ANNUAL REPORT

2025

To strategically manage resources and innovation for long-term value creation, ensuring growth that benefits the people of Bhutan.

Contents

01 Introduction

02 Directors Report

Introduction

Who We Are

We are the investment arm of the Royal Government of Bhutan, established to enhance the performance and value of our portfolio companies. We act as a guardian of the nation's strategic assets, ensuring that they operate with the highest standards of corporate governance and accountability. By carefully managing investments, nurturing innovation, and promoting sustainable development, we aim to drive economic growth and contribute to the prosperity of the nation.

Committed to excellence, integrity, and transparency, we strive to be the cornerstone of Bhutan's economic future, guiding our enterprises to new heights and creating lasting value for all stakeholders.

The Spirit of DHI

Every transformative journey demands a moment of reflection, an inward turning to rediscover purpose, reaffirm principles, and realign with one's core values. For institutions, as for individuals, true progress is guided not just by strategy but by spirit.

At DHI, that spirit is timeless. It flows from the Royal Charter, which stands not only as our legal foundation but as a sacred directive from the Throne, an enduring call to steward the nation's assets for the prosperity of all Bhutanese people.

The Charter provides our compass. From it arise our Vision, our Mission, and our Guiding Themes, which translate noble intent into focused strategy. These elements are not mere statements; they are anchors of integrity, ambition, and national service.

As we embark on this bold 10X journey, the Spirit of DHI will remain our constant - silent but unshakable. It will guide our decisions, ground our leadership, and propel us with purpose. And it will do so not just until milestones are reached, but until every commitment we have made to our shareholders, the people of Bhutan, is fully honoured.

Our Mandate

With a clear mandate to maximize returns for the people of Bhutan, we oversee Government Linked Companies (GLCs), promoting strong corporate governance by delineating ownership from management. The approach fosters accountability, drives performance, and optimizes resource utilization. We are also committed to spearheading the growth of a dynamic private sector in Bhutan by raising investment capital and enhancing the operational efficiency of our GLCs.

Towards fulfilling the mandate, we focus on appointing qualified directors and CEOs for GLCs, ensuring effective and transparent management. Performance is meticulously monitored to uphold high standards of corporate governance. We aim for optimal capital efficiency through resource consolidation and providing necessary guarantees to support GLCs.

By investing in both domestic and international ventures, promoting entrepreneurship, and initiating new business areas, we foster economic growth and innovation. Additionally, we manage strategic divestments and utilizes various financial instruments to secure funding, ensuring the prosperity and sustainable development of Bhutan's economy.

DHI 10X Strategic Framework

OUR VISION AND MISSION

To be the leading wealth management and creation organization that helps transform Bhutan into a globally competitive economy guided by the principles of GNH.

To safeguard and enhance national wealth for all generations of Bhutanese through prudent investments.

OUR CORE VALUES

DHI is built upon unique values that holds us together in this journey.

1

INTEGRITY

Committing to doing the right thing for all stakeholders, even when unsupervised.

2

HONESTY

Ensuring transparency and high-level corporate governance in all dealings.

3

EXCELLENCE

Aiming for top standards in work, products, and services.

4

PRUDENCE

Making considered decisions to protect and grow national wealth.

5

TEAMWORK

Fostering cooperation and respect across all levels and partners.

6

ACCOUNTABILITY

Owning actions while aligning with GNH values and serving the people of Bhutan.


DIVERSIFICATION
LEADERSHIP APPLIED
DATA ECONOMY RESEARCH
EMERGING TECH CENTERS OF EXCELLENCE
PORTFOLIO TRANSPARENCY
CRITICAL MINERALS FUTURE
DIGITAL INVESTMENTS
CAPITAL SOURCING ADAPTABILITY
HUMAN CENTRIC
START-UPS STRATEGIC ENABLERS OPERATIONAL WORKPLACE
SOLAR POWER CULTURE OF EXCELLENCE EFFICIENCY HYDROPOWER
GREEN ENERGY ECONOMIC TRANSFORMATION
10X JOURNEY
INFRASTRUCTURE RISK DIVERSIFICATION
GLOBAL SECURITY RESILIENCE INNOVATION
IMPACT BASED TARGETS ACCESS TO
ECOSYSTEM HUMAN CAPITAL FINANCE
QUANTUM STRATEGIC ETHICS ENERGY & RESOURCES
NEXT GEN TECH CORPORATE GOVERNANCE
MINES & MINERALS GMC

Board of Directors

Dasho Karma Y. Raydi
Chairman, DHI

Ms. Leki Wangmo
Board Member
Secretary, MoF

Mr. Nelson T. Thackery
Board Member
Transformation Office, HMS

Ms. Yunny Lee
Board Member
Transformation Office, HMS

Mr. Goh Kai Kui
Board Member
CFO, Goh Joo Hin Pvt Ltd.

Mr. Sherub
Board Member
CEO, Rigsar Pvt Ltd.

Mr. Ujjwal Deep Dahal
CEO, DHI

Ms. Karma Choden
Company Secretary, DHI

Executive Management

Mr. Ujjwal Deep Dahal

Chief Executive Officer

Mr. Ujjwal Deep Dahal is the Chief Executive Officer of DHI. He received an EMBA from the Quantic School of Business and Technology, and Technology Policy Management from MIT.

Mr. Dorji Nima

Chief Operating Officer

Mr. Dorji Nima is the Chief Operating Officer at DHI. He has an MBA from Australian Graduate School of Entrepreneurship and a Bachelor of Business Administration Degree from Madras University, India.

Ms. Dechen Peldon

Chief Financial Officer

Ms. Dechen Peldon is the Chief Financial Officer of DHI. She holds an MBA in Finance and Accounting from the Maastricht School of Management, Netherlands, and a Bachelor of Commerce (Honours) from St. Joseph's College, India. With over two decades of leadership in Bhutan's energy and aviation sectors, she brings deep expertise in corporate finance, treasury, and strategic investment planning.

Mr. Jacques V. Benecke

Chief Technology Officer

Mr. Jacques V. Benecke is the Chief Technology Officer for the DHI Group of companies. He has over 35 years of experience working for global tech giants and has focused on business transformation since completing his Master's in Business Administration in 2008

Mr. Chencho T. Namgay

Director, Department of Investments

Mr. Chencho T. Namgay is the Director of the Department of Investments, overseeing portfolio management in global financial markets, evolving asset classes and Business Development. He is responsible for entrepreneurship development and Land Management. He has a Master's in Business Administration

Ms. Tashi Lhamo

Director, Department of Finance

Ms. Tashi Lhamo is the Director of the Department of Finance. She has over twenty years of expereince in Banking, Finance and Accounting. She holds an MBA Advanced) from the Graduate School of Business, Curting University, Perth, Western Australia, and CPA, from CPA Australia (since 2005) . She was also a Hubert H. Humphrey Fellow at Boston University, MA, USA in 2007.

Mr. Phuntsho Namgay

Director, Department of Innovation and Technology

Mr. Phuntsho Namgay is the Director of the Department of Innovation and Technology. With an MBA from the Australian Graduate School of Management, his experience ranges from Grass Root Innovations to Ecosystem building.

Mr. Kencho Tshering

Director, Corporate Services Department

Mr. Kencho Tshering is the Director of Corporate Services Department. He holds a Master's in Human Resources from Curtin University, Australia, and a Bachelor of Business Administration from Hindustan College, India. He brings extensive expertise in human resources, administration, and corporate services across leading Bhutanese organizations.

Mr. Pempa Tshering

Director, Corporate Perfromance Department

Mr. Pempa Tshering serves as Director of the Corporate Performance Department. He holds an MBA from the University of Newcastle in Australia and a Bachelor's degree in Computer Applications from Sherubtse College in Bhutan.

Ms. Karma Choden

Associate Director, Office Of the General Counsel

Ms. Karma Choden is the Company Secretary of DHI. She earned her LLM from Queensland University of Technology, Brisbane, Australia, and Post Graduate Diploma in National Laws from the Royal Institute of Management.

16 MOMENTS

FEB — DEC

FEB 18

A Sharper Eye

JNWSFL partners with Japan's OUI Inc. to fabricate the Slit Smart Eye Camera.

MAR 25

Eyes On The Road

DHI and the Royal Bhutan Police launch number-plate recognition for safer streets.

MAY 8

One Shared Standard

DHI companies align around SAP as part of the Fit-to-Standard workshop.

JUL 16

New Hands At The Helm

Dorji Nima named COO and Dechen Peldon named CFO under the DHI 10X C-suite.

FEB 20

Heat From The Earth

DHI teams with Iceland's Arctic Green Energy to explore geothermal power.

APR 18

Sun On Every Roof

DGPC signs the contract for Bhutan's Rooftop Solar Photovoltaic Project.

MAY 8

5,000 Megawatts, Together

DGPC and the Adani Group sign an MoU to co-develop hydropower in Bhutan.

AUG 4

Built, Robotically

DHI and MIT sign an agreement to advance robotic construction in Bhutan.

Year at a Glance

AUG 14

The 10X Roadmap

DHI launches its group-wide roadmap for Bhutan's economic transformation.

OCT 7

Customer, First

DHI's customer-facing companies commit to a shared culture of service excellence.

OCT 17

A First For Bhutan's Banks

Bank of Bhutan and IFC sign the country's first foreign bank investment, US$20M strong.

NOV 27

New Wings For Drukair

Drukair welcomes a Pilatus PC-24 jet, expanding Bhutan's aviation capability.

SEP 28

Financing The Current

DGPC and Tata Power close loan agreements for the 600 MW Khorlochhu project.

OCT 13

An Identity On-Chain

Bhutan adopts Ethereum for national identity, opening a new era of digital sovereignty.

NOV 21

1,125 Megawatts Signed

DGPC and Tata Power agree to build the Dorjilung Hydropower Project.

DEC 8

Bhutan, Direct

Drukair flies its first international route from Gelephu International Airport.

