

# ANNUAL REPORT 2024-2025



**Asiatic Laboratories Ltd.**  
*Your Health Partner*

# LETTER OF TRANSMITTAL

All Shareholders of Asiatic Laboratories Limited,  
Bangladesh Securities and Exchange Commission,  
Registrar of Joint Stock Companies and Firms,  
Dhaka Stock Exchange PLC,  
Chittagong Stock Exchange PLC,  
Central Depository Bangladesh Limited,  
Financial Reporting Council, and  
All other stakeholders of Asiatic Laboratories Limited

## **ANNUAL REPORT OF ASIATIC LABORATORIES LIMITED FOR THE YEAR ENDED 30<sup>th</sup> JUNE 2025.**

Dear Sir (s),

We forward herewith copy(s) of Annual Report-2025 of Asiatic Laboratories Limited along with Auditors Report and Audited Financial Statements as on June 30, 2025 including Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Financial Statements for your kind perusal and record..

This report comprises a detailed overview of the company's financial performance, operational highlights, strategic initiatives, and stakeholder's engagement efforts, among others. We would like to express sincere gratitude to our dedicated employees, loyal customers, supportive regulators, valued strategic partners and shareholders for their valuable contributions to our success. Without their commitment and cooperation, we would not have achieved such positive results


PDFs of the Annual Report-2025, 55th AGM Notice and relevant forms are available on the company's website [www.asiaticpharma.com](http://www.asiaticpharma.com)

Please let us know if you have any questions or require further information. Thank you for your ongoing support for Asiatic Laboratories Limited.

Yours sincerely



**Ishtiaq Ahmed**  
Company Secretary  
Dated: October 31, 2025



LETTER OF TRANSMITTAL

**ASIATIC LABORATORIES LIMITED**  
42-43 Siddeshwari Circular Road, Treasure Island (5th Floor),  
Shantinagar, Dhaka 1217

## NOTICE OF THE 55<sup>th</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 55<sup>th</sup> Annual General Meeting of the Shareholders of Asiatic Laboratories Limited will be held on Wednesday, December 24<sup>th</sup>, 2025 at 11.30 A.M. through "Hybrid System" on the selected venue at EON Convention Center, 304, Bir Uttam Mir Shawkat Sarak, Tejgaon I/A, Dhaka-1208 (Besides of Channel I Head Office and Impulse Hospital) as well as virtually by using "Digital Platform" as per BSEC order SEC/SRMIC/94-231/91 March 31, 2021 through the link <http://asiaticlab2025.hybridagmbd.net>, to transact the following business:

### AGENDA

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 30th June 2025, together with the report of the Directors' and Auditors' thereon;
2. To approve proposed dividend for the financial year ended June 30, 2025 as recommended by the Board;
3. To elect/re-elect the Directors who will retire by rotation as per relevant provisions of Article of Association;
4. To appoint Statutory Auditors for the financial year 2025-2026 and to fix their remuneration;
5. To appoint Compliance Auditors for the financial year 2025-2026 and to fix their remuneration;
6. To Resignation/appointment of Independent Directors; and
7. To transact any other business with the permission of the Chair

By order of the Board of Directors

  
(Ishtiaq Ahmed)  
Company Secretary

Date: October 31, 2025

### NOTES:

1. The Shareholders whose names will appear in the Share Register of the Company or Depository Register of CDBL as on the Record Date i.e. November 20, 2025 will be eligible to attend the 55th Annual General Meeting (AGM) and qualify for the dividend (i.e. 10% Cash dividend recommended by the board of directors for the year ended 30 June 2025 for all shareholders excluding director's and sponsor).
2. A member entitled to attend and vote at the Annual General Meeting may appoint a Proxy to attend and vote in his/her behalf. Proxy form must be affixed with requisite revenue stamp of Tk.100 and must be submitted at the registered office of the Company or through e-mail: [investor@asiaticpharma.com](mailto:investor@asiaticpharma.com), not more than 48 hours before the time fixed for the meeting.
3. Written queries, if any, expected to be replied at the 55th Annual General Meeting on the Directors' and Auditors' Reports and Audited Financial Statements for the year ended June 30, 2025 should reach at the share department of the company at least 2 days before the meeting for the sake of convenience of appropriate explanation.
4. The member will be able to submit their question/ comments through virtual link 24 hours before commencement of the AGM and during the AGM. For logging into the system, the members need to put their 16-digit beneficiary owner (BO) ID/Folio number and other credentials as proof of their identity by visiting the link <http://asiaticlab2025.hybridagmbd.net>
5. Shareholders bearing BO ID are requested to update the particulars of Bank A/C, e-mail address, change of address and 12-digit Tax payers' identification number (e-Tin) through their depository participant (DP) to avoid deduction of 15% tax instead of 10% for individuals as per Section 117 of the Income Tax Act 2023.
6. As per notification of BSEC, the soft copy of Annual Report will be sent to the shareholders' e-mail address available in their BO Accounts maintained by the Depository Participant (DP). The soft copy of Annual Report Financial Year

2024-2025 and Proxy Form will also be available in the company's website at <http://www.asiaticharma.com>. The shareholders may also collect the printed copy of Annual Report for the Financial Year 2024-2025 from the registered office of the company.

7. The concerned brokerage Houses/DP's are requested to provide us a statement with the details (shareholders' Names, BO ID Numbers, Client -wise shareholding position, Gross Dividend Receivables, applicable tax rate and Net Dividend Receivables) of their Margin Loan Holders who hold company's share, as on the 'Record Date' along with the name of the contact Person in this connection, to the company's share/registered office on or before 11th December 2025. The Merchant Banks and Depository Participants (DP) are also requested to provide us with their Bank Names, Account Numbers and Routing Numbers etc. The brokerage Houses/DP's are requested to provide us with the record date shareholding/margin statement via e-mail [investor@asiaticpharma.com](mailto:investor@asiaticpharma.com)/[cs.asiaticpharma@gmail.com](mailto:cs.asiaticpharma@gmail.com) and hard copy courier to the company office. Please contact at +8801937990004 for any queries.

N.B. In compliance with the Bangladesh Securities and Exchange Commission's circular no. SEC/CMRRCD/2009-193/154 dated October 24, 2013, and the listing Regulations of Stock Exchanges, no gift/gift coupon/food box/benefit in cash or in kind shall be distributed/ paid to the shareholders for attending the ensuing 54th Annual General meeting.



## OVERVIEW OF ASIATIC LABORATORIES LIMITED

Asiatic Laboratories Limited was incorporated as a Private limited company Vide Registration No. C-3472 Dated: 25 July, 1970 with Register of Joint Stock Companies and Firms (RJSC) in Bangladesh under the Companies Act, 1913 and started its commercial operation on 02 January 1998. Subsequently Converted to Public Limited Company on 12 March 2020. Asiatic Laboratories Limited has engaged in manufacturing and marketing of pharmaceuticals finished products in the categories of tablets, capsules, oral liquids, powder for suspension, ophthalmic and injectable and others product. The principal activities of the Company are to manufacturing, selling and distributing pharmaceutical products (Human Drugs) throughout Bangladesh. It has set up a modern pharmaceutical plant that is equipped with advanced and modern machineries and technologies.

### BUSINESS AND STRATEGIES

Asiatic Laboratories Limited has modern machines and technology that ensures quality products. The high standard moral ethics and manufacturing excellence complying with WHO cGMP norms and ISO 9001:2008 principle in practice, it gains name and fame among the healthcare professionals. Asiatic is built on Total Quality Management (TQM) having state-of- the-art technology in our plant to produce more than 200 lifesaving medicines of different therapeutic groups with a wide range of dosage forms. In Asiatic, we believe "Quality is everyone's responsibility" especially when the health is a prime concern having our motto ' your health partner' in mind. Proper quality of goods is maintained throughout the production and distribution process. Our main goal is to fill up the deficit of local demand and to export overseas in near future.



# REPORT VIEWER

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## CORPORATE INFORMATION

<b>Date of Incorporation</b>	: 25 July 1970
<b>Date of Commercial Operation</b>	: 02 January 1998
<b>Company Registration No.</b>	: C-3472
<b>Authorized Capital</b>	: BDT 2,000,000,000.00 Crore
<b>Paid-Up Capital</b>	: BDT 1,223,934,550.00 Crore
<b>Registered Head Office</b>	: 42-43, Siddeshwari Circular Road, Treasure Island (5 <sup>th</sup> Floor) Shantinagar, Dhaka-1217, Bangladesh
<b>Factory office address</b>	: 253, Tongi Industrial Area, Tongi, Gazipur, Bangladesh
<b>Product</b>	: The principal activities of the Company are manufacturing tablets, capsules, oral liquids, powder for suspension, ophthalmic and injectable and others product.
<b>Nature of Business</b>	: The principal activities of the Company are to manufacturing, selling and distributing pharmaceutical products (Human Drugs) throughout the Bangladesh and abroad.
<b>Number of Directors</b>	: 7 (Seven)
<b>Statutory Auditor</b>	: FAMES & R, Chartered Accountants, Hossain Tower (11th floor), 116, Naya Paltan (Box Culvert Road), Bir Protik Gazi Golam Dostogir Road, Dhaka-1000
<b>Compliance Professional</b>	: Haruner Rashid & Associates Chartered Secretaries
<b>e-mail</b>	: investor@asiaticpharma.com
<b>URL (Website)</b>	: www.asiaticpharma.com

## THE PATTERN OF SHAREHOLDING ALONG WITH NAME WISE DETAILS

a) Parent/Subsidiary/Associated Company and other related: Nil

b) Shares held by Directors and their Spouses as on 30 June 2025:

SL. No.	Name of the Directors	Status	No. of Shares
01.	Mrs. Tahmina Begum	Chairman	16,695,470
02.	Mr. Monir Ahmed	Managing Director	20,114,480
03.	Ms. Salina Ahmed	Director	3,812,620
04.	Ms. Sadia Ahmed	Director	5,399,520
05.	Mr. Maksud Ahmed	Director	3,806,400
06.	Mr. Shafiqul Kabir Khan	Independent Director	Nil
07.	Mr. Raihan Sarkar	Independent Director	Nil

SL. No.	Name of the Directors	Status	No. of Shares
01.	Mr. Monir Ahmed	Managing Director	20,114,480
02.	Mr. Joyanta Kumar Bishaws	CFO	Nil
03.	Mr. Ishtiaq Ahmed	Company Secretary	Nil

## SHAREHOLDING STRUCTURE

(As on 30 June 2025)

Category of Shareholders	Number of Shares	Percentage
Director & Sponsor	49,828,490	40.71%
Government	-	-
Institute	22,140,976	18.09%
Foreign Company	-	-
General Public	50,423,989	41.20%
Total	122,393,455	100.00%

# OUR VISION, OUR MISSION, OUR CORE VALUES AND ETHICS

## OUR VISION

Our vision is to be a leader in pharmaceutical and health care industry both nationally and globally.

## OUR MISSION

Our mission is to lead the way to a healthier nation. By carrying out this mission at every level of our organization, we will be recognized by our employees, customers and other stakeholders as the best pharmaceutical company in Bangladesh.

## OUR CORE VALUES AND ETHICS

Strong values define our corporate culture and help us execute the strategy in line with us mission and vision. Our values comprise of five petals:

- Quality is our promise
- Doing in difference
- Professional working with cohesiveness
- Maintaining work-life balance
- Imitativeness is rewarded

## LEADING FLAGSHIP BRANDS

The market team is composed of innovative people drawn from diverse disciplines. Because of the innovative & creative approach adopted by the marketing team, they have able to create many vibrant brands like Antison, Afixime, Asizith, Ceroxime, Asixone, Xofena, ESO-20, Calfor D, Ulsec, Lexnil, Ocuvit, Floximox, Tobicort, Refresh TR, Asilee TS etc. In fact, the success of the sales and marketing team to differentiate Asiatic brands even in highly competitive generic market has enabled them to set their finger prints in the landscape of pharma sector in Bangladesh..

## OUR GLOBAL PRESENCE

Being one of the leading growths driven pharmaceutical companies of Bangladesh, Asiatic has also set its voyage towards the world pharmaceutical market place. Keeping the vision statement in mind, it has already been registered in Myanmar market with 25 products being registered in FDA, Myanmar. As of now Asiatic is being strongly tied up in registration process in different countries like Nepal, Bhutan, Sri Lanka, Afghanistan, Vietnam, Philippines, Kenya, Nigeria, Uganda et. In the upcoming years, we hope the process of receiving regulatory status and exploring the business opportunities in other countries will be started soon

## OUR MANUFACTURING EXCELLENCE

The state-of-the-art plant has modern manufacturing facilities comprising two different multistoried buildings with the total factory area of the site is 43,200 square feet comprises with security room, substation room, generator room, staff canteen, sugar storage room, glass bottle room, inflammable liquid room and with a built-up area of 21,014 square feet.

The buildings are ferro concrete structures constructed in the year 1994-1995 and subsequently renovated from time to time. Ophthalmic and Ampoule manufacturing area were constructed in the year of 2009-2010, 2010-2011, 2011-2012 & 2012- 2013. Separate cephalosporin powder for suspension and injectable vial manufacturing unit has been built on 2010 -2012 in each facility the walls and ceilings are made of sandwich panels with epoxy floor ceiling.

# CODE OF CONDUCT

## Code of Conduct for Employers

Asiatic Laboratories Limited maintains a pleasant working environment in its organization in terms of presence of well set and well-defined compensation package, clearly set goal orientation, as well as performance-led Job description for employees of all levels. The management of the Company needs to ensure and retain the scope for both professional and career development of the employees. Asiatic must ensure a good working environment with well-designed strategic and logistic support reinforces the satisfaction of the employees, which will ultimately be making them loyal to the organization and its culture.

## Code of Conduct for Employees

This Code of Conduct establishes a set of standard expectations for employee conduct. You must not engage in any on-duty conduct that would impair your Job performance, cause damage to Asiatic or public property, jeopardize your safety or the safety of others, or negatively affect Company's reputation or image. You are responsible for knowing and complying with the requirements applicable to your work activities, including those described in this Code and those described in company guidance documents (policies, standards, procedures, notice and manuals).

## Prudent Conduct and Behavior

Employees need to behave sensibly at workplace not only to gain appreciation and respect from others but also to maintain a healthy work culture with prudent conduct applied by Asiatic Laboratories Limited. One needs to adhere to the rules and regulations of workplace.

## Compliance with Laws, Rules and Regulations

Employees of Asiatic Laboratories Limited's are expected to comply with the laws, rules and regulations governing the Organization's business vis-a-vis regulatory bodies. No individual is expected to know the details of all applicable laws, rules and regulations, but individuals shall be knowledgeable about specific laws, rules and regulations that apply to their areas of duties and responsibility

## Conflicts of Interest

The conflict of interest is often a very strong hurdle on the way of implementation of national integrity strategy. When an employee thinks of his/her personal interest from his/her official position, a question of conflict of interest arises. The statute allows him/her to serve his/her own gain, or interest at the cost of employing institution or the state. It is a statutory as well as an ethical obligation for an employee to keep himself/herself away the personal interest. The apparent causes or reasons behind such a conflicting situation may include the followings:

- a) Dissatisfaction with salary and remunerations;
- b) Unpleasant working environment;
- c) Lack of opportunities for promotion, or deprivation from promotion;
- d) Undue influence and/or pressure from others;
- e) Greed to or from colleagues and employer; and
- f) Lack of Job security.

## Responsibility

Asiatic Laboratories Limited should preserve the lawful benefits and interests of their shareholders; understand and honor the customer needs, as well as serve them indifferently, promptly and honestly; comply with the recognized/established legal, regulatory, as well as social/community norms, customs and values.

## Confidentiality

An employee shall not disclose official information unless authorized by competent authority. He/she shall protect the confidentiality and security of customer information. Any information of govt. agencies shall not be disclosed without prior approval of competent authority. An employee shall keep information about the purchase of goods or services confidential. Price quoted, methods, business policy etc. of the vendors should not be disclosed.



### **Independency**

At a workplace, expressing independence often recognize to the freedom to make decisions, having the autonomy to set some of work parameters, being responsible for services and getting to use creativity in how to do the Job perform and Asiatic make sure it.

### **Diversity**

Asiatic Laboratories Limited shall respect all employees as unique individuals with fundamental human rights and supports the cultural and ethnic diversity of its workforce. It shall believe that creating a work environment that enables to attract, retain and fully engage diverse talents, leads to enhanced innovation and creativity in the services of the organization.

### **Anti-Money Laundering**

Asiatic Laboratories Limited's shall not do business with drug traffickers, money launderers and other criminals. It shall formulate Anti Money Laundering Policy following regulatory body's (BFIU) guidelines to enable all employees to follow the policy meticulously. Employees shall exercise requisite diligence in selecting those with customers/counter-parties while conducting business.

### **Workplace Environment**

Energizing the workplace is one of the key factors of any organization. All employees of the organization are responsible to keep the workplace friendly, congenial, transparent, free from harassment & corruption etc. and ensure the cohesiveness among the colleagues.

### **Fraud, Theft or Illegal Activities**

Employees shall be vigilant about the frauds, theft or illegal activities and shall not engage in such activities at any cost. If any such activity comes into any employee's notice, he/she shall immediately report the same to his/her immediate superior/s or management to protect the interest of the organization. He/she shall act as a whistle blower thereby.

### **Prohibition of Personal Investments and Insider Trading**

Employees and other representatives of Asiatic Laboratories Limited are prohibited from partaking in trading of publicly traded securities (including the securities of their place of employment) for personal gain (or for the gain of the members of their household) if they possess material non- public information about the security or the issuer.

### **Employees' Grievance**

A grievance is defined as any type of problem, concern, dispute and complaint related to work and the work environment that cannot be resolved through normal day-to-day communication. Grievances may arise due to differences in perception, misconduct, unfair treatment, intra-personal problems of individual employees, dissatisfaction with working conditions etc. If employees have a grievance, they should try to resolve this informally first. But, if the complainant feels unable to tackle the complaint informally, and cannot reach a satisfactory conclusion through the informal process, he/she may pursue a formal grievance mitigation application.

### **Disciplinary Procedures and Actions**

Asiatic Laboratories Limited shall have a laid down disciplinary procedure that is in compliance with local laws and ensures fair treatment to employees. They should ensure that the employee's disciplinary matters are Judged fairly, transparently, consistently and proportionately, using appropriate processes and achieving fair outcomes.

## OUR PRODUCTS



# SWOT ANALYSIS OF ASIATIC LABORATORIES LIMITED

SWOT analysis is a process that identifies an organization's strengths, weaknesses, opportunities and threats. Specifically, SWOT is a basic, analytical framework that assesses what the organization can and cannot do, of factors both internal (the strengths and weaknesses) as well as external (the potential opportunities and threats).

## Strength

1. Technology: The Company has latest tools and technologies to support production.
2. Strong Management: The Company has good management to run the company efficiently.
3. Product line variety: The Company's product line has variety in form.
4. Skilled Workforce: The Company has skilled human resources to manage and operate the business.

## Weakness

1. Low Financial Position: Company needs more finance to be competitive over its rivals.
2. Innovation: Innovative effectiveness is low due to the lack of the sophisticated equipment, lack of the capital, lack of the skilled work force, and the lack of the professionals in our country.

## Opportunities

1. Industry Performance: Pharmaceutical industry depends on organic chemical. Chemical industry is very competitive and fragmented. Therefore, supplier switching is easier.
2. Reasonable Product Price: Consumers do not bother about the pricing, as the medicine is lifesaving product.
3. Cheap Labor: Labor wages is favorable comparing to that of other countries.

## Threats

1. Intense Competition: There is high rivalry among the competitors to get the market share as maximum as possible.
2. Shortage of Power: lack of opportunity to supply emergency power.

## BOARD OF DIRECTORS

The Board of Directors consisted of the following 7 members as of 30 June 2025:

Ms. Tahmina Begum	Chairman
Mr. Monir Ahmed	Managing Director
Ms. Salina Ahmed	Director
Ms. Sadia Ahmed	Director
Mr. Maksud Ahmed	Director
Mr. Shafiqul Kabir Khan	Independent Director
Mr. Raihan Sarkar	Independent Director

<b>BOARD COMMITTEES</b>	
Audit Committee	
Mr. Shafiqul Kabir Khan	Chairman
Ms. Salina Ahmed	Member
Mr. Maksud Ahmed	Member

<b>Nomination &amp; Remuneration Committee (NRC)</b>	
Mr. Raihan Sarkar	Chairman
Ms. Sadia Ahmed	Member
Mr. Maksud Ahmed	Member

Company Secretary, Ishtiaq Ahmed is the Member Secretary of all Sub Committees of the Board.

## DIRECTOR'S PROFILE



**MS. TAHMINA BEGUM**  
CHAIRMAN

Mrs. Tahmina Begum" is one of the most successful women entrepreneurs in Bangladesh over the years. A distinguished and self-committed business lady, Mrs. Tahmina has been involved with the Asiatic since its inception. Her hidden entrepreneurial potentials have gradually changed herself with the growing sensitivity to the role and economic status in the business society. Her skill, knowledge and adaptability in pharmaceutical areas are the main reasons of success in Asiatic Laboratories Ltd. She is also an active member of Lion's Club in Bangladesh and she is a devoted social worker for the poor to help them out from poverty & illiteracy. She is also actively involved in the operations of Monir Developers and Construction Ltd.

**MR. MONIR AHMED**  
MANAGING DIRECTOR

"Mr. Monir Ahmed" is the Managing Director of Asiatic Laboratories Ltd. starting from early 80's with a vision of being a leader in pharmaceutical and health care industry. Mr. Monir is now one of leading Pharma Entrepreneurs in the country. Starting business career as Executive Director in early 80's with Desh Pharmaceuticals Ltd. he stepped towards success with pharmaceuticals and trading business and by 1990, his hard work, commitment and pursuit of excellence had enabled him to be the owner of Asiatic Laboratories Ltd. As astute & highly visionary entrepreneur, Mr. Monir's domestic and foreign interests cut across diverse activities in pharmaceuticals.

In recognition of his many contributions to the pharma sectors, he has been the president of Bangladesh Chemist & Druggist Somitee, Tangail, Member of Oushad Shilpa Shamitee (Pharmaceuticals Industry Owners Association). Besides his pharma business acumen, he is very much active member of Dhaka Club, All Community Club, Tangail Club and Rifel Club. He has never restricted his vision to pharma industry; rather he shaped his diversified thinking in other technologies as well. He has spread his wings to another industry named Asiatic Aluminum Ltd. which is totally a Korean technology for pharmaceutical aluminum foil. He is also the owner of Monir Developers and construction Ltd.







**MS. SALINA AHMED**  
DIRECTOR

Mrs. Salina Ahmed is a business graduate and completed her MBA from University of Asia Pacific and inducted her journey as a part of Asiatic Laboratories from 2008. She is now working as Head of HR of not only in Asiatic Laboratories Ltd but also in the sister concerns of Asiatic. She is well experienced to manage personnel and to ensure HR program and initiatives in effective and efficient way to aligned with overall business objective. She is overseeing overall HR system, handling employee relations, ensuring compliance and regulations, managing budgets, assessing stuffs needs, hiring employee, designing training program and developing compensation plans. With her extensive knowledge and skill in different fields, she has developed a culture that enables employees to perform in accordance with company's objective. Besides Asiatic Laboratories, she also runs her own business in Canada. She is also well known for her munificent social works for urban and deprived people of the country.

**MS. SADIA AHMED**  
DIRECTOR

An energetic and young business leader, Ms. Sadia Ahmed is instated in this organization from 2011. Ms. Sadia is Pharmacy graduate and holds a MS in Biotechnology. Before commencing her operational activities here, she worked on Cholera Vaccine in icddr,b for 2 years. She has acquired her professional and technical skill through multi-level training and working in different departments of the organization. She is now responsible for strategic planning, business development and operations. She is now looking after company's overall activities in terms of sales and marketing, new product launching, monitoring production, development of company's various policy and projects and international business. Her enormous effort has given outstanding shape through unique business concept and visionary leadership skill. Since her joining, she is forging on developing professional and corporate culture in every layer of compact structure, giving it a modern zest and international flavor. She is also a social worker and also involved in Corporate Social Responsibility (CSR) programs and activities of the company



**MR. MAKSUD AHMED**  
DIRECTOR

An energetic and young entrepreneur, Mr. Maksud Ahmed, has joined Asiatic in 2019 after completing his graduation on Mechanical Engineering from USA. He has involved himself in various operations of the company substantially covering accounts and finance and marketing. He is currently serving as the Executive Director of company. He is very quick learner and serving all his responsibilities with high level of efficiencies. He works with the Executive Board and Senior Leadership Team to determine values, vision, culture and mission, and planning for short and long-term strategy. He has created a professional environment to promote great performance and positive self-esteem to ensure all company's leadership and workforce work collaboratively for a common company objective. Besides Asiatic Laboratories, he is actively involved in other concerns like Monir Development and Construction Ltd. and Asiatic Aluminum Ltd. He has developed Asiatic Aluminum from scratches using a complete Korean Technology. He is very enthusiastic about agricultural activities and he started Asiatic Agro as a hobby to stay in touch with nature but now it's showing its huge business potential.





**MR. SHAFIQL KABIR KHAN**  
INDEPENDENT DIRECTOR

Shafiqul Kabir Khan was born in 31 December 1967 in respected Muslim family. He complete post-graduation in LL.M from Dhaka University & LL.B(Hons) from University of London. He has a long experience in Bangladesh Bar Council as an Advocate on 15.09.1992. Obtained permission to practice in the High Court Division of the Supreme Court of Bangladesh on 22.01.1994. Became a member of the Supreme court Bar Association in 1994. However, due to my absence from Bangladesh for study purpose, he had to obtained the membership afresh in 2005. He is also involved with many cultural and social organizations.

**MR. RAIHAN SARKAR**  
INDEPENDENT DIRECTOR

Mr. Raihan Sarkar was born in 30 November 1980 in respected Muslim family. He completes post-graduation in MBA from University of Dhaka & BBA(Hons) in Accounting from University of Dhaka. He now teaches at Dhaka University at Accounting Department. He is also involved with many cultural and social organizations





## THE CHAIRMAN'S STATEMENT TO THE SHAREHOLDERS

Bismillahir Rahmanir Rahim

Dear Shareholders,

Assalamu alaikum wa rahmatullahi wa barakatuhu.

It is a great pleasure and honor to welcome you at the 55th Annual General Meeting of Asiatic Laboratories Limited. On behalf of the Board of Directors and myself, I would like to express sincere thanks and gratitude for your continuous support, co- operation and benchmarking with us.

### **Oversight of the Board**

I want to highlight a couple of important points. Our Board of Directors regularly reviews our strategy, the environment in which we are operating, and the progress we are making toward the goals we set. As a steward of the company on your behalf, the Board is focused on the active and independent oversight of management. The Board oversees risk management, our governance, and carries out other important duties in coordination with Board committees that have strong, experienced chairs and members. We are committed to engaging with shareholders, and we have made enhancements to our corporate governance practices. The Board also regularly evaluates the company's strategy, operating environment, performance, and the progress of your company is making toward its goals.

### **Business Performance**

The gross profit was Tk. 766.89 million in 2025 of Asiatic Laboratories Limited. as against Tk. 586.03 million in 2024, which has Increase of Tk. 180.86 million over the previous year.

### **Business Sustainability**

Our target is to satisfy the needs of our clients by offering a rounded value proposition - a full range of coverage and services- and thereby, we aim to achieve a smoother income stream and sustainable returns.

**Sustainable Growth**

Sustainable growth is among the biggest challenges any business leader faces, but it is not a new problem. To overcome the problem, the company established the sustainable growth such as, how successful companies sustain business; what every entrepreneur should know before taking any risk and adapt or demolish options in an evolving business economy.

**Talent Management and Team Work**

Together talent management and teamwork make a company's perfect wealth. Our talent management is smart. We promote individuals' brilliance to increase the value of the skills available to them. We facilitate greater engagement and reap all the competitive advantages that a productive, engaged and skillful workforce provides. Ultimately, success is reliant upon skills of multiple individuals. Our teamwork divides the task and multiplies the success.

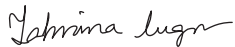
**Focus and Strategy**

During the year under review, our focus and strategy was concentrated on sustainable long-term growth of business, better premium sourcing, improving the quality of assets, rationalizing operating cost, improving operational efficiency and productivity of resources, better and faster client service. The Boards motto that Asiatic Laboratories Limited does not want to be just a simple Asiatic Laboratories Limited company, but it wants to be the largest and biggest one of pharmaceuticals sector.

**Note of Appreciation**

On behalf of the Board of Directors, I would like to thank the valued shareholders, patrons, borrowers, depositors, electronic & print media, law enforcement agencies, suppliers and all others stakeholders for their trust and confidence towards the company. Particularly, I would like to express my utmost and invaluable respect to the Bangladesh Securities & Exchange Commission and other regulators for their timely intervention through various policies, guidelines that has been immensely helpful in formulation of company's own strategies at different critical times of the year.

Finally, I would also like to thank my fellow Board of Directors for their generous dedication and co-operation. I would like to take this opportunity to acknowledge the contributions of all our shareholders, management, staff and our cherished clients for their continuous support and contributions during the year 2024-25. We ask for your continued support as we continue to set the new standard in our company.



Mrs. Tahmina Begum  
Chairman



## MESSAGE FROM THE MANAGING DIRECTOR

**Honorable Shareholders, Members of the Board of Directors and Guests;**

**As Salamu Alaikum,**

It's a matter of great honor and privilege in welcoming you to our 55th Annual General Meeting ceremony today, the December 24, 2025. This auspicious ceremony provides us an opportunity to share detail information regarding the operational performances of the company with different authorities like Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange PLC., Chittagong Stock Exchange PLC., Central Depository Bangladesh Ltd., our Auditors, Customers and your kind selves.

### **Steering our Business and Creating Value**

Asiatic Laboratories keep a close eye on developments as we involve in our markets, to steer our business and create value for our stakeholders. We operate in a complex and fast-moving environment influenced by a wide range of economic, political, financial, regulatory, social, and environmental factors. In an increasingly volatile and uncertain landscape, our purpose and value proposition are paramount.

### **Taking a Longer-Term Perspective**

As well as our immediate operating environment, we examine the longer-term horizon to identify trends and developments with the potential to significantly influence our business and our stakeholders in the years ahead. These themes serve as the foundation for our purpose and long-term vision, in turn shaping our company strategy.

### **Value-Creating Capital Allocation**

We are creating a more focused business portfolio to deliver success for us and our shareholders as we take steps to realize our vision. A central element of this approach is the reallocation of capital from our Financial Assets to our Strategic Assets in our core markets, as well as to our growth markets. We want to be seen as a leader that offers contemporary propositions and outstanding, digitally-enabled customer service.



**Asiatic Laboratories Limited Progress**

The company achieved a reasonable progress in 2025 despite challenges in the Pharmaceuticals sector continued to experience prolonged slowdown in growth. Congealing our position as one of the leading Asiatic Laboratories Limited company in Bangladesh, I am pleased to present a comparable overcome growth.

**Outlook and Targets**

Asiatic Laboratories Limited is well positioned to capitalize on a favorable outlook for 2025.

**Shareholders' Equity**

Shareholders' equity increased to Tk. 6,619.29 million as of 30 June 2025 compared with Tk. 6,435.56 million as of 30 June 2024.

**Business Strategy**

Our strategy of diversifying the business conglomerate and sustained focus on higher volume of sales has helped us deliver steady performance during the year. In 2025, we made great steps to focus on improving our capabilities across the businesses and enhancing our core business and services for our valuable clients.

