

Un-audited Financial Statements Of Mercantile Bank PLC.

For the period ended 31 March 2026

Office of the CFO, Head Office
61, Dilkusha Commercial Area, Dhaka – 1000, Bangladesh

Mercantile Bank PLC. and its Subsidiaries
Un-audited Consolidated Balance Sheet
As at 31 March 2026

	Amount in BDT	
	Mar-26	Dec-25
PROPERTY AND ASSETS		
Cash	22,312,496,359	29,094,583,277
Cash in hand (Including foreign currency)	4,506,978,544	4,163,713,148
Balance with Bangladesh Bank & its agent bank(s) (including foreign currency)	17,805,517,815	24,930,870,128
Balance with other banks and financial institutions	8,672,087,408	15,862,147,900
In Bangladesh	493,983,211	1,886,715,135
Outside Bangladesh	8,178,104,197	13,975,432,766
Money at call on short notice	248,100,000	3,471,054,000
Investments	133,485,365,313	129,888,387,555
Government	123,382,649,765	119,757,554,460
Others	10,102,715,548	10,130,833,094
Loans and Advances/investments	292,942,954,467	290,104,557,208
Loans, Cash Credit, Overdraft etc/investments	284,716,907,524	282,337,558,784
Bills purchased and discounted	8,226,046,943	7,766,998,424
Fixed assets including premises, furniture and fixtures	3,188,982,700	3,244,604,924
Other assets	10,239,505,970	8,301,354,587
Non- banking assets	1,010,150,332	1,010,150,332
Total Assets	472,099,642,548	480,976,839,782
LIABILITIES AND CAPITAL		
Liabilities		
Borrowings from other banks, financial institutions and agents	14,328,410,228	14,967,172,991
Mercantile Bank Perpetual Bond	3,630,000,000	3,630,000,000
Deposits and other Accounts	369,375,633,972	379,758,048,424
Current/ Al-wadeeah current accounts and other accounts	109,059,489,072	107,682,411,328
Bills Payable	3,166,451,534	3,122,006,246
Savings Bank/Mudaraba savings bank deposits	42,584,959,554	41,152,368,733
Fixed deposits/Mudaraba fixed deposits	124,429,819,623	143,333,705,572
Deposit under schemes/Mudaraba deposit schemes	90,134,914,187	84,467,556,545
Other Liabilities	57,401,032,337	55,672,894,863
Total Liabilities	444,735,076,536	454,028,116,279
Capital/Shareholders' Equity	27,251,887,321	26,837,922,222
Paid up Capital	11,065,754,350	11,065,754,350
Statutory Reserve	11,144,395,497	11,041,529,482
General Reserve	2,480,000,000	2,480,000,000
Other Reserve	1,606,134,321	1,423,252,689
Foreign currency translation gain/(loss)	17,267,040	17,095,140
Surplus in Profit & Loss Account	938,336,113	810,290,560
Non Controlling Interest	112,678,690	110,801,282
Total Shareholders' Equity	27,364,566,012	26,948,723,504
Total Liabilities & Shareholders' Equity	472,099,642,548	480,976,839,782

Un-audited Consolidated Balance Sheet
As at 31 March 2026

	Amount in BDT	
	Mar-26	Dec-25
OFF-BALANCE SHEET ITEMS		
Contingent liabilities		
Acceptances and Endorsements	54,232,867,952	55,580,552,033
Letters of Guarantee	20,037,796,309	19,247,512,905
Irrevocable Letters of Credit	107,476,630,915	98,339,091,366
Bills for Collection	9,805,674,918	11,007,287,618
Other Contingent Liabilities	-	-
Total	191,552,970,093	184,174,443,922
Other commitments		
Documentary credits and short term trade related transactions	-	-
Forward assets purchased and forward deposits placed	2,940,202	-
Undrawn note issuance and revolving underwriting facilities	-	-
Undrawn formal standby facilities, credit lines and other commitments	-	-
Total	2,940,202	-
Total Off-Balance Sheet Items including contingent liabilities	191,555,910,295	184,174,443,922

Net Asset Value Per Share (NAVPS)

24.73

24.35


Company Secretary


Chief Financial Officer


Managing Director


Director


Chairman

Dhaka

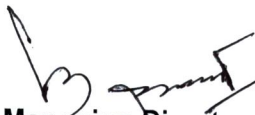
Date: 12 May 2026


Mercantile Bank PLC. and its Subsidiaries
Un-audited Consolidated Profit & Loss Account
For the year ended 31 March 2026

	Amount in BDT	
	Jan-26 to Mar-26	Jan-25 to Mar-25
Interest income/Profit on investment	6,783,620,422	6,923,880,037
Interest/Profit Paid on deposits, borrowings etc.	6,679,973,736	6,781,905,966
Net interest income	103,646,686	141,974,072
Investment income	2,176,195,049	2,770,052,810
Commission, exchange and brokerage	510,041,539	960,247,012
Other operating income	265,665,959	300,320,239
	2,951,902,547	4,030,620,061
Total operating income	3,055,549,233	4,172,594,132
Salaries and allowances	1,096,771,736	957,308,160
Rent, taxes, insurances, electricity etc.	203,298,860	174,365,143
Legal expenses	16,729,474	11,840,211
Postage, stamps, telecommunication etc.	18,765,532	18,140,975
Stationery, Printings, Advertisements etc.	152,895,094	251,391,137
Chief Executive's salary and fees	4,925,000	4,925,000
Directors' fees	966,000	1,588,000
Auditors' fees	202,796	169,025
Depreciation and repair of bank's assets	164,796,960	202,730,291
Other expenses	374,863,736	872,679,697
Total operating expenses	2,034,215,188	2,495,137,639
Profit/(Loss) before provision	1,021,334,045	1,677,456,493
Provision for loans and advances/investments including Off Balance Sheet items	488,165,815	326,602,542
Provision for diminution in value of investments in shares	3,000,000	5,000,000
Other provision	-	11,731,177
Total provision	491,165,815	343,333,719
Total Profit/(Loss) before Taxes	530,168,230	1,334,122,774
Provision for Current Tax	215,785,215	423,753,342
Provision for Deferred Tax	(10,908,310)	(17,108,762)
	204,876,905	406,644,580
Net Profit after Taxation	325,291,325	927,478,194
Appropriations		
Statutory Reserve	102,866,015	261,942,001
Startup Fund	3,143,301	9,097,100
General Reserve	-	-
Other Reserve	-	-
Coupan Interest on MBL Perpetual Bond	90,750,002	90,750,000
	196,759,318	361,789,102
Retained surplus	128,532,007	565,689,091
Net profit after Tax attributable to:		
Equity holders of Mercantile Bank Ltd.	126,654,598	564,614,636
Non Controlling Interest	1,877,408	1,074,455
	128,532,007	565,689,091
Earnings Per Share (EPS)	0.29	0.84