ONE CURRENT 2025

Net worth and Market capitalization

Sector	Shareholding in %	DPC category	Networth
Energy and Resources			
Druk Green Power Corporation Limited	100%	DOC	67,599.32
Bhutan Power Corporation Limited	100%	DOC	20,095.87
Natural Resources Development Corporation Limited	100%	DOC	674.25
State Mining Corpoartion Limited	100%	DOC	2,651.42
Communication and Transportation			
Bhutan Telecom Limited	100%	DOC	5,530.27
Drukair Corporation Limited	100%	DOC	3,755.79
Bhutan National Digital Identity Limited	100%	DOC	60.29
Financial Services			
Bank of Bhutan Limited	80%	DCC	10,784.68
Royal Insurance Corporation of Bhutan Limited	18%	DLC	4,407.21
Bhutan National Bank Limited	12%	DLC	9,777.22
Real Estate and Construction			
Thimphu Tech IPark Limited	100%	DOC	342.88
Construction Development Corporation Limited	100%	DOC	885.57
DHI PTE Ltd	100%	DOC	$9.27
Trading			
State Trading Corporation of Bhutan Limited	55%	DCC	716.75
Manufacturing			
Menjong Sorig Pharmaceuticals Corporation Limited	100%	DOC	200.65
Koufuku International Limited	100%	DOC	68.35
Druk Metallurgy Limited	100%	DOC	-559.11
Dungsam Cement Corporation Limited	88%	DCC	1,856.94
Crawfish Himalayan Limited	75%	DCC	1.53
Dungsam Polymer Limited	51%	DCC	71.93
Bhutan Board Products Limited	48%	DCC	879.2
Penden Cement Authority Limited	40%	DLC	1,573.22
Azista Bhutan Healthcare Limited	28%	DLC	154.18
Bhutan Ferro Alloys Limited	26%	DLC	4,456.09

Net Worth is based on the book value of the respective companies

Due to indirect holding through BOB, DHI's shareholding to STCBL and BBPL have increased

DPC- DHI Portfolio Companies
DOC- DHI Owned Companies
DCC- DHI Controlled Companies
DLC- DHI Linked Companies

Energy and Resources

- Druk Green Power Corporation Limited
- Bhutan Power Corporation Limited
- Natural Resources Development Corporation Limited
- State Mining Corporation Limited

Communication and Transportation

- Bhutan Telecom Limited
- Drukair Corporation Limited
- Bhutan National Digital Identity Limited

Financial Services

- Bank of Bhutan Limited
- Royal Insurance Corporation of Bhutan Limited
- Bhutan National Bank Limited

Real Estate and Construction

- Thimphu Tech Park Limited
- Construction Development Corporation Limited
- DHI PTE Ltd

Trading

- State Trading Corporation of Bhutan Limited

Manufacturing

- Menjong Sorig Pharmaceuticals Corporation Limited
- Koufuku International Limited
- Druk Metallurgy Limited
- Dungsam Cement Corporation Limited
- Crawfish Himalayan Limited
- Dungsam Polymer Limited
- Bhutan Board Products Limited
- Penden Cement Authority Limited
- Azista Bhutan Healthcare Limited
- Bhutan Ferro Alloys Limited

Director's Report

Dear Shareholder,

We are pleased to present the annual report for DHI Standalone and the Group for the year ended 2025, highlighting strong performance and significant improvements over the 2024 financial year.

Major Highlights of the Year

A key highlight of 2025 is the launch of the DHI 10X Roadmap, a long-term strategy to drive Bhutan's economic transformation by targeting a tenfold increase of DHI Group revenues through stronger portfolio management, bold investments in high-impact sectors, and a robust innovation ecosystem, supported by key enablers and broad collaboration to build a resilient, competitive, and dynamic National economy.

During the year, several Group companies achieved notable milestones. Drukair recorded its highest-ever revenue of Nu. 6.96 billion, NRDCL surpassed the Nu. 1 billion revenue threshold for the first time, and DCCL registered a positive bottom line since its establishment in 2014. The National target of 15 GW of hydropower and 5 GW of solar by 2040 is well underway, with DGPC having signed two major shareholder agreements with Tata Power and Adani Power. Complementing these developments in the energy sector, the financial sector recorded a key milestone, with BoB securing a landmark US$20 million investment from the International Finance Corporation (IFC).

Financial Highlights

The table below shows the financial highlights of the DHI Standalone and its Group for the year ending 2025.

Particulars	Group (in Million Nu.)			DHI Standalone (in Million Nu.)		
	2025	2024	Variance	2025	2024	Variance
Total Assets	402,167.08	354,442.72	13.46%	104,153.28	97,423.89	6.91%
Net Worth	146,207.00	129,189.63	13.17%	95,910.82	89,807.66	6.80%
Income	91,813.34	74,413.01	23.38%	13,196.53	10,983.29	20.15%
Expenditure	61,778.32	49,182.93	25.61%	391.27	350.8	11.54%
PBT	30,042.75	25,285.30	18.82%	12,805.26	10,632.49	20.44%
Tax	11,756.27	11,514.85	2.10%	3,414.48	3,207.80	6.44%
PAT	18,286.48	13,770.46	32.79%	9,390.78	7,424.70	26.48%

Group Accounts

Total Assets and Net Worth

Compared to FY 2024, total assets increased by 13.46% from Nu. 354,442.72 million to Nu. 402,167.08 million. The growth was primarily driven by increases in property, plant and equipment (PPE), banking loans and advances, and short-term deposits. The expansion in PPE was mainly attributable to the transfer of major hydropower assets, investments, and infrastructure capitalization. BPC alone recorded an increase of Nu. 8,516.52 million in PPE between FY 2024 and FY 2025. Additionally, BOB contributed significantly to asset growth through an increase in loans and advances of Nu. 14,941.72 million and a rise in cash reserves with the central bank of Nu. 16,145.71 million.

At the end of FY 2025, the Group's net worth stood at Nu. 146,207 million, representing a growth of 13.17% over the previous year. The increase was mainly driven by growth in paid-up share capital, which rose by Nu. 2,336.15 million. The increase in share capital was primarily due to the transfer of PHPA I & II ATS to BPC and MHPA fund to DGPC.

Revenue

The Group's total earnings at the end of FY 2025 stood at Nu. 91,813.34 million, representing a growth of 23.38% compared to FY 2024. Revenue from customers amounted to Nu. 86,868.35 million, accounting for 94.61% of the Group's total income. As in previous years, the energy and resource segment remained the primary contributor to Group revenue. Among all business segments under revenue from customers, the trading segment recorded the highest growth of 57%, with earnings increasing from Nu. 5,694.69 million in FY 2024 to Nu. 8,940.04 million in FY 2025.

Other income also increased by Nu. 2,062.56 million compared to the previous year, primarily driven by gains from foreign currency fluctuations. While the Group recorded growth in both customer revenue and other income, dividend income registered a marginal decline of Nu. 104.51 million.

Expenditure

The Group's total expenditure increased by Nu. 12,595.39 million compared to the previous year. The increase was primarily driven by a rise in direct operating costs of Nu. 9,190.52 million and other costs of Nu. 2,806.39 million. The key cost components contributing to overall expenditure in FY 2025 were energy and wheeling charges, cost of goods sold, and losses arising from foreign exchange fluctuations.

Unlike the previous year, employee-related costs recorded a modest increase of 4%, amounting to Nu. 319.40 million. The Group also achieved reductions in finance costs and impairment losses, which declined by 3% and 51%, respectively, compared to FY 2024.

Profit After Tax

The Group achieved its highest profit in FY 2025, with profit after tax (PAT) of Nu. 18,286.48 million, representing an increase of 32.80% over the previous year. The strong performance was primarily driven by an increase in total income of Nu. 17,400.33 million, which outpaced the rise in total expenditure of Nu. 12,595.39 million compared to the previous year.

DHI Standalone Accounts

Total Assets and Net Worth

DHI's total assets increased by 6.91% from Nu. 97,423.89 million in FY 2024 to Nu. 104,153.28 million in FY 2025. The growth was primarily driven by increases in investments of Nu. 4,823.83 million, long-term financial assets of Nu. 1,044.09 million, and short-term deposits of Nu. 1,594.60 million. While most asset categories recorded positive growth, receivables and advances declined by Nu. 2,051.95 million, indicating improved operational efficiency and stronger credit management.

At the end of FY 2025, DHI's net worth stood at Nu. 95,910.82 million, representing an increase of 6.80% over the previous year. The growth was mainly driven by an increase in paid-up share capital of Nu. 2,336.15 million and retained earnings of Nu. 2,238.49 million. The rise in share capital was attributable to the RGoB transfer of PHPA I and II ATS to BPC and the hydropower fund to DGPC. The increase in retained earnings reflects the transfer of higher profits for the year.

Revenue

DHI's standalone revenue increased from Nu. 10,983.29 million in FY 2024 to Nu. 13,196.53 million in FY 2025, representing a growth of 20.15%. Dividend income amounted to Nu. 12,051.32 million, with major contributions from DGPC (Nu. 5,617 million), BT (Nu. 2,371 million), SMCL (Nu. 2,209 million), and BPC (Nu. 1,538 million).

Other income also recorded a significant increase, rising from Nu. 663.92 million in FY 2024 to Nu. 1,145.20 million in FY 2025. The growth in other income was primarily driven by higher brand management fees of Nu. 121.43 million, increased interest income of Nu. 131.56 million, and capital gains on overseas investments amounting to Nu. 189.55 million.

Expenditure

For FY 2025, DHI's standalone expenditure recorded a modest increase of Nu. 40.46 million compared to the previous year. Employee-related expenses, comprising pay and allowances and human resource development costs, amounted to Nu. 246.48 million, representing the largest component of total expenditure.

While most cost items increased compared to the previous year, repair and maintenance costs and general administrative expenses declined by Nu. 0.52 million and Nu. 12.52 million, respectively.

Profit After Tax

DHI's standalone Profit After Tax (PAT) increased from Nu. 7,424.70 million in FY 2024 to Nu. 9,390.78 million in FY 2025, primarily due to revenue growth outpacing the increase in expenditure.

As a result of higher profitability, DHI paid total taxes of Nu. 3,414.47 million in FY 2025, representing an increase of Nu. 206.68 million compared to the previous year.

Segment Performance

The following section briefly discusses the performance of individual companies, grouped by business segment.

Energy and Resources

The total income generated by this segment grew from Nu. 59,303.51 million in the previous year to Nu. 66,775.92 million at the end of FY2025. While there was year-on-year revenue growth, the segment's contribution to the Group's total income declined from 63.73% in FY2024 to 60.88% this year. This trend aligns with the DHI 10X Roadmap, which requires the Group to gradually reduce its dependency on the energy and resources segment.

DGPC recorded revenue earnings of Nu. 25,684.89 million in FY2025, representing a 9.81% increase compared to the previous year. The company increased its power exports by approximately 1,543 MU in 2025, primarily because a significant portion of domestic demand was met by surplus power from Punatshangchu II, which was commissioned in 2025. Improved river inflows also enabled DGPC to enhance generation from 10,691.03 MU in 2024 to 11,302.79 MU in 2025.

With increases in both domestic energy sales and exports during the year mainly driven by improved generation from DGPC power plants and the commissioning of the Punatshangchhu-II Hydropower Plant, Suchhu Hydropower Plant, and Sephu Solar Plant, BPC managed to increase its revenue from Nu. 25,098.64 million to Nu. 28,999.43 million.

Revenue from the sale of dolomite continues to contribute the largest share (57%) to SMCL's total revenue, which grew from Nu. 5,881.65 million in FY2024 to Nu. 7,037.79 million in FY2025. With the commencement of construction of Khorlochhu Hydropower Limited, the company also began generating revenue from the sale of boulders and aggregates, with

NRDCL crossed the one-billion revenue threshold for the first time in FY2025 by recording income of Nu. 1,124.74 million, which is a 31% increase compared to the previous year. Revenue from the export of timber saw a significant increase from Nu. 142.12 million in 2024 to Nu. 457.86 million in 2025. Another notable achievement was the commencement of exports of 8,419.14 cubic feet of kiln-dried sawn timber to Dubai, generating earnings of approximately Nu. 4.2 million.