**Human Resource Initiatives**

Human Resource Department has the responsibility of energizing, developing, retaining and attracting talents and ensures the Right Person in Right Place. Human Capital mission in Asiatic Laboratories aims to be a leader in providing quality and value-added health Services. The company believes in certain core values as practiced by all employees to meet the mission and the broader vision of the organization. We continued to invest in people to enhance and upgrade their skill sets through various training programs at different institutions.

**Inclusion and Diversity**

Our vision for inclusion and diversity is to build a fair and inclusive company, where we overcome obstacles to participation and increase our diversity. Where everyone has a sense of belonging, everyone plays a role in fostering inclusion, and we can all live our best life, in our workplace, our marketplace, and our communities.

**Acknowledgements**

In this occasion, we express our profound gratitude to the Chairman and the Directors of the Board for the efforts they undertook to guide, advice and directives to help us in building quality assets and to attain the goals of organization ensuring rewards for internal and external stakeholders. We would like to thank the Management team, Executives, Officers and Staff members for their hard work and painstaking efforts to achieve the goals of our organization. I take this opportunity to thank all of our customers for their cooperation and support over the years for their enthusiasm in embracing the changes. I express my appreciation and thanks to all the regulators for their continuous help and assistance, valuable guidelines and co-operation provided to the company from time to time.

We once again express our heartfelt thanks to all for their kind participation in our mission.



**Monir Ahmed**  
Managing Director

# MANAGEMENT'S DISCUSSION AND DETAILED ANALYSIS OF THE COMPANY'S POSITION

The discussion and analysis of Asiatic Laboratories' financial position has furnished according to the guidelines of Corporate Governance Code, 2018 as per condition # 1(5)(XXV).

## **(a) Accounting Policies and Estimation for Preparation of Financial Statements**

Annual Financial Statements comprising with the Financial Position as at 30 June 2025 and the Statement of Profit or Loss and Other Comprehensive Income, Statement of changes in equity and Statement of Cash Flows for the year along with the notes to the Financial Statements including a summary of significant accounting policies and other explanatory notes are prepared with true and fair view in accordance with the International Accounting Standards (IAS)/ International Financial Reporting Standards (IFRS).

## **(b) Changes in Accounting Policies and Estimation**

During the year under review, there was no change in accounting policies and estimation in Financial Statements for the year ended 30 June 2025.

## **(c) Economic Condition of Bangladesh Export:**

Like many other third-world countries, Bangladesh relies heavily on exports to fulfill the needs of its densely populated nation. The country's export earnings witnessed 8.58 percent increase in FY 2024-25 as compared to same period in the previous year, mainly driven by increased exports of agricultural products, chemical products, specialized textile, plastic products, woven garments, knitwear and frozen & live fish. On the other hand, total export earnings decreased single month in June 2025 (USD billion 3.33) from the export earnings (USD billion 4.73) of previous month May 2025.

### **Import:**

Generally, in developed countries, exports are greater than or closer to import payments. But in Bangladesh Exports always fall short of Import payments at a good margin. However, Import payments during the FY 2024-25 stand higher to USD 64.34 billion, against USD 63.10 billion during the FY 2023-24.

### **Workers Remittance:**

Workers remittance is the key foreign earning source of Bangladesh to fill up the huge gap between foreign exchange earnings and expenditure. Total remittances receipts during the FY 2024-25 increased by 26.81 percent to USD 30.32 billion, against USD 23.91 billion of previous year.

### **Foreign Exchange Reserves:**

Bangladesh's foreign exchange reserves have been fluctuating, recently reported around \$32.12 billion (gross) with the Bangladesh Bank figures, but closer to \$27.45 billion using the IMF's standard (BPM6) as of early December 2025, reflecting inflows from remittances and exports amidst global economic pressures. While historically high reserves (over \$40 billion in 2021) provided significant import cover, recent years saw declines, but current levels offer stability for imports and monetary policy.

### **Inflation:**

The average inflation in November 2025 stood at 8.29 percent as picking up from a more than three-year low of 8.17% in the previous month. Although, Bangladesh has never experienced a negative economic growth during the last 47 years since its independence and maintained around 6% GDP growth rate for last one and half decade, the high rate of inflation always lessened the benefit of good GDP rate.

### **Global Economy**

Economic activity was surprisingly resilient during the global disinflation of 2024-25. Growth in employment and incomes has held steady as favorable demand and supply developments have supported major economies, despite rising central bank interest rates aimed at restoring price stability. As inflation converges toward target levels and central banks pivot toward policy easing, a tightening of fiscal policies aimed at curbing high government debt levels, with

higher taxes and lower government spending, is expected to weigh on growth. The pace of expansion is also expected to remain low by historical standards as a result of factors including the long-term consequences of the COVID-19 pandemic, Russia's invasion of Ukraine, weak growth in productivity, and

**increasing geo-economics fragmentation.**

In late 2024, headline inflation neared its pre-pandemic level in most economies for the first time since the start of the global inflation surge. In the last quarter of 2024, headline inflation for advanced economies was 2.3 percent on a quarter-over-quarter annualized basis, down from a peak of 9.5 percent in the second quarter of 2022. For emerging market and developing economies, inflation was 9.9 percent in the last quarter of 2024, down from a peak of 13.7 percent in the first quarter of 2023, but this average was driven by high inflation in a few countries; for the median emerging market and developing economy, inflation declined to 3.9 percent. This progress notwithstanding, inflation is not yet at target in most economies.

The euro area also displayed the smallest upside growth surprise, reflecting weak consumer sentiment and the lingering effects of high energy prices. In parallel, global headline inflation declined broadly in line with expectations, averaging just 0.1 percentage point more than predicted in the October 2022 WEO for 2022 and 2023. However, in lower-income countries, inflation was on average higher than expected, reflecting cases in which pass-through into domestic prices from international food, fuel, and fertilizer costs, as well as from currency depreciation, was greater than expected. Price pressures in some lower-income countries were significant. These factors also caused these economies to grow more slowly than expected, suggesting a negative supply shock. In China, inflation fell unexpectedly, with the decrease reflecting sharply lower domestic food prices and pass-through effects on underlying (core) inflation.

**(F) Risk Relating to The Financial Statements and Mitigation Plan**

The vital factors ensuring sound health of a pharmaceutical industry are identifying, measuring, monitoring and controlling various types of risks. In addition to the traditional risks faced by the company in financial and market risks, various operational risks are created due to increasing use of automated technology; necessity of reducing earnings volatility and achieving cost efficiencies; increasing focus by regulators on legal, fraud, and compliance issues; knowledge gap and lack of supervision etc.

In order to face the ongoing challenges of increased competition and expansion of diversified business of Asiatic Laboratories, it has undertaken some principals on risk management. The Risk mitigation areas are Liquidity Risk, Market Risk, Operational Risk, Strategic Risk, Anti Money Laundering (AML) Risk, Environmental Risk etc. Mitigating all risk, the company maximizes the wealth at Financial Statement. Risk identification and mitigation process are elaborate.

**(g) Future Business Plan with Forecasting the Company's Performance and Financial Position**

Asiatic Laboratories Limited perform a wide range of activities such as service designing, preparing contract and policy, marketing and selling, administrative and other services To intensify the business, The company is Developing new products; Service Diversification; Pricing Policy; Monitoring; Legal Reforms; Reducing Excessive Management Expense; etc.

The higher management set out the business target and expects minimum growth for the year 2025 and advised to boost up the business involving a combination of strategic planning, marketing efforts, operational improvements, and customer engagement. We remember that consistency, perseverance, and a customer-centric approach are essential keys to long-term success.



**Joyanta Kumar Bishaws**

Chief Financial Officer

# FIVE YEARS' FINANCIAL HIGHLIGHTS

## Statement of Financial Position

Particulars	30-June-25	30-June-24	30-June-23	30-June-22	30-June-21
Revenue	1,765,467,462	1,385,229,195	1,289,254,174	1,472,783,409	1,451,256,870
Less: Cost of Goods Sold	(998,580,997)	(799,196,942)	(741,972,010)	(835,390,525)	(827,875,171)
Gross Profit	766,886,465	586,032,253	547,282,164	637,392,884	623,381,699
Less: Operating Expenses	(222,359,500)	(230,066,373)	(196,958,310)	(202,974,013)	(189,298,791)
Profit from Operation	544,526,965	355,965,881	350,323,854	434,418,872	434,082,908
Add: Other Income	1,449,053	17,913,012	12,290,416	1,453,443	290,564
Less: Financial Expenses	(192,904,862)	(49,378,864)	(36,193,824)	(36,097,244)	(37,618,189)
Interest on Lease Liability	(5,910,575)	(956,372)	(18,263,703)	(5,227,439)	(6,705,386)
Profit before WPPF & Tax	347,160,581	323,543,656	308,156,743	394,547,631	390,049,897
Contribution to WPPF	16,462,454	14,553,840	(14,088,873)	(18,787,982)	(18,573,805)
Profit before Income Tax	330,698,128	308,989,816	294,067,870	375,759,649	371,476,092
Less: Income Tax Expenses	(75,336,395)	(30,513,268)	(88,220,361)	(107,203,841)	(50,951,660)
Current Tax	(46,819,693)	(55,193,711)	(80,308,693)	(73,741,891)	(71,338,161)
Deferred Tax	(28,516,702)	24,680,443	7,911,668	(33,461,950)	20,386,501
Net Profit After Tax	255,361,733	278,476,548	205,847,509	268,555,808	320,524,432
Add: Other Comprehensive Income:	929,315	939,929	(216,526,831)	1,477,957	1,858,123,003
Revaluation surplus during the year	-	(52,938)	-	-	1,929,285,128
Add: Deferred Tax expenses on Revaluation	-	7,941	(217,919,551)	-	-
Adjustment of deferred tax on depreciation for Revaluation Surplus	929,315	984,926	1,392,720	1,477,957	-
Total Comprehensive Income for the year	256,291,048	279,416,477	(10,679,322)	270,033,765	(71,162,125)
Earnings Per Shares (EPS)	2.09	2.82	2.19	3.06	3.65

# DIRECTORS REPORT TO THE SHAREHOLDERS

## Dear Shareholder's,

The Board of Directors of Asiatic Laboratories Limited with immense pleasure takes this opportunity of presenting the Annual Report and the Audited Financial Statements for the year ended June 30, 2025 together with the Report of the Auditors to the Shareholders on the occasion of 55th Annual General Meeting (AGM) of the company.

## Industry Outlook and Possible Future Development

The Asiatic Laboratories Limited is highly competitive in Bangladesh. Key factors affecting the performance of the industry during the review period included fierce competition in the segment, the rising market shares of private companies, and the increasing level of risk being retained Marketeters. The regulatory reform is not just an aid for a catastrophic aftermath; it can also be a driver of exponential economic growth. By streamlining the regulatory infrastructure in terms of data warehousing, governance, systems, resources, and processes in adjustment with international standards such as the International Association of Supervisors Bangladesh can exhibit a reliable and well-balanced platform.

## Segment/Product Wise Performance

During the year, 30 June 2025 Asiatic Laboratories Limited earned Gross Revenue of Tk.1,765.47 million in the different segments.

## Risk and Concerns

The business involves assumption of risks of many types - Physical as well as moral. Physical risks are identified as those caused by natural catastrophes, accidental losses and man-made disasters. The key to proper management of business risks to ensure proper management of business risks is to ensure proper selection of risks as well as of the client through a vetting process known as under writing. The business also closely follows the country's economic development and any slowdown in the economic activities also has adverse impact on the industry's growth. Asiatic Laboratories, being aware of these business risks practices the following to protect its interests;

- (a) selection of risks which have the potential of making underwriting profit.
- (b) diversifications into many segments of business - product wise as well as client wise so that the company is not over reliant on any particular segment.
- (c) the company arranges adequate back up of risks assumed by it with good quality portfolio.
- (d) the company maintains a conservative reserving policy and its various technical reserves have been created to adequately cater to unforeseen developments in the future.

## Cost of Goods Sold, Gross Profit Margin & Net Profit Margin

Asiatic Laboratories Limited is a manufacturing company. The Cost of Goods Sold compared to the Net Turnover in 56.56% in reporting year and 57.69% in previous year. Therefore, comparative analysis of financial performance is follows;

Cost	Amount in BDT		% of total COGS	
	2024-2025	2023-2024	2024-2025	2023-2024
Raw Material	517,866,123	384,416,382	51.86	48.10
Spare Parts & Store Items	64,667,300	50,319,448	6.48	6.30
Packing Materials	257,989,858	201,310,801	25.84	25.23
Factory Overhead	200,699,105	186,888,976	20.10	23.39
WIP (Opening-Closing)	(596,778)	(8,639,482)	(0.06)	(1.08)
FG (Opening-Closing)	(36,779,340)	(8,405,756)	(3.68)	(1.09)
Sample	(5,265,271)	(6,693,427)	(0.53)	(0.84)
Cost of Goods Sold	998,580,997	799,196,942	100.00	100.00

## Declaration of Dividend

With the recommendation of Director's for a cash dividend of 10% (BDT. 1.00 per share) for the Financial year ended 30 June 2025 except Sponsor & Directors. The company will have a pay out of BDT. 72,564,965 subjects to approval of the shareholders at the 55th annual General Meeting. The Dividend will be applicable for the shareholders where name will appear in the depository register of CDBL as on record date in 20 November 2025.



### Appropriation of Profit

Considering the financial statements of Asiatic Laboratories Ltd and also the interest of the shareholders, the board of directors has proposed and recommended following appropriations of profit for the year ended 30 June 2025;

Particulars	Amount in Taka
Net Profit After Income Tax	255,361,733
Less: appropriations of propose cash dividend of 10% for the Financial year ended 30 June 2025 except Sponsor & Directors	72,564,965
Transfer to retain earnings	182,796,768

### Extra Ordinary Gain or Loss

There is no extra ordinary gain or loss in the financial statements prepared for the financial year ended 30 June 2025 as well as for the financial year ended 30 June 2024 except Bank interest on IPO Proceed account.

### Utilization of IPO Proceed

IPO Utilization Status as per utilization report prepared by the management and certified by the auditor K. M. Alam & Co. for the period ended 30 June 2025:

Particulars	Amount as per Prospectus	Fund Utilized as on 1st July 2024	Fund Utilized during the year	Total Utilized Amount up to 30 June 2025	Un-utilized Amount 30 June 2025
Construction of Factory Building Acquisition & Installation of New	61,469,800	-	-	-	61,469,800
Plant & Machinery	580,496,056	-	-	-	580,496,056
Bank Loan Repayment	280,000,000	278,760,593	-	278,760,593	1,239,407
IPO related expenses	28,034,144	21,856,878	-	21,856,878	6,177,266
<b>Total:</b>	<b>950,000,000</b>	<b>300,617,471</b>	<b>-</b>	<b>300,617,471</b>	<b>649,382,529</b>

\*Tk. 213,980 has been charged by the bank as Bank Charge & maintenance fee, Tk. 6,297,477 has been charged as Tax on Interest Income and Tk. 31,487,381 has been received as Interest Income on IPO account up to the year ended 30 June 2025 and net off Balance Tk. 25,189,904 as on 30 June 2025.

\*Balance as at bank as on 30 June, 2025 with Brac Bank Limited, Principal Branch, Gulshan-1, Dhaka (Account number 1501202435158001) Tk. 29,14,547.14 and the rest of the fund are in form of Advance to Party for Installation & Acquisition of Plant & Machinery Tk 601,040,000, Tk. 67,000,000 as Advance to Party for Factory Building Construction and Tk. 3,497,347 on Companies own Bank account from which Un-utilized Fund will be adjusted.

### Declaration or certification by the MD & the CFO:

As per the corporate governance code prescribed by the BSEC. It is the responsibility of both MD and CFO to certify to the Board on the preparation of financial statements as per the applicable IAS and IFRS and the presentation of true and fair view company affairs.

### Appointment of Statutory Auditors:

The Directors hereby report that as per the companies act 1994 and the articles of Association of the company, the existing auditors, Fames & R, Chartered Accountants, who were appointed as statutory auditors of the company in the last annual general meeting has carried out the audit for the reporting year 30 June 2025, will retire at the conclusion of the ensuring annual General Meeting.

Fames & R has been holding the office of statutory auditors of the company for last three consecutive financial years. Compliance with BSEC Notification the company requires appointing new auditors for the upcoming financial year. After scrutinizing the firm's profile and necessary expertise, the audit committee proposed and the Board recommended Kazi Zahir Khan & Co. Chartered Accountants to be appointed as statutory auditors of the company for the year ended 30 June 2026 and to continue till the next AGM and their fee will Tk.402,500 including VAT, subject to the approval of the shareholders in the 55th Annual General Meeting.

- (1) Asiatic Laboratories Limited was not engage its external auditors, FAMES & R, Chartered Accountants, to perform the following services of the company other than statutory audit: -**
  - (i) appraisal or valuation services or fairness opinions;
  - (ii) financial information systems design and implementation;
  - (iii) book-keeping or other services related to the accounting records or financial statements;
  - (iv) broker-dealer services;
  - (v) actuarial services;
  - (vi) internal audit services or special audit services;
  - (vii) any service that the Audit Committee determines;
  - (viii) audit or certification services on compliance of corporate governance as required under condition No. 9(1); and
  - (ix) any other service that creates conflict of interest.
- (2) No partner or employees of the external audit firms and his or her family members was possess any share of the company during the tenure of their audit assignment.**
- (3) A representative of external auditors was present in the 55th Annual General meeting to answer the queries of the shareholders.**

#### **Whistle Blowing Policy:**

The company formulated a whistle-blowing policy so that any employees, their representative bodies, external stakeholders, stakeholders within the organization can inform the Board about misconduct/activities, which may include the following procedures:-

- The Board assigned responsibility to a board committee for implementing and reviewing the company's whistle blowing system;
- The Board established an internal unit and provide regular training to those responsible for overseeing whistle blowing reports, including any appeals filed by persons involved in the investigation of complaints;
- The committee responsible for the whistle blowing system shall ensure that the employees are aware of the report/ submission of reports and the procedure for settling the reports submitted by them;
- The chartered actuary and external auditor may be empowered to perform the core duties of the whistle blowing structure.
- If Management fails to take proper action in relation to the interests of the parties and suffers financially, they can submit a timely report to the board of directors and authorities.

#### **Status of Compliance**

The company recognizes that the sustainability of the company as well as the relationship and trust between the company and the stakeholders relies on the application and adherence to the standard corporate governance. It is the company secretary who is responsible and accountable to make sure of full compliance with all applicable rules and regulations and to assure the stakeholders that the company is doing everything's to maximize the value the value of the shareholders by safeguarding the interest of other stakeholders.

#### **Appointment of Compliance Auditors:**

In compliance with the Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated on June 03, 2018, a listed company requires to appoint compliance auditors on the corporate governance code and collected the compliance report thereon, who shall be appointed by the shareholders in the AGM. However, Haruner Rashid & Associate Chartered Secretaries has been appointed as the compliance auditor for the financial year under report and they have provided report as well as certificate regarding compliance of conditions of this code.

Considering the conditions imposed by the code and necessary expertise, the board has recommended to appoint Haruner Rashid & Associate Chartered secretaries as the compliance auditors of the company for the year to be ended 30 June 2026 subject to the approval of the shareholders in the ensuring annual General Meeting and their fee will be tk. 30,000 including VAT.

### **Related Party Transactions**

Asiatic Laboratories Limited has not carried out any transactions with other entities except director's remuneration that fall within the definition of related party contained in International Accounting Standard - IAS 24 - Related Party Disclosures. All transactions involving related parties arising in normal course of business are conducted on an arm's length basis at commercial rates on the same terms and conditions as applicable to the third parties. Details of transactions with related parties and balances with them as at June 30, 2025.

### **Utilization of proceeds raised through Public Issues**

The Company's IPO was made in March 06, 2024. No further raised through public issues, right issues and or any other instruments were proceeds during the year.

### **Deterioration of Financial Results**

Not any other indicators of financial results deteriorated after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing etc.

### **Variance between Quarterly and Annual Financial Statements**

Asiatic Laboratories Limited disclosed quarterly financial performance. No significant deviation in operational results of those quarterly and year-end operational result is noticed as a whole.

### **Directors' Remuneration**

Directors other than managing director are not eligible for any remuneration other than attendance fee for the Board and its Committee Meeting. Managing Director has received remuneration monthly basis.

### **Financial Statements**

The financial statements prepared by the management of the company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.

### **Maintaining Proper Books of Account**

The directors' responsibilities also include overseeing whether adequate accounting records are being maintained with vouchers relevant to any entry in good order. The books of accounts kept at the registered office of the Asiatic Laboratories Limited.

### **Appropriate Accounting Policy**

The directors' responsibilities also include supervision for designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these Financial Statements those are free from material misstatement, whether due to fraud and error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### **Effective Internal Control System**

An effective internal control system also requires that an appropriate control structure is set up with control activities defined at every business level. Board of directors has the responsibility for approving the review of overall business strategies and significant policies of the internal control system.

### Redressal of Minority Shareholders

No situation arisen with minority shareholders who protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and no effective means of redress.

### Going Concern

Financial statements are generally prepared under the assumption that the business will remain a “going concern.”

That is, it is expected to continue to generate a positive return on its assets and meet its obligations in the ordinary course of business. It is the responsibility of the management of a company to determine whether the going concern assumption is appropriate in the preparation of financial statements. Asiatic Laboratories Limited is running well above the level of different parameters.

### Deviations from the Last Year Operating Results

There were no significant deviations from the last years operating results of the company.

### Five Years Operating and Financial Data

The key operating and financial data for the last five years have been disclosed at page no-26.

### Dividend Declaration Policy.

In the year under review as per the instruction of the Board of Directors of the company, the management is following a policy regarding dividends to be paid 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 industry. Board of Directors Meeting held on 31 October 2025 has recommended 10% cash dividend for the year ended 2025 except Sponsor and Directors.

### Disclosure on Dividend Distribution

Asiatic Laboratories Limited pay off the dividend to the securities holder within 30 (thirty) days of declaration or approval and submit a compliance report to the Exchange and to the Commission in respect of dividend payment within 7 (seven) working days.

Asiatic Laboratories Limited specifically and clearly mentions the reasons for partial or non-distribution of profit as dividend in its resolutions of every annual general meeting. With a view to inform all public subscribers, we have sent short message to all our valued shareholders after disbursement of dividend through EFTN, if any deviation found we directly contact and resolve the problem. Other hand, very few printed Dividend Warrant in the year, we sent to the shareholders designated mailing address or returned warrant deposited to their prescribed bank account after correction.

### Interim Dividend

No bonus share or stock dividend or cash dividend has been declared by the Board as interim dividend and there was no effect of the company's financial position.

### Board Meetings and Attendance

During the year, the Board of Directors Meeting and their attendance records are shown.

SL.	Name of the Director	Position	Board Meeting
1.	Ms.Tahmina Begum	Chairman	10
2.	Mr. Monir Ahmed	Managing Director	10
3.	Ms. Salina Ahmed	Director	10
4.	Ms. Sadia Ahmed	Director	10
5.	Mr. Maksud Ahmed	Director	10
6.	Mr. Shafiquel Kabir Khan	Independent Director	10
7.	Mr. Raihan Sarkar	Independent Director	10

### Pattern of Shareholding

A report on the pattern of shareholding disclosing the aggregate number of shares along with name-wise details as on 30 June 2025.

### **Directors Appointment or Re-appointment**

With regard to the appointment, retirement and re-appointment of directors, the company is governed by its articles of association, the companies Act-1994 and other related legislations. In order to company act 1994 and relevant clause of the article of association of the Asiatic Laboratories Limited, at least one third of the directors shall retire from the office in the annual general meeting.

Pursuant to the above, Ms. Tahmina Begum and Ms. Sadia Ahmed, Director of the company, will retire by rotation from the Board, but being eligible, have offered themselves for re-election which was also recommended by the Board for the approval of the shareholders.

### **Board of Directors**

There are 7 Directors in the Board of Asiatic Laboratories Limited. Tahmina Begum is the Chairman. Independent Director are Shafiqul Kabir Khan and Raihan Sarkar. Monir Ahmed is Managing Director. Sadia Ahmed, Maksud Ahmed and Salina Ahmed are Directors of the company.

### **Retirement and Appointment of Independent Directors**

Mr. Raihan Sarkar, the Independent Director of the company has completed his first tenure with great success and now, considering his qualification, skills, experience, expertise, positive attributes, the NRC has recommended to the board of directors to re-appoint Mr. Raihan Sarkar as independent director for the next 3(three) years, in compliance with the notification no. BSEC/CMRRC/2006-158/207/Admin/80, dated on 03 June 2018 issued by BSEC, subject to the approval of the shareholders in the Annual General Meeting.

### **Management's Discussion and Analysis of the Company's Position**

Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements.

### **Corporate Social Responsibility (CSR) Policy**

Annual CSR programs in terms of board approved CSR policies of the company will be drawn up and implemented by the dedicated CSR unit.

### **Earnings Per Share (EPS)**

Net profit after tax of the company stands at Tk.255.36 million during the year 2025. Earnings per share after tax of Tk. 2.09 compared to Tk.2.82 per share in the previous year.

### **Shareholders' Value**

The company remains fully committed to delivery of higher shareholders' value. The higher profitability underpins the value of the shareholders derived from investing in the shares of. The total number of shareholders of the company as on 30 June 2025 was 6,363 as per record.

### **Annual General Meeting**

55th Annual General Meeting (AGM) of the company will be held on Wednesday, December 24, 2025 at 11.30 a.m Meeting to be arranged using Hybrid System in line with the Ref. No. BSEC/ICAD/SRIC/2024/318/09 dated 16 January 2024. In this connection, financial statements were approved/ adopted in the 441 Board of Director's Meeting held on October 31, 2025.

### **Corporate Governance**

Good Corporate Governance is the system through which the Company is directed, guided and controlled by the Board, keeping in view its accountability to the shareholders. The Board of Directors has complied with the best practices on Corporate Governance Code with the requirements set out by the BSEC.

### **Reflection of the Company Act, 1994**

Directors Report to the Shareholders are also prepared based on Section 184 of Company Act, 1994 contained "Boards Report".

(1) The general information attached with the annual report:

- (a) the state of the company's affairs;
- (b) the amount, if any, which the Board proposes to carry to any reserve in such balance sheet;
- (c) the amount, if any, which the Board recommends should be paid by way of dividend;
- (d) material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the balance sheet related and the date of the report.

Observation: The Company's affairs has discussed thoroughly in the annual report and the materials of Financial Statements, dividend and the changes at the end of the financial year has noted and classified in the Auditor's Report.

- (1) Material for the appreciation of the state of company's affairs by its members, deal with any changes which have occurred during the financial year-
  - (a) in the nature of the company's business;
  - (b) in the company's subsidiaries or in the nature of the business carried on by them; and
  - (c) generally, in the classes of business in which the company has an interest.

**Observation: No material information and changes.**

- (2) Fullst information and explanations on every reservation, qualification or adverse remark contained in the auditor's report.

Observation: No reservation, qualification or adverse remark contained in the auditor's report.

**Appointment of Independent Scrutinizer**

The Board of Directors in its meeting appointed Mohammed Farhan Uddin, FCA, Managing Partner, Farhan Mohammed & Co Chartered Accountants as an Independent Scrutinizer to observe the 55th AGM. The due process of election and detailed information of voting results shall be authenticated by him.

Shareholding Information in Compliance to the Condition No. 4 of the Commission's Notification No. BSEC/CMRRCD/2009- 193/10/Admin/118 dated 22 March 2021


The Directors and the Shareholders of the company are not holding 10% (ten percent) or more shares of the company, excluding the shares held by the mutual funds, alternative investment funds, portfolio managers and stock dealer. Therefore, it is not applicable to furnish the following information:

- (1) Shareholding information of the said directors or shareholders who have availed any loan or credit facility by lien or pledge of their shares to the lender(s) at the time of borrowing (cumulatively); and
- (2) Shareholding information of the said directors or shareholders who have availed margin loan from the stockbroker or portfolio manager.

**Acknowledgment**

The members of the Board of Director of Asiatic Laboratories Limited like to express gratitude to all honorable shareholders, valued clients for their patronage and support. The Directors also express their thanks and profound appreciation for the immense support and co-operation received from office of the Chairman, all concerned Government Offices including Ministry of Finance, Ministry of Commerce, Sadharan Bima Corporation, Bangladesh Bank, all Nationalized Bank, Commercial Bank and Financial Institutions, Registrar of Joint Stock Companies & Firms (RJSC), Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange PLC. (DSE), Chittagong Stock Exchange PLC. (CSE), Central Depository Bangladesh Limited (CDBL), National Board of Revenue (NBR), Financial Reporting Council (FRC), and Bangladesh Association of Publicly Listed Companies (BAPLC). The Board Members also pleased to put on record their appreciation for the commitment and dedication extended by the management of the Company.

On behalf of the Board of Directors



**Mrs. Tahmina Begum**  
Chairman

# CORPORATE GOVERNANCE REPORT

Asiatic Laboratories Limited comprises carefully at corporate governance considered rules and practices by which the Board of Directors and the Management ensures accountability, fairness and transparency in the company's relationship with all its stakeholders. The aim of the Board to ensure the interest of shareholder either he/she is minority or majority with attaining the businesses sustainability. This Report has been prepared as per the Notification No. BSEC/CMRRCD/2006- 158/207/Admin/80 dated on 03 June 2018 issued by BSEC Corporate Governance Code.

## Board of Directors

### Size of the Board of Directors

The number of the Board Members of Asiatic Laboratories Limited consisted of seven (7) including Two Independent Directors.

### Composition of the Board of Directors – Non-executive Directors and Independent Directors

All the directors of the Board including independent directors are non-executive directors. Currently, there are five core director and two independent directors appointed by the Board as well as approved by the Shareholders Mr. Raihan Sarkar, Independent Director has appointed for second tenure subject to the approval of the shareholders in the Annual General Meeting.

### Fitness of the Board of Directors

- Who has not been declared insolvent by a competent court and has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or financial institution in Bangladesh or elsewhere?
- Who has not been convicted in any criminal offence or involved in any fraud, financial crime or any other illegal activity?
- Who has been found guilty of violating the rules, regulations or discipline of Bangladesh or any other regulatory body?
- Who has not been found guilty on any legal proceedings?
- Who has not been found to be dealers, intermediaries, salaried agent, auditor, consultant or actuary in Bangladesh or elsewhere?

### Independent Director

As per the BSEC guidelines on Corporate Governance, at least two or one fifth of the total Directors whichever is higher. Therefore, in compliance with BSEC Notification, ALL nominated two independent directors so that the Board contains core skills considered appropriate in the framework of the company. The two independent directors are:

- a) Mr. Shafiqul Kabir Khan
- b) Mr. Raihan Sarkar

### Appointment Policy of Independent Director

- (a) At least two or one-fifth (1/5) of the total number of directors whichever is higher in the company's Board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);
- (b) The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM) and consent to be accorded by BSEC;
- (c) The post of independent director(s) cannot remain vacant for more than 90 (ninety) days;
- (d) The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only: Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years];
- (e) The independent director shall not be subject to retirement by rotation; and
- (f) For the purpose of counting tenure or term of independent director, any partial term of tenure shall be deemed to be a full tenure.



