

# Directors' REPORT



# DIRECTORS' REPORT

## Dear respected Shareholders,

It is my great pleasure to welcome you all on behalf of the Board of Directors to the 26th Annual General Meeting of Asia Insurance PLC and to present before you the Directors' Report along with the audited financial statements as on 31st December 2025 for your kind consideration. I put on record my thanks and gratitude to you for your presence on this big shareholders' day. It is worthwhile to place before you the financial position of the Company on the backdrop of global economic scenario the changes that taken place around the world and how Bangladesh experienced the same and various functional and administrative aspects during the year 2025 including Bangladesh economy.

## Bangladesh Economic Review 2025

Bangladesh's economy in 2025 is navigating a period of adjustment and recovery amid global economic uncertainties, inflationary pressures, foreign exchange challenges, and domestic structural reforms. Despite external shocks, the economy continues to demonstrate resilience supported by strong domestic consumption, export performance, remittance inflows, and infrastructure development.

GDP growth is projected to remain moderate, with expectations ranging between 5.5% to 6.5%, depending on external trade conditions and policy effectiveness. The Ready-Made Garments (RMG) sector remains the backbone of export earnings, while pharmaceuticals, leather, ICT, shipbuilding, and agricultural processing are gradually expanding their contribution to the economy.

Inflation remains a major concern, particularly food and energy inflation, which has affected household purchasing power and business operating costs. The Bangladesh Bank continues to implement tighter monetary measures to control inflation and stabilize the foreign exchange market.

Foreign exchange reserves and exchange rate management remain key policy priorities. Increased remittance inflows, export diversification, and import rationalization are helping improve external sector stability. Government-led mega infrastructure projects such as metro rail, expressways, deep-sea ports, and energy investments are expected to enhance long-term productivity and investment attractiveness.

The banking sector continues to face challenges related to non-performing loans (NPLs), governance reforms, and capital adequacy, while financial sector digitization is gradually improving efficiency and inclusion.

The government's emphasis on Smart Bangladesh, digital transformation, green financing, and sustainable industrialization is creating new opportunities for private sector growth and foreign direct investment (FDI).

Overall, Bangladesh's economic outlook for 2025 remains cautiously optimistic, with strong long-term potential despite short-term macroeconomic pressures.

## Bangladesh Insurance Perspective 2025

The insurance sector in Bangladesh is gradually evolving with growing awareness, regulatory reforms, and increased demand for financial protection across life and non-life segments. However, insurance penetration remains relatively low compared to regional and global standards, indicating substantial untapped market potential.

The non-life insurance sector is expected to show stronger growth momentum than life insurance, supported by rising demand in marine cargo, fire, engineering, motor, health, and liability insurance. Expansion in trade, infrastructure projects, and industrial investments are contributing significantly to premium growth in general insurance.

Marine and fire insurance remain major contributors due to import-export activities and industrial risk coverage, while health and microinsurance are emerging as important growth areas. Climate-related risks, natural disasters, and agricultural vulnerabilities are also increasing the importance of risk transfer mechanisms.

Life insurance continues to face challenges related to policyholder confidence, claim settlement issues, and limited product innovation. However, digital distribution channels, bancassurance opportunities, and retirement-focused products may support gradual improvement.

The Insurance Development and Regulatory Authority (IDRA) is strengthening regulatory supervision, corporate governance, solvency compliance, and customer protection measures. IFRS implementation, digital policy issuance, and stronger claims management practices are becoming key focus areas.

Insurers are increasingly investing in automation, online premium collection, customer service platforms, and fraud control mechanisms to improve operational efficiency and transparency.

The outlook for 2025–2030 remains positive, with the insurance sector expected to benefit from economic growth, financial inclusion initiatives, regulatory

modernization, and increased public awareness of insurance as a risk management tool.

## Global Economic Outlook 2025

The global economy in 2025 is expected to experience moderate but uneven growth, shaped by persistent inflationary pressures, geopolitical tensions, higher interest rates, and climate-related risks. According to international financial institutions such as the International Monetary Fund (IMF) and the World Bank, global GDP growth is projected to remain around 2.8% to 3.2%, reflecting cautious recovery rather than strong expansion.

Advanced economies, including the United States and Europe, are likely to witness slower growth due to tight monetary policies and weakened consumer demand. In contrast, emerging markets and developing economies, particularly in Asia, are expected to contribute significantly to global growth momentum due to stronger domestic demand, industrial expansion, and digital transformation.

China's economic restructuring, India's rapid industrial growth, and Southeast Asia's manufacturing resilience will continue to shape the global economic landscape. However, risks such as supply chain disruptions, energy price volatility, sovereign debt stress, and political instability may continue to challenge economic stability.

Digitalization, green investment, renewable energy transition, and infrastructure development are becoming key drivers of sustainable growth. Governments and businesses are increasingly focusing on resilience, ESG compliance, and financial inclusion to support long-term economic stability.

Overall, the 2025 global economic outlook remains cautiously optimistic, with opportunities for growth balanced by significant macroeconomic and geopolitical uncertainties.

## Global Insurance Perspective 2025

The global insurance industry in 2025 is entering a phase of transformation driven by economic uncertainty, technological advancement, regulatory reforms, and evolving customer expectations. Both life and non-life insurance sectors are adapting to new risk environments, particularly those related to climate change, cyber threats, health crises, and demographic shifts.

Non-life insurance is expected to demonstrate stronger growth momentum than life insurance, primarily due to increased demand for property, health, marine, motor, cyber, and liability coverage. Rising natural catastrophes and climate-related losses are compelling insurers to reassess underwriting models and premium pricing.

Life insurance, while facing challenges from inflation and reduced household savings, is gradually recovering through product innovation, retirement planning solutions, and digital distribution channels. Aging populations in developed countries are also creating new opportunities for pension and annuity-based insurance products.

InsurTech is significantly reshaping the industry through artificial intelligence, data analytics, automation, and customer-centric digital platforms. Claims processing, fraud detection, and personalized underwriting are becoming faster and more efficient.

Reinsurance markets remain under pressure due to catastrophe losses and capital constraints, resulting in stricter underwriting discipline and higher reinsurance costs globally.

Regulatory focus on solvency, risk governance, IFRS compliance, and ESG reporting is increasing across jurisdictions, compelling insurers to strengthen operational transparency and capital management.

The outlook for 2025–2030 remains cautiously optimistic, with insurers expected to prioritize profitability, resilience, innovation, and sustainable growth in an increasingly complex global risk environment.

## INSURANCE DEVELOPMENT AND REGULATORY AUTHORITY (IDRA)

The Interim Government appointed Dr. M Aslam Alam, an ex-secretary to the GoB, as the Chairman of IDRA to regulate the insurance industry. The new Chairman is keen to run the insurance industry with positive move and he has already issued an important regulations for both life and non-life insurers the much awaited Solvency Margin regulations along with the relevant Gazette Notification for its implementation. IDRA has also been taking necessary measures with a view to creating awareness among the insurers about the application and implementation of the International Financial Reporting Standard (IFRS) 17: Insurance Contracts, the most complicated Accounting Standard issued by IASB, arranging a short training session with the CFOs of non-life insurers at IDRA.

Asia Insurance extend thanks to the Authority for arranging training on IFRS 17 and also would like to request IDRA to arrange workshop for the accounting people of the insurers where trainers would be the actuaries experienced in IFRS 17 particularly applicable for non-life insurers.

