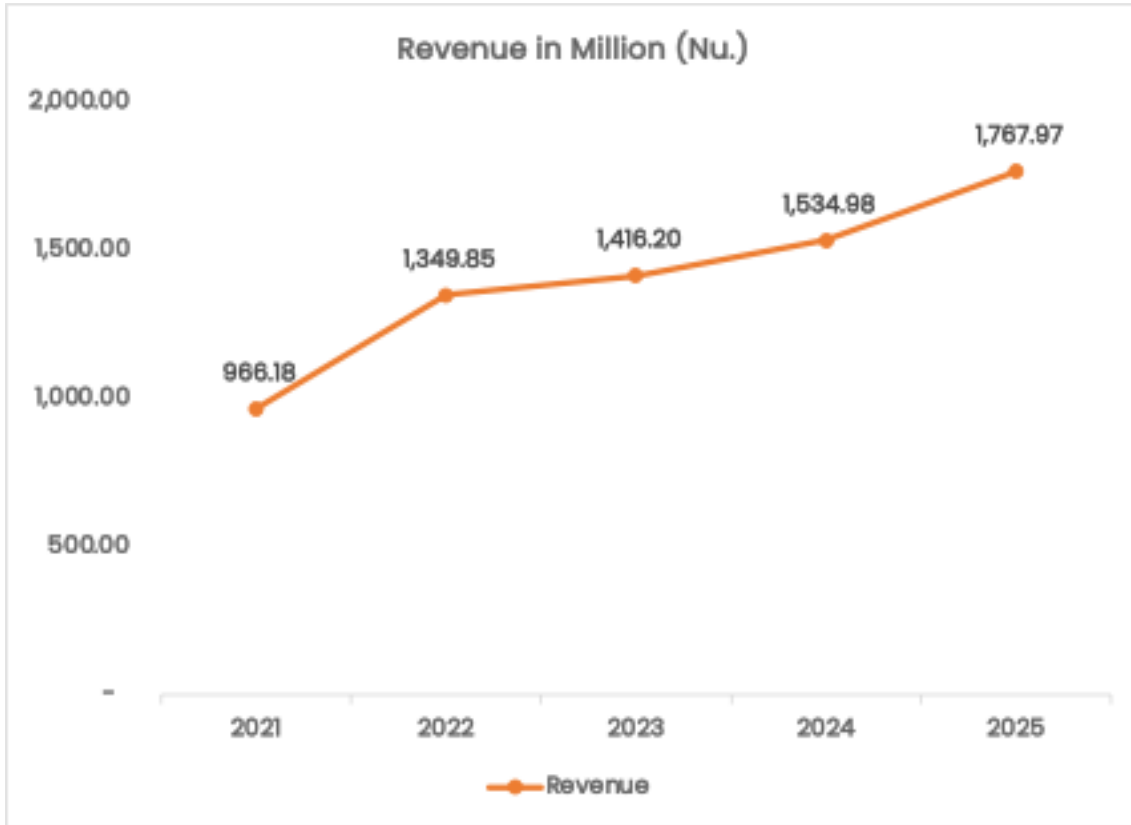
Tashi Delek!

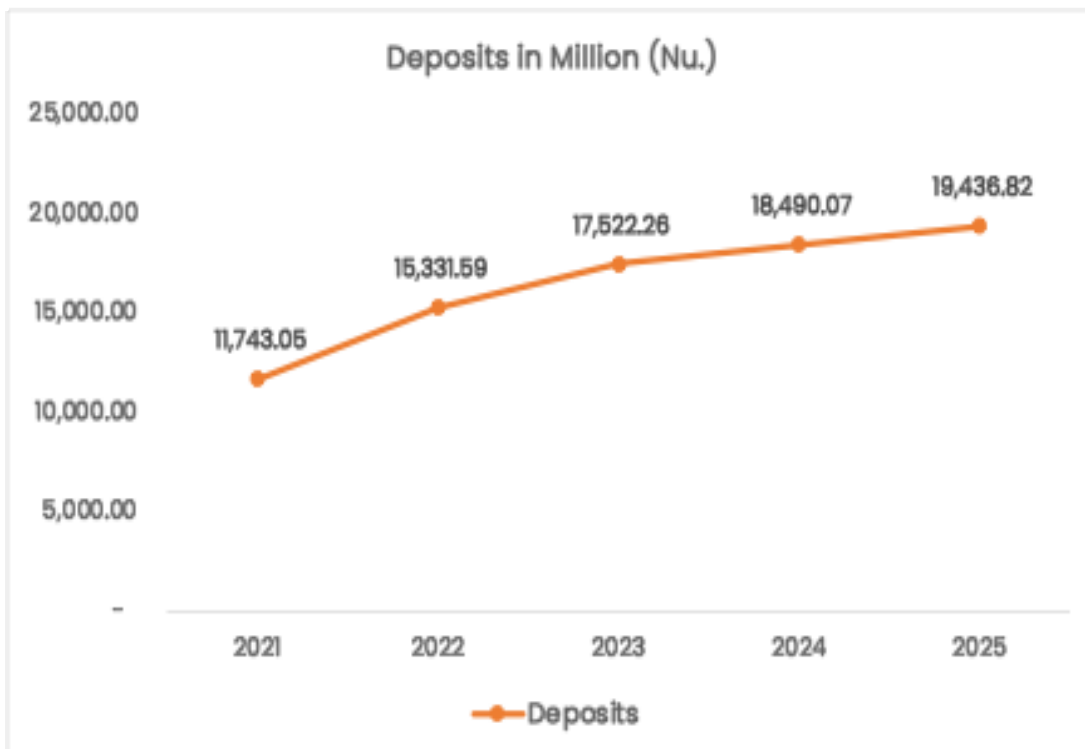
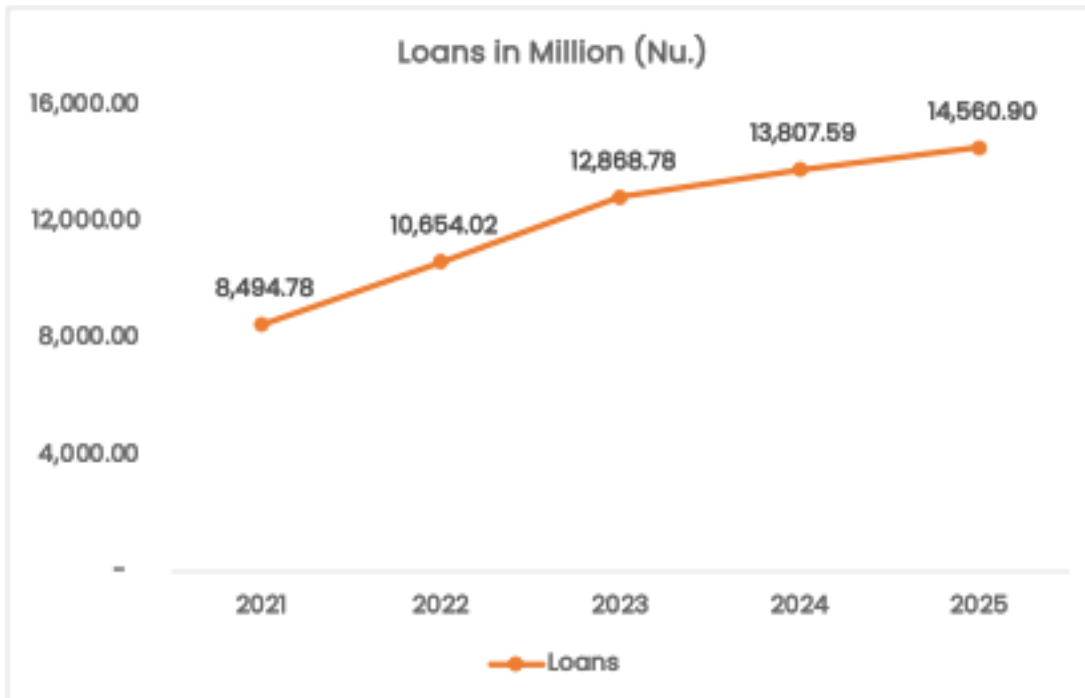


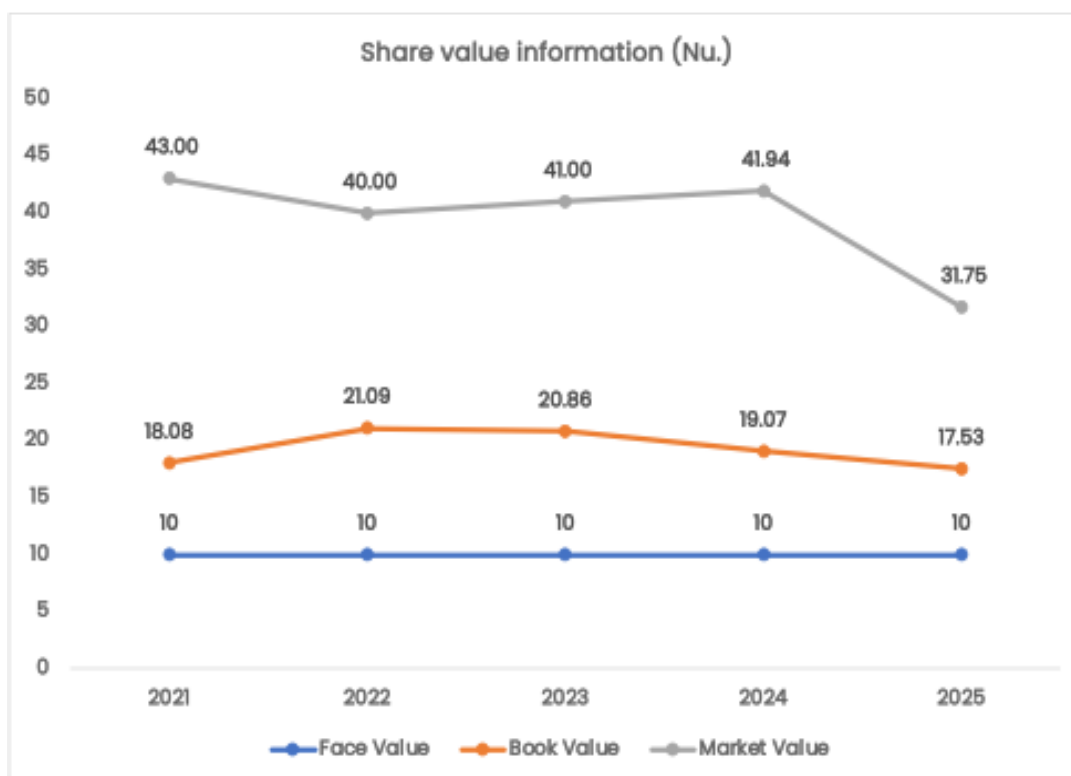
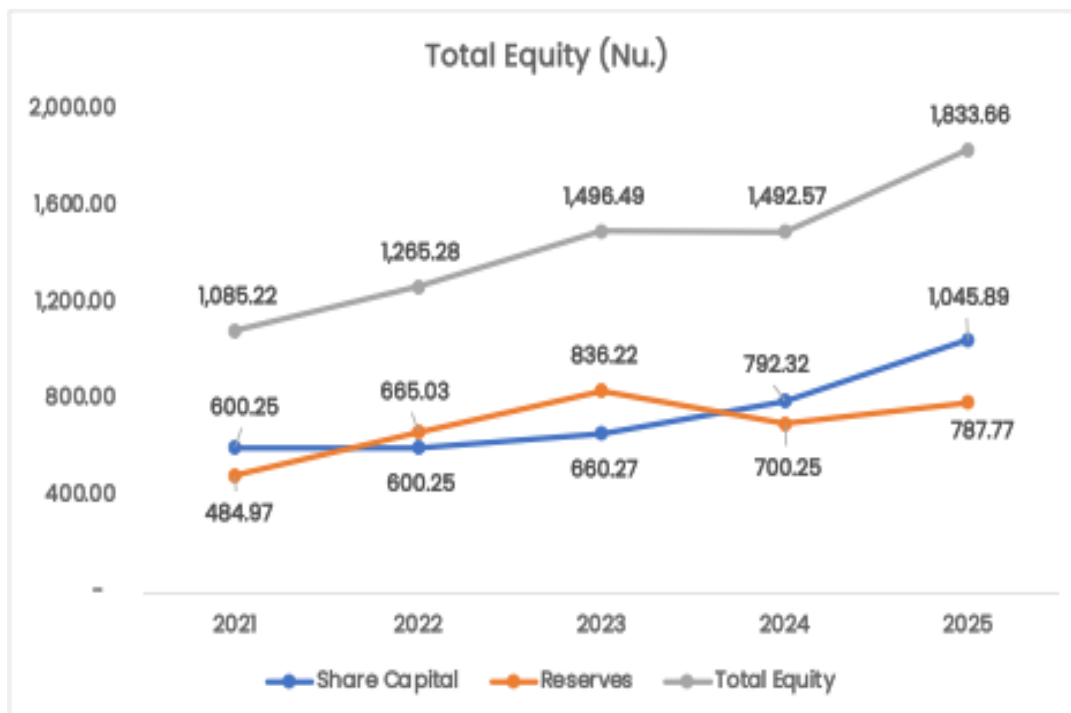
(Ms. Rinzin Lhamu)

Chairperson

Performance 2025







S. N. Mukherji & Co.
Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
T Bank Limited
Thimphu, Bhutan

Report on the Audit of the Financial Statements

1. Opinion

We have audited the financial statements of **T Bank Limited** ("**the Bank**"), which comprise the Statement of Financial Position as at December 31, 2025, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, and Notes to the financial statements, including a summary of Significant Accounting Policies.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements present fairly, in all material respects, the financial position of the Bank as at December 31, 2025, and its financial performance and cash flows for the year ended on that date in accordance with Bhutanese Accounting Standards (BAS).


2. Basis for Opinion

We conducted our audit in accordance with the provisions of the Companies Act of Bhutan, 2016 ('the Act') and International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in The Kingdom of Bhutan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



3. 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 we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How our audit addressed the Key Matters
<p>1. Information Technology System</p> <p>2. Loans and Advances</p> 	<p>Our audit procedure in relation to the various audit issues included but were not limited to the following:</p> <ul style="list-style-type: none"> • The bank has carried out an Information system audit through an outside agency and their report dated 6th December 2024 has validated the established IT system in operation and have concluded that “no action required” and have stated that the “management system was found to be fully effective”. • The financial statements have been audited by us based on an understanding of the Bank’s IT related control environment as part of our audit procedures. • It is suggested that the existing IT system in operation should be reviewed to ensure and upgrade the control mechanism and eliminate risk involved at various operational levels. • The bank has considered the Prudential Regulations 2024 and other directives issued by Royal Monetary Authority of Bhutan in preparation of the financial statements. • Provisioning for loan losses are calculated manually based on identification of Non – Performing Loans (NPL) by the system. • Valuation of securities is not reviewed even though a particular account has slipped into NPL category. • In respect of advances against shares:

4. Other Information (or another title if appropriate, such as “Information Other than the Financial Statements and Auditor’s Report Thereon”)

The Bank Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Bank’s annual report, but does not include the financial statements and auditor’s report(s) thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with BAS 1 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

6. Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.



Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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 financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report unless law and 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.

7. Emphasis of Matter

- (i)** Based on the scrutiny carried out by the bank in respect of Interest Receivable Under RMA Monetary Measures (IPS), provisions for expected shortfall have been made in the accounts.
- (ii)** Necessary reconciliation is under progress with regard to some old outstanding entries appearing in RMA BIPS Settlement Account.
- (iii)** Based on Fair Value measurement of FEIF accounts, expected loss of Nu. 88.302 million has been calculated and adjusted in the financial statements. Nu. 8.41m is adjusted in Profit and Loss account for 2025 and the balance amount of Nu. 79.892m pertaining to 2023 and 2024 has been adjusted with retained earnings.
- (iv)** Bank Guarantee amounting to Nu. 4.98 million invoked by the beneficiary has not been honoured by the Bank as per the verbal instruction received from Legal Division of OGZ on 23.06.2025.
- (v)** Sundry Payable Account includes old outstanding balances lying at various branches where necessary details of customers are not available excepting one account which is under litigation. The bank is scrutinizing the available details for further action.
- (vi)** As per Actuarial Valuation Report in respect of Gratuity Fund, total value of Plan Assets as on 31.12.2025 is Nu. 38,005,556.96 of which Nu. 5,676,769.29 has been invested in Gratuity Investment Account with Bhutan Insurance Limited. The balance amount of Nu. 32,328,787.67 has been invested as Fixed Deposit with Bhutan Development Bank Limited and Bhutan National Bank Limited. The amount invested in fixed deposits need to be transferred to Gratuity Investment Account.



- (vii) According to the directives issued by Royal Monetary Authority of Bhutan, in respect of advance granted to M/s Bhutan Biscuit and Gourmet, Wangdue Branch, under Economic Stimulus Programme (ESP) Funds, the Bank has considered the account under applicable regular commercial category as on 31.12.2025. Applicable interest has been applied in the account and as a prudent measure provision has been made in the account in respect of expected credit loss, if any.
- (viii) The Bank has invested in the equity shares of FITI and CIB amounting to Nu. 6 million and Nu. 1.75 million respectively on which the bank has not received any income over the years.
- (ix) The Bank has duly considered RBS Corrective Action Plan (CAP) Report of May 2025 issued by DFRS, RMA and has submitted the action taken report. Out of 33 points raised by RMA, 3 observations are pending which are under progress and to be delivered as per the timeline.