### Criteria for Appointment of Independent Directors

- (a) who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;
- (b) who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members;
- (c) who has not been an executive of the company in immediately preceding 2 (two) financial years;
- (d) who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;
- (e) who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;
- (f) who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;
- (g) who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;
- (h) who is not independent director in more than 5 (five) listed companies;
- (i) who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and
- (j) who has not been convicted for a criminal offence involving moral turpitude;

### Qualification Criteria of Independent Director

- (a) Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;
- (b) Independent director shall have following qualifications:
  - (i) Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk.100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or
  - (ii) Corporate Leader who is or was a top-level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company;
  - (iii) Former or existing official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law; or
  - (iv) University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or
  - (v) Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;
- (c) The independent director shall have at least 10 (ten) years of experiences in any field mentioned on above. In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.

### Diversity in the Board

A diverse Board ensures effective, efficient and independent decision-making. Company's board comprises of highly qualified professionals from varied disciplines, appropriate mix of competences, knowledge, skill-base and mix professions. This helps in gaining a unique combination of knowledge, experience and expertise to run the affairs of the Company.

### **Female Directors**

ALL Governance framework strives for gender diversity on the Board of Directors. At present there are three female directors on the Board, who are the engaged and empowered to the board's function as well as appointment of female independent director, the BSEC are flexible up to 31 December 2025.

### **Non-Executive Director's Independence**

All the Directors except the Managing Director or CEO are non-executive Directors in the Board. None of the Directors takes part in the day-to-day affairs of the Company. They attend only the Meeting of the Board of Directors, Audit Committee, Nomination & Remuneration Committee to discuss the agenda reserved for the Board and Board Committees.

### **Policy on Appointment of Directors**

BSEC notification regarding Code of Corporate Governance and Company Act are strictly followed to appoint the Board of Directors of ASIATICLAB. In order to be a member of the Board, a Director other than a nominated, Independent and alternate Director, must maintain at least two percent shares of the company. According to the provision of Companies Act, 1994, at least one-third of the Directors retired by rotation in every AGM. About nomination, removal and casual vacancy of the directors, ASIATICLAB follows all relevant rules and regulations.

### **Transparency of Board Nomination and Election Process - Election Commissioner Statement**

For the information of the general shareholders, the notice of election of 2 (two) directors has been vacant posts Ms. Sadia Ahmed and Mr. Maksud Ahmed but being eligible, have offered themselves for re-election which was also recommended by the Board for the approval of the shareholders in 55th Annual General Meeting on 2025.

### **Rights of Directors**

Directors have the right of access to relevant information and confidentiality according to Board's Code of Conduct.

### **Formal Orientation and Induction of New Directors**

Comprehensive induction session is received by all new directors; to have a better understanding of the Board's operations and scope of their responsibilities towards managing Company's interest for and on behalf of shareholders. These session orients them on business operations, environment, long-term strategy of the Company, and applicable laws and regulations. Members are also familiarized with their duties, powers, term of office and each other's.

### **Training Policy of Board of Directors**

The Board encouraged the training on the Corporate Governance and other Rules, Regulations and Circular of BSEC. To organize the training of Directors as a part of accessing the Board performance. The company is fully committed to maintain highest standards of Corporate Governance & professionalism in driving the progress on the principles of transparency and accountability.

### **Roles and Responsibilities of the Board**

The Board's responsibilities are to reviewing and approving the strategies and business plans for the various operating divisions against their respective business targets; prescribing the minimum standards and establishing policies on the management of business risks and other key areas of the operations; ensuring that the operating infrastructure, systems of control, systems for risk identification and management, financial and operational controls, are in place and properly implemented; reviewing the adequacy and integrity of the company's internal control systems. But not limited the above mentioned the subject matter. To achieve the long-term goal of the company and to establish the effective management, the Board of Directors are playing the following roles and responsibilities Corporate Governance Guideline:

- Formulating and implementing institutional business material direction, policies, strategies and risk management policies;
- Taking action accordingly considering capital requirements, income and expenditure, stakeholders and shareholder expectations and potential profit and loss;
- To confirm that all circulars, policies and acts should be followed strictly;
- Formulating and controlling various structures to identify the problem and take the necessary action for solving; Encouraging employees to report any violation of circular, policy or law by implementing whistle blowing policy and various other policies;

- Identifying, monitoring and resolving conflicts of interest of directors, employees and shareholders;
- Related party transaction and any other transaction should be monitored and controlled;
- Ethics and good governance practices should be encouraged and related issues should be identified and addressed.

### **Evaluation/Appraisal of the Board's performance & Effectiveness**

At AGM shareholders critically appraise the performance of the Board and evaluate financial position and performance of the

company, its adequacy and effectiveness of internal control system and overall governance mechanism. The shareholders also ask questions and make queries to the BoD during AGM and the Chairman of BoD gives a patient hearing and responds to all their queries. The performance of the Board is appraised based on certain parameters such as shareholder return, share price, return on capital employed, earnings per share etc. of the company. The attendance of Directors and their active participation in the meeting on various agenda is ensured in every Board meeting. In a short form, Asiatic Laboratories appraised the Board's performance & effectiveness by analyzing the execution of the business and proposals sanctioned by it.

### **Evaluation of the Managing Director by the Board**

The Managing Director or CEO is evaluated on an annual basis and is given KPI's for the certain period and the Board has the capability to evaluate the CEO whenever it wishes so. The CEO's are evaluated after their term, and on the basis of their evaluation, reappointment for another term is considered by the Board. A few mentionable KPIs for the CEO are to meet the annual budgetary targets of the company which was approved by the Board, maximize shareholders value through desired ROA, ROI, ROE and EPS as per expectation of the Board, sustainable growth on investment and revenue for the company, gradually reducing the outstanding claim settlement and improvement in the score of credit rating.

Duality of Chairperson of the Board of Directors and Managing Director Separate Role of the Chairman and Managing Director

The Chairman and the Managing Director is the separate person and they have separate roles and responsibilities and both are independent from each other's, and this has been in practice since the inception of the company. This also complies with Section 1.4 of the BSEC's notification on Corporate Governance Guidelines.

### **Policy on appointment of Managing Director**

The Managing Director is appointed in accordance with the "Asiatic Laboratories Limited for a minimum period of five years subject to approval of Board and NRC policy. The office of the Managing Director is not subject to retirement and may be extend for further period with evaluating performance.

### **Chairman of the Board**

Tahmina Begum was elected as the Chairman of the company by the Board of Directors. The Chairman of the company is a non-executive Director.

### **Role and Responsibilities of the Chairman**

The Board shall clearly define respective roles and responsibilities of the Chairperson. As the Chairman of the Board of Directors (or Chairman of any Committee formed by the Board of Directors) does not personally possess the jurisdiction to apply policymaking or executive authority, he shall not participate in or interfere into the administration or operational and routine affairs of the company. The Chairman may conduct on-site inspection of any branch or activities under the purview of the oversight responsibilities of the Board. He may call for any information relating to ASIATICLAB's operation or ask for investigation into any such affairs; he may submit such information or investigation report to the meeting of the Board or the Sub-Committee of the Board and if deemed necessary, with the approval of the Board, he shall take necessary action thereon in accordance with the set rules through the Managing Director. Besides this, the Chairman may/shall assume any other responsibility if the Board assigns within the purview of the Rules, Regulations, Acts and Articles of the company.

In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.

### **The Directors' Report to Shareholders**

The Board of the company disclosed the Directors' Report prepared under section 184 of the Companies Act and with the additional requirement of Corporate Governance.

### **Meetings of the Board of Directors**

The Board meets as required to discuss business strategy, financial performance, matters pertaining to compliance and governance as the Board reviews, amongst others, the financial performance of the company. 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. Besides the hard copies, for the beneficiary of both the home and abroad staying (if any) Directors, paperless meeting has been introduced. There are ten (10) Board Meetings were held during the year 2025.

### **Bangladesh Secretarial Standard (BSS)**

The company has conducted its Board meetings and record the minutes of the meeting as well as keep required books and records in line with the provisions of the Bangladesh Secretarial Standard (BSS).

### **Code of Conduct for the Chairperson, other Board Members and Managing Director**

- (a) The Board laid down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6 of BSEC, for the Chairperson of the Board, other board members and Managing Director of the company;
- (b) The code of conduct as determined by the NRC has been posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.

### **Code of Conduct for the Board of Directors**

Code of Conduct for all the members of the Board of Directors are-

- (a) Issue Policy and guideline to the management within the company policy-framework.
- (b) Board will not interfere in the day-to-day functions.
- (c) Respect conflict of interest
- (d) Compliant to all relevant laws and rules.
- (e) Respect to the confidentiality principle.
- (f) Maintain fair dealing and avoid insider trading.
- (g) Recognize & reward real performers.
- (h) Uphold greater interest of the company.
- (i) Encourage CSR activities.

### **Governance of Board of Directors of Subsidiary Company**

Asiatic Laboratories Limited has no Subsidiary Company and it is not the holding company of any other businesses.

### **Appointment of Top Four Executives**

- (a) Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit & Compliance (HIAC) are appointed by the Board;
- (b) The position of CEO, CS, CFO and HIAC are filled by different individuals.
- (c) CEO, CS, CFO and HIAC do not hold any executive positions in any other company at the same time.
- (d) The Board clearly defined respective roles, responsibilities and duties of the CEO, CS, CFO and HIAC.
- (e) CEO, CS, CFO and HIAC are not removed from their position without approval of the Board and did not need to dissemination to the Commission and stock exchange(s).

### **Roles and Responsibilities of the Managing Director**

In terms of the financial, business and administrative authorities vested upon him by the board, the Managing Director shall discharge his own responsibilities. He shall remain accountable for achievement of financial and other business targets by means of business plans, efficient implementation thereof and prudent administrative and financial management. The Managing Director shall ensure compliance of the Companies Act, 1994, and other relevant laws and regulations in discharge of routine functions of the company. In addition to the above, the following matters shall be included in the role and responsibilities of the Managing Director -

- (a) The Managing Director shall regularly provide reports to the Board of Directors containing clear, understandable, accurate, timely and relevant information.
- (b) The Managing Director shall inform the Board of Directors as soon as possible if any matter requiring the consideration, decision or approval of the Board of Directors comes to his attention;
- (c) The Managing Director shall be accountable to the Board of Directors for his performance and his direction, management and performance of the Company;
- (d) To assist the Board of Directors in formulating and promoting a clear vision and direction of the Company.
- (e) To provide leadership in achieving the vision and goals set by the Board of Directors,
- (f) To ensure compliance with legal and regulatory frameworks to the day-to-day professional and administrative activities of the employees and Management in addition to the framework set by the Board of Directors;
- (g) To ensure development and implementation of all functions and strategies including risk management and internal controls;
- (h) To assist the Board of Directors in developing policies, procedures and governance to ensure effective implementation of the Company's strategy;
- (i) To evaluate the performance of other executive leadership including department heads of the company;

#### **Duties and Responsibilities of Chief Financial Officer (CFO)**

- (a) To develop and implement standard financial reporting practices.
- (b) To supervise and ensure proper record keeping and reporting, smooth functioning of finance and accounts department.
- (c) He/she shall remain responsible for the efficient and effective fund management of the company and shall take appropriate steps to prohibit minimize and probable misuse of fund;
- (d) To ensure maintenance of proper books of accounts and timely submission of financial, administrative and other information to the regulatory authorities.
- (e) Synchronization of management reporting system and to bring harmonization of intra-departmental functions.
- (f) To authorize all receipts & payment.
- (g) To present realistic budget including the fixation of half-yearly and/or yearly business target.
- (h) He/she shall have to oversee the external audit reports before finalization.
- (i) To ensure departmental co-ordination and functioning.
- (j) He/she shall remain responsible for preparation and presentation of all periodical and annual financial statements of the company applying latest developments of international accounting standard and practices as Incorporated in Bangladesh.
- (k) The CFO shall oversee the income tax; value added tax and related matters of the company;
- (l) He/she will serve the company with integrity, sincerity and professional competence at a high level and will remain respectful to the confidentiality of information.

#### **Roles & Responsibilities of the Head of Internal Audit & Compliance (HIAC)**

- (a) The HIAC team shall be directly under the supervision of Audit Committee and shall act and discharge his duties and responsibilities under the direction of Audit Committee and report directly to the Committee.
- (b) The Audit Team will function as per guidelines mentioned in the Audit Manual which may be changed, modified, amended, extended as and when required.
- (c) The HIAC shall ensure timely completion of audits, finalization of reports and prompt submission of the same to the Audit Committee.
- (d) Audit Committee/Board may change the members of this Audit Team including the HIAC as and when they think it necessary to the changing circumstances and in the greater interest of the company.

#### **Roles & Responsibilities of the Company Secretary (CS)**

##### **The Company Secretary shall-**

- (a) Look after all the affairs related to the Board of Directors.
- (b) Ensure supply of all papers, documents to the Board as required.
- (c) Ensure supply of information, reports, dates, etc. in the way Board wants and decides.
- (d) Call meetings of the Board and its Committees; shall also finalize the agenda of the meeting in consultation with the Chairman & Chief Executive Officer.

- (e) Prepare report(s) to the Board and its committee meetings, the status report of implementation of the decision of the Board by the management.
- (f) Entitle to a copy of the progress report, monthly statement and any other reports, statement, circular received in the Head office from various sources, including the Branches of the company or given by the Head Office to the Branches and other organization.
- (g) Organize and follow the procedure of AGM/EGM as per decision of the Board.
- (h) Communicated with to BSEC, DSE, CSE, RJSC, CDBL, BIA as per rules.
- (i) Follow and maintain required compliance of BSEC and other regulatory agencies.
- (j) Have the power to request for any papers, statement and documents from all departments and Branch Managers, which may be required in connection with any agenda for discussion on it and or taking decision on any matter by the Board.

#### **Attendance of CEO, CFO, HIAC and CS in Board of Directors' Meeting**

Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit & Compliance (HIAC) and the Company Secretary (CS) of the Company attend the meetings of the Board of Directors. The CS, CFO and HIAC do not attend such part of a meeting which involves consideration of an agenda item relating to their personal matters.

#### **Duties of CEO and CFO Relating to Accounts**

The CEO and CFO have certified to the Board that they have reviewed financial statements for the year and that to the best of their 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 or its members. The certification of the CEO and CFO have been disclosed in the Annual Report.

#### **Board of Directors' Committee**

There are two sub-committees of the Board that is mandated by BSEC with separate guidelines and members are selected from the consent of the Board of Directors and have a chairperson of the sub-committee who is performing independently.

- (1) Audit Committee;
- (2) Nomination & Remuneration Committee (NRC);

##### **(1) Audit Committee**

The Committee is empowered, among other things, to examine any matter relating to the financial affairs of the Company and to review all audit and inspection reports, internal control systems and procedures, accounting policies and adherence to compliance requirements, among others. The details of Audit Committee and the Policy along with the report on the activities of the Audit Committee are described.

#### **Head of Internal Audit and Compliance's access in the Audit Committee**

The Head of Internal Audit and Compliance always has access to the audit committee and can raise his concerns whenever required.

#### **Rights of Audit Committee**

The Audit Committee shall have unrestricted access to all relevant data, reports, documents and information along with the Chief Executive, Internal Audit Committee / Head of Department, Actuary and all concerned officers.

#### **Audit Department**

The audit department of ASIATICLAB is independent from the internal control process in order to avoid any conflict of interest and it is given appropriate standing within the company to carry out its assignments. The management of ASIATICLAB ensures that the internal audit staff performs their duties with objectivity and impartiality.

##### **(2) Nomination & Remuneration Committee**

The Board of Directors of the Company Limited has duly constituted a Nomination and Remuneration Committee (NRC), as per the requirements of the Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC). The NRC assists the Board in formulating the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of Directors and other top-level executives. The NRC also assists the Board to formulate policy for formal and continued process of considering remuneration/ honorarium of Directors and top-level executives. The details of NRC and the Policy along with the report on the activities of the NRC are described.



## REPORTS ON THE ACTIVITIES OF THE AUDIT COMMITTEE FOR THE YEAR ENDED 30 JUNE 2025

To  
The Board of Directors  
Asiatic Laboratories Limited

### Audit Committee

In compliance with the Notification No. SEC/CMRRCD/2006-158/Admin/02-08 and dated February 20, 2006 issued by the Bangladesh Securities and Exchange Commission relating to Corporate Governance Code, Asiatic Laboratories Limited established an Audit Committee on 2021.

### Responsibility to the Board of Directors

- (a) The company shall have an Audit Committee as a sub-committee of the Board;
- (b) The Audit Committee shall be responsible to the Board;
- (c) The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;
- (d) The duties of the Audit Committee shall be clearly set forth in writing.

### Constitution of the Audit Committee

- (a) The Audit Committee was constituted by the 3 members;
- (b) The Board appointed members of the Audit Committee who are non-executive directors of the company excepting Chairperson of the Board and included 1 independent directors;
- (c) All members of the audit committee are “financially literate” and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;
- (d) When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;
- (e) The company secretary, Mr. Ishtiaq Ahmed act as the secretary of the Committee;

The quorum of the Audit Committee meeting never constituted without at least 1 (one) independent director.

Name of the Members		Status
Mr. Shafiqul Kabir Khan	Independent Director	Chairman
Ms. Salina Ahmed	Director	Member
Mr. Maksud Ahmed	Director	Member

### Chairperson of the Audit Committee is an independent Non-Executive Director

- (a) The Board selected Shafiqul Kabir Khan, the Chairman of the Audit Committee is an independent non-executive director, who is not involved in the day-to-day operations of the company.
- (b) In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of them selves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.
- (c) Chairperson of the Audit Committee was present in the 55th Annual General Meeting (AGM). If in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.

### Qualification of members including the Chairperson

Shafiqul Kabir Khan, one of the Independent Directors, is the qualified Chairperson of the Audit Committee, possessing of vast experience. He has a long experience in High Court Division of Bangladesh Supreme Court & Judge Court as



a lawyer concentrating Civil, Criminal, Company, Artha Rin & as well as writ matters. He is also involved with many cultural and social organizations & he was a Freedom Fighter. All the members of the Committee are 'financially literate' as defined by the Corporate Governance Code.

#### Holding of the Audit Committee Meeting

As per the Terms of Reference, the Audit Committee shall conduct at least its four meetings in a financial year: provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee. During the year ended 30 June 2025, the Committee held four (4) meetings.

#### Quorum of the Audit Committee Meetings

The quorum of the meeting of the Audit Committee constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.

#### Attendance of the Members of Audit Committee

Name of the Members	Status	Total Meeting Held (During thier period)	Number of Meetings Attended
Mr. Shafiqul Kabir Khan	Chairman	4	4
Ms. Salina Ahmed	Member	4	4
Mr. Maksud Ahmed	Member	4	4

#### Remuneration of the Members of Audit Committee

Name of the Members		Status
Mr. Shafiqul Kabir Khan	Independent Director	Chairman
Ms. Salina Ahmed	Director	Member
Mr. Maksud Ahmed	Director	Member

#### Duty and Role of the Audit Committee

The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;

The Audit Committee shall -

- Oversee the financial reporting process;
- Monitor choice of accounting policies and principles;
- Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;
- Oversee hiring and performance of external auditors;
- Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;
- Review along with the management, the annual financial statements before submission to the Board for approval;
- Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;
- Review the adequacy of internal audit function;
- Review the Management's Discussion and Analysis before disclosing in the Annual Report;
- Review statement of all related party transactions submitted by the management;
- Review Management Letters or Letter of Internal Control weakness issued by statutory auditors; and
- Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors.

#### Financial Reporting

- Reviewed the quarterly and annual financial statements of the Company focusing on significant changes to accounting policies and practices, compliance with accounting and reporting standards and other legal requirements.
- Concluded that the financial statements presented a true and fair view of the Company's financial performance before recommending them to the Board of Directors for approval.

### Internal Control

- The Audit Committee closely monitored the Business Risk Management Framework adopted by the Company.
- Reviewed the report on compliance of conditions of the Corporate Governance Code.
- Ensured internal Policies, Directives and Standards are in place and compliance related to laws and regulations are well monitored.

### Internal Audit

- The Audit Committee reviewed the adequacy of Internal Audit activities carried out during the year.
- The Internal Audit Reports were reviewed by the Audit Committee and monitored the implementation of Audit recommendations to improve Internal Control Environment.
- All the audit recommendations have been reviewed and followed up by the Audit Committee to ensure effective internal control and compliance at place.

### External Audit

- The Audit Committee appraised the external auditor's audit plan, nature and scope of the audit plan, audit report and the overall performance of the external auditor for the year 2025.
- The Audit Committee also reviewed the comments and responses in Management Letters issued by the statutory auditors for the year 2025.

### Related Party Transactions

- Reviewed reports of related party transactions showing amount, nature and basis of related party transactions and conflict of interest situations that may raise questions of management integrity to ensure that all related party transactions are undertaken on an arm's length basis and consistent with the Company's normal course of action.

### Reporting to the Board of Directors

- Reporting its activities to the Board. The report details member composition, terms of reference, number of meetings held during the preceding year including the activities of internal audit services.
- Audit Committee is also required to immediately report to the Board on the following findings, if any:
  - Report on conflicts of interests;
  - Suspected or presumed fraud irregularity or material defect in or the internal control system;
  - Suspected infringement of laws, including securities related laws, rules and regulations;
  - Any other matter that it deems necessary.
- Audit Committee is also responsible to review the Board's statements on compliance with the CG for inclusion in the Annual Report.

### Reporting to the Authorities

In the event that the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the BSEC, upon reporting of such matters to the Board of Directors for three (3) times or completion of a period of six (6) months from the date of first reporting to the Board of Directors, whichever is earlier.

### Recommendations

The recommendations of the Audit Committee are regularly placed before the Executive Committee and Board of Directors for necessary action.

### Reporting to the Shareholders and General Investors

Based on the activities throughout the year and after reviewing the effectiveness of the internal controls system, the Audit Committee is of the opinion that adequate controls, procedures and risk management systems are in place to provide reasonable safeguard and that the financial position of the Company is adequately managed. Key issues discussed by the Committee are reported to the Board after each scheduled meeting and this practice will continue, thus ensuring any significant matters are considered and addressed appropriately.

On behalf of the Audit Committee,

Sd/-

Shafiqul Kabir Khan  
Chairman of the Audit Committee

## REPORTS ON THE ACTIVITIES OF THE NOMINATION AND REMUNERATION COMMITTEE FOR THE YEAR ENDED 30 JUNE 2025

### Nomination & Remuneration Committee

In compliance with the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 and dated June 3, 2018 issued by the Bangladesh Securities and Exchange Commission on Corporate Governance Code, The Company established a Nomination and Remuneration Committee (NRC) on December 10, 2018.

The NRC is a sub-committee of the Board of Directors. The NRC is responsible to the Board of Directors and they assist the Board of Directors in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executive as well as a policy for formal process of considering remuneration of directors and Top-Level Executives

### Composition of the NRC:

Raihan Sarkar who is the Chairperson of the Committee. All members of the Committee are non-executive directors and appointed by the Board. The Company Secretary, Mr. Ishtiaq Ahmed act as the secretary of the Committee

Name of the Members	Status
Mr. Raihan Sarkar	Chairman
Ms. Sadia Ahmed	Member
Mr. Maksud Ahmed	Member

### Holding of the NRC Meeting During 2025

As per the Terms of Reference, the Nomination & Remuneration Committee is required to hold at least one (1) meeting in a year. During the year ended 30 June 2025, the Committee held one (1) meeting.

### Quorum of the NRC Meetings

The number of Directors required to constitute a quorum is determined by the Board in presence of either two members or two third of the members of the committee whichever is higher, where presence of an Independent Director is must.

### Attendance of the Members of NRC

Name of the Members	Status
Mr. Raihan Sarkar	Chairman
Ms. Sadia Ahmed	Member
Mr. Maksud Ahmed	Member

### Activity of Nomination and Remuneration Committee during the year

Mr. Ishtiaq Ahmed, the Secretary of NRC. In 2025, not more than one NRC meeting held and the committee noted the nomination and remuneration governance ensuring the standards and compliance accordingly. The activities of the NRC during the year 2025 were as follows:

- i. Followed the Terms of Reference (ToR) of NRC, as approved by the Board of Directors;
- ii. Discussed the policy relating to the remuneration of the retiring and contract renewal to the top-level executives of the Company;
- iii. Re-appointment of Independent Director, Mr. Raihan Sarkar and recommended and placed to the Board of Directors Meeting;
- iv. Developed, recommended and reviewed the company's annual human resource capital and training policies as well as involvement of financial matter regarding the increment and promotion;

### Nomination & Remuneration Policy:

The policy of the NRC is enclosed to this Report

### Acknowledgement

The NRC expresses their sincere thanks to the members of the Board of Directors and the management of the Company for their outstanding support and co-operation.

Sd/-

**Mr. Raihan Sarkar**

Chairman

Nomination and Remuneration Committee

**ASIATIC LABORATORIES LIMITED**  
**DECLARATION BY MANAGING DIRECTOR**

October 31, 2025

The Board of Directors  
Asiatic Laboratories Limited  
42-43 Siddeshwari Circular Road  
Treasure Island (5th Floor) Shantinagar  
Dhaka 1217, Bangladesh.

**Subject: Declaration on Financial Statements for the year ended on 30 June 2025.**

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Asiatic Laboratories Limited for the year ended on 30 June, 2025 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

**In this regard, we also certify that: -**

- (i) We have reviewed the financial statements for the year ended on 30 June, 2025 and that to the best of our knowledge and belief:
  - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) 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.

Sincerely yours,

**Mr. Joyanta Kumar Bishwas**  
Chief Financial Officer

  
**Monir Ahmed**  
Managing Director



**Report to the Shareholders of  
ASIATIC LABORATORIES LIMITED  
on  
Compliance with the Corporate Governance Code**

We have examined the compliance status to the Corporate Governance Code by **ASIATIC LABORATORIES LIMITED** for the year ended 30<sup>th</sup> June, 2025. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 and its latest amendments issued under section 2CC of the Securities and Exchange Ordinance, 1969 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission;
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The Governance of the company is satisfactory.

**Haruner Rashid & Associates**  
Chartered Secretaries



A.K.M. Haruner Rashid, LL.B, FCS  
CEO & Consultant

Place : Dhaka  
Dated: November 25, 2025

**Status of compliance with the Corporate Governance Code (CGC)  
of**

**ASIATIC LABORATORIES LIMITED**

[As per condition No. 1(5) (xxvii)]

Status of compliance for the period ended 30th June 2025 of **ASIATIC LABORATORIES LIMITED** with the conditions imposed by **BSEC** Notification No. **BSEC/CMRRCD/2006-158/207/Admin/80** dated **03 June 2018** and it's latest amendments issued under section 2CC of the Securities and Exchange Ordinance, 1969

**(Report under Condition No. 9)**

Condition No.	Title	Compliance Status (Put <input checked="" type="checkbox"/> in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
<b>1</b>	<b>Board of Directors</b>			
1(1)	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	√		The Board of Directors of ASIATIC LABORATORIES LIMITED is comprised of 07 Directors.
<b>1(2)</b>	<b>Independent Directors</b>			
1(2)(a)	At least 2 (Two) directors or one-fifth (1/5) of the total number of directors in the company's Board, whichever is higher, shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s): Provided that the Board shall appoint at least 1(one) female independent director in the Board of Directors of the company;	√		There are 2 (Two) ID in the Board
<b>1(2)(b)</b>	<b>Without contravention of any provision of any other laws, for the purpose of this clause, an "independent director" means a director</b>			
1(2)(b)(i)	Who either does not hold any share in the Company or holds less than one percent (1%) shares of the total paid-up shares of the Company;	√		
1(2)(b)(ii)	Who is not a sponsor of the Company or is not connected with the Company's any sponsor or director or nominated director or shareholder of the Company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the Company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the Company. Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members ;	√		
1(2)(b)(iii)	Who has not been an executive of the Company in immediately preceding 2 (two) financial years; or \ otherwise, with the Company or its subsidiary or associated Companies;	√		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange.	✓		
1(2)(b)(vi)	Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of Stock Exchange or an intermediary of the capital market;	✓		
1(2)(b)(vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned Company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	✓		
1(2)(b)(viii)	Who is not independent director in more than 5 (five) listed companies;	✓		
1(2)(b)(ix)	who has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for nonpayment of any loan or advance or obligation to a bank or a financial institution; and	✓		
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	✓		
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM): Provided that the Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of recommendation of the Nomination and Remuneration Committee (NRC) of the company;	✓		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and			Not applicable
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only: Provided that a former independent director may be consider for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]:	✓		
<b>1(3)</b>	<b>Qualification of Independent Director :</b>			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regularity requirements and corporate laws and can make meaningful contribution to the business;	✓		The qualification justify their abilities as such



Condition No.	Title	Compliance Status (Put <input checked="" type="checkbox"/> in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(3)(b)	Independent Director shall have following qualifications :			
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk.100.00 million or any listed company or a member of any national or international chamber of commerce or registered business association; or			
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted Company having minimum paid-up-capital of Tk. 100.00 million or of a listed Company; or			
1(3)(b)(iii)	Former or existing official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law:  Provided that in case of appointment of existing official as independent director, it requires clearance from the organization where he or she is in service; or			
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	√		
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	√		
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	√		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.			Not applicable
1(4)	Duality of Chairpersons of the Board of Directors and Managing Director or Chief Executive Officer:			
1(4)(a)	The positions of the Chairpersons of the Board and the Managing Director (MD) and /or Chief Executive Officer (CEO) of the Company shall be filled by different individuals;	√		
1(4)(b)	The Managing Director (MD) and / or Chief Executive Officer (CEO) of a listed Company shall not hold the same position in another listed Company;	√		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the Company;	√		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and / or Chief Executive Officer;	√		

Condition No.	Title	Compliance Status (Put $\checkmark$ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			Not applicable
<b>1(5)</b>	<b>The Directors' Report to Shareholders:</b>			
1(5)(i)	An industry outlook and possible future developments in the industry;	$\checkmark$		
1(5)(ii)	The segment-wise or product-wise performance;	$\checkmark$		
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	$\checkmark$		
1(5)(iv)	A discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin, where applicable;	$\checkmark$		
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	$\checkmark$		
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	$\checkmark$		
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and / or any other instruments;	$\checkmark$		
1(5)(viii)	An explanation if the financial results deteriorate after the Company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;	$\checkmark$		
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	$\checkmark$		
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	$\checkmark$		
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	$\checkmark$		
1(5)(xii)	A statement that proper books of account of the issuer Company have been maintained;	$\checkmark$		
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	$\checkmark$		

Condition No.	Title	Compliance Status (Put $\checkmark$ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	$\checkmark$		
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	$\checkmark$		
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	$\checkmark$		
1(5)(xvii)	A statement that there is no significant doubt upon the issuer Company's ability to continue as a going concern, if the issuer Company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	$\checkmark$		
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer Company shall be highlighted and the reasons thereof shall be explained;	$\checkmark$		
1(5)(xix)	A statement where key operating and financial data of at least preceding 5(five) years shall be summarized;	$\checkmark$		
1(5)(xx)	An explanation on the reasons if the issuer Company has not declared dividend (cash or stock) for the year;			The company declared 10% cash dividend for all general shareholders
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;			No such incident occurred during the period
1(5)(xxii)	The total number of Board meeting held during the year and attendance by each director;	$\checkmark$		
<b>1(5)(xxiii)</b>	<b>A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:</b>			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	$\checkmark$		
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	$\checkmark$		
1(5)(xxiii)(c)	Executives; and [Executives means top salaries person other than Directors, CEO, CS, CFO & HIAC]	$\checkmark$		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the Company (name-wise details);	$\checkmark$		
<b>1(5)(xxiv)</b>	<b>In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:</b>			
1(5)(xxiv)(a)	A brief resume of the director;	$\checkmark$		