## BANGLADESH INSURANCE ASSOCIATION (BIA)

The administration of Bangladesh Insurance Association (BIA) has been reformed. The new management of BIA

should take required steps to remove the back locks of Sadharan Bima Corporation (SBC) with regard to prompt settlement of claims to the private companies.

### SADHARAN BIMA CORPORATION (SBC)

Sadharan Bima Corporation (SBC) being the only state owned non-life insurer of all the public properties and reinsurer of the private sector insurers, to the extent it accepts risks of the individual private sector insurer of Bangladesh issuing different certificates of coverage to every private insurers. As per the terms and conditions of the certificate issued to Asia Insurance PLC it pays substantial amount of reinsurance premium to SBC every year and also places facultative portion of risk paying relevant premium to that extent as SBC wants to receive.

In the course of insurance/reinsurance business process Asia Insurance has a significant amount of receivables from SBC. We would request the SBC management to pay off the unpaid claims to Asia Insurance against its placement of reinsurance business to SBC. In principle, AIPLC wants to maintain the accounts with SBC at an updated position always.

### Prospects

The insurance industry in Bangladesh holds significant growth potential due to increasing awareness of financial protection, economic development, and the need for risk management tools. While insurance penetration remains low, there's a rising demand for both life and non-life insurance, including health, fire, marine, and micro-insurance.

Here's a more detailed look at the prospects:

**Growing Market:** The insurance sector in Bangladesh is experiencing steady growth, with a projected market size of US\$9.48 billion for life insurance by 2025 and approximately US\$6.5 billion (Taka,6,502 crore) for non-life insurance by 2024-2025.

**Rising Awareness:** Increasing public awareness about the benefits of insurance, particularly in urban areas, is driving demand.

**Economic Development:** As the economy expands, so does the need for risk management solutions, boosting the insurance sector.

**Diversification:** There's a growing demand for specialized insurance products like health, fire, marine, and micro-insurance.

**Digitalization:** The adoption of digital technologies is streamlining processes and improving customer experiences, making insurance more accessible.

**Bancassurance:** Partnering with banks to offer insurance products through bank branches (Bancassurance) is expanding reach and generating fee-based income.

**Challenges Remain:** Despite the positive outlook, challenges like low insurance penetration, lack of awareness, and a need for ethical competition still need to be addressed.

**Regulatory Support:** The Insurance Development and Regulatory Authority (IDRA) is working to ensure transparency, accountability, and compliance, which will contribute to the sector's growth.

Overall, the insurance industry in Bangladesh has a bright future, with opportunities for growth across various segments, particularly in life, health, and micro-insurance.

## Bangladesh Non-Life Insurance Industry Overview (2025)

### Executive Summary

Bangladesh's insurance industry remains one of the most underpenetrated markets in Asia despite the country's strong economic growth and expanding industrial base. While life insurance continues to dominate the sector, the non-life insurance segment has shown steady improvement over the past decade, supported by increased motorization, infrastructure development, SME expansion, trade activities, and growing corporate risk awareness.

Although the industry offers significant long-term growth potential, persistent challenges such as low public confidence, weak claims settlement practices, limited product innovation, inadequate regulatory enforcement, and insufficient digital transformation continue to restrain sustainable development.

The outlook for 2025–2030 remains cautiously optimistic, with non-life insurance expected to outperform life insurance in terms of growth momentum.

### 1. Historical Evolution of Bangladesh Insurance Industry:

Following the independence of Bangladesh in 1971, all 49 insurance companies operating in the country were nationalized in 1972 and placed under five state-owned insurance corporations. Later, under the Insurance Corporations Act, 1973, these were restructured into two specialized public institutions: Sadharan Bima Corporation (SBC) – for General Insurance Jiban Bima Corporation (JBC) – for Life Insurance. The insurance market remained state-controlled until 1984, when private sector participation was allowed for the first time. This marked the beginning of modern insurance sector expansion in Bangladesh. As of 2025, a total of approximately 82 insurance companies are operating in the country, including both life and non-life insurers

## 2. Industry Snapshot (2024–2025)

Particulars	Details
Total Gross Premium of Insurance Sector	BDT 187.68 Billion
Insurance Penetration Rate	0.38%–0.46%
Global Average Insurance Penetration	7.40%
Gross Premium – Life Insurance	BDT 122.66 Billion
Gross Premium – Non-Life Insurance	BDT 65.02 Billion
Market Share – Life Insurance	65.36%
Market Share – Non-Life Insurance	34.64%
Number of Life Policies	7.1 Million
Total Claims Paid	BDT 130.14 Billion
Claim Settlement Ratio – Life	66.03%
Claim Settlement Ratio – Non-Life	31.96%
Leading Life Insurance Companies	MetLife, National Life Insurance, Delta Life Insurance, Jiban Bima Corporation, Popular Life Insurance
Leading Non-Life Insurance Companies	Reliance Insurance, Green Delta Insurance, Pioneer Insurance, Pragati Insurance, Prime Insurance

Source: Allianz Global Insurance Report 2025, The Business Standard, The Daily Star, ICAB Publications, IDRA

## 3. Regulatory Landscape and Governance Challenges:

Although insurance activities have existed for decades, the modern regulatory framework was introduced only in 2010 through the enactment of the Insurance Act. To strengthen market supervision, the Insurance Development and Regulatory Authority (IDRA) was established in 2011 as the industry regulator. Its core responsibilities include: licensing insurers, protecting policyholders, ensuring solvency compliance, promoting fair claims settlement, strengthening market discipline. However, despite regulatory reforms, the industry continues to suffer from: delayed claims settlement, weak governance practices, poor underwriting discipline, limited transparency, insufficient actuarial capacity, lack of professional expertise, weak enforcement of compliance standards. These structural inefficiencies continue to undermine market confidence and restrict insurance penetration.

## 4. Insurance Penetration: A Major Structural Weakness:

Bangladesh has one of the lowest insurance penetration rates globally. Despite being the 35th largest economy in the world, the country ranks around 60th in insurance premium volume, reflecting the significant gap between economic activity and insurance adoption. Low insurance density also indicates that per-capita spending on insurance products remains minimal, especially among SMEs, retail consumers, and rural households.

The primary causes include: low financial literacy, lack of trust in insurers, slow claims settlement, outdated products, and limited awareness of risk protection benefits

## Comparative Insurance Penetration:

Country/Region	
Global Average Insurance Penetration	7.4%
Emerging Markets Average	3.3%
India	3.2%
China	2.4%
Bangladesh	0.38% –0.46%

## 5. Premium Growth Trends:

This reflects increasing business formalization and rising corporate demand for risk management solutions. The insurance industry recorded moderate premium growth in 2024, with total premium collection reaching approximately BDT 18,768 crore. Life Insurance still dominates the market, contributing over 65% of total gross premiums. However, Non-life insurance growth has slowed due to: high policy lapse rates, customer dissatisfaction, reduced disposable income, weaker long-term savings demand. Non-life insurance continues to expand steadily, mainly driven by: motor insurance, fire insurance, marine cargo insurance, engineering insurance, health insurance liability coverage. This reflects increasing business formalization and rising corporate demand for risk management solutions.