8. Report on Other Legal and Regulatory Requirements

- (i) As required by the section 266 of the Companies Act of Bhutan, 2016 (Minimum Audit Examination and Reporting Requirements) we enclose in the **Annexure-I** a statement on the matters specified therein to the extent applicable.
- (ii) As required by section 265 of the Act, we report that:
 - a) we have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books;
 - c) the Statement of Financial Position, Statement of Comprehensive Income, the Statement of Changes in Equity and Statement of Cash Flows dealt with in this report have been prepared in accordance with accounting principles generally accepted as well as Bhutanese Accounting Standards (BAS) and are in agreement with the books of account.



d) in our opinion, the Statement of Financial Position, Statement of Comprehensive Income, the Statement of Changes in Equity and Statement Cash Flows comply with the Generally Accepted Accounting Principles, Bhutanese Accounting Standards and provisions of the Companies Act of Bhutan 2016.

In our opinion and to the best of our information and according to the explanations given to us and after considering the limitations of audit mentioned in Para 5 and 6 above, we state that the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the Generally Accepted Accounting Principles, Bhutanese Accounting Standards and provisions of the Companies Act of Bhutan, 2016:

- I) In the case of Statement of Financial Position, of the state of affairs of the Bank as at 31st December 2025;
- II) In case of Statement of Comprehensive Income, of the profit of the Bank for the year ended on that date;
- III) In the case of Statement of Changes in Equity, of the movement of the Shareholders' Equity of the Bank for the year ended on that date and;
- IV) In the case of Statement of Cash Flows of the movement of cash flows of the Bank for the year ended on that date.

For S. N. Mukherji & Co.
Chartered Accountants
Firm's Reg No. 301079E



Place: Kolkata
Date: 27.03.2026

Sudip Kumar Mukherji
Partner
(Membership No.013321)
UDIN: 26013321RGAEJK6673



MINIMUM AUDIT EXAMINATION AND REPORTING REQUIREMENT

ANNEXURE REFERED TO IN OUR REPORT OF EVEN DATE

1. The Bank is maintaining records showing full particulars of fixed assets. Physical verification of fixed assets has been carried out by the management.
2. None of the fixed assets has been revalued during the year.
3. Physical verification of stationery items has not been carried out by the management at reasonable intervals.
4. The bank has not availed any loans, secured or unsecured, from companies, firms or other parties and/or from the companies under the same management.
5. The Bank has granted loans/advances to companies, firms and other parties under the same management in the normal course of banking business.
6. The parties to whom loans or advances have been given by the bank are generally repaying the principal amounts and interests as stipulated except in the cases of non-performing (NPLs).
7. The advances granted to officers /staff are in keeping with the provisions of service rules and no excessive/frequent advances are granted and accumulation of large advances against particular individual is generally avoided.
8. The Bank has introduced internal control system to ensure completeness, accuracy, and reliability of accounting records, and to carry out the business in an orderly and efficient manner, to safeguard the assets of the bank and adhere to the rules/regulations and system and procedures. We are of the view that the established financial control system should be reviewed on an ongoing basis.
9. There is a system of obtaining competitive bidding commensurate with the size of the bank and nature of its business for the purchase of services, stores, equipment and other assets.



10. As informed to us, there are transactions for purchase of goods and sale of services made in pursuance to contracts on arrangements entered into with the directors or any other parties related to directors or with the Bank or firms in which the directors are directly or indirectly interested which are disclosed in the financial statements.
11. Unserviceable or damaged stationery items have not been determined on the basis of verification conducted at reasonable intervals.
12. The Bank has been regular in depositing rates and taxes, provident fund and other statutory dues with the appropriate authorities. Provision for corporate tax for the year is adequate and adjustments have been made to compute the amount of tax required under the Rules of the Income Tax of the Kingdom of Bhutan 2001.
13. According to the information and explanations given to us, there is no undisputed statutory dues payable at the last date of the reporting period.
14. According to the information and explanations given to us, no personal expenses have been debited to the Statement of Comprehensive Income excepting those payable under contractual obligations/ service rules.
15. According to the information and explanations given to us, the management of liquid resources, particularly cash/bank etc. is reasonably adequate and excessive amounts are not lying idle in non-interest-bearing accounts.
16. According to the information and explanations given to us and on the basis of examination of books and records, the activities carried out by the Bank are in our opinion lawful and intra-vires to the Articles of Incorporation of the Bank.
17. According to the information and explanations given to us, the bank has a system of approval of competent authority for all capital expenditure.
18. The bank has established an effective budgetary control system.
19. According to the information and explanations given to us, the details of remuneration, and other payments made in cash or in kind to the Board of Directors including Chief Executive Officer or any of their relatives [including spouse(s) and child/children] by the Bank directly or indirectly are disclosed in Note No. 35 of Notes to the Financial Statements.



20. In our opinion and according to the information and explanations given to us, the directives of the Boards have been complied with.
21. We were given to understand that no officials of the Bank have transmitted any price sensitive information, which is not made publicly available to their relatives/friends/associates, or close persons, which would directly or indirectly benefit themselves.
22. The bank has generally maintained adequate documents and records where it has granted loans and advances for which agreements have been drawn up and timely entries have been made therein.
23. In our opinion proper records of the transactions and contracts have been maintained in a timely manner where the bank has dealt with shares and securities, details of which are disclosed in Note No. 37.
24. The Bank is maintaining reasonable records for funds collected from depositors and for interest payments.
25. As per information and explanation provided to us, there is no major diminution in the value of investments.
26. The Bank has generally complied with the requirements of Financial Services Act 2011 and other applicable rules and regulations issued by the appropriate authorities.
27. The Bank has complied with the requirements relating to provisioning for the non-performing loans and recognition of interest income as per Prudential Regulations 2024 issued by the Royal Monetary Authority of Bhutan (RMA).
28. The assets hypothecated against loans and advances have been physically verified at the time of sanction, mortgage deed and necessary documents executed.
29. The bank has a process of monitoring of projects for which loans have been provided to ensure that loan amounts are used for the specified purposes and project activities are progressing satisfactorily. However, the same should be reviewed at regular intervals, in view of the increased business activities, to safeguard the interest of the bank.



30. As per information and explanation provided to us, there is no re-phasing/rescheduling of loans during the current reporting period.
31. Internal Audit has been carried out during the year.
32. There is a system to ensure that additional loans are not granted to those who have defaulted payments of previous loans.

Computerized Accounting Environment

1. The Bank maintains the account in computerized accounting environment.
2. We have been informed that the bank has adequate back up facilities and safeguard measures.
3. We have been informed that back up files are kept in an external hard disk. However, back up facilities and disaster recovery measures include keeping the backup files in different and remote locations.
4. We have been informed that adequate operational control is there to ensure correctness and validity of input data and output information.
5. We have been informed that adequate safeguard measures to prevent unauthorized access, are implemented.

General

(1) Going Concern Problem

Based on the bank's financial statements audited by us, for the year ended 31st December 2025, we have no reason to believe that the bank is not a going concern.



(2) Ratio Analysis

Financial and operational ratio in respect of the Bank is given in the statement of Ratio Analysis.

SLNo.	RATIOS	2025	2024
1.	Interest Expense/Deposits	5.18%	5.10 %
2.	Interest Income/Loans	9.67%	9.30 %
3	Return on Assets	1.24%	0.72 %
4	Return on Equity (ROE)	16.23%	10.16 %
5	NPL (NPL/Total Loan)	1.54%	0.52 %
6	Capital Adequacy Ratio	15.19%	13.30 %
7	SLR	22.71%	20.99 %
8	Credit to Deposit Ratio (CD)	79.12%	74.68 %
9	Provision/Credit Exposure	1.55%	1.75 %
10	Return on Capital Employed (RoCE)	16.04%	10.40%
11	Total Business (mn)	32,963.85	32,297.67
12	Total Business per employee(mn)	165.65	172.71
13	Single Largest Exposure	18.31%	20.87 %
14	Tenth Largest Exposure	15.88%	15.09 %
15	Revenue per employee	8.88	8.21
16	Total no. of employees	199	187
17.	No. of Shares	104,589,344	79,232,533
18.	Earnings Per Share	2.58	1.91



(3) Compliance of Companies Act of Bhutan 2016:

According to the information and explanations given to us and based on the records produced to us for verification, we are of the opinion that the Bank has generally complied with the provisions of The Companies Act of Bhutan, 2016.

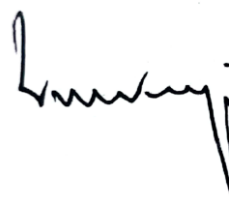
(4) Adherence of Laws Rules & Regulations:

Audit of the Bank is governed by The Companies Act of Bhutan, 2016, RMA Prudential Regulation 2024, Financial Services Act, 2011 and Corporate Governance Rules and Regulations 2024. The scope of audit is limited to examination and review of the financial statement as produced to us by the management. In the course of audit, we have considered the compliance of provision of the said Companies Act and its Article of Incorporation.

The Bank should consider having a comprehensive Compliance Reporting and Recording System as regards adherence to all laws, rules and regulations, systems, procedures and practices for review by the Board of Directors.





Place : Kolkata
Date : 27.03.2026

For S. N. Mukherji & Co.
Chartered Accountants
Firm's Reg No. 301079E








Sudip Kumar Mukherji
Partner
(Membership No.013321)
UDIN: 26013321RGAEJK6673



TBANK LIMITED			
Statement of Financial Position as at 31 December 2025			
(Amount in Nu.)			
Particulars	Note	31-Dec-25	31-Dec-24
Assets			
Cash & Cash Equivalents	13	2,113,827,387.38	1,523,214,111.90
Cash & Balances with Central Bank	14	1,945,958,306.84	1,667,732,516.19
Placement with other Banks	15	2,047,508,558.91	1,972,171,857.52
Loans & Advances to Customers	16	14,560,899,805.63	13,807,593,062.02
Equity Instruments <i>(at amortised cost)</i>	20	7,750,000.00	7,750,000.00
Equity Instruments <i>(FVTPL)</i>	20	42,714,272.90	42,828,558.58
Debt Instruments	20	1,445,388,563.67	1,545,934,119.76
Defined Benefit Assets	20	3,478,568.00	2,937,427.00
Other Financial Assets	21	79,427,178.45	32,247,635.95
Other Assets	22	171,167,115.40	266,438,994.08
Property, Plant & Equipment	23	89,203,308.57	88,083,083.60
Intangible Assets	24	118,996,374.00	113,682,352.80
Total Assets		22,626,319,439.75	21,070,613,719.40
Liabilities			
Due to Customers	25	16,969,381,383.12	15,592,967,762.67
Due to Banks	26	2,467,441,201.45	2,897,104,679.00
Debt issued and Other Borrowed Funds	27	950,000,000.00	700,000,000.00
Current Tax Liabilities	28	63,997,861.82	6,573,949.91
Deferred Tax Liabilities	30	138,623.50	1,149,761.50
Other Liabilities	31	341,688,156.77	380,241,975.09
Total Liabilities		20,792,647,226.66	19,578,038,128.16
Equity			
Share Capital	32	1,045,893,440.00	792,325,330.00
Reserves			
Retained Earnings		709,147,895.13	595,838,509.71
APFR	33	-	36,019,845.32
Foreign Exchange Fluctuation Reserve		69,619,147.00	52,727,142.14
HR/ Research & Digital Development Fund		9,011,730.96	15,664,764.07
Total equity		1,833,672,213.09	1,492,575,591.24
Total liabilities and equity		22,626,319,439.75	21,070,613,718.40
<p>For S.N. Mukherji & Co Chartered Accountant FRN: 301079E</p> <p style="text-align: center;"> Independent Director</p> <p style="text-align: center;"> Chief Executive Officer</p> <p>Sudip Kumar Mukherji Partner Membership No: 013321 Place: Thimphu Date: 27.03.2026</p> <p style="text-align: center;"></p> <p style="text-align: center;"> Chairperson</p>			

TBANK LIMITED		
Statement of Comprehensive Income for the Year Ended 31 December 2025		
(Amount In Nu.)		
Particulars		
	31-Dec-25	31-Dec-24
Interest & Similar Income	1,407,958,295.68	1,284,104,777.86
Interest & Similar Expense	(1,018,305,592.00)	(949,333,853.33)
Net interest income	389,652,703.68	334,770,924.53
Fee and commission income	83,599,200.50	59,236,649.04
Net fee and commission income	83,599,200.50	59,236,649.04
Other Operating Income	276,422,063.31	191,644,702.03
Total operating income	749,673,967.49	585,652,275.60
Personnel Expenses	(196,172,571.57)	(168,280,882.98)
Depreciation on Property Plant & Equipment	(29,483,907.70)	(28,474,248.54)
Amortization of Intangible Assets	(23,836,052.46)	(14,090,254.91)
Other Operating Expenses	(171,224,629.62)	(148,269,936.77)
Impairment (charges)/reversal for loans and other losses	30,893,497.55	(19,720,848.46)
Total Operating Expenses	(389,823,663.80)	(378,836,171.66)
Profit Before Tax from Continuing Operations	359,850,303.69	206,816,103.94
Income Tax Expense:		
Current tax	(91,001,819.33)	(53,153,056.60)
Additional Tax Paid for Previous Year	-	(1,616,268.00)
Deferred tax Income/(Expenses)	1,149,761.50	(457,379.50)
Profit For the Year	269,998,245.86	151,589,399.84
Remeasurment Gain/(Loss) on Defined Benefit Plan	554,494.00	(4,599,046.00)
Gain/(Losses) on re-measurement of AFS Financial Assets	(114,285.68)	(1,314,285.32)
Total Comprehensive Income before Tax	440,208.32	(5,913,331.32)
Tax on income /(expense) relating to components of other comprehensive income	(138,623.50)	-
Total comprehensive income after tax	301,584.82	(5,913,331.32)
Total comprehensive income for the year, net of tax	270,299,830.68	145,676,068.52
Earnings Per Share	2.58	1.91

<p>For S.N. Mukherji & Co. Chartered Accountants FRN: 301079E</p>  <p>Sudip Kumar Mukherji Partner Membership No: 013321 Place: Thimphu Date: 27.03.2026</p>	 <p>Independent Director</p> 	<p>For TBank Limited</p>  <p>Chief Executive Officer</p>  <p>Chairperson</p>
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Statement of Changes in Equity for the Year Ended 31 December 2025

(Amount in Nu.)