Condition No.	Title	Compliance Status (Put $\checkmark$ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xxiv)(b)	Nature of his/her expertise in specific functional areas; and	$\checkmark$		
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board;	$\checkmark$		
<b>1(5)(xxv)</b>	<b>A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the Company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:</b>			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	$\checkmark$		
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	-		No such incident occurred during the period
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	$\checkmark$		
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	$\checkmark$		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the Country and the globe;	$\checkmark$		
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the Company; and	$\checkmark$		
1(5)(xxv)(g)	Future plan or projection or forecast for Company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	$\checkmark$		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	$\checkmark$		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C;	$\checkmark$		
1(5)(xxviii)	The Directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality.	$\checkmark$		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(6)	Meetings of the Board of Directors :			
	The Company shall conduct its Board Meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓		
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer:			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other Board members and Chief Executive Officer of the Company;	✓		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the Company including, among others, prudent conduct and behavior; confidentially; conflict of interest, compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independence;	✓		
2	Governance of Board of Directors of Subsidiary Company: the company has no subsidiaries			
2(a)	Provisions relating to the composition of the Board of the holding Company shall be made applicable to the composition of the Board of the subsidiary Company;			
2(b)	At least 1 (one) independent director on the Board of the holding Company shall be a director on the Board of the subsidiary Company;	-		
2(c)	The minutes of the Board meeting of the subsidiary Company shall be placed for review at the following Board meeting of the holding Company;	-		
2(d)	The minutes of the respective Board meeting of the holding Company shall state that they have reviewed the affairs of the subsidiary Company also;	-		
2(e)	The Audit Committee of the holding Company shall also review the financial statements, in particular the investments made by the subsidiary Company.	-		
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS).			
3(1)	Appointment			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO), and a Head of Internal Audit and Compliance (HIAC);	✓		
3(1)(b)	The position of the managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS),	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
	Chief Financial Officer (CFO), and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;			
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed Company shall not hold any executive position in any other Company at the same time:  Provided that CFO or CS of any listed company may be appointed for the same position in any other listed or non-listed company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission:  Provided further that the remuneration and perquisites of the said CFO or CS shall be shared by appointing companies proportionately;	✓		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	-		No such incident occurred during the period
<b>3(2)</b>	<b>Requirement to attend Board of Directors' Meetings :</b>			
3(2)	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓		
<b>3(3)</b>	<b>Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO) :</b>			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	✓		
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		
3(3)(a)(ii)	These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		
3(3)(b)	The MD or CEO and CFO shall also certify that 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 or its members;	✓		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
4	Board of Directors Committee:			
4(i)	For ensuring good governance in the Company, The Board shall have at least following sub-committees: Audit Committee; and	✓		
4(ii)	Nomination and Remuneration Committee.	✓		
5	Audit Committee:			
5(1)	Responsibility to the Board of Directors			
5(1)(a)	The Company shall have an Audit Committee as a sub-committee of the Board;	✓		
5(1)(b)	The Audit committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company and in ensuring a good monitoring system within the business;	✓		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		
5(2)	Constitution of the Audit Committee (AC)			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the Company excepting Chairpersons of the Board and shall include at least 1 (one) independent director;	✓		
5(2)(c)	All members of the audit committee should be “financially literate” and at least 1(one) member shall have accounting or related financial management background and 10 (ten) years of such experience;		✓	
5(2)(d)	When the term of service of any Committee member expires or thereis any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 60 (sixty) days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;			No such incident occurred during the period
5(2)(e)	The Company secretary shall act as the secretary of the Committee;	✓		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(3)	Chairperson of Audit Committee:			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No such incident occurred during the period
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM);  Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	✓		
5(4)	Meeting of the Audit Committee:			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year;  Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the committee;	✓		
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		
5(5)	Role of Audit Committee:			
	The Audit Committee shall:			
5(5)(a)	Oversee the financial reporting process;	✓		
5(5)(b)	Monitor choice of accounting policies and principles;	✓		
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓		
5(5)(d)	Oversee hiring and performance of external auditors;	✓		
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(5)(f)	Review along with the management, the annual financial statements before submission to the Board for approval;	✓		
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	✓		
5(5)(h)	Review the adequacy of internal audit function;	✓		
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		
5(5)(j)	Review statement of all related party transactions submitted by the management;	✓		
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by the statutory auditors;			
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓		
5(5)(m)	<p>Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission.</p> <p>Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital etc.), on a quarterly basis, as a part of their quarterly declaration of financial results:</p> <p>Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee.</p>	✓		
<b>5(6)</b>	<b>Reporting of the Audit Committee:</b>			
<b>5(6) (a)</b>	<b>Reporting to the Board of Directors</b>			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓		
<b>5(6)(a)(ii)</b>	<b>The Audit Committee shall immediately report to the Board on the following findings, if any:</b>			
5(6)(a)(ii)(a)	Report on conflicts of interests;	-		No such incident occurred during the period
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			No such incident occurred during the period

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			No such incident occurred during the period
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			No such incident occurred during the period
<b>5(6)(b)</b>	<b>Reporting to the Authorities:</b>			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonable ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period 6 (six) months from the date of first reporting to the Board, whichever is earlier.			No such incident occurred during the period
<b>5.(7)</b>	<b>Reporting to the Shareholders and General Investors:</b>			
	Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer Company.	✓		
<b>6</b>	<b>Nomination and Remuneration Committee (NRC):</b>			
<b>6(1)</b>	<b>Responsibility to the Board of Directors</b>			
6(1)(a)	The Company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	✓		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5) (b).	✓		
<b>6(2)</b>	<b>Constitution of the NRC</b>			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	✓		
6(2)(b)	At least 02 (two) members of the Committee shall be non-executive directors;	✓		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	✓		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	✓		

Condition No.	Title	Compliance Status (Put $\checkmark$ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			No such incident occurred during the period
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/ or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and / or member(s) of staff shall be required or valuable for the Committee;	-		No such incident occurred during the period
6(2)(g)	The Company secretary shall act as the secretary of the Committee;	$\checkmark$		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	$\checkmark$		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the Company.	$\checkmark$		
<b>6(3)</b>	<b>Chairperson of the NRC:</b>			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	$\checkmark$		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			No such incident occurred during the period
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders;  Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder,s queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.	$\checkmark$		
<b>6(4)</b>	<b>Meeting of the NRC:</b>			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	$\checkmark$		
6(4)(b)	The Chairperson of the NRC may conven any emergency meeting upon request by any member of the NRC;			No such incident occurred during the period
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2) (h);	$\checkmark$		

Condition No.	Title	Compliance Status (Put <input checked="" type="checkbox"/> in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	√		
<b>6(5)</b>	<b>Role of the NRC:</b>			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	√		
<b>6(5)(b)</b>	<b>NRC shall oversee, among others, the following matters and make report with recommendation to the Board:</b>			
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	√		
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the Company successfully;	√		
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	√		
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflection short and long-term performance objectives appropriate to the working of the Company and its goal;	√		
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	√		
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommended their appointment and removal to the Board;	√		
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	√		
6(5)(b)(v)	Identification the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	√		
6(5)(b)(vi)	Developing, recommending and reviewing annually the Company's human resource and training policies;	√		
6(5)(c)	The Company shall disclose the nomination and remuneration police and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	√		
<b>7</b>	<b>External or Statutory Auditors:</b>			

Condition No.	Title	Compliance Status (Put <input checked="" type="checkbox"/> in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
7(1)	The issuer Company shall not engage its external or statutory auditors to perform the following services of the Company, namely:			
7(1)(i)	Appraisal or valuation service or fairness opinions;	√		
7(1)(ii)	Financial information systems design and implementation;	√		
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements;	√		
7(1)(iv)	Broker-dealer services;	√		
7(1)(v)	Actuarial services;	√		
7(1)(vi)	Internal audit services or special audit services;	√		
7(1)(vii)	Any services that the Audit Committee determines;	√		
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	√		
7(1)(ix)	Any other service that creates conflicts of interest.	√		
7(2)	No partner or employees of the external audit firms shall possess any share of the Company they audit at least during the tenure of their audit assignment of that Company; his or her family members also shall not hold any shares in the said Company;  Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members ;	√		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√		
8	Maintaining a website by the Company:			
8(1)	The Company shall have an official website linked with the website of the stock exchange.	√		
8(2)	The Company shall keep the website functional from the date of listing.	√		
8(3)	The Company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√		
9	Reporting and Compliance of Corporation Governance:			

Condition No.	Title	Compliance Status (Put <input checked="" type="checkbox"/> in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
9(1)	The Company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	√		
9(3)	The directors of the Company shall state, in accordance with the <b>Annexure-C</b> attached, in the directors' report whether the Company has complied with these conditions or not.	√		



**Independent Auditors' Report  
To the Shareholders of  
Asiatic Laboratories Limited  
Report on the Audit of the Financial Statements.**

**Opinion**

We have audited the Financial Statements of Asiatic Laboratories Limited (the Company), which comprise the Statement of Financial Position as at 30th June 2025 and Statement of Profit or Loss & Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and Notes, comprising a summary of significant accounting policies and other explanatory information thereto.

In our opinion, the accompanying Financial Statements give a true and fair view, in all material respect of the Financial Position of the company as at 30th June 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), The Companies Act 1994, Securities & Exchange Rules 2020 and other applicable laws and regulations.

**Basis for Opinion**

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.

<b>Revenue Recognition</b>	
<b>Key Audit Matter</b>	<b>Our Audit Approach</b>
<p>At the year end the company reported total revenue of Tk.1,765,467,462/- which includes local sales.</p> <p>Revenue recognition has significant and widespread influence over the financial statements and plays a vital role in calculating Corporate Tax. Since, revenue recognition is one of the performance indicators in almost all sector, there always exist risk of revenue smoothing or window dressing.</p> <p>Under IFRS 15 revenue is recognized when a performance obligation is satisfied by transferring control over a promised good or service.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>-Obtaining an understanding of and assessing the design and operating effectiveness of controls designed to ensure that revenue is recognized in the appropriate accounting period.</li> <li>-Review monthly VAT return to ascertain local sales and bank confirmation certificate regarding local sales.</li> <li>-We ensured all invoices relates to the current reporting period and match cut-off date.</li> <li>-We inspected Segregation of duties in invoice creation and modification and timing of revenue recognition.</li> <li>-Assessing the appropriateness of the Company's accounting policies for revenue recognition and compliance of those policies with applicable accounting standards.</li> <li>-Comparing a sample of revenue transactions recognized during the year with the sale invoices and other relevant underlying documentation.</li> <li>-Critically assesses manual journals posted to revenue to identify unusual or irregular items, and finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.</li> <li>-We reviewed the requirement, appropriateness and adequacy of disclosures in line with IFRS-15 Revenue from Contracts with Customers.</li> </ul>

Please see to the Statement of profit or loss & other Comprehensive Income (Ref no:3.10 & 28.00)	
<b>2. Valuation of Inventory</b>	
<b>Key Audit Matter</b>	<b>Our Audit Approach</b>
<p>As at 30th June 2025 the reported amount of inventory is Tk. 636,436,954/- represents 30.27% of current assets and almost 7.18% of total assets. The closing inventory figure have significant impact in determining the cost of goods sold</p> <p>Inventories are usually carried in financial statements at the lower of cost and net realizable value. Since frequent changes in customer demand is unavoidable in manufacturing industry and a large quantity of raw material is held. As a result, there is risk that the carrying value of inventory exceeds net realizable value.</p>	<p>Our audit approach includes but not limited to the followings:</p> <ul style="list-style-type: none"> <li>-We gained a clear understanding of recording and valuation methods and operating effectiveness regarding Inventory.</li> <li>-We made sure that closing balances are carried forward correctly and current year purchase amounts are in agreement with ledger balances.</li> <li>-We reviewed the company's policy of accounting for obsolete, damaged &amp; slow-moving items along with procedure for disposal.</li> <li>-We have checked the physical safeguard of inventory held at warehouse of the company.</li> <li>- We also reviewed the requisition process of inventory and control on dispatch of items.</li> <li>-We have also considered the adequacy of the company's disclosures in respect of the levels of provisions against inventory.</li> </ul>
Please see note no. 3.04 & 8.00 to the Financial Statements	
<b>3. Capital work in progress</b>	
<b>Key Audit Matter</b>	<b>Our Audit Approach</b>
<p>In the year ended 30th June 2025 the company accounted for Capital Work in Progress (WIP) closing balance of Tk. 297,670,181/-.</p> <p>The company also presented transfer of Tk. 28,923,458/- (Building &amp; Other Construction) &amp; Tk. 736,956,965/- (Plant &amp; Machinery) to Property, Plant and Equipment in the reporting period.</p> <p>The capitalized amount (Tk.75,190,853/- + 946,266,924/-) = 1,021,457,776/- is material to the statement of financial position and represents 11.52% of total asset of the company.</p>	<p>Our audit approach includes but not limited to the followings:</p> <ul style="list-style-type: none"> <li>-We have checked that the correct account balances are carried forward in Capital Work in Progress account and calculate the mathematical accuracy of the total amount presented.</li> <li>-We reviewed the documents in support of the total amount of investment in capital project and make sure none of them is irrelevant with current year (cut off).</li> <li>-We inspected the physical existence of the assets capitalized in current year along with the verification of company's legal rights on those assets.</li> <li>-We evaluate the appropriateness of disclosures in financial statements.</li> </ul>
Please see note no. 3.03&7.00 to the Financial Statements	
<b>4. Deferred Tax Liability</b>	
<b>Key Audit Matter</b>	<b>Our Audit Approach</b>
<p>As per IAS 12 Income Taxes, the two components of the company's estimated tax is Current Tax &amp; Deferred Tax. There is a deferred tax liability of Tk. 659,377,966/- which is almost equivalent to 7.44% compared to total assets of the company. In SPLOCI there is a reported deferred tax Expenses of Tk. 28,516,702/- which is 11.17% of the reported profit for the year (other than OCI).</p>	<p>We verified that right opening balances are carried forward in deferred tax account.</p> <ul style="list-style-type: none"> <li>-We made sure that, the tax base is according to 3rd schedule of ITA 2023 and the accountant of the company have clear understanding of posting the associated journal entries.</li> </ul>

<p>The temporary difference of deferred tax consists critical calculation and forecast. The uncertainty in forecasting or lack of expertise may results in material misstatements which may have an impact on corporate tax.</p>	<ul style="list-style-type: none"> <li>- We recalculated the figures presented in the financial statements and made sure they are in agreement with general ledger.</li> <li>- We examine the procedure of arriving at temporary difference in case of lease liability and ROU asset</li> <li>-We reviewed the amount of provision created for Deferred Tax in current year and the relevant adjustment against revaluation reserve.</li> <li>-We ensure that the correct rate of Tax is used to calculate the provisions for deferred tax.</li> <li>-We evaluated the adequacy of financial statement disclosures including key assumptions, judgments and sensitivities.</li> </ul>
Please see note no. 3.24&19.00 to the Financial Statements	
<b>05. Lease Liability</b>	
<b>Key Audit Matter</b>	<b>Our Audit Approach</b>
<p>In the Financial Statement there is Current Lease Liability of Tk. 15,762,592/- &amp; non-current portion is Tk. 31,167,312/- as on date. The total lease liability Tk. 46,929,904/- considered material due to its involvement with critical accounting estimate and judgment.</p> <p>The application of IFR-16 Leases involves complex understanding and assumption that increases the possibility for misstatement in calculating lease liability, corresponding assets and associated effective interests charged in current year.</p>	<p>We have tested the design and operating effectiveness of key controls regarding the recognition and measurement of lease obligation and ROU assets. Our audit approach includes but not limited to the followings:</p> <ul style="list-style-type: none"> <li>-Collect the lease agreements and rescheduling letters issue by leasing company.</li> <li>-We ensure correct balances are carried forward from previous period.</li> <li>-We checked the effective date of lease agreements to confirm fair presentation.</li> <li>-We checked the validity of using effective interest rate for arriving at interest charge each period.</li> <li>-We checked the arithmetic accuracy of payment schedule and ROU asset recognition.</li> <li>-We verified management's assumptions regarding depreciation and useful life of ROU assets in case of both capital &amp; rental lease agreements.</li> <li>-We checked the mathematical accuracy and type of asset transferred from ROU category to freehold PPE</li> <li>-We examine the adequacy of disclosure presentation requirements in relation to IFRS-16 Leases.</li> </ul>
Please see note no. 3.01 & 18.00 to the Financial Statements	

## **Other Information**

Management is responsible for the other information. The other information comprises all the information in the annual report other than the Financial Statements and our Auditors' report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' report. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with IFRSs, The Companies Act 1994 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error. The Companies Act, 1994 require the management to ensure effective internal audit, internal control, and risk management functions of the company.

In preparing the Financial Statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the company's financial reporting process.

## **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements. As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We are also:

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.


From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our Auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on other Legal and Regulatory Requirements**

In accordance with the Companies Act 1994 and Securities & Exchange Rules 2020, we also report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the company so far as it appeared from our examinations of those books.
- c) The Statement of Financial Position, Statement of Profit or Loss & Other Comprehensive Income and Statement of Changes in Equity and Statement of Cash Flows of the Company dealt with by the report are in agreement with the books of accounts and returns; and
- d) The expenditure incurred were for the purpose of the Company's business.

Date: 01 November 2025  
Place: Dhaka

  
Fouzia Haque, FCA  
Enrollment no: 1032  
Partner  
**FAMES & R**  
Chartered Accountants  
DVC # 2511011032AS885711

**Asiatic Laboratories Limited**  
**Statement of Financial Position**  
As at 30 June 2025

Particulars	Notes	Amount in Taka	
		30 June 2025	30 June 2024
<b>Assets</b>			
<b>Non-Current Assets</b>		<b>6,762,866,781</b>	<b>5,766,468,265</b>
Freehold Property, Plant and Equipment	4.00	6,420,114,282	5,678,694,620
Right of Use Assets	5.00	44,290,651	44,389,149
Intangible Asset	6.00	791,667	1,291,667
Capital Work-in-Progress	7.00	297,670,181	42,092,829
<b>Current Assets</b>		<b>2,102,643,731</b>	<b>1,655,624,011</b>
Inventories	8.00	636,436,954	476,740,181
Trade and other Receivables	9.00	649,642,970	401,759,864
Advances, Deposits and Prepayments	10.00	798,830,977	617,706,982
Cash and Cash Equivalents	11.00	17,732,830	159,416,985
<b>Total Assets</b>		<b>8,865,510,511</b>	<b>7,422,092,276</b>
<b>Shareholders Equity and Liabilities</b>			
<b>Shareholders Equity</b>		<b>6,619,286,431</b>	<b>6,435,560,348</b>
Share Capital	12.00	1,223,934,550	1,223,934,550
Share Premium	13.00	578,227,731	578,227,731
Revaluation Surplus	14.00	1,620,007,837	1,624,138,128
Retained Earnings	15.00	3,197,116,313	3,009,259,939
Share Money Deposit (IPO Fund)	16.00	-	-
<b>Non-Current Liabilities</b>		<b>1,731,401,922</b>	<b>738,670,789</b>
Long Term Borrowings	17.00	1,040,856,643	69,442,730
Lease Liability (Non-Current Portion)	18.00	31,167,312	37,437,479
Deferred Tax Liability	19.00	659,377,966	631,790,580
<b>Current Liabilities</b>		<b>514,822,159</b>	<b>247,861,140</b>
Short Term Borrowings	20.00	63,701,912	49,850,343
Liabilities for Expenses	21.00	22,281,704	21,507,966
Current Tax Payable	22.00	105,312,093	101,800,005
Liability for WPPF	23.00	26,848,791	37,609,541
Long Term Borrowings (Current Portion)	24.00	260,731,439	17,188,247
Lease Liability (Current Portion)	25.00	15,762,592	11,145,510
Trade and other Payables	26.00	6,958,713	8,759,528
Dividend Payable	27.00	13,224,914	-
<b>Total Shareholders Equity and Liabilities</b>		<b>8,865,510,511</b>	<b>7,422,092,276</b>
<b>Net Asset Value (NAV) per share with Revaluation</b>	36.00	<b>54.08</b>	<b>52.58</b>
<b>Net Asset Value (NAV) per share without Revaluation</b>	36.00	<b>40.85</b>	<b>39.31</b>

The annexed notes form an integral part of these Financial Statements.


  
Chief Financial Officer

  
Company Secretary

  
Managing Director

  
Chairman

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

  
Fouzia Haque, FCA  
Partner

Date: 01 November 2025  
Place: Dhaka

**FAMES & R**  
Chartered Accountants  
DVC # 2511011032AS885711

**Asiatic Laboratories Limited**  
**Statement of Profit or Loss and Other Comprehensive Income**  
For the year ended 30 June 2025

Particulars	Notes	Amount in Taka	
		FY: 2024-2025	FY: 2023-2024
Net Sales Revenue	28.00	1,765,467,462	1,385,229,195
Less: Cost of Goods Sold	29.00	(998,580,997)	(799,196,942)
<b>Gross Profit</b>		<b>766,886,465</b>	<b>586,032,253</b>
Less: Operating Expenses	30.00	(222,359,500)	(230,066,373)
<b>Profit from Operation</b>		<b>544,526,965</b>	<b>355,965,881</b>
Other Income	31.00	1,449,053	17,913,012
Financial Expenses	32.00	(192,904,862)	(49,378,864)
Interest on Lease Liability	33.00	(5,910,575)	(956,372)
<b>Profit Before WPPF &amp; Income Tax</b>		<b>347,160,581</b>	<b>323,543,656</b>
Less: Workers' Profit Participation Fund Expenses		16,462,454	14,553,840
<b>Profit Before Income Tax</b>		<b>330,698,128</b>	<b>308,989,816</b>
<b>Provision for Income Tax</b>		<b>(75,336,395)</b>	<b>(30,513,268)</b>
Current Tax	22.00	(46,819,693)	(55,193,711)
Deferred Tax Income/(Expense)	19.00	(28,516,702)	24,680,443
<b>Net Profit After Income Tax</b>		<b>255,361,733</b>	<b>278,476,548</b>
<b>Add: Other Comprehensive Income:</b>		<b>929,315</b>	<b>939,929</b>
Revaluation surplus during the year		-	(52,938)
Add : Deferred Tax expenses on Revaluation		-	7,941
Adjustment of deferred tax on depreciation for Revaluation Surplus		929,315	984,926
<b>Total Comprehensive Income for the year</b>		<b>256,291,048</b>	<b>279,416,477</b>
<b>Earnings Per Share (EPS)</b>	35.00	<b>2.09</b>	<b>2.82</b>

*The annexed notes form an integral part of these Financial Statements.*

  
**Chief Financial Officer**


  
**Company Secretary**

  
**Managing Director**

  
**Chairman**

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

Date: 01 November 2025  
Place: Dhaka

  
Fousia Haque, FCA  
Partner  
**FAMES & R**  
Chartered Accountants  
DVC # 2511011032AS885711



**Asiatic Laboratories Limited**  
**Statement of Changes in Equity**  
For the year ended 30 June 2025

Particulars	Ordinary Share Capital	Share Money Deposit (IPO Fund)	Share Premium	Revaluation Surplus	Retained Earnings	Total
<b>Balance as at July 1, 2024</b>	1,223,934,550	-	578,227,731	1,624,138,128	3,009,259,939	6,435,560,348
Cash Dividend declared For the year 2023-2024	-	-	-	-	(72,564,965)	(72,564,965)
Adjustment of depreciation for Revaluation Surplus	-	-	-	(4,130,291)	4,130,291	-
Adjustment of deferred tax on depreciation for Revaluation	-	-	-	-	929,315	929,315
Net profit for the year transferred from Statement of Profit or	-	-	-	-	255,361,733	255,361,733
<b>Balance as at 30 June 2025</b>	<b>1,223,934,550</b>	<b>-</b>	<b>578,227,731</b>	<b>1,620,007,837</b>	<b>3,197,116,313</b>	<b>6,619,286,431</b>

For the year ended 30 June 2024

Particulars	Ordinary Share Capital	Share Money Deposit (IPO Fund)	Share Premium	Revaluation Surplus	Retained Earnings	Total
<b>Balance as at July 1, 2023</b>	878,480,000	431,818,180	-	1,628,560,575	2,725,421,015	5,664,279,770
Addition of Share Money Deposit (IPO Fund)	-	518,181,820	-	-	-	518,181,820
Allotment of IPO Shares & Share Premium	345,454,550	(950,000,000)	604,545,450	-	-	-
Adjustment of IPO Expenses	-	-	(26,317,719)	-	-	(26,317,719)
Addition of revaluation Surplus	-	-	-	(52,938)	-	(52,938)
Adjustment of deferred Tax (Expenses)/Income on	-	-	-	7,941	-	7,941
Adjustment of depreciation for Revaluation Surplus	-	-	-	(4,377,450)	4,377,450	-
Adjustment of deferred tax on depreciation for Revaluation	-	-	-	-	984,926	984,926
Net profit for the year transferred from Statement of Profit or	-	-	-	-	278,476,548	278,476,548
<b>Balance as at June 30, 2024</b>	<b>1,223,934,550</b>	<b>-</b>	<b>578,227,731</b>	<b>1,624,138,128</b>	<b>3,009,259,939</b>	<b>6,435,560,348</b>

  
**Chief Financial Officer**

  
**Company Secretary**

  
**Managing Director**

  
**Chairman**

Date: 01 November 2025  
Place: Dhaka

**Asiatic Laboratories Limited**  
**Statement of Cash Flows**  
For the year ended 30 June 2025

Particulars	Note	Amount in Taka	
		FY: 2024-2025	FY: 2023-2024
Cash Flows from Operating Activities			
Received from Customers	39.06	1,517,584,356	1,355,493,404
Paid to Suppliers	39.07	(1,024,016,376)	(767,115,587)
Paid to Employee	39.08	(193,332,850)	(163,137,550)
Paid for Manufacturing & Operating Expenses	39.09	(82,728,140)	(88,135,781)
Received from Other Sources		1,449,053	17,913,012
Tax Paid		(15,758,428)	(43,307,605)
Net Cash Generated From Operating Activities		203,197,614	311,709,893
Cash Flows from Investing Activities			
Acquisition of Freehold Property, Plant and Equipment	39.10	(127,097,468)	(51,301,030)
Advance for building construction & plant		(152,000,000)	(516,040,000)
Paid for Capital Work In Progress	39.12	(1,021,457,776)	(219,336,314)
Net Cash Used to Investing Activities		(1,300,555,244)	(786,677,344)
Cash Flows from Financing Activities			
Long Term Loan Payment	39.13	1,214,957,106	(246,642,462)
IPO Expenses paid		-	(11,463,000)
Short Term Loan Payment		13,851,569	(1,898,575)
Lease Liability Payment	39.14	(14,979,713)	(20,202,640)
Share Money Deposit (IPO Fund)		-	518,181,820
Payment for Dividend		(59,340,051)	-
Interest on Lease Liability		(5,910,575)	(956,372)
Paid for Financial Cost		(192,904,862)	(49,378,864)
Net Cash Used in Financing Activities		955,673,475	187,639,906
Net Increase/(Decrease) in Cash and Cash Equivalents		(141,684,155)	(287,327,545)
Cash and Cash Equivalents at the Beginning of the Year		159,416,985	446,744,530
Foreign Exchange Gain/(loss)		-	-
Cash and Cash Equivalents at the end of the Year		17,732,830	159,416,985
Net Operating Cash Flows Per Share (NOCFPS)	37.00	1.66	3.15

  
**Chief Financial Officer**

  
**Company Secretary**

  
**Managing Director**

  
**Chairman**

Date: 01 November 2025  
Place: Dhaka

## Asiatic Laboratories Limited

Notes, comprising a summary of significant accounting policies  
and other explanatory information  
For the year ended June 30, 2025

### 1.0 Reporting Entity

#### 1.01 Background of the Company

The Company namely “Asiatic Laboratories Limited” (referred hereafter ‘The Company’ or ‘ALL’) was incorporated on 25th July 1970 vide Registration No. C-3472 under the Companies Act, of 1913. The Company Converted from Private to Public Limited by share on March 12, 2020, under the Companies Act, of 1994. And splits its face value of shares to Tk. 10.00 from Tk.100.00 on 10 February 2020. The Company started its commercial operation on 2nd January 1998. The Company listed with both Dhaka Stock Exchange PLC and Chittagong Stock Exchange PLC on 06 March 2024.

#### 1.02 Address of the Registered & Corporate Office

The Registered & Corporate Office of the Company is situated at 42-43 Siddheshawari Circular Road, Treasure Island (5th Floor), Shantinagor, Dhaka-1217, Bangladesh and the industrial units in established at 253, Tongi Industrial Area, Tongi, Gazipur, Bangladesh.

#### 1.03 Nature of Business Activities

The principal activities of the Company are manufacturing and marketing a wide range of Therapeutical medicines and pharmaceutical products in the categories of Biological, Non-Biological & Sterile Pharmaceutical dosage. The products are sold in the local & International Market mainly.

#### 1.04 Capital Structure of the Company

Asiatic Laboratories Limited is a Public Limited Company formed by a local owner. The details of the capital structure are given below:

Particulars	Taka
<b>Authorized Capital</b> 200,000,000 Ordinary Shares of Taka 10/= each	2,000,000,000
<b>Issued, Subscribed, Called-up and Paid-up Capital</b> 122,393,455 Ordinary Shares of Tk. 10/= each fully paid up	1,223,934,550

#### 1.05 Production Plant

The production Plant of the company is situated at 253, Tongi Industrial Area, Tongi, Gazipur, Bangladesh.

#### 1.06 Date of Authorization

The Financial Statements of Asiatic Laboratories Limited for the year ended on June 30, 2025, were authorized for issue following a resolution of the Board of Directors on October 31, 2025.

#### 1.07 Reporting Period

The financial period of the Company covers 1 (one) year from 1 July 2024 to 30 June 2025.

### 2.00 Basis of Preparation and Presentation of Financial Statements

#### 2.01 Statement of Compliance

The Financial Statements have been prepared in compliance with the requirements of the Companies Act 1994 and other relevant local laws as applicable and following the applicable International Accounting Standards (IASs), The Securities and Exchange Rules, 2020 and International Financial Reporting Standards (IFRSs), Financial Reporting Act-2015, The Institute of Chartered Accountants of Bangladesh (ICAB) and others applicable laws and regulations.

#### 2.02 Regulatory Compliances

As required by the company, the management complies with the following major legal provisions in addition to the Companies Act 1994 and other applicable laws and regulations:

- The Income Tax Rules 1984;
- The Income Tax Act-2023;
- The Value Added Tax and Supplementary Duty Act 2012;

- d) The Value Added Tax and Supplementary Duty Rules 2016;
- e) The Customs Act, 2023;
- f) Bangladesh Labor Act, 2006 (Amended up to 2018);
- g) Labour Rules, (Amended 2015);
- h) Financial Reporting Act-2015;
- i) Sales of Goods Act, 1930;
- j) Negotiable Instrument Act, 1881; and
- k) The Securities and Exchange Rules, 2020.

### 2.03 Measurement Bases used in preparing the Financial Statements

Measurement is the process of determining the monetary amounts at which the elements of the Financial Statements are to be recognized and carried in the statement of financial position and profit or loss and other comprehensive income. The measurement basis adopted by the Company is historical cost of inventories is at the lower of cost and net realizable value and marketable securities (if any) are at market value. Under the historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire them at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation, or some circumstances (for example, income taxes), at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business. The Financial Statements have been prepared on a going concern basis under the historical cost convention applying an accrual basis of accounting following the International Financial Reporting Standards (IFRSs).