Company Secretary


Chief Financial Officer


Managing Director


Director


Chairman

Dhaka
Date: 12 May 2026

Mercantile Bank PLC. and its Subsidiaries
Un-audited Consolidated Cash Flow Statement
For the year ended 31 March 2026

	Amount in BDT	
	Jan-26 to Mar-26	Jan-25 to Mar-25
A) Cash flows from operating activities	10,247,123,701	3,290,767,983
Interest received	3,367,746,893	6,254,989,168
Interest paid	8,409,127,018	(2,139,320,855)
Dividends receipts	(3,513,270)	5,441,244
Fees and commission received	385,398,398	483,809,122
Recoveries on loans previously written off	4,887,158	5,726,230
Payment to the employees	(1,096,771,736)	(957,308,160)
Payment to suppliers	(152,895,094)	(251,391,137)
Income taxes paid	(666,855,666)	(111,177,628)
Received from other operating activities	2,474,202,105	3,439,503,664
Exchange gain	124,643,141	476,437,890
Other operating income	2,349,558,965	2,963,065,774
Payment for other operating activities	(766,344,189)	(1,377,597,008)
Rent, taxes, insurances and electricity	(64,613,315)	(45,685,844)
Legal expenses	(16,729,474)	(11,840,211)
Postage, stamps and telecommunication	(18,535,385)	(17,102,700)
Auditors' fees	1,982,204	2,015,975
Repair and maintenance	(31,679,289)	(42,126,640)
Chief Executive's salary and fees	(4,925,000)	(4,925,000)
Directors' fees	(966,000)	(1,588,000)
Other expenses	(630,877,930)	(1,256,344,589)
Operating profit before changes in operating assets & liabilities	11,954,981,617	5,352,674,639
(Increase)/ decrease in operating assets and liabilities	(6,463,492,564)	(11,742,643,757)
Trading securities	(3,625,095,305)	(7,474,833,414)
Loans and advances to other banks	-	-
Loans and advances to customer	(2,838,397,260)	(4,267,810,344)
Other assets (Item-wise)	(1,938,151,382)	(150,998,236)
Income generating other assets:		
Investment in shares of subsidiary companies		
Investment in Shares of subsidiary company (In Bangladesh) Mercantile Bank Securities Limited	(2,834,817)	(5,587,725)
Investment in Shares of subsidiary company (In Bangladesh) MBL Asset Management Limited	1,105,612	(3,617,439)
Investment in Shares of subsidiary company (outside Bangladesh) Mercantile Exchange House (UK) Limited	248,023	(514,486)
Mercantile Bank OBU Unit		294,982
Islamic-Conv. Adjustment Account		(77,614)
Non-income generating other assets:		
Stationery, stamps, printing materials in stock etc	(209,200)	(168,076)
Advance rent and advertisement	124,915,966	116,847,788
Interest accrued on investment but not collected, commission and brokerage receivable on shares and debenture and other income receivable	338,163,629	(390,792,710)
Security deposit	46,325	-
Preliminary, formation and organization expenses, renovation/development expenses and prepaid expenses	(221,644,222)	(374,530,928)
Branch adjustment	-	-
Inter Branch Settlement Account	(2,127,444,952)	131,022,765
Suspense Account	(90,291,706)	305,759,297
Right Of Use (ROU) Assets as per IFRS-16	39,793,958	70,365,910
	(20,779,250,037)	8,350,986,586
Deposit from other banks	(638,762,763)	2,921,303,663
Deposit from customers	(10,382,414,452)	(4,995,366,158)
Other liabilities	(9,758,072,822)	10,425,049,081
Net cash flows from operating activities	(17,225,912,367)	1,810,019,233


**Un-audited Consolidated Cash Flow Statement
For the year ended 31 March 2026**

	Amount in BDT	
	Jan-26 to Mar-26	Jan-25 to Mar-25
B) Cash flows from investing activities		
Brokerage House customer account	-	-
(Purchase)/ sale of property, plant and equipment	(37,631,756)	(67,663,811)
(Purchase)/sale of shares	44,992,809	(783,891)
(Purchase)/sale of bond	-	-
Other investment	-	(10,616,690,972)
Net cash flows from investing activities	7,361,053	(10,685,138,675)
C) Cash flows from financing activities		
Receipts from issue of loan capital and debt Securities	-	-
Payments for redemption of loan capital and debt securities	-	-
Paid for Interest on Subordinated bond	-	(5,293,242)
Received by issue of right share	-	-
Dividend paid	-	-
Net cash flows from financing activities	-	(5,293,242)
Net increase/(decrease) in cash & cash equivalent (A+B+C)	(17,218,551,314)	(8,880,412,685)
Effects of Exchange rate changes on cash and cash equivalents	24,267,403	20,993,769
Cash and cash equivalent at beginning of the year	48,434,156,977	42,308,425,872
Cash and cash equivalent at the end of the period	31,239,873,067	33,449,006,956
** Net Operating Cash Flow Per Share (NOCFPS)	(15.57)	1.64
Cash and cash equivalents at the end of the period		
Cash in hand (Including foreign currencies)	4,506,978,544	3,216,419,775
Balance with Bangladesh Bank & its agent bank(s) (including foreign currencies)	17,805,517,815	16,101,352,612
Balance with other banks and financial institutions	8,672,087,408	4,866,628,969
Prize Bonds	7,189,300	6,505,600
Money at call on short notice	248,100,000	9,258,100,000
	31,239,873,067	33,449,006,956