Communication and Transportation

After the Energy and Resource segment, the Communication and Transportation segment contributed the most to the Group's total revenue. Income from this segment amounted to Nu. 16,195.07 million, an increase of Nu. 4,219.56 million compared to the previous year.

With an active mobile subscriber base of 471,017, BT recorded revenue of Nu. 6,675.24 million by the end of the year. In line with global telecom trends, BT has also begun diversifying its revenue streams rather than relying solely on traditional income sources such as mobile and internet services. During the year, BT generated income of Nu. 383.30 million from the sale of telecom products, representing a 140% increase compared to the previous year.

For the first time since its establishment, Drukair has achieved both record-breaking revenue and profit after tax in a single financial year. Operating revenue reached Nu. 6,880 million, while profit after tax increased to Nu. 812 million, representing a 356% growth compared to the previous year. The total number of passengers carried, including charter operations, increased by 12%, reaching 261,866 passengers compared to 234,845 in 2024. Similarly, Helicopter service recorded 1,309 revenue flight hours in 2025, reflecting a 23% increase from 1,067 hours in 2024.

Manufacturing

The manufacturing segment recorded revenue of Nu. 6,100.93 million and a profit after tax of Nu. 142.54 million. From a loss of Nu. 207.15 million in the previous year, the segment returned to a positive bottom line at the end of FY2025.

For the first time since its establishment, DCCL recorded a positive profit before tax of Nu. 15.93 million. The company earned revenue of Nu. 2,448.72 million from the sale of cement, Nu. 497.27 million from the sale of clinker, and Nu. 95.22 million from other sources, bringing total revenue to Nu. 3,041.23 million for FY2025.

DPL generated total revenue of Nu. 203.57 million, reflecting a growth rate of 13% compared to earnings of Nu. 180.52 million in FY2024.

Since recording its first positive bottom line in 2023, KIL has continued to remain profitable, recording revenue of Nu. 128.28 million and profit after tax of Nu. 16.16 million in FY2025.

MSPCL recorded revenue of Nu. 130.24 million and profit after tax of Nu. 11.95 million at the end of the year. The company continued to increase its earnings from the sale of health supplements, from Nu. 27.96 million in FY2024 to Nu. 41.63 million in FY2025.

By selling cement of 245,148.08 MT, PCAL generated a total revenue of Nu. 1,600.06 million in FY 2025 which is an increase of 2.82% as compared to the previous year.

CHL suffered a loss of Nu. 47.49 million in FY2025, as the year marked a transition from the development phase to the operational readiness phase, with major milestones achieved in infrastructure completion, asset capitalization, and hatchery stabilization.

In 2025 BBPL suffered a total operating loss of Nu. 92.79 million, mainly on account of the export business remaining suspended for close to eight months during the year.

Financial Services

The financial segment recorded an income of Nu. 9,714.02 million and a profit after tax of Nu. 2,046.79 million for FY 2025.

BoB's total operating revenue increased from Nu. 4,383.40 million to Nu. 4,968.23 million, and likewise, its profit after tax grew from Nu. 1,540.39 million to Nu. 2,046.79 million from FY2024 to FY2025. This growth was driven by an increase in the loan portfolio from Nu. 82,454 million in FY2024 to Nu. 96,251 million in FY2025, resulting in a 17% increase. Interest income also increased from Nu. 7,713 million in 2024 to Nu. 8,628 million in 2025. Reflecting continued public trust and confidence in BoB, total deposits grew from Nu. 105,692 million in 2024 to Nu. 137,400 million in 2025, representing a 30% increase.

Trading

With just one company in this segment, it contributes Nu. 9,037.51 million in revenue, representing 8.24% of total Group revenue.

STCBL's revenue grew from Nu. 5,692.87 million to Nu. 9,037.51 million at the end of FY2025. As in previous years, the petroleum business contributed significantly to the company's total revenue, generating income of Nu. 6,026.39 million accounting for 67% of total revenue. During the year, another key contributor to STCB's revenue was the sale of Toyota vehicles, which generated revenue of Nu. 1,720.43 million.

Real Estate and Construction

This segment managed to increase revenue earnings from Nu. 1,698.94 million last year to Nu. 1,781.28 million at the end of FY 2025.

Even though CDCL's income grew by 10.28% from Nu. 1,478.83 million to Nu. 1,630.87 million, the company suffered a loss of Nu. 64.30 million at the end of FY2025. The loss is mainly attributable to the write-off of boulders and riverbed material amounting to Nu. 70.95 million that were washed away by the flood on October 5, 2025.

TTPL generated revenue of Nu. 150.41 million and profit after tax of Nu. 10.16 million in FY2025. During the year, the company commenced the implementation of the RISE with SAP project for the DHI Group, a strategically significant initiative that positions TTPL at the core of enterprise digital transformation within the DHI ecosystem.

Other Operational Highlights

Managing Existing Portfolio

In 2025, DHI undertook research and consultations on sustainability and ESG reporting frameworks to support the development of a credible, comprehensive, and future-ready ESG reporting system aligned with global standards and adaptable to evolving sustainability regulations. To deepen its understanding of key ESG issues across the Group, materiality assessments were conducted for four pilot companies BPC, DGPC, DACL, and SMCL. The findings will support ESG reporting and inform the development of the Group ESG Policy, for which technical assistance discussions with the International Finance Corporation (IFC) were held. The Group ESG Policy is expected to be finalized in 2026.

During the year, Drukair progressed several key strategic initiatives, including advancing its fleet expansion strategy, inducting the Pilatus PC-24 aircraft, and launching its first international service from Gelephu. These developments position the company to support Bhutan's expanding aviation sector and align with His Majesty's vision for the Gelephu Mindfulness City.

DGPC made substantial progress during the year in hydropower development, renewable energy expansion, and strategic partnership building. A major achievement in 2025 was the commissioning of the 18 MW Suchhu HPP and the implementation of the first phase of the 35 MW distributed rooftop solar PV project. DGPC also successfully signed two strategic shareholder agreements, one with Tata Power for the development of the 1,125 MW Dorjilung Hydroelectric Project and another with Adani Power for the development of the 570 MW Wangchhu Hydroelectric Power Project.

BoB entered into a landmark partnership with the International Finance Corporation (IFC) for a US$20 million investment to expand financing for micro and small enterprises across the country. This investment represents the first foreign debt investment in Bhutan's banking sector under the revised External Commercial Borrowing (ECB) guidelines, marking an important milestone in strengthening access to finance for small businesses. BoB also hosted the 41st Asian Bankers Association (ABA) Meeting in Paro, welcoming distinguished banking leaders, regulators, and financial sector experts from across the region.

Strengthening Investment Portfolios for Sustainable Growth

In 2025, geological, geophysical, and geochemical studies were conducted for the Gasa, Chubu, Koma, Phendey, and Gelephu Tsachu sites through the engagement of experts from the Kenya Electricity Generating Company (KenGen). Based on the identified geoscientific gaps and reconnaissance survey findings, detailed investigations have been recommended for the Gasa, Gelephu, and Chubu sites, to further characterize the geothermal resources and thermal fluid properties for optimal utilization. Accordingly, detailed geoscientific studies will be undertaken in 2026 to develop a comprehensive understanding of subsurface conditions and support the harnessing of geothermal potential in the country.

In 2025, global financial markets experienced significant volatility, particularly following the U.S. tariff announcement, which led to an initial sharp selloff before recovering to end the year with most major indices posting gains. Against this backdrop, we maintained diversified exposure across public equities, fixed income, and private equity, with broad portfolio diversification helping to enhance stability and mitigate market fluctuations. Assets under management in public markets grew by approximately 21%. Geographic exposure across China, India, and the United States was further expanded into Singapore, Japan, and Europe to reduce concentration risk and capture opportunities across regions with different market cycles. Risk management frameworks were further strengthened to support portfolio resilience amid heightened uncertainty.

The digital asset market continued to develop as part of the global investment landscape, showing increasing maturity and institutional participation despite volatility driven by macroeconomic and regulatory factors. A disciplined investment approach was maintained, focusing on quality, liquidity, and risk management. Digital assets under management grew by approximately 19%. Key risk areas included market volatility, liquidity, custody, counterparty risk, and cybersecurity, with risk management remaining central to the investment process. Overall, digital asset allocations were managed prudently to balance long-term growth opportunities with appropriate risk controls in a rapidly evolving market.

Innovation and Technology Ecosystem Development

One of DHI's key highlights in 2025 was the establishment of technology verticals under the Centre of Excellence (CoE) for R&D, focusing on AI & Robotics, Energy, and Quantum Computing. Key initiatives included the Voxel Robotic Construction project with the Center for Bits and Atoms at MIT to advance research in robotics and sustainable construction materials, facilitated by Jigme Namgyel Wangchuck Super Fablab (JNWSFL). DHI also developed and deployed an in-house Automatic Number Plate Recognition (ANPR) system with over 95% accuracy in Thimphu and GMC to support the Royal Bhutan Police in faster and more efficient decision-making.

Under blockchain initiatives, DHI Innotech advanced the Bytecrane project integrating SUI blockchain with IoT devices, LoRa communication modules, and drones for reliable offline communication. The division also supported the National Carbon Registry project through carbon credit tokenization. Other notable initiatives included the RiKhaNET project with WWF-Australia under the Global Tiger Innovation Fund (GTIF) and the development of a SEEA-compliant prototype for energy accounting under the Strategy on Natural Capital Accounting.

As part of strengthening Bhutan's innovation ecosystem and social inclusiveness, DHI, through its AI-Lab initiative, provided foundational and specialized AI training in collaboration with GovTech, Omdena, and Thimphu Tech Park Limited (TTPL). Innovation challenge initiatives included Druk Care, a mental health AI assistant, and ClimateSense, an AI-based climate change mitigation solution. Through JNWSFL, Assistive Technology projects and awareness programmes were also implemented for students with Special Educational Needs (SEN), supported by Bhutan Foundation project to establish a national assistive technology ecosystem. Another highlight in 2025 was the formal collaboration and signing of a Letter of Agreement with Utrecht University in the Netherlands to support joint scientific fieldwork on Glacial Lake Outburst Flood (GLOF) research in Lunana, conducted in collaboration with Newcastle University.

Beyond commercial and technical initiatives, DHI continued contributing to national policy, institutional capacity, and human capital development. Through the Pelsung initiative, DHI Innotech professionals mentored the first cohort of the Innovate for GMC programme to support grassroots enterprise innovation. In the renewable energy sector, a Bhutanese national completed advanced geothermal study in Iceland, marking an important milestone in strengthening Bhutan's long-term energy expertise. DHI also conducted introductory data literacy training for officials of the Electricity Regulatory Authority to support data-driven decision-making. Collectively, these initiatives reinforced DHI Innotech's role in Bhutan's digital transformation and in advancing sustainable national value through technology, innovation, and knowledge.