### 2.04 Compliance with the IAS and IFRS

The following IASs and IFRSs apply to the Financial Statements of the Company for the year under review:

Sl. No.	Name of the IAS	IAS's No.
i	Presentation of Financial Statements	1
ii	Inventories	2
iii	Statement of Cash Flows	7
iv	Accounting policies, Changes in Accounting Estimates and Errors	8
v	Events after the Reporting Period	10
vi	Income Taxes	12
vii	Property, Plant and Equipment	16
viii	Employee Benefits	19
ix	The Effects of Changes in Foreign Exchange Rates	21
x	Borrowing Costs	23
xi	Related Party Disclosures	24
xii	Earnings Per Share	33
xiii	Impairment of Assets	36
xiv	Provision, Contingent Liabilities and Contingent Assets	37
xv	Intangible Assets	38

Sl. No.	Name of the IFRS	IFRS No.
i	First-time Adoption of International Financial Reporting Standards	1
ii	Financial Instruments: Disclosures	7
iii	Operating Segments	8
iv	Financial Instruments	9
v	Fair Value Measurement	13
vi	Revenue from Contracts with Customers	15
vii	Leases	16

## **2.06 Going Concern**

The company has adequate resources to continue in operation for the foreseeable future and hence, the Financial Statements have been prepared on a going-concern basis. As per management assessment, there is no material uncertainties related to event or condition which may cast significant doubt upon the company's ability to continue as a going concern.

## **2.07 Accrual Basis**

The Financial Statements have been prepared, except for Cash Flows information, using the accrual basis of accounting.

## **2.08 Currency Presentation**

### **2.08.1 Functional and Presentational Currency and Level of Precision**

The Financial Statements are prepared and presented in Bangladesh Taka (Taka/Tk./BDT) which is the Company's functional currency. All financial information is presented in Taka and has been rounded off to the nearest Taka.

## **2.09 Materiality and Aggregation**

Each material class of similar items is presented separately in the Financial Statements. Items of a dissimilar nature or function are presented separately unless they are immaterial.

## **2.10 Use of Estimates and Judgments**

The preparation of Financial Statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the Financial Statements. The account judgments, estimates and assumptions are being used in the following heads of Accounts for the preparation of Financial Statements:

Note: 3.02.1 Recognition, Measurement and Disclosure of Property, Plant and Equipment

Note: 3.02.2 Depreciation on Freehold Property, Plant and Equipment

Note: 3.02.8 Revaluation of Freehold Property, Plant & Equipment

Note: 3.02.9 Impairment of Assets

Note: 3.04 Valuation of Inventories

Note: 3.06.3 Trade and other Receivables

Note: 3.06.5 Trade and other Payables

Note: 3.08 Provision, Contingent Liabilities and Contingent Assets

Note: 3.10 Revenue recognition

Note: 3.15 Employees Benefits

Note: 3.16 Finance Expenses

Note: 3.24 Income Taxes (Current and Deferred Tax)

## **2.11 Components of Financial Statements**

The presentation of these Financial Statements is in accordance with the guidelines provided by IAS-1: "Presentation of Financial Statements". A complete set of Financial Statements comprises:

The Financial Statements comprise of:

(a) Statement of Financial Position as of June 30, 2025;

(b) Statement of Profit or Loss and Other Comprehensive Income for the year ended June 30, 2025.

(c) Statement of Changes in Equity for the year ended June 30, 2025.

(d) Statement of Cash Flows for the year ended June 30, 2025; and

(e) Notes, comprising a summary of significant accounting policies and other explanatory information for the year ended June 30, 2025.

### 3.00 Summary of Significant Accounting Policies

The specific accounting policies have been selected and applied for significant transactions and events that have a material effect within the framework for the preparation and presentation of Financial Statements.

#### 3.01 Accounting Convention and Basis

The Financial Statements have been prepared in accordance with International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs), the Companies Act, 1994, The Securities and Exchange Rules, 2020 and other laws and regulations applicable in Bangladesh.

##### Changes in significant accounting policies

Except for the changes following, the Company has consistently applied the accounting policies to all periods presented in these financial statements. The Company initially adopted IFRS 16 'Leases' on 1st July 2019. There is no material impact on financial statements on the initial application of the standards.

##### As a Lessee

On 1st July 2019, IFRS 16 'Lease' has been adopted and all leasing arrangements except those having less than 12 months of useful life and underlying asset values of less than BDT 525,000 ( $\geq$  \$ 5000 as per IFRS 16) when new, have been capitalized as "right to use" assets with a corresponding financial liability on the balance sheet.

Leased assets are capitalized from the start date of the lease agreement at the present value of the future leased payments, based on the rate of interest entered in the asset master data. Low value (less than BDT 525,000) and short-term leases (less than 12 months) have been excluded from the recognition requirements and expensed in operating profit as rental costs. Lease reassessment and lease modification to increase/decrease the value of an asset depending on a change in the scope of the lease agreement can be made if necessary.

The lessor transfers ownership of the underlying assets to the lessee by the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the lessor shall depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the lessee shall depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

##### Leases classified as operating leases under IFRS 16

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. The most significant impact identified is that lease liabilities were measured at the present value (rent for office /Depot/space) of the remaining lease payments, discounted at ALL's incremental borrowing rates as of 01 July 2019. Right-of-Use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

##### Right of Use Assets as of 30 June 2025

Right-of-use assets written down value of Tk. 44,290,651 and Tk. 84,788,579 were recognized at cost and presented separately in the Statement of Financial Position and Tk. 13,326,628 in addition during the year.

### 3.02 Freehold Property, Plant and Equipment:

#### 3.02.1 Recognition, Measurement and Disclosure of Property, Plant and Equipment

Property, plant and equipment except for Land and Land development are measured at cost less accumulated depreciation and impairment losses if any. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable cost inward freight, duties, and non-refundable taxes. Where parts of an item of property, plant and equipment have a different useful life, they are accounted for as separate items of property, plant, and equipment.

The Company recognizes in the carrying amount of an item of property, plant, and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied within the item will flow to the entity and the cost of the item can be measured reliably. All other costs are recognized in the Statement of Profit or Loss and Other Comprehensive Income as an expense as incurred. In accordance with the allowed alternative treatment of IAS 23 "Borrowing Cost", finance costs have been capitalized for qualifying assets (if any).

### 3.02.2 Depreciation on Freehold Property, Plant and Equipment

Depreciation on a fixed asset is computed using the reducing balance method. No depreciation is charged for land and land development and capital work in progress. After considering the useful life of assets as per IAS-16 Property, Plant and Equipment the annual depreciation rates applied under this are considered reasonable by the management. The rate of depreciation is varied according to the estimated useful lives of the items of property, plant, and equipment. Depreciation of an asset begins when it is available for use i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by the management. The cost and accumulated depreciation of depreciable assets retired or otherwise disposed of are eliminated from the assets and accumulated depreciation and any gain or loss on such disposal are reflected in operations for the year. The estimated useful life for depreciation is as follows:

Category	Rate (%)
Land & land Development	0%
Building & Other Construction	2.5%
Plant & Machinery	7.5%
Furniture and Fixture	10%
Generator	10%
Electrical Installation	10%
Vehicle	10%
Fire Equipment	10%
Office Equipment	10%

### 3.02.3 Depreciation on Right of Use Assets

Depreciation on the Right of use Assets (Finance Lease) is computed using the reducing balance method to write off the assets over their expected useful life. After considering the useful life of assets as per IAS-16 Property, Plant & Equipment the annual depreciation rates applied which is considered reasonable by the management. Depreciation of an asset begins when it is available for use i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by the management. The estimated useful life for depreciation is as follows:

Category	Rate (%)
Plant & Machinery	7.5%

Depreciation on Right of use Assets (Rental Lease) is computed using the straight-line method from the commencement date to the end of the useful life as per the lease agreement. The company calculated depreciation on Right of Use Assets for the following tenor:

Category	Rate (Years)
Dinajpur Depot	3 Years
Bogra Depot	3 Years
Faridpur Depot	2 Years
Sylhet Depot	2 Years
Chottagram Depot	2 Years
Kishorgonj Depot	2 Years
Mymensingh Depot	2 Years
Rangpur Depot	3 Years
Khustia Depot	3 Years
Rajshahi Depot	3 Years
Cumilla Depot	3 Years
Khulna Depot	3 Years
Tangail Depot	3 Years
Noakhali Depot	3 Years
Barisal Depot	3 Years



#### 3.02.4 Disposal of Freehold Property, Plant and Equipment

An asset is derecognized upon disposal or when no future economic benefits are expected from its use and subsequent disposal. Gains or losses arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset is recognized as gain or loss from the disposal of the asset under other income in the statement of comprehensive income. However, no such disposal of Property, Plant and Equipment was made during the year ended on June 30, 2025.

#### 3.02.5 Transfer of Right of Use Assets

After completion of the Lease Payment, the Right of Use assets has been transferred to the appropriate asset category of Freehold Property, Plant and Equipment.

#### 3.02.6 Maintenance Activities

The company incurs maintenance costs for all its major items of property, plant, and equipment. Repair and Maintenance costs are charged as expenses when incurred.

#### 3.02.7 Subsequent Costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the profit and loss account as incurred.

#### 3.02.8 Revaluation of Freehold Property, Plant & Equipment

As per IAS16: Property, Plant and Equipment paragraph 34, "the frequency of revaluations depends upon the changes in fair values of the items of property, plant and equipment being revalued. When the fair value of a revalued asset differs materially from its carrying amount, a further revaluation is required. Some items of property, plant and equipment experience significant and volatile changes in fair value, thus necessitating annual revaluation. Such frequent revaluations are unnecessary for items of property, plant, and equipment with only insignificant changes in fair value. Instead, it may be necessary to revalue the item only every three to five years.

To comply with the above paragraph The Company made its first valuation of Land and Land Development, Plant and machineries and building and other construction on 30 June 2020 by an independent valuer to reflect fair value (Market Approach) thereof following 'Current Cost Method' as per IFRS-13 'Fair Value Measurement'.

Particulars of Assets	Name of Valuer	Qualification of the Valuer	Date of Revaluation	Carrying amount of Assets	Value of the assets after revaluation	Revaluation Surplus in 30.06.2020
Land and Land Development	M/S Shafiq Basak & Co.	Chartered Accountants	31-January21	1,269,603,743	3,085,600,000	1,815,996,257
Building and other construction				865,213,763	934,214,588	69,000,825
Plant and machineries				683,144,962	727,433,008	44,288,046
<b>Total</b>				<b>2,817,962,468</b>	<b>4,747,247,596</b>	<b>1,929,285,128</b>

The increase in the carrying amount of revalued assets is recognized in the separate component of equity as Revaluation Surplus. However, the increase recognized in the statement of Profit or Loss and Others Comprehensive Income for year ended June 30, 2021.

Other Non-Current Assets were kept outside the scope of the revaluation works. These are expected to be realizable at written down value (WDV) as mentioned in the statement of Financial Position of the company. The Company revalued its Property, Plant & Equipment (Fixed Assets) as per valuation guidelines issued by the Bangladesh Securities and Exchange Commission (BSEC) dated on 18 August 2013 clause 09 of Part A. For better understanding, a table showing below;

Name of PPE	Value at Cost as on 30 June 2020	Revalued amount as on 30 June 2020	Revaluation Surplus on 30 June 2020	Remarks
Land and Land Development	1,269,603,743	3,085,600,000	1,815,996,257	As per (BSEC) valuation guideline dated on 18 August 2013 clause-8 Time-lag between two valuations for the same class of assets shall not be less than three years; provided that no upward revaluation of an asset shall be made within two years of its acquisition;
Building and other construction	865,213,763	934,214,588	69,000,825	As per (BSEC) valuation guideline dated on 18 August 2013 clause-9(iii) upward revaluation of the asset are not allowed 'Tin-shed buildings, buildings having remaining economic life of less than 50% of its total useful life, as estimated at construction'
Plant and machineries	683,144,962	727,433,008	44,288,046	As per (BSEC) valuation guideline dated on 18 August 2013 clause 9(iii) upward revaluation of the asset are not allowed 'Plant & machineries acquired in second in hand condition, acquired in brand new condition but having remaining economic life of less than 50% of its total useful life, as estimated at acquisition'
All Other Assets	160,216,540	-	-	As per (BSEC) valuation guideline dated on 18 August 2013 clause-9(iv) upward revaluation of the asset are not allowed 'Vehicles, furniture & Fittings, office equipment, loose tools and intangible assets'

Thereafter, Kazi Zahir Khan & Co. Chartered Accountants, Dhaka, Bangladesh, the valuer revalued the Land and Land Development as at 30 June 2022 according to BSEC instruction vide letter dated 31 October 2023 (Ref:BSEC/CI/IPO-322/2021/1477) at 'Current Cost Accounting Method (CCA)'. Due to these revaluation, a net revaluation surplus amounting to Tk. 1,815,943,319 had arisen on Land and Land Development. Details are as follows;

Particulars of Assets	Name of Valuer	Qualification of the Valuer	Date of Revaluation	Carrying amount of Assets	Value of the assets after revaluation	Revaluation Surplus in 30.06.2022
Land and Land Development	M/S Kazi Zahir Khan & Co	Chartered Accountants	12-November-2023	1,333,656,681	3,149,600,000	1,815,943,319
<b>Total</b>				<b>1,333,656,681</b>	<b>3,149,600,000</b>	<b>1,815,943,319</b>

### 3.02.9 Impairment of Assets

The management of the Company takes physical stocks periodically and recognition of the assets was made accordingly considering the usable condition, wear and tear of the assets as follows:

- i) The valuation of Property, Plant & Equipment has been made based on the usable condition of the assets as per IAS-36 Impairment of Assets.
- ii) The management of the Company has conducted physical verification of Property, Plant & Equipment on 30.06.2025

Property, Plant & equipment consisting of Building & other construction, Plant & Machinery, Furniture & Fixture, Office Equipment, Fire Equipment and Vehicle are valued at lower of cost and net realisable value as per IAS 16: Property, Plant & Equipment Costs include expenditure incurred in acquiring the assets and other costs incurred in bringing them to their existing location and condition.

Impairment of assets is made as and when assets became obsolete or unusable for which the management of the company is giving decisions from time to time. The management of the Company reviews the carrying amounts of its assets (Balance Sheet Date) to determine whether there is any indication of impairment in accordance with IAS-36: 'Impairment of Assets'. During the year at the Balance Sheet date, there was no indication of impairment of assets; as such, no adjustment was given in the Financial Statements for impairment during the year ended on June 30, 2025.

### 3.02.10 Intangible Assets

#### Recognition and measurement

Intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment loss, if any. Intangible assets are recognised when all the conditions for recognition as per IAS 38: Intangible assets are met. The cost of an intangible asset comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the asset for its intended use.

#### Subsequent costs

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in the statement of profit or loss and other comprehensive income as incurred.

#### Amortisation

Computer software is amortised over 7 years from the month immediately following the month in which the asset comes into use.

### 3.03 Capital Work in Progress

Property, plant, and equipment under construction/ acquisition are accounted for as capital work-in-progress until construction/ acquisition is complete and measured at cost. In Addition, as per IAS 23, the Interest expense on the bank loan taken for the acquisition of plant and machinery has been capitalized (if any) since the assets could not make ready for use during the reporting period.

### 3.04 Valuation of Inventories

Inventories consisting of raw materials, work in progress, and finished goods are valued at lower cost and net realisable value as per IAS 2: Inventories. Cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. The cost of inventories is determined by using the weighted average cost formula. Where necessary, allowance is provided for damaged, obsolete, and slow-moving items to adjust the carrying amount of inventories to the lower cost and net realisable value as the board approves from time to time. Net realisable value is based on the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Category of Stocks	Basis of valuation
Raw Material including WIP:	At lower cost or net realizable value
Finis hed Goods:	At lower cost or net realizable value

### **Impairment of Inventories**

Impairment of inventory is made as and when inventory became obsolete or unusable or for slow-moving items for which the management of the company is giving decisions from time to time. Based on the sales cycle of slow-moving items, the sales prices of the products may decrease over time. The management of the Company reviews the carrying amounts of its inventory (Balance Sheet Date) to determine whether there is any indication of impairment in accordance with IAS-2: 'Inventories'. When the sales price moves below the inventory cost prices, the loss on sales is recognized immediately in the Financial Statements. However, there was no indication of impairment of inventory during the year; and as such, no adjustment was given in the Financial Statements for impairment.

### **3.05 Borrowing cost**

Interest and other cost incurred in the Company in connection with the borrowing of the fund are recognized as expenses in the year in which they are incurred unless such borrowings cost related to the acquisition/construction of assets in progress that are required to be capitalized (if any) as per IAS-23: Borrowing Cost.

### **3.06 Financial Instruments:**

#### **3.06.1 Derivative**

According to IFRS 7 "Financial Instruments Disclosure", the company was not a party to any derivative contract (Financial instruments) at the Balance Sheet date, such as forward exchange contracts, currency swap agreements or contract to hedge currency exposure related to import of capital machinery to be leased to leases in future.

#### **3.06.2 Non-Derivation Financial Instruments**

Non-derivative financial instruments comprise trade receivables, trade payables, cash and cash equivalents and share capital.

#### **3.06.3 Trade and other Receivables**

Trade receivables are recognized initially at invoice value and subsequently measured at the remaining amount less allowance for doubtful receivables at the year-end, (if any), which is made at the discretion of the management.

#### **3.06.4 Cash and Cash Equivalents**

Cash and cash equivalents consist of cash in hand and with banks on current and deposit accounts and short-term investments which are held and available for use by the company without any restriction. There is an insignificant risk of change in the value of the same.

#### **3.06.5 Trade and other Payables**

Trade and other Payables are recorded at the amount payable for settlement in respect of goods and services received by the company.

#### **3.06.6 Share Capital**

Ordinary shares capitals are classified as equity.

#### **3.06.7 Share Money Deposit**

Share money received in exchange for shares that have not yet been acquired. The Company may have received money "up front" for a new issue of shares. Share Money is considered an equity share at the time of calculation of Earnings per Share (EPS). The excess amount has been refunded on behalf of the Share money depositor after making the allotment (if any). The Company received Tk. 950,000,000 (Taka: ninety-five crore) including premium up to 30 June 2024 from eligible investor and general public by ESS platform of DSE and subscription from general public including Tk. 518,181,820 during the year and subsequently it capitalized/transfer to paid up capital and share premium.

### **3.07 Statement of Cash Flows**

Statement of Cash Flows is prepared principally in accordance with IAS-7 "**Statement of Cash Flows**" and the cash flow from the operating activities have been presented under direct method as prescribed by the Securities and Exchange Rules-2020, considering the provision of paragraph 19 of IAS-7 which provides that "Enterprises are Encouraged to Report Cash Flows from Operating Activities Using the Direct Method" as well as indirect method in the notes to the Financial Statement.

### 3.08 Provision, Contingent Liabilities and Contingent Assets

The Financial Statements are prepared in conformity with IAS 37 "Provision, contingent Liabilities and Contingent Assets", which requires management to ensure that appropriate recognition criteria and measurement bases are applied to provision for outstanding expenses, contingent liability, assets, and that sufficient information is disclosed in the notes to the accounts to enable its users for their understanding about its nature, timing, and amount. In accordance with the guidelines as prescribed by IAS-37 provisions were recognized in the following situations:

- When the company has a present obligation as a result of the past event.
- When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and
- Reliable estimate can be made about the sum of the obligation.

We have shown the provision in the statement of Financial Position at an appropriate level concerning an adequate provision for risks and uncertainties. The sum of provision estimated and booked represents the reliable estimate of the probable expenses incurred but not paid, which is required to fulfil the current obligation on the Balance Sheet Date.

### 3.09 Loans and Borrowings

Principal amounts of loans and borrowings are stated at their outstanding amounts. Borrowings repayable after twelve months from the reporting date are classified as non-current liabilities whereas the portion payable within twelve months, unpaid interest and other charges are classified as current liabilities.

### 3.10 Revenue Recognition

"As per IFRS-15: "Revenue from Contracts with Customers" an entity shall account for a contract with a customer only when all of the following criteria are met:

- a) The parties to the contract have approved the contract (in writing, orally or following other customary business practices) and are committed to performing their respective obligations.
- b) The entity can identify each party 's rights regarding the goods or services to be transferred.
- c) The entity can identify the payment terms for the goods or services to be transferred.
- d) The contract has commercial substance (i.e., the risk, timing or amount of the entity's future cash flows is expected to change as a result of the contract); and
- e) The entity will probably collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer."

Considering the five steps model, the Company recognizes revenue at the time of delivery when (or as) the Company satisfies a performance obligation by transferring a promised good to a customer. Goods are considered as transferred when (or as) the customer obtains control of those goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts, rebates, and Value Added Tax (VAT).

#### **Sale of goods**

The revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer when the buyer assures by giving acceptance on the delivery of goods. The revenue represents the invoice value of goods supplied to the customers measured at the fair value of the consideration received or receivable.

#### **Impact of adoption of IFRS-15 'Revenue from contract with Customers' and IFRS-16 "Leases"; IFRS-15 "Revenue from contract with Customers"**

In addition, prior year Financial Statements were prepared in accordance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs). The management of the Company has introduced IFRS-15 'Revenue from contract with Customers' instead of IAS-18 'Revenue' from 1st July 2018. The Management of the Company has assessed the difference between IFRS-15 'Revenue from contract with Customers' instead of IAS-18 'Revenue' and concluded that there are no differences that would impact any numerical amount and disclosures in the financial statement. For better presentation, the management reconciled the Statement of Profit or Loss and Other Comprehensive Income, Statement of Cash Flows as well as Statement of Financial Position of the company with the effect of IFRS-15 Para c (8) which is shown in **Annexure-E**:

#### **IFRS-16 “Leases”**

The management of the Company has introduced IFRS-16 'Leases' instead of IAS-17 'Leases' from 1st July 2019. The Management of the Company has assessed the difference between IFRS-16 'Leases' and IAS-17 'Leases'. The Company assesses the impact of IFRS-16 on numerical amounts and disclosures in the financial statement. For better presentation, the management reconciled the Statement of Profit or Loss and Other Comprehensive Income, Statement of Cash Flows as well as Statement of Financial Position of the company with the effect of IFRS-16 which is shown in **Annexure-E**:

### **3.11 Financial Instruments**

IFRS 9 sets out requirements for recognizing and measuring Financial Assets, Financial Liabilities, and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement. The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below.

#### **Classification and measurement of financial assets and financial liabilities**

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. However, it eliminates the previous IAS 39 categories for financial assets held to maturity, loans, and receivables and available for sale.

The adoption of IFRS 9 has not had a significant effect on the company's accounting policies related to financial liabilities. The impact of IFRS 9 on the classification and measurement of Financial Assets is set out below.

Under IFRS 9, on initial recognition, a Financial Asset is classified as measured at amortized cost; The Fair Value through Other Comprehensive Income (FVOCI)—debt investment; Fair Value through Other Comprehensive Income (FVOCI)—equity investment; or Fair Value through Profit or Loss (FVTPL). The classification of Financial Assets under IFRS 9 is generally based on the business model in which a Financial Asset is managed and its contractual cash flow characteristics. The derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid Financial Instrument as a whole is assessed for classification.

#### **Impairment of financial assets**

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to Financial Assets measured at amortised cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments. The Financial Assets at amortised cost consist of trade receivables, cash and cash equivalents, and corporate debt securities. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information. The company considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the company in full, without recourse by the company to actions such as realizing security (if any is held).

#### **Measurement of Expected Credit Losses (ECL)**

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity following the contract and the cash flows that the company expects to receive). ECLs are discounted at the effective interest rate of the Financial Asset. At each reporting date, the company assesses whether Financial Assets carried at amortised cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future Cash Flows of the financial asset have occurred. The Company expected that they have no credit losses on Trade & Other Receivables.

#### **Presentation of Impairment**

Loss allowances for Financial Assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is recognised in OCI, instead of reducing the carrying amount of the asset. Impairment losses related to trading receivables and others, including contract assets, shall present separately in the notes to the financial statement if any.



### **3.12 Impairment**

#### **i) Financial Assets**

The Company shall recognize loss allowances for Expected Credit Losses ECLs (if any) on:

- Financial Assets are measured at amortised cost.
- Debt investments (if any) measured at FVOCI; and
- Contract assets (if any).

Loss allowances for Financial Assets (if any) measured at amortised cost are deducted from the gross carrying amount of the assets. Except for the following, which are measured at 12-month ECLs.

- Bank balances for which credit risk (i.e., the risk of a default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

When determining whether the credit risk of a Financial Asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

#### **ii) Non-Financial Assets**

The carrying amounts of the Company's non-financial assets (other than inventories) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated to determine the extent of the impairment loss (if any). Where it is not possible to determine the recoverable amount of an individual asset, the Company estimates the recoverable amount of the Cash Generating Unit (CGU) to which the asset belongs. An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its recoverable amount. The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to selling. The value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. Impairment losses are recognized in profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation if no impairment loss had been recognized. However, no such impairment was found in Financial Assets during the period for which the company needs to make provision for impairment.

### **3.13 Foreign Currency Transaction/Translation**

Foreign currency transactions are translated into Bangladeshi Taka at the exchange rates ruling at the transaction dates according to IAS 21: "The effect of changes in Foreign Exchange Rates". Monetary assets and liabilities denominated in foreign currencies are translated at prevailing rates on the balance sheet (Financial position) date.

Nonmonetary assets and liabilities denominated in foreign currencies, which are related at historical cost are translated into Bangladeshi Taka at the exchange rate ruling at the date of transactions. Foreign exchange gain/loss (if any) has been recognized in connection with foreign currency transactions since all such transactions are in BDT/ US dollars (if import) and significant gains/losses even out during the company's business.

### **3.14 Other Income**

All other income is recognized when the Organization's right to receive such income has been reasonably determined and all conditions precedent is satisfied.

### **3.15 Employees Benefits**

The Company has accounted for and disclosed employee benefits in compliance with the provisions of IAS 19: Employee Benefits. The cost of employee benefits is charged off as revenue expenditure in the period to which the contributions relate. The Company's employee benefits include the following:

#### **a) Short-term employee benefits**

Short-term employee benefits include wages, salaries, bonuses, house rent, medical fees termination benefits etc. Obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided.



**b) Employee Retirement Benefits**

Obligations for the Company's contributions to defined contribution plans are recognized as an expense in the income statement as incurred.

**c) Provident Funds**

The Company has yet to be established a Contributory Provident Fund for Permanent employees of the Company.

**d) Contribution to workers' profit participation fund (WPPF)**

The Company provides 5% of its profit before tax after charging contributions to WPPF in accordance with Bangladesh Labour Act, 2006 as amendment 2013 from 1st July 2020.

**3.16 Finance Expenses**

Finance Expenses comprise interest expenses on loans, leases, and bank charges. All borrowing costs are recognized in the profit or loss account using the effective interest method except to the extent that they are capitalized (If any) during the construction period of the assets in accordance with **IAS-23 "Borrowing Cost"**. The Company did not capitalize on any Finance Expenses during the year.

**3.17 Earnings Per Share (EPS)**

The Company calculates its Earning per Share (EPS) in accordance with IAS 33 "Earnings per Share" which has been shown on the face of the Statement of Comprehensive Income and the computation of EPS.

**Basic Earnings**

This represents earnings for the year attributable to the Ordinary Shareholders. As there are no preference dividends, minority interest or extraordinary items, the net profit for the period has been considered fully attributable to Ordinary Shareholders.

**Basic Earnings per Share**

The company presents its Basic Earnings per Share (EPS) data for its Ordinary Shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of Ordinary Shares outstanding during the year.

**Weighted Average Number of Ordinary Shares outstanding during the period**

The basis of computation of the number of shares is in line with the provisions of IAS-33: Earnings per Share. Therefore, the total number of shares outstanding during the period is multiplied by a time-weighting factor which is the number of days the specific shares were outstanding as a proportion of the total number of days in the period.

**Diluted Earnings per Share**

No diluted earnings per share are required to be calculated per period as there was no scope for dilution during the year.

**3.18 Responsibility for Preparation and Presentation of Financial Statements**

The Management is responsible for the preparation and presentation of Financial Statements under Section 183 of the Companies Act, 1994 and as per the Provision of "The Framework for the preparation and presentation of Financial Statements" issued by the International Accounting Standard Board (IASB) as adopted by the Institute of The Chartered Accountants of Bangladesh (ICAB).

**3.19 Risk Exposure****Financial Risk Management Policies**

The company's financial risk management is governed by direct monitoring its management. The company's Financial Assets include inter alia trade and other receivables, cash and short-term deposits that arise directly from its operations and Financial Liabilities include inter alia trade and other payables and loans and borrowings. The main purpose of these Financial Liabilities is to finance the company's operations. The Company's activities are mainly exposed to the following internal, external, quantitative, and qualitative risks from its use of Financial Instruments:

- i. Market Risk.
- ii. Credit Risk.
- iii. Liquidity Risk.

### Risk Management Framework

The management is responsible for the establishment and oversight of the company's risk management policies that are established to identify and analysed the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Management discloses the exposures to risk and how they arise as well as its objectives, policies, and processes for managing the risk and the methods used to measure the risk. The company has exposures to the following risks from its use of Financial Instruments.

#### Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risks. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return.

#### Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a Financial Instrument will fluctuate because of changes in market interest rates.

#### Currency Risk

The Company is exposed to foreign currency risk relating to purchases that are denominated in foreign currencies. The company primarily utilizes forward exchange contracts with maturities of less than one year to hedge such Financial Liabilities denominated in foreign currencies. The forward exchange contracts entered at the reporting date also relate to anticipated purchases, denominated in foreign currencies, for the subsequent period.

#### Credit Risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the company as and when they fall due. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. However, due to many parties comprising the group's customer base, Management does not anticipate material losses from its debt collection.

Particulars	Amount in Taka	
	30 June 2025	30 June 2024
Trade and other Receivables	649,642,970	401,759,864
Cash and Cash Equivalent	17,732,830	159,416,985
<b>Total</b>	<b>667,375,800</b>	<b>561,176,849</b>
<b>Cash and Cash Equivalent</b>		
Cash in Hand	4,523,841	5,056,613
Cash at Bank	13,208,989	154,360,372
<b>Total</b>	<b>17,732,830</b>	<b>159,416,985</b>

#### Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its Financial Obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company ensures that it has sufficient Cash and Cash Equivalents to meet expected operational expenses, including Financial Obligations through the preparation of the Cash Flow forecast, prepared based on the timeline of payment of the Financial Obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date. Moreover, the Company seeks to maintain short-term lines of credit with scheduled commercial banks to ensure payment of obligations if there is insufficient cash to make the required payment. The requirement is determined in advance through Cash Flows projections and credit line facilities with banks are negotiated accordingly. Relevant non-derivative Financial Liabilities at the reporting date are as follows.

Particulars	Amount in Taka	
	30 June 2025	30 June 2024
Trade and Other Payables	6,958,713	8,759,528
Long -Term Borrowings (Non-Current & Current Portion)	1,301,588,082	86,630,976
Short -Term Borrowings	63,701,912	49,850,343
Lease Liability (Non-Current & Current Portion)	46,929,904	48,582,989
Liabilities for Expenses	22,281,704	21,507,966
<b>Total</b>	<b>1,441,460,315</b>	<b>215,331,802</b>

### **Fair Values**

The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair value of trade and other short-term receivables are taken to approximate their carrying value. The fair value of financial assets and liabilities approximates their carrying value.