Particulars	Share Capital	General Reserve	Retained Earnings	Exchange Fluctuation Reserve	APFR	HRD Reserve Fund	Research and Digital Development fund	Total Shareholders Funds
Balance as at 1 January 2024	660,272,690.00	394,387,389.00	335,036,446.00	49,022,602.00	37,779,532.00	12,000,000.00	3,664,764.00	1,492,163,423.00
Net profit for the year			151,589,399.84					151,589,399.84
Adjustments (Bonus Shares issue)	132,052,640.00		(132,052,640.00)					
Adjustment			7,946,182.00					7,946,182.00
BFRS Adjustment			(189,939,926.65)					(189,939,926.65)
Transfers during the year		44,446,020.00	(48,150,560.73)	3,704,540.73	(1,759,688.15)	-	-	(1,759,688.15)
Balance as at 31 December 2024	792,325,330.00	438,833,409.00	124,428,900.46	52,727,142.73	36,019,843.85	12,000,000.00	3,664,764.00	1,459,999,390.24
Balance as at 1 January 2025			(79,888,214.57)					(79,888,214.57)
Add: Profit for the Year			269,998,245.86					269,998,245.86
Adjustments (Bonus Shares issue)	79,243,970.00	-	(79,243,970.00)					-
Adjustments (Rights Shares issue)	174,324,140.00		-					174,324,140.00
Less: Transfer to FX Fluctuation Reserve			(16,892,004.98)	16,892,004.98				-
Add: Transfer from AFFR Reserve			-		(36,019,843.85)		(2,189,902.00)	(38,209,745.85)
BFRS Adjustment			51,609,943.87					51,609,943.87
Net transfers during the year		43,010,494.38	(43,010,494.38)		-	(4,463,131.04)		(4,463,131.04)
Transfer from OCI			301,584.82					301,584.82
Balance as at 31 December 2025	1,045,893,440.00	481,843,903.38	227,303,991.09	69,619,147.71	0.00	7,536,868.96	1,474,862.00	1,833,672,213.59

For S.N. Mukherji & Co.
Chartered Accountants
FRN: 301079E



Sudip Kumar Mukherji
Partner
Membership No: 013321
Place: Thimphu
Date: 27.03.2026



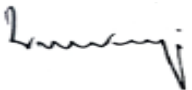




For TBank Limited


Independent Director


Chief Executive Officer


Chairperson

T Bank Limited		
Statement of Cash Flow For the year ended 31 December 2025		
	31-Dec-25	31-Dec-24
	Amount (Nu)	Amount (Nu)
Cash flows from operating activities		
Profit Before Tax	359,850,303.69	206,816,103.94
Adjustments for Non-Cash Items		
Depreciation and amortization	53,319,960.16	42,564,503.45
Impairment charges/(reversal) for Loans and	(30,893,497.55)	19,720,848.46
Loan write-off expenses	5,136,589.52	25,667.00
BFRS Adjustment	51,609,943.87	(157,363,725.65)
Accrued Income From Investment	(17,472,870.97)	(15,903,491.00)
Cash flows from operating activities before changes in operating assets and liabilities	421,550,428.73	88,481,824.20
(Increase) / decrease in assets		
Net change in mandatory cash balances with central	(278,225,790.65)	(125,492,202.63)
Net change in due from other banks	(75,336,701.39)	56,124,415.00
Net change in loans and advances to customers	(753,306,743.61)	(938,807,379.12)
Net change in Financial Assets	(47,606,397.82)	288,060.99
Net change in Other Assets	95,271,878.68	40,179,001.96
Increase / (decrease) in liabilities		
Net change in customer accounts	1,376,413,620.45	1,946,348,579.29
Net change in due to other banks	(429,663,477.55)	(978,542,027.53)
Net change in other liabilities and provisions	(39,564,956.32)	231,597,902.00
Net cash from operating activities before income tax	269,531,860.52	320,178,174.16
Tax expenses	(33,577,907.42)	(134,776,463.39)
Net cash generated from operating activities	235,953,953.10	185,401,710.77
Cash flow from Investing Activities		
(Increase) / Decrease in Debt Investment	100,659,841.77	(200,000,000.00)
Acquisition of PPE and Intangible Assets	(59,754,206.78)	(59,478,670.31)
Net cash from investing activities	40,905,634.99	(259,478,670.31)
Cash flows from financing activities		
Interest Paid on Borrowings	(22,385,917.75)	(7,378,082.00)
Proceeds from Borrowings	250,000,000.00	200,000,000.00
Proceeds from Rights Issue	174,324,140.00	-
Changes in Reserves (Non-Cash Adjustments)	(88,184,534.68)	(6,094,922.00)
Net cash from financing activities	313,753,687.57	186,526,996.00
Net increase/(decrease) in cash and cash equivalents	590,613,275.66	119,833,018.46
Cash and cash equivalents at the beginning of period	1,523,214,111.46	1,403,381,093.00
Cash and cash equivalents at the end of period	2,113,827,386.95	1,523,214,111.46
Reconciliation of Cash & cash equivalents		
Cash in Hand (As certified by the management)	224,088,217.77	209,135,637.06
Balance with RMA	188,529,959.16	419,280,573.76
Balance with Banks in India & Abroad	516,947,982.65	352,056,173.02
Balance with Banks in Bhutan	1,184,552,386.80	543,283,990.06
	2,114,118,546.38	1,523,756,373.90
<i>Less: Allowance for Expected Credit Loss</i>	<i>(291,159.00)</i>	<i>(542,262.00)</i>
Cash and cash equivalents	2,113,827,387.38	1,523,214,111.90
For S.N. Mukherji & Co. Chartered Accountants FRN: 301079E	 Independent Director	For Tbank Limited  Chief Executive Officer
 Sudip Kumar Mukherji Partner Membership No: 013321 Place: Thimphu Date: 27.03.2026		 Chairperson

1. Corporate Information

T Bank Limited (the 'Bank') is a commercial bank licensed under the Financial Institutions Act of Bhutan, 2011 and incorporated under the Companies Act of Bhutan, 2000 vide Certification of Incorporation Registration no. L20091104BHU0112 dated March 23, 2010. The registered office is located at TCC Complex Building, Samten Lam, Chubachu, Post Box No. 631, Thimphu, Bhutan. Over the years, the bank has expanded its branch networks in ten strategic locations across the country.

The Bank operates under the regulatory oversight of the Royal Monetary Authority of Bhutan (RMA) and is governed by the Companies Act of Bhutan, 2016, Financial Services Act of Bhutan, 2011, and all applicable rules, regulations circulars, and Prudential Regulations issued by the RMA.

The financial statements of the Bank for the year ended December 31, 2025 was authorized for issue by the Board of Directors on March 27, 2026.

2. Basis of Preparation and Significant Accounting Policies

2.1 Basis of Preparation

The financial statements of the Bank have been prepared in accordance with Bhutanese Financial Reporting Standards (BFRS) and Bhutanese Accounting Standards (BAS) as issued by the Accounting & Auditing Standards Board of Bhutan (AASBB) and in compliance with the requirements of the Companies Act of Bhutan, 2016 and applicable directives issued by the Royal Monetary Authority of Bhutan.

The financial statements have been prepared on a historical cost basis, except for the following items, which are measured at fair value:

- Financial assets and financial liabilities measured at fair value through profit or loss or other comprehensive income;
- Defined benefit obligations.

The financial statements are presented in Bhutanese Ngultrum (Nu.), which is the Bank's functional and presentation currency. All amounts are rounded to the nearest Ngultrum unless otherwise stated.

2.1.1 Statement of Compliance

The financial statements comply in all material respect with the Bhutanese Financial Reporting Standards (BFRS) and Bhutanese Accounting Standards (BAS).



2.1.2 Presentation of Financial Statements

The Bank presents its financial statements in accordance with BAS 1-Presentation of Financial Statements in order of liquidity. Assets and Liabilities are analysed between those expected to be recovered or settled within twelve months after the reporting date and those expected to be recovered or settled more than twelve months after the reporting date.

2.1.2.1 Going Concern

Management has assessment the Bank's ability to continue as a going concern and is satisfied that the Bank has adequate resources to continue its operational existence for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis. Management is not aware of any material uncertainties that may cast significant doubt upon the Bank's ability to continue as a going concern.

2.1.2.2 Foreign Currency Translation

Transaction in foreign currencies is initially recorded at the spot exchange rates prevailing at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the spot exchange rates prevailing at the reporting date. Exchange difference arising on settlement or retranslation are recognized in the Statement of Comprehensive Income.

2.1.2.3 Accrual Basis of Accounting

The financial statements have been prepared using the accrual basis of accounting, except for the information presented in the statement of cash flows.

2.1.2.4 Off- Setting

Assets and Liabilities, and income and expenses, are presented on a gross basis unless offsetting is required or permitted by BAS. Loans & advances are presented net of impairment allowance.

2.1.2.5 Frequency of reporting

The Bank prepares a complete set of financial statements annually, including comparative information, as required by BAS. Additional financial information required by Royal Monetary Authority of Bhutan and the Companies Act of Bhutan, 2016 is prepared and presented separately on a quarterly and half-yearly basis.

2.1.2.6 Comparative Information

Comparative information for the preceding period is presented in respect of all amounts reported in the financial statements. Where necessary, comparative figures have been reclassified to conform to the current year's presentation.



3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Bank's financial statements requires management to exercise judgement, make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent liabilities at the reporting date. Actual results may differ from these estimates.

Judgements and estimates are based on historical experience and other factors considered reasonable under the circumstances at the reporting date. Revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised and in future periods, where applicable.

The most significant judgements and key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in future periods relate primarily to the measurement of expected credit losses, valuation of defined benefit obligations, deferred tax assets, and determination of fair values of financial instruments.

4. Operating Segments

An operating segment is a component of the Bank that engages in business activities from which it may earn revenues and incur expenses. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

5. Property, Plant and Equipment

Property, plant and equipment (PPE) are stated at cost less accumulated depreciation and accumulated impairment losses, in accordance with IAS 16 *Property, Plant and Equipment*.

Cost includes the purchase price, import duties and non-refundable taxes, after deducting trade discounts and rebates, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating as intended by management.

Subsequent expenditure is capitalized only when it is probable that future economic benefits associated with the expenditure will flow to the Bank and the cost can be measured reliably. The carrying amount of replaced parts is derecognized. Gains or losses arising on disposal or retirement of PPE are recognized in profit or loss. Assets under construction are presented as capital work-in-progress and are capitalized when the asset is available for use.

6. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, in accordance with IAS 38 *Intangible Assets*.



Intangible assets with finite useful lives are amortized on a straight-line basis over their estimated useful lives. An intangible asset is derecognized upon disposal or when no future economic benefits are expected from its use, with the resulting gain or loss recognized in profit or loss.

7. Depreciation & Amortization

Depreciation of PPE is calculated using the straight-line method over their estimated useful lives of the assets. The Bank currently applies depreciation rates aligned with those prescribed by the tax authorities, which are considered to approximate the useful lives required under BAS 16.

Class of Assets	Useful Life (No. of years)	Rate (%)
Furniture & Fixtures	6.67	15
Vehicles	6.67	15
Office Equipment & Machineries	6.67	15
Computer & IT Equipment	6.67	15

Intangible Assets having finite useful lives are amortized on straight-line basis over their estimated useful lives.

Class of Asset	Useful Life (No. of Years)	Rate (%)
Software	6.67	15

8. Cash & Cash Equivalents

Cash and cash equivalents comprise cash on hand and balances with banks that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

9. Customer Deposit

Customer deposits represent amounts payable by the Bank to customers in respect of demand, savings, and term deposits and are measured at amortized cost using the effective interest method.

10. Income Tax

Income tax expense comprises current and deferred tax. Current tax is measured at the amount expected to be paid to or recovered from the taxation authorities using tax rates and laws enacted or substantively enacted at the reporting date.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and their tax bases, using the liability method, in accordance with IAS 12 *Income Taxes*. Deferred tax assets are recognized only to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilized.



11. Employee Benefits

Employee benefits are accounted for in accordance with IAS 19 *Employee Benefits*.

Short-term employee benefits are recognized as an expense as the related services are rendered.

Defined contribution plans are recognized as an expense when contributions are due.

Defined benefit obligations, including gratuity, are measured using the projected unit credit method. Remeasurements of defined benefit obligations are recognized in other comprehensive income.

12. Provision, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Bank has a present legal or constructive obligation arising from a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made.

Contingent liabilities are disclosed when there is a possible obligation arising from past events whose existence will be confirmed by uncertain future events, or when a present obligation exists but it is not probable that an outflow of resources will be required or the amount cannot be reliably estimated.

13. Revenue Recognition

Revenue is recognized when it is probable that economic benefits will flow to the Bank and the amount can be measured reliably.

a. Interest Income

Interest Income on loans and advances is recognized on accrual basis using effective interest rate method. Interest on non-performing loans is suspended in accordance with RMA guidelines and recognized in income only upon actual realization.

b. Other Income

Other Income is generally recognized on an accrual basis, except for commission on guarantees and letters of credit, which is recognized on a cash basis. Dividend income is recognized when the right to receive payment is established. Interest income on investment is recognized on a time-proportion basis.

14. Mandatory Cash Balances with RMA

Mandatory reserve balances maintained with RMA are carried at amortized cost and are not available for use in the Bank's day-to-day operations. Accordingly, these balances are excluded from cash and cash equivalents for the purposes of the Statement of Cash Flows.



15. Financial Instruments

Financial assets and financial liabilities are recognized and measured in accordance with IFRS 9 *Financial Instruments*.

Financial assets are classified as subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI), or fair value through profit or loss (FVTPL), based on the Bank's business model and the contractual cash flow characteristics of the financial assets.

The Bank applies the expected credit loss (ECL) model to measure impairment of financial assets measured at amortized cost or FVOCI. Financial liabilities are subsequently measured at amortized cost unless designated at FVTPL.

15.1 Financial Assets

a. Initial recognition and measurement

At initial recognition, all financial assets are recognized at its fair value plus, in the case of a financial asset not carried at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

b. Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in the following categories:

- i) Financial assets measured at amortized cost
- ii) Financial assets measured at fair value through Profit or Loss (FVTPL), and
- iii) Financial assets measured at fair value through Other Comprehensive Income (FVTOCI)

Where financial assets are measured at fair value, gains and losses are either recognized entirely in the Statement of Profit and Loss (i.e. fair value through profit and loss), or recognized in other comprehensive income (i.e. fair value through Other Comprehensive Income).

The classification of financial assets depends on the Bank's business model for managing the financial assets and the contractual terms of the cash flows. Management determines the classification of its financial assets at initial recognition.

i. Financial Assets measured at amortized cost:

A financial asset is measured at amortized cost if both the following conditions are met:

- **Business model assessment**

The objective of the business model is to hold financial asset in order to collect contractual cash flow (rather than to sell the asset to its financial maturity to realize its fair value changes), and



- **Cash Flow Characteristic Test**

Contractual terms of the financial assets give rise on specific dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the EIR, the Bank estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

The EIR amortization is included in the Statement of Comprehensive Income (SOI). The losses arising from impairment are recognized in the SOI. This category applies to term deposits, investment in bonds and treasury bills, loans and advances to customers (including staff) and other advances.

- ii. **Financial Instruments measured at fair value through Other Comprehensive Income (FVTOCI):**

A financial Instrument shall be measured at fair value through other comprehensive income if both the following conditions are met.

- **Business model assessment**

The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets, and

- **Cash Flow Characteristic Test**

The contractual terms of the assets give rise on specific dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value. Fair value movements are recognized in Other Comprehensive Income (OCI) except for the recognition of interest income, impairment gains and losses and foreign exchange gain and losses which are recognized in the Statement of Profit and Loss. This category generally applies to investments (other than in bonds and treasury bills) and other advances.



iii. Financial Instruments measured at fair value through Profit or Loss (FVTPL)

Any financial instrument, which does not meet the criteria for categorization as at amortized cost or fair value through other comprehensive income is classified as FVTPL. Financial instruments included in FVTPL are measured initially as well as at each reporting period at fair value. The gain or loss and interest income are recorded in Statement of Comprehensive Income.

c. Impairment of Financial Assets

The Bank reviews its individually significant loans and advances at each reporting date to assess whether an Impairment Loss should be recorded in the Income Statement. In particular, management's judgment is required in the estimation of the amount and timing of future cashflows when determining the impairment loss. These estimates are based on the assumptions about a number of factors and actual results may differ, resulting in future changes to the allowance.

Loans and Advances that have been assessed individually and found not to be impaired are assessed together with all individually insignificant loans and advances in groups of assets with similar risk characteristics. This is to determine whether provision should be made due to expected loss events for which there is objective evidence, but the effects of which are not yet evident. The collective assessment takes into account of data from the loan portfolio (such as levels of arrears, loan type etc.) and judgment on the effect of economic and market conditions.

Overview of the Expected Credit Loss (ECL) principles

The adoption of BFRS 9 has fundamentally changed the Bank's loan loss impairment method by replacing BAS 39's incurred loss approach with a forward-looking ECL approach. From 1st January 2018, the Bank has been recording the allowance for expected credit losses for all loans and other debt financial assets not held at FVPL, together with loan commitments and financial guarantee contracts, in this section all referred to as 'financial instruments. Equity instruments are not subject to impairment under BFRS 9 and as such measured at cost.

The 12-month ECL (12mECL) is the portion of Life Time ECL (LTECLs) that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Both LTECLs and 12mECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Bank's policy for grouping financial assets measured on an individual and collective basis is as follows:

- a. The top 30 borrowers (comprising 20% of the total loan portfolio) are assessed individually for Objective Evidence of Impairment.



b. The Loans and Advances that have been assessed individually and found not to be impaired are assessed together with all other loans under Collective Impairment.

The Bank has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. Based on the above process, the Bank groups its loans into Stage 1, Stage 2, Stage 3 and POCI, as described below:

Stage 1: When loans are first recognized, the Bank recognizes an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Bank records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.

Stage 3: Loans considered credit-impaired; the bank records an allowance for the LTECLs.

POCI: Purchased or originated credit impaired (POCI) assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest income is subsequently recognized based on a credit-adjusted EIR. ECLs are only recognized or released to the extent that there is a subsequent change in the expected credit losses. The bank does not have such assets currently.

For financial assets for which the Bank has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) de-recognition of the financial asset.

The calculation of ECLs

The Bank calculates ECLs based on four probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

PD -The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously recognized and is still in the portfolio.



EAD–The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected draw- downs on committed facilities, and accrued interest from missed payments.

LGD– The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realization of any collateral. It is usually expressed as a percentage of the EAD.

When estimating the ECLs, the Bank considers three scenarios base case, worst case, and best case. Each of these is associated with different PDs, EADs and LGDs. When relevant, the assessment of multiple scenarios also incorporates how defaulted loans are expected to be recovered, including the probability that the loans will cure and the value of collateral or the amount that might be received for selling the asset.

The mechanics of the ECL method are summarized below:

Stage 1: The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Bank calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR. This calculation is made for each of the four scenarios, as explained above.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Bank records an allowance for the LTECLs. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Stage 3: For loans considered credit-impaired, recognize the lifetime expected credit losses for these loans. The method is similar to that for stage 2 assets, with the PD set at 100%.

POCI : POCI assets are the financial assets that are credit impaired on initial recognition. Then bank only recognizes the cumulative changes in lifetime ECLs since initial recognition based on the probability-weighting of the four scenarios, discounted by the credit-adjusted EIR.