**** Net Operating Cash Flow Per Share (NOCFPS) has decreased compared to the previous period due to a decrease in Net Cash flows from operating activities.**


Company Secretary


Chief Financial Officer


Managing Director


Director


Chairman

Dhaka

Date: 12 May 2026

Mercantile Bank PLC. and its Subsidiaries
Un-audited Consolidated Statement of Changes in Equity
For the year ended 31 March 2026

Particulars	Amount in BDT										
	Paid-up Capital A	Statutory Reserve B	General reserve C	Foreign currency translation gain/(loss) D	Other Reserve			Surplus Profit/(loss) I	Total J=(A+B+C+D+H+I)	Non Controlling Interest K	Grand Total L=(J+K)
					Dividend Equalization Fund E	Adjustment for Approved Securities F	Revaluation Surplus for Fixed Assets/Other G				
Balance as at 1 January 2026	11,065,754,350	11,041,529,482	2,480,000,000	17,095,140	45,680,250	690,719,542	686,852,897	1,423,252,689	810,290,560	110,801,282	26,948,723,504
Changes in accounting policy	-	-	-	-	-	-	-	-	-	-	-
Statutory reserve	-	102,866,015	-	-	-	-	-	-	(102,866,015)	-	-
Coupon Interest on MBL Perpetual Bond	-	-	-	-	-	-	-	-	(90,750,002)	-	(90,750,002)
Startup Fund	-	-	-	-	-	-	-	-	(3,143,301)	-	(3,143,301)
General reserve	-	-	-	-	-	-	-	-	-	-	-
Market adjustment of approved securities (HTM)	-	-	-	-	-	182,881,632	43,240,942	226,122,574	-	-	226,122,574
Surplus/deficit on account of revaluation/Reserve of properties/others	-	-	-	-	-	-	(43,240,942)	(43,240,942)	-	-	(43,240,942)
Surplus/deficit on account of revaluation of investments	-	-	-	-	-	-	-	-	-	-	-
Currency translation difference	-	-	-	171,900	-	-	-	-	(486,454)	-	(314,554)
Net gains and losses not recognised in Income Statement	-	-	-	-	-	-	-	-	-	-	-
Net profit for the period after taxation/Transfer	-	-	-	-	-	-	-	-	325,291,325	1,877,408	327,168,733
issuance of bonus shares	-	-	-	-	-	-	-	-	-	-	-
Bonus share premium	-	-	-	-	-	-	-	-	-	-	-
Cash dividend	-	-	-	-	-	-	-	-	-	-	-
Dividend equalization fund	-	-	-	-	-	-	-	-	-	-	-
Non controlling share capital/profit issue of right share	-	-	-	-	-	-	-	-	-	-	-
Balance as at 30.03.2026	11,065,754,350	11,144,395,497	2,480,000,000	17,267,040	45,680,250	873,601,174	686,852,897	1,606,134,321	938,336,113	112,678,690	27,364,566,012
Balance as at 31.03.2025	11,065,754,350	10,929,497,338	2,480,000,000	16,846,392	45,680,250	790,754,016	686,261,417	1,522,695,663	915,356,760	108,189,338	27,038,341,861


Company Secretary


Managing Director


Chief Financial Officer


Director


Chairman

Mercantile Bank PLC. and its Subsidiaries
Un-audited Consolidated Liquidity Statement
Asset and Liability Maturity Analysis
As at 31 March 2026

Particulars	Amount in BDT					
	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	More than 5 years	Total
Assets:						
Cash in hand	4,506,843,508	3,724,640,815	135,036	-	14,080,877,000	22,312,496,359
Balance with other banks and financial institutions	9,729,635	252,417,722	8,409,940,051	-	-	8,672,087,408
Money at call on short notice	248,100,000	-	-	-	-	248,100,000
Investments	207,189,300	4,844,552,924	21,770,745,343	48,496,489,476	58,166,388,269	133,485,365,313
Loans and advances/investments	61,739,092,767	21,766,733,727	56,702,273,657	81,240,797,090	71,494,057,227	292,942,954,467
Fixed assets including premises, furniture and fixtures	-	-	390,476,378	2,798,506,322	-	3,188,982,700
Other assets	4,802,042,666	2,166,051,539	2,472,709,272	79,799,896	718,902,597	10,239,505,970
Non-banking assets Land	-	-	-	-	1,010,150,332	1,010,150,332
Total Assets	71,512,997,875	32,754,396,727	89,746,279,738	132,615,592,784	145,470,375,425	472,099,642,548
Liabilities:						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	2,100,000,000	-	12,228,410,228	-	-	14,328,410,228
Deposits (Conventional and Islamic banking)	61,234,776,442	26,859,684,165	44,465,365,783	94,755,377,253	138,893,978,795	366,209,182,437
Other accounts	3,166,451,534	-	-	-	-	3,166,451,534
Non-convertible Subordinated Bond	-	-	-	-	-	-
Mercantile Bank Perpetual Bond	-	-	-	-	3,630,000,000	3,630,000,000
Provision and other liabilities	-	202,923,165	22,921,051,281	34,277,057,890	-	57,401,032,337
Total Liabilities	66,501,227,976	27,062,607,330	79,614,827,292	129,032,435,143	142,523,978,795	444,735,076,536
Net Liquidity Gap	5,011,769,899	5,691,789,397	10,131,452,446	3,583,157,640	2,946,396,630	27,364,566,012

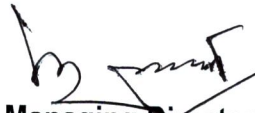
Mercantile Bank PLC.
Un-audited Balance Sheet
As at 31 March 2026


	Amount in BDT	
	Mar-26	Dec-25
PROPERTY AND ASSETS		
Cash	22,312,361,323	29,094,536,109
Cash in hand (Including foreign currencies)	4,506,843,508	4,163,665,980
Balance with Bangladesh Bank & its agent bank(s) (including foreign currencies)	17,805,517,815	24,930,870,128
Balance with other banks and financial institutions	8,622,734,851	15,799,296,237
In Bangladesh	466,426,349	1,859,240,158
Outside Bangladesh	8,156,308,501	13,940,056,079
Money at call on short notice	248,100,000	3,471,054,000
Investments	131,433,688,232	127,853,585,736
Government	123,382,649,765	119,757,554,460
Others	8,051,038,467	8,096,031,276
Loans and Advances/investments	288,804,150,765	285,935,574,074
Loans, Cash Credit, Overdra't etc/investments	280,578,103,822	278,168,575,650
Bills purchased and discounted	8,226,046,943	7,766,998,424
Fixed assets including premises, furniture and fixtures	3,075,920,985	3,131,089,404
Other assets	13,527,844,284	11,592,242,363
Non- banking assets	1,010,150,332	1,010,150,332
Total Assets	469,034,950,771	477,887,528,253
LIABILITIES AND CAPITAL		
Liabilities		
Borrowings from other banks, financial institutions and agents	13,811,784,190	14,427,279,690
Mercantile Bank Perpetual Bond	3,630,000,000	3,630,000,000
Deposits and other Accounts	369,407,982,329	379,787,527,443
Current/ Al-wadeeah current accounts and other accounts	109,091,837,431	107,711,890,347
Bills Payable	3,166,451,534	3,122,006,246
Savings Bank/Mudaraba savings bank deposits	42,584,959,554	41,152,368,733
Fixed deposits/Mudaraba fixed deposits	124,429,819,623	143,333,705,572
Deposit under schemes/Mudaraba deposit schemes	90,134,914,187	84,467,556,545
Other Liabilities	55,316,288,696	53,577,315,869
Total Liabilities	442,166,055,215	451,422,123,002
Capital/Shareholders' Equity		
Paid up capital	11,065,754,350	11,065,754,350
Statutory reserve	11,144,395,497	11,041,529,482
General reserve	2,480,000,000	2,480,000,000
Other reserve	1,562,893,379	1,380,011,747
Foreign currency translation gain/(loss)	17,267,040	17,095,140
Surplus in Profit & Loss Account	598,585,290	481,014,532
Total shareholders' Equity	26,868,895,556	26,465,405,251
Total Liabilities & Shareholders' Equity	469,034,950,771	477,887,528,253

Un-audited Balance Sheet
As at 31 March 2026

	Amount in BDT	
	Mar-26	Dec-25
OFF-BALANCE SHEET ITEMS		
Contingent liabilities		
Acceptances and Endorsements	54,232,867,952	55,580,552,033
Letters of Guarantee	20,037,796,309	19,247,512,905
Irrevocable Letters of Credit	107,476,630,915	98,339,091,366
Bills for Collection	9,805,674,918	11,007,287,618
Other Contingent Liabilities	-	-
Total	191,552,970,093	184,174,443,922
Other commitments		
Documentary credits and short term trade related transactions	-	-
Forward assets purchased and forward deposits placed	2,940,202	-
Undrawn note issuance and revolving underwriting facilities	-	-
Undrawn formal standby facilities, credit lines and other commitments	-	-
Total	2,940,202	-
Total Off-Balance Sheet items including contingent liabilities	191,555,910,295	184,174,443,922
Net Asset Value Per Share (NAVPS)	24.28	23.92


Company Secretary


Managing Director


Chief Financial Officer


Director


Chairman

Dhaka
Date: 12 May 2026


Mercantile Bank PLC.
Un-audited Profit and Loss Account
For the year ended 31 March 2026

	Amount in BDT	
	Jan-26 to Mar-26	Jan-25 to Mar-25
Interest income/Profit on investment	6,747,643,988	6,879,943,157
Interest/Profit Paid on deposits, borrowings etc.	6,656,018,201	6,755,858,516
Net interest income	91,625,787	124,084,641
Investment income	2,169,344,358	2,759,418,790
Commission, exchange and brokerage	473,525,131	916,441,322
Other operating income	263,754,552	298,294,477
Total operating income	2,906,624,041	3,974,154,590
	2,998,249,829	4,098,239,231
Salaries and allowances	1,079,963,931	938,459,838
Rent, taxes, insurances, electricity etc.	198,550,255	169,901,951
Legal expenses	16,375,268	11,417,003
Postage, stamps, telecommunication etc.	18,344,014	17,670,863
Stationery, Printings, Advertisements etc.	152,537,696	251,127,833
Chief Executive's Salary and fees	4,925,000	4,925,000
Directors' fees	885,500	1,467,000
Auditors' fees	-	-
Depreciation and repair of bank's assets	164,015,533	201,656,669
Other expenses	365,852,217	864,404,926
Total operating expenses	2,001,449,415	2,461,031,083
Profit/(Loss) before provision	996,800,414	1,637,208,148
Provision for loans and advances/investments including Off Balance Sheet items	482,470,338	315,766,964
Provision for diminution in value of investments in shares	-	-
Other provision	-	11,731,177
Total provision	482,470,338	327,498,141
Total profit/(Loss) before taxes	514,330,076	1,309,710,007
Provision for Current Tax	211,522,553	417,093,469
Provision for Deferred Tax	(11,522,553)	(17,093,469)
	200,000,000	400,000,000
Net profit after taxation	314,330,076	909,710,007
Appropriations		
Statutory reserve	102,866,015	261,942,001
Startup Fund	3,143,301	9,097,100
General reserve	-	-
Coupan Interest on MBL Perpetual Bond	90,750,002	90,750,000
	196,759,318	361,789,102
Retained surplus	117,570,758	547,920,906
Earnings per share (EPS)	0.28	0.82


Company Secretary


Chief Financial Officer


Managing Director


Director


Chairman

Dhaka

Date: 12 May 2026

Mercantile Bank PLC.
Un-audited Cash Flow Statement
For the year ended 31 March 2026

	Amount in BDT	
	Jan-26 to Mar-26	Jan-25 to Mar-25
A) Cash flows from operating activities	10,191,484,193	3,227,190,721
Interest received	3,331,770,460	6,211,052,288
Interest paid	8,433,082,553	(2,113,273,405)
Dividends receipts	(3,513,270)	5,441,244
Fees and commission received	324,614,586	419,009,663
Recoveries on loans previously written off	4,887,158	5,726,230
Payment to the employees	(1,079,963,931)	(938,459,838)
Payment to suppliers	(152,537,696)	(251,127,833)
Income taxes paid	(668,855,666)	(111,177,628)
Received from other operating activities	2,465,754,562	3,427,918,341
Exchange gain	124,957,695	477,512,347
Other operating income	2,340,796,867	2,950,405,993
Payment for other operating activities	(751,525,045)	(1,363,675,701)
Rent, taxes, insurances and electricity	(59,864,710)	(41,222,653)
Legal expenses	(16,375,268)	(11,417,003)
Postage, stamps and telecommunication	(18,113,867)	(16,632,588)
Auditors' fees	2,185,000	2,185,000
Repair and maintenance	(31,679,289)	(42,126,640)
Chief Executive's Salary and fees	(4,925,000)	(4,925,000)
Directors' fees	(885,500)	(1,467,000)
Other expenses	(621,866,411)	(1,248,069,818)
Operating profit before changes in operating assets and liabilities	11,905,713,710	5,291,433,360
(Increase)/ decrease in operating assets and liabilities	(6,493,671,996)	(11,729,177,797)
Trading securities	(3,625,095,305)	(7,474,833,414)
Loans and advances to other banks	-	-
Loans and advances to customers	(2,868,576,692)	(4,254,344,384)
Other assets (Item-wise)	(1,935,601,921)	(143,494,570)
Income generating other assets:		
Investment in shares of subsidiary companies		
Investment in Shares of subsidiary company (In Bangladesh) Mercantile Bank Securities Ltd.	-	-
Investment in Shares of subsidiary company (In Bangladesh) MBL Asset Management Ltd.	-	-
Investment in Shares of subsidiary company (outside Bangladesh) Mercantile Exchange House (UK) Ltd.	1,068,280	(2,215,984)
Mercantile Bank OBU Unit		294,982
Islamic-Conv. Adjustment Account		(77,614)
Non-income generating other assets:		
Stationery, stamps, printing materials in stock etc	(209,200)	(168,076)
Advance rent and advertisement	124,915,966	116,847,788
Interest accrued on investment but not collected, commission and brokerage receivable on shares and debenture and other income receivable	338,163,629	(390,792,710)
Security deposit	46,325	-
Preliminary, formation and organization expenses, renovation/development expenses and prepaid expenses	(221,644,222)	(374,530,928)
Branch adjustment	-	-
Inter Branch Settlement Account	(2,127,444,952)	131,022,765
Suspense Account	(90,291,706)	305,759,297
Right Of Use (ROU) Assets as per IFRS-16	39,793,958	70,365,910
	(20,687,653,686)	8,383,416,277
Deposit from other banks	(615,495,500)	2,944,101,290
Deposit from customers	(10,379,545,114)	(5,034,470,859)
Other liabilities	(9,692,613,072)	10,473,785,845
Net Cash flows from operating activities	(17,211,213,893)	1,802,177,270

**Un-audited Cash Flow Statement
For the year ended 31 March 2026**

Notes	Amount in BDT	
	Jan-26 to Mar-26	Jan-25 to Mar-25
B) Cash flows from investing activities		
(Purchase)/sale of property, plant and equipment	(38,604,436)	(69,511,076)
(Purchase)/sale of shares	44,992,809	(783,891)
Purchase/sale of bond	-	-
Other investment activities	-	(10,616,690,972)
Net cash flows from investing activities	6,388,373	(10,686,985,940)
C) Cash flows from financing activities		
Receipts from Issue of loan capital and debt securities	-	-
Payments for redemption of loan capital and debt securities	-	-
Paid for Interest on Subordinated bond	-	(5,293,242)
Received by issue of right share	-	-
Dividend paid	-	-
Net cash flows from financing activities	-	(5,293,242)
Net increase/(decrease) in cash & cash equivalent (A+B+C)	(17,204,825,520)	(8,890,101,912)
Effects of Exchange rate changes on cash and cash equivalents	23,952,849	19,919,312
Cash and cash equivalent at the beginning of the year	48,371,258,145	42,260,828,946
Cash and cash equivalent at the end of the period	31,190,385,473	33,390,646,345
** Net Operating Cash Flow Per Share (NOCFPS)	(15.55)	1.63
Cash and cash equivalents at end of the period		
Cash in hand (Including foreign currencies)	4,506,843,508	3,215,803,625
Balance with Bangladesh Bank & its agent bank(s) (including foreign currencies)	17,805,517,815	16,101,352,612
Balance with other banks and financial institutions	8,622,734,851	4,808,884,507
Prize Bonds	7,189,300	6,505,600
Money at call on short notice	248,100,000	9,258,100,000
	31,190,385,473	33,390,646,345

** Net Operating Cash Flow Per Share (NOCFPS) has decreased compared to the previous period due to a decrease in Net Cash flows from operating activities.


Company Secretary


Chief Financial Officer


Managing Director


Director


Chairman

Dhaka
Date: 12 May 2026

Mercantile Bank PLC.
Un-audited Statement of Changes in Equity
For the year ended 31 March 2026

Particulars	Paid-up capital A	Statutory reserve B	General reserve C	Foreign currency translation gain/(loss) D	Other reserve			Net balance of other reserve H=E+F+G	Surplus profit/(loss)	Total J=A+B+C+D+H+I
					Dividend Equalization Fund E	Adjustment for Approved Securities F	Revaluation surplus for Fixed assets/Other G			
Balance as at 1 January 2026	11,065,754,350	11,041,529,482	2,480,000,000	17,095,140	45,680,250	690,719,542	643,611,955	1,380,011,747	481,014,532	26,465,405,251
Changes in accounting policy	-	-	-	-	-	-	-	-	-	-
Transfer from income of OBU	-	-	-	-	-	-	-	-	-	-
Statutory reserve	-	102,866,015	-	-	-	-	-	-	(102,866,015)	(90,750,002)
Coupon Interest on MBL Perpetual Bond	-	-	-	-	-	-	-	-	(3,143,301)	(3,143,301)
Startup Fund	-	-	-	-	-	-	-	-	-	-
General reserve	-	-	-	-	-	-	-	-	-	-
Market adjustment of approved	-	-	-	-	-	-	-	-	-	-
Surplus/deficit on account of revaluation/Reserve of properties	-	-	-	-	-	-	-	-	-	-
Surplus/deficit on account of revaluation of investments	-	-	-	-	-	182,881,632	-	182,881,632	-	182,881,632
Currency translation difference	-	-	-	171,900	-	-	-	-	-	171,900
Net gains and losses not recognised in the income statement	-	-	-	-	-	-	-	-	-	-
Net profit for the period after taxation	-	-	-	-	-	-	-	-	-	-
Transfer	-	-	-	-	-	-	-	-	-	-
Issuance of bonus share	-	-	-	-	-	-	-	-	-	-
Bonus share premium	-	-	-	-	-	-	-	-	-	-
Cash dividend	-	-	-	-	-	-	-	-	-	-
Dividend equalization fund	-	-	-	-	-	-	-	-	-	-
Issue of right share	-	-	-	-	-	-	-	-	-	-
Balance as at 30.03.2026	11,065,754,350	11,144,395,497	2,480,000,000	17,267,040	45,680,250	873,601,174	643,611,955	1,562,893,379	598,585,290	26,868,895,556
Balance as at 31.03.2025	11,065,754,350	10,929,497,338	2,480,000,000	16,846,392	45,680,250	790,754,016	643,611,955	1,480,046,221	578,037,563	26,550,181,864

Company Secretary

Director


Managing Director

Chief Financial Officer

Chairman

Dhaka

Date: 12 May 2026

Mercantile Bank PLC.
Un-audited Liquidity Statement
Asset and Liability Maturity Analysis
As at 31 March 2026

Particulars	Amount in BDT					
	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	More than 5 years	Total
Assets:						
Cash in hand	4,506,843,508	3,724,640,815	-	-	14,080,877,000	22,312,361,323
Balance with other banks and financial institutions	9,729,635	252,417,722	8,360,587,494	-	-	8,622,734,851
Money at call on short notice	248,100,000	-	-	-	-	248,100,000
Investments	207,189,300	4,844,552,924	19,719,068,262	48,496,489,476	58,166,388,269	131,433,688,232
Loans and advances/investments	61,739,092,767	21,766,733,727	52,563,469,954	81,240,797,090	71,494,057,227	288,804,150,765
Fixed assets including premises, furniture and fixtures	-	-	390,476,378	2,685,444,607	-	3,075,920,985
Other assets	4,802,042,666	2,166,051,539	2,472,709,272	79,799,896	4,007,240,911	13,527,844,284
Non-banking assets Land	-	-	-	-	1,010,150,332	1,010,150,332
Total assets	71,512,997,875	32,754,396,727	83,506,311,361	132,502,531,069	148,758,713,739	469,034,950,771
Liabilities:						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	2,100,000,000	-	11,711,784,190	-	-	13,811,784,190
Deposits (Conventional and Islamic banking)	61,234,776,442	26,859,684,165	44,497,714,140	94,755,377,253	138,893,978,795	366,241,530,795
Other accounts	3,166,451,534	-	-	-	-	3,166,451,534
Non-convertible Subordinated Bond	-	-	-	-	-	-
Mercantile Bank Perpetual Bond	-	-	-	-	3,630,000,000	3,630,000,000
Provision and other liabilities	-	202,923,165	22,921,051,281	32,192,314,250	-	55,316,288,696
Total liabilities	66,501,227,976	27,062,607,330	79,130,549,611	126,947,691,503	142,523,978,795	442,166,055,215
Net Liquidity Gap	5,011,769,899	5,691,789,397	4,375,761,750	5,554,839,566	6,234,734,944	26,868,895,556

Mercantile Bank PLC.

Notes to the Financial Statements

As at and for the year ended 31 March, 2026

1.0 Legal Status of the Bank

Mercantile Bank PLC. ("the Bank") is one of the third generation Private Commercial Banks (PCBs) incorporated in Bangladesh as a Public Company, Limited by shares under the Companies Act 1994 on 20 May, 1999 and subsequently obtained Banking operation license from Bangladesh Bank under the Bank Company Act, 1991 as amended in 2023. The bank commenced its commercial operation on 2 June, 1999. Afterward, the Bank went for public issue of shares in the year 2003 and its shares are listed with Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE). As per BRPD Circular letter # 34 dated: 27 August 2023 Mercantile Bank Limited change its Name as Mercantile Bank PLC. At present, the Bank has 153 Branches including 2 Islamic Banking Branch, 48 Sub-branches, 188 agent banking outlets, 210 own Automated Teller Machines (ATMs), 11 own Cash Recycler Machines (CRM), 2 Off-shore Banking Units (OBU), 45 Islamic Banking Windows and 2,482 employees all over Bangladesh. The Bank has 3 subsidiary companies namely Mercantile Bank Securities Ltd. (MBSL), MBL Asset Management Limited and Mercantile Exchange House (UK) Limited as on 31 March, 2026. It is to be mentioned here that MBPLC (Having 10% share holding) has obtained Letter of Intent (LOI) to start a Digital Banking Operation under consortium method in the name "Digi10 Bank PLC.". Apart, the establishment of another one subsidiary- namely MBL MyCash Limited is in the process of finalization. The registered office of the bank is situated at 61, Dilkusha C/A, Dhaka-1000, and Bangladesh.