Dividend and Taxes

During the year, the total taxes paid by the Group amounted to Nu. 12,863.91 million, an increase of 11.11% (or Nu. 1,286.76 million) from Nu. 11,577.15 million paid in 2024. And standalone taxes paid in 2025 amounted to Nu. 3,856.81 million representing an increase of 20.27% compared to 2024.

The Group also recorded a 17.38% increase in the payment on account of royalty energy, rising from Nu. 4,207.54 million in 2024 to 4,938.71 million in 2025 due to surge in supply of royalty energy to 1,676.43 MU in 2025 from 1,585.53 MU in previous year. Similarly, royalty from mineral rent and other resources also increased to Nu. 526.61 million in 2025 from Nu. 480.8 million in 2024 mainly on account of increase in the production volume from SMCL.

The proposed dividend for 2025 is Nu. 6,500 million, an increase of 15.06% from the previous year. The dividend amount was mutually agreed upon by DHI and Ministry of Finance, reflecting a balanced approach to supporting national fiscals needs while preserving capital for strategic investments.

Hence, the total remittance from the Group for the year 2025 stands at Nu. 24,829.23 million, an increase of 13.3% from Nu. 21,914.68 million in 2024.

Group Remittance			
(in Million Nu.)	2025	2024	Variance
DHI Dividend to MoF	6,500	5,649.19	15.06%
Payment on account of Royalty energy	4,938.71	4,207.54	17.38%
Royalty payment on other resources and mineral rents	526.61	480.80	9.53%
Total Group taxes	12,863.91	11,577.15	11.11%
Total Remittance	24,829.23	21,914.68	13.30%

In addition, BTL contributed license fee of Nu. 338.02 million in 2024 and Nu. 341.38 million in 2025

Corporate Social Responsibility

DHI and the Group is committed to supporting impactful initiatives and events that enhance social, cultural, community, economic, and intellectual values in our society through its CSR support. During FY2025, the Group contributed a total of Nu. 45.75 million towards activities initiated by communities, CSOs, NGOs, and institutions.

Corporate Governance

DHI remains committed to upholding the highest standards of corporate governance in line with the Royal Charter and the Companies Act of Bhutan 2016.

The Nomination and Governance Committee (NGC) held 20 meetings during the year, a key outcome of which was the successful appointment of Chief Executive Officers for seven portfolio companies: Bhutan Telecom Limited, Construction Development Corporation Limited, Bank of Bhutan Limited, Dungsam Cement Corporation Limited, Bhutan National Digital Identity Limited, Menjong Sorig Pharmaceuticals Corporation Limited, and Bhutan Board Products Limited.

Statutory Audit Report

The statutory audit of DHI's Standalone and Consolidated Financial Statements for the financial year 2025 was completed successfully. The auditors issued an unqualified opinion, confirming that the financial statements present a true and fair view of the financial position and performance of the Company and the Group. This achievement marks the 11th consecutive year that DHI has maintained clean audit reports, reflecting its steadfast commitment to financial integrity, transparent reporting, robust governance, and strong internal control systems.

The audit was conducted by S K Mittal & Co., New Delhi, and Menuka Chhetri & Associates, Thimphu, as appointed by the Royal Audit Authority. The financial statements were prepared in accordance with Bhutan Accounting Standards (BAS 2020), and there were no changes in accounting policies during the year.

Challenges & Way Forward

As the steward of Bhutan's national assets, DHI and its Group companies continued to advance their mandate of creating sustainable economic value and contributing to the nation's long-term development objectives. While significant progress was achieved across the portfolio, the Group continued to operate within an environment characterized by foreign currency, structural, operational, and market-related constraints.

Key challenges during the year included the following:

Capital Mobilization and Financing Constraints

A continuing challenge for the Group with an Investment Strategy of over 40 billion USD over the next 15 years was the mobilization of adequate and timely financing of equity and debt for large-scale hydropower developments and other capital-intensive infrastructure investments. The development of large-scale energy and infrastructure projects continues to be challenged by long investment horizons, substantial capital requirements, accelerating technological change, and evolving market dynamics. These factors constrain financing pathways, elevate execution and funding risks, and require greater flexibility in capital mobilization strategies to support our national energy ambitions and the Group's long-term diversification agenda as per our 10X Roadmap. These factors have implications not only for project delivery timelines but also for broader long term national objectives relating to energy security, economic diversification, and infrastructure development and towards setting us into the path of the 21st Century Economic Roadmap.

Addressing these challenges requires the continued diversification of funding sources and financing structures. The Group therefore remains focused on leveraging a combination of public-private partnerships, blended finance mechanisms, concessional financing, capital market instruments, strategic investments, green and climate financing and other innovative financing solutions that are aligned with the long-term nature of infrastructure assets. Structuring various fund structure at the DHI level is also being planned for the year 2026.

Human Capital and Capability Development

The attraction, retention, and development of skilled talent continued to be a significant challenge across the Group. Competition for specialized technical, engineering, digital, and managerial talent, coupled with workforce mobility trends, contributed to capability gaps in critical functions including operations, project execution, infrastructure management, and organizational transformation.

Employee attrition, particularly among experienced personnel, affected institutional continuity and operational efficiency in certain areas. At the same time, the expanding scale and complexity of the Group's operations increased the demand for specialized capabilities and human talent. Workforce movements during 2025, including both employee separations and new recruitments, reflected the ongoing need to balance talent retention, succession planning, capability development especially considering the AI and the agentic AI world, and workforce renewal and mobility across the portfolio companies

Innovation, Digital Transformation, and Technology Adoption

Innovation and technology remain critical enablers of long-term competitiveness, operational excellence, and value creation. Capital allocation to create foundational platforms for Innovation and in creating an R&D economy need to be prioritized. However, the pace and scale of technology adoption continue to be influenced by several factors, including resource constraints, the rapid evolution of emerging technologies, varying levels of digital maturity across organizations, and the complexity of integrating new solutions with existing systems and processes.

In addition, legacy technology environments, established operating practices, and change management considerations can affect the speed of implementation and realization of benefits. As a result, the Group continues to pursue a phased and disciplined approach to innovation and digital transformation, balancing investment priorities with organizational readiness, cybersecurity considerations, and long-term value creation objectives. Collectively, these challenges underscore the importance of strengthening organizational resilience, enhancing access to capital, building future-ready capabilities, and accelerating innovation though Corporate Accelerators to support the Group's strategic objectives and sustain long-term value creation for Bhutan.

Way Forward

As Bhutan enters a new phase of economic transformation, driven by opportunities emerging from Gelephu Mindfulness City (GMC), regional economic integration, and rapid global technological advancement, DHI remains committed to its 10X vision of creating sustainable economic value, enhancing national competitiveness, and building future-ready institutions.

Key strategic priorities include:

Portfolio Management Strategy:

DHI will strengthen portfolio management through its Growth, Strategic, Potential, and Future Zone framework, with a focus on resilience, operational excellence, and capital productivity. Key priorities include improving operational efficiency, embedding ESG principles across portfolio companies, accelerating digital transformation, strengthening enterprise risk management and resilience planning, and optimizing capital allocation to maximize strategic and financial returns. These initiatives aim to enhance portfolio performance, unlock synergies, and position the Group for long-term sustainable growth. Active investments to scale the Strategic and Potential quadrant companies and divestments for capital accumulation for deployment for strategic diversification of the Growth Quadrant companies and investments in the Future Quadrant will be studied and pursued strategically.

Investment Strategy:

The Group will continue to invest in priority sectors including energy, infrastructure, mining and minerals, manufacturing, services, technology, and global securities, while expanding access to diversified and sustainable sources of capital through strategic partnerships and innovative financing mechanisms. In addition, DHI is actively exploring new growth opportunities through feasibility studies and Joint Venture partner engagement in geothermal energy, magnesium production from Bhutan's dolomite resources, green hydrogen and its derivatives development, and large-scale green AI compute infrastructure. Discussions are underway regarding the development of AI compute capacity exceeding 300 MW in the near term and scaling beyond 3 GW over the long term, leveraging Bhutan's renewable energy advantage together with GMCA with support of the RGoB. With 20 GW of Hydro and Solar and other strategic areas, DHI and Group has a plan of 40 billion USD investment over the next 15 years.

Innovation and AI-First Transformation Strategy:

Innovation will remain a central pillar of DHI's long-term growth agenda. As part of our 10X vision, DHI and its Group companies will progressively transition towards becoming AI-first organizations, embedding artificial intelligence and agentic systems across portfolio management, investments, enterprise operations, and innovation platforms. Key initiatives include establishing a "National Innovation Ecosystem" centered around the JNWSFL and InnoTech creating the Impact and Venture Capital funds with global and GMC partners, developing the foundational smart city technology stack for GMC, and a Research and Development Centre of Excellence focused on Sovereign AI, robotics, digital infrastructure, and future technologies viz. quantum computing and fusion energy. These efforts will strengthen Bhutan's innovation ecosystem and position the country for leadership in emerging technologies. Venture partner engagement in geothermal energy, magnesium production from Bhutan's dolomite resources, green hydrogen and its derivatives development, and large-scale green AI compute infrastructure. Discussions are underway regarding the development of AI compute capacity exceeding 300 MW in the near term and scaling beyond 3 GW over the long term, leveraging Bhutan's renewable energy advantage together with GMCA with support of the RGoB. With 20 GW of Hydro and Solar and other strategic areas, DHI and Group has a plan of 40 billion USD investment over the next 15 years centered around the JNWSFL and InnoTech creating the Impact and Venture Capital funds with global and GMC partners, developing the foundational smart city technology stack for GMC, and a Research and Development Centre of Excellence focused on Sovereign AI, robotics, digital infrastructure, and future technologies viz. quantum computing and fusion energy. These efforts will strengthen Bhutan's innovation ecosystem and position the country for leadership in emerging technologies.

Human Capital and Future Workforce Strategy:

Recognizing that the success of the DHI 10X vision depends on people, the Group will undertake a comprehensive transformation of its human capital strategy. This includes strengthening leadership development, building AI and digital capabilities, expanding specialized talent pipelines, and fostering a culture of continuous learning. DHI will redesign organizational systems, processes, and operating models to enable effective collaboration between people and AI, allowing employees to focus on higher-value activities such as innovation, strategic planning, and value creation. Through this AI-first transformation, DHI aims to build agile, resilient, and globally competitive enterprises capable of delivering greater economic and social impact for Bhutan.

Together, these strategic priorities will position DHI and its Group companies to capitalize on emerging opportunities, strengthen economic resilience, and accelerate Bhutan's transition towards a more innovative, technology-enabled, and sustainable future.