Technical risks are those events or issues associated with the scope definition of research and development (R & D), design, construction, and operation definition that could affect the actual level of performance vs, what specifies in the project mission need and performance requirements documents. Examples of technical risks include new and changing technology and changing regulatory requirements.

Cost risk is the risk associated with the ability of the project to achieve the planned life-cycle costs. Thus, it includes both design/construction and operating costs. Two major elements of cost risk are (1) the accuracy and completeness of the cost estimates for the planned activities and (2) the risk that cost performance will be affected adversely by a failure to manage technical risks. An example of cost risk would have all proposals for a significant contract come in over the estimated budget for that item.

### **3.20 Events after the Reporting Period**

As per IAS-10 "Events after the reporting period" are those events favorable and unfavorable that occurred between the end of the reporting period and the date when the Financial Statements are authorized for the issue. There were no material events that occurred after the reporting period which could affect the values in Financial Statements except the Board of Directors of the Company has proposed 10% cash dividend for the year ended 30 June 2025 for all general shareholder excluding sponsor and directors subject to the approval for general shareholder 55 Annual General Meeting.

### **3.22 Related Party Transactions**

The company, in the normal course of business, has carried out several transactions with other entities that fall within the definition. The objective of Related Party Disclosure IAS 24 is to ensure that an entity's Financial Statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances with such parties. Parties are considered to be related if one party can control the other party or to exercise significant influence or joint control over the other party in making financial and operating decisions. The Company transacts with related parties and recognize as per IAS 24 'Related Party Disclosures'. Related party transactions have been disclosed **under Note – 38.01**

### **3.23 Comparative Amounts**

Certain comparative amounts have been re-classified & rearranged to conform to the current year's presentation and all numerical information in the current financial statements as below:

- Statements of Financial Position as of the end of the preceding financial year
- Statements of Comprehensive Income for the comparison of the preceding financial year.
- Statements of Changes in Equity for the comparison of the preceding financial year
- Statement Cash Flows for the comparison of the preceding financial year

Narrative and descriptive information for comparative information has also been disclosed as required by IAS & IFRS whenever it is relevant for the understanding of the current Period financial statements.

#### **Rearrangement of Financial Statement:**

The previous year's figure has been rearrangement whenever considered necessary to ensure comparability with the current year presentation as per IAS: 8 "Accounting Policies, Changes in Accounting Estimates and Errors" i.e. Previously the Company recognise adjustment of deferred tax on depreciation for Revaluation Surplus from the amount of Revaluation Surplus but from now the Company recognise adjustment of deferred tax on depreciation for Revaluation Surplus from the amount of Retained Earnings.

### **3.24 Income Tax (Current & Deferred Tax)**

Income tax on the profit or loss for the Period comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

#### **Current Tax**

Current tax is the expected tax payable on the taxable income for the year and any adjustment to tax payable in respect of previous years as per the provisions of the Income Tax Rules, 1984, Income Tax Act-2023 and duly amended by the Finance Act from time to time.

**The effective current tax rate of the Company is provided as follows:**

Corporate Tax applicable for the Company (as per Income Tax Act-2023 and Finance Act-2025):

- a) Tax Rate on Business Income 22.50%
- b) Tax Rate on Other Income: 22.50%
- c) Tax Rate on Export 12.00%
- d) Dividend Income 20.00%

Or Minimum Tax Rate 1.00%

Whichever is higher is applicable for calculation and repayment of Income Tax.

**Deferred Tax**

Deferred tax is recognized using (in accordance with the IAS-12) the Balance Sheet method. Deferred tax arises due to temporary difference deductible or taxable for the events or transaction is recognized in the income statements. A temporary difference is a difference between the tax bases of an asset or liability, and it is carrying an amount/reported amount in the Balance Sheet. Deferred tax assets or liability is the amount of income tax recoverable or payable in the future period(s) recognized in the current period. The deferred tax liability/expenses do not create a legal liability/recoverability to and from the income tax authority. The revaluation does not affect taxable profits in the period of revaluation and consequently, the tax base of the asset is not adjusted. Hence a temporary difference arises. This is provided for in full based on the difference between the carrying amount and tax base. An upward revaluation is therefore given rise to a deferred tax liability. The effective current tax rate of the Company is provided as follows:

Corporate Tax applicable for the Company (as per Income Tax Act-2023 and Finance Act-2025):

- a) Tax Rate on Temporary Difference excluding revaluation 22.50%
- b) Tax Rate on Temporary Difference of revaluation:  
WDV of Revaluation of Assets 15.00%

**3.25 Provisions/ Liabilities for expenses**

As per "IAS 37: Provisions, Contingent Liabilities and Contingent Assets" a provision recognized on the date of the statement of Financial Position if, as a result of the past event, the company has a present obligation that can be estimated reliably, and it is probable the outflow of economic benefits will be required to settle the obligation. A provision is recognized if, as a result of a past event, the company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefit will be required to settle the obligation.

**3.26 Contingencies**

Contingencies arising from a claim, litigation assessment, fines, penalties etc. are recorded. A liability has probably been incurred and the amount can be measured reliably in accordance with "IAS 37: Provisions, Contingent Liabilities and Contingent Assets".

**3.27 Value Added Tax**

Value Added Tax on Company's Products is 15% except for export (if any) which is a Zero rate.

**3.28 Operating Segments**

No segmental reporting is applicable for the company as required by "IFRS-8: 'Operating Segments' as the company operates in a single industry segment and within as geographical segment.

**3.29 Advance, Deposits and Prepayments**

Advances are initially measured at cost. Since initial recognition advances are carried at cost fewer deductions, adjustments, or charges to other account heads such as Property, Plant and Equipment, inventory, or expenses. Deposits are measured at payment value. Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost fewer charges to Statement of Profit or Loss and Other Comprehensive Income.

**3.30 Cash and Cash Equivalents**

According to IAS -7 "Statement of Cash Flows" cash comprises cash in hand, demand deposit and cash equivalent which are short-term highly liquid investments that are readily convertible into cash, and which are subject to an insignificant risk of change balances and call deposits, Bank Balances in Value. IAS -1 "Presentation of Financial Statements" provides that cash and cash equivalents are not restricted in use. Considering the provisional of IAS-7 and IAS-1, Cash in Hand and Bank Balances have been treated as Cash and Cash Equivalents.

**3.31 Other Current Assets**

Other current assets (if any) have a value on realization in the ordinary course of the company's business which is at least equal to the amount at which they are stated in the Statement of Financial Position.

**3.32 Sources of Information**

During our course of preparation and presentation of the Financial Statements, it has been considered the relevant financial documents and collected information throughout the accounting period ended 30 June 2025 after overlooking the head of accounts.

**3.33 Leases**

At the commencement of the lease term, recognize leases as assets and liabilities in their statements of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. Any initial direct costs of the lessee are added to the amount recognized as an asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the periods in which they are incurred. A finance lease gives rise to depreciation expense for the recognized lease assets as well as finance expense for each accounting period.

**3.34 Bad and Doubtful Debts**

The Management recognized the bad and doubtful debts when a debt is unrecoverable through the Board of Directors' approval. Since the management made sales through 100% confirmed orders by the customers and duly collected by the marketing team. Hence, no bad debts occurred and therefore no provision was made against the receivables.

**3.35 Promotional Expenses**

All costs associated with promotional activities are charged in the period they were incurred.

**3.36 General**

- i. Wherever considered necessary, the previous year's figures have been rearranged for comparison.
- ii. Figures appearing in these Financial Statements have been rounded off to the nearest integer.
- iii. Bracket figures denote negative.

		Amount in Taka	
		30 June 2025	30 June 2024
<b>4.00 Freehold Property, Plant and Equipment</b>			
Freehold Property, Plant and Equipment (At Cost)	(Note-4.01)	4,511,032,710	3,765,482,757
Freehold Property, Plant and Equipment (At Revaluation)	(Note-4.02)	1,909,081,572	1,913,211,863
<b>Balance</b>		<b>6,420,114,282</b>	<b>5,678,694,620</b>
<b>4.01 Freehold Property, Plant and Equipment</b>			
<b>Cost:</b>			
Opening Balance		4,690,926,069	4,384,242,703
Add: Addition during the year	(Annexure-A)	127,097,468	51,301,030
Add: Transfer from CWIP	(Note-7.00)	765,880,423	255,382,336
<b>Total Assets Value at cost</b>		<b>5,583,903,961</b>	<b>4,690,926,069</b>
<b>Accumulated Depreciation:</b>			
Opening Balance		925,443,312	792,725,458
Add: Depreciation Charged during the year	(Annexure-A)	147,427,939	132,717,855
<b>Total Charge</b>		<b>1,072,871,251</b>	<b>925,443,312</b>
<b>Written Down Value as on 30 June</b>		<b>4,511,032,710</b>	<b>3,765,482,757</b>
<b>4.02 Freehold Property, Plant and Equipment (At Revaluation)</b>			
<b>At Revaluation</b>			
Opening Balance		1,929,232,190	1,929,285,128
Add: Revaluation surplus during the year		-	(52,938)
<b>Total Cost</b>		<b>1,929,232,190</b>	<b>1,929,232,190</b>
<b>Accumulated Depreciation</b>			
Opening Balance		16,020,327	11,642,877
Add: Depreciation charged during the year		4,130,291	4,377,450
<b>Total Depreciation</b>		<b>20,150,618</b>	<b>16,020,327</b>
<b>Written Down Value as on 30 June</b>		<b>1,909,081,572</b>	<b>1,913,211,863</b>

The details of above have been shown in Annexure- 'A'

Shafiq Basak & Co. Chartered Accountants, Dhaka, Bangladesh, the valuer revalued the Land and Land Development, Building and Other Construction, Plant and Machineries, Vehicle, Furniture and Fixture, Equipment and Installation and Fire Equipment as at 30 June 2020 at 'Current Cost Accounting Method (CCA)'. Due to these revaluation, a net revaluation surplus amounting to Tk. 1,929,285,128 had arisen. Thereafter, Kazi Zahir Khan & Co. Chartered Accountants, Dhaka, Bangladesh, the valuer revalued the Land and Land Development as at 30 June 2022 according to BSEC instruction vide letter dated 31 October 2023 (Ref:BSEC/CI/IPO-322/2021/1477) at 'Current Cost Accounting Method (CCA)'. Due to these revaluation, a net revaluation surplus amounting to Tk. 1,815,943,319 had arisen on Land and Land Development.

#### 5.00 Right of Use Assets

<b>Cost:</b>			
Opening Balance		80,842,413	89,438,448
Add: Addition/Recognition during the year	(Annexure-B)	13,326,628	9,461,951
Less: Disposal/Adjustment during the year	(Annexure-B)	(9,380,463)	(18,057,985)
<b>Total Assets Value at cost</b>		<b>84,788,579</b>	<b>80,842,413</b>
<b>Accumulated Depreciation:</b>			
Opening Balance		36,453,264	40,865,387
Add: Prior year adjustment of Depreciation		-	-
Add: Depreciation Charged during the year	(Annexure-B)	13,425,127	13,645,862
Less: Adjustment during the year	(Annexure-B)	(9,380,462)	(18,057,985)
<b>Total Charge</b>		<b>40,497,928</b>	<b>36,453,264</b>
<b>Written Down Value (A-B)</b>		<b>44,290,651</b>	<b>44,389,149</b>

Details of Right of Use Assets have been shown in the **Annexure - B.**

\*\*Addition of the ROU Assets created on rental lease by adjusting Journal Entries through debiting the ROU Assets and crediting the Lease Liability in the FS in respective financial year (s). As there is no impact on direct cash in flow and outflow against these transactions except addition of assets and liabilities in Financial Statements of the Company didn't not include the transactions in cash flows for the respective year (s).



		Amount in Taka	
		30 June 2025	30 June 2024
<b>6.00 Intangible Asset</b>			
<b>Cost:</b>			
Opening Balance		3,500,000	3,500,000
Add: Purchase during the year	(Annexure-C)	-	-
<b>Total Assets Value at cost</b>		<b>3,500,000</b>	<b>3,500,000</b>
<b>Accumulated Depreciation:</b>			
Opening Balance		2,208,333	1,708,333
Add: Amortization Cost	(Annexure-C)	500,000	500,000
<b>Total Charge</b>		<b>2,708,333</b>	<b>2,208,333</b>
<b>Written Down Value</b>		<b>791,667</b>	<b>1,291,667</b>
Details of Intangible Assets have been shown in the	<b>Annexure - C.</b>		
<b>7.00 Capital Work-in-Progress</b>			
<b>Building &amp; Other Construction</b>			
Opening Balance		-	-
Add: Addition made during the year		75,190,853	10,712,261
Less: Transfer to appropriate asset category		(28,923,458)	(10,712,261)
<b>Closing Balance</b>		<b>46,267,395</b>	<b>-</b>
<b>Plant &amp; Machinery</b>			
Opening Balance		42,092,829	78,138,851
Add: Addition made during the year		946,266,924	208,624,053
Less: Transfer to appropriate asset category		(736,956,965)	(244,670,075)
<b>Closing Balance</b>		<b>251,402,787</b>	<b>42,092,829</b>
<b>Generator</b>			
Opening Balance		-	-
Add: Addition made during the year		-	-
Less: Transfer to appropriate asset category		-	-
<b>Closing Balance</b>		<b>-</b>	<b>-</b>
<b>Total</b>		<b>297,670,181</b>	<b>42,092,829</b>
<b>Total Transfer to PPE</b>		<b>765,880,423</b>	<b>255,382,336</b>

All the amount of capital work-in-progress for acquisition of plant & machinery which are not ready for use and construction work is underway for factory building. The amount of capital work-in-progress is transferred to appropriate asset category and depreciated when the asset is completed for use.

## 8.00 Inventories

### Valuation of Inventory and physical stock taking

The management of the Company takes physical stocks periodically and valuation of stocks were made accordingly considering the wear and tear of the assets as follows:

- The valuation of closing inventory has been made on the basis of lower of cost and net realizable value as per IAS-2.
- The management of the Company has conducted physical verification/stock taking of inventories on 30.06.2025.

Inventories consisting of raw materials, work in process, finished goods are valued at lower of cost and net realizable value as per IAS 2: Inventories. Cost of inventories include expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Cost of inventories is determined by using the weighted average cost formula. Where necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying amount of inventories to the lower of cost and net realizable value as the board approve from time to time. Net realizable value is based on estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

### Impairment of Inventories

Impairment of inventory is made as and when inventory became obsolete or unusable or for slow moving items for which the management of the company is giving decisions from time to time. Based on sales cycle of slow moving items, the sales prices of the products may decreases over time. The management of the Company reviews the carrying amounts of its inventories (Balance Sheet Date) to determine whether there is any indication of impairment In accordance with IAS-2: 'Inventories'. When the sales price moves below the inventory cost prices, the loss on sales is recognized immediately in the Financial Statements. However, there was no indication of impairment of inventory during the year; and as such, no adjustment was given in the Financial Statements for impairment.



		Amount in Taka	
		30 June 2025	30 June 2024
<b>Particulars of Inventory</b>			
Raw Materials	(Note-29.01)	287,483,610	182,746,038
Work in Process	(Note-29.00)	29,864,715	29,267,937
Finished Goods	(Note-29.00)	216,342,876	179,563,536
Spare Parts & Store Items	(Note-29.02)	34,840,025	28,647,778
Packing Materials	(Note-29.03)	67,905,728	56,514,892
		<b>636,436,954</b>	<b>476,740,181</b>

The Company maintains inventory based on its existing demand of products. The inventory of the Company increased due to increase of current demand of products for medicine. The other reason for increase of inventories due to acceleration of business in other areas through establishment of new marketing areas.

#### 9.00 Trade and other Receivables

Trade Receivables	(Note-9.01)	649,642,970	401,759,864
		<b>649,642,970</b>	<b>401,759,864</b>

#### 9.01 Trade Receivables

Opening Balance		401,759,864	372,024,073
Add: Sales during the year		1,765,467,462	1,385,229,195
		<b>2,167,227,326</b>	<b>1,757,253,268</b>
Less: Collection/Realization during the year		1,517,584,356	1,355,493,404
<b>Closing Balance</b>		<b>649,642,970</b>	<b>401,759,864</b>

\*The Management recognized the bad and doubtful debts when the debt is not recoverable. The sales of the Company are mostly cash sales. The credit sales were also made to existing cash customers specially for boosting the sales and to mitigate the urgent needs of customers. The Company didn't face any doubt till today to collect any dues from its existing customers as on to date. Since, the management made sales through 100% confirm orders by the customers and duly collected by the marketing team. Hence, no bad debts or expected credit loss had occurred and therefore no provision was made against the receivables.

The receivable of the Company increased due to increase of current sales of the company for different products. The other reason for increase of receivable due to acceleration of sales in new areas through establishment of new marketing areas as a policy of expanding the company business.

#### Ageing of Trade Receivables

More than six months	-	-
Less than six months	649,642,970	401,759,864
	<b>649,642,970</b>	<b>401,759,864</b>

The classification of receivables as required by the Schedule XI of the Companies Act, 1994 are given below:

i) Receivables considered good in respect of which the company is fully secured.	-	-
ii) Receivables considered good in respect of which the company holds no security other than the debtor personal security.	649,642,970	401,759,864
iii) Receivables considered doubtful or bad.	-	-
iv) Accounts Receivable due by any director or other officers of the company or any of them either severally or jointly with any other person or receivables due from firms or private companies respectively in which any director is a partner or a director or a member.	-	-
v) Receivables due by companies under the same management.	-	-
vi) The maximum amount of receivables due by any directors or other officers of the company at any time during the year to be shown by way of a note.	-	-

#### 10.00 Advances, Deposits & Prepayments

Advance to Employees		371,500	1,108,500
Advance to Supplier & Others		106,794,350	47,422,725
Advance for Rent Depot		1,195,000	1,195,000
Advance for Building Construction		67,000,000	25,000,000
Advance for Plant & Machineries		601,040,000	491,040,000
L/C margin		-	-
Value Added Tax (VAT)		60,132	2,176,216
Advance Insurance (Factory)		6,011,567	5,856,936
Advance for IPO & road show Expense		-	-
Advance Income Tax	(Note-10.01)	15,758,428	43,307,605
Security Deposit	(Note-10.02)	600,000	600,000
		<b>798,830,977</b>	<b>617,706,982</b>

Amount in Taka	
30 June 2025	30 June 2024

The classification of Advances, Deposits & Prepayments as required by the Schedule XI, Part I, Para 6 of the Companies Act, 1994 are given below:

i) Advance, deposits & prepayment considered good and in respect of which the company is fully secured.		
ii) Advance, deposits & prepayment considered good for which the company holds no security.	798,459,477	616,598,482
iii) Advance, deposits & prepayment considered doubtful or bad.	-	-
iv) Advance, deposits & prepayment due by directors or other officers of the company or any of them either severally or jointly with any other person or Advance, deposits & prepayment due by firms or private companies respectively in which any director is a partner or a director or a member.	371,500	1,108,500
v) Advance, deposits & prepayment due by companies under the same management.		
vi) The maximum amount due by directors or other officers of the company at any time during the year.		

#### 10.01 Advance Income Tax

Opening Balance	43,307,605	65,738,719
Add: Tax deduction at source during the year	15,758,428	43,307,605
	<b>59,066,033</b>	<b>109,046,324</b>
Less: Adjustment during the year	43,307,605	65,738,719
	<b>15,758,428</b>	<b>43,307,605</b>

#### 10.02 Security Deposit

PDB (Electricity)	600,000	600,000
	<b>600,000</b>	<b>600,000</b>

#### 11.00 Cash and Cash Equivalents

##### Cash in Hand

Head Office	2,255,081	2,546,100
Depot	1,406,218	1,756,413
Factory	862,542	754,100

##### Cash at Bank

The Cash at Bank amount has been lying with a bank account. We have verified the Bank balance along with the Bank Statement and Bank Re-conciliation statement and found in agreement. Details as under:

	13,208,989	154,360,372
Bank Asia Ltd A/C - 50201000130	4,571	56,915
Dutch Bangla Bank Ltd. A/C No. 1051100024550	27,877	174,202
Mutual Trust Bank Ltd. A/C No- 0002-0210014418	387	24,767
One Bank Ltd. A/c No- 270231628185	10,000,258	8,758
Uttara Bank Ltd. A/c No- 1420 12200214654	4,941	20,482
City Bank A/c No- 1401725482001	2,574	27,950
Alarafa Islami Bank Plc (A/C 014020049597	3,103	-
Eastern Bank Ltd A/c No-1141350273770	64,293	18,016
Sonali Bank PLC (A/c No. 1613902001022)	19,132	162,972
Prime Bank PLC (A/C. 2192313010789)	1,451	-
Bank Asia Ltd A/C - 50201000711	127,230	-
Brac Bank Ltd (A/C 1545202435158002)	38,625	-
Brac Bank Ltd (IPO Accounts)	2,914,547	153,866,310
<b>Balance</b>	<b>17,732,830</b>	<b>159,416,985</b>

Amount in Taka	
30 June 2025	30 June 2024

## 12.00 Share Capital

### 12.01 Authorized Capital

200,000,000 Ordinary Shares of Tk. 10/- each

2,000,000,000 2,000,000,000

### 12.02 Issued, Subscribed & Paid-up Capital

87,848,000 ordinary shares of Tk. 10/- each fully paid-up

#### Opening Balance

Add: Allotment during the Year (34,545,455 ordinary shares of Tk. 10/- each fully paid-up)

1,223,934,550 878,480,000

- 345,454,550

1,223,934,550 1,223,934,550

### 12.03 Shareholding Position

Name of Shareholders	Designation	Percentage (%)	30 June 2025	30 June 2024
			No. of Share	No. of Share
Monir Ahmed	Managing Director	16.43%	20,114,480	20,114,480
Tahmina Begum	Chairman	13.64%	16,695,470	16,695,470
Salina Ahmed	Director	3.12%	3,812,620	3,812,620
Sadia Ahmed	Director	4.41%	5,399,520	5,399,520
Maksud Ahmed	Director	3.11%	3,806,400	3,806,400
Shafiqul Kabir Khan	Independent Director	0.00%	-	-
Md. Raihan Sarkar	Independent Director	0.00%	-	-
Other Shareholder		59.29%	72,564,965	72,564,965
<b>Total</b>		<b>100.00%</b>	<b>122,393,455</b>	<b>122,393,455</b>

### 12.04 Shareholding Position

Name of Shareholders	Percentage-25 (%)	Percentage-24(%)	No. of Shares	No. of Shares
Sponsor and Directors	40.71%	40.71%	49,828,490	49,828,490
Institutions and others	18.09%	15.63%	22,140,976	19,130,097
General Shareholders	41.20%	43.66%	50,423,989	53,434,868
<b>Total:</b>	<b>100.00%</b>	<b>100.00%</b>	<b>122,393,455</b>	<b>122,393,455</b>

### 13.00 Share Premium

Opening Balance

Add: Addition/adjustment during the year

Adjustment of IPO Expenses

578,227,731 -

604,545,450

(26,317,719)

578,227,731 578,227,731

### 14.00 Revaluation Surplus

Opening Balance

Add: Addition during the year

Deferred Tax (Expenses)/Income on Revaluation Surplus (Note-19.02)

Less: Adjustment of depreciation for Revaluation Surplus

1,624,138,128 1,628,560,575

- (52,938)

- 7,941

(4,130,291) (4,377,450)

1,620,007,837 1,624,138,128

### 15.00 Retained Earnings

Opening Balance

Add: Depreciation adjusted on revaluation

Add: Net profit during the year

Less: Cash Dividend declared For the year 2023-2024

Adjustment of deferred tax on depreciation for Revaluation Surplus

3,009,259,939 2,725,421,015

4,130,291 4,377,450

255,361,733 278,476,548

(72,564,965) -

929,315 984,926

3,197,116,313 3,009,259,939

		Amount in Taka	
		30 June 2025	30 June 2024
<b>16.00 Share Money Deposit</b>			
Opening Balance		-	431,818,180
Addition during the year		-	518,181,820
Allotment during the year		-	(345,454,550)
Transfer to Share Premium		-	(604,545,450)
<b>Closing Balance</b>		-	-
<b>17.00 Long Term Borrowings</b>			
Term Loan	(Note-17.01)	1,301,588,082	86,630,976
		<b>1,301,588,082</b>	<b>86,630,976</b>
Less: Current Portion of Long Term Loan		260,731,439	17,188,247
<b>Non- Current Portion of Long Term Loan</b>		<b>1,040,856,643</b>	<b>69,442,730</b>
<b>17.01 Term Loan</b>			
Opening Balance		86,630,976	333,273,439
Add: Loan received during the year		1,031,832,955	5,472,873
Add: Interest during the year		184,250,666	42,230,449
Less: Payment during the year		(1,126,515)	(294,345,785)
		<b>1,301,588,082</b>	<b>86,630,976</b>
<b>(i) Bank Name</b>	: Hajj Finance Company Limited (Term Loan)		
<b>Branch</b>	: Principal		
<b>Sanction Amount</b>	: 1.50 Crore & 5.00 Crore		
<b>Purpose</b>	: To purchase Raw/Packing Materials		
<b>Sanction Date</b>	: 13-12-2015 & 15-06-2016.		
<b>Security</b>	: Registered Mortgage of 8,853sqft. Office Space at "Treasure Island-5th Floor		
<b>Mode of Payment</b>	: Monthly instalment		
<b>Interest Rate</b>	: 13.00% & 13.75% Revised from time to time.		
<b>Period of Financing</b>	: 5 years and 4 years		
<b>(ii) Bank Name</b>	: Fareast Finance & Investment Limited (Term Loan)		
<b>Branch</b>	: Principal		
<b>Accounts No</b>	: 201602009580 & 201702015626-0, 201702015626-1, 201702015626-2		
<b>Sanction Amount</b>	: 9.00 Crore		
<b>Purpose</b>	: To Civil Construction, Machinery Procurement & Setup, Installation and Product & Fire System Development.		
<b>Sanction date</b>	: 23-02-2016 and 14-03-2017		
<b>Security</b>	: Registered Mortgage of 6,734 sqft Flat		
<b>Mode of Payment</b>	: Monthly instalment		
<b>Interest Rate</b>	: 14.00% - 13.00% Revised from time to time.		
<b>Finance Period</b>	: 5 years		
<b>(iii) Bank Name</b>	: One Bank Limited		
<b>Branch</b>	: Elephant Road		
<b>Accounts No</b>	: TL12180880002, TL12172710001, TL12180880001 & TL12172050001		
<b>Sanction Amount</b>	: 33.53 Crore		
<b>Purpose</b>	: Adjustment of Loan, Working Capital To Civil Construction, Machinery Procurement & Setup, Installation and Product & Fire System Development.		
<b>Sanction date</b>	: 24-07-2017, 28-09-17, 29-03-2018		
<b>Security</b>	: 33 Decimal land with 4 Storied building and 92.55 Decimal land with Factory Building and 132 Decimal land		
<b>Interest Rate</b>	: 13.00% Revised from time to time.		
<b>18.00 Lease Liability</b>			
Finance Lease	(Note-18.01)	35,841,174	40,459,193
Rental Lease	(Note-18.02)	11,088,731	8,123,795
<b>Total Lease Liability</b>		<b>46,929,904</b>	<b>48,582,989</b>
Less: Lease Liability (Current Portion)		(15,762,592)	(11,145,510)
<b>Non-Current portion of Lease Liability</b>		<b>31,167,312</b>	<b>37,437,479</b>
<b>18.01 Finance Lease</b>			
Opening Balance		40,459,193	49,848,985
Add: Interest during the year		4,875,268	15,220
Less: Payment during the year		(9,493,287)	(9,405,012)
		<b>35,841,174</b>	<b>40,459,193</b>
<b>Less: Current portion of Lease</b>		<b>(8,937,684)</b>	<b>(4,846,000)</b>
<b>Non-Current portion of Lease Liability</b>		<b>26,903,490</b>	<b>35,613,193</b>

		Amount in Taka	
		30 June 2025	30 June 2024
(i) Bank Name	: Hajj Finance Company Limited (Lease Finance)		
Branch	: Principal		
Accounts No	: 1802000372		
Sanction Amount	: 3.00 Crore		
Purpose	: Capital Machineries		
Sanction date	: 25-10-2016		
Security	Registered Mortgage of 8,853 sft. Office space.		
Mode of Payment	Monthly instalment		
Interest Rate	: 12.00 Revised from time to time.		
Period of Financing	: 5 years		
(ii) Bank Name	: Hajj Finance Company Limited (Lease Finance)		
Branch	: Principal		
Accounts No	: 1802000539		
Sanction Amount	: 3.20 Crore		
Purpose	: Capital Machineries		
Sanction date	: 30-11-2017.		
Security	Registered Mortgage of 8,853 sft. Office space.		
Mode of Payment	Monthly instalment		
Interest Rate	: 12.50% Revised from time to time.		
Period of Financing	: 5 years		

#### 18.02 Rental Lease Liability

Opening Balance	8,123,795	9,474,693
Add: Addition during the year	13,326,628	9,461,951
Add: Interest during the year	1,035,307	941,152
Less: Payment during the year	(11,397,000)	(11,754,000)
	<b>11,088,731</b>	<b>8,123,795</b>
Less: Rental Lease Liability (Current portion)	(6,824,908)	(6,299,510)
<b>Non-Current portion of Lease Liability</b>	<b>4,263,823</b>	<b>1,824,286</b>

#### 19.00 Deferred Tax Liability

Deferred Tax Liability excluding Revaluation Surplus	(Note-19.01)	375,400,243	346,883,541
Deferred Tax Liability on Revaluation Surplus	(Note-19.02)	283,977,724	284,907,039
		<b>659,377,966</b>	<b>631,790,580</b>

#### 19.01 Deferred Tax Liability excluding Revaluation Surplus

Opening Balance	346,883,541	371,563,984
Add: Deferred Tax Expenses/(Income)	(Note-19.01.1)	28,516,702
<b>Deferred Tax Liability /(Assets)</b>	<b>375,400,243</b>	<b>346,883,541</b>

#### 19.01.1 Calculation of Deferred Tax Expenses/ (Income)

##### Calculation of Deferred Tax for Freehold PPE

Written down value as Accounting Base	4,511,032,710	3,765,482,757
Written Down value as Tax Base	2,840,534,600	2,220,320,957
<b>Temporary Difference on Freehold PPE</b>	<b>1,670,498,109</b>	<b>1,545,161,800</b>

##### Calculation of Deferred Tax for Right of Use Assets

Written down value of ROU- Assets (Accounting Base)	44,290,651	44,389,149
Less: Lease obligation*	45,734,904	47,387,989
<b>Temporary Difference on Right of Use Assets</b>	<b>(1,444,254)</b>	<b>(2,998,840)</b>

##### \* Lease Obligation

Lease obligation as on 30 June 2025	46,929,904	48,582,989
Less : Advance Rent (Depot)	1,195,000	1,195,000
	<b>45,734,904</b>	<b>47,387,989</b>

	Amount in Taka	
	30 June 2025	30 June 2024
<b>Calculation of Deferred Tax for Intangible Asset</b>		
Written down value (Accounting Base)	791,667	1,291,667
Written Down value as (Tax Base)	1,400,000	1,750,000
<b>Temporary Difference on Intangible Assets</b>	<b>(608,333)</b>	<b>(458,333)</b>
<b>Total Temporary Difference (A+B+C)</b>	<b>1,668,445,523</b>	<b>1,541,704,627</b>
Effective Tax Rate	22.50%	22.50%
<b>Closing Deferred Tax Liability /(Assets)</b>	<b>375,400,243</b>	<b>346,883,541</b>
<b>19.02 Deferred tax on revaluation surplus</b>		
Opening Balance	284,907,039	285,899,906
Adjustment of deferred Tax (Expenses)/Income on Revaluation Surplus	-	(7,941)
Adjustment of deferred tax on depreciation for Revaluation Surplus	(929,315)	(984,926)
<b>Deferred tax liability on revaluation surplus</b>	<b>283,977,724</b>	<b>284,907,039</b>
<b>20.00 Short Term Borrowings</b>		
Time Loan (One Bank )	63,701,912	49,850,343
	<b>63,701,912</b>	<b>49,850,343</b>
<b>21.00 Liabilities for Expenses</b>		
Salary & Wages	13,830,970	13,687,880
Director Remuneration	250,000	250,000
Utility bill payable	511,650	460,071
Telephone, Mobile & Internet bill payable	61,910	55,520
Audit Fee Payable	402,500	700,000
Printing & Stationery Expenses	89,937	263,145
Fuel, Oil & Lubricants	802,593	1,094,364
IPO Exp	4,460,841	4,460,841
DSE & CSE Annual Fee	1,236,666	
Advertisement	50,000	
Others	584,637	536,145
	<b>22,281,704</b>	<b>21,507,966</b>
<b>22.00 Current Tax Payable</b>		
Opening Balance	101,800,005	112,345,013
Add: Provision for the year	46,819,693	55,193,711
	<b>148,619,698</b>	<b>167,538,724</b>
Less: Paid/Adjustment during the year	43,307,605	65,738,719
<b>Closing Balance</b>	<b>105,312,093</b>	<b>101,800,005</b>
<b>23.00 Liability for WPPF</b>		
Opening Balance	37,609,541	23,055,701
Add: Contribution for the year	16,462,454	14,553,840
	<b>54,071,995</b>	<b>37,609,541</b>
Less: Paid/Adjustment during the year	(27,223,203)	-
<b>Closing Balance</b>	<b>26,848,791</b>	<b>37,609,541</b>

Amount in Taka	
30 June 2025	30 June 2024

#### 23.01 WPPF for the year

Profit before income tax & WPPF for the year	347,160,581	323,543,656
Less: other income	(1,449,053)	(17,913,012)
<b>Profit on business for the year</b>	<b>345,711,528</b>	<b>305,630,645</b>
<b>WPPF for the year</b>	<b>16,462,454</b>	<b>14,553,840</b>

#### 24.00 Current Portion of Long Term Loan

(Note-17.00)	260,731,439	17,188,247
	<b>260,731,439</b>	<b>17,188,247</b>

#### 25.00 Current Portion of Lease Liability

(Note-18.00)	15,762,592	11,145,510
	<b>15,762,592</b>	<b>11,145,510</b>

#### 26.00 Trade and Other Payables

Opening Balance	8,759,528	7,469,763
Add: Purchase during the year	962,843,936	754,630,631
	<b>971,603,464</b>	<b>762,100,394</b>
Less: Payment during the year	964,644,751	753,340,865
<b>Closing Balance</b>	<b>6,958,713</b>	<b>8,759,528</b>

#### 27.00 Dividend Payable

Opening Balance	-	-
Add: Addition/Declared during the year	72,564,965	-
	<b>72,564,965</b>	<b>-</b>
Less: Payment during the year	59,340,051	-
<b>Closing Balance</b>	<b>13,224,914</b>	<b>-</b>

\*\* The Shareholders of the Company has approved on its 54th AGM on 19 Dec. 2024 a Cash Dividend @10% excluding the Director on Financial Statements of 2023-2024.