1.1 Nature of Business Activities

MBPLC has been able to establish itself as a leading third generation private commercial bank by dint of its prudent policy guidelines coupled with proper execution, wider range of banking products and admirable customer services. The core activities of the Bank are to provide all kinds of commercial banking services including Deposits Mobilization, Corporate Banking, SME and Consumer Businesses, Discounting bills, Foreign Exchange Business, Off Shore Banking, Treasury function, Card business, Mobile Banking (MyCash), Internet Banking, Locker Service agent banking and Islamic Banking etc. MBPLC caters card services to its customers by VISA dual prepaid card, Credit Card, Debit card, VISA Medical Card, VISA International Student Card, VISA Dual Hajj Card and International/Dual cards with various up-to-date facilities. Mercantile Bank PLC. has started centralized 'MBPLC Contact Center' to provide banking services to customers' doorstep on 24/7 basis through 16225.

2. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all the period presented in these financial statements and have been applied consistently by the Bank.

2.1 Basis of Preparation of the Financial Statements

The financial statements of the Bank and its subsidiaries have been prepared for the year ended on 31 March, 2026 on a going concern basis in accordance with the First Schedule (Sec-38) of the Bank Companies Act, 1991 (as



amended up to 2018), BRPD Circular #14 dated 25 June 2003, other Bangladesh Bank circulars, International Accounting Standards (IASs) & International Financial Reporting Standards (IFRSs) adopted by Financial Reporting Council (FRC) etc.

The Bank has complied with the requirements of following laws and regulations from various Government bodies:

- I. The Bank Company Act, 1991(amendment thereon 2023).
- II. The Companies Act, 1994 and amendment thereon.
- III. Circulars, Regulations and Guidelines issued by Bangladesh Bank time to time.
- IV. Securities and Exchange Ordinance 1969, Bangladesh Securities and Exchange Rules 2020, Bangladesh Securities and Exchange Commission Act 1993, Bangladesh Securities and Exchange Commission IPO Rules 2006, Gazette Notification (No. BSEC/CMRRCD/2006-158/208/Admin/81 Dated: 20 June 2018) on Financial Reporting and Disclosure, Any other directives, Orders and Circulars issued by Bangladesh Securities and Exchange Commission (BSEC).
- V. Dhaka Stock Exchange (DSE) Listing Regulations, 2015, Chittagong Stock Exchange (CSE) (Listing) Regulations, 2015 and Central depository Bangladesh Limited (CDBL) rules & regulations.
- VI. The Income Tax Act 2023.
- VII. Statutory Regulatory Orders (SROs), General Orders, Notifications issued by NBR time to time
- VIII. The VAT and Supplementary Duty Act, 2012 and amendment thereon; The VAT and Supplementary Duty Rules 2016.
- IX. The Financial Reporting Act, 2015.

The consolidated financial statements of the Bank as at and for the year ended 31 March, 2026 have been prepared under the historical cost convention except investments and in accordance with the "first schedule" (section 38) of the Bank Companies Act 1991 as amended by Bangladesh Bank (the Central Bank of Bangladesh) through BRPD Circular No. 14 dated 25 June 2003, other Bangladesh Bank Circulars, International Accounting Standards, International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and exchange Rules 2020, Dhaka and Chittagong Stock Exchange's listing regulations. In case, any requirement of provisions and circulars issued by Bangladesh Bank differ with those of other regulatory authorities, the provisions and circulars issued by Bangladesh Bank shall prevail.

2.2 Basis of Consolidation

The Consolidated Financial Statements include the financial statements of Mercantile Bank PLC., Off-shore Banking Units and its subsidiaries- Mercantile Bank Securities Limited, MBL Asset Management Limited and Mercantile Bank Exchange House (UK) Limited, prepared as at and for the year ended 31 March, 2026. The Consolidated Financial Statements have been prepared in accordance with IAS 27 "Separate Financial Statements" and IFRS-10 "Consolidated Financial Statements".

2.3 Functional and Presentation Currency

The Bank has determined Bangladesh Taka (BDT) as functional currency. Moreover, functional currency for Off-shore banking unit is US Dollar (USD) and Mercantile Exchange House (UK) Limited is Pound Sterling (GBP).



The financial statements of Bank and its subsidiaries are presented in Bangladesh Taka (BDT) except as indicated above; financial information has been rounded off to the nearest Taka.

2.4 Statement of Cash Flows

The statement of cash flows has been prepared in accordance with the guideline of BRPD Circular # 14, dated 25 June 2003 issued by the Banking Regulation and Policy Department of Bangladesh Bank which is a combination of direct and indirect methods. In addition to BRPD Circular 14, dated 25 June 2003 as stated, MBPLC. also follows IAS-7 for areas not covered in the above circular.