Acknowledgement

In closing, we offer our deepest gratitude to His Majesty The King for His visionary leadership, unwavering guidance, and continued inspiration in steering the nation through a period of significant transformation and opportunity. His Majesty's vision continues to inspire the Group in fulfilling its responsibility toward nation-building and long-term value creation.

We extend our sincere appreciation to the Royal Government of Bhutan, our shareholders, and all stakeholders for their continued trust, confidence, and support toward DHI and its Group companies. Their support remains fundamental to the Group's continued growth and progress.

We also acknowledge the guidance and strategic oversight provided by the Board of Directors and express our appreciation to the management and employees across the Group for their dedication, professionalism, and commitment throughout the year. Their collective efforts, resilience, and hard work have been instrumental in advancing the Group's mandate and navigating an increasingly dynamic operating environment.

As we move forward, we remain committed to strengthening long-term value creation, fostering sustainable growth, and contributing meaningfully to Bhutan's economic transformation and future prosperity.

Thank you and Tashi Delek!

[Dasho Karma Y. Raydi]
Chairman, DHI

Report on Corporate Governance

Our Mandate

DHI was established by Royal Charter issued by His Majesty The King on 11 November 2007. The Charter's founding purpose is to ensure that DHI's companies can meet the demands of a highly competitive global economy, such that DHI creates and maximizes returns to its shareholders, the people of Bhutan. To this end, the Charter mandates DHI to act as holding company for Government Linked Companies (GLCs), to strengthen corporate governance through a clear separation of ownership and management, to enhance GLC performance and accountability, to raise investment capital, to maximize returns through optimal resource use, and to lead and spearhead the growth of a dynamic private sector.

Our Governance Framework

DHI's governance framework prioritizes the creation of long-term value and places the institution at the centre of its operations, balancing empowerment with compliance. Transparency and adherence to regulation are treated as foundational principles. The Board and Management uphold these by complying with the Companies Act of Bhutan 2016, together with the Royal Charter and other applicable rules and regulations. Under the Board's guidance, DHI manages its portfolio with full commercial discretion as a responsible long-term investor and asset owner, supported by specialized Board Committees – the Audit Committee, the Nomination and Governance Committee, and the Board Committee for Performance Management.

Our Governance Structure

The Royal Charter sets out the Board's authority, composition, and decision-making procedures. As per the Charter, the Board shall consist of seven or nine members, with the exact number determined by the Board in consultation with the Blue-Ribbon Panel (BRP). A minimum of two Directors must come from the Civil Service, including the Ministry of Finance representative. Directors serve three-year terms and may be reappointed.

The Board has full authority over investment, divestment, and securities issuance decisions, in consultation with the Ministry of Finance. Important decisions are reserved for a sitting of the Board, though other actions may be taken by unanimous written or electronic consent.

Appointments and removals follow a defined process:

- The Chairman of DHI is appointed by His Majesty The King.
- The Ministry of Finance directly appoints its own representative as a Director.
- All other Directors are appointed by the Blue-Ribbon Panel, based on criteria developed by DHI. The BRP comprises the DHI Chairperson (as BRP Chairperson), the Chairperson of the Royal Civil Service Commission, the Secretary of the Ministry of Finance, the Secretary of Trade and Industry, and the Governor of the Central Bank.
- The CEO is appointed by the Board and automatically becomes a Board Member upon appointment.

Remuneration for Board Members is determined by the BRP, while remuneration for the CEO and employees is determined by the Board.

Our Relationship with the Government

DHI was established as an autonomous holding company, with the Ministry of Finance's shares in GLCs transferred to DHI as equity and future government-developed commercial projects channeled through DHI upon incorporation. DHI and the Ministry of Finance mutually agree on performance benchmarks, and DHI reports periodically on its performance; the Ministry of Finance in turn reports to the National Assembly on DHI's performance and may call on the DHI Chairperson for clarification.

Dividends are determined annually at each Annual General Meeting. The Ministry of Finance and DHI mutually agree on the total dividend for the following year, taking into account DHI's liquidity position, investment plans, working capital needs, and projected cash flows. Dividends may be paid periodically to support government cash-flow needs, but the total paid in a year cannot exceed the AGM-agreed amount. Any transfer of DHI's general reserves requires a His Majesty's approval and proceeds from the divestment of any GLC are transferred to the general reserve.

The dividend amount agreed between DHI and the Ministry of Finance for 2025 is Nu. 6,500 million (up 15% year-on-year), and total Group remittance for 2025 – comprising dividend, royalty on energy, royalty on other resources/minerals, and Group taxes was Nu. 24,829 million, a 13% increase over 2024.

The Board of Directors, Board Meetings, and Attendance

The Board of Directors, led by the Chairman, is entrusted with the ultimate responsibility for guiding the strategic direction and performance of DHI to achieve the mandates bestowed in the Royal Charter. The management of DHI is headed by the Chief Executive Officer for the management of the day-to-day affairs of the Company.

Following the completion of Mr. Thinley Namgyel's tenure as a Director, Mr. Goh Kai Kui was appointed as an Independent Non-Executive Director and joined the DHI Board with effect from the 125th Board Meeting.

During the year 2025, the Board convened nine meetings (from 123rd to 131st Board meetings) to discharge its oversight and strategic responsibilities, and the gap between two meetings did not exceed three months in accordance with the Companies Act 2016. Each Director's attendance is detailed as follows:

#	Director Name	Current Agency	Category	Total Meetings attended	Directorship on other DHI owned/controlled companies
1	Dasho Karma Yezer Raydi	Chairman, DHI	Executive	8/9	State Mining Corporation Limited Druk Metallurgy Limited
2	Mr. Thinley Namgyel	Secretary, MoAL	Non-Executive	2/2	Bank of Bhutan Limited
3	Mr. Goh Kai Kui	CEO, Goh Joo Hin Pte Ltd	Independent Non-Executive	6/7	
4	Ms. Yunny Lee	Transformation Office, HMS	Independent	9/9	
5	Mr. Nelson Trevor Thackery	Transformation Office, HMS	Independent	7/9	
6	Ms. Leki Wangmo	Secretary, MoF	Non- Executive	8/9	
7	Mr. Sherub	CEO, Rigsar Pvt Ltd	Independent	9/9	
8	Mr. Ujjwal Deep Dahal	CEO, DHI	Executive	9/9	Druk Green Power Corporation

Board Committees

Audit Committee (Board Audit Committee)

Comprising of independent directors, the Audit Committee provides independent oversight of DHI's financial reporting and compliance, risk management and internal control, and the functions of the Internal Audit Unit, and reviews the scope, engagement, and independence of the external auditors. It operates under a formal charter approved by the DHI Board, reviewed periodically against best practice, and is supported by DHI's Internal Audit Unit.

Nomination and Governance Committee (NGC)

The Nomination and Governance Committee (NGC) is a special joint committee comprising members of both DHI and company Board concerned, with the mandate to carry out the selection and appointment of CEOs for DHI-owned companies (DOCs) and DHI-controlled companies (DCCs). The Committee's core responsibility includes defining criteria, assessing candidates, and recommending a CEO nominee, where the final authority to appoint CEO lies with the DHI Board.

In 2025, the NGC convened 21 times, resulting in the reappointment of the CEO of DCCL, MSPCL, DPL and the appointment of the CEO of CDCL, BBPL, BNDIL, BoB, and BTL.

Board Committee for Performance Management (BCPM)

The BCPM is a standing committee of the DHI Board responsible for reviewing the Group's annual compact target-setting, business reviews, and performance evaluations across the portfolio. In 2025, a total of 53 BCPM meetings were held, including the compact negotiation meeting and quarterly reviews of the company's performance.

Board and CEO Evaluation

DHI conducts an annual online survey in which the Chairman and CEO of each Group company assess the performance of individual Board Directors serving on DHI-owned and controlled companies. The results from these assessments are used for Director reappointment decisions and Board development. Separately, company Boards conduct an annual online assessment of their respective CEOs, focused on leadership capability and core competencies, which feeds into contract renewal deliberations.

Risk Management

At DHI, we view effective risk management as a cornerstone of resilient operations, business continuity, and long-term value creation for our stakeholders. To support this, we have instituted a robust Risk Management Framework that ensures the systematic identification, evaluation, and management of risks across the DHI Group.

In 2025, a total of 263 risks were reported across 17 companies, including DHI. Among these, 57 were classified as Tier 1 risks, reflecting areas with the potential to cause significant operational, financial, strategic, compliance, or reputational impact. The risks identified across the Group were supported by mitigation and control measures, with companies required to monitor implementation and review risk levels throughout the year.

The overall risk indicated a risk profile with concentration of risks in areas such as operational, financial, sustainability, infrastructure reliability, market competitiveness, regulatory compliance, technology dependence and workforce capability. These themes are consistent across the Group and underscore the importance of proactive risk management in navigating an increasingly complex and dynamic business environment.

Going forward, DHI is firm in strengthening risk management practices across DHI standalone and the Group by embedding risk considerations into strategic planning and decision-making processes. In 2025, DHI enhanced its risk management approach through the alignment of the annual risk assessment with the plan finalisation process conducted annually. In addition, DHI has enhanced its risk management approach through quarterly risk reviews and regular updates of risk registers to reflect the status of control measures implemented and emerging risk developments. As part of its ongoing efforts to strengthen enterprise risk management, DHI will also integrate the assessment and monitoring of strategic risk associated with the DHI 10X journey roadmap into its overall management framework to ensure the risks are proactively identified, monitored and managed.

Compliance and Audit

DHI received a clean audit report without qualification for the financial year 2025 on both its Consolidated and Standalone accounts and reported full compliance with its Corporate Governance Code and statutory requirements. This clean account achievement marks the 11th consecutive year of DHI's unwavering commitment to financial integrity, transparent reporting, and sound internal controls.

Statutory audits have been conducted jointly by an internationally affiliated audit firm S K Mittal & Co., Chartered Accountants, New Delhi and a Thimphu-based firm Menuka Chhetri & Associates, appointed by Royal Audit Authority. The audits are performed in accordance with standards prescribed by the Accounting and Auditing Standards Board of Bhutan (AASBB) and the Companies Act of Bhutan 2016.

Governance of Our Portfolio Companies

As an active owner and principal shareholder, DHI promotes good governance practice across its Group by appointing professionally qualified, experienced, and high-integrity Board Directors and CEOs, and by tracking company performance against targets and benchmarks set through the BCPM process.

DHI's FY2025 portfolio spanned 25 companies across Energy and Resources, Communication and Transportation, Financial Services, Real Estate and Construction, Trading, and Manufacturing, classified as DHI-Owned (DOC, full ownership), DHI-Controlled (DCC, 51% or more), or DHI-Linked (DLC, below 51%) depending on DHI's shareholding.

Reporting Complaints

DHI maintains a public complaint-reporting channel via the 'Report a Complaint' form on its website (www.dhi.bt) through which external parties may report alleged misconduct by employees.

National Significance

Contributed Nu. 2.00 million to support national programs, royal celebrations, Gyalsung initiatives, and other activities promoting Bhutan's unity and identity.