			Amount in Taka	
			FY: 2024-2025	FY: 2023-2024
<b>28.00 Revenue</b>				
Local Sales			1,765,467,462	1,385,229,195
Export Sales			-	-
<b>Total:</b>			<b>1,765,467,462</b>	<b>1,385,229,195</b>
Category	Unit Price as per (Pcs/Tube/Bottle)	Quantity (Pcs/Tube/Bottle)	01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
Tablet	92.66	6,154,291	1,037,564,670	570,244,533
Capsule	124.52	3,529,831	452,324,193	439,540,815
Syrup	102.55	1,238,179	35,166,694	126,978,820
Injectable items	97.26	1,045,967	109,874,966	101,735,577
Cream & Ointment	141.09	590,903	22,364,236	83,371,353
Drops and Other items	35.95	1,762,410	108,172,703	63,358,097
<b>Total</b>		<b>14,321,581</b>	<b>1,765,467,462</b>	<b>1,385,229,195</b>

The company has no sales agent on commission basis.

#### 29.00 Cost of Goods Sold

Raw Materials Consumed	(Note-29.01)	517,866,123	384,416,382
Spare Parts & Store Items Consumed	(Note-29.02)	64,667,300	50,319,448
Packing Materials Consumed	(Note-29.03)	257,989,858	201,610,801
Manufacturing Overhead	(Note-29.04)	200,699,105	186,888,976
<b>Cost of Manufacture</b>		<b>1,041,222,386</b>	<b>823,235,607</b>
Work in Process-Opening		29,267,937	20,628,455
Work in Process-Closing		(29,864,715)	(29,267,937)
<b>Cost of production</b>		<b>1,040,625,608</b>	<b>814,596,125</b>
Sample Expenses		(5,265,271)	(6,693,427)
Finished Goods-Opening		179,563,536	170,857,780
Finished Goods-Closing		(216,342,876)	(179,563,536)
		<b>998,580,997</b>	<b>799,196,942</b>

#### 29.01 Raw Materials Consumed

Opening Stock of Raw Materials	182,746,038	91,877,108
Add: Purchase during the year	622,603,695	475,285,312
<b>Raw materials available for Production</b>	<b>805,349,733</b>	<b>567,162,420</b>
Less: Closing Stock of Raw Materials	287,483,610	182,746,038
<b>Raw Materials Consumed</b>	<b>517,866,123</b>	<b>384,416,382</b>

#### 29.02 Spare Parts & Store Items

Opening Balance	28,647,778	24,306,082
Add: Purchase during the year	70,859,547	54,661,144
<b>Spare Parts &amp; Store Items Consumed</b>	<b>99,507,325</b>	<b>78,967,226</b>
Less: Closing Balance	34,840,025	28,647,778
<b>Consumption during the year</b>	<b>64,667,300</b>	<b>50,319,448</b>

		Amount in Taka	
		FY: 2024-2025	FY: 2023-2024
<b>29.03 Packing Materials</b>			
Opening Balance		56,514,892	33,441,518
Add: Purchase during the year		269,380,694	224,684,175
<b>Packing Materials Consumed</b>		<b>325,895,586</b>	<b>258,125,693</b>
Less: Closing Balance		67,905,728	56,514,892
<b>Consumption during the year</b>		<b>257,989,858</b>	<b>201,610,801</b>
<b>29.04 Manufacturing Overhead</b>			
Salaries, Allowances and Wages		32,243,170	36,460,620
Carrying Inward		5,981,090	4,891,440
Factory Staff Uniform		266,200	195,000
Utility Bill		2,522,209	2,770,467
Insurance Expenses		6,881,758	6,350,301
Research and Development		1,772,282	1,487,542
Fuel ,Oil & Lubricants		15,896,090	9,675,263
Medical Expenses		722,030	594,220
Workers Entertainment		4,484,287	6,529,970
Printing & Stationery Expenses		1,376,535	1,037,814
Miscellaneous Expenses		2,160,932	1,973,952
Telephone, Mobile & Internet Bill		375,338	418,893
Rent, rate and Taxes		183,873	244,008
Repairs & Maintenance		1,864,330	1,640,110
Depreciation on Freehold PPE	(Annexure-A)	121,246,584	109,676,243
Depreciation on ROU Assets	(Annexure- B)	2,722,397	2,943,132
		<b>200,699,105</b>	<b>186,888,976</b>
<b>30.00 Operating Expenses</b>			
Administrative Expenses	(Note-30.01)	68,088,222	70,056,815
Marketing & Selling Expenses	(Note-30.02)	154,271,278	160,009,557
		<b>222,359,500</b>	<b>230,066,373</b>
<b>30.01 Administrative Expenses</b>			
Salaries and allowances		45,199,200	43,046,870
Board Meeting Fee		350,000	280,000
Directors Remuneration		3,000,000	3,000,000
Travelling and Conveyance Expenses		808,448	791,856
Postage & Stamps		347,953	341,865
Entertainment		704,512	732,846
Audit fees		402,500	350,000
Repair and Maintenance		190,125	226,184
Printing & Stationery		677,122	692,435
Utility Bill		1,598,208	1,509,716
Fuel ,Oil & Lubricants		903,740	881,345
Newspaper and Periodicals		493,855	479,280
Subscription and Donation		498,730	485,000
Registration, Renewal, Profession & Legal Expenses		1,797,623	1,759,426
AGM Expenses		273,580	-
DSE & CSE Annual Fee		1,236,666	-
Advertisement		220,000	-
IPO Road show exp		-	6,812,025
Miscellaneous Expenses		653,099	641,952
Telephone, Mobile & Internet Bill		654,950	671,250
Depreciation Freehold PPE	(Annexure- A)	7,577,911	6,854,765
Amortization Cost	(Annexure- C)	500,000	500,000
		<b>68,088,222</b>	<b>70,056,815</b>

		Amount in Taka	
		FY: 2024-2025	FY: 2023-2024
<b>30.02 Marketing &amp; Selling Expenses</b>			
Salaries and Allowances		86,197,367	82,092,730
Training Expense		1,232,210	1,524,860
Printing and Stationary		1,271,168	1,431,527
Entertainment Expense		1,859,870	2,608,432
Carrying Outward		3,518,850	5,355,300
Traveling and Conveyance		1,516,535	1,692,385
Utility Bill		330,232	381,652
Fuel ,Oil & Lubricants		12,174,630	16,350,464
Phone, Mobile and Internet Bill		1,688,628	2,062,700
Sales Promotion Expenses		4,924,590	7,452,698
Miscellaneous Expenses		855,463	1,096,357
Sample Expenses		5,265,271	6,693,427
Depreciation on Freehold PPE	(Annexure- A)	22,733,734	20,564,296
Depreciation on ROU Assets	(Annexure- B)	10,702,729	10,702,730
		<b>154,271,278</b>	<b>160,009,557</b>
<b>31.00 Other Income</b>			
Interest Income		1,449,053	17,913,012
Wastage Sales		-	-
		<b>1,449,053</b>	<b>17,913,012</b>
<b>32.00 Financial Expenses</b>			
Bank Charges		95,107	357,452
Interest on Loan	(Note-32.01)	192,809,755	49,021,412
		<b>192,904,862</b>	<b>49,378,864</b>
<b>32.01 Interest on Loan</b>			
Interest on Short Term Loan		8,559,089	6,790,963
Interest on Long Term Loan		184,250,666	42,230,449
		<b>192,809,755</b>	<b>49,021,412</b>
<b>33.00 Interest on Lease Liability</b>		5,910,575	956,372
		<b>5,910,575</b>	<b>956,372</b>
<b>34.00 Provision for Tax</b>			
<b>34.01 Current Tax</b>			
Current Tax	(Annexure- D)	46,819,693	55,193,711
		<b>46,819,693</b>	<b>55,193,711</b>
<b>34.02 Deferred Tax Expenses</b>			
Deferred Tax Expenses/(Income) (Attributable to Profit or Loss)	(Note-34.03)	28,516,702	(24,680,443)
Deferred Tax Expenses/(Income) (other Comprehensive Income or Equity)	(Note-34.04)	(929,315)	(992,867)
		<b>27,587,386</b>	<b>(25,673,309)</b>
<b>34.03 Deferred Tax Expenses/(Income) (Attributable to Profit or Loss)</b>			
Deferred Tax as on 30th June 2025		375,400,243	346,883,541
Less: Opening Deferred Tax		346,883,541	371,563,984
<b>Deferred Tax Expenses/(Income) (Attributable to Profit or Loss)*</b>		<b>28,516,702</b>	<b>(24,680,443)</b>
<b>34.04 Deferred Tax Expenses/(Income) (other Comprehensive Income or Equity)</b>			
Deferred Tax as on 30th June 2025		283,977,724	284,907,039
Less: Opening Deferred Tax		(284,907,039)	(285,899,906)
		<b>(929,315)</b>	<b>(992,867)</b>
<b>35.00 Basic Earnings Per Share (EPS)</b>			
a) Net Profit After Tax		255,361,733	278,476,548
b) Weighted average number of Ordinary Shares	(Note-35.01)	122,393,455	98,891,219
<b>Basic Earnings Per Share (EPS) (a/b)</b>		<b>2.09</b>	<b>2.82</b>

Amount in Taka	
FY: 2024-2025	FY: 2023-2024

#### Significant Deviation in Earning Per shares:

The sales revenue has increased than last year of the Company. On the other hand, the net profit of the company has decreased due to increased of deferred tax expenses than last year of the company as well as the Earning per share of the reporting period has decreased to Tk. 2.09 compared to Tk. 2.82 of the last year's due to decrease of net profit after tax and increase of weighted average number of share during the year according to IAS-33, Para-55.

#### 35.01 Calculation of Weighted Average Number of Ordinary Share

Number of Share (Paid Up Capital)

Weighted Average number of Share (Share Money Deposit of IPO Fund)

122,393,455	87,848,000
-	11,043,219
<b>122,393,455</b>	<b>98,891,219</b>

#### 36.00 Net Asset Value per Share (NAV)

##### i) Net Asset Value (NAV) Per Share with revaluation

a) Net Asset Value (NAV)

b) Number of Ordinary Shares

**Net Asset Value per Share (NAV) (a/b)**

6,619,286,431	6,435,560,348
122,393,455	122,393,455
<b>54.08</b>	<b>52.58</b>

##### ii) Net Asset Value (NAV) Per Share without revaluation

a) Net Asset Value (NAV)

b) Number of Ordinary Shares

4,999,278,594	4,811,422,220
122,393,455	122,393,455
<b>40.85</b>	<b>39.31</b>

#### Significant Deviation in NAV:

NAVPS with Revaluation Surplus and NAVPS without Revaluation Surplus has been increased due to added of net profit after tax during the year.

#### 37.00 Net Operating Cash Flows per share (NOCFPS)

a) Net Operating Cash Flows

b) Weighted average number of Ordinary Shares

**Net Operating Cash Flows per Share (NOCFPS) (a/b)**

203,197,614	311,709,893
122,393,455	98,891,219
<b>1.66</b>	<b>3.15</b>

#### Significant Deviation in NOCFPS:

The Net Operating Cash Flows has increased during the reporting period than the last year of the company. On the other hand, the Net Operating Cash Flows per share of the reporting period has decreased to Tk. 1.66 compared to Tk. 3.15 of the last year's due to increase of weighted average number of share during the year according to IAS-33, Para-55.

#### 38.00 Other Commitments, Contingencies and relevant information

The requirements of Schedule XI, Part II, Para 3, 4, 7 & 8 of the Companies Act. 1994

##### 38.01 Contingencies

There is no contingent event that may require recognition of contingent liabilities for the year ended 30 June 2025.

##### 38.02 Capital Expenditure Commitment

The company have no Capital Commitment at the reporting date at 30 June 2025.

##### 38.03 Bank Guarantee

The company have no Bank Guarantee on the reporting date.

**38.04 Number of Employee - Para 3 of Schedule XI, Part II**

Total number of employees are as follows:

Particulars	Officer, Executive & Others (Admin)	Officer, Executive & Others (Marketing)	Officer, Executive & Others (Factory)	30 June 2025	30 June 2024
Salary below Tk. 12,500 per month		-	-		-
Salary Tk. 12,500 or above per month	93	465	179	737	749
<b>Total</b>	<b>93</b>	<b>465</b>	<b>179</b>	<b>737</b>	<b>749</b>

**38.05 Aggregated amount of Remuneration, Fees, Salary & Wages of employees are given below:**

Directors Remuneration	3,000,000	3,000,000
Board Meeting Attendances Fees	350,000	245,000
Wages, Salaries and Allowances	32,243,170	38,145,777
Salaries and allowances (Administrative and Marketing & Selling)	131,396,567	109,441,094
	<b>166,989,737</b>	<b>150,831,871</b>

**38.06 The requirement of schedule XI part-II, Para 3 (a) : Turnover**

Particulars	30 June 2025	30 June 2024
Turnover in BDT.	1,765,467,462	1,385,229,195
Turnover in Quantity (Pcs/Tube/Bottle)	14,321,581	13,122,159

**38.07 The requirement of schedule XI part-II, Para 3 (d) (i) : Raw Materials Consumed**

Particulars	30 June 2025	30 June 2024
Raw Material (Value in BDT.)	517,866,123.00	384,416,382
Raw Material Quantities (kg/gm/liter)	74,203.0	57,228

**38.08 The requirement of schedule XI part-II, Para 3 (d) (ii) : Finished goods**

Particulars	30 June 2025	30 June 2024
Opening Quantity (Pcs/Bottle/Tube)	2,514,723	2,844,216
Production Quantity (Pcs/Bottle/Tube)	14,957,066	12,879,504
Closing Quantity (Pcs/Bottle/Tube)	3,076,589	2,514,723

**39.00 Directors interest in contracts with the company**

There was no transaction resulting in Director's interest with the company.

**39.01 The requirement of schedule XI part-II, Para 4 : Related Party Transaction**

During the period the Company carried out a number of transactions with related parties in the normal course of business on an arms' length basis. Names of those related parties, nature of those transactions and their total value have been set out in accordance with the provisions of IAS-24: Related Party Disclosures.

Name	Designation	Particulars	Opening Balance as on 01.07.2024	Addition during the year	Paid during the year	Closing balance as on 30.06.2025
Tahmina Begum	Chairman	Board Meeting fee	-		50,000	-
Monir Ahmed	Managing Director	Remuneration	250,000	3,000,000	3,000,000	250,000
		Board Meeting fee	-	50,000	50,000	-
Salina Ahmed	Director	Board Meeting fee	-	50,000	50,000	-
Sadia Ahmed	Director	Board Meeting fee	-	50,000	50,000	-
Maksud Ahmed	Director	Board Meeting fee	-	50,000	50,000	-
Shafiqul Kabir Khan	Independent Director	Board Meeting fee	-	50,000	50,000	-
Md. Raihan Sarkar	Independent Director	Board Meeting fee	-	50,000	50,000	-
<b>Office Rent (Depot)</b>						
Monir Ahmed	Managing Director	Tangail Depot		720,000	720,000	720,000
<b>Total</b>			<b>250,000</b>	<b>4,070,000</b>	<b>4,070,000</b>	<b>970,000</b>

During the period from 01-07-2024 to 30-06-2025, there were 10 (Ten) Board of Director Meetings held. The attendance status

Name of Directors	Designation	Meeting Hold	Attendance
Tahmina Begum	Chairman	10	10
Monir Ahmed	Managing Director	10	10
Salina Ahmed	Director	10	10
Sadia Ahmed	Director	10	10
Maksud Ahmed	Director	10	10
Shafiqul Kabir Khan	Independent Director	10	10
Md. Raihan Sarkar	Independent Director	10	10

### 39.02 The requirement of schedule XI part-II, Para 7 : Capacity Utilization

The production capacity and utilization of its are as follows:

Category	Quantity	Capacity as on 30-06-2025	Actual Production	Capacity Utilization (%) As on 30 June 2025		Capacity Utilization (%) As on 30 June 2024
Tablets	Pcs	8,370,802	6,313,487	75.42%		70.61%
Capsule	Pcs	6,722,567	3,724,712	55.41%		68.35%
Syrup	Pcs	2,484,587	1,266,044	50.96%		59.03%
Injectable items	Phial/Tube	1,745,682	1,135,569	65.05%		64.38%
Cream & Ointment	Bottle	1,610,815	602,602	37.41%		53.57%
Drops and Other items	Pcs	1,160,862	1,914,652	164.93%		54.14%
<b>Total</b>		<b>22,095,313</b>	<b>14,957,066</b>			

The production capacity and utilization of its are as follows:

Category	Quantity	Capacity as on 30-06-2024	Actual Production	Capacity Utilization (%) As on 30 June 2024		Capacity Utilization (%) As on 30 June 2023
Tablets	Pcs	7,278,958	5,139,994	70.61%		62.01%
Capsule	Pcs	5,845,710	3,995,504	68.35%		61.13%
Syrup	Pcs	2,160,510	1,275,279	59.03%		61.38%
Injectable items	Phial/Tube	1,517,984	977,234	64.38%		64.20%
Cream & Ointment	Bottle	1,610,815	862,988	53.57%		58.39%
Drops and Other items	Pcs	1,160,862	628,505	54.14%		55.17%
<b>Total</b>		<b>19,574,839</b>	<b>12,879,504</b>			

### 39.03 The requirement of schedule XI part-II, Para 8 (C) :

Particulars	Opening Balance	Total Purchase during the Year	Material Available (Taka)	Consumption		% of Consumption 30-June-2025
Raw Materials Consumed	182,746,038	622,603,695	805,349,733	517,866,123		64.30%
Packing Material Consumed	56,514,892	269,380,694	325,895,586	257,989,858		79.16%
Spare Parts & Store Items Consumed	28,647,778	70,859,547	99,507,325	64,667,300		64.99%

Particulars	FOB/CIF Basis Value (US Dollar)	Amount in Tk
Import	-	-
Export	-	-

Particulars	Opening Balance	Total Purchase during the Year	Material Available (Taka)	Consumption		% of Consumption 30-June-2024
Raw Materials Consumed	91,877,108	475,285,312	567,162,420	384,416,382		67.78%
Packing Material Consumed	33,441,518	224,684,175	258,125,693	201,610,801		78.11%
Spare Parts & Store Items Consumed	24,306,082	54,661,144	78,967,226	50,319,448		63.72%

Particulars	FOB/CIF Basis Value (US Dollar)	Amount in Tk
Import	-	-
Export	-	-

**39.04 Transaction with Key Management Personnel of the entity:**

**As per Company Act, 1994 part-II, Schedule-XI (4) The profit and loss account will give by way of a note detailed information, showing separately the following payments provided or made during the financial year to the directors, including managing director, the managing agents or manager, if any, by the company, subsidiaries of the company**

a) Managerial Remuneration paid or payable during the year to the directors, including managing directors, a managing agent or manager.	3,000,000	3,000,000
b) Expenses reimbursed to Managing Agent	Nil	Nil
c) Commission or Remuneration payable separately to a managing agent or his associate	Nil	Nil
d) Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company.	Nil	Nil
e) The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year.	Nil	Nil
f) Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable.	Nil	Nil
g) Other allowances and commission including guarantee commission Pensions etc.	Nil	Nil

(i) Pensions	Nil	Nil
(ii) Gratuities	Nil	Nil
(iii) Payments from a provident funds, in excess of own subscription and interest thereon.	Nil	Nil
i) Share Based payments	Nil	Nil

**As per Para-17, IAS- 24:**

An entity shall disclose key management personnel compensation in total and for each of the following benefits:

(a) Short-term employee benefits	3,000,000	3,000,000
(b) Post-employee benefits	Nil	Nil
(c) Other long term benefits	Nil	Nil
(d) termination benefits and	Nil	Nil
(e) share-based payment	Nil	Nil

**As per Para-18, IAS- 24:**

Disclosure requirements of IAS 24 Para 18 minimum disclosure shall include:

a) the amount of transaction	4,070,000	4,000,000
b) the amount of outstanding balance, including commitments	250000	250,000
i) their terms & condition, including whether they are secured, and the nature of the consideration to be provided in settlement.	Remuneration, Meeting Fee & Depot Rent	
ii) details of any guarantee given or received.	Nil	Nil
c) Provisions for doubtful debts related to the amount of outstanding balance.	Nil	Nil
d) the expenses recognized during the period in respect of bad or doubtful debts due from related parties.	Nil	Nil



**39.05 Reconciliation of Net Income or Net Profit with Cash Flows from Operating Activities (Indirect Method) the requirement of Bangladesh Securities and Exchange Commission notification no. BSEC/CMRRCD/2006-158/308/Admin/81, Dated 08August 2018.**

Particulars	Amount in (Tk.)	
	30 June 2025	30 June 2024
Net Profit before Tax	330,698,128	308,989,816
<b>Adjustments to reconcile net income to net cash provided by</b>		
Depreciation on Fixed Assets	151,558,230	137,095,304
Depreciation on ROU Assets	13,425,127	13,645,862
Amortization Cost	500,000	500,000
Adjustment of Road Show Expenses (advance payment of previous year adjusted)	-	6,812,025
Financial Expenses	192,904,862	49,378,864
Interest on Lease Liabilities	5,910,575	956,372
Increase in Inventories	(159,696,773)	(135,629,238)
Increase in Trade and other Receivables	(247,883,106)	(29,735,791)
Increase in Advance, Deposits and Prepayments	(56,673,172)	(14,598,823)
Increase in Liabilities for Expenses	773,738	1,759,500
Increase in Liabilities for WPPF	(10,760,750)	14,553,840
Foreign Exchange Gain/(loss)	-	-
(Increase)/Decrease in Trade and other Payables	(1,800,815)	1,289,766
<b>Cash Generated from Operating Activities</b>	<b>218,956,042</b>	<b>355,017,498</b>
Advance Income Tax Paid	(15,758,428)	(43,307,605)
<b>Net Cash Generated from Operating Activities</b>	<b>203,197,614</b>	<b>311,709,893</b>

**39.06 Received from Customers**

	30 June 2025	30 June 2024
Sales during the period	1,765,467,462	1,385,229,195
Add: Opening Receivables	401,759,864	372,024,073
Less: Closing Receivables	(649,642,970)	(401,759,864)
	<b>1,517,584,356</b>	<b>1,355,493,404</b>

**39.07 Paid to Suppliers**

	30 June 2025	30 June 2024
Purchase during the period	962,843,936	754,630,631
Add: Opening Payables	8,759,528	7,469,763
Less: Closing Payables	(6,958,713)	(8,759,528)
Add: Closing Advance to LC Margin	-	-
Less: Opening Advance to LC Margin	-	(3,370,443)
Add: Closing Advance to Supplier	106,794,350	47,422,725
Less: Opening Advance to Supplier	(47,422,725)	(30,277,560)
	<b>1,024,016,376</b>	<b>767,115,587</b>

**39.08 Paid to Employees**

	30 June 2025	30 June 2024
Salary, Wages Including Bonus & WPPF	183,452,191	179,434,060
Add: Opening Liabilities for WPPF	37,609,541	23,055,701
Less: Closing Liabilities for WPPF	(26,848,791)	(37,609,541)
Add: Closing Advance to Employee	371,500	1,108,500
Less: Opening Advance to Employee	(1,108,500)	(1,031,000)
Add: Opening Liabilities for Salaries	13,937,880	12,117,710
Less: Closing Liabilities for Salaries	(14,080,970)	(13,937,880)
	<b>193,332,850</b>	<b>163,137,550</b>

**39.09 Paid for Manufacturing & Operating Expenses**

	30 June 2025	30 June 2024
Operating Expense	256,068,868	245,263,103
Opening Liabilities for expenses	3,109,245	3,169,915
Closing Liabilities for expenses	(3,739,893)	(3,109,245)
Closing Advance deposit & prepayment	7,866,699	9,828,152
Opening Advance deposit & prepayment	(9,828,152)	(9,081,551)
Sample Expense	(5,265,271)	(6,693,427)
Amortization Cost	(500,000)	(500,000)
Depreciation Expense	(151,558,230)	(137,095,304)
Depreciation ROU Assets (Annexed D)	(13,425,127)	(13,645,862)
	<b>82,728,140</b>	<b>88,135,781</b>

**39.10 Acquisition of Freehold Property, Plant and Equipment**

	30 June 2025	30 June 2024
Purchase of Assets	127,097,468	51,301,030
Add: Opening Liability	-	-
Less: Closing Liability	-	-
	<b>127,097,468</b>	<b>51,301,030</b>

**39.11 Capital Work in Progress**

	30 June 2025	30 June 2024
Purchase of Assets	1,021,457,776	219,336,314
Add: Opening Liability	-	-
Less: Closing Liability	-	-
	<b>1,021,457,776</b>	<b>219,336,314</b>

**39.12 Received/(Payment) in Long term loan**

	30 June 2025	30 June 2024
Received in Long term loan	1,031,832,955	-
Interest on Long Term Loan	184,250,666	42,230,449
Paid in Long Term Loan (Principal Interest)	(1,126,515)	(294,345,785)
	<b>1,214,957,106</b>	<b>(252,115,336)</b>

**39.13 Received/(Payment) in Lease Liability**

	30 June 2025	30 June 2024
Received in Lease	-	-
Interest on Lease	5,910,575	956,372
Paid in Lease (Principal Interest)	(20,890,287)	(21,159,012)
	<b>(14,979,713)</b>	<b>(20,202,640)</b>

**39.14 Events after the Reporting Period**

No material events had occurred from end of reporting period to the date of issue of Financial Statements, which could materially affect the values stated in the Financial Statements except the IPO approval for Tk. 95 Crore on 21 September 2022 from BSEC.

**39.15 Significant deviation in EPS, NAVPS and NOCFPS:**

The sales revenue has increased than last year of the Company. On the other hand, the net profit of the company has decreased due to increased of deferred tax expenses than last year of the company as well as the Earning per share of the reporting period has decreased to Tk. 2.09 compared to Tk. 2.82 of the last year's due to decrease of net profit after tax and increase of weighted average number of share during the year according to IAS-33, Para-55. And NAVPS with Revaluation Surplus and NAVPS without Revaluation Surplus has been increased due to added of net profit after tax during the year. On the other hand, The Net Operating Cash Flows has increased during the reporting period than the last year of the company. On the other hand, the Net Operating Cash Flows per share of the reporting period has decreased to Tk. 1.66 compared to Tk. 3.15 of the last year's due to increase of weighted average number of share during the year according to IAS-33, Para-55.

**40.00 IPO Utilization Status as per utilization report prepared by the management and certified by the auditor K. M. Alam & Co. for the period ended 30 June 2025:**

Particulars	Amount as per Prospectus	Fund Utilized as on 1st July 2024	Fund Utilized during the year	Total Utilized Amount upto 30 June 2025	Un-utilized Amount 30 June 2025
Construction of Factory Building	61,469,800	-	-	-	61,469,800
Acquisition & Installation of New Plant & Machinery	580,496,056	-	-	-	580,496,056
Bank Loan Repayment	280,000,000	278,760,593	-	278,760,593	1,239,407
IPO related expenses	28,034,144	21,856,878	-	21,856,878	6,177,266
<b>Total:</b>	<b>950,000,000</b>	<b>300,617,471</b>	<b>-</b>	<b>300,617,471</b>	<b>649,382,529</b>

**Note:**

\*Tk. 213,980 has been charged by the bank as Bank Charge & maintenance fee, Tk. 6,297,477 has been charged as Tax on Interest Income and Tk. 31,487,381 has been received as Interest Income on IPO account up to the year ended 30 June 2025 and net off Balance Tk. 25,189,904 as on 30 June 2025.

\*Balance as at bank as on 30 June, 2025 with Brac Bank Limited, Principal Branch, Gulshan-1, Dhaka (Account number 1501202435158001) Tk. 29,14,547.14 and the rest of the fund are in form of Advance to Party for Installation & Acquisition of Plant & Machinery Tk 601,040,000, Tk. 67,000,000 as Advance to Party for Factory Building Construction and Tk. 3,497,347 on Companies own Bank account from which Un-utilized Fund will be adjusted.

