

**MERIDIAN FINANCE AND
INVESTMENT LIMITED**

Auditor's Report
&
Audited Financial Statements
for the year ended 31 December 2025

Meridian Finance and Investment Limited
Financial Statements
For the year ended 31 December 2025

TABLE OF CONTENT

SL No	Particulars	Page No
01	Auditor's Report	01 - 04
02	Balance Sheet	05 - 06
03	Profit and Loss Account	07
04	Cash Flow Statement	08
05	Statement of Changes in Equity	09
06	Liquidity Statement	10
07	Notes to the Financial Statements and Annexures	11 - 43

Independent Auditor's Report
To the Shareholders of Meridian Finance and Investment Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Meridian Finance and Investment Limited** (the "Company") which comprise the balance sheet as at 31st December 2025 and the profit and loss account, cash flow statement and statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of Meridian Finance and Investment Limited give a true and fair view of the financial position of the Company as at 31st December 2025 financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in (note- 2), the Finance Company Act 2023, the Companies Act 1994 and the rules and regulations issued by Bangladesh Bank.

Basis for Opinion

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

Emphasis of Matter

- The company has no ability to meet up its obligations as the liabilities of the company is excess than its assets as on December 31, 2025 resulting from the cumulative negative balance of retained earnings Tk. 1,910,117,417.00 and negative operating cash flow since few years. The impact of both negative balance indicates a substantial doubt about the company's ability to continue its operation in near future.

Other Information

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

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

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

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

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

Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with IFRSs as explained in note- 2, 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. The Finance Company Act 2023, the Companies Act 1994 and the Bangladesh Bank guidelines require the management to ensure effective internal audit, internal control and risk management functions of the Company. The management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

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

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

Auditor's Responsibilities for the Audit of 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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


Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Finance Company Act 2023 and the rules and regulations issued by Bangladesh Bank, we also report that:

- a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c. The balance sheet and profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- d. the expenditures incurred were for the purpose of the company's business for the year;
- e. The financial statements of the Company have been drawn up in conformity with the Finance Company Act 2023 and in accordance with the accounting rules and regulations which were issued by Bangladesh Bank to the extent applicable to the Company;
- f. Adequate provisions have been made for loans, advances, leases, investment and other assets which are, in our opinion, doubtful of recovery and Bangladesh Bank's instructions in this regard have been followed properly;
- g. The financial statements of the Company conform to the prescribed standards set in the accounting regulations which were issued by Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh;

- h. The records and statements which were submitted by the branches have been properly maintained and recorded in the financial statements;
- i. Statements sent to Bangladesh Bank have been checked on sample basis and no inaccuracy has come to our attention;
- j. Taxes and other duties were collected and deposited in the Government treasury by the Company as per Government instructions found satisfactory based on test checking;
- k. Nothing has come to our attention that the Company has adopted any unethical means i.e. 'window dressing' to inflate the profit and mismatch between the maturity of assets and liabilities;
- l. Proper measures have been taken to eliminate the irregularities mentioned in the inspection report of Bangladesh Bank and the instructions which were issued by Bangladesh Bank and other regulatory authorities have been complied properly as disclosed to us by management;
- m. Based on our work as mentioned above under the auditor's responsibility section, the internal control and the compliance of the Company is satisfactory, and effective measures have been taken to prevent possible material fraud, forgery and internal policies are being followed appropriately;
- n. The Company has complied with relevant laws pertaining to capital, reserve and net worth, cash and liquid assets and procedure for sanctioning and disbursing loans/leases found satisfactory;
- o. We have reviewed over 80% of the risk weighted assets of the Company and we have spent around 920 person hours for the audit of the books and accounts of the Company;
- p. The Company has complied with relevant instructions which were issued by Bangladesh Bank relevant to classification, provisioning and calculation of interest suspense;
- q. The Company has complied with the 'First Schedule' of the Finance Company Act 2023 in preparing these financial statements; and
- r. All other issues which in our opinion are important for the stakeholders of the Company have been adequately disclosed in the audit report.

Place: Dhaka, Bangladesh
Date : 15 June 2026
DVC: 2606150151AS367877


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


Meridian Finance and Investment Limited


Balance Sheet

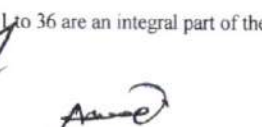
As at 31 December 2025

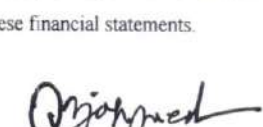
Particulars	Notes	Amount In Taka	
		31 December 2025	31 December 2024
PROPERTY AND ASSETS			
Cash	03.00		
In hand (including foreign currencies)	03.01	150,000	150,000
Balance with Bangladesh Bank and its agent (including foreign currencies)	03.02	19,586,800	20,118,946
		19,736,800	20,268,946
Balance with Other Banks and Financial Institutions	04.00		
Inside Bangladesh		194,692,659	245,952,791
Outside Bangladesh		-	-
		194,692,659	245,952,791
Money at call and short notice	05.00	437,183,940	352,183,940
Investments	06.00		
Government securities		-	-
Other investments		94,977,546	133,648,094
		94,977,546	133,648,094
Leases, loans and advances	07.00		
Loans, cash credit, overdraft and leases etc.		2,876,267,117	3,157,848,302
Bills purchased and discounted		-	-
		2,876,267,117	3,157,848,302
Fixed Assets including Land, Building, Furniture & Fixtures	08.00	38,363,858	53,483,362
Other assets	09.00	233,746,284	228,200,273
Non-business assets		-	-
		-	-
TOTAL PROPERTY AND ASSETS		3,894,968,205	4,191,585,708
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from Other banks, financial institutions and agents	10.00	142,949,776	193,172,219
Deposits & other accounts	11.00		
Current deposits and other accounts etc.		-	-
Bills payable		-	-
Savings bank deposits		-	-
Term deposits	11.01	2,187,557,117	2,217,775,463
Bearer certificate of deposits		-	-
Other deposits	11.02	75,153,728	104,569,998
		2,262,710,845	2,322,345,461
Other liabilities	12.00		
		2,128,173,384	2,022,296,862
Total liabilities		4,533,834,006	4,537,814,542
Capital/Shareholders' Equity			
Paid up Capital	13.00	1,200,000,000	1,200,000,000
Statutory reserve	14.00	71,251,616	71,251,616
Retained earnings	15.00	(1,910,117,417)	(1,617,480,450)
		(638,865,801)	(346,228,834)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,894,968,205	4,191,585,708


The accompanying notes from 1 to 36 are an integral part of these financial statements.


Kazi M Aminul Islam
 Chairman


Joarder Israil Hossain
 Independent Director



Abul Kalam Azad
 Director


Quazi Nizam Ahmed
 Managing Director


Sayed Ahmad
 Company Secretary

Signed in terms of our separate report of even date

Place : Dhaka, Bangladesh
 Date: 15 June 2026
 DVC: 2606150151AS367877


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

Meridian Finance and Investment Limited

Balance Sheet

As at 31 December 2025

Particulars	Notes	Amount In Taka	
		31 December 2025	31 December 2024
OFF-BALANCE SHEET ITEMS			
Contingent liabilities			
Acceptances and endorsements		-	-
Letter of guarantee		-	-
Irrevocable letters of credit		-	-
Bill for collection		-	-
Other contingent liabilities		-	-
Other commitments			
Documentary credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines		-	-
Undisbursed contracted loans and leases		-	-
		-	-
Total off-balance sheet items including contingent liabilities		-	-
Net Asset Value (NAV) per share		-5.32	-2.89

The accompanying notes from 1 to 36 are an integral part of these financial statements.


Kazi M Aminul Islam
 Chairman


Joarder Israil Hossain
 Independent Director


Abul Kalam Azad
 Director


Quazi Nizam Ahmed
 Managing Director


Sayed Ahmad
 Company Secretary

Signed in terms of our separate report of even date

Place : Dhaka, Bangladesh

Date: 15 June 2026

DVC: 2606150151AS367877


Pinaki Das FCA

Senior Partner

ICAB Enrollment No: 151

FRC Enlistment No.: CA-001-133

Pinaki & Company

Chartered Accountants

FRC Firm Enlistment No.: CAF-001-113

Meridian Finance and Investment Limited
Profit and Loss Account
For the year ended 31 December 2025

Particulars	Notes	Amount in Taka	
		01 January 2025	01 January 2024
		To 31 December 2025	To 31 December 2024
Interest income	16.00	188,379,290	254,691,464
Interest on deposits and borrowings etc.	17.00	278,119,231	260,358,046
Net interest income		(89,739,941)	(5,666,582)
Income from investment	18.00	7,587,515	10,075,641
Commission, exchange and brokerage	19.00	-	-
Other operating income	20.00	4,509,027	5,930,207
Total operating income		(77,643,400)	10,339,266
Salary and allowances	21.00	76,756,808	81,664,156
Rent, taxes, insurance, electricity etc.	22.00	3,787,266	3,886,840
Legal and professional fees	23.00	772,647	296,943
Postage, stamp, telecommunication etc.	24.00	1,071,907	1,131,197
Stationery, printing, advertisement etc.	25.00	848,968	745,834
Managing Director's salary and allowance	26.00	7,497,592	7,239,330
Directors' fees	27.00	598,000	500,500
Auditors' fees	28.00	368,000	368,000
Charges on loan losses		-	-
Depreciation and repair of Company's assets	29.00	15,387,790	14,299,505
Other expenses	30.00	11,253,046	10,421,006
Total operating expenses		118,342,023	120,553,311
Profit before provision		(195,985,423)	(110,214,046)
Provisions for leases, loans & investments	31.00		
Provision for leases, loans and advances		88,816,538	292,593,810
Provision for diminution in value of investments		1,886,538	7,906,606
Other provisions		3,916,454	312,909,984
		94,619,529	613,410,400
Profit before tax and reserve		(290,604,952)	(723,624,445)
Provision for taxation	32.00		
Current tax expense/ (income)		2,004,758	1,986,324
Deferred tax expense/ (income)		27,257	1,113,472
		2,032,015	3,099,796
Net profit/(loss) after taxation		(292,636,967)	(726,724,241)
Appropriations:			
Statutory reserve		-	-
Retained earnings		(292,636,967)	(726,724,241)
Dividend		-	-
		(292,636,967)	(726,724,241)
Earning Per Share (EPS)		(2.44)	(6.06)

The accompanying notes from 1 to 36 are an integral part of these financial statements.


Kazi M Aminul Islam
Chairman


Joarder Israil Hossain
Independent Director

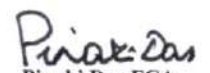

Abul Kalam Azad
Director


Quazi Nizam Ahmed
Managing Director


Sayed Ahmad
Company Secretary

Signed in terms of our separate report of even date annexed.