Financial Guarantee contracts: For credit cards and revolving facilities that include both a loan and an undrawn commitment, ECLs are calculated and presented together with the loan. For loan commitments and letters of credit, the ECL is recognized within Provisions.



Forward looking information

In its ECL models, the Bank relies on a broad range of forward-looking information as economic inputs, such as;

- a. GDP Growth
- b. Unemployment rate
- c. Interest rate
- d. Inflation rate
- e. Exchange rate

The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material. Therefore, Bank also considers the following qualitative factors:

- a. Average LTV
- b. Government policies
- c. Industry Business cycle
- d. Regulatory impact

d. De-recognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Bank's Statement of Financial Position) when:

- a. The rights to receive cash flows from the asset have been expired/transferred, or
- b. The Bank retains the contractual right to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Bank has transferred an asset, it evaluates whether it has substantially transferred all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. When the Bank has not transferred substantially all the risks and rewards of ownership of a financial asset, the financial asset is not derecognized.

Where the Bank has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Bank has not retained control of the financial asset. When the entity retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.



15.2 Collateral valuation

To mitigate its credit risks on financial assets, the Bank seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements. The Bank's accounting policy for collateral assigned to it through its lending arrangements under BFRS 9 is the same as it was under BAS 39.

15.3 Write-offs

The Bank's accounting policy under BFRS 9 remains the same as it was under BAS 39. Financial assets are written off either partially or in the entirety only when the Bank has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense.

15.4 Financial Liabilities

a) Initial Recognition and Measurement

All financial liabilities are recognized initially at fair value and, in the case of deposits and borrowings and payables, net of directly attributable transaction costs. The Bank's financial liabilities include deposits from customers including banks, borrowings, security deposits and other payables.

b) Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

- Financial Liabilities at Fair Value through Profit or Loss (FVTPL) Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.
- Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.
- Gains or losses on liabilities held for trading are recognized in the Statement of Comprehensive Income.
- Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in BAS 39 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in Other Comprehensive Income. These gains/ losses are not subsequently transferred to the Statement of Comprehensive Income. However, the Bank may transfer the cumulative gain or loss within equity.



All other changes in fair value of such liability are recognized in the statement of comprehensive income. The Bank has not designated any financial liability as at fair value through the Statement of Comprehensive Income.

a. Borrowings and Deposits

Any difference between the proceeds (net of transaction costs) and the repayment amount is recognized in profit or loss over the period of the liability and subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in the Statement of Comprehensive Income when the liabilities are derecognized as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

b. Financial Guarantee Contract

Financial guarantee contracts issued by the Bank are those contracts that require a payment to be made to reimburse the holder for loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of BAS 39 and the amount recognized less cumulative amortization.

c. De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Comprehensive Income.

16. Cash Flow Statement

The statement of cash flows is prepared using the indirect method and cash flows are classified into operating, investing and financing activities.

17. Lease

The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement



conveys a right to use the asset. Leases that do not transfer to the Bank substantially all the risks and rewards incidental to the ownership of the leased items are operating leases. Operating lease payments are recognized as expenses in the Income Statement on a straight-line basis over the lease term.

Contingent Rental Payable is recognized as an expense in the period in which they are incurred.

18. Dividend

Dividend to shareholders is recognized as a liability in the financial statements in the period in which they are approved by the shareholders. Dividend declared after the reporting date are not recognized as a liability at the reporting date but are disclosed as events after the reporting period in accordance with BAS10-Events after the Reporting period.

19. Earnings Per Share

Earnings per share is calculated by dividing the profit after tax for the year attributable to the ordinary shareholders of the Bank by the number of ordinary shares outstanding during the year.



Reconciliation of Balance Sheet as at 31 December 2025						
	2025			2024		
	Local GAAP Reclassified	Re-measurement	BFRS	Local GAAP Reclassified	Re-measurement	BFRS
Assets						
Cash & Cash Equivalents	2,114,118,546.38	(291,159.00)	2,113,827,387.38	1,523,756,373.90	(542,262.00)	1,523,214,111.90
Cash & Balances with Central Bank	1,945,958,306.84	-	1,945,958,306.84	1,667,732,516.19	-	1,667,732,516.19
Placement with other Banks	2,048,539,657.91	(1,031,099.00)	2,047,508,558.91	1,976,470,022.52	(4,298,165.00)	1,972,171,857.52
Loans & Advances to Customers	14,671,245,068.23	(110,345,262.60)	14,560,899,805.63	13,946,066,121.33	(138,473,059.31)	13,807,593,062.02
Equity instruments – at cost	7,750,000.00	-	7,750,000.00	7,750,000.00	-	7,750,000.00
Equity instruments (FVPL)	42,828,558.58	(114,285.68)	42,714,272.90	44,142,843.90	(1,314,285.32)	42,828,558.58
Debt Instruments at Amortized Cost	1,445,401,195.58	(12,631.91)	1,445,388,563.67	1,545,934,119.76	-	1,545,934,119.76
Defined Benefit Assets		3,478,568.00	3,478,568.00	-	2,937,427.00	2,937,427.00
Other Financial Assets	79,427,178.45	-	79,427,178.45	32,247,635.95	-	32,247,635.95
Other Assets	107,853,245.37	63,313,870.03	171,167,115.40	211,782,340.39	54,656,653.69	266,438,994.08
Property, Plant & Equipment	89,203,308.57	-	89,203,308.57	88,083,083.60	-	88,083,083.60
Intangible Assets	118,996,374.00	-	118,996,374.00	113,682,352.80	-	113,682,352.80
Total Assets	22,671,321,439.91	(45,002,000.16)	22,626,319,439.75	21,157,647,410.34	(87,033,690.94)	21,070,613,719.40
Liabilities						
Due to Customers	16,981,778,399.92	(12,397,016.80)	16,969,381,383.12	15,599,378,367.22	(6,410,604.55)	15,592,967,762.67
Due to Banks and Financial Institutions	2,467,441,201.45	-	2,467,441,201.45	2,897,104,679.00	-	2,897,104,679.00
Debt issued and Other Borrowed Funds	950,000,000.00		950,000,000.00	700,000,000.00		700,000,000.00
Current Tax Liabilities	91,001,819.33	(27,003,957.51)	63,997,861.82	53,153,056.60	(46,579,106.69)	6,573,949.91
Deferred Tax Liability	-	138,623.50	138,623.50	-	1,149,761.50	1,149,761.50
Other Liabilities	367,533,802.50	(25,845,645.73)	341,688,156.77	390,345,149.69	(10,103,174.60)	380,241,975.09
Total Liabilities	20,857,755,223.20	(65,107,996.54)	20,792,647,226.66	19,639,981,252.51	(61,943,124.34)	19,578,038,128.17
Equity						
Share Capital	1,045,893,440.00		1,045,893,440.00	792,325,330.00		792,325,330.00
Reserves						
Retained Earnings	689,041,898.75	20,105,996.38	709,147,895.13	620,929,076.31	(25,090,566.60)	595,838,509.71
AFPR	-		-	36,019,845.32		36,019,845.32
HRD Reserve Fund	7,536,868.96		7,536,868.96	12,000,000.00		12,000,000.00
Research/Digital and Development fund	1,474,862.00		1,474,862.00	3,664,764.07		3,664,764.07
Foreign Exchange Fluctuation Reserve	69,619,147.00	-	69,619,147.00	52,727,142.14		52,727,142.14
Total equity	1,813,566,216.71	20,105,996.38	1,833,672,213.09	1,517,666,157.84	(25,090,566.60)	1,492,575,591.24
Total liabilities and equity	22,671,321,439.91	(45,002,000.16)	22,626,319,439.75	21,157,647,410.34	(87,033,690.94)	21,070,613,719.40



Reconciliation of Statement of Comprehensive Income for the year period 31 December 2025						
	2025			2024		
	Local GAAP Reclassified	Re-measurement	BFRS	Local GAAP Reclassified	Re-measurement	BFRS
Interest & Similar Income	1,392,688,252.53	15,270,043.15	1,407,958,295.68	1,276,936,265.00	7,168,513.00	1,284,104,778.00
Interest & Similar Expense	(1,030,702,608.80)	12,397,016.80	(1,018,305,592.00)	(955,744,458.00)	6,410,605.00	(949,333,853.00)
Net interest income	361,985,643.73	27,667,059.95	389,652,703.68	321,191,807.00	13,579,118.00	334,770,925.00
Fee and commission income	83,599,200.50	-	83,599,200.50	59,236,649.00	-	59,236,649.00
Net fee and commission income	83,599,200.50	-	83,599,200.50	59,236,649.00	-	59,236,649.00
Other Operating Income	276,422,063.31	-	276,422,063.31	190,952,082.00	692,620.00	191,644,702.00
Total operating income	722,006,908.54	27,667,059.95	749,673,967.49	571,380,538.00	14,271,738.00	585,652,276.00
Personnel Expenses	(180,902,528.42)	(15,270,043.15)	(196,172,571.57)	(161,112,370.00)	(7,168,513.00)	(168,280,883.00)
Depreciation on Property Plant & Equipment	(29,483,907.70)	-	(29,483,907.70)	(28,474,249.00)	-	(28,474,249.00)
Amortization of Intangible Assets	(23,836,052.46)	-	(23,836,052.46)	(14,090,255.00)	-	(14,090,255.00)
Other Operating Expenses	(162,810,305.48)	(8,414,324.14)	(171,224,629.62)	(148,269,937.00)	-	(148,269,937.00)
ECL / Impairment (charges)/reversal for loans and other losses	(61,930,316.64)	92,823,814.19	30,893,497.55	12,194,928.00	(31,915,776.00)	(19,720,848.00)
Total Operating Expenses	(458,963,110.70)	69,139,446.90	(389,823,663.80)	(339,751,883.00)	(39,084,289.00)	(378,836,172.00)
Profit Before Tax from Continuing Operations	263,043,797.84	96,806,506.85	359,850,303.69	231,628,655.00	(24,812,551.00)	206,816,104.00
Income Tax	(91,001,819.33)	-	(91,001,819.33)	(53,153,057.00)	(0.13)	(53,153,057.13)
Deferred tax income/(Expenses)	-	1,149,761.50	1,149,761.50	-	(457,380.00)	(457,380.00)
Assessed tax payable pertaining to earlier years	-	-	-	-	(1,616,268.00)	(1,616,268.00)
Profit For the Year	172,041,978.51	96,806,506.85	269,998,245.86	178,475,598.00	(26,886,199.13)	151,589,398.87
Other Comprehensive Income						
Profit For the Year	172,041,978.51	96,806,506.85	269,998,245.86	178,475,598.00	(26,886,199.13)	151,589,398.87
Remeasurement Gain/(Loss) on Defined Benefit Plan	-	554,494.00	554,494.00	-	(4,599,046.00)	(4,599,046.00)
Gain/(Losses) on re-measurement of AFS Financial Assets	-	(114,285.68)	(114,285.68)	-	(1,314,285.00)	(1,314,285.00)
Total Comprehensive Income Before tax	172,041,978.51	97,246,715.17	270,438,454.18	178,475,598.00	(32,799,530.13)	145,676,067.87
Tax on income /(expense) relating to components of other comprehensive income	-	138,623.50	138,623.50	-	-	-
Total comprehensive income for the year, net of tax	172,041,978.51	97,108,091.67	270,299,830.68	178,475,598.00	(32,799,530.13)	145,676,067.87



Notes to the Financial Statements

Schedule		Amount in Nu.	
4	Interest and Similar Income	2025	2024
	Interest Income from Loans	1,406,096,883.02	1,281,683,314.00
	Interest Income from Preferential Lending	1,861,412.66	2,421,464.00
		1,407,958,295.68	1,284,104,778.00
5	Interest & Similar Expense		
	Interests on Saving Deposits	224,161,894.91	209,539,508.00
	Interests on Fixed and Recurring Deposits	729,667,669.63	691,916,264.00
	Interest on Bonds	64,476,027.46	47,878,082.00
		1,018,305,592.00	949,333,854.00
6	Fees & Commission Income		
	Commission Earnings	75,178,870.88	52,649,465.00
	Commission on Forex	8,420,329.62	6,587,184.00
		83,599,200.50	59,236,649.00
7	Other Operating Income		
	Interest on FD with other banks	89,533,450.47	86,841,274.93
	Foreign Exchange Gain	67,568,019.92	14,818,162.92
	Income from Investments	104,665,785.52	84,515,425.40
	Dividend Received	-	2,199,999.34
	Other Receipts	14,654,807.40	3,269,839.44
		276,422,063.31	191,644,702.03
8	Personel Expenses		
	Salaries & Wages	156,359,085.41	144,930,076.19
	Medical Expenses	667,138.14	125,052.00
	Gratuity Expense	7,293,076.00	3,971,565.00
	Earned Leave Encashment-Staff	6,538,933.76	5,258,111.36
	Breavement Expenses	-	149,227.00
	Leave Travel Concession(LTC)	4,320,582.09	4,074,744.26
	Performance Based Variable Allowance (PBVA)	5,723,713.02	2,603,594.00
	Prepaid costs	15,270,043.15	7,168,513.17
		196,172,571.57	168,280,882.98
9	Other Operating Expenses		
	Travel Cost	7,330,685.63	10,529,430.00
	Training Expenses	9,629,545.96	7,563,136.00
	Audit Expenses	644,001.44	600,000.00
	Office stationary Expenses	10,171,998.70	5,939,230.00
	Communication Expenses	4,962,328.39	5,157,196.00
	Premises	29,565,353.12	21,183,864.00
	IT Related Expenses	37,043,251.39	49,458,932.00
	Marketing Expenses	3,327,433.60	2,267,249.00
	Other Office Related Expenses	68,550,031.39	45,570,900.00
		171,224,629.62	148,269,937.00



Notes to the Financial Statements

Schedule			Amount in Ru	
			2025	2024
10	Impairment (charges)/reversal for loans and other			
	Provision as per GAAP		(61,930,316.64)	12,194,927.50
	Addition/(Reversal) for the Years		92,823,814.19	(31,915,775.96)
	Closing Balance as at 31 December		30,893,497.55	(19,720,848.46)
11	Taxation			
	The major components of Income tax expense for the years ended 31st December are as follows.			
	Current Income Tax			
	Income Tax for the year		(91,001,819.33)	(53,153,056.60)
	Assessed Tax paid/payable pertaining to earlier years		-	(1,616,268.00)
	Deferred Tax			
	Deferred Taxation Charge/(Reversal)		1,011,138.00	(457,379.50)
	Income Tax expense reported in the Statement of Profit or Loss		(89,990,681.33)	(55,226,704.10)
11.1	A reconciliation between Tax Expense and the Product of Accounting Profit			
	Accounting Profit before Income Tax		359,850,303.69	206,816,104.00
			359,850,303.69	206,816,104.00
	Adjustment	Expenses	Allowable as per IT	
	Penalty Paid	265,078.50	-	265,078.50
	Medical Expenses	667,138	528,888.00	138,250.14
	Donation and Contributions	670,000.00	505,000.00	165,000.00
	Entertainment Expenses	1,738,923.62	6,119,817.57	-
	Publicity & Advertisement	2,884,926.60	87,752,810.80	-
	Bad Debts Written Off			5,136,589.52
	Leave Encashment			6,538,933.76
	Gratuity			7,293,076.00
	Total adjustment			19,536,927.92
				8,243,253.00
	Taxable profit		379,387,231.61	215,059,357.00
	Preferential Lending Income (Tax exempt)		1,861,412.66	2,447,131.00
	Actual Bad Debt writted off		3,906,488.93	
	Actual Leave Encashment Paid		5,402,724.70	
	Actual Gratuity Paid		4,209,328.00	
	Total Allowable Deduction		15,379,954.29	
			364,007,277.32	212,612,226.00
	Statutory Tax Rate		0.25	0.25
	Current Tax		91,001,819.33	53,153,056.50
12	Basic Earnings Per Share			
	Total comprehensive income for the year, net of tax		269,998,245.86	151,589,399.84
	Number of shares		104,589,344.00	79,232,533.00
	Basic Earnings Per Share		2.58	1.91