3. Break-up of Paid-up Capital

Accounting year	Declaration	No. of shares	Value in capital (BDT)	Cumulative (BDT)
1999	Initial	24,500,000	245,000,000	245,000,000
2000	No Dividend Declared	-	-	245,000,000
2001	Bonus	3,185,000	31,850,000	276,850,000
2002	Bonus	2,768,500	27,685,000	304,535,000
2003	Bonus	1,523,000	15,230,000	319,765,000
2003	IPO	31,976,500	319,765,000	639,530,000
2004	Bonus	15,988,250	159,882,500	799,412,500
2005	Bonus	19,985,310	199,853,100	999,265,600
2006	Bonus	19,985,310	199,853,100	1,199,118,700
2007	Bonus	29,977,960	299,779,600	1,498,898,300
2008	Bonus	29,977,960	299,779,600	1,798,677,900
2009	Bonus	35,973,550	359,735,500	2,158,413,400
2010	Bonus	47,485,090	474,850,900	2,633,264,300
2010	Right Share	143,894,230	1,438,942,300	4,072,206,600
2011	Bonus	89,588,540	895,885,400	4,968,092,000
2012	Bonus	114,266,116	1,142,661,160	6,110,753,160
2013	Bonus	48,886,025	488,860,250	6,599,613,410
2014	Bonus	79,195,360	791,953,600	7,391,567,010
2015	-	-	-	7,391,567,010
2016	-	-	-	7,391,567,010
2017	Bonus	36,957,836	369,578,360	7,761,145,370
2018	Bonus	38,805,726	388,057,260	8,149,202,630
2019	Bonus	122,238,039	1,222,380,390	9,371,583,020
2020	Bonus	46,857,915	468,579,150	9,840,162,170
2021	Bonus	49,200,810	492,008,100	10,332,170,270
2022	Bonus	51,660,851	516,608,510	10,848,778,780
2023	Bonus	21,697,557	216,975,570	11,065,754,350
2024	-	-	-	11,065,754,350
2025	-	-	-	11,065,754,350
Total		1,106,575,435	11,065,754,350	



4. Calculation of Net Asset Value (NAV) per Share

Particulars	Mar-26		Dec-25	
	Consolidated	Solo	Consolidated	Solo
Net Asset Value (in BDT)	27,364,566,012	26,868,895,556	26,948,723,504	26,465,405,251
No. of Shares Outstanding	1,106,575,435	1,106,575,435	1,106,575,435	1,106,575,435
Net Asset Value (NAV) per Share	24.73	24.28	24.35	23.92

5. Earnings per Share (EPS)

Earnings per Share was calculated in accordance with IAS 33 "Earning per Share". The calculation of EPS is as under:

Particulars	Mar-26		Mar-25	
	Consolidated	Solo	Consolidated	Solo
Net Profit attributable to equity shareholders (in BDT)	323,413,916	314,330,076	926,403,739	909,710,007
Weighted Average number of ordinary shares outstanding during the period	1,106,575,435	1,106,575,435	1,106,575,435	1,106,575,435
* Earnings Per Share (Taka)	0.29	0.28	0.84	0.82

*Earnings Per Share (EPS) reduced compared to previous period due to the decrease of Profit before provision.

6. Calculation of Net Operating Cash Flows per Share (NOCFPS)

Particulars	Mar-26		Mar-25	
	Consolidated	Solo	Consolidated	Solo
Net cash flows from operating activities (in BDT)	(17,225,912,367)	(17,211,213,893)	1,810,019,233	1,802,177,270
Number of Shares outstanding	1,106,575,435	1,106,575,435	1,106,575,435	1,106,575,435
** Net Operating Cash Flows per Share (NOCFPS)	(15.57)	(15.55)	1.64	1.63

** Net Operating Cash Flows per Share (NOCFPS) has decreased compared to the previous period due to a decrease in Net Cash flows from Operating activities.



07. Reconciliation of Net Profit after tax with Cash flows from
Operating Activities (Solo)
(BDT)

31.03.2026 31.03.2025

	31.03.2026	31.03.2025
Net profit after taxation	314,330,076	909,710,007
Adjustment to reconcile net income to net cash provided by operating activities		
Interest Income	(3,415,873,529)	(668,890,869)
Interest Expense	15,089,100,754	4,642,585,110
Dividends receipts	(3,513,270)	5,441,244
Fees and commission income	-	-
Payment to the employees	-	-
Income taxes paid	(466,855,666)	288,822,372
Other Operating Income	(111,367,734)	(121,500,356)
Other Operating Expenses	17,422,742	(92,232,289)
Provision for Loans & Advances/Investments/Other Assets	482,470,338	327,498,141
Operating Profit before changes in Operating Assets and Liabilities	11,591,383,634	4,381,723,353
Increase/(Decrease) in operating assets & liabilities		
Net Investment in trading securities	(3,625,095,305)	(7,474,833,414)
Loan & Advance to Customers	(2,868,576,692)	(4,254,344,384)
Other Assets	(1,935,601,922)	(143,494,570)
Deposits from other Bank	(615,495,500)	2,944,101,290
Deposits from customers	(10,379,545,114)	(5,034,470,859)
Other Liabilities	(9,692,613,072)	10,473,785,845
	(29,116,927,604)	(3,489,256,090)
Net Cash Flows from Operating activities	(17,211,213,893)	1,802,177,270



08. Ratings

Credit Rating Information and Services Limited (CRISL), on the basis of Financial Statements has rated Mercantile Bank PLC. CRISL rated the Mercantile Bank PLC. to "AA" (Pronounced as Double A) in the long term. The above gradation has been done in consideration with its financial viability and consequent improvement in asset quality, capital adequacy, stable source of fund, diversified product lines etc. Financial institutions rated in this category are adjudged the financial institution that is subservient to have high safety to timely repayment of financial obligations. It means Bank rated in the category is adjudged to be of high quality, offer higher safety and have high credit quality. This level of rating indicate a corporate entity a sound credit profile and without significant problems. Risks are modest and may vary slightly from time to time because of economic conditions. CRISL rated the Mercantile Bank PLC. to ST-2 in the short term. This rate shows High Grade of the Bank it indicates high certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small. Both long-term and short-term rating is valid i.e. from 10 July, 2025 to 09 July, 2026.

09. General

- a) The financial information has been rounded off to the nearest Taka.
- b) Figures of previous period have been rearranged whenever necessary to confirm to current periods presentation.