**Asiatic Laboratories Limited**  
**Schedule of Freehold Property, Plant & Equipment**  
**As at 30 June 2025**

Particulars	Cost			Rate of Depreciation (%)	Depreciation			Annexure-A
	Balance as on 01 July 2024	Addition during the Year	Balance as on 30 June 2025		Balance as on 01 July 2024	Charge during the Year	Balance as on 30 June 2025	
Land & land Development	1,344,239,181	81,905,698	1,426,144,879	0%	-	-	-	1,426,144,879
Building & Other Construction	1,144,320,067	28,923,458	1,173,243,525	2.5%	227,246,611	23,247,028	250,493,639	922,749,886
Plant & Machinery	1,807,601,615	736,956,965	2,544,558,581	7.5%	488,833,052	102,406,378	591,239,431	1,953,319,150
Furniture and Fixture	63,297,677	4,985,680	68,283,357	10%	30,479,845	3,697,029	34,176,874	34,106,483
Generator	32,223,600	7,512,500	39,736,100	10%	14,280,209	2,442,678	16,722,887	23,013,213
Electrical Installation	50,927,298	25,815,505	76,742,803	10%	21,523,482	4,559,136	26,082,618	50,660,185
Vehicle	144,503,414	1,745,800	146,249,214	10%	82,922,049	6,298,757	89,220,806	57,028,408
Fire Equipment	27,583,936	434,815	28,018,751	10%	8,403,948	1,953,618	10,357,566	17,661,185
Office Equipment	76,229,281	4,697,470	80,926,751	10%	51,754,116	2,823,314	54,577,430	26,349,321
<b>Balance as at 30 June 2025</b>	<b>4,690,926,069</b>	<b>892,977,891</b>	<b>5,583,903,961</b>		<b>925,443,312</b>	<b>147,427,939</b>	<b>1,072,871,251</b>	<b>4,511,032,710</b>

**B. Revaluation**

Particulars	Cost			Rate of Depreciation (%)	Depreciation			Written Down Value as at 30 June 2025
	Balance as on 01 July 2024	Addition during the Year	Balance as on 30 June 2025		Balance as on 01 July 2024	Charge during the Year	Balance as on 30 June 2025	
Land & land Development	1,815,943,319	-	1,815,943,319	0%	-	-	-	1,815,943,319
Building & Other Construction	69,000,825	-	69,000,825	2.5%	5,703,826	1,582,425	7,286,251	61,714,574
Plant & Machinery	44,288,046	-	44,288,046	7.5%	10,316,501	2,547,866	12,864,367	31,423,679
<b>Sub-Total-B</b>	<b>1,929,232,190</b>	<b>-</b>	<b>1,929,232,190</b>		<b>16,020,327</b>	<b>4,130,291</b>	<b>20,150,618</b>	<b>1,909,081,572</b>
<b>Balance as on 30 June 2025 (A+B)</b>	<b>6,620,158,259</b>	<b>892,977,891</b>	<b>7,513,136,151</b>	<b>-</b>	<b>941,463,639</b>	<b>151,558,230</b>	<b>1,093,021,869</b>	<b>6,420,114,282</b>

**Allocation of depreciation**

Particulars	Percentage	Amount in Tk.
Manufacturing Overhead	80%	121,246,584
Administrative Expenses	5%	7,577,911
Marketing & Selling Expenses	15%	22,733,734
Total	100%	151,558,230

**Asiatic Laboratories Limited**  
**Schedule of Freehold Property, Plant & Equipment**  
**As at 30 June 2024**

Particulars	Cost			Rate of Depreciation (%)	Depreciation			Annexure-A
	Balance as on 01 July 2023	Addition during the Year	Balance as on 30 June 2024		Balance as on 01 July 2023	Charge during the Year	Balance as on 30 June 2024	
Land & land Development	1,333,656,681	10,582,500	1,344,239,181	0%	-	-	-	1,344,239,181
Building & Other Construction	1,133,607,806	10,712,261	1,144,320,067	2.5%	203,933,034	23,313,577	227,246,611	917,073,456
Plant & Machinery	1,562,931,540	244,670,075	1,807,601,615	7.5%	398,316,255	90,516,797	488,833,052	1,318,768,563
Furniture and Fixture	58,404,027	4,893,650	63,297,677	10%	26,941,869	3,537,975	30,479,845	32,817,832
Generator	32,223,600	-	32,223,600	10%	12,286,498	1,993,710	14,280,209	17,943,391
Electrical Installation	36,465,818	14,461,480	50,927,298	10%	19,213,586	2,309,895	21,523,482	29,403,816
Vehicle	133,253,414	11,250,000	144,503,414	10%	76,206,042	6,716,008	82,922,049	61,581,365
Fire Equipment	22,296,436	5,287,500	27,583,936	10%	6,715,871	1,688,077	8,403,948	19,179,988
Office Equipment	71,403,381	4,825,900	76,229,281	10%	49,112,301	2,641,815	51,754,116	24,475,165
<b>Balance as at June 30, 2024</b>	<b>4,384,242,703</b>	<b>306,683,366</b>	<b>4,690,926,069</b>		<b>792,725,458</b>	<b>132,717,855</b>	<b>925,443,312</b>	<b>3,765,482,757</b>

**B. Revaluation**

Particulars	Cost			Rate of Depreciation (%)	Depreciation			Written Down Value as at 30 June 2024
	Balance as on 01 July 2023	Addition during the Year	Balance as on 30 June 2024		Balance as on 01 July 2023	Charge during the Year	Balance as on 30 June 2024	
Land & land Development	1,815,996,257	(52,938)	1,815,943,319	0%	-	-	-	1,815,943,319
Building & Other Construction	69,000,825	-	69,000,825	2.5%	4,080,826	1,623,000	5,703,826	63,296,999
Plant & Machinery	44,288,046	-	44,288,046	7.5%	7,562,052	2,754,450	10,316,501	33,971,545
<b>Sub-Total-B</b>	<b>1,929,285,128</b>	<b>(52,938)</b>	<b>1,929,232,190</b>		<b>11,642,877</b>	<b>4,377,450</b>	<b>16,020,327</b>	<b>1,913,211,863</b>
<b>Balance as on 30 June 2024 (A+B)</b>	<b>6,313,527,831</b>	<b>306,630,428</b>	<b>6,620,158,259</b>	-	<b>804,368,335</b>	<b>137,095,304</b>	<b>941,463,639</b>	<b>5,678,694,620</b>

**Allocation of depreciation**

Particulars	Percentage	Amount in Tk.
Manufacturing Overhead	80%	109,676,243
Administrative Expenses	5%	6,854,765
Marketing & Selling Expenses	15%	20,564,296
<b>Total</b>	<b>100%</b>	<b>137,095,304</b>

**Asiatic Laboratories Limited**  
**Schedule of Right of Use Assets**  
**As at 30 June 2025**

**Annexure- B**

Particulars	Cost				Rate of Depreciation / Useful Life	Depreciation			Written Down Value as at 30 June 2025	
	Balance as on 01 July 2024	Addition during the year	Adjustment during the year	Balance as on 30 June 2025		Balance as on 01 July 2024	Charge during the year	Adjustment during the year		
Plant & Machinery	62,000,000	-	-	62,000,000	7.5%	25,701,367	2,722,397	-	28,423,765	33,576,235
Depot:										
Dinalpur Depot	2,292,643	2,292,643	2,292,643	2,292,643	3 Years	1,910,536	764,214	2,292,643	382,107	1,910,536
Bogra Depot	2,421,806		2,421,806	-	3 Years	1,614,537	807,269	2,421,806	-	-
Faridpur Depot	-	1,783,195		1,783,195	2 Years	-	891,597	-	891,597	891,597
Sylhet Depot	-	1,872,354		1,872,354	2 Years	-	936,177	-	936,177	936,177
Chattagram Depot	2,006,094			2,006,094	2 Years	835,872	1,003,047	-	1,838,919	167,175
Kishorgonj Depot	1,961,514			1,961,514	2 Years	899,027	980,757	-	1,879,784	81,730
Mymensingh Depot	1,716,325			1,716,325	2 Years	715,135	858,162	-	1,573,298	143,027
Rangpur Depot	-	2,195,771		2,195,771	3 Years	-	731,924	-	731,924	1,463,847
Khustia Depot	1,921,300			1,921,300	3 Years	587,064	640,433	-	1,227,497	693,803
Rajshahi Depot	1,856,718			1,856,718	3 Years	618,906	618,906	-	1,237,812	618,906
Cumilla Depot	2,228,062		2,228,062	-	3 Years	1,485,374	742,687	2,228,061	-	-
Khulna Depot	1,792,137	1,792,137	1,792,137	1,792,137	3 Years	1,493,447	597,379	1,792,137	298,689	1,493,447
Tangail Depot	-	1,937,445		1,937,445	3 Years	-	645,815	-	645,815	1,291,630
Dhaka Depot	-	-		-	2 Years	-	-	-	-	-
Noakhali Depot	645,815	645,815	645,815	645,815	3 Years	591,997	215,272	645,815	161,454	484,361
Barisal Depot	-	807,269		807,269	3 Years	-	269,090	-	269,090	538,179
Balance as at 30 June 2025	80,842,413	13,326,628	9,380,463	84,788,579		36,453,264	13,425,127	9,380,462	40,497,928	44,290,651

**Allocation of depreciation**

Particulars	Percentage	Amount in Tk.
Manufacturing Overhead	20%	2,722,397
Marketing & Selling Expenses	80%	10,702,729
<b>Total</b>	<b>100%</b>	<b>13,425,127</b>

As per IFRS-16, Para-32; 'if the lease transfers ownership of the underlying asset to the lessee by the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the lessee shall depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the lessee shall depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.' The Company has 16 depots. Out of those 16 depots 10 depots (Dinajpur, Bogra, Feni, Rangpur, Kustia, Rajshahi, Cumilla, Khulna, Tangail and Gazipur) lease term is 3 years, and the rest of 6 depots (Faridpur, Sylhet, Chattagram, Kishorgonj, Mymensingh and Dhaka) lease term is 2 years. Where as, the lease term of 10 depots Lease is 3 Years or (100/3=33.33%) and lease term of 6 depots Lease is 2 Years or (100/2=50.00%). Each and every lease period are renewable.r



**Asiatic Laboratories Limited**  
**Schedule of Right of Use Assets**  
**As at 30 June 2024**

Particulars	Cost				Rate of Depreciation / Useful Life	Depreciation			Written Down Value as at 30 June 2024
	Balance as on 01 July 2023	Addition during the year	Adjustment during the year	Balance as on 30 June 2024		Balance as on 01 July 2023	Charge during the year	Adjustment during the year	Balance as on 30 June 2024
Plant & Machinery	62,000,000	-	-	62,000,000	7.5%	22,758,235	2,943,132	-	25,701,367
<b>Depot:</b>									
Dinajpur Depot	2,292,643	-	-	2,292,643	3 Years	1,146,322	764,214	-	1,910,536
Bogra Depot	2,421,806	-	-	2,421,806	3 Years	807,269	807,269	-	1,614,537
Faridpur Depot	1,783,195	-	1,783,195	-	2 Years	891,597	891,597	1,783,194	-
Sylhet Depot	1,872,354	-	1,872,354	-	2 Years	936,177	936,177	1,872,355	-
Chattagram Depot	2,006,094	2,006,094	2,006,094	2,006,094	2 Years	1,838,919	1,003,047	2,006,094	835,872
Kishorgonj Depot	1,961,514	1,961,514	1,961,514	1,961,514	2 Years	1,879,784	980,757	1,961,514	899,027
Mymensingh Depot	1,716,325	1,716,325	1,716,325	1,716,325	2 Years	1,573,298	858,163	1,716,325	715,135
Rangpur Depot	2,195,771	-	2,195,771	-	3 Years	1,463,847	731,924	2,195,771	-
Khustia Depot	1,921,300	1,921,300	1,921,300	1,921,300	3 Years	1,867,931	640,433	1,921,300	587,064
Rajshahi Depot	1,856,718	1,856,718	1,856,718	1,856,718	3 Years	1,856,718	618,906	1,856,718	618,906
Cumilla Depot	2,228,062	-	-	2,228,062	3 Years	742,687	742,687	-	1,485,374
Khulna Depot	1,792,137	-	-	1,792,137	3 Years	896,068	597,379	-	1,493,447
Tangail Depot	1,937,445	-	1,937,445	-	3 Years	1,291,630	645,815	1,937,445	-
Dhaka Depot	-	-	-	-	2 Years	-	-	-	-
Noakhali Depot	645,815	-	-	645,815	3 Years	376,725	215,272	-	591,997
Barisal Depot	807,269	-	807,269	-	3 Years	538,179	269,090	807,269	-
<b>Balance as at June 30, 2024</b>	<b>89,438,448</b>	<b>9,461,951</b>	<b>18,057,985</b>	<b>80,842,413</b>		<b>40,865,387</b>	<b>13,645,862</b>	<b>18,057,985</b>	<b>36,453,264</b>
<b>Balance as at June 30, 2024</b>									<b>44,389,149</b>

**Allocation of depreciation**

Particulars	Percentage	Amount in Tk.
Manufacturing Overhead	22%	2,943,132
Marketing & Selling Expenses	78%	10,702,730
<b>Total</b>	<b>100%</b>	<b>13,645,862</b>

As per IFRS-16, Para-32: 'if the lease transfers ownership of the underlying asset to the lessee by the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the lessee shall depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the lessee shall depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.' The Company has 16 depots. Out of those 16 depots 10 depots (Dinajpur, Bogra, Feni, Rangpur, Kushtia, Rajshahi, Cumilla, Khulna, Tangail and Gazipur) lease term is 3 years, and the rest of 6 depots (Faridpur, Sylhet, Chattagram, Kishorgonj, Mymensingh and Dhaka) lease term is 2 years. Where as, the lease term of 10 depots Lease is 3 Years or (100/3=33.33%) and lease term of 6 depots Lease is 2 Years or (100/2=50.00%). Each and every lease period are renewable.



**Asiatic Laboratories Limited**  
**Schedule of Intangible Asset**  
**As at 30 June 2025**

Particulars	Cost		Useful Life	Depreciation			Annexure- C
	Balance as on 01 July 2024	Addition during the Year		Balance as on 01 July 2024	Amortization during the Year	Balance as on 30 June 2025	Written Down Value as at 30 June 2025
Computer Software	3,500,000	-	10 years	1,750,000	350,000	2,100,000	1,400,000
<b>Balance as at 30 June 2025</b>	<b>3,500,000</b>	<b>-</b>		<b>1,750,000</b>	<b>350,000</b>	<b>2,100,000</b>	<b>1,400,000</b>

**Allocation of depreciation**

Particulars	Percentage	Amount in TK.
Administrative Expenses	100%	500,000
<b>Total</b>	<b>100%</b>	<b>500,000</b>

**Asiatic Laboratories Limited**  
**Schedule of Intangible Asset**  
**As at June 30, 2024**

Particulars	Cost		Useful Life	Depreciation			Annexure- C
	Balance as on 01 July 2023	Addition during the Year		Balance as on 01 July 2023	Amortization during the Year	Balance as on 30 June 2024	Written Down Value as at 30 June 2024
Computer Software	3,500,000	-	10 years	1,400,000	350,000	1,750,000	1,750,000
<b>Balance as at June 30, 2024</b>	<b>3,500,000</b>	<b>-</b>		<b>1,400,000</b>	<b>350,000</b>	<b>1,750,000</b>	<b>1,750,000</b>

**Allocation of depreciation**

Particulars	Percentage	Amount in TK.
Administrative Expenses	100%	500,000
<b>Total</b>	<b>100%</b>	<b>500,000</b>

**Asiatic Laboratories Limited**  
**Income Tax Liabilities**  
As at 30 June 2025

		<b>Annexure- D</b>	
	<b>Particulars</b>	<b>FY: 2024-2025</b>	<b>FY: 2023-2024</b>
	<b>Revenue</b>	<b>1,765,467,462</b>	<b>1,385,229,195</b>
	<b>Profit Before Income Tax (without other income)</b>	<b>330,698,128</b>	<b>308,989,816</b>
	Less: Others Income	1,449,053	17,913,012
	<b>Profit before Others Income and Income Tax</b>	<b>329,249,075</b>	<b>291,076,804</b>
	<b>Add: Inadmissible Allowance</b>		
	Accounting Depreciation	152,058,230	137,595,304
	Accounting Depreciation on ROU Assets	13,425,127	13,645,862
	Interest on Lease Liability	5,910,575	956,372
		<b>500,643,006</b>	<b>443,274,343</b>
	<b>Less: Admissible Allowance</b>		
	Depreciation as per 3rd schedule	(273,114,248)	(194,722,961)
	Lease Payment (Principal + Interest)	(20,890,287)	(21,159,012)
	<b>Total Taxable Income</b>	<b>206,638,470</b>	<b>227,392,370</b>
	Tax Rate	22.50%	22.50%
	<b>Tax on Taxable Income</b>	<b>46,493,656</b>	<b>51,163,283</b>
	Other Income	1,449,053	17,913,012
	Rate	22.50%	22.50%
	<b>Tax on others Income</b>	<b>326,037</b>	<b>4,030,428</b>
	<b>Total Tax Expenses</b>	<b>46,819,693</b>	<b>55,193,711</b>
	<b>Or</b>		
	<b>Tax deduction at source during the year</b>	<b>15,758,428</b>	<b>43,307,605</b>
	<b>Total</b>	<b>15,758,428</b>	<b>43,307,605</b>
	<b>Or</b>		
	<b>Minimum Tax u/s 16CCC/82C</b>	<b>10,592,805</b>	<b>8,311,375</b>
	<b>Whichever is Higher</b>	<b>46,819,693</b>	<b>55,193,711</b>

**Asiatic Laboratories Limited**

**Statement of Impact of adoption of IFRS-15 'Revenue from contract with Customers' and IFRS-16 "Leases"**

For the year ended 30 June 2025

Annexure-E

**Impact of adoption of IFRS-15 'Revenue from contract with Customers' and IFRS-16 "Leases"**

**IFRS-15 "Revenue from contract with Customers"**

In addition, prior year Financial Statements were prepared in accordance with Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs). The management of the Company has introduced IFRS-15 'Revenue from contract with Customers' instead of IAS-18 'Revenue' from 1st July 2018. The Management of the Company has made an assessment of the difference between IFRS-15 'Revenue from contract with Customers' instead of IAS-18 'Revenue' and concluded that there are no differences that would impact any numerical amount and disclosures in the financial statement. For better presentation, the management reconciled Statement of Profit or Loss and Other Comprehensive Income, Statement of Cash Flows as well as Statement of Financial Position of the company with the effect of IFRS-15 Para c (8) which is shown below:

**Impact on the Statement of Financial Position**

As at 30 June 2025

Particulars	As Reported	Adjustment (effect on IFRS-15)	Amount without adoption of IFRS-15
<b>Assets</b>			
Non-Current Assets	6,762,866,781	-	6,762,866,781
Current Assets	2,102,643,731	-	2,102,643,731
<b>Total Assets</b>	<b>8,865,510,511</b>	<b>-</b>	<b>8,865,510,511</b>
<b>Shareholder's Equity and Liabilities</b>			
Shareholder's Equity	6,619,286,431	-	6,619,286,431
Non-Current Liabilities	1,731,401,922	-	1,731,401,922
Current Liabilities	514,822,159	-	514,822,159
<b>Total Shareholder's Equity and Liabilities</b>	<b>8,865,510,511</b>	<b>-</b>	<b>8,865,510,511</b>

**Impact on the statement of Profit or Loss and other comprehensive Income**

For the year ended 30 June 2025

Particulars	As Reported	Adjustment (effect on IFRS-15)	Amount without adoption of IFRS-15
Revenue	1,765,467,462	-	1,765,467,462
Cost of Goods Sold	(998,580,997)	-	(998,580,997)
<b>Gross Profit</b>	<b>766,886,465</b>	<b>-</b>	<b>766,886,465</b>
Operating expenses	(222,359,500)	-	(222,359,500)
<b>Profit from Operation</b>	<b>544,526,965</b>	<b>-</b>	<b>544,526,965</b>
<b>Profit Before Tax</b>	<b>330,698,128</b>	<b>-</b>	<b>330,698,128</b>
Income Tax Expenses	(75,336,395)	-	(75,336,395)
<b>Net Profit after Tax</b>	<b>255,361,733</b>	<b>-</b>	<b>255,361,733</b>
Other Comprehensive Income	929,315	-	929,315
<b>Total Comprehensive Income For the year</b>	<b>256,291,048</b>	<b>-</b>	<b>256,291,048</b>

**Impact on the Statement of Cash Flows**

For the year ended 30 June 2025

Particulars	As Reported	Adjustment (effect on IFRS-15)	Amount without adoption of IFRS-15
Net Cash Generated from Operating Activities	203,197,614	-	203,197,614
Net cash Used to Investing Activities	(1,300,555,244)	-	(1,300,555,244)
Net cash Used in Financing Activities	955,673,475	-	955,673,475
<b>Net Increase/(Decrease) of Cash and Cash Equivalents</b>	<b>(141,684,155)</b>	<b>-</b>	<b>(141,684,155)</b>
Cash and Cash Equivalents at the beginning of the year	159,416,985	-	159,416,985
Foreign Exchange Gain/(loss)	-	-	-
<b>Cash and Cash Equivalents at the end of the year</b>	<b>17,732,830</b>	<b>-</b>	<b>17,732,830</b>

**IFRS-16 “Leases”**

In addition, prior year Financial Statements were prepared in accordance with Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs) up to June 2019 and the management of the Company has introduced IFRS-16 'Leases' instead of IAS-17 'Leases' from 1st July 2019. The Management of the Company has made an assessment of the difference between IFRS-16 'Leases' and IAS-17 'Leases'. The Company assess the impact of IFRS-16 of numerical amount and disclosures in the financial statement. For better presentation, the management reconciled Statement of Profit or Loss and Other Comprehensive Income, Statement of Cash Flows as well as Statement of Financial Position of the company with the effect of IFRS-16 which is shown below:

**Impact on the Statement of Financial Position**

As at 30 June 2025

Particulars	As Reported	Adjustment (effect on IFRS-16)	Amount without adoption of IFRS-16
<b>Assets</b>			
Freehold Property, Plant and Equipment	6,420,114,282	-	6,420,114,282
Right of Use Asset	44,290,651	10,714,415	33,576,235
Intangible Asset	791,667	-	791,667
Capital Work-in-Progress	297,670,181	-	297,670,181
Current Assets	2,102,643,731	-	2,102,643,731
<b>Total Assets</b>	<b>8,865,510,511</b>	<b>10,714,415</b>	<b>8,854,796,096</b>
<b>Shareholder's Equity and Liabilities</b>			
Share Capital	1,223,934,550	-	1,223,934,550
Share Premium	578,227,731	-	578,227,731
Revaluation Surplus	1,620,007,837	-	1,620,007,837
Retained Earnings	3,197,116,313	(374,316)	3,197,490,629
Non-Current Liabilities*	1,731,401,922	4,263,823	1,727,138,099
Current Liabilities*	514,822,159	6,824,908	507,997,251
<b>Total Shareholder's Equity and Liabilities</b>	<b>8,865,510,511</b>	<b>10,714,415</b>	<b>8,854,796,096</b>

**\*Adjustment of Right of Use Assets**

Written down value as per IAS-17

(33,576,235)

Written down value as per IFRS-16 (Annexure-B)

44,290,651

**Adjustment of Lease Liability as per IFRS-16****10,714,415****\*Adjustment of Retained Earnings**

Adjustment for the year (2019-2020) adoption of IFRS-16

(514,443)

Adjustment for the year (2020-2021) adoption of IFRS-16

144,054

Adjustment for the year (2021-2022) adoption of IFRS-16

277,875

Adjustment for the year (2022-2023) adoption of IFRS-16

(50,884)

Adjustment for the year (2023-2024) adoption of IFRS-16

110,118

Adjustment for the year (2024-2025) adoption of IFRS-16\*

(341,036)

**Total****(374,316)****\*Adjustment for the year (2023-2024) adoption of IFRS-16**

Rent expenses as per IAS-17

11,397,000

Depreciation expenses of ROU Assets as per IFRS-16

(10,702,729)

Interest expenses of ROU Assets as per IFRS-16

(1,035,307)

**Excess of (expenses)/income as per IFRS-16****(341,036)****Adjustment of Non-Current Liabilities**

Non-current liability as per IFRS-16

31,167,312

Non-current liability as per IAS-17

(26,903,490)

**Adjustment of Lease Liability as per IFRS-16****4,263,823****Adjustment of Current Liabilities**

Current liability as per IFRS-16

15,762,592

Current liability as per IAS-17

(8,937,684)

**Adjustment of Lease Liability as per IFRS-16****6,824,908**

**Impact on the Statement of Profit or Loss and other comprehensive Income**  
For the year ended 30 June 2025

Particulars	As Reported	Adjustment (effect on IFRS-16)	Amount without adoption of IFRS-16
Revenue	1,765,467,462	-	1,765,467,462
Cost of Goods Sold	(998,580,997)	-	(998,580,997)
<b>Gross Profit</b>	<b>766,886,465</b>	<b>-</b>	<b>766,886,465</b>
Operating expenses	(222,359,500)	694,271	(223,053,771)
<b>Profit from Operation</b>	<b>544,526,965</b>	<b>694,271</b>	<b>543,832,694</b>
Other Income	1,449,053	-	1,449,053
Financial Expenses	(192,904,862)	-	(192,904,862)
Interest on Lease Liability	(5,910,575)	(1,035,307)	(4,875,268)
<b>Profit Before WPPF &amp; Income Tax</b>	<b>347,160,581</b>	<b>(341,036)</b>	<b>347,501,617</b>
Workers' Profit Participation Fund Expenses	16,462,454	-	16,462,454
<b>Profit Before Income Tax</b>	<b>330,698,128</b>	<b>(341,036)</b>	<b>331,039,163</b>
Income Tax Expenses	(75,336,395)	-	(75,336,395)
<b>Net Profit after Income Tax</b>	<b>255,361,733</b>	<b>(341,036)</b>	<b>255,702,769</b>
Other Comprehensive Income for the year	929,315	-	929,315
<b>Total Comprehensive Income For the year</b>	<b>256,291,048</b>	<b>(341,036)</b>	<b>256,632,084</b>
<b>*Adjustment of Operating expenses</b>			
Rent Expenses as per IAS-17			11,397,000
Depreciation Expenses of ROU Assets (Office Rent -Depots) as per IFRS-16 (Annexure-B)			(10,702,729)
<b>Deficit of rent expenses as per IFRS-16</b>			<b>694,271</b>
<b>*Adjustment of Interest on Lease Liability</b>			
Interest Expenses as per IAS-17			(1,035,307)
<b>Excess of interest expenses as per IFRS-16</b>			<b>(1,035,307)</b>
<b>*Adjustment of Profit after Tax</b>			
Rent expenses as per IAS-17			11,397,000
Depreciation Expenses of ROU Assets as per IFRS-16			(10,702,729)
Interest Expenses of ROU Assets as per IFRS-16			(1,035,307)
<b>Excess of (expenses)/income as per IFRS-16</b>			<b>(341,036)</b>

**Impact on the Statement of Cash Flows**  
For the year ended 30 June 2025

Particulars	As Reported	Adjustment (effect on IFRS-16)	Amount without adoption of IFRS-16
Net Cash Generated from Operating Activities	203,197,614	(11,397,000)	191,800,614
Net cash Used to Investing Activities	(1,300,555,244)	10,702,729	(1,289,852,515)
Net cash Used in Financing Activities	955,673,475	694,271	956,367,746
<b>Net Increase/(Decrease) Cash and Cash Equivalents</b>	<b>(141,684,155)</b>	<b>-</b>	<b>(141,684,155)</b>
Cash and Cash Equivalents at the beginning of the year	159,416,985	-	159,416,985
Foreign Exchange Gain/(loss)	-	-	-
<b>Cash and Cash Equivalents at the end of the year</b>	<b>17,732,830</b>	<b>-</b>	<b>17,732,830</b>
<b>*Adjustment of Net Cash Generated from Operating Activities</b>			
Rent paid in operating expenses as per IFRS-16			-
Rent paid in operating expenses as per IAS-17			(11,397,000)
<b>Excess payment of rent as per IFRS-16</b>			<b>(11,397,000)</b>
<b>*Adjustment of Net cash Used to Investing Activities</b>			
Depreciation Expenses of ROU Assets as per IFRS-16 (Annexure-B)			10,702,729
Depreciation Expenses of ROU Assets as per IAS-17			-
<b>Excess payment depreciation expenses of ROU Assets as per IFRS-16</b>			<b>10,702,729</b>
<b>*Adjustment of Net cash Generated from Financing Activities</b>			
Interest Expenses of ROU Assets as per IFRS-16			1,035,307
Payment of lease liability as per IFRS-16			(341,036)
<b>*Adjustment lease liability as per IFRS-16</b>			<b>694,271</b>



# Asiatic Laboratories Limited

42-43, siddeshwari circular road, treasure island (5th floor) shantinagar, dhaka-1217

## PROXY FORM

I/We.....  
Of.....  
being a member of Asiatic Laboratories Limited and a holder of.....(Number of  
Shares) Ordinary Shares do hereby appoint Mr./Mrs./Miss.....of  
.....

E-mail Address: ..... Mobile No. ....  
my/our proxy to vote for me/us and on my/our behalf at the 55<sup>th</sup> Annual General Meeting of the Company to be held on  
Wednesday, December 24, 2025 at 11.30 a.m. (Dhaka time) using a "Hybrid System" in combination with the Digital Platform  
through the link <https://asiaticlab2025.hybridagmbd.net> and physical presence at EON Convention Center, 304, Bir Uttam Mir  
Shawkat Sarak, Tejgaon I/A, Dhaka-1208 (Besides of Channel I Head Office and Impulse Hospital) and any adjournment  
thereof or at any poll that may be taken in consequences thereof.

Signed this :..... day of ..... 2025.

Signature of Proxy :..... Signature of Shareholder : .....

BO ID No.

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Revenue  
Stamp Tk. 100/-

Number of Shares: .....

Note: The Proxy form, duly completed, must be signed across Revenue Stamp of Tk. 100/- and it should be deposited to the  
registered office of the Company not later than 48 hours before the time of holding of the meeting and Signature of the  
Shareholder should agree with the Specimen Signature registered with the Company.



# Asiatic Laboratories Limited

42-43, siddeshwari circular road, treasure island (5th floor) shantinagar, dhaka-1217

## ATTENDANCE SLIP

I hereby record my attendance at the 55th Annual General Meeting held on Wednesday, December 24, 2025 at 11.30 a.m.  
(Dhaka time) using a "Hybrid System" in combination with the Digital Platform through the link  
<https://asiaticlab2025.hybridagmbd.net> and physical presence at EON Convention Center, 304, Bir Uttam Mir Shawkat Sarak,  
Tejgaon I/A, Dhaka-1208 (Besides of Channel I Head Office and Impulse Hospital).

Name of Shareholder/Proxy: .....

BO ID No.

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Number of Share: .... Dated: ...../...../2025. Signature: .....

Note: AGM Link to attend the meeting will be provided to Proxy's Email Address or Short Message Send (SMS) to the Proxy's  
Cell Number.



**Asiatic Laboratories Ltd.**

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