Youth and Sports

Contributed Nu. 0.40 million to promote youth development, sports participation, and wellbeing through support for national sports and wellness initiatives.

Corporate Social Resposibility

Religion and Culture

Contributed Nu. 0.38 million towards preserving Bhutan's spiritual and cultural heritage through support for monasteries, religious activities, cultural institutions, and community events.

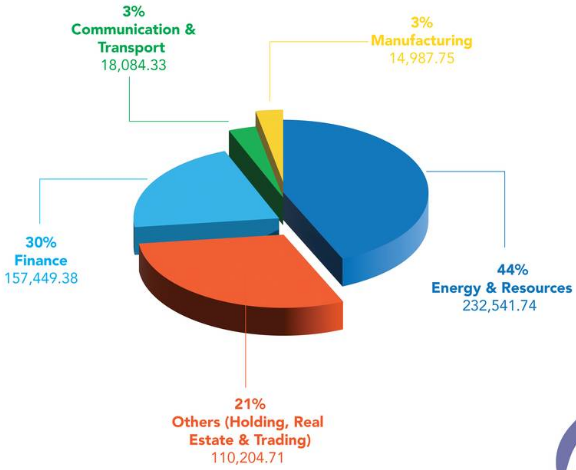
Social and Environment

Contributed Nu. 2.29 million to promote community wellbeing and environmental sustainability through support for health, education, conservation, and rural development initiatives.

Financial Review

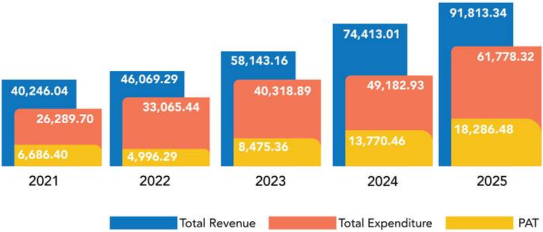
Asset by Sector for 2025

(Figures in Million Nu.)



Consolidated Group Total Assests and Net Worth (In Million Nu.)

Group Revenue, Expenditure and PAT (In Million Nu.)



Group Revenue, Expenditure and PAT (In Million Nu.)

Key Highlights of DHI Portfolio Companies

Druk Green Power Corporation Limited

Particulars	2025	2024
Total Assets	119,586.13	116,552.58
Net Worth	67,599.32	62,201.38
Income	25,684.89	23,390.11
Expenditure	10,791.68	10,908.34
PBT	14,893.21	12,481.78
TAX	4,385.43	3,839.51
PAT	**10,507.77**	**8,642.27**

(in millions Nu.)

- Increased generation by 5.41% from 10,691.03 GWh in 2024 to 11,302.79 GWh in 2025, because of improved hydrological inflows.
- Expanded Bhutan's renewable energy portfolio, contributing 38.32 GWh, 3,649.19 GWh, and 12.19 GWh respectively to domestic and export markets through the commissioning of Suchhu Hydropower Project and Sephu Solar Project, alongside the generation from Punatsangchhu-II.
- Strengthened the performance and safety of DGPC's hydropower portfolio through modernization and renovation of major plants including Basochhu, Chhukha, Kurichhu, Mangdechhu, and Tala and conducting third party safety assessments of Nikachhu and Dagachhu hydropower assets.
- Received accreditation for HRDC from the National Accreditation Board for Testing and Calibration Laboratories of India accreditation, strengthening DGPC's technological capabilities, research, diagnostics, and operational efficiency in hydropower systems.
- Signed Investment cum Shareholders Agreement for the development of the 1,125 MW Dorjilung Hydroelectric Project and 570 MW Wangchhu Hydroelectric Power Project with Tata Power Company and Adani Power respectively.
- Engaged with key financial institutions such as SBI, ADB, EIB, PFC, OPEC Fund, KFAED, WBG which is an ongoing activity to secure Nu. 2,200 billion (US$ 25 billion) in funding to realize this national goal of 20,000 MW.

Key Highlights of DHI Portfolio Companies

Bhutan Power Corporation Limited

Particulars	2025	2024
Total Assets	57,594.20	46,744.60
Net Worth	20,095.89	16,754.40
Income	28,999.44	25,098.65
Expenditure	26,117.38	22,103.35
PBT	2,882.06	2,995.29
TAX	399.91	1,020.59
PAT	**2,482.15**	**1,974.71**

(in millions Nu.)

- Increased the peak demand from 1,026.44 MW to 1,477.00 MW in 2025. The increase in domestic load was largely driven by socio-economic development, with industrial load constituting around 91.22% of the total domestic load. The customer base also increased to 262,234 from 255,517 in 2024.
- Increased domestic energy sales from 7,256.10 MU to 8,897.81 MU and energy exports to India from 5,456.44 MU to 7,924.69 MU following the commissioning of Punatshachhu-II Hydropower Plant, Suchhu Hydropower Plant and Sephu Solar Plant.
- Commissioned the 66/33 kV GIS substation at Phuentsholing and the 132/33 kV GIS substation at Panbang, Zhemgang. Completed the 220 kV and 400 kV transmission lines connecting Norbugang Industrial Park, increasing total substation capacity at NIP to 300 MVA.
- Electrified an additional 1,407 households through network expansion works. Expanded smart grid and distribution automation initiatives through integration of substations with the centralized Distribution Management System (DMS).
- Achieved 100% service availability and reliability for the National Fiber Backbone and 98.74% transmission availability, with SAIFI improvement from 2.40 to 1.77 and SAIDI improvement from 3.59 to 2.74 in 2025.
- Assumed nationwide responsibility for procurement, installation, operation and maintenance of EV charging stations. Bhutan now has 75 EV chargers across 40 stations in all 20 Dzongkhags.
- Continued digital transformation initiatives through development of a Digitalization Roadmap focusing on AI/ML analytics, FLISR, IT-OT integration and centralized data management systems.
- Recruited 228 employees and redesignated 103 line staff to Technicians while achieving zero work-related employee accidents during the year.

Key Highlights of DHI Portfolio Companies

State Mining Corporation Limited

PARTICULARS	2025	2024
Total Assets	4,320.38	4,342.96
Net Worth	2,651.42	2,270.45
Income	7,037.79	5,881.65
Expenditure	3,188.59	2,596.24
PBT	3,849.20	3,285.41
TAX	1,262.12	1,096.06
PAT	**2,592.23**	**2,189.34**

(in millions Nu.)

- Achieved record performance in dolomite business, with sales crossing 3 million tons for the first time, generating Nu. 4,025.29 million and emerging as the highest revenue contributor at 57% of total revenue.
- Increased Gypsum sales volume by 2.8%, achieving 577,683 MT in 2025 compared to 562,005.51 MT in 2024 despite disruptions from the Gen Z protest in the Nepal market.
- Operated two coal mines (Rishore and Tshogphama), and despite the reduced operations, both production and sales surpassed targets, with sales rising notably to 153,044 MT, reflecting a 45% increase compared to 2024.
- Engaged with 1,495 local individuals and provided Nu. 1,324.77 million to support local livelihoods and community development.
- Funded a total of Nu. 2,034 million to the national exchequer in the form of corporate income tax, royalties, mineral rent, surface rent, and mining license fees.

Key Highlights of DHI Portfolio Companies

Natural Resource Development Corporation Limited

Particulars	2025	2024
Total Assets	861.47	1,931.98
Net Worth	669.83	670.14
Income	1,124.74	860.34
Expenditure	1,079.06	830.43
PBT	45.68	29.91
TAX	38.98	14.79
PAT	**6.70**	**15.12**

(in millions Nu.)

- Achieved the milestone with overall revenue reaching 1 billion for the first time.
- Recorded a substantial increase in timber export sales. The volume rose from 533,627.71 cubic feet in 2024 to 1,957,347.38 cubic feet. Correspondingly, export revenues increased from INR 142.12 million in 2024 to INR 457.866 million.
- Initiated the export of kiln-dried sawn timber to third-country markets, starting with an initial volume of 8,419.14 cubic feet exported to Dubai earning revenue equivalent to USD 45,000.
- Facilitated a three-month short-term training in Copenhagen, Denmark for two carvers in collaboration with Bjarke Ingels Group (BIG) and Ministry of Infrastructure and Transport.
- Developed 34 new value-added timber products, including furniture items featuring innovative designs, with a strategic focus on expanding into export markets.
- Relocated Ramtokto Sawmills to Gidakom, creating space for the establishment of a Glulam and TMTM plant, thereby enhancing the Company's value addition capacity.
- Established two seasoning kilns at Ramtokto to address the shortage of seasoned timber.
- Endorsed the Corporate Strategic Plan (CSP) for the period of 2026-2035 aligning with the DHI 10X Roadmap.
- Designed and successfully executed a timber-structured project for Bhutan Telecom Limited, demonstrating the company's technical expertise and commitment to quality timber construction.

Key Highlights of DHI Portfolio Companies

Bhutan Telecom Limited

Particulars	2025	2024
Total Assets	6,941.69	6,947.24
Net Worth	5,530.26	5,614.28
Income	6,675.24	6,372.59
Expenditure	3,296.06	3,027.40
PBT	3,379.17	3,345.18
TAX	1,099.37	988.12
PAT	**2,279.79**	**2,357.06**

(in millions Nu.)

- Increased active mobile subscriber base from 465,281 in 2024 to 471,017 by the end of 2025, while leased line internet subscriptions increased from 7,453 to 8,625.
- Expanded nationwide mobile connectivity by upgrading 139 LTE sites and installing 89 new LTE sites, improving coverage in urban, rural, and highway areas.
- Enhanced International connectivity through a Mumbai Point of Presence (POP) with IPLC and CDN links, and the rollout of 26 new ISP POPs across the country.
- Enhanced network capacity in Changlimithang to ensure reliable connectivity during the Global Peace Prayers, reinforcing its role as a key national telecom provider.
- Strengthened human capital development through 50 capacity-building programmes, including seminars, domestic and international trainings, and online courses.

Key Highlights of DHI Portfolio Companies

Drukair Corporation Limited

Particulars	2025	2024
Total Assets	11,142.63	9,390.88
Net Worth	3,755.79	1,709.61
Income	6,959.67	5,498.01
Expenditure	5,805.48	4,995.63
PBT	1,154.18	502.39
TAX	341.91	341.91
PAT	**812.27**	**177.84**

(in millions Nu.)