## 6. Non-Life Insurance Sector at a Glance:

The non-life insurance sector now contributes over one-third of the total insurance market and has gradually strengthened over the past decade. Its market share increased from: 22.12% (2010) → 34.64% (2024). This growth has been supported by: industrialization, export-import expansion, banking and trade finance growth, vehicle ownership growth, infrastructure investments,

mandatory insurance requirements. However, the sector still faces one major challenge: Low Claim Settlement Ratio. The average claim settlement ratio in non-life insurance remains around 30%–40%, significantly below international standards. This creates: weak customer trust, policy renewal challenges, reputational risk, reduced long-term sustainability, improving claims management remains the single most critical reform area for the industry.

## 7. Market Competition and Structural Imbalance:

The number of insurance companies in Bangladesh is considered disproportionately high relative to the actual market size. This has created: excessive competition, aggressive premium undercutting, weak underwriting standards, unhealthy business practices, pressure on solvency margins. Many smaller insurers struggle with operational efficiency and capital adequacy, increasing the likelihood of future market consolidation. Industry experts increasingly support selective consolidation to improve sector stability and financial strength.

## 8. Growth Outlook (2025–2030):

The medium-term outlook for Bangladesh's insurance sector remains moderately positive. Expected Industry Growth, Gross Premium CAGR: 6%–8%, Insurance Penetration: expected to rise to 0.55%–0.60% of GDP, Key Growth Drivers, Non-Life Insurance, rapid motorization, SME financing growth, bancassurance expansion, digital insurance platforms, mandatory insurance policies, increased corporate insurance demand, infrastructure financing, Industry-Wide Drivers, regulatory modernization, micro insurance expansion, embedded insurance products, digital claims processing, InsurTech adoption, stronger bancassurance models. Non-life insurance is expected to grow faster than life insurance throughout this period.

## 9. Key Risks and Challenges:

Despite positive growth prospects, the sector remains exposed to several risks: delayed regulatory implementation, inflationary pressure and macroeconomic instability, foreign exchange volatility, weak solvency among smaller insurers, low customer retention, high operational inefficiency, weak internal controls and governance, Without stronger regulatory discipline and customer trust restoration, growth may remain below potential.

## 10. Conclusion:

Bangladesh's insurance industry stands at a critical transformation point. While the sector remains

underdeveloped with low penetration and weak public confidence, the long-term opportunity is substantial—particularly for the non-life insurance segment. The future of the industry will largely depend on: stronger regulatory enforcement, faster and fairer claims settlement, improved underwriting discipline, technology adoption, product diversification, customer trust rebuilding. If these reforms are successfully implemented, Bangladesh's insurance market could experience a meaningful structural shift during 2025–2030, with non-life insurance emerging as one of the most promising segments in the broader financial services industry.

The outlook for 2025–2030 remains cautiously optimistic, with non-life insurance expected to outperform life insurance in terms of growth momentum.

## An Overview of Asia Insurance PLC.

Asia Insurance PLC (AIPLC) is one of the leading non-life insurance Company in Bangladesh and was incorporated as Public Limited Company on 30 April 2000 under the Company Act, 1994 and obtained registration from the former Chief Controller of Insurance, Government of Bangladesh on 30 May 2000. Asia Insurance obtains renewal license from the Insurance Development & Regulatory Authority (IDRA) in 2011. It was listed with Dhaka and Chittagong Stock Exchange on 25 June 2009. The Company carries its insurance activities through Head Office along with 22 (twenty two) Branches under online support all over the country.

Asia Insurance PLC has an Authorized Capital of Tk. 1000 million and Paid-up Capital of Tk. 470.70 million. Share of the Company are traded in both Dhaka and Chittagong Stock Exchange as 'A' category.

Asia Insurance PLC achieved "AAA" (Pronounced as triple A) credit rating valid up to May 17, 2027 as rated by the National Credit Ratings Limited (NCRL) which indicated good financial performance and sound solvency position of the Company having a strong financial backup with high claim paying ability.

Asia Insurance PLC is focused on providing professional services of the highest quality to its clientele which include many reputed large national and multinational conglomerates. Over the 25 (twenty five) years, Asia Insurance has established its track record as a sound and dependable insurer, consistently able to meet its commitments and by providing insurance solution to the individual needs of its clients.

The Board of Directors of Asia Insurance PLC is exceptionally qualified and well reputed business leader of the country. Mohammad Mustafa Haider, Chairman of Asia Insurance PLC who is also the Managing Director of TK Group & Chairman of Premier Cement Mills PLC,, Premier Power Generation Limited, Roknoor Navigation Limited

and Managing Director of T.K Shares & Securities Limited, Super Petrochemical (Pvt.) Limited, Samuda Chemical Complex Ltd, Premier Power Limited and Samuda Power Ltd, Samuda Peroxide Limited, Samuda Caustic Limited, Genweb2 Limited, Hafsa Nazir industries complex Limited, Premium Assets Limited, Modern Poly Industries Limited and Modern Power Limited, BSM Essential Limited.

The qualified and experienced management team is headed by Mr. Md. Imam Shaheen, who has long 36 years of versatile working experience and well reputation in the Insurance industry. Mr. Md. Imam Shaheen has been elected as the member of the Bangladesh Insurance Association, an apex body of the insurance industry in Bangladesh.

Financial performance of the Company has been consistently positive, delivering both underwriting and investment income and by giving attractive returns to its shareholders from inception. The Company is maintaining strong corporate culture, corporate governance, ethical standards, corporate social responsibilities, superior underwriting skills and abilities and dynamic investment management.

Within the framework of existing tariff, this Company charges the most economic and competitive premium rates ensuring maximum security at minimum cost. The Company has got necessary Re-insurance arrangement both at home and abroad under which it can underwrite any risk of any value.

This Company takes utmost care in handling and settling claims with due promptitude with a view to giving timely indemnity to the members of the clientele.

The future prospect of Asia Insurance is not only to increase business volume but also to upgrade the ranking and service quality of the Company. Asia Insurance emphasize on internal and external training in different subject area for the human resource development of the Company..

## Operating Result

During the year under report, AIPLC's gross premium income was Taka 702.43 million as against Taka 813.26 million in 2024 an decrease of -13.62%, Net Premium income attained was Taka 455.55 million as against Taka 551.78 million in 2024. Asia Insurance PLC a negative growth in gross premium income account. Net profit (before tax) was decreased to Taka 153.43 million in 2025 compared to Taka 154.29 million in 2024 which is a negative growth of -0.56%.

## INCOME ANALYSIS

### Income from revenue accounts

The Company has accumulated and transferred to comprehensive Income Account by Taka 110.01 million in 2025 from five revenue accounts i.e. Fire, Marine,

Marine Hull, Motor & Miscellaneous Revenue Accounts compared to Taka 134.23 million in 2024 which is decrease of -18.04% from the previous year. A comparative position on income received from revenue accounts in the year 2025 and 2024 is given below:

Figure in Million Taka

Class of business	2025	2024	Growth%
Fire Revenue Account	-70.91	-91.89	-22.83%
Marine Revenue Account	162.66	203.61	-20.11%
Marine Hull Revenue Account	2.64	3.93	-32.82%
Motor Revenue Account	7.46	16.61	-55.09%
Miscellaneous Revenue Account	8.15	1.96	315.82
<b>Total</b>	<b>110.01</b>	<b>134.23</b>	<b>-18.04%</b>

## Income from Interest, Dividend & Rent A/C

Interest, Dividend & Rent Income was Taka 81.31 million in 2025 compared to Taka 84.13 million in 2024 which is a growth of -3.35%. Income from other sources was Taka 0.85 million in 2025 compared to Taka 1.52 million in 2024.