Notes to the Financial Statements

Schedule	Amount in Nu.	
	2025	2024
13 Cash & Cash Equivalents		
Local currency on hand	204,352,846.97	205,195,211.60
Balance with RMA	188,529,959.16	419,280,573.76
Foreign currency on hand	19,735,370.80	3,940,425.46
Balance with Banks in India & Abroad	516,947,982.65	352,056,173.02
<i>Balance with Banks in Bhutan</i>	1,184,552,386.80	543,283,990.06
	2,114,118,546.38	1,523,756,373.90
Less: Allowance for Expected Credit Loss	(291,159.00)	(542,262.00)
	2,113,827,387.38	1,523,214,111.90
14 Balances with Central Bank of Bhutan(RMA)		
Payment and Settlement Account with RMA	527,465,704.31	312,414,275.58
Cash Reserve Requirement with RMA	1,418,492,602.53	1,355,318,240.61
Balances with Central Bank of Bhutan(RMA)	1,945,958,306.84	1,667,732,516.19
15 Placements with other banks		
Fixed Deposits with banks in Bhutan & abroad	2,048,539,657.91	1,976,470,022.52
Less: Allowance for Expected Credit Loss	(1,031,099.00)	(4,298,165.00)
	2,047,508,558.91	1,972,171,857.52
16 Gross loans & receivables	14,959,023,617.31	13,844,673,566.87
Less: Unamortised Staff loan	(90,317,827.54)	(101,235,760.38)
Less: FEIF FV measured at EIR	(88,302,538.70)	-
	14,780,403,251.07	13,743,437,806.49
Less: Impairment on Loans and Advances		
Individual impairment	88,569,045.00	-
Collective impairment	130,972,355.17	44,399,904.16
Total Impairment	(219,541,400.17)	(242,314,012.92)
Net Loans and Receivables	14,560,861,850.90	13,501,123,791.57
Loans & Advances to Customers		
Term Loan	11,399,959,617.87	10,668,133,641.00
Overdrafts	2,430,784,266.42	2,454,310,498.00
Working Capital Loans	755,119,433.65	471,555,406.00
Credit Card	5,944,119.90	3,626,857.00
Interest Receivable	639,850,499.47	553,516,433.36
Total	15,231,657,937.31	14,151,142,835.36
Less: Charged off	(272,634,320.00)	(306,469,268.49)
Less: Unamortised Staff Loans	(90,317,827.54)	(101,235,760.38)
Less: FEIF FV measured at EIR	(88,302,538.70)	-
Less: Impairment allowance for loans and advances	(219,541,400.17)	(242,314,012.92)
Total	14,560,861,850.90	13,501,123,791.57
The Movement in Pre-Paid Staff cost		
As at 1st January	101,235,760.08	113,775,403.38
Add / (Less): Adjustment for new grants & settlements	4,352,110.31	(5,371,130.14)
Less: Charge to Personnel cost	(15,270,043.15)	(7,168,513.17)
As at 31st December	90,317,827.24	101,235,760.08



17	Equity instruments - at cost		
	Statutory Investments		
	Investment in FITI (4.62% of Share Capital of FITI)	6,000,000.00	6,000,000.00
	Investment in CIB (7% of Share Capital of CIB)	1,750,000.00	1,750,000.00
	Total	7,750,000.00	7,750,000.00
	The Bank holds investments in FITI and CIB, which are non-corporate entities and are not listed in stock exchange. These investments do not provide dividends or other contractual returns. Due to the absence of observable market prices and the unavailability of reliable financial information necessary to apply appropriate valuation techniques, the fair value of investments cannot be measured reliably at the reporting date. Accordingly, the investments are measured at cost.		
18	Equity Instruments (FVPL)		
	As at 31st December		
	BNBL	42,828,558.58	44,142,843.90
	Gain/(Loss) on fair valuation	(114,285.68)	(1,314,285.32)
	Total	42,714,272.90	42,828,558.58
	Share volume of 1,428,571.00 fair valued at 29.90 per share as pe 31 December 2025		
19	Debt Instruments		
	As at 31st December		
	Investment in Bonds	1,392,093,903.63	1,499,334,000.00
	Add: Interest receivable reclassified	53,307,291.95	46,600,120.00
	Less: Allowance for Expected Credit Loss	12,631.91	-
	Total	1,445,388,563.67	1,545,934,120.00
20	Defined Benefit Asset (Liability)		
	Net defined benefit asset at the beginning of current period	(2,937,429.00)	(6,495,263.00)
	Amount recognized in the income statement	4,222,683.00	3,283,759.00
	Amount recognized in the OCI	(554,494.00)	4,599,046.00
	Contributions paid into the plan	(3,000,000.00)	-
	Benefits paid by the employer	(1,209,328.00)	(4,324,971.00)
	Acquisitions credit/ (cost)	-	-
	Net defined benefit asset at the end of current period	(3,478,568.00)	(2,937,429.00)

Define Benefit Plan:

The Bank operates benefit gratuity plan for its employees. Under the plan, employees are entitled to a specified benefit upon retirement, resignation, superannuation, or in the event of death or permanent disablement, in accordance with the terms and conditions set out in the Bank's service rules. The amount of benefit payable depends on factors such as the employee's age, length of service and final salary.

The defined benefit obligation is determined annually through an actuarial valuation performed by an independent qualified actuary, using the projected unit credit method, in accordance with IAS 19-Employee Benefits.



Under this method, the present value of the defined benefit obligation is calculated by projecting the future benefit payments attributable to service rendered by employees up to the reporting date.

The calculation takes into account assumptions relating to future salary increase, employee turnover, mortality, and other relevant demographic factors. The expected future benefit payments are then discounted to the reporting date using a discount rate determined by reference to market yields on high-quality corporate bonds with maturities consistent with the estimated term of the obligations.

Details of Fair Value of Plan Assets as on 31 December	2025	2024	
Fair Value of Assets at the beginning of the Current Period	30,826,177.00	28,593,074.00	
Interest income on Plan assets	2,424,463.00	2,287,446.00	
Contribution Paid into the Plan	3,000,000.00	-	
Expected return on Plan Assets	1,754,918.00	(54,344.00)	
	38,005,559.00	30,826,177.00	
Expected Benefit Payments for the year ending			
31st December 2026	3,640,179.00		
31st December 2027	4,477,114.00		
31st December 2028	4,324,559.00		
31st December 2029	2,780,244.00		
32nd December 2030	3,572,791.00		
31st December 2031 to 31st December 2035	15,009,175.00		
Scheme Asset Allocation			
BIL Gratuity scheme	5,676,769.00	2,347,788.00	
Fixed Deposits	32,328,788.00	28,478,388.00	
	38,005,557.00	30,826,176.00	
Sensitivity of assumption employed in actuarial valuation			
Discount Rate	Defined Benefit Obligation	Net effect on DBO	% Effect
(+0.50%)	33,221,801	(1,305,188.00)	-3.80%
Base Rate	34,526,989	-	-
(-0.50%)	35,925,431	1,398,441	4.10%
Salary Escalation Rate			
(+1.00%)	36,840,792	2,313,803	6.70%
Base Rate	34,526,989	-	-
(-1.00%)	32,268,706	(2,258,283)	-6.50%
Attrition Rate			
(+1.00%)	34,575,054	48,065	0.10%
Base Rate	34,526,989	-	-
(-1.00%)	34,440,639	86,350	-0.30%
Changes in the present value of Defined Benefit Obligation (DBO)			
DBO at end of prior period	27,888,747.00	22,097,812.00	
Current service cost	4,600,840.00	3,976,379.00	
Interest cost on the DBO	2,046,306.00	1,594,826.00	
Actuarial (Gain)/Loss-experience	(1,393,379.00)	4,329,637.00	
Actuarial (Gain)/Loss-financial assumptions	2,593,804.00	215,064.00	
Benefits paid by the Company	(1,209,328.00)	(4,324,971.00)	
DBO at end of current period	34,526,989.00	27,888,747.00	



Summary of Actuarial Assumptions	31.12.25	31.12.24
Discount Rate(%)	7.50%	8.00%
Salary Escalation Rate(%)	6.00%	6.00%
Employee Turnover Rates(%)	6.00%	6.00%
Mortality Rate (of IALM 2012-2014)	100%	100%

21 Other Financial Assets

Security Deposits	1,608,259.80	1,421,459.80
Gratuity Fund	38,005,556.96	30,826,176.15
IPS Plough Back (MM Interest Receivables)*	39,813,361.69	43,829,951.16
	79,427,178.45	76,077,587.11

* Management is currently evaluating the treatment of the IPS Plough Back balance. Any financial impact arising from a potential write-off, if approved by the Board/appropriate authority, is recognized in the statement of profit or loss in the period in which such approval is formally granted.

Provision for expected shortfall have been made as at the reporting date, and the balance continues to be presented under financial assets in the statement of financial position.

22 Other Assets

Stock of Stationery	2,060,975.03	11,289,887.24
Asset Pending Foreclosure	-	36,019,845.32
<i>BIPS Settlement Account (inwards)</i>	39,938,551.33	31,762,793.93
Others (loan routine, settlement bridge)	7,306,616.80	4,375,558.25
Prepaid Expense	30,894,363.57	16,930,664.32
Impairment on Staff Loan	90,317,827.54	101,235,760.38
Visa/ Eom/POS/Credit Card Receivable	648,781.13	20,994,533.48
	171,167,115.40	222,609,042.92



NOTES FORMING PART OF THE STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2025

SCHEDULE 23 A: PROPERTY, PLANT & EQUIPMENT

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	Gross Block as on 01.01.2025	Additions during the year	Adjustment during the year	Balance as on 31.12.2025	Accumulated Depreciation as on 01.01.2025	Dep For the Year	Adjustment during the Year	Accumulated Depreciation as on 31.12.2025	Net Block as on 31.12.2025	Net Block as on 31.12.2024
Land	639,667.35	-	-	639,667.35	-	-	-	-	639,667.35	639,667.35
Vehicles	14,653,503.00	-	-	14,653,503.00	5,098,280.00	2,197,860.00	-	7,296,140.00	7,357,363.00	9,555,224.00
Computer Hardware	75,205,530.69	26,312,106.40	2,007,286.57	99,510,350.52	46,182,065.61	10,557,626.24	1,975,411.62	54,764,280.23	44,746,070.29	30,480,737.41
Other Equipments	43,491,244.13	4,061,582.00	539,255.18	47,013,570.95	30,033,889.68	4,720,992.83	530,633.80	34,224,248.71	12,789,322.24	12,858,243.19
IT Equipments	56,122,878.54	4,961,582.00	51,300.00	61,033,160.54	43,771,854.18	6,373,052.97	51,296.62	50,093,610.53	10,939,550.01	12,261,527.82
ATM & Switch	20,458,601.38	4.09	1,171,150.40	19,287,455.07	18,022,602.47	1,117,358.00	1,171,150.00	17,968,810.47	1,318,644.60	1,689,540.78
Security Equipment	3,848,369.73	622,184.00	23,850.00	4,446,703.73	3,016,351.92	243,848.72	23,849.00	3,236,351.64	1,210,352.09	794,199.81
Furniture & Fixtures	46,843,790.09	695,851.00	680,339.00	46,859,302.09	37,110,568.44	4,273,168.94	503,535.43	40,880,201.95	5,979,100.14	11,641,086.75
Total	261,263,584.91	36,653,309.49	4,473,181.15	293,443,713.25	183,235,612.30	29,483,907.70	4,255,876.47	208,463,643.53	84,980,069.72	79,920,227.11
Previous Year	240,221,930.97	22,941,861.60		263,163,792.57	154,769,316.92	28,474,248.54		183,026,260.78	79,920,227.11	85,452,614.05

NOTE NO-23B: INTANGIBLE ASSETS

Software	211,799,876.95	27,257,799.12	-	239,057,676.07	96,225,249.61	23,836,052.46	-	120,061,302.07	118,996,374.00	113,682,352.80
Total	211,799,876.95	27,257,799.12	-	239,057,676.07	96,225,249.61	23,836,052.46	-	120,061,302.07	118,996,374.00	113,682,352.80
Previous Year	123,289,660.50	86,610,008.91	-	209,899,669.41	82,127,061.70	14,090,254.91	-	96,217,316.61	113,682,352.80	41,162,598.80

NOTE NO. 23C WORK IN PROGRESS

Sl. No	Particulars	01.01.2025	Addition	Adjustment	31.12.2025	31.12.2024
1	Work in Progress	8,162,836.00	17,129,573.95	21,069,171.10	4,223,238.85	8,162,836.00



Schedule	Amount in Nu.	
	2025	2024
25 Due to Customers		
Fixed Deposit	8,849,318,793.72	9,026,490,738.51
Recurring Deposit	328,440,783.37	213,973,889.16
Savings Deposits	5,903,096,383.25	4,845,000,953.13
Current Accounts	1,046,268,266.78	812,701,469.00
Interest Payable	854,654,172.80	701,211,317.42
Deposit EIR adjustment	(12,397,016.80)	(6,410,604.55)
	16,969,381,383.12	15,592,967,762.67
26 Due to Other Banks		
-Bank of Bhutan Limited	400,000,000.00	500,000,000.00
-Bhutan Development Bank Limited	1,263,941,201.45	1,693,604,679.00
-Bhutan National Bank Limited	250,000,000.00	250,000,000.00
-Druk PNB Limited	553,500,000.00	453,500,000.00
	2,467,441,201.45	2,897,104,678.00
27 Debts issued and Other Borrowed Funds		
Subordinate term debt amounting to Nu.350,000,000, Nu.350,000,000 & Nu.250,000,000 issued for 7 years @ coupon rate of 9%, 7% & 8.5% p.a	950,000,000.00	700,000,000.00
	950,000,000.00	700,000,000.00
28 Current Tax Liabilities (Net of advance paid)		
Balance as at 1st January	6,573,949.91	88,197,356.70
Current year provision	91,001,819.33	53,153,056.60
Less: Payment of tax	(6,573,949.91)	(88,197,356.70)
Less: Advance tax paid	(27,003,957.51)	(46,579,106.69)
Balance as at 31st December	63,997,861.82	6,573,949.91
Deferred Tax Liabilities	138,623.50	1,149,762.00
Total Tax Liability	64,136,485.32	7,723,711.91

29. Analysis of Financial Instruments by Measurement Basis

Financial instruments are measured on an ongoing basis either at amortized cost, fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL), depending on the Bank's business model for managing the financial assets and the contractual cash flow characteristic of the instruments, in accordance with IFRS 9- Financial Instruments. The significant accounting policies describes how each category of financial instruments is measured and how related income and expenses, including fair value gains and losses, are recognized. The summary of significant accounting policies describes how each category of financial instruments is measured and how income and expenses, including fair value gains and losses, are recognized. The following table analyses the carrying amounts of the financial instruments by measurement category under BFRS 9, presented in accordance with the headings of the Statement of Financial Position.



Analysis of Financial Instruments by Measurement Basis 2025

Financial Assets	Held for Trading	Amortised Cost	Held to maturity	AFS	Total
Cash & cash Equivalents		2,113,827,387.38			2,113,827,387.38
Cash & Balances with Central Bank		1,945,958,306.84			1,945,958,306.84
Placement with other Banks		2,047,508,558.91			2,047,508,558.91
Loans & Advances to Customers		14,560,861,850.90			14,560,861,850.90
Equity Instruments (at amortised cost)			7,750,000.00		7,750,000.00
Equity Instruments (FVPL)				42,714,272.90	42,714,272.90
Debt Instruments			1,445,388,563.67		1,445,388,563.67
Other Financial Assets:					-
Security Deposits		1,608,259.80			1,608,259.80
Gratuity Fund		38,005,556.96			38,005,556.96
Financial Liabilities					-
Due to Customers		16,969,381,383.12			16,969,381,383.12
Due to Banks		2,467,441,201.45			2,467,441,201.45
Other Financial Liabilities		950,000,000.00			950,000,000.00
Other Financial Liabilities		341,688,156.77			341,688,156.77

Analysis of Financial Instruments by Measurement Basis 2024

Financial Assets	Held for Trading	Amortised Cost	Held to maturity	AFS	Total
Cash & cash Equivalents		1,523,214,111.90			1,523,214,111.90
Cash & Balances with Central Bank		1,667,732,516.19			1,667,732,516.19
Placement with other Banks		1,972,171,857.52			1,972,171,857.52
Loans & Advances to Customers		13,501,123,791.57			13,501,123,791.57
Equity Instruments (at amortised cost)			7,750,000.00		7,750,000.00
Equity Instruments (FVPL)				42,828,558.58	42,828,558.58
Debt Instruments			1,545,934,120.00		1,545,934,120.00
Other Financial Assets:					-
Sundry Receivables		-			-
Security Deposits		1,421,459.80			1,421,459.80
Gratuity Fund		30,826,176.15			30,826,176.15
Financial Liabilities					-
Due to Customers		15,592,967,762.67			15,592,967,762.67
Due to Banks		2,897,104,679.00			2,897,104,679.00
Other Financial Liabilities		700,000,000.00			700,000,000.00
Other Financial Liabilities		380,241,975.09			380,241,975.09

30 Deferred Taxation

Deferred Tax Assets, Liabilities and Income Tax relates to the followings	Reflected in Statement of Financial Position		Reflected in Statement of Comprehensive Income	
	2025	2024	2025	2024
Deferred Tax Assets, Liabilities and Income Tax relates to the followings				
Deferred Tax on OCI component	(138,623.50)	1,149,761.50	1,288,385.00	1,149,762.00
Fair Value Gain or Loss	-	-	-	1,607,141.00
	(138,623.50)	1,149,761.50	1,288,385.00	457,380.00

31 Other Liabilities

Financial	2025	2024
Sundry Creditors	12,219,605.13	11,542,104.53
Provision Against Off-Balance Sheet items	37,954.73	58,775.37
Others	329,430,596.91	368,641,095.19
	341,688,156.77	380,241,975.09