- Increased fixed wing fleet operations by 9% from 4,435 flights in 2024 to 4,819 flights in 2025. Passenger numbers also increased by 12% from 234,845 in 2024 to 261,866 in 2025, while the Company achieved an average market share of 79% across all competitive routes. Cargo volumes increased from 574 MT in 2024 to 630 MT in 2025.
- Launched the Gelephu-Kolkata-Gelephu international service with two weekly flights, marking the first international service from Gelephu. Rotary wing operations also expanded, with helicopter revenue flight hours increasing by 23% from 1,067 hours in 2024 to 1,309 hours in 2025.
- Inducted the Pilatus PC-24 aircraft to support charter, medical evacuation, and corporate operations. Drukair also advanced the acquisition of three Airbus A320neo aircraft and two Airbus A321XLR aircraft to strengthen future operations and expand connectivity.
- Achieved record operating revenue of Nu. 6,880 million, representing a 27% increase over 2024, while profit after tax reached a record Nu. 812 million, a 356% increase over the previous year. The Company also achieved the highest Customer Satisfaction Index (CSI) score in the DHI Group at 4.19.
- Conducted the third edition of the Trongsa Penlop Inspire Programme (TPIP) as part of its CSR programme, providing 47 students from 20 dzongkhags with a one-week educational and cultural exposure visit to Thailand.

Key Highlights of DHI Portfolio Companies

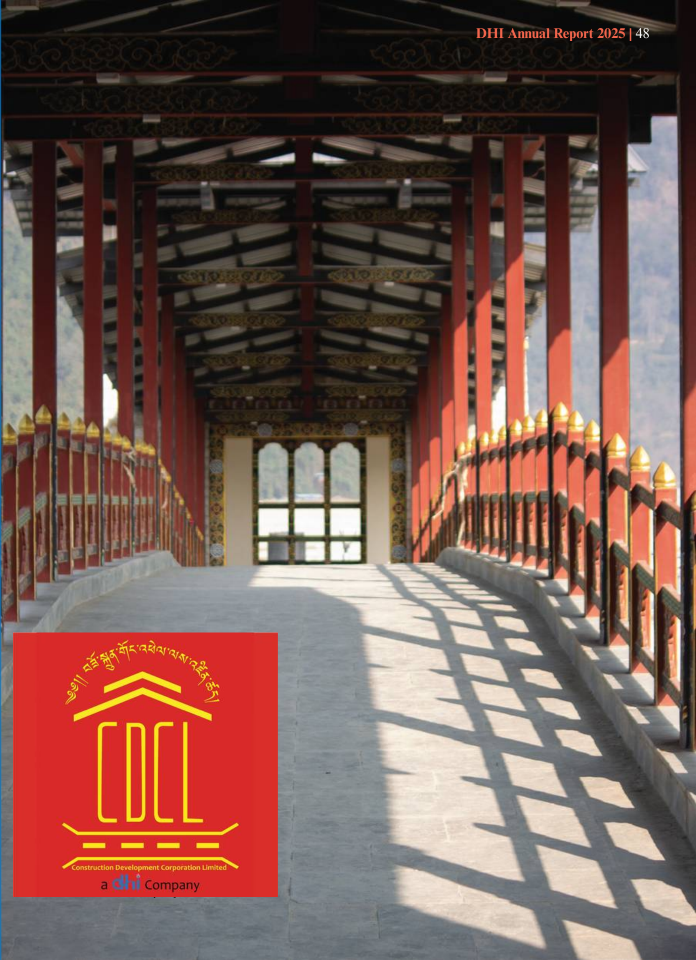
Bank of Bhutan Limited

PARTICULARS	2025	2024
Total Assets	157,449.38	122,665.20*
Net Worth	10,784.68	9,726.17*
Income	4,968.24	4,383.41
Expenditure	2,025.22	2,156.60
PBT	2,943.02	2,226.90
TAX	896.22	686.50
PAT	**2,046.79**	**1540.40**

*Note: * Amount restated on January 1, 2025.* *(in millions Nu.)*

- Maintained its position as the market leader in both deposits and loans while further advancing its digital banking services
- Entered a landmark partnership with the International Finance Corporation (IFC) for US$20 million investment to expand financing for micro and small enterprises across the country.
- Hosted the 41st Asian Bankers Association (ABA) Meeting in Paro, welcoming distinguished banking leaders, regulators, and financial sector experts from across the region.
- Continued to dominate customer transactions in digital banking channels, with digital transactions accounting for more than 98% of the Bank's total transaction volume. mBoB mobile banking remained the primary transaction channel contributing 79.83% of total transactions.
- Introduced contactless (Tap-and-Pay) debit cards supporting both domestic and international transactions, enabling faster and more convenient payments.
- Enhanced GoBOB digital wallet to support email-based registration for tourist customers, enabling visitors to conveniently register from their home country prior to arrival and seamlessly use digital payment services during their stay in Bhutan.
- Enabled digital customer onboarding using the NDI platform, allowing customers to conveniently open Customer Information Files (CIF) and bank accounts digitally.
- Facilitated seamless remittance services processing transactions amounting from Nu. 5,167.16 million in 2024 to Nu. 15,009.30 million.
- Achieved a customer satisfaction index of 4.17, a slightly higher index as compared to 3.96 in 2024.
- Registered a record-breaking Net Profit of Nu. 2,047 million, against Nu. 1,540 million in 2024.
- Finalized Corporate Strategic Plan (2026-2035) in alignment with DHI 10X journey.

Key Highlights of DHI Portfolio Companies



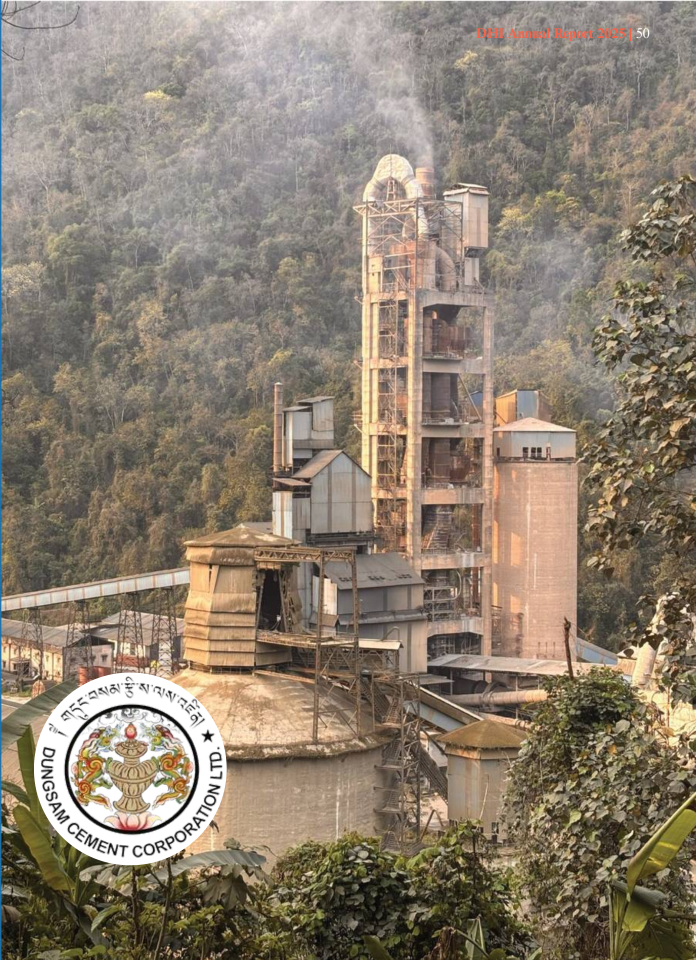
Construction Development Corporation Limited

PARTICULARS	2025	2024
Total Assets	2,218.25	1,764.64
Net Worth	885.57	943,36
Income	1630.87	1,478,83
Expenditure	1,478,83	1,383.03
PBT	(84.24)	95.80
TAX	(19.93)	53.31
PAT	**(64.30)**	**42.49**

(in millions Nu.)

- Completed the construction of the Tashichholing Hospital in Samtse in 2025, which is now operational and providing significant healthcare benefits to the residents of Tashichholing and surrounding communities.
- Secured three bridge projects at Lhuntse through open competitive bidding and was awarded construction of two cinema halls at Wangduephodrang and Samdrup Jongkhar.
- Continued works on Hydro Power Projects like Jomori, Khorlochu and Burgangchu which is nearing completion in March 2026.
- Recorded the highest revenue of Nu. 1,630.87 million in the past five years, with a corresponding loss of Nu. 64.30 million, primarily due to the write-off of boulders and RBM valued at Nu. 70.95 million that were washed away during the flood of October 5, 2025.
- Obtained Certification in Project Management (Prince 2) for three employees from Singapore.

Key Highlights of DHI Portfolio Companies



Dungsam Cement Corporation Limited

Particulars	2025	2024
Total Assets	8,242.87	7,884.82
Net Worth	1,856.73	782.16
Income	3,041.23	2,594.10
Expenditure	3,025.30	3,143.96
PBT	15.93	(549,86)
TAX	(596.66)	200.73
PAT	**610.59**	**(349.13)**

(in millions Nu.)

- Produced a total of 450,610.98 MT of cement with sales recorded at 451,251 MT.
- Achieved a major milestone with the installation of the multicore coal firing system, along with the partial in-house fabrication of the coal dosing chute.
- Recorded a substantial growth in revenue of Nu. 3,041.23m over the years
- Marked a turnaround from a significant loss in the previous years to a profit of Nu. 15.93 million in 2025.
- Generated cost savings of approximately Nu. 145.78 million compared to 2024 through the replacement of downcomer ducts and sealing of leakages in the preheater cyclone area.

Key Highlights of DHI Portfolio Companies

Thimphu TechPark

Thimphu TechPark Limited

Particulars	2025	2024
Total Assets	478.71	509.89
Net Worth	342.88	341.42
Income	150.41	220.02
Expenditure	137.99	166.18
PBT	12.42	53.84
TAX	2.25	(7.06)
PAT	**10.16**	**61.45**

(in millions Nu.)

- Delivered high-impact national digital transformation projects, including the Five-Year Plan Management System for the Office of the Prime Minister, an Online Voting System Proof of Concept for the Election Commission of Bhutan, and digital solutions for the Ministry of Health, DeSuung, BDBL, BoBL, and NRDCL.
- Strengthened its position as a leading enterprise technology partner through the successful implementation of RISE with SAP across key DHI Group companies and multiple ERP deployments, supporting digital transformation across Bhutan's public and corporate sectors.
- Advanced innovation and product development through the launch of Nor POS, TTPL's in-house point-of-sale solution, and the operationalization of the Bhutan Innovation and Technology Centre (BITC), which supported startups, entrepreneurship, and intrapreneurship initiatives.
- Enhanced national cybersecurity resilience by conducting security assessments for eight DHI companies, vulnerability testing for Bhutan NDI, and expanding Microsoft solutions and managed services to new clients.
- Achieved revenue of Nu. 150.41 million and a Profit After Tax of Nu. 10.16 million, while investing Nu. 8.64 million in employee development and international certifications to build future-ready capabilities in SAP, cybersecurity, DevOps, Agile, and emerging technologies.

Key Highlights of DHI Portfolio Companies

Koufuku
A dhi Company

Koufuku International Limited

Particulars	2025	2024
Total Assets	181.43	76.38
Net Worth	68.36	50.58
Income	128.28	115.53
Expenditure	104.32	100.55
PBT	23.96	14.98
TAX	14.98	1.73
PAT	**16.16**	**13.26**

(in millions Nu.)