## Income from Investment in Shares & Securities

Throughout the year, the country observed the capital market as unsupported, fade and confidence less of the investors irrespective of corporate and individual. Asia Insurance PLC had an investment outstanding of Taka 531.23 million in Quoted Shares of which market value is Taka 420.15 million of 2025. Necessary provision for denomination of value in share has been provided by Taka.111.09 million as on date of report.

## Capital Expenditure

During the year under review, the total capital expenditure on acquisition of fixed assets was Taka 5.12 million.

## Capital Requirement

According to Insurance Act 2010, Asia Insurance PLC is complaint in maintaining of minimum required capital. As on date of report, the paid-up capital of Company has stood at Taka 470.70 million as against required capital of Taka 400.00 million.

## Dividend Declaration

In the year under review as per the instruction of the Board of Directors, the management of the Company is following a policy regarding dividend payments to the shareholders in a manner that shall be in line with and in consistent to the actual income as well as the practices of the insurance industry. The Board of Directors meeting held on 22<sup>nd</sup> April 2026 has recommended a cash dividend @10.00% for the year 2025

## Interim Dividend

The Board stated that no Bonus share or Stock dividend has been or shall be declared as interim dividend and there was no effect of the company's financial position for the year-2025.

## Loans or Advances to the Directors

Asia Insurance PLC has not made any loans or advances any balances (including guarantee or security in connection with loan) to any other Directors of the company under the head of Current Account with refer to the Commission notification vide No. BSEC/CMMRRCD/2006-159/Amin./02-10 Dated, September10, 2006.

## Disclosure on remuneration of the Directors

The Directors including independent Directors, all being Non-Executive Director, are given only Meeting Attendance Fee of BDT. 8,000 (Bangladeshi Taka Eight Thousand Only) per Meeting of the Board and Committees, During the

year 2025, an amount of Taka 7,21,600/- was given to the Directors of Asia Insurance PLC as Director's remuneration including Independent Director;

## Protection of Minority Shareholders

This is to certify that minority shareholders have been protected from abusive action by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress.

## Significant variance in operating results between Quarterly and Annually

Asia Insurance PLC maintained a positive growth in Premium, Investment and Operating Profit. The Net profit (before tax) of the year 2025 was Taka 153.43 million against Taka 154.30 million in 2024 which is a negative growth of -0.56 %. While analyzing the operating results by quarter to quarter, no significant deviation was found. The operating results for the 4 quarter of the year 2025 are given below with remarks:

SL. No	Accounting Head	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	Remarks
		2025	2025	2025	2025	
1.	Total Income	191.10	137.36	180.43	99.22	No significant variance in quarterly result
2.	Total Expenditure	168.68	131.45	125.27	29.28	No significant variance in quarterly result
3.	Net Profit (Before Tax)	22.42	5.90	55.17	69.94	No significant variance in quarterly result
4.	EPS	0.40	0.11	0.94	0.64	No significant variance in quarterly result

## Segment Analysis

The purpose of segments reporting is to enable the users of the Annual Report to evaluate the nature and financial effects of the business activities in which it engages and the economic environments in which it operates. For management, segment reporting is used to evaluate each segment's income, expenses, Assets, Liabilities and so on in order to assess profitability and risk elements to the Company. Given below are the Company's premium income, claim settlement, and profitability by class of business:

Segment	Gross Premium		Claim Settlement (net)		Operating Profit /(loss)	
	2025	2024	2025	2024	2025	2024
<b>Gross Premium</b>	<b>702.43</b>	<b>813.26</b>	<b>142.16</b>	<b>136.63</b>	<b>110.01</b>	<b>134.23</b>
Fire	203.53	218.47	89.29	107.60	-70.91	-91.89
Marine	377.57	444.35	35.80	22.21	162.66	203.61
Marine Hull	17.90	24.01	0.17	-4.27	2.65	3.93
Motor	38.50	43.34	16.70	6.53	7.46	16.62
Miscellaneous	64.92	83.08	0.20	4.55	8.15	1.96

## Contribution to the National Exchequer

During the year under report, an amount of Taka 127.45 million was contributed to the national exchequer against Taka 145.05 million in the year 2024 which decrease of -12.13% over the previous years.

Particulars	Year 2025	Year 2024
Corporate Income Tax	52,042,830	65,673,139
VAT (On Premium)	55,749,872	65,513,154
VAT at Source	3,266,817	3,311,558
Tax Collection at source	14,935,438	8,770,800
Excise Duty	1,452,000	1,784,115
Total	127,446,957	145,052,766

## Credit Rating:

In accordance with the Notification No.BSEC/ CMRRC/2009-193/37/Admin/132 dated 12th May 2022 of Bangladesh Securities and Exchanges Commission (BSEC).

National Credit Ratings Limited has assigned the following Initial entity rating to "Asia Insurance PLC" in the Rating Committee (RC) Meeting held on May 18,2026 at 3.30 PM based on Audited Financial Statements as on December 31,2025: Rating to Asia Insurance Validity of the report from May 18,2026 to May 17,2027.

Summary of Credit rating report of Asia Insurance PLC are as follows:

	National Credit Ratings Limited (NCRL)	National Credit Ratings Limited (NCRL)
Declaration Date	18.05.2026	24.06.2025
Long Term Entity Rating	<b>AAA (Triple A) (Pronounced as Triple A)</b>	<b>AAA (Triple A) (Pronounced as Triple A)</b>
Short Term Entity Rating	ST-1	ST-1
Outlook	Developing	Stable
Expiry Date	17.05.2027	23.06.2026

The above long term entity rating defines Strongest Credit Quality. The above short term entity rating defines Strongest Ability to Meet Short Term Financial Commitments

## Sustainable Report & Green Initiatives

As per Para 5 (iii) of corporate governance code 2018, Sustainable reporting and environmental issues have been described in Annexure-I

## Risk Management

To meet the requirements of 5(iii) of Corporate Governance Code, risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment etc. has been described in the Disclosure on Risk Management annexed herewith in "Annexure- II"

## Report on Internal Control System

Asia Insurance PLC is very keen to establish and maintain a sound and effective Internal Control System and good governance. During the year under review, the Board has reviewed the policies and procedures of various aspects of businesses in order to establish an effective internal control system, which the Board thinks, adequate and appropriate for achieving sustainable growth & protected from abusive actions, by or in the interest of, controlling shareholders acting either directly or indirectly and effective means of redress. A separate report shows under title "Report on Internal Control System" at Annexure-III.

## Report on going concern

Asia Insurance PLC has made an annual assessment whether there exists a material uncertainty which may be an indicative of significant doubt about Company's ability to continue as going concern. In this regard, the Board of Directors has made appropriate inquiries, analysis, review

and estimation in the backdrop of existing and future financial and operational strength of the Company.

The Board of Directors are convinced and provide a reasonable assurance to the stakeholders as to AIPLC's continuity as a going concern for the foreseeable future and accordingly the Company has been adopting the 'going concern' basis for preparing financial statements.

Management has reasonable ground to believe that there are no significant doubts upon the Company's ability to continue as a going concern. A report on going concern is enclosed in the "Annexure no: IV"

## Report on Year-wise performance for the last five years

Year-wise performance for the last five years has been delimitating a separate statement under title "5 YEARS SUMMARIZED KEY FINANCIAL DATA" at Annexure-V which shows steady growth in most of the parameters that matter, The statement in this report under segment wise performance also provide that information's regarding achievements for last five years.

## Related Party Transaction

Related party refers to the controlling entity (either directly or commonly) or controlling individual or close group/family member of such entity or individuals who have substantial influencing power in management of a particular organization. Whereas related party transactions refer to those transactions with the entity / person as stated by way of transfer of resources, services regardless of whether a price is charged.

Disclosure on related party transactions with the Asia Insurance PLC has been provided in the Note No.41 of the audited financial statements for the year ended 31st December,2025. During the year 2025 under review 1275 nos. of transactions were recorded under 'related party transaction' category of whose total transaction amount

as on 31.12.2025 was Taka 84.75 million compared to Taka 62.90 million in 2024 against 1336 nos. of transactions.

### Human Resource Development:

Human Resource is the corner stone for accelerated and sustained development of any organization. Asia Insurance PLC recognizes the importance of skilled Human Resources for overall growth of the Company. The meritorious and talented human resources team is the key for continuous development of the organization. Superior human resources are an important source of competitive advantage. To attract talented human resources team and to create brand image, the Company has formulated

HR policies and Service Rules for the employees. Asia Insurance has been trying to ensure maximum output with minimum resources. So quality manpower with good academic background is being recruited in all levels of the Company.

Asia Insurance is an employee welfare-oriented organization. For this reason, the management of the Company always tries to sort out all possible ways it deems beneficial to promote its employees' professional skill and efficiency. During the year 2025 under review, Asia Insurance conducted 04 nos. of training/Workshop/Seminar for total 14 nos. of employees of training/workshop/Seminar in 2025.

### Training conducted by Asia Insurance PLC in 2025

Sl No.	Title of Training/Workshop/Seminar	No. of Participants
1	How to developed marketing service using big data and cloud services.	2
2	Insurance Claims Management New Direction	8
3	Cost control in the Insurance Industry	3
4	How to enhance Transparency in Insurance Business	1

In order to evaluate the level of efficiency, improve the healthy competition among the employees and to motivate the employees the Company uses 'Employees' Performance Evaluation" and "Key Performance Indicator (KPI)". Upon the evaluation, the employees are motivated and awarded with promotion, accelerated promotion and other benefits.

### Human Capital/ Human Resource Accounting

Human resource Accounting is the process of identifying and reporting the Investments made in the Human Resources of an organization that are presently not accounted for in the conventional accounting practices. Asia Insurance PLC formally does not practice Human Resources Accounting but regularly works out and looks into some important areas for mathematical and co-relational understanding on the main business factors. Given below is the considerable index to the management on which human related decisions are taken:

Description	Yr-2025	Yr-2024	Yr-2023	Yr-2022	Yr-2021
Total number of employee	264	261	258	238	243
Total number of Branches	22	22	22	22	22
Employee in branches (nos.)	185	181	177	161	163
Premium per employee (Million Tk.)	2.66	2.11	1.54	3.34	3.12
Operating profit per employee (Million Tk.)	1.73	0.51	0.41	0.60	0.80
Salaries & Allowances per employee (Million Tk.)	0.44	0.43	0.38	0.41	0.39
Salaries & Allowances as percentage of Operating profit	105.59%	84.31%	92.68%	68.33%	49.01%

### Employee Benefits

Asia Insurance PLC is very keen to establish and retain a very congenial working atmosphere. The Company has a competitive pay structure for its employees and always keep track on the necessity of revision on the passage of time that matches with the living standards of the employees in one hand and competitive with other Competitor Company on the other hand. Services of the employees are governed by the Employees Service Rules. Pay Scale is reviewed in timely fashion in-order to make competitive. Apart from salary & Allowances, Festival Bonus and yearly Increment, Asia Insurance provide long

term benefits to its employees like 10% contributory Provided Fund (both employee and employers), Gratuity (equivalent to 1 basic salary for the employees who has completed 7 years but not exceeded 10 years and equivalent to 1.50 basic salary those who has completed 10 years, Group insurance policy etc. We have settled No.03 of employees as retirement service benefit Tk.2,316,840.00. Provident fund settlement amounting to Tk.6,795,586.00 against 09 employees, benefit of gratuity amount to Tk.7,45,640.00 & No. 05 employees as Leave encashment Tk.1,64,070.00 Total settled amount of Tk.10,022,136.00

## Safety Measures

Asia Insurance PLC provides world class office environment to its employees. Every branch of Asia Insurance is well decorated with the provisions of air condition, most modern safety office equipment and machines and well-structured office building facilitated by sewerage and electricity connection and security measures like 24/7 close circuit TV camera, well trained security guard, fire extinguishers etc. Design of Office / Branch is considered on the basis of sufficient free space, safe sewerage gas and electricity connections etc. AIPLC has the finest corporate Head Office at Rupayan Trade Centre (14th Floor) at 114-115 Kazi Nazrul Islam Avenue, Bangla Motor, Dhaka-1000 measuring areas of 21,507sft. featured by most modern equipment's and facilities.

## Information and Communication Technology

The Company has separate IT Department through which managing IT related matters. All departments of Head office is connected through Local Area Network (LAN) supported by two servers i.e. Brand & Gateway. All the branches are well connected through Database system through Online.

## Data Security

A group of young and highly IT professionals are working to protect the data resources of the Company and hopefully as on date of report, there is no single incident recorded which may cause the threat towards the data or computer resources of the Company.

## Managing Information Technology Risk

IT risk is the business risk associated with the use, ownership, operation, involvement, influence and adoption of IT within an enterprise. Risks surrounding Information Technology, such as network failure, lack of skills, hacking and viruses and poor system integration have the potential to have a negative impact on an organization. To retrieve data in any crucial moment, Asia Insurance has upgraded the server system from RAK- 72 with auto Backup in 32U RAK. The Company ensures secured file sharing system, CUBE and SS Display etc. The Company is considering introducing Disaster Recovery Center (DRC) to protect the IT resources from any means of misshape.

## Management discussion and analysis

Detailed discussion and analysis by the managing Director and CEO is appended on Titled "Management Report & Analysis". A management's discussion and analysis signed by CEO presenting detailed analysis of the company's position and operation along with a brief discussion of changes in the financial statements and also in the statement to stakeholders from the Managing Director & CEO.

## Declaration or Certification by the CEO & the CFO to the Board

As required by the condition 6 of the guidelines, the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) have jointly certified to the Board that:-

- i. They have reviewed the financial statements for the year ended on 31st December 2025 and that to the best of our knowledge and belief;
- ii. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- iii. These statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- iv. There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company's Board of Directors or its members.

The details of discussion of declaration by the CEO & the CFO is shown at Annexure-XI

## Disclosure on preparation and presentation of Financial Statements

The Board of Directors places before you the financial statements for the year ended December 31,2025 for their adoption, The Directors of the confirm to the best to their knowledge, that:-

The financial statements prepared as on 31.12.2025 by the Asia Insurance PLC, presented fairly its state of affairs, the results of its operation, cash flows and changes in equity;

- (a) The financial statements prepared as on 31.12.2025 by the Company, presented fairly its state of affairs, the results of its operation, cash flows and changes in, equity;
- (b) The Company has been maintained proper books of accounts;
- (c) Appropriate accounting policies have been consistently applied in preparation and presentation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;
- (d) International Accounting Standards (IAS)/ International Financial Reporting Standards (IFRS)/ Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed;
- (f) There is no significant negative deviation occurred on 4thQtr between quarterly financial performances and Annual Financial Performances of 2025;

## Operating Result & Profit

Net Profit of the Company as on 31st December 2025 stood at Tk. 153.43 million against Tk. 154.30 million of the preceding year.

A summary of operating result of Asia Insurance PLC as on 31st December 2025 vis-à-vis the position as on 31st December 2024 is shown below;

(Taka in millions)

Particulars	2025	2024	Growth Rate
Profit & (Loss) from Revenue Accounts	110.01	134.23	-18.04%
Income from Interest, dividend, Rent	81.31	84.13	-3.35%
Others Income	0.84	1.16	-27.58%
Total Operating Income	192.16	219.76	-12.60%
Operating Expenses	31.74	44.22	-28.22%
Profit before Provision	160.42	219.87	-27.04%
Provision against Investment & Others	-6.99	-26.67	-73.79%
Net Profit before Tax	153.43	154.30	-0.56%
Return on Assets (ROA)	3.95%	3.82%	3.40%
Return on Equity (ROE)	8.06%	8.28%	-2.66%
Return on Capital Employment	10.67%	11.06%	-3.53%
Claim Ratio	31.21%	24.76%	26.05%
Current Ratio(Times)	1.76	1.57	12.10%
Price Earnings Ratio(Times)	13.01	14.61	-9.86%
Debt Equity Ratio(Times)	0.85	1.19	-28.57%
Gross Profit Ratio	21.84%	18.97%	15.13%
Earnings per Share	2.09	2.06	1.46%
Dividend Yield	3.64	3.32	66.57%
Net Assets Value per Share	30.55	29.63	3.10%

- During the period under report, there was no extra ordinary gain or loss has recorded;
- 5 years key financial data have been summarized in "Annexure-V";
- The Board of Directors has recommended **10%** cash dividend for the year 2025 in its 168<sup>th</sup> Board meeting held on 22<sup>th</sup> April, 2026.

Audit Committee, Nomination & Remuneration Committee (NRC), Risk Management Committee, Policyholders protection & Compliance Committee, Business Development Committee, MANCOM and other Committees of the management perform their respective tasks with accountability and transparency.

Besides, to support and enhance the practice of corporate governance, the Audit Committee of the Asia Insurance PLC. The Committee was duly constituted by the Board of Directors with a view to evaluating the activities of the Company as per guidelines laid down in the Corporate Governance Code- 2018 issued by Bangladesh Securities & Exchange Commission (BSEC) vide notification no: BSEC/CMRRC/2006-158/207/ Admin/80 dated 3rd June 2018, to strengthen the corporate governance practice in corporate. One of the most important and interesting part of the corporate governance is inclusion of at least 1/5th Independent Director of the total number of Board of Directors in the listed companies who will be knowledgeable individual with integrity and is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.

Asia Insurance PLC is always keen to comply with and focus highly the corporate governance issues and accordingly included 1/5th number of Independent Directors of its total number of Board of Directors.

## Corporate Governance

In recent times, corporate governance has been considered as most essential aspect for efficient management of a business house. It is considered to be a set of internal rules and procedures that ensure the accountability of the Directors and Top Management towards the stakeholders. Asia Insurance PLC gives much emphasis on the corporate governance in promoting a sound management. The objective of the Company is to comply with all regulatory requirements, ensure equitable treatment of all stakeholders. It confirms full and fair disclosure of financial and other material information and show respect for norms of business ethics and social responsibility.

The Board of Directors, Executive Committee, Re-Insurance & Claim Committee, Human Resource Development Committee, Investment Committee,

Compliance Status of Corporate Governance Code issued by Bangladesh Securities & Exchange Commission (BSEC) under notification no: BSEC/CMRRC/2006-158/207/Admin/80 dated 3rd June 2018 under condition no: 1(5) (xix), (xxii), (xxiii a), (xxiii b), (xxiii c) & (xxiii d):

### Compliance of condition 1(5) (xix)

Key operating and financial data for the last five years are summarized in the preface of this report.

### Compliance of condition 1(5) (xxii)

Board Meeting Held during the year 2025 and attended by each Director

Sl. No.	Name of the Director	Board meetings in 2025		
		No of Board Meeting held	Attendant	Fees (Tk.) (Per Meeting)
1	Mohammad Mustafa Haider	5	4	8,000.00
2	Mohammed Jahangir Alam	5	4	8,000.00
3	Abul Bashar Chowdhury	5	4	8,000.00
4	Khaleda Begum	5	3	8,000.00
5	Farzana Afroze	5	1	8,000.00
6	Walid Mohd.Shamuel	5	3	8,000.00
7	Dr. Munal Mahabub	5	4	8,000.00
8	Rashedul Islam, FCA	5	5	8,000.00
9	Md.Enayet Kabir	5	5	8,000.00
10	Syed Sajedul Karim	5	5	8,000.00
11	Mahfuzur Rahman	5	3	8,000.00

### Compliance of condition 1(5) (xxiii a): Pattern of shareholding

Statement in compliance with condition 1(5) (xxiii-a): Parent / Subsidiary/Associated Companies and other related parties: NIL

### Statement in compliance with Condition 1(5) (xxiii b)

b (i):Shareholding Position of Directors of Asia Insurance PLC with their Spouse and Minor Children as on 31.12.2025

SL No.	Name	Position & Relation	Number of Share	Total	% of Share
<b>1</b>	<b>Mr. Mohammad Mustafa Haider</b>	<b>Director</b>	2,715,588	2,715,588	5.77%
	Mrs.	Wife			
	Mr./Miss	Son/daughter			
<b>2</b>	<b>Mr. Md. Jahangir Alam</b>	<b>Director</b>	1,882,793	1,882,793	4.00%
	Mrs.	Wife			
	Mr./Miss	Son/daughter			
<b>3</b>	<b>Mr. Abul Bashar Chowdhury</b>	<b>Director</b>	941,500	941,500	2.00%
	Mrs.	Wife			
	Ms. Rubina Tasnim Chowdhury	Son/daughter	943,293	943,293	2.00%
<b>4</b>	<b>Mrs. Khaleda Begum</b>	<b>Director</b>	1,882,793	1,882,793	4.00%
	Mr. Mohammad Mustafa Haider	Son	2,715,588	2,715,588	5.77%
	Mr. Asifur Rahman	Husband			
<b>5</b>	<b>Mrs. Farzana Afroze</b>	<b>Director</b>	1,882,793	1,882,793	4.00%
	Mr./Miss	Son/daughter			
<b>6</b>	<b>Mr. Mahbubul Alam</b>	<b>Sponsor Shareholder</b>	941,500	941,500	2.00%
	Mrs.	Wife			

SL No.	Name	Position & Relation	Number of Share	Total	% of Share
	Dr. Munal Mahabub	Son/daughter	941,543	941,543	2.00%
	Master	Minor Child			
<b>7</b>	<b>Dr. Munal Mahabub</b>	<b>Director</b>	941,543	941,543	2.00%
	Mr. Tasneem Mahmood	Husband			
	Mr./Miss	Son/daughter			
	Master	Minor Child			
<b>8</b>	<b>Mohammed Jamal Ullah</b>	<b>Sponsor Shareholder</b>	941,500	941,500	2.00%
	Mr. Walid Mohd. Shamuel	Son/daughter	943,793	943,793	2.01%
<b>9</b>	<b>Walid Mohd. Shamuel</b>	<b>Director</b>	943,793	943,793	2.01%
	Mrs.	Husband			
	Mr./Miss	Son/daughter			
	Master	Minor Child			
<b>10</b>	<b>Southeast Bank PLC. Represented by Khairul Anam Mohiuddin</b>	<b>Nominated Director</b>	3,799,014	3,799,014	8.07%
	Mrs.	Wife			
	Mr./Miss	Son/daughter			
	Master	Minor Child			
<b>11</b>	<b>Bay Leasing &amp; Investment Limited Represented by Mr. Md. Enayet Kabir</b>	<b>Nominated Director</b>	956,898	956,898	2.03%
	Mrs.	Wife			
	Mr./Miss	Son			
	Master	Daughter			
	Master	Minor Child			
<b>12</b>	<b>Syed Sajedul Karim</b>	<b>Independent Director</b>	Nil	Nil	Nil
<b>13</b>	<b>Mahfuzur Rahman</b>	<b>Independent Director</b>	Nil	Nil	Nil

1(5) (xxiii b)(ii) Shares held by the Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and other top Executives of the Company and their spouse and minor children (Name wise Details)

SL No.	Name & Designation	Nos. of Share(s) held
1	Md. Imam Shaheen, Managing Director & CEO, Including Wife, Son, Daughter	Nil
2	Md. Rafiqul Islam, Addl. Managing Director & Chief Financial Officer, Including Wife, Son	Nil
3	Md. Atique Ullah Majumder, DMD & Company Secretary, Including Wife, Son, Daughter	Nil
4	Ahsan Habib. Vice President & Head of Internal Audit, Including Wife, Son, Daughter	Nil

1.5 (xxiii c) Shares held by top five salaried Executive of the Company and their spouse and minor children;

SL No.	Name & Designation	Nos. of Share(s) held
1	Md. Imam Shaheen, Managing Director & CEO Including Wife, Son, Daughter	Nil
2	Md. Rafiqul Islam, Addl. Managing Director & Chief Financial Officer Including Wife, Son, Daughter	Nil
3	Md. Atique Ullah Majumder, DMD & Company Secretary, Including Wife, Son, Daughter	Nil
4	Mohammad Omor Faruque. Sr. Executive Vice President, Head of Underwriting Department, Including Wife, Son, Daughter	Nil

1(5) (xxiii d) Shareholders holding ten percent or more voting interest in the Company: NIL

## Responsibilities related information of Directors, Chairman, CEO, CS, CFO & HIAC

To meet the requirements of Paragraph 4(d) and 7 of the corporate governance code 2018, Information related to responsibilities, role, TOR, Code of Conduct of Directors, Chairman, CEO, Company Secretary, CFO and HIAC have been described in Annexure-VII

### Information related to Board, Committee, Meetings & its directors

#### Board of Directors

Asia Insurance PLC does not have its own policy on appointment of Directors rather it follows the directions and guidelines of regulatory authorities like Bangladesh Securities & Exchange Commission's (BSEC) Notification, Insurance Act 2010, IDRA Guidelines. The Company has 12 (Twelve) Directors in its Board and at least one-fifth is Independent Directors i.e. there are two independent directors in the Board. At the time of appointment of new directors, the existing Board of Directors frequently assess the size and structure of the Board, evaluate the knowledge, skills, experience and perceptions that may be necessary to allow the Board to perform its functions.

The Directors are appointed by the Shareholders in the Annual General Meeting. Casual vacancy, if any, is filled up by the Board in accordance with the provisions of the Companies Act and Articles of Association of the Company. During the year under report, no casual vacancy was occurred. Total number of Directors of Asia Insurance PLC is 12 (Twelve) Directors including Managing Director & CEO and 02 (two) Independent Directors as on 31.12.2025 which is within the compliance limit of the provision of the Corporate Governance Code 2018. According to Bangladesh Securities & Exchange Commission's (BSEC's) Notification Dated 22.11.2011 published in the Bangladesh Gazette on December 14, 2011 all the Directors of Asia Insurance PLC have their sufficient shareholdings i.e. minimum 2% of the total paid-up capital of the Company.

The Board members of Asia Insurance PLC are highly professional and competent. The board approves and reviews different policies and business plans with the ultimate objective to achieve the goals whereas the administrative and execution powers lie with the management team headed by the CEO. Managing Director of the Company is paid salaries and allowances as per approval of the Board of Directors of Asia Insurance PLC subject to approval of IDRA.

In compliance with the Corporate Governance Code-2018 issued by Bangladesh Securities and Exchange Commission (BSEC) and Insurers Corporate Governance Guidelines-2023 issued by Insurance Development & Regulatory Authority (IDRA); The Board of Directors of Asia Insurance PLC has been reformed sub-committee

on its 167<sup>th</sup> Board of Directors Meeting on 25th October-2025 Directors are entitled and paid meeting attendance fees Taka 8000/- per attendance including actual travelling, food and lodging expenses for attending the Board of Directors Meeting, Executive Committee Meeting, Re-Insurance & Claims Committee Meeting, Human Resources Development Committee meeting, Investment Committee Meeting, Audit Committee Meeting & Nomination and Remuneration Committee (NRC) Meeting. During the year 2025 the total expenditure related to the Board meeting was Taka 0.72 million against Taka 0.53 million in 2024.

#### Board Meetings & Minutes

The Board meets to discuss and review business strategy, financial performance, compliance and governance, risk management issues etc. as well as reports on matters deliberated by the respective committees. Meetings of the Board are scheduled in advance for the Directors to plan their schedules. In addition, Special Board meetings are held, when necessary, to deliberate on major transactions and ad-hoc matters that require the Board's urgent attention and decisions.

Meeting papers on the proposals and reports are delivered to the Directors prior to the meetings, giving them sufficient time to evaluate the proposals and if necessary, request additional information. This enables the Board to function and discharge their responsibilities effectively. The minimum information required for the Board to make an informed and effective decision includes background, objective, key issues, rationale, financial and non-financial impact of the proposal.

Directors who are unable to attend a meeting due to unavoidable circumstances are encouraged to provide feedback to the Chairman on matters to be deliberated for their views to be given due consideration at the meetings. Proceedings and resolutions are taken by the board are recorded as minutes of the meeting signed by the Chairman of the meeting. The decisions taken by the board are disseminated by the Company Secretary to whom such decision relates. Upon request of any member of the Board of Directors, copy of minutes of AGM is provided by the Company Secretary upon receipts of fees as per Articles of Association of the Company. As per Companies Act 1994, every Company is required to hold minimum 4 (four) Board of Directors meeting in a year. During the year 2025 under report, total 05 nos. of Board meetings were held against 04 meetings in 2024 where 77 nos. of policy decision were taken out of which 77 nos. of decision so far been implemented.

All such meeting related papers, documents, memo, attendance & honorarium registers, minutes etc. are being maintained in good condition by the Board Secretariat of Asia Insurance PLC.

## Retirement of Directors

At least one third of the total number of directors shall retire every year in the Annual General Meeting (AGM) in compliance with the provision of Companies Act, 1994 and Articles of Association of the Company. However, retiring Directors are also eligible for re-election in the same AGM they retire. In the forthcoming 26<sup>th</sup> Annual General Meeting (AGM) held on 29<sup>th</sup> June 2026 the following directors were retired by rotation and they were also re-elected as per provision of the Articles of Association of the Company:

Group-A	Group-B
Mr. Mohammed Jahangir Alam	Mr. Md. Enayet Kabir (Representative Director of Bay Leasing & Inv.Ltd.)
Ms. Khaleda Begum	

As per Section 91(2) of the Companies Act, 1994 and as per articles no: 112, 113, 114 of the Articles of Association of Asia Insurance PLC, the following directors will retire from the office in the next 26<sup>th</sup> Annual General meeting being holding the office for the longest period.

Group-A	Group-B
Mr. Mohammed Jahangir Alam	Mr. Md. Enayet Kabir (Representative Director of Bay Leasing & Inv.Ltd.)
Ms. Khaleda Begum	

As per provision of Article 114 of the Articles of Association of the Company, the retiring directors as mentioned above are eligible for re-election in the same meeting they retire.

## Independent Director

Pursuant to Condition # 1.2 of the Corporate Governance Code 2018 issued by Bangladesh Securities and Exchange Commission (BSEC) vide its Notification No. BSEC/CMRRC/2006-158/207/ Admin/80 dated 3rd June 2018, Asia Insurance PLC appointed 1/5 Independent Directors to the Board of Directors. There are 2 (two) Independent Directors namely Syed Sajedul Karim. & Mahfuzur Rahman.

The Independent Directors in the Board exerts independent views on the policy decisions and ensures that all decisions are unbiased and for the best interest of the Company. As per above corporate governance guidelines, no independent director of Asia Insurance PLC;

- holds more than one percent shares of the total paid-up capital.
- is not a sponsor of Asia Insurance namely and is connected with the Company's any sponsor or director or shareholder who holds one percent (1%) or more share of the total paid-up capital on the basis of family relationship.

- does not have any other relationship, whether pecuniary or otherwise, with the Company;
- is not a member, director or officer of any stock exchange.
- is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market.
- is not a partner or an executive or was not a partner or an executive during preceding 3 (three) years of the Company's statutory audit firm.
- is not an Independent Director more than 5 (Five) listed companies.
- has not been convicted by a court of competent jurisdiction as defaulter in payment of any loan to a Bank or Non-Bank Financial Institute.
- has not been convicted for a criminal offence involving moral turpitude.

## Executive Committee

This is the subordinate committee to the Board. Members of the Executive Committee are elected by the Board of Directors of the Company. As Articles of Association, the Company has formed an Executive Committee. Duties and responsibilities of the Executive Committee are determined by the Board of Directors. The Executive Committee lies with the duties and responsibilities to ensure an efficient, competent, complied and secured structural approving system of business decision.

## Audit Committee

In order to establish good corporate governance and a culture of adequate internal control system inside the Company and to evaluate the activities of the Company as per Corporate Governance Code of BSEC, the Audit Committee of the Board was duly constituted as per BSEC notification no. BSEC/CMRRC/2006-158/207/ Admin/80 dated 3rd June 2018.

The current Audit Committee is consisted of 6(Six) members where Chairman is Independent Director. All members of the Audit Committee are non-executive directors. All members are financially literate and one of the members of the committee is from Finance and Accounting background. The head of internal audit always has direct access to the audit committee as well, and can express his issues in front of the committee.

The Audit Committee has a term of reference and is empowered to investigate/question employees and retain external counsel as required. During the year 2025, total 4 nos. of meetings were held. Audit Committee plays the following role in the Company:

- Oversee the financial reporting process.
- Monitor choice of accounting policies and principles.
- Monitor internal control risk management process.
- Oversee hiring and performance of external auditors.
- Review along with the management, the annual financial statements before submission to the board for approval.
- Review along with the management, the quarterly financial statements before submission to the board for approval.
- Review the adequacy of internal audit function.
- Review statement of significant related party transactions submitted by the management.
- Review Management Letters / Letter of Internal control weakness issued by the statutory auditors.

A report on the activities carried out by the Audit Committee duly signed by the Chairman of the Audit Committee under condition No. 5(6)(a)(ii) of the Corporate Governance Code for the year 2025 has been disclosed in this Annual Report in “**Annexure IX**” to meet the requirements of Paragraph 5(7) of the said Corporate Governance Code 2018.

### Nomination and Remuneration Committee

According to Paragraph 6 of the BSEC Notification No. BSEC/CMRRC/2006-158/207/ Admin/80 dated 3rd June 2018, the Board of Directors of Asia Insurance PLC has reformed the Nomination and Remuneration Committee (NRC) in its 167<sup>th</sup> meeting held on 25th October 2025. This committee has constituted with 04(Four) members out of whom 02 members are Independent Directors. Pursuant to the condition a 6(5)(c) of Corporate Governance Code 2018, a Report of the Nomination and Remuneration Committee (NRC) is enclosed in “**Annexure X**”

### Statutory Declaration

To meet the requirements of paragraph 3(3)(C) of Corporate Governance Code 2018, statutory declaration is given by the CEO & CFO of Asia Insurance PLC as per “**Annexure XI**”

### Corporate Governance Check list and Certification on Corporate Governance

To meet the requirements of Condition No.1(5)(XXVII) of Corporate Governance Code 2018, Certificate on Corporate Governance is enclosed in “**Annexure- XXVI**”.

### Appointment of Auditors

M/S. UHY Syful Shamsul Alam & Company, Chartered Accountants, Dhaka was appointed as Statutory Auditors of Asia Insurance PLC by the Shareholders in its 25th Annual General Meeting at a fee of Taka 300,000/- (Taka Three Lac) only for the year 2025. As per Securities and Exchange Commission Rules, is appointment as an Statutory Auditors for the year 2025 and has expressed their interest to become auditors for the year 2026.

### Information availability on website

The full text of the Annual Report 2025 including other financial reports is available in the Company’s website

[www.asiainsurancebd.com](http://www.asiainsurancebd.com)

### Investor’s Complain Desk

The Company has an Investor’s Complain Desk to investigate any matters related to the Investors. Any aggrieved investor may submit his complain or query to the following address;

#### Company Secretary & Head of Investor Complain Desk

Asia Insurance PLC.  
Corporate Head Quarters  
Rupayan Trade Centre (14th Floor)  
114-115 Kazi Nazrul Islam Avenue,  
Bangla Motor, Dhaka-1000  
Phone:+ +88-02-41032881-82, +88-02-41031425-26  
+88-02-41031775-76  
e-mail: asiainsu@gmail.com  
info@asiainsurancebd.com  
web: www.asiainsurancebd.com

### Gratitude

The member of the Board of Directors of Asia Insurance PLC would like to place on record their gratitude to all the valued Shareholders, Clients, Patrons and Well-Wishers for their continued support and cooperation. We are also indebted to the Government of Bangladesh, IDRA, Bangladesh Securities & Exchange Commission (BSEC), Stock Exchanges, Commercial Banks & Financial institutions, Office of the Registrar of Joint Stock Companies & Firms and all other concerned for their continued and kind support. Finally, the Board would like to place on record their deepest appreciation for the dedicated services rendered by all the employees of the Company.

On behalf of the Board of Directors



**Mohammad Mustafa Haider**  
Chairman