Schedule		Amount in Nu.	
32	Share Capital		
		2025	2024
	Share Capital (66,027,745 shares of Nu.10/- each fully paid)	792,325,330.00	660,272,690.00
	Bonus Shares (1 share for every 10 shares held :7924397)	79,243,970.00	132,052,640.00
	Rights Shares (1 Shares for every 5 shares held :17432414)	174,324,140.00	
	Total Share Capital	1,045,893,440.00	792,325,330.00
32.1	Reconciliation of Equity Share Capital	No.of Shares	
	As at 1st January 2024	66,027,269.00	
	Change during the year	13,205,264.00	
	As at 31st December 2024	79,232,533.00	
	Change during the year	25,356,811.00	-
	As at 31st December 2025	104,589,344.00	
33	Reserve & Surplus		
	Retained Earnings		
	Opening Balance	515,950,296.25	729,423,835.36
	Profit during the year as per Statement Comprehensive Income	269,998,245.86	151,589,399.84
	Adjustments (Bonus Shares issue)	(79,243,970.00)	(132,052,640.00)
	Less: Addition during the year to Exchange Fluctuation Reserve	(16,892,004.98)	(3,704,540.73)
	Transferred from OCI	301,584.82	6,329,914.00
	Additional Tax Paid for the prior Year	-	1,616,268.00
	Adjustments	(32,576,200.70)	-
	BFRS Adjustment (Ref -Note below 33.1)	51,609,943.87	(157,363,725.65)
	Balance as per BAS/BFRS	709,147,895.13	595,838,510.82
	Exchange Fluctuation Reserve		
	Opening Balance	52,727,142.73	49,022,602.00
	Addition during the year	16,892,004.98	3,704,540.73
	Closing Balance	69,619,147.71	52,727,142.73
	Asset Pending Foreclosure Reserve (APFR)		
	Opening Balance	36,019,844.85	37,779,532.00
	Addition during the year	-	1,522,277.00
	Transfer during the year	(36,019,845.32)	(3,281,965.15)
	Closing Balance	-	36,019,843.85
	HRD Fund		
	Opening Balance	12,000,000.00	12,000,000.00
	Addition during the year	-	-
	Transfer during the year	(4,463,131.04)	-
	Closing Balance	7,536,868.96	12,000,000.00
	Research/ Digital Development Fund		
	Opening Balance	3,664,764.00	8,000,000.00
	Transfer during the year	(2,189,902.00)	(4,335,236.00)
	Closing Balance	1,474,862.00	3,664,764.00
	Total Reserves & Surplus	787,778,773.80	700,250,261.40



33.1 The BFRS Adjustment reconciliation is shown below:

Opening Balance (due to BFRS adoption from SOFP)	(25,090,566.60)	(188,601,673.83)
Addition during the year from SOFP:	(20,105,996.38)	25,090,566.60
Addition during the year from SOCI:	96,806,506.85	(26,428,819.41)
Total	51,609,943.87	(189,939,926.65)

34 Commitment and Contingencies

In the ordinary course of business, the Bank enters into various irrevocable commitment and incurs certain contingent liabilities to meet the financing requirements of its customers. These include financial guarantees, letters of credit and other undrawn commitments to lend. Although these obligations are not recognized on the Statement of Financial Position, they expose the Bank to credit risk and are therefore considered as part of the Bank's overall risk management framework.

Letters of credit & guarantees, including standby letters of credit, represent undertakings by the Bank to make payments on behalf of customers upon the occurrence of specific events, generally relating to the import or export of goods or the fulfillment of contractual obligations. Such instruments carry credit risk comparable to that associated with on-balance-sheet loan exposures. Based on management's assessment, no material losses are expected to arise from these commitments and contingencies at the reporting date.

34.1 Commitment and Contingencies

Contingent Liabilities

Performance Guarantees	43,786,997.66	133,020,515.00
Financial Guarantees	301,436,581.67	54,679,474.00
Import Letter of Credits	744,005,255.33	602,214,545.00
Commitment & contingencies	1,089,228,834.66	789,914,534.00

34.2 Capital Commitment

Project	Project Cost	Advance Paid	Balance
BTFN Integration with Tpay	186,375.00	95,983.13	90,391.87
LOS, DMS & DLP Project	16,131,020.00	2,307,123.00	13,823,897.00
Total	16,317,395.00	2,403,106.13	13,914,288.87

34.3 Other Contingent Liabilities

Litigation against the Bank

Litigation is a normal occurrence in the banking industry due to the nature of the business activities. The Bank has established policies and procedures for managerial legal claims and assessing related risks. Where professional advice indicates that a present obligation exists and the amount of loss can be reliably estimated, appropriate provisions are recognized in accordance with IAS 37- Provisions, Contingent Liabilities and Contingent Assets. As at the reporting date, the Bank has no such unresolved legal claims.



35. Related Party Disclosures

The Bank enters into transactions in the ordinary course of business with related parties as defined under IAS 24-Related Party Disclosures. These transactions are conducted on normal commercial terms and conditions, including interest rates and collateral requirements, and are consistent with those applied to comparable transactions with unrelated parties. Details of related party transactions are disclosed below.

35.1 Parent and Ultimate Controlling Party

The Bank is controlled by Ashi S Dorji, Dasho Wangchuk Dorji and Dasho Topgyal Dorji, who collectively hold 60% of the company's shares. The remaining 40% of shares are widely held by the public.

35.2. Transactions with Key Managerial Personnel (KMPs)

Key Managerial Personnel comprise those persons having authority and responsibility for planning, directing, and controlling the activities of the Bank, directly or indirectly. This includes members of the Board of Directors (both Executive and Non-Executive Directors) and other senior Management personnel who have significant influence over the Bank's Operations.

Close Family Members of the KMPs are those family members who may be expected to influence or be influenced by, the KMPs in their dealing with the Bank. These include a spouse or domestic partner, children of the KMPs or of the spouse or domestic partner and dependents of the KMPs or of the spouse or domestic partner.

35.2.1 Transactions with Key Managerial Personnel (KMPs)

For the Year Ended 31st December	2025	2024
Remuneration paid to CEO	8,819,376.50	8,205,492.00
Sitting Fees paid to CEO	250,000.00	240,000.00
Board Director's fees	1,035,000.00	955,000.00
Total	10,104,376.50	9,400,492.00

In addition to the above, the bank has also paid non cash benefits such as fuel in line with the Service Rules & Regulations.

35.2.2 Loans and Advances to KMPs and their CFMs are detailed below:

	2025		2024		Average Balance	
	Limit	Closing Balance	Limit	Closing Balance	Limit	Closing Balance
Loans and Receivables	13,350,501	12,279,852.06	10,883,265	10,894,337.76	12,116,883	11,587,094.91

35.2.3 Deposits from KMPs and their CFMs are detailed below:

	2025	2024
	Deposits	9,261,408.38



Transactions, Arrangements and Agreements involving Entities which are controlled and /or jointly controlled by the KMPs:

		2025	2024
Loans & receivables:			
BCCL	Overdraft Facility	70,000,000.00	19,172,822.31
BCCL-OWMI	Overdraft Facility	69,893,690.10	69,358,475.03
Bhutan Airlines	Overdraft Facility	150,000,000.00	7,881,577.90
Bhutan Airlines	Term Loan	37,901,772.24	36,335,893.06
Bhutan Airlines	Term Loan	437,733.91	582,099.15
Bhutan Airlines	Term Loan	203,062.70	323,775.12
Bhutan Airlines	Term Loan	181,045.23	288,751.39
Bhutan Fruit Products Pvt Ltd	Term Loan	20,947,804.00	9,235,756.51
Bhutan Fruit Products Pvt Ltd	Overdraft Facility	40,000,000.00	17,541,377.68
Druk Petroleum Corporation	Overdraft Facility	45,000,000.00	14,216,706.99
Tashi Beverages Limited	Overdraft Facility	70,000,000.00	69,567,937.75
Tashi Beverages Limited	Term Loan	215,218.09	425,857.69
Tashi Beverages Limited	Term Loan	4,515,993.07	-
Tashi Beverages Limited	Term Loan	15,046,302.57	-
Tashi Beverages Limited	Term Loan	8,462,053.31	12,612,932.14
Tashi Beverages Limited	Term Loan	517,963.46	770,955.82
Tashi Beverages Limited	Term Loan	19,993,361.83	20,351,638.27
Tashi Beverages Limited	Term Loan	-	274,835.73
Tashi Beverages Limited	Term Loan	-	29,093.80
Tashi Beverages Limited	Term Loan	-	321,693.15
Tashi InfoComm Ltd.	Term Loan	85,578,929.65	92,439,377.09
Tashi InfoComm Ltd.	Term Loan	17,166,572.10	-
Tashi InfoComm Ltd.	Term Loan	20,583,272.93	-
Tashi InfoComm Ltd.	Overdraft Facility	50,000,000.00	1,010,438.06
Tashi Metals Private Limited	Term Loan	45,308,511.83	53,070,923.13
Tashi Tours and &Travel	Overdraft Facility	500,000.00	-
Tashi Thuendrei Lerig	Overdraft Facility	24,500,000.00	12,603,256.96
Documentary Credits			
Bhutan Hyundai Motors	Letter of Credit	84,527,808.87	184,226,327.20
Bhutan Isuzu Motors	Letter of Credit	11,411,000.00	21,464,198.00
Tashi Commercial Corporation	Letter of Credit	18,817,551.34	-
Guarantees			
Bhutan Airlines		2,000,000.00	2,000,000.00
Bhutan Airlines		6,517,920.00	6,228,580.00
Bhutan Airlines		8,024,690.00	8,024,690.00
Bhutan Airlines		1,500,000.00	1,500,000.00
Bhutan Airlines		8,000,000.00	12,500,000.00
Bhutan Airlines		100,000.00	100,000.00
Bhutan Carbide & Chemical Limited		37,200,000.00	37,200,000.00
Druk Petroleum Corp Ltd		-	2,400.00
Druk Petroleum Corp Ltd		-	1,680.00
Druk Petroleum Corp Ltd		-	1,960.00
Druk Petroleum Corp Ltd		-	2,144.00
Tashi Infocomm Ltd.		-	3,110.00
Bhutan Isuzu		-	471,964.40
Tashi Tours & Travel		-	2,000,000.00
Tashi Metals Private Limited		3,317,530.00	-
Bhutan Bitumen Industries Pvt Ltd		72,238.00	-
Bhutan Bitumen Industries Pvt Ltd		-	-
Samdrupling Metals Pvt Ltd		-	1,834,032.00
Yuendrung Clearing House		-	100,000.00
Tashi Beverages		-	852,000.00
Corporate Bonds			
Tashi Air Pvt. Ltd.		70,000,000.00	70,000,000.00
		1,048,442,025.23	786,929,260.33



35.4**Goods and Services Purchased**

During the year, the Bank purchased goods and services from entities where KMPs have either control and / or joint control.

For the year ended 31st December	2025	2024
Tashi Real Estate Pvt. Ltd	8,425,791.00	8,496,213.00
Tashi InfoComm Ltd.	2,398,806.61	3,516,833.00
Hotel Druk	341,912.80	424,839.00
RICBL	957,356.00	580,828.00
Pemako	842,939.00	211,728.00
Bhutan Airlines	1,385,630.00	915,446.00
Business Bhutan	151,812.50	138,334.50
	14,504,247.91	14,284,221.50

36. Fair value of Financial Instruments**Financial Instruments Recorded at Fair Value**

The Bank measures certain financial instruments at fair value at each reporting date. Fair value is determined in accordance with IFRS 13–Fair value Measurement, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Where quoted market prices are not available, fair values are determined using appropriate valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. These valuation techniques incorporate assumptions that market participants would use when pricing the instruments.

Financial Investments Measured at Fair Value

Financial investments measured at fair value comprise primarily quoted equities and Government debt securities, classified and measured under IFRS 9 as either:

Fair value through profit or loss (FVTPL) or Fair value through other comprehensive income (FVOCI), as applicable. Quoted equities and Government debt securities are valued using observable market prices or valuation techniques based on observable market data.

Determination of Fair Value and Fair Value Hierarchy

The Bank categorizes financial instruments measured at fair value using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels, as defined in IFRS 13:

Level 1 – Quoted Market Price (unadjusted): financial instruments with quoted prices for identical instruments in active markets.

Level 2 – Valuation Technique using observable inputs: financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

Level 3 – Valuation Technique with significant unobservable inputs: financial instruments valued using valuation techniques where one or more significant inputs are unobservable.



The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy.

31st December 2025	<u>Level I</u>	<u>Level II</u>	<u>Level III</u>
Financial Investment	42,714,273		7,750,000
31st December 2024			
Financial Investment	42,828,559		7,750,000

A. Determination of fair value hierarchy

The following describes the methodologies and assumptions used to determine fair values of financial instruments that are not measured at fair value in the Financial Statements.

For Investment in equity instruments that are not quoted in an active market and for which fair value cannot be measured reliably, the management has determined that the cost of investment is an approximation of fair value, after considering the absence of observable market data and the nature of the investees.

For financial assets and liabilities with a short-term maturity, it is assumed that the carrying amounts approximate their fair values due to the short duration of these instruments. This assumption is also applied to demand deposits and saving deposits, which do not have specified contractual maturities.

Fixed Rate Financial Instruments

The fair value of fixed rate financial assets & liabilities carried at amortized cost are estimated by comparing market interest rates when they were first recognized with current market rates for similar financial instruments.

The estimated fair value of fixed interest-bearing deposits is based on discounted cash flows using prevailing money market interest rates for debts with similar credit risk and maturity.

Quoted debt Securities issued

For quoted debt securities issued by the Bank, fair values are determined using quoted market prices in active markets.

For unquoted debt securities where quoted market prices are not available, fair values are estimated using discounted cash flows models, based on current market yield curves applicable to the remaining term to maturity, adjusted for relevant credit spreads.

For other variable rate instruments

For variable rate financial instruments, carrying amounts are considered to be reasonable approximation of fair value due to frequent repricing to market rates. Where applicable adjustments are made to reflect changes in the credit spread since initial recognition.



	2025		2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
Cash & cash equivalents	2,114,118,546.38	2,113,827,387.38	1,523,756,373.90	1,523,214,111.90
Balances with Royal Monetary Authority	1,945,958,306.84	1,945,958,306.84	1,667,732,516.19	1,667,732,516.19
Placements with Banks	2,048,539,657.91	2,047,508,558.91	1,976,470,022.52	1,972,171,857.52
Loans & Advances to Customers	15,231,657,937.31	14,560,861,850.90	14,151,142,835.36	13,807,593,062.06
Equity Instrument (at Amortized Cost)	7,750,000.00	7,750,000.00	7,750,000.00	7,750,000.00
Equity Instrument (FVPL)	42,828,558.58	42,714,272.90	44,142,843.90	42,828,558.58
Debt Instrument	1,545,934,120.00	1,545,934,120.00	1,545,934,120.00	1,545,934,120.00
Other Financial Assets	79,427,178.45	79,427,178.45	32,247,635.95	32,247,635.95
Financial Liabilities				
Due to customers	16,981,778,399.92	16,969,381,383.12	15,599,378,367.22	15,592,967,762.67
Due to Banks	2,467,441,201.45	2,467,441,201.45	2,897,104,679.00	2,897,104,679.00
Debts Issued & Other Borrowed Funds	950,000,000.00	950,000,000.00	700,000,000.00	700,000,000.00
Other Financial Liabilities	341,688,156.77	341,688,156.77	380,241,975.09	380,241,975.09

37 Risk Management

37.1 Credit Risk

The Bank manages credit risk by obtaining collateral and other credit enhancements to mitigate potential losses arising from the default of counterparties. The amount and type of collateral required are determined based on an assessment of the credit risk of the counterparty.

The Bank has established guidelines governing the acceptability, valuation and ongoing monitoring of collateral. The principal types of collateral obtained are as follows:

For commercial lending: Charges over real estate properties.

For retail lending: Mortgages over residential properties.

In addition, the Bank obtains guarantees from parent companies in respect of loans extended to their subsidiaries, where appropriate.

Management monitors the market value of collateral held and may request additional collateral in accordance with the terms of the underlying credit agreements where a deterioration in collateral value is identified.

It is the Bank's policy to dispose of repossessed properties in an orderly manner. Proceeds from such disposals are applied towards the reduction or settlement of the related outstanding exposure. The Bank does not generally occupy repossessed properties for its own business use.

The table below presents the Bank's maximum exposure to credit risk by class of financial asset. It also shows fair value of collateral held, any surplus collateral (being the excess of collateral value over the related exposure), and the resulting net exposure to credit risk.



31st December 2025	Maximum Exposure to credit Risk (Nu)	Net Collateral	Net Exposure
Financial Assets			
Placement with other Banks	2,047,508,558.91		1,972,171,857.52
Due From Banks			-
Loans & Advances to Customers	14,560,861,850.90	20,801,231,215.57	-
Financial Investments Held to Maturity	50,464,272.90		50,578,558.58
Investment's in Bonds	1,445,388,563.67		1,545,934,119.76
Other Financial Assets	39,613,816.76		32,247,635.95
31st December 2024	Maximum Exposure to credit Risk (Nu)	Net Collateral	Net Exposure
Financial Assets			
Placement with other Banks	1,972,171,857.52		1,972,171,857.52
Due From Banks			-
Loans & Advances to Customers	13,807,593,062.02	19,725,132,945.74	-
Financial Investments (Equity Instruments)	50,578,558.58		50,578,558.58
Investment's in Bonds	1,545,934,119.76		1,545,934,119.76
Other Financial Assets	32,247,635.95		32,247,635.95

37.1 Credit Risk (Contd.)

Credit quality by class of financial asset

The tables below show the credit quality by the class of asset for all financial assets exposed to credit risk. The analysis is based on the Bank's internal credit grading system and reflects the credit quality of assets as at the reporting date.

The amounts disclosed are presented net of impairment allowances recognized in accordance with IFRS 9.

Definition of Past Due

For credit risk management and financial reporting purposes, the Bank considers an exposure to be past due when any contractual payment is not received one day or more after the contractual due date.



31 December 2025	Neither past due nor Individually impaired	Past due but not impaired	Individually Impaired	Total
Cash & cash Equivalents	1,523,214,112	-	-	1,523,214,112
Cash & Balances with Central Bank	1,667,732,516	-	-	1,667,732,516
Placement with other Banks	1,972,171,858	-	-	1,972,171,858
Loans & Advances to Customers	13,501,123,792	69,322,310	-	13,570,446,101
Equity Instruments	7,750,000	-	-	7,750,000
Debt Instruments	1,545,934,120	-	-	1,545,934,120
Other Financial Assets	1,421,460	-	-	1,421,460
	20,219,347,857	69,322,310	-	20,288,670,167

Age Analysis of past due (i.e. facilities in arrears of 1 day and above) but not impaired loans by Class of Financial Assets

Loans & Advances	Past due but not impaired				Total
	Less than 30 Days	31-60 Days	61-90 Days	More than 90 days	
Personal Loans	183,837.65	25,793.96	6,137.96	238,172.49	453,942
Other Loans	136,206.47	10,201	5,188.76	490,161.70	641,758
Service and Tourism	10,851,126.28	4,216,105.48	18,848,355.36	13,061,764.17	46,977,351
Overdraft	5,395,142.77	386,887.11	712,322.17	14,754,906.84	21,249,259
Loans & receivables to other customers	16,566,313	4,638,987	19,572,004	28,545,005	69,322,310

31 December 2024	Neither past due nor Individually impaired	Past due but not impaired	Individually Impaired	Total
Cash & cash Equivalents	1,523,214,112	-	-	1,523,214,112
Cash & Balances with Central Bank	1,667,732,516	-	-	1,667,732,516
Placement with other Banks	1,972,171,858	-	-	1,972,171,858
Loans & Advances to Customers	13,807,593,062	242,314,013	191,420,331	14,241,327,406
Equity Instruments	7,750,000	-	-	7,750,000
Debt Instruments	1,545,934,120	-	-	1,545,934,120
Other Financial Assets	1,421,460	-	-	1,421,460
	20,525,817,127	242,314,013	191,420,331	20,959,551,471

Age Analysis of past due (i.e. facilities in arrears of 1 day and above) but not impaired loans by Class of Financial Assets

Loans & Advances	Past due but not impaired				Total
	Less than 30 Days	31-60 Days	61-90 Days	More than 90 days	
Personal Loans	3,470,617.77	274,340.59	220,166.04	7,026,754.17	10,991,879
Other Loans	2,509,149.38	1,555,447	556,210.94	1,795,796.08	6,416,604
Service and Tourism	54,624,788.04	1,315,721.28	9,699,234.99	125,857,760.91	191,497,505
Overdraft	4,611,045.31	405,533.35	328,026.89	28,063,420.03	33,408,026
Loans & receivables to other customers	65,215,601	3,551,042	10,803,639	162,743,731	242,314,013

Analysis of Risk Concentration

Risk concentrations arise when the Bank's exposure is significantly influenced by similar economic characteristic or by exposures to particular counterparties, industries, geographic regions, or financial instruments. Such concentrations indicate a relative sensitivity of the Bank's performance to developments affecting a particular segment.



The tables below present the Bank's maximum exposure to credit risk for financial assets recognized in the Statement of Financial Position, analyzed by geographic location of the counterparty.

Country Risk - Geographical Analysis

As at 31-Dec-2025	Bhutan	Asia	Australia	America	Total
Cash & cash Equivalents	1,596,879,405	111,273,004	299,697,516	105,977,463	2,113,827,387
Cash & Balances with Central Bank	1,945,958,307				1,945,958,307
Placement with other Banks	1,406,454,133	485,124,729		155,929,697	2,047,508,559
Loans & Advances to Customers	14,949,594,580				14,949,594,580
Equity Instruments	50,464,273				50,464,273
Debt Instruments	1,445,388,564				1,445,388,564
Other Financial Assets	79,427,178				79,427,178

Regional Break-up of Loans (Net Loans)	Amount
Phuentsholing	1,699,054,242.58
Wangdue	677,749,813.89
Gelephu	473,886,066.98
Paro	691,506,738.14
Mongar	200,413,113.10
Sjongkhar	498,212,950.56
Trashigang	213,797,099.63
Thimphu	10,098,290,450.43
Samtse	188,441,433.90
Trongsa	208,242,670.73
Total	14,949,594,580

Country Risk - Geographical Analysis

As at 31-Dec-2024	Bhutan	Asia	Australia	America	Total
Cash & cash Equivalents	1,171,157,939	277,887,036	73,305,479	863,658	1,523,214,112
Cash & Balances with Central Bank	1,667,732,516				1,667,732,516
Placement with other Banks	1,369,421,368	460,772,654		141,977,835	1,972,171,858
Loans & Advances to Customers	14,147,515,614				14,147,515,614
Equity Instruments	50,578,559				50,578,559
Debt Instruments	1,545,934,120				1,545,934,120
Other Financial Assets	32,247,636				32,247,636

Regional Break-up of Loans (Net Loans)	Amount
Phuentsholing	1,427,262,931.56
Wangdue	607,433,984.64
Gelephu	497,552,059.17
Paro	662,967,835.34
Mongar	214,145,806.48
Sjongkhar	430,609,233.06
Trashigang	266,311,499.99
Thimphu	9,670,552,572
Samtse	169,641,915.36
Trongsa	201,037,776.16
Total	14,147,515,614



37.1 Credit Risk (Contd.)

Industry Analysis

31st December 2025	Industrial	Government	Services & tourism	Construction	Financial Services	Transport	Trade & Commerce	Consumer	Others	Total
Cash and Cash Equivalents	-	-	-	-	-	-	-	-	-	-
Balances with Central Bank									1,945,958,307	1,945,958,307
Placement with other Banks									2,047,508,559	2,047,508,559
Loans & Advances to Customers	1,216,528,588		2,868,348,366	242,247,379	-	169,694,758	1,608,553,792	812,054,704	7,643,472,219	14,560,899,806
Equity Instruments					44,142,844				7,750,000	51,892,844
Debt Instruments		1,029,334,000							516,600,120	1,545,934,120
Other Financial Assets									79,427,178	79,427,178
31st December 2024	Industrial	Government	Services & tourism	Construction	Financial Services	Transport	Trade & Commerce	Consumer	Others	Total
Cash and Cash Equivalents	-	-	-	-	-	-	-	-	-	-
Balances with Central Bank									1,667,732,516	1,667,732,516
Placement with other Banks									1,972,171,858	1,972,171,858
Loans & Advances to Customers	1,216,528,588		2,868,348,366	242,247,379	-	169,694,758	1,608,553,792	812,054,704	6,890,165,476	13,807,593,062
Equity Instruments					44,142,844				7,750,000	51,892,844
Debt Instruments		1,029,334,000							516,600,120	1,545,934,120
Other Financial Assets									32,247,636	32,247,636

Economic sector risk concentrations within the gross loans and advances to customers are as follows:

	31-Dec-25		31-Dec-24	
	Amount (Nu.)	%	Amount (Nu.)	%
Industrial	1,216,528,588	8.35%	1,216,528,588	8.81%
Government		0.00%		0.00%
Services & tourism	2,868,348,366	19.70%	2,868,348,366	20.77%
Construction	242,247,379	1.66%	242,247,379	1.75%
Financial Services		0.00%		0.00%
Transport	169,694,758	1.17%	169,694,758	1.23%
Trade & Commerce	1,608,553,792	11.05%	1,608,553,792	11.65%
Consumer	812,054,704	5.58%	812,054,704	5.88%
Others	7,643,472,219	52.49%	6,890,165,476	49.90%
	14,560,899,806	100%	12,868,785,683	100%



38.2 Liquidity Risk & Funding management

Liquidity risk is the risk that the Bank will encounter difficulty in meeting obligations associated with its financial liabilities as they fall due. The Bank manages liquidity risk by maintaining an adequate level of liquid assets, diversified funding sources, and access to funding facilities, and by continuously monitoring cash flows and maturity profiles. The tables below summaries the maturity profile of the undiscounted cash flows of the Bank's financial assets and financial liabilities as at 31st December 2025.

Financial liabilities that are repayable on demand or subject to notice are included in the earliest time band, on the assumption that notice is given immediately. However, management expects that a significant portion of these deposits will not be withdrawn on the earliest possible date. Accordingly, the table does not reflect the expected cash flows, which are informed by the Bank's historical deposit retention behavior.

31-Dec-25	up to 3 months	3 to 12 months	1 to 3 years	3-5 years	Over 5 years	Total
Cash & cash Equivalents	2,113,827,387.38					2,113,827,387.38
Cash & Balances with Central Bank	1,945,958,306.84					1,945,958,306.84
Placement with other Banks		1,741,054,425.72	283,000,000.00			2,024,054,425.72
Loans & Advances to Customers	975,978,640.56	2,856,292,936.42	409,992,101.91	466,863,642.29	10,240,468,091.47	14,949,595,412.65
Equity Instruments <i>(at amortised cost)</i>					7,750,000.00	7,750,000.00
Equity Instruments <i>(FVPL)</i>					44,142,844.00	44,142,844.00
Debt Instruments					1,392,093,903.63	1,392,093,903.63
Other Financial Assets	-	1,608,259.80	38,005,556.96			39,613,816.76
Total Assets	5,035,764,334.78	4,598,955,621.94	730,997,658.87	466,863,642.29	11,684,454,839.10	22,517,036,096.98
Due to Banks						2,897,104,679.00
Due to Customers	9,970,962,380.23	3,889,668,218.81	3,165,225,105.04	1,090,325,911.20	397,476,251.30	18,513,657,866.58
Debts issued & Other Borrowed Funds			600,000,000.00		350,000,000.00	950,000,000.00
Other Financial Liabilities	341,688,156.77			-		341,688,156.77
Total Liabilities	10,312,650,537.00	3,889,668,218.81	3,765,225,105.04	1,090,325,911.20	747,476,251.30	22,702,450,702.35
Net Financial Assets/(Liabilities)	(5,276,886,202.22)	709,287,403.13	(3,034,227,446.17)	(623,462,268.91)	10,936,978,587.80	(185,414,606.37)



31-Dec-24	up to 3 months	3 to 12 months	1 to 3 years	3-5 years	Over 5 years	Total
Cash & cash Equivalents	1,523,214,111.90					1,523,214,111.90
Cash & Balances with Central Bank	1,667,732,516.19					1,667,732,516.19
Placement with other Banks		1,752,750,489.11	210,000,000.00			1,962,750,489.11
Loans & Advances to Customers	1,423,617,232.08	2,252,736,841.29	644,008,896.21	684,778,383.72	9,146,001,117.18	14,151,142,470.48
Equity Instruments (at amortised cost)					7,750,000.00	7,750,000.00
Equity Instruments (FVPL)					44,142,844.00	44,142,844.00
Debt Instruments					1,499,334,000.00	1,499,334,000.00
Other Financial Assets	-	1,421,459.80	30,826,176.15			32,247,635.95
Total Assets	4,614,563,860.17	4,006,908,790.20	884,835,073.36	684,778,383.72	10,697,227,961.18	20,888,314,067.63
Due to Banks						2,897,104,679.00
Due to Customers	6,018,641,212.69	3,665,143,763.46	2,925,197,891.28	1,568,507,701.40	720,676,481.27	14,898,167,050.10
Debts issued & Other Borrowed Funds			350,000,000.00		350,000,000.00	700,000,000.00
Other Financial Liabilities	380,241,975.09					380,241,975.09
Total Liabilities	6,398,883,187.78	3,665,143,763.46	3,275,197,891.28	1,568,507,701.40	1,070,676,481.27	18,875,513,704.19
Net Financial Assets/(Liabilities)	(1,784,319,327.61)	341,765,027.00	(2,390,362,817.92)	(883,729,317.68)	9,626,551,479.91	2,012,800,363.00

38.3 Contractual Maturities of Commitments and Contingencies

The table below presents the contractual maturity profile of the Bank's loan commitments and contingent liabilities as at the reporting date. Undrawn loan commitment is allocated to the time band corresponding to the earliest date on which the commitment can be drawn down. For issued financial guarantee contracts, the maximum contractual amount of the guarantee is allocated to the earliest period in which the guarantee could be called.

The amounts disclosed represent the Bank's maximum exposure to credit risk arising from these commitments and contingencies and do not reflect the likelihood that such exposure will be drawn or called.



	On Demand	Less than 3 Months	3-12 Months	1-3 Years	3-5 Years	Over 5 Years	Total
Contingencies							
Performance Guarantees		1,713,994.00	155,694,234.06	138,513,893.61	5,514,460.00	-	301,436,581.67
Financial Guarantees		2,726,000.00	3,280,508.66	37,708,251.00	-	72,238.00	43,786,997.66
Import Letter of Credits		142,710,735.33	566,824,519.99	34,470,000.00	-		744,005,255.32
Total Contingencies		147,150,729.33	725,799,262.71	210,692,144.61	5,514,460.00	72,238.00	1,089,228,834.65

	On Demand	Less than 3 Months	3-12 Months	1-3 Years	3-5 Years	Over 5 Years	Total
As at 31 Dec 2024							
Contingencies							
Performance Guarantees		1,360,389.30	38,888,429.74	92,771,696.12			133,020,515.16
Financial Guarantees		1,097,000.00	18,646,613.10	37,483,251.00		72,238.00	57,299,102.10
Import Letter of Credits		187,261,752.66	414,952,791.91				602,214,544.57
Total Contingencies		189,719,141.96	472,487,834.75	130,254,947.12	-	72,238.00	792,534,161.83

38.4 Market Risk-Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. The below table analyses the Bank's exposure to interest rate risk arising from non-trading financial assets and liabilities as at the reporting date. Financial assets & liabilities are included at their carrying amounts and are allocated to time bands based on the earlier of contractual repricing dates or contractual maturity dates. This analysis provided an indication of the timing of potential changes in interest income and expenses resulting from movements in market interest rates.



31-Dec-25	Upto 3 Months	3-12 Months	1-3 Years	3-5 Years	Over 5 Years	Total
Placement with other Banks	-	1,741,054,425.72	283,000,000.00	-	-	2,024,054,425.72
Loans & Advances to Customers	975,978,640.56	2,856,292,936.42	409,992,101.91	466,863,642.29	10,240,468,091.47	14,949,595,412.65
Debt Instruments	-	-	-	-	1,392,093,903.63	1,392,093,903.63
Total Assets	975,978,640.56	4,597,347,362.14	692,992,101.91	466,863,642.29	11,632,561,995.10	18,365,743,742.00
Due to Customers	9,970,962,380.23	3,889,668,218.81	3,165,225,105.04	1,090,325,911.20	397,476,251.30	18,513,657,866.58
Debts Issued & Other Borrowed Funds	-	-	600,000,000.00	-	350,000,000.00	950,000,000.00
Total Liabilities	9,970,962,380.23	3,889,668,218.81	3,765,225,105.04	1,090,325,911.20	747,476,251.30	19,463,657,866.58
Interest Rate sensitivity Gap	(8,994,983,739.67)	707,679,143.33	(3,072,233,003.13)	(623,462,268.91)	10,885,085,743.80	(1,097,914,124.58)
31-Dec-24	Upto 3 Months	3-12 Months	1-3 Years	3-5 Years	Over 5 Years	Total
Placement with other Banks	-	1,752,750,489.11	210,000,000.00	-	-	1,962,750,489.11
Loans & Advances to Customers	1,423,617,232.08	2,252,736,841.29	644,008,896.21	684,778,383.72	9,146,001,117.18	14,151,142,470.48
Debt Instruments	-	-	-	-	1,499,334,000.00	1,499,334,000.00
Total Assets	1,423,617,232.08	4,005,487,330.40	854,008,896.21	684,778,383.72	10,645,335,117.18	17,613,226,959.59
Due to Customers	6,018,641,212.69	3,665,143,763.46	2,925,197,891.28	1,568,507,701.40	720,676,481.27	14,898,167,050.10
Debts Issued & Other Borrowed Funds	-	-	350,000,000.00	-	350,000,000.00	700,000,000.00
Total Liabilities	6,018,641,212.69	3,665,143,763.46	3,275,197,891.28	1,568,507,701.40	1,070,676,481.27	15,598,167,050.10
Interest Rate sensitivity Gap	(4,595,023,980.61)	340,343,566.94	(2,421,188,995.07)	(883,729,317.68)	9,574,658,635.91	2,015,059,909.49

38.4.1 Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate as a result of changes in market variables, including interest rates, foreign exchange rates, commodity prices and equity prices. The Bank categories its exposures to market risk into trading or non-trading portfolios and manages each portfolio separately in accordance with approved risk management policies and limits.



38.4.2 Interest Rate Risk

Interest rate risk arises from the possibility that changes in market interest rates will affect future cash flows or the fair values of financial instruments.

The Bank manages interest rate risk by continuously monitoring its positions on a daily basis. A range of risk management strategies is employed to ensure that exposure is maintained within approved prudential limits.

The tables below present the sensitivity of the Bank's Statement of Comprehensive Income as at 31st December 2024 and 31st December 2025, with all other variables held constant.

The sensitive analysis reflects the impact of changes in interest rates on interest sensitive assets and liabilities outstanding at the reporting date.

Rate Sensitive Assets (RSA) & Rate Sensitive Liabilities (RSL) as at 31st December

	2025	2024
Rate Sensitive Assets (RSA)*	18,365,743,742.00	17,613,226,959.59
Rate Sensitive Liabilities (RSL)*	19,463,657,866.58	18,495,271,729.10
GAP (RSA - RSL)	(1,097,914,124.58)	(882,044,769.51)

Impact on Income Statement due to Interest Rate Shocks as at 31st December

Interest Rate Shock	2,025.00	2,024.00
0.50%	(5,489,570.62)	(4,410,223.85)
1.00%	(10,979,141.25)	(8,820,447.70)
-0.50%	5,489,570.62	4,410,223.85
-1.00%	10,979,141.25	8,820,447.70



38.5 Currency Risk

Currency risk is the risk that the fair value or future cash flows of financial instruments will fluctuate as a result of changes in foreign exchange rates.

The table below presents the currencies to which the Bank had significant exposure as at 31 December 2025. The analysis shows the impact on the Bank's Statement of Comprehensive Income and Equity, as applicable, of a reasonable possible movement in foreign exchange rates against the Ngultrum (Nu.), with all other variables held constant.

The sensitivity analysis is based on the Bank's net foreign currency exposures at the reporting date and reflects the effects of changes in exchange rates on monetary assets and liabilities denominated in foreign currencies.

	2025			2024		
	Change in currency rate in %	Effect on profit before tax	Effect on Equity	Change in currency rate in %	Effect on profit before tax	Effect on Equity
USD	1.50%	67,568,020	50,676,014.94	1.50%	14,818,163	11,113,622

38.6 Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, or from external events. Such risks may arise from human error, fraud, system failures, or external disruption. When controls fail or are inadequate, operational risk events may result in financial loss, legal or regulatory consequences, or damage to the Bank's reputation.

Reputational risk is managed separately and is not included within the definition of operational risk for the purposes of this disclosure.

The Bank manages and mitigates operational risk through a Board-approved Operational Risk Management Policy and control framework. This framework is designed to identify, assess, monitor, and respond to potential operational risk exposures and includes clearly defined roles, responsibilities, and escalation procedures.



38.7 Maturity Gap Analysis

As at 31 Dec 2025

Assets	Within 12 Months	After 12 Months	Total
Cash & cash Equivalents	2,113,827,387.38	-	2,113,827,387.38
Cash & Balances with Central Bank	1,945,958,306.84	-	1,945,958,306.84
Placement with other Banks	1,741,054,425.72	283,000,000.00	2,024,054,425.72
Loans & Advances to Customers	3,832,271,576.98	11,117,323,835.67	14,949,595,412.65
Equity Instruments (at amortised cost)	-	7,750,000.00	7,750,000.00
Equity Instruments (FVPL)	-	44,142,844.00	44,142,844.00
Debt Instruments	-	1,392,093,903.63	1,392,093,903.63
Defined Benefit Assets	-	(3,478,568.00)	(3,478,568.00)
Other Financial Assets	1,608,259.80	38,005,556.96	39,613,816.76
Other Assets	171,167,115.40	-	171,167,115.40
Property, Plant & Equipment	-	89,203,308.57	89,203,308.57
Intangible Assets	-	118,996,374.00	118,996,374.00
Total Assets	9,805,887,072.12	13,087,037,254.83	22,892,924,326.95
Liabilities			
Due to Customers	13,860,630,599.04	4,653,027,267.54	18,513,657,866.58
Due to Banks	2,467,441,201.45	-	2,467,441,201.45
Debt issued and Other Borrowed Funds	-	950,000,000.00	950,000,000.00
Current Tax Liabilities	63,997,861.82	-	63,997,861.82
Deferred Tax Liability	-	138,623.50	138,623.50
Other Liabilities	170,844,078.39	170,844,078.39	341,688,156.77
Total Liabilities	16,562,913,740.70	5,774,009,969.43	22,336,923,710.12
Maturity Gap	(6,757,026,668.58)	7,313,027,285.41	556,000,616.83
Cumulative Gap	(6,757,026,668.58)	556,000,616.83	

As at 31 Dec 2024

Assets	Within 12 Months	After 12 Months	Total
Cash & cash Equivalents	1,523,214,111.90	-	1,523,214,111.90
Cash & Balances with Central Bank	1,667,732,516.19	-	1,667,732,516.19
Placement with other Banks	1,752,750,489.11	210,000,000.00	1,962,750,489.11
Loans & Advances to Customers	3,676,354,073.37	10,474,788,397.11	14,151,142,470.48
Equity Instruments (at amortised cost)	-	7,750,000.00	7,750,000.00
Equity Instruments (FVPL)	-	44,142,844.00	44,142,844.00
Debt Instruments	-	1,499,334,000.00	1,499,334,000.00
Defined Benefit Assets	-	2,937,429.00	2,937,429.00
Other Financial Assets	1,421,459.80	30,826,176.15	32,247,635.95
Other Assets	266,438,994.08	-	266,438,994.08
Property, Plant & Equipment	-	88,083,083.60	88,083,083.60
Intangible Assets	-	113,682,352.80	113,682,352.80
Total Assets	8,887,911,644.45	12,471,544,282.66	21,359,455,927.11
Liabilities			
Due to Customers	9,683,784,976.15	5,214,382,073.95	14,898,167,050.10
Due to Banks	2,897,104,679.00	-	2,897,104,679.00
Debt issued and Other Borrowed Funds	-	700,000,000.00	700,000,000.00
Current Tax Liabilities	6,573,949.91	-	6,573,949.91
Deferred Tax Liability	-	1,149,761.50	1,149,761.50
Other Liabilities	190,120,987.54	190,120,987.54	380,241,975.09
Total Liabilities	12,777,584,592.60	6,105,652,822.99	18,883,237,415.59
Maturity Gap	(3,889,672,948.15)	6,365,891,459.67	2,476,218,511.52
Cumulative Gap	(3,889,672,948.15)	2,476,218,511.52	



39 Management of Capital

The Bank's main objectives of managing capital are:

- i. to comply with the Capital Requirements set by the Royal Monetary Authority and with applicable debt covenants;
- ii. to safeguard the Bank's ability to continue as a going concern and
- iii. to maintain a strong capital base in order to support sustainable growth and to ensure that the Bank maintains a Capital Adequacy Ratio (CAR) of at least 10%, in accordance with Prudential Regulations 2025 issued by Royal Monetary Authority of Bhutan.

The Bank monitors its Capital Adequacy Ratio on a monthly basis for internal capital management purposes. The Bank's Capital Management policy is designed to maintain a capital base that supports stakeholder confidence and underpins the Bank's future development. The Royal Monetary Authority establishes and monitors the regulatory capital adequacy limits applicable to the Bank.

The Bank undertakes medium- and long-term capital planning, taking into account projected growth in risk-weighted assets and the availability of capital resources. Where necessary, management develops and implements measures to strengthen the capital base.

To ensure compliance with the Capital requirements in the short term, the Bank monitors the utilization of capital by business segments. Responsibility for approving capital usage and for ongoing monitoring of capital adequacy rests with the Bank's management.

	2025	2024
Tier 1 Capital		
Paid-up Share Capital	1,045,893,440.00	792,325,330.00
General Reserve	481,843,903.38	438,833,409.00
Retained Earnings	227,303,991.09	157,005,101.41
Total	1,755,041,334.47	1,388,163,840.41
Tier 2 Capital		
Foreign Exchange Fluctuation Reserve	69,619,147.71	52,727,142.73
Reserch & Development Reserve	9,011,730.96	15,664,764.07
Asset Pending Forclosures Reserve	0.00	36,019,843.85
Subordinate debt	950,000,000.00	700,000,000.00
Less: Redemption Fund	(280,000,000.00)	(210,000,000.00)
Total	748,630,878.67	594,411,750.65
Total Capital	2,503,672,213.14	1,982,575,591.06



40. Impairment allowance for loans and advances to customer (As per BFRS 9)

The table below presents the impairment allowances for loans and advances to customers, calculated in accordance with BFRS 9 using the Expected Credit Loss (ECL) model.

The allowances include both individual (specific) and collective (portfolio) provisions, determined based on the Bank's assessment of credit risk and Delinquency Grades. The ECL methodology reflects:

Probability of default (PD),

Loss given default (LGD), and

Exposure at default (EAD), with adjustments for forward-looking information and macroeconomic factors as required under BFRS 9.

The table analyses allowances by loan category, providing insight into the Bank's credit risk management and coverage of potential losses.

	2025	2024
Individual Impairment		
Other Loans	24,347,256.00	-
Term Loans (Other + Service-Tourism Loans+Housing)	64,221,789.00	
Total (A)	88,569,045.00	-
Collective Impairment		
Term Loans (Other + Service-Tourism Loans)	107,498,873.15	191,497,505.22
Personal Loans	453,942.06	10,991,878.58
Other Loans & Loans Against Shares	641,757.61	6,416,603.54
Overdrafts & Credit Card	22,377,782.35	33,408,025.58
Total (B)	130,972,355.17	242,314,012.92
Total (A+B)	219,541,400.17	242,314,012.92
Off Balance Sheet	37,954.73	58,775.00

41. Penalties imposed by RMA

2025		2024	
Reason for Penalty Imposed	Amount	Reason for Penalty Imposed	Amount
		Regulatory for Non-Compliance	4,375,581.76
		System Downtime from 22nd -24th October,2024	1,093,945.39



42. In accordance with regulatory directives, loan previously classified under the Economic Stimulus Plan (ESP) loan have been converted to the commercial loan. The interest on the loan had been retrospectively recognized.

43. The Bank had its FEIF measured at fair value for the first time this year. The cumulative fair value adjustment relating to prior years has been recognized as an adjustment to retained earnings as at January 1, 2025 in accordance with IAS 8 (correction of prior period error). The fair value movement relating to the current financial year has been recognized in profit or loss.

44. As decided during the 15th AGM held on March 14, 2025, the issue of Bonus shares and the Rights shares have been completed.

43 Events after the Reporting Period

The Board, at its 97th meeting held on March 27, 2026, decided to declare a cash dividend of 1.83% and issue bonus shares in the ratio of 6.5: 1 (One share for every 6.5 shares held). The proposal was subsequently approved by the shareholders in the 16th Annual General Meeting held on the same date. However, Royal Monetary Authority approved only the 1.83% cash dividend and did not approve the issuance of the bonus Shares.

44. Previous year's figures have been regrouped and re-arranged wherever required for better disclosure.



OUR BRANCHES

Thimphu Branch Office

- Address: TCC Complex Building, Samten Lam
- Contact No: +975-77103077 / +975-77199199 / 02-337282/83/84
- P.O. Box: 631
- Email Address: thimphu@tbank.bt

Phuntsholing Branch Office

- Address: TCC Complex Building, Tharpai Lam
- Contact No: +975-77190210 / +975-77190212 / +975-77110204
- P.O. Box: 118
- Email Address: phuntsholing@tbank.bt

Wangdue Phodrang Branch Office

- Address: Samphel Building
- Contact No: +975-77191215 / +975-77191216
- P.O. Box: 1269
- Email Address: wangdue@tbank.bt

Gelephu Branch Office

- Address: Kesang Dechen Building, Losel Zur Lam 3
- Contact No: +975-77190088 / +975-77190099 / +975-77128018
- P.O. Box: 212
- Email Address: gelephu@tbank.bt

Paro Branch Office

- Address: Near Children Park
- Contact No: +975-77192077 / +975-77102078 / +975-77192052
- P.O. Box: 1318
- Email Address: paro@tbank.bt

Mongar Branch Office

- Address: Tshering Yangzom's Building, Main Town
- Contact No: +975-77192031 / 04-641255
- P.O. Box: 149
- Email Address: mongar@tbank.bt

Samdrup Jongkhar Branch Office

- Address: Namgyal Ling House
- Contact No: +975-77192032 / 07-251651/52
- P.O. Box: 166
- Email Address: sjongkharbr@tbank.bt

Trashigang Branch Office

- Address: Near Vegetable Market
- Contact No: +975-77183131 / +975-77183132
- P.O. Box: 104
- Email Address: trashigangbr@tbnak.bt

Samtse Branch Office

- Address: Phuntshok Building, Main Town
- Contact No: +975-77192233 / +975-77192234
- P.O. Box: 349
- Email Address: samtsebr@tbank.bt

Trongsa Branch Office

- Address: Ugyen Dema Building, Main Town
- Contact No: +975-77192030 / +975-77106070 / +975-77105060
- P.O. Box: 1318
- Email Address: trongsabr@tbank.bt

List of AWARDS and EVENTS 2025

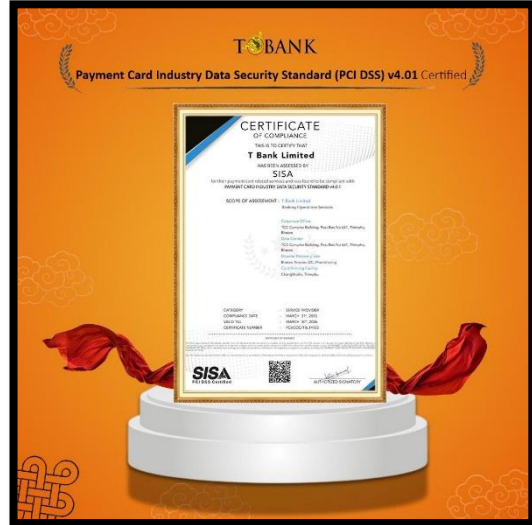
T Bank held its Annual Corporate Strategy Meeting in Thimphu on 7th–8th March 2025 to review performance and set future direction. The meeting focused on growth, digital initiatives, and improving customer experience.



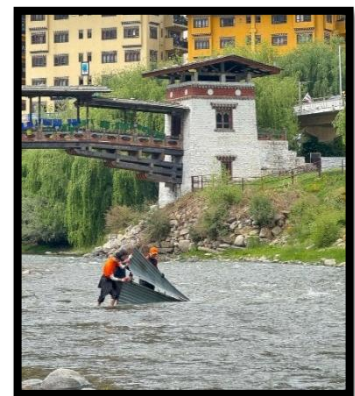
As a part of the Bank's Corporate Social Responsibility, the Bank organized Blood donation drive coinciding with the 14th foundation of the Bank on 12th March 2025.



T Bank received Payment Card Industry Data Security Standards (PCI DSS) v4.0.1 Certification on 31st March 2025. This achievement underscores our unwavering commitment to delivering world-class payment security, ensuring your data and transactions are protected with cutting-edge technology and expertise.



As a part of the Bank's Corporate Social Responsibility, the management and employees of the Head Office and Thimphu Branch conducted a cleaning campaign in the Wangchuk River stretch from Lungtenzampa to Chang Jiji Bazam, Thimphu on 2nd May 2025.



T Bank successfully launched T Bank's T Wallet, Visa Corporate Credit Card and Revamped Website on 5th September 2025.



T Bank held its half-yearly performance review meeting from 6th & 8th September 2025, focusing on evaluating the progress of strategic goals, assessing departmental achievements, identifying areas for improvement, and aligning future plans to enhance overall efficiency and service delivery.



T Bank's Management Team honored our incredible football team for their outstanding victory in the FI Cup 2025, and celebrated the victory with a special cake-cutting ceremony with CEO on 23rd November 2025.



T Bank officially inaugurated the IT Lab to strengthen its digital capabilities, support staff training, and promote innovation in banking technology on 16th December 2025.



T Bank has officially opened a Foreign Exchange Counter at the Arrival Terminal of the Paro International Airport, enabling foreign visitors to exchange foreign currencies into Bhutanese Ngultrum, and ensuring a smoother & more comfortable travel experience in the country on 20th December 2025.



T Bank family, led by CEO, volunteered at Gelephu Mindfulness City (GMC) answering the call of service from His Majesty from 23rd till 27th December 2025.



T Bank conducted branch visits throughout the year to engage corporate clients, understand their needs, and strengthen relationships. The visits helped address concerns, promote services, and improve overall service delivery.



T Bank donated Nu. 130,100 to conduct a Jab Dhoechug at Kuenselphodrang during the Global Peace Festival, dedicated to the wellbeing of all sentient beings and the peace and prosperity of the nation.