Place : Dhaka, Bangladesh
Date: 15 June 2026
DVC: 2606150151AS367877


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





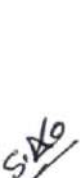
Meridian Finance and Investment Limited

Cash Flow Statement

For the year ended 31 December 2025

SL. No.	Particulars	Amount in Taka	
		01 January 2025 To 31 December 2025	01 January 2024 To 31 December 2024
A) Cash flows from operating activities			
	Interest received	190,690,836	215,738,204
	Interest paid	(277,396,869)	(251,609,242)
	Dividend received	7,352,068	10,242,339
	Fees and commission received	4,509,027	5,930,207
	Income from investment	125,037	288,042
	Cash paid to employees (including directors)	(85,851,415)	(88,043,053)
	Cash paid to suppliers & Others (including office rent)	(21,795,244)	(32,053,351)
	Income taxes paid	(6,009,337)	(8,017,715)
	Paid for other operating activities	(8,317,214)	(9,529,878)
	Cash generated from operating activities before changes in operating assets and liabilities	(196,693,112)	(157,054,447)
Increase/ (decrease) in operating assets & liabilities			
	Loans and advances to customers	285,261,863	100,008,661
	Other assets	(3,696,773)	(1,955,942)
	Deposits from customers	(59,634,616)	(86,389,339)
	Other liabilities	7,576,315	7,638,445
	Net cash from operating activities	32,813,677	(137,752,622)
B) Cash flows from investing activities			
	Changes in investment in securities	38,670,548	34,000,000
	Money at call and short notice	(85,000,000)	(45,000,000)
	Purchase of property, plant and equipment	(140,185)	(951,504)
	Net cash used in investing activities	(46,469,637)	(11,951,504)
C) Cash flows from financing activities			
	Receipt of Term Loan, OD and REPO	(38,136,317)	(108,777,358)
	Dividend paid	-	-
	Net cash used in financing activities	(38,136,317)	(108,777,358)
	D) Net increase/ (decrease) in cash & cash equivalents (A+B+C)	(51,792,278)	(258,481,484)
	E) Opening cash and cash equivalents	266,221,737	524,703,221
	F) Closing cash and cash equivalents (D+E)*	214,429,460	266,221,737
* Closing cash and cash equivalents			
	Cash in hand	150,000	150,000
	Balance with Bangladesh Bank and its agent bank(s)	19,586,800	20,118,946
	Balance with other Banks and Financial Institutions	194,692,659	245,952,791
	214,429,460	266,221,737	

The accompanying notes from 1 to 36 are an integral part of these financial statements.

Kazi M Aminul Islam Chairman
Joarder Israil Hossain Independent Director
Abul Kalam Azad Director
Quazi Nizam Ahmed Managing Director
Sayed Ahmad Company Secretary



Meridian Finance and Investment Limited
Statement of Changes in Equity
For the year ended 31 December 2025

Amount in Taka

Particulars	Paid-up Capital	Statutory Reserve	Retained Earnings	Total
Balance as on 01 January 2025	1,200,000,000	71,251,616	(1,617,480,450)	(346,228,834)
Net profit /(loss) for the year	-	-	(292,636,967)	(292,636,967)
Issue of share capital during the year	-	-	-	-
Appropriation to statutory reserve	-	-	-	-
Cash dividend	-	-	-	-
Balance as on 31 December 2025	1,200,000,000	71,251,616	(1,910,117,417)	(638,865,801)

Meridian Finance and Investment Limited
Statement of Changes in Equity
For the year ended 31 December 2024

Amount in Taka

Particulars	Paid-up Capital	Statutory Reserve	Retained Earnings	Total
Balance as on 01 January 2024	1,200,000,000	71,251,616	(890,756,209)	380,495,407
Net profit /(loss) for the year	-	-	(726,724,241)	(726,724,241)
Issue of share capital during the year	-	-	-	-
Appropriation to statutory reserve	-	-	-	-
Cash dividend	-	-	-	-
Balance as on 31 December 2024	1,200,000,000	71,251,616	(1,617,480,450)	(346,228,834)

The accompanying notes from 1 to 36 are an integral part of these financial statements.

 Kazi M Aminul Islam Chairman	 Joarder Israil Hossain Independent Director	 Abul Kalam Azad Director	 Quazi Nizam Ahmed Managing Director	 Sayed Ahmad Company Secretary
---	--	---	--	--



Meridian Finance and Investment Limited
Liquidity Statement
As at 31 December 2025

Amount in Taka

Particulars	Not more than 1 month term	1-3 months term	3-12 months term	1-5 years term	above 5 years term	Total
Assets						
Cash in hand (including foreign currencies)	150,000	-	-	-	-	150,000
Balance with Bangladesh Bank and its agent	-	-	-	-	19,586,800	19,586,800
Balance with banks and financial institutions	111,692,659	83,000,000	-	-	-	194,692,659
Money at call and short notice	130,000,000	-	-	-	307,183,940	437,183,940
Investments	60,977,546	-	34,000,000	-	-	94,977,546
Leases, Loans and advances	41,784,505	84,707,128	262,741,361	328,478,407	2,158,555,716	2,876,267,117
Fixed assets including land, building, furniture and fixtures	1,182,977	2,372,609	8,277,277	24,435,629	2,095,366	38,363,858
Other assets	-	-	-	-	233,746,284	233,746,284
Non-banking assets	-	-	-	-	-	-
Total Assets	345,787,688	170,079,738	305,018,637	352,914,037	2,721,168,106	3,894,968,205
Liabilities						
Borrowing from other banks, financial institutions and agents	50,414,754	14,867,715	23,172,655	10,575,955	43,918,697	142,949,776
Deposits	118,521,914	269,628,293	148,803,013	194,829,717	1,455,774,179	2,187,557,117
Other accounts	11,500,000	10,000,000	15,350,000	20,718,922	17,584,806	75,153,728
Provision and other liabilities	36,579,356	23,660,998	74,507,446	173,990,872	1,819,434,712	2,128,173,384
Total Liabilities	217,016,025	318,157,006	261,833,115	400,115,466	3,336,712,394	4,533,834,006
Net Liquidity Surplus/(Gap) 2025	128,771,662	(148,077,268)	43,185,522	(47,201,430)	(615,544,288)	(638,865,801)
Net Liquidity Surplus/(Gap) 2024	(23,038,818)	52,001,956	47,626,730	(92,846,993)	(329,971,709)	(346,228,834)



1 Legal status and nature of the company

1.1 Domicile, legal form and country of operation

Meridian Finance and Investment Limited (hereinafter referred to as “Meridian Finance” or “MFIL” or “the Company”), a new generation non-banking financial institution, was incorporated in Bangladesh with the Registrar of Joint Stock Companies and Firms (RJSCF) vide registration no. C-113483/14 dated 15 January 2014 as a Public Limited Company under the Companies Act, 1994 in the name of Meridian Finance and Investment Limited. It started commercial operations in 2015 after obtaining license from Bangladesh Bank under the Financial Institutions Act, 1993 (now replaced by the Finance Company Act 2023). The registered address of the company is situated at Silver Tower (Level-6), 52 Gulshan Avenue, Gulshan-I, Dhaka-1212, Bangladesh.

Consequently the company has acquired the following Licenses and legal approvals:

Sl. No.	Name of License	Registration No.	Date of License	Renewed up to
1	Certificate of Incorporation	C-113483/14	15-Jan-14	N/A
2	Certificate for Commencement of Business	20470-76	15-Jan-14	N/A
3	Tax Identification Number (TIN)	716572753037	21-Jan-14	N/A
4	Bangladesh Bank License	DFIM(L)/35	4-Jun-15	N/A
5	Trade License	043074/2023	2-Sep-15	2025-2026
6	Business Identification Number (BIN)	001909089-0101	24-Aug-19	N/A

1.2 Company's activities

The activities of the Company include services broadly classified as fee based and fund based services: Fund based services include lease finance, term finance, home loan, hire purchase, SME loan, car lease, personal loan, factoring, syndication finance, loan against deposit, etc.

2 Basis for preparation and Significant accounting policies

2.1 Statement of compliance

The financial statements of the Company have been prepared on a going concern basis following accrual basis of accounting except for cash flow statement and investment in marketable securities which are stated at market value in accordance with International Financial Reporting Standards (IFRS) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh, except the circumstances where local regulations differ, and the Companies Act, 1994, the Finance Company Act 2023 (previously the Financial Institutions Act, 1993) and other applicable laws and regulations.

The presentation of the financial statements has been made as per the requirements of DFIM Circular No: 11, dated December 23, 2009 issued by the Department of Financial Institutions and Markets (DFIM) of Bangladesh Bank. The activities and accounting heads mentioned in the prescribed form, which are not applicable for the financial institutions, have been kept blank in the financial statements.

The Company has consistently applied the accounting policies to all periods presented in these financial statements. The various amendments to standards, including any consequential amendments to other standards, with the date of initial application of 01 January 2025 have been considered.

The requirements of accounting standards as per IFRS that have been departed to comply with Bangladesh Bank requirements have been disclosed in detail in note 2.3.

However, these departures with IFRSs have been made by following all of the relevant provisions of IAS 1 and detail disclosures are given in note 2.3 by following the provision of Para 20 of IAS 1.

2.2 Presentation of financial statements

The presentation of the financial statements has been made as per the requirements of DFIM Circular No: 11, dated December 23, 2009 issued by the Department of Financial Institutions and Markets of Bangladesh Bank. The activities and accounting heads mentioned in the prescribed form, which are not applicable for the financial institutions, have been excluded in preparing the financial statements.



2.3 Status of compliance of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) in accordance with Bangladesh Bank requirements:

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
1	Measurement of provision for leases, loans and advances (financial assets measured at amortized cost)	IFRS 9 "Financial Instruments"	An entity shall assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets measured at amortized cost is impaired. If any such evidence exists, expected credit losses are required to be measured through a loss allowance at an amount equal to: a) the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or b) full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).	As per DFIM circular No. 04, dated 26 July 2021, a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained irrespective of objective evidence of impairment on lease, loans and advances. Also provision for sub-standard investments, doubtful investments and bad losses has to be provided at 20%, 50% and 100% respectively for investments depending on the duration of overdue.	In Financial Statements, as at 31 December 2025, accumulated provision for leases, loans and advances stand at Taka 1,185.73 million.
2	Recognition of interest income for SMA and classified lease, loans and advances	IFRS 9 "Financial Instruments"	Income from financial assets measured at amortized cost is recognized through effective interest rate method over the term of the investment. Once a financial asset is impaired, investment income is recognized in profit and loss account on the same basis based on revised carrying amount.	As per FID circular No. 03, dated 03 May 2006, once an investment on leases, loans and advances is termed as "Special Mention Account (SMA)", interest income from such investments are not allowed to be recognized as income, rather the respective amount needs to be credited as a liability account like: interest suspense account.	As at 31 December 2025, in Financial Statements interest suspense account was Taka 314.09 million whereas last year was Taka 310.41. This amount has been shown in other liabilities in note 12.03.

Meridian Finance and Investment Limited

Notes to the Financial Statements

As at and for the year ended 31 December 2025

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
3	Presentation of cash and cash equivalent	IAS 7 "Statement of Cash Flows"	<p>Cash equivalent are short term, highly liquid investments that are readily convertible to known amounts of cash and only include those investments which are for a short tenure like: 3 months or less period.</p> <p>In the light of above, balance with Bangladesh Bank and fixed term deposits should be treated as investment asset rather than cash equivalent as it is illiquid asset and not available for use in day to day operations.</p>	<p>Bangladesh Bank has issued templates for financial statements vide DFIM Circular No. 11, dated 23 December 2009 which will strictly be followed by all banks and NBFIs.</p> <p>The templates of financial statements provided detail presentation for statement of cash flows.</p>	Financial Statements for 2025 and corresponding year 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.
4	Measurement of deferred tax asset	IAS 12 "Income Tax"	A deferred tax asset shall be recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized.	As per DFIM circular No. 7, dated 31 July 2011, no deferred tax asset can be recognized for any deductible temporary difference against lease, loans and advances.	During this year 2025, there is no impact in the financial statements due to this departure as the Company did not consider any deductible temporary difference against leases, loans and advances.
5	Presentation and disclosure of Financial Statements and Financial Instruments	<p>IAS 1 "Presentation of Financial Statements"</p> <p>IFRS 9 "Financial Instruments" & IFRS 7 "Financial Instruments: Disclosure"</p>	<p>Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single Other Comprehensive Income statement.</p> <p>IAS 1 requires separate line item for intangible assets on the face of statement of financial position.</p> <p>IFRS 9 and IFRS 7 require specific presentation and disclosure relating to all financial instruments.</p>	<p>Bangladesh Bank has issued templates for financial statements vide DFIM Circular No. 11, dated 23 December 2009 which will strictly be followed by all banks and NBFIs.</p> <p>The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income (OCI) nor are the elements of Other Comprehensive Income allowed to include in a Single Comprehensive Income Statement.</p>	Financial Statements for 2025 and corresponding year 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.



Meridian Finance and Investment Limited

Notes to the Financial Statements

As at and for the year ended 31 December 2025

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh	Financial or Presentation Effect of the Departure
				Intangibles assets are not separately presented on the face of statement of financial position; rather it is presented along with the line item of fixed assets. As per Bangladesh Bank guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in IFRS 9. As such some disclosure and presentation requirements of IFRS 7 and IFRS 9 have not been made in the accounts.	
6	Preparation of "Statement of Cash Flows"	IAS 7 "Statement of Cash Flows"	The Cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.	As per DFIM Circular No. 11, dated 23 December 2009, Cash flow statement has been guided by the Bangladesh Bank which is the mixture of direct and indirect method.	Financial Statements for 2025 and corresponding year 2024 have been prepared as per guideline (DFIM Circular No. 11 dated 23 December 2009) of Bangladesh Bank.
7	Current/Non-current distinction	IAS-1 "Presentation of Financial Statement"	As per Para 60 of IAS-1 "Presentation of Financial statement" An entity shall present current and non-current assets and current and non-current liabilities as separate classification in its statement of financial position.	As per DFIM Circular No. 11, dated 23 December 2009, Bangladesh Bank has issued templates for financial statements which is applicable for all the Financial Institutions. In this templates there is no current and non-current segmentation of assets and liabilities.	Financial Statements for 2025 and corresponding year 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. Moreover, the liquidity statement shows the aging profile of all financial assets and liabilities from where current/non-current portion of assets and liabilities can be obtained.



Meridian Finance and Investment Limited
Notes to the Financial Statements

As at and for the year ended 31 December 2025

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
8	Off-balance sheet items	IAS 1 "Presentation of Financial Statements"	There is no concept of off-balance sheet items in any IFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.	As per DFIM Circular No. 11, dated 23 December 2009, off-balance sheet items (e.g. letter of credit, letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.	Financial Statements for 2025 and corresponding year 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.
9	Complete set of financial statements	IAS 1 "Presentation of Financial Statements"	As per IAS 1: "Presentation of Financial Statements" complete set of financial statements are i) statement of financial position, ii) statement of profit or loss and other comprehensive income, iii) statement of changes in equity, iv) statement of cash flows, v) notes, comprising significant accounting policies and other explanatory information and vi) statement of financial position at the beginning of preceding period for retrospective restatement.	As per DFIM Circular No. 11, dated 23 December 2009, complete set of financial statements are i) balance sheet, ii) profit and loss account, iii) cash flow statement, iv) statement of changes in equity, v) liquidity statement, vi) notes, comprising significant accounting policies and other explanatory information.	Financial Statements for 2025 and corresponding year 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.
10	Intangible asset	IAS 1 "Presentation of Financial Statements"	As per IAS 1: "Presentation of Financial Statements" para 54: the statement of financial position shall include separate line item for intangible assets.	As per DFIM Circular No. 11, dated 23 December 2009, there is no option for separate line item for intangible asset in the balance sheet. We present intangible asset in the balance sheet as part of fixed assets and provide details in annexure-A as separate line item.	Financial Statements for 2025 and corresponding year 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.



SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
11	Other comprehensive income	IAS 1 "Presentation of Financial Statements"	As per IAS 1: "Presentation of Financial Statements" Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single OCI statement.	Bangladesh Bank has issued templates for financial statements which will strictly be followed by financial institutions. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income (OCI) nor are the elements of OCI allowed to be included in a single OCI statement. As such the financial institution does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.	Financial Statements for 2025 and corresponding year 2024 have been prepared as per the guideline and templates issued by Bangladesh Bank. There is no financial impact for this departure in the financial statements.
12	Disclosure of presentation of profit	N/A	There is no requirement to show appropriation of profit in the face of statement of comprehensive income.	As per DFIM circular no 11, dated 23 December 2009, an appropriation of profit should be disclosed in the face of profit and loss account.	Financial Statements for 2025 and corresponding year 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.

2.4 Components of the financial statements

The financial statements comprise of (as per DFIM Circular-11, Dated 23 December 2009):

- Balance sheet as at 31 December 2025;
- Profit and loss account for the year ended 31 December 2025;
- Cash flow statement for the year ended 31 December 2025;
- Statement of changes in equity for the year ended 31 December 2025;
- Liquidity statement as at 31 December 2025;
- Notes to the financial statements as at and for the year ended 31 December 2025.

2.5 Disclosure of departure from few requirements of IFRS due to mandatory compliance of Bangladesh Bank's requirements

Bangladesh Bank (the Central Bank) is the prime regulatory body for Non-Banking Financial Institutions (NBFIs) in Bangladesh. Some requirements of Bangladesh Bank's rules and regulations contradict with those of financial instruments and general provisions of IFRS. As such the company has departed from those contradictory requirements of IFRSs in order to comply with the rules and regulations of Bangladesh Bank which are disclosed below along with financial impact where applicable:

- 2.5.1 As per DFIM circular No. 04, dated 26 July 2021 a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained. However such general provision cannot satisfy the conditions of provision as per IFRS 9. At the year end the company has recognized an accumulated general provision of Tk. 17.18 million in balance sheet under liabilities.
- 2.5.2 Bangladesh Bank has issued templates for financial statements vide DFIM Circular-11 dated 23 December 2009 which will strictly be followed by all banks and NBFIs. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income (OCI) nor are the elements of Other Comprehensive Income allowed to include in a Single Comprehensive Income Statement. As such the company does not prepare the statement of other comprehensive income. However, the company does not have any elements of OCI to be presented.
- 2.5.3 As per Bangladesh Bank guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in IFRS 9. As such some disclosure and presentation requirements of IFRS 7 and IAS 32 have not been made in the accounts.
- 2.5.4 As per IAS 7, cash equivalent only include those investments which are for a short tenure like: 3 months. However, as per the aforementioned circular of Bangladesh Bank, Cash equivalent includes all balances kept with other banks and financial institutions irrespective of consideration of tenure. Hence, an investment of FDR for a tenure of 6 months or 1 year is also considered as cash equivalent which is contrary to the requirement of IAS.

2.6 Accounting policy for IFRS 16: Leases

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

> the contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified.

> Meridian Finance has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and

> Meridian Finance has the right to direct the use of the asset. Meridian Finance has the right when it has the decision making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, Meridian Finance has the right to direct the use of the asset if either:

(i) Meridian Finance has the right to operate the asset; or

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

The policy is applied by Meridian Finance & Investment Limited from the beginning of 2019.

Meridian Finance presents right of use assets in Annexure A and lease liabilities in note-10.01.02 separately.

2.7 Presentation and functional currency and level of precision

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

2.8 Use of estimates and judgments

The preparation of financial statements in conformity with International Financial Reporting Standards (IFRSs) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. It also requires disclosures of contingent assets and liabilities at the date of the financial statements. Provisions and accrued expenses are recognized in the financial statement in line with the International Accounting Standard (IAS)-37: "Provisions, Contingent Liabilities and Contingent Assets" when

- the Company has a legal or constructive obligation as a result of past event.
- it is probable that an outflow of economic benefit will be required to settle the obligation.
- a reliable estimate can be made of the amount of the obligation.

The most critical estimates and judgments are applied to the following:

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

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. However, the estimates and underlying assumptions are reviewed on an ongoing basis and the revision is recognized in the period in which the estimates are revised.

2.9 Going concern

The Company has adequate resources to continue in operation for foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the financial statement. The current credit facilities and resources of the Company provide sufficient funds to meet the present requirements of its existing businesses and operations.

2.10 Materiality and aggregation

Each material item as considered by management significant has been presented separately in financial statements. No amount has been set off unless the Company has a legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards.

2.11 Directors' responsibility statement

The Board of Directors is responsible for the preparation and presentation of these financial statements.

2.12 Cash flow Statement

The cash flow statement is prepared using the direct method as stipulated in International Accounting Standard (IAS)-7 "Statement of Cash Flows", and in accordance with the instruction of Bangladesh Bank.

2.13 Books of account

The Company maintains its books of account for main business in Electronic Form through soft automation.

2.14 Branch accounting

The Company has four branches, with no overseas branches as on 31 December 2025. Accounts of the branches are maintained at the head office from which these accounts are drawn up.

2.15 Revenue recognition

Revenue is only recognised when it meets the following five steps model framework.

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

Interest income from leases, loans and other sources is recognised on an accrual basis of accounting.

2.15.1 Interest income on leases, loans and advances

Interest income is recognized when interest is accrued. No interest on loan (except home loan) is accounted for as revenue where any portion of capital or interest is in arrears for more than 3 months for the loan tenure of which is within 5 years or in arrears for more than 6 months for the loan tenure of which is more than 5 years. In case of home loan, no interest on loan is accounted for as revenue where any portion of capital or interest is in arrears for more than 9 months. Moreover, the amounts that were previously recognized as revenue in respect of such outstanding loans are also transferred from lease income to interest suspense account. Fee based income and delinquent charges from loan operations are accounted when they arise.



2.15.2 Fees and commission based income

Fees and commission based income arising on services provided by the company are recognized on a cash basis. Commission charged to customers is credited to income at the time of effecting the transactions.

2.15.3 Income from investment

Capital gain or loss on investment in shares

Capital gain or loss arising from the sale of investment in shares is accounted on monthly basis.

Dividend income

Dividend is recognized as income when the right to receive income is established.

2.16 Operating expenses

Major component of operating expenses other than salary and allowances are office rent, printing and stationery, postage and stamp, telecommunication, legal and professional fees and other miscellaneous expenses. All expenses are recognized on accrual basis of accounting.

2.16.1 Salary and allowances

Salary and allowances comprise basic salary, house rent, conveyance allowance, festival bonus, leave fare assistance etc. All expenses related to salary and allowances are recognized on accrual basis of accounting.

2.17 Employees' benefit obligation

2.17.1 Provident fund

The Company maintains a contributory employees Provident Fund recognized by National Board of Revenue within the meaning of section 2(90), read with the provisions of part - 3 of the Second Schedule of Income Tax Act 2023 for its permanent employees. The Fund is administered by a Board of Trustees and is funded equally by the employer and the employees @ 10% of their basic salary as contribution of the fund. Provident Funds are invested in Fixed Deposit Receipt and to the Government Shanchaypatra and IPO Share. Interest earned from the investments is credited to the members' account on yearly basis.

2.17.2 Gratuity fund

The Company also operates a funded gratuity scheme recognized by National Board of Revenue. Gratuity fund is administered by a Board of Trustees. Employees are entitled to gratuity benefit after completion of minimum four (04) years of service with the Company. The gratuity is calculated on the last basic pay and is payable at the rate of below table:

Completed years of Service	Payment of Gratuity
4 years and above, up to 5 years	1 month of basic for each year of service
5.6 years and above, up to 7 years	1.2 months of basic for each year of service
7.6 years and above, up to 10 years	1.4 months of basic for each year of service
10.6 years and above, up to 15 years	1.5 months of basic for each year of service
15.6 years and above	2 months of basic for each year of service

2.18 Recognition of fixed assets

2.18.1 Assets acquired under own finance

These are recognized initially at cost and subsequently at cost less accumulated depreciation in compliance with the IAS-16, "Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and any direct cost attributable to bringing the assets to its working condition for its intended use. Expenditure incurred after the assets have been put into use, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the assets, the expenditure is capitalized as an additional cost of the assets.



2.18.2 Depreciation on fixed assets

Depreciation on fixed assets is charged using straight-line method at the following rates starting from the date of acquisition of assets:

<u>Name of Assets</u>	<u>Useful Life (Years)</u>	<u>Rate (%)</u>
Furniture & Fixture	6	16.67%
Office Decoration	6	16.67%
Office Equipment	5	20.00%
IT Equipment	5	20.00%
Motor Vehicle	5	20.00%
Software	2	50.00%

2.18.3 Intangible Assets

Intangible assets comprise the value of computer software, license and product image. Intangible assets acquired separately are measured on initial recognition at cost and are carried at cost less accumulated amortization and accumulated impairment losses.

2.18.4 Amortization

Amortization is calculated using the straight line method to write down the cost of intangible assets to their estimated useful lives based on the management best estimates of 2 or 5 years.

2.19 Other assets

Other assets include all balance sheet accounts not covered specifically in other areas of the supervisory activity and such accounts may be quite insignificant in the overall financial condition of the company.

2.20 Contingent liabilities and contingent assets

The Company does not recognize any Contingent Asset and Contingent Liability; but discloses the existence of contingent liability in the financial statements. A contingent liability is a probable obligation that arises from the past events and whose existence will be confirmed by the occurrence of uncertain future events beyond the control of the Company or a present obligation that is not recognized because of outflow of resources is not likely or obligation cannot be measured reliably, in accordance with the IAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

2.21 Consistency

In accordance with the IFRSs framework for the presentation of financial statements together with IAS 1 and IAS 8, the Company applies the accounting disclosure principles consistently from one period to the next. In case of selecting and applying new accounting policies, changes in accounting policies applied and correction of errors, the amounts involved are accounted for and disclosed retrospectively in accordance with the requirement of IAS-8. We, however, have applied the same accounting and valuation principles in 2025 as in financial statements for 2024.

2.22 Liquidity statement

The Liquidity Statement has been prepared in accordance with remaining maturity grouping of Assets and Liabilities as of the close of the period as per following bases:

- Balance with other banks and financial institutions, money at call and short notice etc. are on the basis of their term.
- Investments are on the basis of their residual maturity term.
- Loans and advances are on the basis of their repayment or maturity schedule.
- Fixed assets are on the basis of their useful lives.
- Other assets are on the basis of their adjustment.
- Borrowings from other banks and financial institutions as per their maturity or repayment term.
- Deposits and other accounts are on the basis of their maturity period and behavioral past trend.
- Other long term liability on the basis of their maturity term.
- Provisions and other liabilities are on the basis of their settlement.

2.23 Borrowing costs

Borrowing costs are recognized as expenses in the period in which they incur in accordance with IAS 23 "Borrowing cost".



2.24 Written off leases, loans and advances

Write-off describes a reduction in recognised value. It refers to the recognition of the reduced or zero value of an asset. Generally it refers to an investment for which a return on the investment is now impossible or unlikely. The item's potential return is thus cancelled and removed from ("written-off") the Company's balance sheet.

Recovery against debts written-off/provided for is credited to revenue. Income is recognized where amounts are either recovered and/or adjusted against securities/properties or advances there-against or are considered recoverable.

2.25 Cash and cash equivalent

Cash and cash equivalents comprise cash in hand and fixed deposits that are readily convertible to a known amount of cash, and that are not subject to significant risk of change in value.

2.26 Provision for loans and advances

Generally, provision against classified loans and advances is made on the basis of quarter end review by the management and instruction contained in FID Circular No. 08, dated 03 August 2002, FID Circular No. 11, dated 31 October 2005, FID Circular No. 06, dated 20 August 2006, FID circular No. 03, dated 29 April 2013, DFIM circular No. 04, dated 26 July 2021 and DFIM circular letter No. 37, dated 04 December 2024. However, at the discretion of management, provision against classified loans and advances may be made on monthly basis. The provisions rates are given below:

Particulars	Rates
General Provision on:	
Unclassified of leases, loans and advances except SME	1%
Unclassified of Small and Medium Enterprise (SME)	0.25%
Special Mention Account of leases, loans and advances (SME & other than SME)	0.25% & 5.00%
Specific Provision on:	
Sub-standard of leases, loans and advances (SME & other than SME)	5% & 20%
Doubtful of leases, loans and advances (SME & other than SME)	20% & 50%
Bad/loss of leases, loans and advances	100%

2.27 Corporate Tax

a. Current tax

Provision for current income tax is normally made as prescribed in Finance Act 2023 & Finance Ordinance 2025 on the profit/(loss) made by the Company considering major taxable allowances and disallowances and the same is understated or overstated to that extent. Any shortfall or excess provision will be duly adjusted after final assessment.

b. Deferred tax

Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the statement of financial position date. The impact on the accounts of changes in the deferred tax assets and liabilities has also been recognized in the profit and loss account as per IAS-12 "Income Taxes".

2.28 Term deposits and other deposits accounts

2.28.1 Term Deposits

Term Deposits by customers and banks/NBFI are recognized when the Company enters into contractual provisions of the arrangements with the counterparties, which is generally on trade date, and initially measured at the consideration received.



Meridian Finance and Investment Limited

Notes to the Financial Statements

As at and for the year ended 31 December 2025

2.28.2 Other deposits

Other deposits include advance rentals/installments received from assets clients against leases, loans and advances which will be adjusted at the end of termination/settlement of leases, loans and advances in accordance with terms and conditions mentioned in the sanction letter.

2.29 Provision for liabilities

A provision is recognized in profit and loss account when the company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligations, in accordance with the IAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

2.30 Events after the reporting period

Where necessary, all the material events after the reporting period have been considered and appropriate adjustments / disclosures have been made in the financial statements.

2.31 Financial risk management

Meridian Finance always concentrates on delivering high value to its stakeholders through appropriate trade-off between risk and return. A well structured and proactive risk management system is in place within the Company to address risks relating to credit, market, liquidity, operations and anti money laundering. In addition to the industry best practices for assessing, identifying and measuring risks, Meridian Finance also considers guidelines for managing core risks of financial instructions issued by the Country's Central Bank, Bangladesh Bank, vide FID Circular No. 10 dated September 18, 2005 for management of risks and, more recently, DFIM Circular No. 03 dated January 24, 2016.

Credit Risk

To encounter and mitigate credit risk the company employed multilayer approval process, policy for maximum exposure limit of sector or groups, policy for customers' assets maximum exposure limit, mandatory search for credit report from Credit Information Bureau, looking into payment performance of customer before financing, adequate insurance coverage for funded assets, vigorous monitoring and follow up by Special Assets Management Team, strong follow up of compliance of credit policies by Internal Control and Compliance Department (ICCD), taking collateral, seeking external legal opinion, maintaining neutrality in politics and following arm's length approach in related party transactions, etc.

The Credit Evaluation Committee (CEC) regularly meets to review the market and credit risk related to lending and recommend and implement appropriate measures to counter associated risks. The CEC critically reviews projects from risk point of view. An independent Credit Risk Management Department is in place, at Meridian Finance, to scrutinize projects from a risk-weighted point of view and assist the management in creating a high quality credit portfolio and maximize returns from risk assets.

Liquidity Risk

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

Market Risk

Market risk is the risk that changes in market prices, such as interest rates and credit spreads will affect the income or the value of financial instruments.

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



Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks, such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior.

Meridian Finance objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the reputation with overall cost effectiveness and innovation.

The Board of Directors has delegated responsibility for operational risk to Management Committee which is responsible for the development and implementation of controls to address operational risk.

Meridian Finance has also established an internal control & compliance department (ICCD) to address operational risk and to frame and implement policies to encounter such risks. This department assesses operational risk across the Company as a whole and ensures that an appropriate framework exists to identify, assess and manage operational risk.

Money Laundering and Terrorist Financing Risk

To mitigate the risks, Meridian Finance, while adhering to various guidelines and circulars issued by the Bangladesh Financial Intelligence Unit (BFIU), put in place a strict compliance program consisting of the following components:

- a) Development and implementation of internal policies, procedures and controls to identify and report instances of money laundering and terrorism financing;
- b) Independent audit function including internal and external audit function to test the programs;
- c) Ongoing employee training programs.

2.32 Comparative figures

Comparative information has been disclosed in respect of the period ended 31 December 2025 for all numerical data in the financial statements and also the narrative and descriptive information when it is relevant for better understanding of the current year's financial statements. Figures of the period 2024 have been restated and rearranged whenever considered necessary to ensure comparability with the current year.

2.33 General Notes

- (i) These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.
- (ii) Figures in these notes and annexed financial statements have been rounded off to the nearest BDT.



Meridian Finance and Investment Limited
Notes to the Financial Statements
As at 31 December 2025

Notes No.	Particulars	Amount In Taka	
		31 December 2025	31 December 2024
3.00	Cash in hand		
	In hand (including foreign currencies) (Note-3.01)	150,000	150,000
	Balance with Bangladesh Bank and its agent (including foreign currencies) (Note-3.02)	19,586,800	20,118,946
		<u>19,736,800</u>	<u>20,268,946</u>
3.01	In hand (including foreign currencies)		
	Local currency	150,000	150,000
	Foreign currency	-	-
		<u>150,000</u>	<u>150,000</u>
3.02	Balance with Bangladesh Bank and its agent (including foreign currencies)		
	Local currency	19,586,800	20,118,946
	Foreign currency	-	-
		<u>19,586,800</u>	<u>20,118,946</u>
3.03	Cash reserve requirement (CRR) and statutory liquidity reserve (SLR)		
	Cash reserve requirement (CRR) and statutory liquidity reserve (SLR) have been calculated and maintained in accordance with the Finance Company Act 2023 (previously it was the Financial Institutions Act, 1993) and FID Circular No. 06, dated November 06, 2003, FID Circular No. 02, dated November 10, 2004, FID Circular No. 01, dated January 12, 2017 and DFIM Circular No. 03, dated June 21, 2020 issued by Bangladesh Bank.		
	Cash reserve requirement (CRR) has been calculated at the rate of 1.5% on total term deposits which is preserved in current account maintained with Bangladesh Bank. Total term deposit means term or fixed deposit, security deposit against lease/loan and other term deposit, received from individuals and institutions (except Bank & Financial Institutions).		
	Statutory liquidity reserve (SLR) has been calculated at the rate of 5.0% on total liabilities, including CRR of 1.5% on total term deposit. SLR maintained in liquid assets in the form of cash in hand (notes & coin in Taka), balance with Bangladesh Bank and other banks and financial institutions, unencumbered treasury bill and treasury bond and any other assets approved by government circular issued by gazette or Bangladesh Bank.		
	Both the reserves maintained by the Company are given below:		
a)	Cash reserve requirement (CRR)		
	Required reserve	17,955,208	19,145,471
	Actual reserve maintained	20,707,801	21,763,885
	Surplus / (deficit)	<u>2,752,593</u>	<u>2,618,414</u>
b)	Statutory liquidity reserve (SLR)		
	Required reserve (including CRR)	81,746,961	85,861,872
	Actual reserve maintained (including CRR)	191,126,223	281,278,065
	Surplus / (deficit)	<u>109,379,261</u>	<u>195,416,193</u>
4.00	Balance with Other Banks and Financial Institutions		
	Inside of Bangladesh		
	Local currency		
	Non interest bearing current account (Note - 4.01)	168,197	378,601
	Interest bearing short term deposit account (Note - 4.02)	61,524,462	39,574,191
	Fixed deposit receipt (FDR) (Note - 4.03)	133,000,000	206,000,000
		<u>194,692,659</u>	<u>245,952,791</u>



Meridian Finance and Investment Limited

Notes to the Financial Statements

As at 31 December 2025

Notes No.	Particulars	Amount In Taka	
		31 December 2025	31 December 2024
4.01	Non interest bearing current account		
	BASIC Bank Limited	1,390	735
	Mercantile Bank PLC	117,457	74,132
	Mutual Trust Bank PLC	49,349	302,893
	bKash Limited	-	840
		168,197	378,601
4.02	Interest bearing short term deposit account		
	Mercantile Bank PLC	139,990	571,384
	NRB Bank Limited	323,528	995,660
	NRBC Bank PLC	350,447	2,303,406
	Standard Chartered Bank	1,969,117	6,435,065
	BRAC Bank PLC	17,985,177	18,871,081
	Prime Bank PLC	67,890	71,266
	Shahjalal Islami Bank PLC	40,688,314	10,326,328
	City Bank PLC	-	-
		61,524,462	39,574,191
4.03	Fixed deposit receipt (FDR)		
	BRAC Bank PLC	73,000,000	53,000,000
	Commercial Bank of Ceylon PLC	-	53,000,000
	IDLC Finance PLC	30,000,000	100,000,000
	IPDC	30,000,000	-
		133,000,000	206,000,000
4.04	Maturity grouping of balance with other banks and financial institutions		
	Up to 1 month	111,692,659	39,952,791
	Over 1 month but not more than 3 months	83,000,000	206,000,000
	Over 3 months but not more than 6 months	-	-
	Over 6 months but not more than 1 year	-	-
	Over 1 year but not more than 5 years	-	-
	Over 5 years	-	-
		194,692,659	245,952,791
5.00	Money at call and short notice		
	International Leasing & Financial Services Limited	307,183,940	307,183,940
	United Finance PLC	70,000,000	20,000,000
	DBH Finance PLC	-	25,000,000
	IPDC	20,000,000	-
	IDLC Finance PLC	40,000,000	-
		437,183,940	352,183,940
	Due to long pending outstanding with International Leasing & Financial Services Limited, fully provision is made for taka 45,00,03,140.00 (Taka 30,71,83,940.00 for principal amount and Taka 14,28,19,200.00 for interest receivable amount).		
6.00	Investments		
	Government securities	-	-
	Other investments		
	Investment in marketable securities (Note-6.01)	60,977,546	65,648,094
	Investment in mutual fund	-	-
	Investment in preference shares	34,000,000	68,000,000
		94,977,546	133,648,094



Meridian Finance and Investment Limited
Notes to the Financial Statements
As at 31 December 2025

Notes No.	Particulars	Amount In Taka	
		31 December 2025	31 December 2024

6.01 Investment in marketable securities

Details of marketable securities as at 31 December 2025 are given below:

Business Segments	Cost Price	Market Price
	2025	2025
Bank	1,912,326	496,049
Cement	8,275,101	3,042,527
Engineering	2,082,758	1,086,907
Financial institutions	14,009,980	7,108,263
Food & allied	5,019,873	1,778,733
Insurance	6,732,744	2,977,375
Pharmaceuticals & chemicals	9,668,030	6,948,200
Telecommunication	12,338,034	7,698,315
Textile	938,700	423,458
	60,977,546	31,559,827

7.00 Leases, loans and advances

Corporate finance

Lease finance	10,673,195	33,681,751
Loan finance	1,144,412,804	1,343,908,926
Syndicated loan finance	370,209,056	370,661,913
	1,525,295,055	1,748,252,590

Consumer finance

House finance	647,993,419	691,744,485
Car lease	565,148	1,424,341
Loan against deposit	33,079,220	21,610,692
Personal loan - employee	439,534	1,166,618
	682,077,320	715,946,136

SME finance

Lease finance, SMALL	70,586,091	80,280,419
Loan finance, SMALL	297,696,578	317,566,572
Lease finance, MID	6,783,491	13,663,275
Loan finance, MID	293,828,582	282,139,311
	668,894,742	693,649,577
	2,876,267,117	3,157,848,302

7.01 Maturity wise grouping of leases, loans and advances

On demand	-	-
Not more than 3 months	126,491,633	887,308,039
More than 03 months to 01 year	262,741,361	765,738,742
More than 01 Year to 05 years	328,478,407	1,281,511,940
More than 05 years	2,158,555,716	223,289,581
	2,876,267,117	3,157,848,302

7.02 Classification wise leases, loans and advances

Unclassified

Standard	844,010,416	1,155,268,007
Special mention account (SMA)	27,878,500	197,898,240
	871,888,916	1,353,166,247

Classified

Sub-standard	124,060,943	16,207,089
Doubtful	39,044,061	5,151,966
Bad/loss	1,841,273,198	1,783,323,000
	2,004,378,201	1,804,682,055
	2,876,267,117	3,157,848,302



Meridian Finance and Investment Limited

Notes to the Financial Statements

As at 31 December 2025

Notes No.	Particulars	Amount In Taka	
		31 December 2025	31 December 2024

7.03 Provision for leases, loans and advances

	Product Type	Outstanding	Base	Provision
Unclassified				
Standard	SME	221,052,207	221,052,207	552,631
	Non-SME	622,958,209	622,958,209	6,229,582
Special mention account (SMA)	SME	16,415,473	15,606,372	39,016
	Non-SME	11,463,027	9,980,828	499,041
Classified				
Sub-standard	SME	20,290,234	8,608,461	430,423
	Non-SME	103,770,709	39,183,003	7,836,601
Doubtful	SME	11,821,329	7,715,916	1,543,183
	Non-SME	27,222,732	8,203,689	4,101,845
Bad/loss		1,841,273,198	1,154,640,614	1,154,640,614
Special general provision for COVID-19		-	-	9,860,459
Total		2,876,267,117	2,087,949,299	1,185,733,394

7.04 Leases, loans and advances on the basis of significant concentration

Trade and Commerce Industry:	590,595,307	496,398,819
Garments and Knitwear	1,445,347,664	1,783,170,051
Textile	203,083,254	234,797,141
Jute and Jute-Products	59,220,034	68,377,648
Food Production and Processing Industry	10,456,133	12,390,546
Plastic Industry	227,293,146	235,912,958
Leather and Leather-Goods	50,881,464	80,953,183
Iron, Steel and Engineering	156,647,023	154,536,674
Pharmaceuticals and Chemicals	27,325,557	98,338,133
Cement and Allied Industry	19,658,568	39,038,014
Telecommunication and Information Technology	406,858,877	430,485,595
Paper, Printing and Packaging	-	-
Glass, Glassware and Ceramic Industry	17,600,955	16,340,872
Ship Breaking/Manufacturing Industry	-	-
Electronics and Electrical Products	182,253,550	182,253,550
Power, Gas, Water and Sanitary Service	31,087,587	122,799,577
Transport and Aviation	-	8,047,305
Others	38,977,326	98,898,854
Agriculture	14,004,190	-
Housing	14,082,381	6,176,369
Others	671,394,290	715,920,662
A) Merchant Banking	154,847,475	156,182,402
B) Margin Loan	-	-
C) Others	-	-
Total	2,876,267,117	3,157,848,302

7.05 Leases, loans and advances- geographical location wise

Dhaka	1,843,402,411	2,086,814,264
Chattogram	330,425,456	345,511,033
Khulna	279,568,541	279,568,541
Rangpur	22,163,233	22,163,233
Rajshahi	400,707,477	423,791,231
Total	2,876,267,117	3,157,848,302



Meridian Finance and Investment Limited
Notes to the Financial Statements
As at 31 December 2025

Notes No.	Particulars	Amount In Taka	
		31 December 2025	31 December 2024
7.06	Particulars of leases, loans and advances		
i)	Leases, loans and advances considered good in respect of which the Company is fully secured	458,209,485	532,018,580
ii)	Leases, loans and advances considered good in respect of which the Company is partially secured	1,957,774,975	2,049,294,424
iii)	Leases, loans and advances considered good against which the Company holds no security other than the debtors' personal guarantee	459,843,122	575,368,680
iv)	Leases, loans and advances considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	-	-
v)	Classified Leases, loans and advances against which no provision has been made	-	-
vi)	Leases, loans and advances due by Directors, Officers of the Company or any of them either separately or jointly with any other persons	439,534	1,166,618
vii)	Leases, loans and advances due from Companies or firms in which the Directors have interest as Directors, Partners or managing agents Companies, as members.	-	-
viii)	Maximum total amount of advances, including temporary advances made at any time during the year to Directors or Managers or Officers of the Company or any of them either separately or jointly with any other person.	-	-
ix)	Maximum total amount of advances, including temporary advances granted during the year to the Companies or firms in which the Directors have interest as Directors, Partners or Managing agents or in the case of private Companies, as members.	-	-
x)	Due from other Bank and Financial Institution companies	-	-
		<u>2,876,267,117</u>	<u>3,157,848,302</u>
xi)	Information in respect of classified loans, advances and leases:		
a)	Classified lease, loans and advances on which interest has not been charged	2,004,378,201	1,804,682,055
b)	Increase/(decrease) of specific provision against classified lease/loan	108,116,323	348,738,537
c)	Amount of loan written-off	31,907,323	31,907,323
d)	Amount realised against loan previously written-off	-	7,958,610
e)	Provision kept against loans classified as bad/loss on the date of preparing the balance sheet	1,154,640,614	952,032,665
f)	Interest credited to Interest Suspense account	7,463,573	42,583,766
xii)	Written off lease, loans and advances		
	Opening Balance	31,907,323	39,865,933
	Written off during the year	-	-
	Received off during the year	-	7,958,610
	Balance of written off loans and advances yet to be recovered	<u>31,907,323</u>	<u>31,907,323</u>
	The amount of written-off leases, loans and advances for which law suits have been filed	31,907,323	31,907,323



Meridian Finance and Investment Limited
Notes to the Financial Statements
As at 31 December 2025

Notes No.	Particulars	Amount In Taka	
		31 December 2025	31 December 2024
8.00	Fixed assets including land, building, furniture and fixtures		
		231,246	268,741
	Furniture & fixture	239,743	261,522
	Office decoration	114,803	111,702
	Office equipment	1,500,701	1,576,578
	IT equipment's	-	-
	Motor vehicle	5,348	39,975
	Systems & software	36,272,018	51,224,843
	Right of use of assets	<u>38,363,858</u>	<u>53,483,362</u>
	The details of fixed assets are given in Annexure - A .		
9.00	Other assets		
	<u>Non income generating assets</u>		
	Advances, deposits and prepayments (Note-9.01)	79,060,206	71,167,930
	Deferred tax asset (Note-9.02)	10,591,650	10,618,906
	<u>Income generating assets</u>		
	Interest and other receivables (Note-9.03)	143,975,815	146,287,360
	Receivable with securities (Note-9.04)	118,612	126,077
		<u>233,746,284</u>	<u>228,200,273</u>
9.01	Advances, deposits and prepayments		
		95,488	225,210
	Advance office rent	505,000	19,500
	Advance to suppliers & others	61,940,404	55,931,067
	Advance Income Tax (Note-9.01.01)	3,016,250	3,016,250
	Security deposit	1,411,137	1,300,728
	Dividend receivable	20,150	26,350
	Sundry receivable	11,223,867	7,869,208
	Receivable from client	-	-
	Advance for IPO investment	11,093	-
	Advance to Insurance Company	836,816	2,779,618
	Receivable from others	<u>79,060,206</u>	<u>71,167,930</u>
9.01.01	Advance income tax		
		55,931,067	47,913,352
	Opening balance	6,009,337	8,017,715
	Addition during the year	61,940,404	55,931,067
	Adjusted during the year	<u>61,940,404</u>	<u>55,931,067</u>

*Advance income tax represents the amount of income tax deducted at source (TDS) on the interest of bank balance, FDR, dividend income and paid to tax office in four installments.

9.02 Deferred tax

Deferred tax has been calculated based on deductible/taxable temporary difference arising due to difference in the carrying amount of the assets and its tax base in accordance with the provision of International Accounting Standard (IAS)-12:

Income Taxes.



Meridian Finance and Investment Limited
Notes to the Financial Statements
As at 31 December 2025

Notes No.	Particulars	Amount In Taka	
		31 December 2025	31 December 2024

Particulars	Accounting Base Carrying Amount	Tax Base Carrying Amount	(Taxable)/ Deductible temporary difference
-------------	---------------------------------	--------------------------	--

Deferred tax asset is arrived at as follows:

Fixed assets net of depreciation as on 31 December 2025

Furniture and fixture	231,246	3,617,085	3,385,839
Office decoration	239,743	11,143,344	10,903,601
Office equipment	114,803	2,988,044	2,873,241
IT equipment's	1,500,701	1,979,791	479,090
Motor vehicle	-	1,033,137	1,033,137
Systems & software	5,348	162,886	157,538
Taxable temporary difference (A)	2,091,841	20,924,286	18,832,446
Lease liability			43,918,696
Right of use of assets			(36,272,018)
Taxable temporary difference (B)			26,479,124
Deferred tax asset at 31 December 2025 @ 40%			10,591,650
Deferred tax asset at 31 December 2024 @ 40%			10,618,906

9.03 Interest and other receivables

Interest receivables - fixed deposit receipt	1,156,614	3,468,160
Interest receivables - short term placement & others	142,819,200	142,819,200
	143,975,815	146,287,360

9.04 Receivable with securities

Receivable with IDLC Securities Limited	5,154	10,319
Receivable with LankaBangla Securities Limited	115,213	115,363
Receivable with NRBC Bank Securities Limited	(1,755)	395
	118,612	126,077

10.00 Borrowings from other banks and financial institutions

Inside Bangladesh (Note-10.01)	142,949,776	193,172,219
Outside Bangladesh	-	-
	142,949,776	193,172,219

10.01 Inside Bangladesh

Secured by FDR

Bank overdraft - Woori Bank	(10,852)	(11,544)
BRAC Bank PLC.	11,037	-

Unsecured

Short term loan	-	2,000,000
Long term loan (Note-10.01.01)	54,330,895	81,078,941
Call loan- Sonali Bank Limited	44,700,000	54,100,000
Lease liability (Note-10.01.02)	43,918,696	56,004,822
	142,949,776	193,172,219

10.01.01 Long term loan

From Bangladesh Bank and its agents Bank

Bangladesh Bank (under Re-Finance)- Agriculture	-	-
Bangladesh Bank (under Re-Finance)- Auto Bricks	54,330,895	77,553,966
Bangladesh Bank (under Re-Finance)- SMEDP2	-	-
Bangladesh Bank (under Re-Finance)- (COVID- 19)	-	-
Bangladesh Bank (under Re-Finance) Women	-	3,524,975
	54,330,895	81,078,941



Meridian Finance and Investment Limited

Notes to the Financial Statements

As at 31 December 2025

Notes No.	Particulars	Amount In Taka	
		31 December 2025	31 December 2024
10.01.02 Lease Liability			
Lease liabilities derived from present value of all rental payments for corporate head office and four branches. When measuring lease liabilities, Meridian Finance discounted lease payments using its borrowing rate.			
10.02 Maturity grouping of borrowings from other banks, financial institutions & agents			
	Payable on demand	44,700,000	54,100,000
	Up to 1 month	5,714,754	2,501,494
	Over 1 months but within 3 month	14,867,715	16,685,351
	Over 3 months but within 1 year	23,172,655	29,876,983
	Over 1 year but within 5 years	10,575,955	59,992,641
	Over 5 years	43,918,697	30,015,751
		<u>142,949,776</u>	<u>193,172,219</u>
11.00 Deposits and other accounts			
	Term deposits (Note-11.01)	2,187,557,117	2,217,775,463
	Other deposits (Note-11.02)	75,153,728	104,569,998
		<u>2,262,710,845</u>	<u>2,322,345,461</u>
11.01 Term deposits			
	Short term deposit (Note-11.01.01)	1,762,196,911	1,790,247,578
	Long term deposit (Note-11.01.02)	18,804,806	16,658,579
	Double money deposit (Note-11.01.03)	101,856,714	127,419,684
	Triple money deposit - individual	47,701,809	44,577,109
	Monthly earner deposit - individual	191,466,498	123,128,303
	Quarterly earner deposit	13,578,950	54,750,000
	Millionaire scheme (Note-11.01.04)	18,038,222	15,831,743
	Insured millionaire scheme - individual	4,637,467	15,293,125
	Deposit pension scheme - individual	26,397,063	24,519,657
	Insured deposit pension scheme - individual	2,878,677	5,349,685
		<u>2,187,557,117</u>	<u>2,217,775,463</u>
11.01.01 Short term deposit			
	Short term deposit - Bank & NBFi	1,019,500,000	1,040,000,000
	Short term deposit - corporate	272,114,687	266,768,355
	Short term deposit - individual	470,582,224	483,479,224
		<u>1,762,196,911</u>	<u>1,790,247,578</u>
11.01.02 Long term deposit			
	Long term deposit - corporate	4,850,000	900,000
	Long term deposit - individual	13,954,806	15,758,579
		<u>18,804,806</u>	<u>16,658,579</u>
11.01.03 Double money deposit			
	Double money deposit - corporate	-	-
	Double money deposit - individual	101,856,714	127,419,684
		<u>101,856,714</u>	<u>127,419,684</u>
11.01.04 Millionaire scheme			
	Millionaire scheme - corporate	-	-
	Millionaire scheme - individual	18,038,222	15,831,743
		<u>18,038,222</u>	<u>15,831,743</u>



Meridian Finance and Investment Limited

Notes to the Financial Statements

As at 31 December 2025

Notes No.	Particulars	Amount In Taka	
		31 December 2025	31 December 2024
11.02	Other deposits		
	Interest bearing security deposit (Note-11.02.01)	57,568,922	81,523,922
	Non-interest bearing security deposit (Note-11.02.02)	17,584,806	23,046,076
		75,153,728	104,569,998
11.02.01	Interest Bearing Security Deposit		
	Lease deposit, SMALL	650,000	650,000
	Loan deposit, SMALL	7,649,795	7,649,795
	Loan deposit, MID	8,500,000	8,500,000
	Loan deposit, Corporate	3,037,137	3,037,137
	Cash deposit	37,731,990	61,686,990
		57,568,922	81,523,922
11.02.02	Non-interest bearing security deposit		
	Lease deposit, SMALL	2,128,392	2,317,689
	Loan deposit, SMALL	435,299	1,935,236
	Lease deposit, MID	3,454,862	4,033,655
	Loan deposit, MID	3,829,914	3,500,272
	Lease deposit, Corporate	817,444	2,201,723
	Loan deposit, Corporate	6,858,212	8,996,818
	House Finance Deposit	60,683	60,683
	Car lease deposit	-	-
		17,584,806	23,046,076
11.03	Group-wise break -up of term deposits		
	Bank & FI	1,019,500,000	1,040,000,000
	Insurance	1,826,948	6,685,376
	Other institutions	267,684,138	283,812,618
	Individuals	898,546,032	887,277,469
		2,187,557,117	2,217,775,463
11.04	Maturity analysis of term deposits		
	Payable on demand	-	-
	Up to 1 month	118,521,914	301,241,557
	Over 1 month but within 3 months	269,628,293	631,722,159
	Over 3 months but within 1 year	148,803,013	466,106,064
	Over 1 year but within 5 years	194,829,717	428,137,425
	Over 5 years	1,455,774,179	390,568,258
		2,187,557,117	2,217,775,463
12.00	Other liabilities		
	Withholding tax payable	5,500,724	5,645,916
	Withholding VAT payable	331,260	363,317
	Excise duty	673,450	510,100
	Interest payable- (Note - 12.01)	64,145,490	63,423,128
	Audit fee payable	345,000	368,000
	Payable to suppliers	443,276	181,523
	Payable for insurance	48,136	52,271
	Gratuity fund payable	8,440,252	9,439,267
	Leave Encashment Payable	2,366,802	2,702,531
	Payable to Employee	355,449	249,828
	Sundry creditors	5,080,250	2,365,138
	Other payable	25,146,712	22,004,227
	Provision for current tax (12.02)	24,830,904	22,826,146
	Interest suspense account (Note-12.03)	314,087,559	310,406,882
	Provision for doubtful accounts and future losses (Note-12.04)	1,676,378,120	1,581,758,589
		2,128,173,384	2,022,296,862



Meridian Finance and Investment Limited

Notes to the Financial Statements

As at 31 December 2025

Notes No.	Particulars	Amount In Taka	
		31 December 2025	31 December 2024
12.01	Interest payable		
	Short term deposit (Note-12.01.01)	46,062,063	45,748,756
	Long term deposit (Note-12.01.02)	1,311,232	674,688
	Double money deposit (Note-12.01.03)	7,543,008	9,221,573
	Monthly earner deposit - individual	1,010,705	623,713
	Quarterly earner deposit	204,113	481,411
	Triple money deposit - individual	1,734,353	1,580,188
	Millionaire scheme (Note-12.01.04)	79,080	58,628
	Insured millionaire scheme - individual	37,857	81,719
	Deposit pension scheme - individual	141,724	114,692
	Unsecured borrowing (Note-12.01.05)	497,103	160,255
	Interest bearing cash deposit	5,524,252	4,677,504
		64,145,490	63,423,128
12.01.01	Short term deposit		
	Short term deposit - Bank & NBF	12,688,276	12,087,861
	Short term deposit - corporate	10,846,469	11,177,110
	Short term deposit - individual	22,527,318	22,483,784
		46,062,063	45,748,756
12.01.02	Long term deposit		
	Long term deposit - corporate	308,225	26,433
	Long term deposit - individual	1,003,007	648,256
		1,311,232	674,688
12.01.03	Double money deposit		
	Double money deposit - corporate	-	-
	Double money deposit - individual	7,543,008	9,221,573
		7,543,008	9,221,573
12.01.04	Millionaire scheme		
	Millionaire scheme - corporate	-	-
	Millionaire scheme - individual	79,080	58,628
		79,080	58,628
12.01.05	Unsecured Borrowing		
	Call borrowing	57,117	51,846
	Short Term Borrowing	-	8,667
	Bangladesh Bank refinancing	439,986	99,743
		497,103	160,255
12.02	Provision for current tax		
	Opening balance	22,826,146	20,839,822
	Add: Provision during the year	2,004,758	1,986,324
		24,830,904	22,826,146
	Less: Adjusted during the year	-	-
		24,830,904	22,826,146
12.03	Interest suspense account		
	Opening balance	310,406,882	275,279,793
	Add: Transferred to interest suspense account during the year	7,463,573	42,583,766
	Less: Debited from interest suspense account during the year	(3,782,896)	(7,456,676)
	Less: Written off during the year	-	-
		314,087,559	310,406,882



Meridian Finance and Investment Limited
Notes to the Financial Statements
As at 31 December 2025

Notes No.	Particulars	Amount In Taka	
		31 December 2025	31 December 2024
12.04	Provision for doubtful accounts and future losses		
	General provision (Note-12.04(i))	7,320,270	26,620,055
	Special general provision for COVID-19	9,860,459	9,860,459
	Specific provision (Note-12.04(ii))*	1,168,552,665	1,060,436,342
		1,185,733,394	1,096,916,856
	Provision for diminution in value of investments	29,417,719	27,531,180
	Other provisions	461,227,007	457,310,553
		1,676,378,120	1,581,758,589
	*Meridian Finance has obtained permission from Bangladesh Bank vide letter no. DFIM(C)1054/59/2022-1311 dated May 10, 2022 for adjustment of provision shortfall Taka 17.04 crore within five (05) years started from 2021. Subsequently, All amount of provision shortfall has been adjusted upto year 2025. Details are as follows:		
	Provision shortfall against lease, loans & advances:		
	Opening Balance	34,080,000	68,160,000
	Less: Adjustment during the year (12.04 (ii))	34,080,000	34,080,000
	Closing balance	-	34,080,000
12.04 (i)	Product wise break up of general provision		
	Corporate finance (12.04.01)	2,125,863	16,802,420
	Consumer finance (12.04.02)	4,602,761	8,746,331
	SME finance (12.04.03)	591,646	1,071,305
		7,320,270	26,620,055
12.04.01	Corporate finance		
	Lease finance	92,087	90,434
	Loan finance	2,033,776	16,711,987
	Syndicated loan finance	-	-
		2,125,863	16,802,420
12.04.02	Consumer finance		
	House finance	4,262,686	8,509,042
	Car lease	4,887	9,516
	Loan against deposit	330,792	216,107
	Personal loan - employee	4,395	11,666
		4,602,761	8,746,331
12.04.03	SME finance		
	Lease finance, SMALL	45,202	75,564
	Loan finance, SMALL	422,120	881,564
	Lease finance, MID	16,959	34,158
	Loan finance, MID	107,365	80,018
		591,646	1,071,305
12.04 (ii)	Specific provision		
	Opening balance	1,060,436,342	711,697,806
	Less: Fully provided debt written off during the year	-	-
	Add: Amount realised from written off clients	-	-
	Add: Addition during the year	108,116,323	314,658,537
	Add: Adjustment of provision shortfall	-	34,080,000
	Closing balance	1,168,552,665	1,060,436,342



Meridian Finance and Investment Limited
Notes to the Financial Statements
As at 31 December 2025

Notes No.	Particulars	Amount In Taka		
		31 December 2025	31 December 2024	
13.00	Share capital			
	Authorized			
	200,000,000 ordinary shares of BDT 10 each	<u>2,000,000,000</u>	<u>2,000,000,000</u>	
	Issued, subscribed and paid up			
	120,000,000 ordinary shares of BDT 10 each	<u>1,200,000,000</u>	<u>1,200,000,000</u>	
	Details of shares holding position are as under:			
	Sponsor Shareholders:			
		Percentage (%)	No. of Shares	
	A. Individual Sponsors			
	Mr. K.M. Aminul Islam	4.167	5,000,000	50,000,000
	Ms. Naima Chowdhury	4.167	5,000,000	50,000,000
	Ms. Ruba Ahmed	8.333	10,000,000	100,000,000
	Arjish Habib	8.333	10,000,000	100,000,000
	Mr. Mizanur Rahman	4.167	5,000,000	50,000,000
		<u>29.17</u>	<u>35,000,000</u>	<u>350,000,000</u>
	B. Institutional Sponsors			
	AG Agro Industries Ltd.	8.333	10,000,000	100,000,000
	M Rahman Steel Mills Ltd.	4.167	5,000,000	50,000,000
	Rising Fashions Ltd.	8.333	10,000,000	100,000,000
	Matrix Sweaters Ltd.	8.333	10,000,000	100,000,000
	Diganta Sweaters Ltd.	8.333	10,000,000	100,000,000
	Disari Industries (Pvt.) Ltd.	8.333	10,000,000	100,000,000
	Toma Construction & Co. Ltd.	8.333	10,000,000	100,000,000
	Saima Samira Textile Mills Ltd.	8.333	10,000,000	100,000,000
	Omega Sweaters Ltd.	8.333	10,000,000	100,000,000
		<u>70.83</u>	<u>85,000,000</u>	<u>850,000,000</u>
	Total Shareholdings	<u>100.00</u>	<u>120,000,000</u>	<u>1,200,000,000</u>

13.01 Capital adequacy ratio (CAR)

As per section 4(GHA) of the Financial Institution Rule 1994 and subsequently updated vide DFIM Circular No. 5, dated July 24, 2011, the minimum paid up capital of the Financial Institution (FI) shall be Taka 100 crore; Provided that the sum of paid up capital and reserves shall not be less than the minimum capital determined by the Bangladesh Bank under the Risk-Based Assets of the company. The shortfall of eligible capital of the company at the close of business on 31 December 2025 were Taka 76.67 crore.

Core capital (Tier-1)

Paid-up capital (Note-13)	1,200,000,000	1,200,000,000
Share premium	-	-
Statutory reserves (Note-14)	71,251,616	71,251,616
General reserves	-	-
Dividend equalization reserves	-	-
Retained earnings (Note-15)	(1,910,117,417)	(1,617,480,450)
Non-controlling interest	-	-
Provision shortfall	-	(34,080,000)
Sub-Total	<u>(638,865,801)</u>	<u>(380,308,834)</u>



Meridian Finance and Investment Limited

Notes to the Financial Statements

As at 31 December 2025

Notes No.	Particulars	Amount In Taka	
		31 December 2025	31 December 2024
	Supplementary capital (Tier -II)		
	General provision (Provision up to specified limit on unclassified loans and Off Balance Sheet exposure)	16,348,499	22,267,183
	Assets revaluation reserves up to 50%	-	-
	Revaluation reserve for securities up to 45%	-	-
	All others preference shares	-	-
	Others (if any other item approved by Bangladesh Bank)	-	-
	Sub-Total	16,348,499	22,267,183
	A) Total eligible capital	(622,517,302)	(358,041,651)
	Total assets including off -balance sheet exposures	3,894,968,205	4,191,585,708
	B) Total risk weighted assets	1,442,283,783	2,001,047,162
	C) Required capital based on risk weighted assets (10% on B)	144,228,378	200,104,716
	D) Surplus (A-C)	(766,745,680)	(558,146,367)
	E) Capital adequacy ratio (%)	-43.16%	-17.89%
	F) Core capital to RWA (%)	-44.30%	-19.01%
	G) Supplementary capital to RWA (%)	1.13%	1.11%
14.00	Statutory reserve		
	Opening balance	71,251,616	71,251,616
	Add: Transferred from profit	-	-
	Closing balance	71,251,616	71,251,616
15.00	Retained earnings		
	Opening balance	(1,617,480,450)	(890,756,209)
	Add: profit/(loss) for the period	(292,636,967)	(726,724,241)
	Less: appropriation to statutory reserve	-	-
	Less: cash dividend	-	-
	Closing balance	(1,910,117,417)	(1,617,480,450)



Meridian Finance and Investment Limited
Notes to the Financial Statements
For the year ended 31 December 2025

Notes	Particulars	Amount in Taka	
		01 January 2025 To 31 December 2025	01 January 2024 To 31 December 2024
16.00	Interest income		
	Corporate finance		
	Lease finance	1,346,085	3,519,970
	Loan finance	37,102,378	65,667,597
	Syndicated loan finance	-	-
		38,448,463	69,187,568
	Consumer finance		
	House finance	70,948,291	62,730,195
	Car lease	286,871	525,988
	Loan against deposit	2,735,526	1,511,994
	Personal loan - employee	156,803	98,579
		74,127,490	64,866,757
	SME finance		
	Lease finance, SMALL	3,386,886	4,089,189
	Loan finance, SMALL	35,542,673	36,306,354
	Lease finance, MID	2,259,736	2,914,850
	Loan finance, MID	6,767,471	6,486,728
		47,956,766	49,797,121
	Treasury		
	Fixed deposit accounts	18,318,567	27,525,596
	Short notice deposit accounts	1,816,046	1,458,987
	Short term placement	7,711,958	41,855,437
		27,846,571	70,840,019
		188,379,290	254,691,464
17.00	Interest expenses on deposits and borrowings		
	Interest on term deposit (Note-17.01)	258,541,855	240,008,027
	Interest bearing security deposit	4,676,189	4,016,758
	Unsecured borrowing (Note- 17.02)	9,784,573	12,089,246
	Interest on right of use of asset	5,116,613	4,244,015
		278,119,231	260,358,046
17.01	Interest on term deposit		
	Short term deposit (Note-17.01.01)	207,085,950	195,637,690
	Long term deposit (Note-17.01.02)	2,470,112	956,544
	Monthly earner deposit - Individual	20,919,853	11,395,579
	Quarterly earner deposit	4,598,132	5,970,707
	Double money deposit (Note-17.01.03)	14,105,947	14,841,480
	Triple money deposit - Individual	4,588,467	4,528,813
	Millionaire scheme (Note-17.01.04)	1,396,935	1,961,626
	Insured millionaire scheme - Individual	711,813	2,045,647
	Deposit pension scheme-Individual	2,284,215	2,145,370
	Insured deposit pension scheme-Individual	380,430	524,571
		258,541,855	240,008,027
17.01.01	Short term deposit		
	Short term deposit - Bank & NBFI	119,631,265	117,533,462
	Short term deposit - Corporate	27,570,852	27,183,152
	Short term deposit - Individual	59,883,833	50,921,076
		207,085,950	195,637,690
17.01.02	Long term deposit		
	Long term deposit - Corporate	281,792	26,433
	Long term deposit - Individual	2,188,320	930,111
		2,470,112	956,544
17.01.03	Double money deposit		
	Double money deposit - Corporate	-	1,000,033
	Double money deposit - Individual	14,105,947	13,841,447
		14,105,947	14,841,480



Meridian Finance and Investment Limited

 Notes to the Financial Statements
 For the year ended 31 December 2025

Notes	Particulars	Amount in Taka	
		01 January 2025 To 31 December 2025	01 January 2024 To 31 December 2024
17.01.04	Millionaire scheme		
	Millionaire scheme - Corporate	-	-
	Millionaire scheme - Individual	1,396,935	1,961,626
		<u>1,396,935</u>	<u>1,961,626</u>
17.02	Unsecured borrowing		
	Call borrowing	5,758,465	6,087,895
	Unsecured short term borrowing	56,333	955,644
	Interest Expense on Secured Bank Overdraft	26,872	-
	Bangladesh Bank refinancing	3,942,902	5,045,706
	Long term loan	-	-
		<u>9,784,573</u>	<u>12,089,246</u>
18.00	Income from investment		
	Capital gain on sale of marketable securities	125,037	288,042
	Dividend income (Note-18.01)	7,462,478	9,787,599
		<u>7,587,515</u>	<u>10,075,641</u>
18.01	Dividend income		
	Dividend income - Marketable securities	1,992,434	2,095,121
	Dividend income - Preference share	5,470,044	7,692,478
		<u>7,462,478</u>	<u>9,787,599</u>
19.00	Commission, exchange and brokerage income	-	-
20.00	Other operational income		
	Fees and documentation (Note-20.01)	4,223,387	5,813,073
	Income against forfeited A/C of provident fund	-	-
	Miscellaneous income	285,640	117,134
		<u>4,509,027</u>	<u>5,930,207</u>
20.01	Fees and documentation		
	<u>Corporate finance</u>		
	Lease finance	334,083	168,634
	Loan finance	934,636	707,643
		<u>1,268,720</u>	<u>876,277</u>
	<u>Consumer finance</u>		
	House finance	1,036,520	1,139,010
	Car lease	-	25,188
	Personal loan	16,971	1,393
		<u>1,053,491</u>	<u>1,165,592</u>
	<u>SME finance</u>		
	Lease finance, SMALL	179,798	381,957
	Loan finance, SMALL	1,250,582	2,771,937
	Lease finance, MID	20,509	147,706
	Loan finance, MID	450,287	469,603
		<u>1,901,176</u>	<u>3,771,204</u>
		<u>4,223,387</u>	<u>5,813,073</u>
21.00	Salary and allowances		
	Salary and allowances	66,118,336	67,825,502
	Provident fund contribution	2,595,053	2,655,649
	Gratuity fund	2,184,257	4,937,339
	Leave Encashment	426,341	770,257
	Festival bonus	5,432,821	5,475,410
		<u>76,756,808</u>	<u>81,664,156</u>
22.00	Rent, taxes, insurance, electricity etc.		
	Office rent (Note-22.01)	-	-
	Insurance	26,690	25,955
	Utilities	3,760,575	3,860,885
		<u>3,787,266</u>	<u>3,886,840</u>



Meridian Finance and Investment Limited
Notes to the Financial Statements
For the year ended 31 December 2025

Notes	Particulars	Amount in Taka	
		01 January 2025 To 31 December 2025	01 January 2024 To 31 December 2024
22.01	Disclosure related to Rent:		
	Actual rent expenses	18,391,951	16,884,363
	Less: Reclassification of rent expenses (as per IFRS 16: Leases)	18,391,951	16,884,363
	Rent expenses as reported	<u>-</u>	<u>-</u>
	Implementation of IFRS 16 has resulted in charging of depreciation against Right-of-use asset as disclosed in Annexure A and of Interest expense on lease rent, as disclosed in Note 17.		
23.00	Legal and professional fees	<u>772,647</u>	<u>296,943</u>
24.00	Postage, stamp, telecommunication etc.		
	Postage and courier	41,932	46,952
	Stamp charges	-	-
	Telephone bill	1,029,975	1,084,245
		<u>1,071,907</u>	<u>1,131,197</u>
25.00	Stationery, printing, advertisement		
	Printing and stationery	723,810	583,321
	Advertisement	125,157	162,513
		<u>848,968</u>	<u>745,834</u>
26.00	Managing Director's salary and allowance		
	Basic salary	3,300,000	3,125,000
	Allowances	3,647,592	3,614,330
	Festival bonus	550,000	500,000
	Provident fund contribution	-	-
		<u>7,497,592</u>	<u>7,239,330</u>
27.00	Directors' fees	<u>598,000</u>	<u>500,500</u>
28.00	Auditors' fees	<u>368,000</u>	<u>368,000</u>
29.00	Depreciation and repair of Company's assets		
	Repairs and maintenance	128,102	437,294
	Depreciation & amortization	15,259,688	13,862,211
		<u>15,387,790</u>	<u>14,299,505</u>
30.00	Other expenses		
	Training expense	38,683	64,831
	Renewal & registration fees	614,893	620,288
	Employee engagement program	619,770	324,938
	Conveyance	1,424,387	1,210,239
	Travelling	245,478	305,845
	Business development expense	170,795	251,857
	Internet and e-mail	381,180	373,966
	Computer accessories	95,751	145,752
	Fuel expense	536,020	554,030
	Vehicle maintenance/Registration	2,202,111	2,065,678
	Office maintenance	1,193,250	1,174,840
	Entertainment	233,322	397,626
	Bank charges	229,600	132,505
	Excise duty	325,000	283,000
	CDBL & CIB fee	3,049	1,396
	Branding	11,316	34,500
	Security guard services	1,236,270	1,223,460
	Recruitment expenses	60,570	84,405
	NID verification fee	174,356	12,883
	Sales incentives	1,312,508	1,090,642
	Meeting expense	141,877	66,394
	Books and periodicals	2,860	1,930
	AGM expenses	-	-
	Loss on disposal of fixed assets	-	-
		<u>11,253,046</u>	<u>10,421,006</u>



Meridian Finance and Investment Limited
Notes to the Financial Statements
For the year ended 31 December 2025

Notes	Particulars	Amount in Taka	
		01 January 2025 To 31 December 2025	01 January 2024 To 31 December 2024
31.00	Provisions for leases, loans & investments		
	Provision for leases, loans and advances	88,816,538	292,593,810
	General provision	(19,299,786)	(56,144,726)
	Special general provision for COVID-19	-	-
	Specific provision	108,116,323	348,738,537
	Provision for diminution in value of investments	1,886,538	7,906,606
	Other provisions	3,916,454	312,909,984
		94,619,529	613,410,400
32.00	Provision for taxation		
	Current tax expense/ (income) (Note-32.01)	2,004,758	1,986,324
	Deferred tax expense/ (income) (Note - 32.02)	27,257	1,113,472
		2,032,015	3,099,796
32.01	Current tax expense/ (income)		
	Current tax expense/ (income) for the year	2,004,758	1,986,324
	Revised tax expense/ (income) for previous year (Note - 32.01.01)	-	-
		2,004,758	1,986,324
32.01.01	Revised tax expense/ (income) of previous years		
	Tax provisions made	-	-
	Assessed tax	-	-
	Revised tax expense/ (income)	-	-
32.02	Deferred tax expense / (income)		

Particulars	31-Dec-25	31-Dec-24	Tax Expense/ (Income)
Deferred tax liability	-	-	-
Deferred tax assets	10,591,650	10,618,906	27,257
Deferred tax expense/ (income)			27,257



Meridian Finance and Investment Limited

Notes to the Financial Statements
For the year ended 31 December 2025

33.00 Related party transactions

The Company has entered into transaction with related entities in normal course of business that fall within the definition of related party as per International Accounting Standard (IAS) 24: "Related Party Disclosures." Transactions with related parties are executed on the same terms, including interest rate and collateral, as those prevailing at the time for comparable transactions with other customers of similar credentials and do not involve more than a normal risk.

Details of transactions with related parties and balances during were as follows:

Sl No.	Name of the Related Party	Transaction nature	Relationship	Balance as at 01 Jan 2025	Addition during the year	Adjustment during the year	Balance as at 31 Dec 2025
1	Disari Industries (Pvt) Ltd.	Term deposit	Shareholder	25,298,484	18,600,000	7,656,951	36,241,533
2	MNR Sweaters Ltd.	Term deposit	Shareholder	-	10,000,000	-	10,000,000
3	Toma Construction & Co. Ltd.	Term deposit	Shareholder	25,744,022	-	25,744,022	-
4	Kazi M Aminul Islam	Term deposit	Chairman	11,163,481	1,054,207	-	12,217,688
5	Naima Chowdhury	Term deposit	Shareholder	14,841,080	1,245,045	-	16,086,125
6	Farzana Hossain	Term deposit	Director	18,744,179	7,392,443	3,152,220	22,984,401
7	Rezaul Hossain	Term deposit	Director Concern	1,610,953	-	505,957	1,104,996
8	Disari Industries (Pvt) Ltd.	Loan Against Deposit	Director Concern	6,546,069	-	6,546,069	-
9	Rising Fashions Ltd.	Term deposit	Director Concern	-	20,000,000	-	20,000,000
10	Meridian Finance & Investment Limited Employees' Provident Fund	Term deposit	PF Fund of Meridian Finance & Investment Limited	17,399,262	7,434,024	2,183,520	22,649,766
Total				121,347,529	65,725,719	45,788,739	141,284,508

34.00 Employees' details

No. of employee received BDT 10,000 per month

No. of employee received more than BDT 10,000 per month

-	-
99	109
<u>99</u>	<u>109</u>

35.00 Disclosure of Audit Committee

A. Particulars of audit committee

The Audit Committee of the Board was duly constituted by the Board of Directors of the Company in accordance with the Bangladesh Bank's DFIM circular # 13, dated: October 26, 2011.

The Audit Committee of the Board of Directors consisted of the following members of the Board:

Name	Status at the Company	Status at the Committee
Mr. Kamal Uddin	Director (Representative of Diganta Sweaters Ltd.)	Chairman
Mr. Mahmud Hasan Khan	Director (Representative of Raising Fashions Ltd.)	Vice-Chairman
Mr. Abul Kalam Azad	Director (Representative of Matrix Sweaters Ltd.)	Member

B. Meeting held by the committee during the year by date

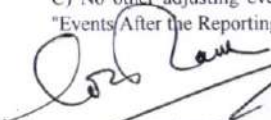
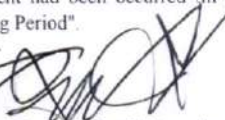

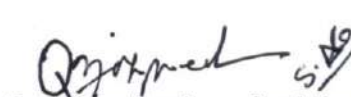
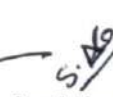
Meeting No.	Held on
38th Meeting	12 March 2025
39th Meeting	30 June 2025
40th Meeting	20 August 2025
41th Meeting	28 December 2025

36.00 Events after the Reporting Period

A) The board of directors in its 116th meeting held on 15 June 2026 approved the financial statements and authorized the same for issue.

B) The board of directors in its 116th Meeting held on 15 June 2026 recommended no dividend based on financial performance for the year ended 31 December 2025. This will be considered for approval by the shareholders at the 12th Annual General Meeting (AGM).

C) No other adjusting event had been occurred till date of signing the financial statements which recognize adjustment under IAS -10 "Events After the Reporting Period".

Kazi M Aminul Islam Chairman
Joarder Israil Hossain Independent Director
Abul Kalam Azad Director
Quazi Nizam Ahmed Managing Director
Sayed Ahmad Company Secretary



Meridian Finance and Investment Limited
 Schedule of Fixed Assets including land, building, furniture and fixtures
 As at 31 December 2025

Annexure-A

Amount in Taka

Particulars	C O S T				D E P R E C I A T I O N				Written down value as at 31.12.2025
	Balance as at 01.01.2025	Addition during the year	Adjustment / (disposal) the year	Balance as at 31.12.2025	Rate (%)	Balance as at 01.01.2025	Charged during the year	Adjustment / (disposal) the year	
Freehold assets									
Furniture & fixture	7,729,665	16,649	-	7,746,314	16.67%	7,460,924	54,145	-	7,515,069
Office decoration	23,279,290	-	-	23,279,290	16.67%	23,017,768	21,780	-	23,039,548
Office equipment	3,827,783	26,722	-	3,854,505	20.00%	3,716,081	23,621	-	3,739,702
IT equipment's	13,489,169	96,814	-	13,585,983	20.00%	11,912,591	172,691	-	12,085,282
Motor vehicle	6,784,000	-	-	6,784,000	20.00%	6,784,000	-	-	6,784,000
	55,109,908	140,185	-	55,250,093		52,891,364	272,237	-	53,163,600
Intangible assets									
Systems & software	7,359,084	-	-	7,359,084	50.00%	7,319,109	34,627	-	7,353,736
	7,359,084	-	-	7,359,084		7,319,109	34,627	-	7,353,736
Lease hold assets									
Right of use of assets	107,526,441	-	-	107,526,441	-	56,301,598	14,952,825	-	71,254,423
Total as at 31 December 2025	169,995,432	140,185	-	170,135,617		116,512,070	15,259,688	-	131,771,759
Total as at 31 December 2024	128,443,158	42,575,873	(1,023,599)	169,995,432		103,673,398	13,862,211	(1,023,538)	116,512,070
									53,483,362



Meridian Finance and Investment Limited
Financial highlights
As at 31 December 2025

Annexure - B

Amount in Taka (mn)

SI No.	Key Indicators	2025	2024
1	Paid-up capital	1,200.00	1,200.00
2	Total eligible capital	(622.52)	(358.04)
3	Capital surplus/(shortfall)	(766.75)	(558.15)
4	Total assets	3,894.97	4,191.59
5	Total deposits	2,262.71	2,322.35
6	Total loans, advances and leases	2,876.27	3,157.85
7	Total contingent liabilities and commitments	-	-
8	Credit deposit ratio	1.27	1.36
9	Percentage of classified loans against total loan & advance	69.69%	57.15%
10	Profit after tax and provision	(292.64)	(726.72)
11	Amount of classified loans during current year	2,004.38	1,804.68
12	Provisions kept against classified loans	1,168.55	1,060.44
13	Provision surplus/(shortfall) against classified loan	-	(34.08)
14	Cost of fund	11.27%	10.21%
15	Interest earnings assets	3,686.10	3,823.76
16	Non-interest earnings assets	208.87	367.83
17	Return on investment (ROI)	-47.01%	-202.97%
18	Return on assets (ROA)	-7.51%	-17.34%
19	Income from investment	7.59	10.08
20	Earnings Per Share (EPS)	(2.44)	(6.06)
21	Market price per share	N/A	N/A
22	Price Earnings (P/E) ratio	N/A	N/A