- Achieved Record Profit of Nu. 16.16 Million, an increase by Nu. 2.9 million from the preceding year setting yet another benchmark in KIL's financial performance.
- Procured 1,243 MT of milk representing 14% increase over the 1086 MT collected in 2024, reflecting strong support, trust and active participation from its stakeholder, the farmers.
- Produced 257.17 MT of Processed cheese, marking 22% growth from the previous year's production of 210.80 MT.
- Secured at least a 19% share of the national processed cheese market.
- Improved the trade receivables significantly from Nu. 18.93 million in 2024 to Nu. 9.54 million during the year.
- Improved rural livelihood by paying Nu. 49.20 million to dairy farmers across rural households, reinforcing its long-term commitment to inclusive growth, rural income generation across eastern Bhutan.
- Played pivotal role in supporting farmers by contributing a total income of Nu. 258.42 million since its formal operation in 2015.

Key Highlights of DHII Portfolio Companies

Crawfish Himalayan Limited

PARTICULARS	2025	2024
Total Assets	341.34	303.37
Net Worth	1.53	49.02
Income	2.07	7.07
Expenditure	67.63	21.95
PBT	(65.56)	(14.88)
TAX	-	-
PAT	**(47.49)**	**(14.88)**

(in millions Nu.)

- Completed the hatchery construction, Installation and operationalized the hatchery.
- Established the core RAS infrastructure and systems.

Key Highlights of DHI Portfolio Companies

MENJONG SORIG
PHARMACEUTICALS CORPORATION LTD
a dhi Company

Menjong Sorig Pharmaceutical Corporation Limited

Particulars	2025	2024
Total Assets	234.24	215.96
Net Worth	200.65	187.95
Income	130.24	115.04
Expenditure	104.53	97.26
PBT	25.71	17.79
TAX	13.76	10.06
PAT	**11.95**	**7.72**

(in millions Nu.)

- Achieved a record financial performance with total revenue increasing by 13.5% to Nu. 130.63 million, driven by strong growth in the health supplements segment, while Profit Before Tax increased by 44.5% and Profit After Tax rose by 54.7% compared to the previous year.
- Strengthened its core mandate of supporting Bhutan's traditional healthcare system by increasing traditional medicine production, commissioning a state-of-the-art tablet manufacturing machine, and enhancing quality assurance capabilities through the installation of ICP-MS technology for advanced heavy metal testing.
- Expanded its health supplement portfolio through the launch of new products, including Reishi Mindfulness Tea, Reishi Tincture, Black Turmeric Massage Oil, and Cinnamon Powder, while successfully entering the international market with the launch of Beaubelle Lumina Wholistic Plus in Malaysia.
- Advanced sustainable sourcing and biodiversity conservation through community farming initiatives, Access and Benefit Sharing (ABS) agreements, establishment of a post-harvest care centre in Trongsa, and climate resilience programs aimed at safeguarding Bhutan's medicinal plant resources.
- Aligned its Corporate Strategic Plan with DHI's 10X Roadmap, positioning the company to become a Centre of Excellence for Herbal Medicine and Wellness Innovation, with plans for GMP-compliant facilities, digital traceability systems, expanded exports, and integration into the Gelephu Mindfulness City wellness ecosystem.

Key Highlights of DHI Portfolio Companies

Penden Cement Authority Limited

Particulars	2025	2024
Total Assets	2,251.72	2,394.89
Net Worth	1,573.22	1,609.12
Income	1,600.06	1,556.15
Expenditure	1,519.15	1,519.15
PBT	24.34	37.01
TAX	6.47	(8.62)
PAT	**17.87**	**28.39**

(in millions Nu.)

- Achieved significant growth in the sale of Autoclave Aerated Concrete (AAC) Block segments with quantity sale recorded at 13,627.30 m³ amounting to Nu. 54.15 million from 7,234 m³ amounting Nu. 29.26 million in 2024 ever since its launch in 2023.
- Implemented pay revision whereby the fixed allowance component was increased from 30% to 60% to enhance the overall salary structure and provide additional financial support to the employees.
- Achieved cost saving of Nu. 80.86 million in coal through careful monitoring od price movements, engagement of multiple suppliers and strategically procuring coal during off peak season.
- Commenced AAC holding area extension projects to accommodate increased storage particularly during lean season and to scale up production.
- Obtained approvals from the public and BPC for conducting explorations activities at Haurikhola to mine limestone.

Key Highlights of DHI Portfolio Companies

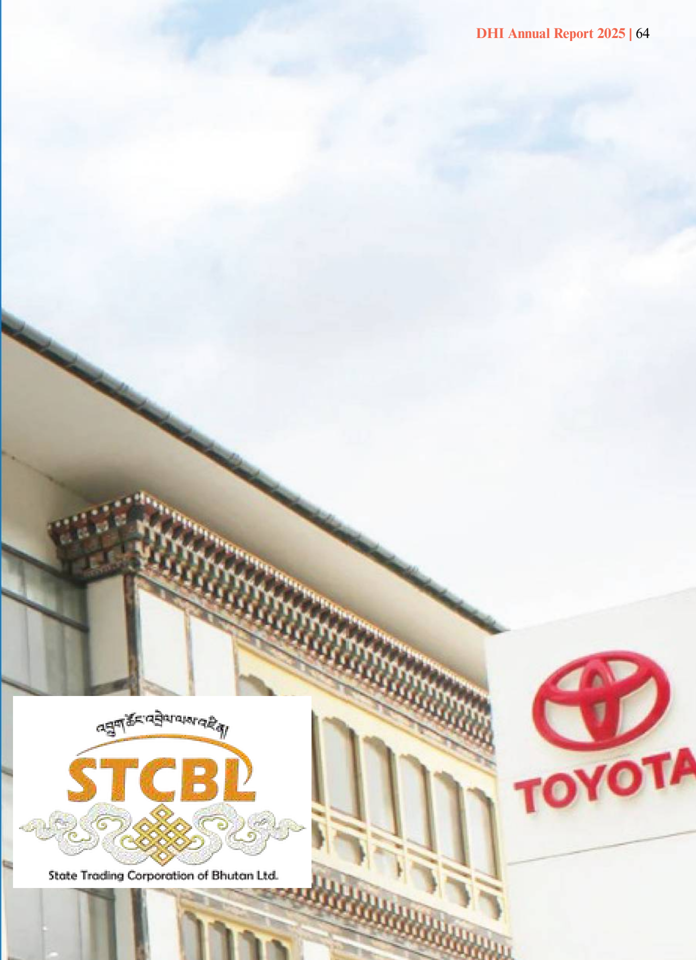
Dungsam Polymers Limited

Particulars	2025	2024
Total Assets	172.25	165.45
Net Worth	71.20	61.68
Income	203.57	180.52
Expenditure	193.38	177.01
PBT	10.18	3.51
TAX	0.54	1.64
PAT	**9.64**	**1.87**

(in millions Nu.)

- Produced a total of 13.73 million bags reflecting an 18% growth and recorded a sale of 13.95 million bags marking an increase of 21% over 2024.
- Exported 133.25 Mt of fabric while 0.025 million jumbo bags were sold in the domestic market.
- Generated total revenue of Nu. 203.57 million compared to Nu. 180.52 million in 2024, reflecting a growth of 13% over the previous year
- Recorded a profit before tax of Nu. 10.18 million compared to Nu. 3.51 million in 2024 while profit after tax for the year stood at Nu. 9.64 million

Key Highlights of DHI Portfolio Companies



State Trading Corporation of Bhutan Limited

Particulars	2025	2024
Total Assets	1,855.94	1,737.12
Net Worth	716.75	631.16
Income	9,037.51	5,692.88
Expenditure	8,793.73	5,675.03
PBT	243.78	17.84
TAX	101.92	13.83
PAT	**141.85**	**4.01**

(in millions Nu.)

- Achieved strong financial performance in 2025, with total revenue increasing by 58.75% to Nu. 9,037.51 million and Profit After Tax rising to Nu. 141.85 million. The Petroleum Division remained the largest contributor to revenue.
- Sold 730 units of products across Toyota, Tata, Eicher, SMLI, and allied product lines.
- Expanded the Fuel Retail Outlet (FRO) network through new outlets at Doksum and Jungshina, enhancing accessibility and efficient services.
- Diversified operations with the launch of HD Hyundai Equipment, marking STCBL's entry into the heavy earth-moving equipment segment.
- Strengthened brand visibility and stakeholder engagement through participation in trade fairs, industry forums, and close collaboration with principal companies.
- Supported national initiatives and community development programs, including the DeSuup Skilling Program, GMC and Pelsung initiatives, youth skilling, and environmental activities as part of its CSR commitments.

Key Highlights of DHI Portfolio Companies

Bhutan Board Products Limited

Particulars	2025	2024
Total Assets	1,177.94	1,270.68
Net Worth	879.20	1,054.49
Income	168.89	272.59
Expenditure	261.09	269.28
PBT	(92.19)	3.31
TAX	(0.59)	2.56
PAT	**(92.79)**	**4.88**

(in millions Nu.)

- Produced 91,069 raw board sheets and 62,230 laminated sheets despite suspension of export operations for eight months due to delay in obtaining BIS certification.
- Recorded strong performance in non-core revenue streams, with manure, nursery saplings, miscellaneous sales, rental income, and firewood contributing Nu. 23.67 million.
- Supported local livelihoods by engaging 19 local contractors for wood supply and plantation activities, awarding contracts worth Nu. 13.15 million to communities surrounding its operations.

Your Identity, Your Wallet, Your Control

Bhutan National Digital Identity Limited

Particulars	2025	2024
Total Assets	107.07	161.45
Net Worth	60.29	131.33
Income	80.66	83.08
Expenditure	172.53	222.53
PBT	(91.86)	(140.44)
TAX	-	-
PAT	**(91.86)**	**(140.44)**

(in millions Nu.)

- Operationalized as a full-fledged corporation in June 2025 with the appointment of its inaugural CEO.
- Onboarded 453,949 users by 31 December 2025, an increase of about 137% from December 2024.
- Expanded beyond passwordless login to launch eKYC, digital signature, In-App OTP, biometric verification with liveness check, peer-to-peer chat, and mobile verifier services.
- Integrated successfully with Ethereum blockchain, enabling cross-chain credential issuance/verification, a key step toward interoperability and the planned 2026 full migration.
- Integrated with over 70 public services through the G2C portal, both telecom operators, all five banks, NPPF, BPC, RCSC/DHI HR services, BCTA, SMCL, and DrukAir.
- Entered a partnership with iDen2 to scale Bhutan NDI technology internationally, completed the SevissPass digital identity implementation for Papua New Guinea, and is prioritizing revenue generation, international sales, and reduced reliance on foreign consultants.

DHI Financial Report 2025 Signed

Scan Here To View The Full Report: