

RAK Ceramics (Bangladesh) Ltd.

Consolidated financial statements
as at and for the period ended 30 September 2025

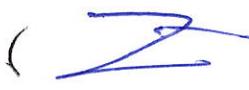
RAK Ceramics (Bangladesh) Ltd.
Consolidated statement of financial position
as at 30 Sep 2025

	Notes	30 Sep 2025	31 Dec 2024
		Taka	Taka
Assets			
Property, plant and equipment	4	3,647,007,486	3,652,438,357
Investment property	5	502,402,427	502,568,410
Right-of-use assets	6	82,232,467	84,763,259
Intangible assets	7	6,250,164	9,908,534
Capital work-in-progress	8	65,300,067	270,280,122
Deferred tax asset	16	71,862,154	15,529,147
Total non-current assets		4,375,054,765	4,535,487,829
Inventories	9	4,027,244,364	3,433,881,493
Trade and other receivables	10	2,550,637,963	2,759,727,260
Advances, deposits and prepayments	11	354,249,614	327,282,842
Cash and cash equivalents	12	363,692,836	424,164,546
Total current assets		7,295,824,777	6,945,056,141
Total assets		11,670,879,542	11,480,543,970
Equity			
Share capital	13	4,279,687,010	4,279,687,010
Share premium	14	1,473,647,979	1,473,647,979
Retained earnings	15	1,004,874,593	1,618,936,861
Equity attributable to equity holders of the company		6,758,209,582	7,372,271,850
Non-controlling interests			1,393
Total equity		6,758,209,582	7,372,273,243
Liabilities			
Borrowings	18	372,841,523	448,674,859
Deferred tax liability	16	-	-
Lease liability	19	49,961,361	56,419,623
Total non-current liabilities		422,802,884	505,094,482
Employees benefits payable	17	91,183,828	-
Borrowings	18	1,625,985,524	1,077,462,673
Lease liability	19	19,309,420	15,400,824
Trade and other payables	20	1,961,140,534	1,732,957,184
Unclaimed dividend payable	21	85,311,044	8,076,342
Accrued expenses	22	273,750,766	331,183,843
Current income tax liabilities	23	433,185,960	438,095,379
Total current liabilities		4,489,867,076	3,603,176,245
Total liabilities		4,912,669,960	4,108,270,727
Total equity and liabilities		11,670,879,542	11,480,543,970

The accompanying notes are an integral part of these financial statements



Abdallah Massaad
Chairman



SAK Ekramuzzaman
Managing Director



Pramod Kumar Chand
Director



Mohammad Samsul Arefin
General Manager - Finance and Accounts



Mohammad Shahidul Islam FCS
Company Secretary

RAK Ceramics (Bangladesh) Ltd.
Consolidated statement of profit or loss and other comprehensive income
For the period ended 30 September 2025

Notes	30 Sep 2025	30 Sep 2024	July to Sep 2025	July to Sep 2024
	Taka	Taka	Taka	Taka
Sales	24	5,164,621,991	4,530,219,352	2,064,082,689
Cost of sales	25	(4,338,888,191)	(3,701,796,739)	(1,704,490,133)
Gross profit/(loss)		825,733,800	828,422,613	359,592,556
Other income	26	1,574,012	120,858	(99,169)
Administrative expenses	27	(273,180,097)	(283,347,595)	(85,547,555)
Impairment loss on trade receivables	27.1	(25,416,473)	(8,239,038)	(79,974)
Marketing and selling expenses	28	(436,691,113)	(451,615,350)	(153,285,525)
		(733,713,671)	(743,081,125)	(239,727,223)
Profit/(loss) from operating activities		92,020,129	85,341,488	119,865,333
Finance income	29	9,973,885	9,311,443	2,535,305
Finance expenses	30	(201,496,383)	(140,855,457)	(70,685,134)
Net finance income		(191,522,498)	(131,544,014)	(68,149,829)
Profit/(loss) before contribution to workers' profit participation and welfare fund		(99,502,369)	(46,202,526)	51,715,504
Contribution to workers' profit participation and welfare fund	31	(323,807)	(277,472)	(134,010)
Profit/(loss) before income tax		(99,826,176)	(46,479,998)	51,581,494
Income tax expense				
Current tax	32	(142,601,791)	(117,141,819)	(45,502,125)
Deferred tax	16	56,333,007	52,698,426	18,208,752
		(86,268,784)	(64,443,393)	(27,293,373)
Profit/(loss) after tax for the period		(186,094,960)	(110,923,391)	24,288,121
Other comprehensive income				
Total comprehensive income for the period		(186,094,960)	(110,923,391)	(147,670,050)
Profit/(loss) attributable to:				
Equity holders of the company		(186,094,960)	(110,923,417)	24,288,121
Non-controlling interests		-	26	-
Profit/(loss) after tax for the period		(186,094,960)	(110,923,391)	24,288,121
Basic earnings per share (Par value TK 10)	39	(0.43)	(0.26)	0.06
				(0.35)

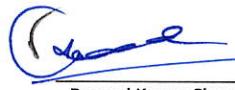
The accompanying notes are an integral part of these financial statements



Abdallah Massaad
Chairman



SAK Ekramuzzaman
Managing Director



Pramod Kumar Chand
Director



Mohammad Samsul Arefin
General Manager - Finance and Accounts



Muhammad Shahidul Islam FCS
Company Secretary

Dated, 29 October 2025

RAK Ceramics (Bangladesh) Ltd.

**Consolidated statement of changes in equity
For the period ended 30 September 2025**

Attributable to owners of the Company

	Share capital Taka (Note - 13)	Share Premium Taka (Note - 14)	Retained earnings Taka (Note - 15)	Total Taka	Total Taka	Non- controlling interests Taka	Total equity Taka
Balance as at 01 January 2024	-	-	-	(110,923,417)	(110,923,417)	26	(110,923,391)
Total comprehensive income for 2024 Profit/(loss) for the period				(427,968,701)	(427,968,701)	-	(427,968,701)
Transactions with the shareholders:							
Cash dividend (2023)				1,535,344,547	7,288,679,536	1,403	7,288,680,939
Balance as at 30 September 2024	4,279,687,010	1,473,647,979					
Balance as at 01 January 2025	4,279,687,010	1,473,647,979	1,618,936,861	7,372,271,850	1,393	7,372,273,243	
Total comprehensive income for 2025 Profit/(loss) for the period				(186,094,960)	(186,094,960)	-	(186,094,960)
Prior year adjustment				-	1,393	(1,393)	-
Transactions with the shareholders:							
Cash dividend (2024)				(427,968,701)	(427,968,701)	-	(427,968,701)
Balance as at 30 September 2025	4,279,687,010	1,473,647,979	1,004,874,593	6,758,209,582			6,758,209,582

The accompanying notes are an integral part of these financial statements

RAK Ceramics (Bangladesh) Ltd.
Consolidated statement of cash flows
For the period ended 30 September 2025

	<u>30 Sep 2025</u>	<u>30 Sep 2024</u>
	Taka	Taka
Cash flows from operating activities		
Cash receipts from customers	5,374,003,374	4,654,125,011
Cash payments to suppliers and employees	(5,082,783,292)	(4,636,456,549)
Cash generated from operating activities	<u>291,220,082</u>	<u>17,668,462</u>
Interest received from bank deposits	3,231,670	4,136,273
Income tax paid (note - 23)	(147,511,210)	(181,280,969)
Net cash (used in)/from operating activities (note-42)	<u>146,940,542</u>	<u>(159,476,234)</u>
Cash flows from investing activities		
Acquisition of property, plant and equipment	(168,182,137)	(359,629,086)
Sale of property, plant and equipment (note-5.3)	5,379,500	205,805
Interest received from FDR	6,450,129	4,691,521
Intangible assets	(1,670,768)	(13,749,436)
Net cash (used in)/from investing activities	<u>(158,023,276)</u>	<u>(368,481,196)</u>
Cash flows from financing activities		
Finance charges	(159,693,053)	(84,048,760)
Avail/(repayment) of term loan	(60,283,882)	211,268,836
Avail/(repayment) of short-term loan	532,973,398	502,385,937
Payment of lease liability	(11,869,742)	(13,639,046)
Dividend paid	(350,734,000)	(351,905,279)
Net cash (used in)/from financing activities	<u>(49,607,279)</u>	<u>264,061,688</u>
Effect of exchange rate changes in cash and cash equivalents	218,303	157,770
Net increase/(decrease) in cash and cash equivalents	<u>(60,471,710)</u>	<u>(263,737,972)</u>
Cash and cash equivalents as at 01 January	<u>424,164,546</u>	<u>841,999,337</u>
Cash and cash equivalents as at 30 September (Note 12)	<u>363,692,836</u>	<u>578,261,365</u>

The accompanying notes are an integral part of these financial statements

RAK Ceramics (Bangladesh) Ltd.

Notes to the consolidated financial statements as at and for the period ended 30 September 2025

1. Reporting entity

RAK Ceramics (Bangladesh) Ltd. (the Company), formerly RAK Ceramics (Bangladesh) Pvt. Limited, a UAE-Bangladesh joint venture company, was incorporated in Bangladesh on 26 November 1998 as a private company limited by shares under the Companies Act 1994. The Company was later converted from a private limited into a public limited on 10 June 2008 after observance of required formalities as per laws. The name of the Company was thereafter changed to RAK Ceramics (Bangladesh) Limited as per certificate issued by the Registrar of Joint Stock Companies dated 11 February 2009. The address of the Company's registered office is RAK Tower, Plot # 1/A, Jasimuddin Avenue, Sector # 3, Uttara, Dhaka 1230. The company got listed with Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) on 13 June 2010.

1.1 Nature of business

The Company is engaged in manufacturing and marketing of ceramics tiles, wash room sets and all types of sanitary ware. It has started its commercial production on 12 November 2000. The commercial production of its new sanitary ware plant, expansion unit of ceramics facilities, tiles and sanitary plant was started on 10 January 2004, 1 July 2004, 1 September 2007, 1 April 2015 and 17 May 2016 respectively.

1.2 Description of subsidiaries

RAK Power Pvt. Ltd.

RAK Power Pvt. Limited has been incorporated in Bangladesh under the Companies Act 1994 on 30 June 2005 as a private company limited by shares with an authorized capital of Taka 1,000,000,000 divided into 10,000,000 ordinary shares of Taka 100 each. The paid up capital stands at Taka 205,000,000 at the end of reporting period. The Company has gone into operation from 1 May 2009. The registered office of the Company is at RAK Tower (8th floor), Jashimuddin Avenue, Plot # 1/A, Sector # 03, Uttara Model Town, Dhaka - 1230. The Power Plant is located at Village : Dhanua, P.S: Sreepur, District: Gazipur. 57% shares of RAK Power Pvt. Limited is held by RAK Ceramics (Bangladesh) Limited.

The Board of Directors of RAK Ceramics (Bangladesh) Limited in its meeting held on July 26, 2015 have decided to further increase the shareholding in RAK Power Pvt. Limited from 57% to 99.99% through purchase of 881,495 number of ordinary shares of BDT 100 each in consideration of BDT 255 per share totaling to BDT 224,781,225 only from all the other shareholders of RAK Power Pvt. Limited subject to approval by the shareholders and concerned authorities for the interest of the business of the Company. The shareholders of RAK Ceramics (Bangladesh) Limited have approved the same in the EGM dated September 20, 2015. The effect of acquisition has been taken place as approved in Board of Directors meeting of RAK Power (Pvt.) Ltd. on 20 October 2015

RAK Security and Services (Pvt.) Ltd.

RAK Security and Services (Pvt.) Limited has been incorporated in Bangladesh under the Companies Act 1994 on 21 December 2006 as a private company limited by shares with an authorized capital of Taka 100,000,000 divided into 1,000,000 ordinary shares of Taka 100 each. The paid up capital stands at Taka 1,000,000 at the end of reporting period. The Company has gone into operation from 1 May 2007. The registered office of the Company is at RAK Tower (8th floor), Plot # 1/A, Jasimuddin Avenue, Sector # 03, Uttara Model Town, Dhaka-1230. 35% shares of RAK Security and Services (Pvt.) Ltd. is held by RAK Ceramics (Bangladesh) Limited.

The Board of Directors of RAK Ceramics (Bangladesh) Limited in its meeting held on July 26, 2015 have decided to further increase the shareholding in RAK Security & Services (Pvt.) Limited from 35% to 99.00% through purchase of 6,500 number of ordinary shares of BDT 100 each in consideration of BDT 2,875 per share totaling to BDT 18,687,500 only from all the other shareholders of RAK Security & Services (Pvt.) Limited subject to approval by the shareholders and concerned authorities for the interest of the business of the Company. The shareholders of RAK Ceramics (Bangladesh) Limited have approved the same in the EGM dated September 20, 2015. The effect of acquisition has been taken place as approved in Board of Directors meeting of RAK Security and Services (Pvt.) Ltd. on 20 October 2015.

2. Basis of preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and the Securities and Exchange Rules 1987.

The title and format of these financial statements follow the requirements of IFRSs which are to some extent different from the requirement of the Companies Act 1994. However, such differences are not material and in the view of management IFRSs titles and format give better presentation to the shareholders.

Authorisation for issue

These financial statements have been authorised for issue by the Board of Directors of the Company on 29 October 2025.

2.2 Basis of measurement

These financial statements have been prepared on historical cost basis except for inventories which are measured at lower of cost and net realisable value.

2.3 Functional and presentational currency

These financial statements are presented in Bangladesh Taka (Taka/Tk/BDT), which is the functional currency and presentation currency of the Company. The figures of financial statements have been rounded off to the nearest Taka.

2.4 Use of estimates and judgements

The preparation of these financial statements in conformity with IFRS requires management to make judgements, 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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future years affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are stated in the following notes:

Note 4	Property, plant & equipment
Note 5	Investment property
Note 6	Right-of-use assets
Note 16	Deferred tax liability/Assets
Note 17	Employees benefit payable
Note 19	Lease liability
Note 23	Current income tax liabilities
Note 27.1	Impairment on trade receivable

2.5 Reporting period

The financial period of the Company covers one year from 1 January to 31 December each year and is followed consistently. These interim financial statements were prepared for a period from 1 January 2025 to 30 September 2025. The comparative figures cover the period from 1 January 2024 to 30 September 2024/31 Dec 2024 as applicable.

2.6 Going concern

The Company has adequate resources to continue in operation for foreseeable future and hence, the financial statements have been prepared on going concern basis. As per management assessment there are no material uncertainties related to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern.

3 Significant accounting policies

The accounting policies set out below, which comply with IFRSs, have been applied consistently to all years presented in these consolidated financial statements, and have been applied consistently by Group entities.

3.1 Basis of consolidation

These consolidated financial statements comprise the consolidated financial position and the consolidated results of operations of the Company and its subsidiaries (collectively referred to as "the Group") on a line by line basis together with the Group's share in the net assets of its equity-accounted investees.

IFRS-10 "Consolidated Financial Statements" introduces a new control model that focuses on whether the group has power over an investee, exposure or rights to variable returns from its involvement with the investee and ability to use its power to affect those returns. An investor has power over an investee when the investor has existing rights that give it the current ability to direct the relevant activities that significantly affect the investee's returns. Power arises from rights. An investor is exposed, or has rights, to variable returns from its involvement with the investee when the investor's returns from its involvement have the potential to vary as a result of the investee's performance. An investor controls an investee if the investor not only has the power over the investee and exposure or rights to variable returns from its involvement with the investee, but also has the ability to use its power to affect the investor's return from its involvement with the investee.

Subsidiaries

Subsidiaries are enterprises controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are presently exercisable are taken into account. The results of operations and total assets and liabilities of subsidiary companies are included in the consolidated financial statements on a line-by-line basis and the interest of minority shareholders, if any, in the results and net assets of subsidiaries is stated separately. The financial statement of subsidiaries are included in the consolidated financial statements of the Group from the date that control commences until the date that control ceases. Any gains or losses on increase/decrease in non-controlling interest in subsidiaries without a change in control, is recognised as a component of equity.

Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interest and other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.2 Financial assets

a) Trade & other receivables

Trade & other receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition trade & other receivables are measured at amortised cost using the effective interest method, less any impairment provision.

b) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at bank including short notice deposits and fixed deposits having maturity of three months or less that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

3.3 Financial liabilities

a) Trade & other payables

Trade & other payables are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, trade & other payables are measured at amortised cost using the effective interest method.

b) Borrowings

Interest-bearing borrowings include short term bank loan. Interest-bearing borrowings are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method.

3.4 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects. Paid up share capital represents total amount contributed by the shareholders and bonus shares issued by the Company to the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

3.5 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the property, plant and equipment. Maintenance, renewals and betterments that enhance the economic useful life of the property, plant and equipment or that improve the capacity, quality or reduce substantially the operating cost or administration expenses are capitalised by adding it to the related property, plant and equipment. Ongoing repairs and maintenance is expensed as incurred.

An asset is derecognised on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gain or loss 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 and is recognised as gain or loss from disposal of asset under other income in the statement of profit or loss and other comprehensive income.

3.5.1 Depreciation on property, plant and equipment

Items of property, plant and equipment are depreciated on a straight-line basis and charged in profit or loss over the estimated useful lives of each component. Capital-work-in-progress and land are not depreciated. Depreciation on addition to fixed assets is charged when it is available for use and charging of depreciation on property, plant and equipment ceases at the earliest of the date the assets is classified held for sale in accordance with IFRS 5 and the date that assets is derecognised.

Rates of depreciation on various classes of property, plant and equipment are as under:

Category of property, plant and equipment	Rate (%)
Factory building	5-7
Office and accommodation building	5
Plant and machinery	10
Mobile plant	10-20
Electrical installation	10
Gas pipeline	10
Furniture, fixture and equipment	10-34
Office equipment	10-34
Communication equipment	10-34
Tools and appliances	10-34
Vehicles	10
Fire fighting equipment	20

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. Land is not depreciated as it deemed to have an indefinite life.

3.6 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the investment property. Maintenance, renewals and betterments that enhances the economic useful life of the investment property or that improve the capacity, quality or reduce subsequently the operation cost or administration expenses and capitalized by adding it to the related investment property. Ongoing repairs and maintenance is expensed as incurred.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in statement of profit or loss and other comprehensive income the period in which the property is derecognised.

3.6.1 Depreciation on investment property

Depreciation is charged on the basis of straight line method. Depreciation continues to be charged on each item of investment property until written value of such fixed asset is reduced to Taka one. Depreciation on addition to fixed assets is charged when it is available for use and charging of depreciation on property, plant, equipment & investment property ceases at the earliest of the date the assets is classified held for sale in accordance with IFRS 5 and the date that assets is derecognised.

Rates of depreciation on various classes of investment property are as under:

Category of property, plant and equipment	Rate (%)
Building	5
Land is not depreciated as it deemed to have an infinite life.	

3.7 Capital work-in-progress

Capital work in progress is stated at cost less impairment, if any, until the construction is completed. Upon completion of construction, the cost of such assets together with the cost directly attributable to construction, including capitalised borrowing costs are transferred to the respective class of asset. No depreciation is charged on capital work in progress.

3.8 Intangible assets

Intangible assets that are acquired by the Group (such as designs and trade marks for manufacture of ceramic tiles and sanitary ware) have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses, if any.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Intangible assets are amortised on a straight-line basis in profit or loss over their estimated useful lives of 2 to 3 years from the date that they are available for use.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. No internal developed intangible assets capitalized during the year.

3.9 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average cost principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Materials in transit are valued at cost.

Net realisable value (NRV) is the estimated selling price in the ordinary course of business, less estimated cost of completion and any estimated costs necessary to make the sale.

3.10 Impairment

Non-derivative financial assets

Non derivative financial assets are assessed at each reporting date to determine the loss allowance for lifetime expected credit losses, if the credit risk on that financial instrument has increased significantly since initial recognition. When there is no significant increase in credit risk on the financial instruments since initial recognition, the expected credit losses for next 12 months is measured as loss allowance on that financial instrument.

Non-financial assets

The carrying amount of the 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 assets' recoverable amounts are estimated. For intangible assets that have indefinite lives, recoverable amount is estimated at each reporting date. An impairment loss is recognised if the carrying amount of an asset or its cash generating unit (CGU) exceeds its estimated recoverable amount.

Calculation of recoverable amount

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and risk specific to the asset. For an asset that does not generate significantly independent cash inflows, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

Recognition of impairment

Impairment losses are recognised in profit or loss. Impairment losses in respect of CGUs are allocated first to reduced the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amount of other assets in the CGU on a pro-rata basis.

Reversal of impairment

An impairment loss in respect of goodwill is not reversed. For other assets, 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 or amortisation, if no impairment loss had been recognised.

3.11 Employee benefit schemes

The Group maintains both defined contribution plan and defined benefit plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds.

Defined contribution plan (Provident fund)

Defined contribution plan is a post employment benefit plan under which the Group provides benefits to one or more employees. The recognised Employees Provident Fund is considered as defined contribution plan as it meets the recognition criteria specified for this purpose. All permanent employees contribute 10 percent of their basic salary to the provident fund and the Group also makes equal contribution to the fund. These are administered by the Board of Trustees. The contributions are invested separately from the Group's assets.

Contribution to defined contribution plan is recognised as an expense when an employee has rendered services to the Group. The legal and constructive obligation is limited to the amount it agrees to contribute to the fund.

Defined benefit plan (Gratuity)

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior years.

Permanent employees are entitled to gratuity on the basis of his latest basic salary for a completed year of service or for service for a period of more than six months, salary of minimum 30 days, or salary of 45 days for a continuous service for more than ten years, it shall be in addition to any payment of compensation or payment of any wage or allowance in lieu of notice due to termination of services of a worker on different grounds. The expected cost of this benefit is included in respective annual statement of profit or loss and other comprehensive income over the year of employment.

3.12 Workers' Profit Participation Fund and Welfare Fund (WPPF)

The Company provides 5% of its net profit before tax after charging such expense as WPPF in accordance with "The Bangladesh Labour Act 2006 amended in 2018".

3.13 Provisions

Provisions are recognised on the reporting date if, as a result of past events, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

3.14 IFRS 9 Financial Instruments

IFRS 9 *Financial Instruments* sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items including a new expected credit loss model for calculating impairment of financial assets, and new general hedge accounting requirements.

i. Classification – financial assets

IFRS 9 contains a classification and measurement approach for financial assets that reflects the business model in which assets are managed and their cash flow characteristics. IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL).

ii. Impairment

IFRS 9 introduces a forward-looking 'expected credit loss' (ECL) model. This will require considerable judgement about how changes in economic factors affect ECLs, which will be determined on a probability-weighted basis. The new impairment model will apply to financial assets measured at amortised cost or FVOCI, except for investments in equity instruments, and to contract assets.

Under IFRS 9, loss allowances will be measured on either of the following bases:

- 12-months ECLs: these are ECLs which result from possible default events within the 12 months after the reporting date; and
- 12-Lifetime ECLs: these are ECLs which result from all possible default events over the expected life of a financial instrument.

Lifetime ECL measurement applies if the credit risk of a financial asset at the reporting date has increased significantly since initial recognition and 12-month ECL measurement applies if it has not. An entity may determine that a financial asset's credit risk has not increased significantly if the asset has low credit risk at the reporting date. However, lifetime ECL measurement always applies for trade receivables and contract assets without a significant financing component; the group has a choice to also apply this policy for trade receivables and contract assets with a significant financing component.

The estimated ECL will be calculated based on actual credit loss experience. The group will perform the calculation of ECL rates separately for different types of customers including related parties.

Actual credit losses will be adjusted to reflect differences between economic conditions during the period over which the historical data will be collected, prevalent conditions and the Group's view of economic conditions over the expected lives of the receivables and related party balances.

iii. Hedging

IFRS 9 incorporates hedge accounting rules which intend to align hedge accounting with a group's risk management objectives and strategy and to apply a more qualitative and forward looking approach to assessing hedge effectiveness.

Impact of IFRS 9 shown in note no. 35.1 (b).

3.15 IFRS 15 Revenue from Contracts with Customers

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized.

i. Sales of goods

Under IFRS 15, revenue will be recognised when a customer obtains control of the goods.

Revenue will be recognised for the contracts to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognised will not occur. As a consequence, for those contracts for which the group is unable to make a reasonable estimate of return, revenue is expected to be recognised sooner than when the return period lapses or a reasonable estimate can be made.

Based on the group's assessment, the timing of revenue recognition from sale of goods are broadly similar. Therefore, the group does not expect the application of IFRS 15 to result in significant differences in the timing of revenue recognition for these sales.

ii. Rendering of services

Under IFRS 15, the total consideration in the service contracts will be allocated to all services based on their stand-alone selling prices. The stand-alone selling prices will be determined based on the list prices at which the group sells the services in separate transactions.

Based on the group's assessment, the fair value and the stand-alone selling prices of the services are broadly similar. Therefore, the group does not expect the application of IFRS 15 to result in significant differences in the timing of revenue recognition for these services.

iii. Construction contracts

Contract revenue currently includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they will result in revenue and can be measured reliably. When a claim or variation is recognised, the measure of contract progress or contract price is revised and the cumulative contract position is reassessed at each reporting date.

3.16 IFRS 16 Leases

Under this IFRS 16, leases will be brought onto companies' balance sheets, increasing the visibility of their assets and liabilities. It further removes the classification of leases as either operating leases or finance leases treating all leases as finance leases from the perspective of the lessee, thereby eliminating the requirement for a lease classification test. The IFRS 16 guidance has an increased focus on who controls the asset and may change which contracts are leases.

General impact of application of IFRS 16 Leases

IFRS 16 introduces requirements with respect to lease accounting. It introduces significant changes to the lessee accounting by removing the distinction between operating and finance leases and requiring the recognition of a right-of-use asset and a lease liability at the lease commencement for all leases, except for short-term leases and leases of low value assets. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged. Details of these requirements are described in Notes to the financial statements. The impact of the adoption of IFRS 16 on the Group's financial statements is described below.

The group has applied IFRS 16 using the modified retrospective approach, without restatement of the comparative information

Impact of the new definition of a lease

The change in definition of a lease mainly relates to the concept of control. IFRS 16 determines whether a contract contains a lease on the basis of whether the customer has the right to control the use of an identified asset for a period of time in exchange for consideration.

The group applies the definition of a lease and related guidance set out in IFRS 16 to all lease contracts.

Impact on Lessee Accounting

Former operating leases

IFRS 16 changes how the group accounts for leases previously classified as operating leases under IAS 17, which were off-balance-sheet.

Applying IFRS 16, for all leases (except as noted below), the Group:

Recognizes right-of-use assets and lease liabilities in the statement of financial position, initially measured at the present value of future lease payments;

Recognizes depreciation of right-of-use assets and interest on lease liabilities in the statement of profit or loss; and separates the total amount of cash paid presented within financing activities in the statement of cash flows.

Under IFRS 16, right-of-use assets are tested for impairment in accordance with IAS 36 *Impairment of Assets*. This replaces the previous requirement to recognize a provision for onerous lease contracts.

For short-term leases (lease term of 12 months or less) and leases of low-value assets (such as personal computers and office furniture), the group has opted to recognize a lease expense on a straight-line basis as permitted by IFRS 16. This expense is presented within rent expenses in the statement of profit or loss.

Former finance leases

The main difference between IFRS 16 and IAS 17 with respect to assets formerly held under a finance lease is the measurement of residual value guarantees provided by a lessee to a lessor. IFRS 16 requires that the group recognizes as part of its lease liability only the amount expected to be payable under a residual value guarantee, rather than the maximum amount guaranteed as required by IAS 17. This change did not have a material effect on the group's financial statements.

Impact on Lessor Accounting

IFRS 16 does not change substantially how a lessor accounts for leases. Under IFRS 16, a lessor continues to classify leases as either finance leases or operating leases and account for those two types of leases differently. However, IFRS 16 has changed and expanded the disclosures requirements, in particular regarding how a lessor manages the risks arising from its residual interest in the leased assets.

3.17 IFRS S1 and S2 Sustainability & Climate related

Formulating a prospective plan that is rooted on sustainability and climate is a demanding, yet essential undertaking. Within this framework, our group's strategy delineates its intended market position and primary competitive advantages in terms of both product offering and resource utilization.

3.18 Finance income and expenses

Finance income comprises interest income on fixed deposits and Short Notice Deposit (SND). Interest income is recognized in profit or loss as it accrues, using the effective interest rate method.

Finance costs comprises interest expense on overdraft, LTR, term loan, short term borrowings and finance lease. All finance expenses are recognised in the statement of comprehensive income.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Foreign currency gains and losses on financial assets and financial liabilities are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

3.19 Foreign currency

Transactions in foreign currencies are translated to Taka at the foreign exchange rates prevailing on the date of transaction. All monetary assets and liabilities denominated in foreign currencies at reporting date are translated to Taka at the rates of exchange prevailing on that date. Resulting exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in the statement of profit or loss and other comprehensive income as per International Accounting Standard IAS-21 "The Effects of Changes in Foreign Exchange Rates".

3.20 Taxation

Income tax expenses represents current tax and deferred tax. Income tax expense is recognised in the statement of profit or loss and other comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax:

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous year. Provisions for corporate income tax is made following the rate applicable for companies as per Finance Act 2025.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax:

Deferred tax has been recognised in accordance with International Accounting Standard IAS-12. Deferred tax is provided using the liability method for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amount used for taxation purpose. Deferred tax is determined at the effective income tax rate prevailing at the reporting date.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.21 Earning per share

The Company presents basic and diluted (when dilution is applicable) earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company with the weighted average number of ordinary shares outstanding during the year, adjusted for the effect of change in number of shares for bonus issue. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for these financial statements as there was no dilutive potential ordinary shares during the relevant years.

3.22 Determination and presentation of operating segment

Details of product-wise segment reporting as required by IFRS-8 operating segments is followed.

3.23 Contingencies

Contingent liability

Contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent liability should not be recognised in the financial statements, but may require disclosure. A provision should be recognised in the year in which the recognition criteria of provision have been met.

Contingent asset

Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A contingent asset must not be recognised. Only when the realisation of the related economic benefits is virtually certain should recognition take place provided that it can be measured reliably because, at that point, the asset is no longer contingent.

3.24 Statement of cash flows

Statement of cash flows is prepared under direct method in accordance with International Accounting Standard IAS-7 "Statement of cash flows" as required by the Securities and Exchange Rules 1987.

3.25 Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the reporting date are reflected in the financial statements. Material events after the reporting period that are not adjusting events are disclosed by way of note.

3.26 Comparatives and reclassification

Comparative information have been disclosed in respect of 2024 for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period's financial statements.

To facilitate comparison, certain relevant balances pertaining to the previous period have been rearranged/reclassified whenever considered necessary to confirm to current period's presentation.

4 Property, plant and equipment

30 Sep 2025

Particulars	C O S T			D E P R E C I A T I O N			Net book value as at 30 Sep 2025		
	Balance as at 01 Jan 2025	Addition during the period	Sale/disposal transfer during the period	Balance as at 30 Sep 2025	Rate (%)	Balance as at 01 Jan 2025	Charged during the period	Adjustment during the period	Balance as at 30 Sep 2025
Land	1,249,421,336	-	1,249,421,336	678,935,802	5.7	35,145,309	-	-	714,081,111
Factory building	1,136,388,301	38,679,548	613,181,730	5	253,301,979	25,028,815	-	-	318,330,795
Office and accommodation building	598,487,167	14,694,563	-	6,411,023,077	10	5,007,310,085	278,862,249	(369,506,127)	4,916,666,206
Plant and machinery	6,574,974,245	259,137,564	(373,088,732)	159,554,608	10-20	111,377,467	8,646,936	(4,835,684)	115,185,719
Mobile plant	138,679,618	242,830,147	(4,879,012)	251,628,288	10	234,314,100	4,873,153	-	239,187,253
Electrical installation	11,798,141	12,648,368	-	98,703,372	10	76,252,317	3,490,351	-	79,742,668
Gas pipeline	86,055,003	52,298,909	(1,553,843)	57,608,566	10-34	42,675,216	3,235,501	(1,553,292)	8,251,121
Furniture and fixtures	1,863,480	1,863,480	(4,753,825)	66,609,882	10-34	56,685,764	5,186,535	(4,716,219)	9,450,803
Office equipment	66,050,659	5,313,048	(3,267,025)	16,572,650	10-34	17,030,737	1,508,769	(3,206,042)	15,333,462
Communication equipment	19,417,128	422,587	-	26,522,201	10-34	16,508,154	3,095,128	-	19,607,282
Tools and appliances	23,993,385	2,558,816	-	130,335,850	10	81,871,357	5,710,830	(14,206)	87,567,981
Vehicles	130,108,437	322,075	(94,622)	130,335,850	10	81,871,357	5,710,830	(14,206)	87,567,981
Fire fighting equipment	3,631,012	-	-	3,631,012	20	3,631,012	-	-	3,631,012
Total	10,272,335,347	373,162,151	(387,637,058)	10,257,850,480		6,619,896,990	374,787,574	(383,331,570)	6,610,852,994
									3,647,007,486

31 Dec 2024

Particulars	C O S T			D E P R E C I A T I O N			Net book value as at 31 Dec 2024		
	Balance as at 01 Jan 2024	Addition during the year	Sale/disposal/transfer during the year	Balance as at 31 Dec 2024	Rate (%)	Balance as at 01 Jan 2024	Charged during the year	Adjustment during the year	Balance as at 31 Dec 2024
Land*	3,656,000	-	1,249,421,336	633,618,169	5.7	45,317,633	-	-	1,249,421,336
Factory building	1,060,536,702	75,851,599	-	1,136,388,301	5-7	262,408,606	30,893,373	-	457,452,499
Office and accommodation building	547,535,896	50,951,271	-	596,057,759	5	4,632,014,362	375,295,723	-	293,011,979
Plant and machinery	6,128,916,486	396,057,759	-	6,524,974,245	10-20	10,172,149	(1,701,801)	5,007,310,085	1,517,664,160
Mobile plant	1,606,278	(1,838,841)	138,679,618	-	10,207,119	-	-	111,377,467	27,302,151
Electrical installation	138,912,181	-	-	242,830,147	10	228,029,443	6,284,657	-	234,314,100
Gas pipeline	242,630,147	400,000	-	86,055,003	10	72,192,068	4,060,249	-	76,252,317
Furniture and fixtures	81,794,702	4,260,301	(68,961)	52,298,909	10-34	37,566,353	5,176,728	(67,865)	42,675,216
Office equipment	49,888,956	2,478,914	(370,330)	66,050,659	10-34	48,444,736	8,590,649	(346,621)	56,688,764
Tools and appliances	61,436,306	4,984,683	(40,313)	552,056	10	14,015,165	3,055,885	(40,313)	17,030,137
Vehicles	18,905,385	776,125	(586,600)	130,108,437	10	12,465,584	4,038,570	16,508,154	7,485,231
Fire fighting equipment	126,957,651	3,737,386	-	130,108,437	20	73,743,920	8,625,994	(498,557)	81,871,357
Total	9,730,128,020	545,112,372	(2,905,045)	10,272,335,347		6,121,640,537	501,511,610	(2,655,157)	6,619,896,990
									3,652,438,357

5 Investment Property

30 Sep 2025

Particulars	COST			DEPRECIATION			Net book value as at 30 Sep 2025	
	Balance as at 01 Jan 2025	Addition during the period	Sale/Transfer during the period	Balance as at 30 Sep 2025	Rate	Charged as at 01 Jan 2025	Adjustment during the period	
Land ¹	500,571,750	-	-	500,571,750	5%	2,436,077	-	500,571,750
Office building ²	4,432,737	-	-	4,432,737	5%	165,983	-	4,266,754
Total	505,004,487	-	-	505,004,487	5%	2,436,077	165,983	502,402,427

31 Dec 2024

Particulars	COST			DEPRECIATION			Net book value as at 31 Dec 2024	
	Balance as at 01 Jan 2024	Addition during the year	Sale/Transfer during the year	Balance as at 31 Dec 2024	Rate	Charged as at 01 Jan 2024	Adjustment during the year	
Land ¹	500,571,750	-	-	500,571,750	5%	-	-	500,571,750
Office building ²	4,432,737	-	-	4,432,737	5%	2,214,159	221,918	1,996,660
Total	505,004,487	-	-	505,004,487	5%	2,214,159	221,918	2,436,077
								502,568,410

1 The land 10 khata is situated besides the RAK Tower was acquired in 2012 and presently the asset is under investment property as per IAS 40 considering undetermined future use.

The said property are stated at cost as per IAS 16 due to alternate reliable sources of measurement being unavailable.

2 A godown building is situated at above land and presently the asset is under investment property as per IAS 40 considering undetermined future use.

The said property is stated at cost as per IAS 16 due to alternate reliable sources of measurement being unavailable.

	30 Sep 2025	30 Sep 2024
	Taka	Taka
5.1 Depreciation		
Property, plant and equipment (Note 4)	374,787,574	371,753,496
Investment Property (Note 5)	165,983	166,136
	374,953,557	371,919,632
5.2 Allocation of Depreciation		
Cost of sales (Note 25)	341,171,693	338,701,668
Administrative expenses (Note 5.2.1)	23,815,902	27,212,104
Marketing & selling expenses (Note 28)	9,965,962	6,005,860
	374,953,557	371,919,632
5.2.1 Administrative Depreciation		
Depreciation on property, plant & equipment (Note 27)	23,649,919	27,045,968
Depreciation on investment property (Note 27)	165,983	166,136
	23,815,902	27,212,104

5.3 Disposal of property, plant and equipment

30 Sep 2025

Particulars	Original cost	Accumulated depreciation	Book value	Receipt against sales/insurance	Profit/(loss) on disposal
	Taka	Taka	Taka	Taka	Taka
Mobile plant	4,879,012	4,835,684	43,328	791,500	748,172
Plant and machinery	373,088,732	369,506,127	3,582,605	4,500,000	917,395
Office equipment	4,753,825	4,716,219	37,606	-	(37,606)
Furniture & fixtures	1,553,843	1,553,292	551	-	(551)
Vehicles	94,622	14,206	80,416	88,000	7,584
Communication equipment	3,267,025	3,206,042	60,982	-	(60,982)
Total	387,637,058	383,831,570	3,805,488	5,379,500	1,574,012

30 Sep 2024

Particulars	Original cost	Accumulated depreciation	Book value	Receipt against sales/insurance	Profit/(loss) on disposal
	Taka	Taka	Taka	Taka	Taka
Mobile plant	1,838,841	1,701,801	137,040	-	(137,040)
Office equipment	74,230	50,521	23,709	-	(23,709)
Furniture & fixture	68,961	67,865	1,096	47,583	46,487
Vehicles	264,600	176,557	88,043	158,222	70,178
Total	2,246,632	1,996,745	249,887	205,805	(44,084)

6 Right-of-use assets

30 Sep 2025

Particulars	COST			DEPRECIATION			Amount in Taka	
	Balance as at 01 Jan 2025	Addition during the period	Sale/ disposal during the period	Balance as at 30 Sep 2025	Balance as at 01 Jan 2025	Charged during the period	Adjustment during the period	Balance as at 30 Sep 2025
Display center	89,768,706	14,722,889	(11,271,397)	93,220,198	31,968,420	13,200,420	(11,271,397)	33,897,443
Accommodation building	2,351,946	905,250	(760,644)	2,496,552	836,328	749,381	(760,644)	825,565
Warehouse	28,687,412	944,546	-	29,631,958	8,128,100	4,379,696	-	12,507,796
Office Building	6,517,391	221,143	-	6,738,534	1,629,348	934,622	-	2,623,970
Total	127,325,455	16,793,827	(12,032,041)	132,087,241	42,562,196	19,324,619	(12,032,041)	49,854,774
								82,232,467

31 Dec 2024

Particulars	COST			DEPRECIATION			Amount in Taka	
	Balance as at 01 Jan 2024	Addition during the year	Sale/ disposal during the year	Balance as at 31 Dec 2024	Balance as at 01 Jan 2024	Charged during the year	Adjustment during the year	Balance as at 31 Dec 2024
Display center	65,545,374	31,159,038	(6,935,706)	89,766,706	25,668,522	13,235,604	(6,935,706)	31,968,420
Accommodation building	1,564,105	1,592,894	(805,053)	2,351,946	761,925	879,456	(805,053)	57,800,286
Warehouse	30,567,554	-	(1,880,142)	28,687,412	2,612,579	5,737,482	(221,961)	8,128,100
Office Building	6,517,391	-	-	6,517,391	325,870	1,303,478	-	1,629,348
Total	104,194,424	32,751,932	(9,620,901)	127,325,455	29,368,896	21,156,020	(7,962,720)	42,562,196
								84,763,259

6.1 Allocation of depreciation

	30 Sep 2025	30 Sep 2024
Administrative expenses (Note 28)	1,744,503	1,612,850
Marketing & Selling expenses (Note 29)	17,580,116	13,636,492
Total	19,324,619	15,249,342

6.2 Gain/(loss) on retirement of right-of-use assets

30 Sep 2025

Particulars	Lease liability	Right-of-use assets	Gain/(loss)
Warehouse	-	1,658,181	120,858
Total	1,779,039	1,658,181	120,858

30 Sep 2024

Particulars	Lease liability	Right-of-use assets	Gain/(loss)
Warehouse	-	1,658,181	120,858
Total	1,779,039	1,658,181	120,858

1. Company rented four display centers situated in Dhaka, Chattogram, Sylhet and Mymensingh.
2. Accommodation building was rented for the use of transit employees.
3. Warehouse was rented to store finished goods.

7 Intangible assets

30 Sep 2025

Particulars	COST			AMORTIZATION			Amount in Taka Net book value as at 30 Sep 2025
	Balance as at 01 Jan 2025	Addition during the period	Sale/disposal during the period	Balance as at 30 Sep 2025	Amortized during the period	Adjustment during the period	
License	44,150,049	988,268	(6,356,465)	38,781,852	35,408,486	4,838,873	(6,388,371)
Computer Software	13,361,680	682,500	-	14,044,180	12,194,709	490,285	31,906
Total	57,511,729	1,670,768	(6,356,465)	52,826,032	47,603,195	5,329,138	(6,356,465)

31 Dec 2024

Particulars	COST			AMORTIZATION			Amount in Taka Net book value as at 31 Dec 2024
	Balance as at 01 Jan 2024	Addition during the year	Sale/disposal during the year	Balance as at 31 Dec 2024	Amortized during the year	Adjustment during the year	
License	31,037,913	13,112,136	-	44,150,049	27,602,739	7,805,747	35,408,486
Computer Software	12,514,380	847,300	-	13,361,680	11,830,602	364,107	12,194,709
Total	43,552,293	13,959,436	-	57,511,729	39,433,341	8,169,854	47,603,195

	<u>30 Sep 2025</u> <u>Taka</u>	<u>31 Dec 2024</u> <u>Taka</u>
8 Capital Work-in-Progress		
Balance as at 1 January	270,280,122	355,450,242
Add: Addition during the period (note 8.1)	<u>120,480,653</u>	<u>407,114,026</u>
	390,760,775	762,564,267
Less: Transfer to property, plant & equipment during the period (note 8.2)	325,460,708	492,284,146
Balance as at 30 Sep	<u>65,300,067</u>	<u>270,280,122</u>
8.1 Addition during the period		
Building	47,480,231	57,436,303
Plant & machinery	67,949,037	330,502,547
Others	5,051,385	19,175,176
	<u>120,480,653</u>	<u>407,114,026</u>
8.2 Items transferred from capital work in progress to property, plant & equipment		
Office building	2,422,718	47,574,413
Electrical installation	11,768,486	-
Factory Building	38,480,215	73,368,203
Plant & machinery	261,033,380	371,169,587
Tools and appliances	-	140,274
Gas pipe line	9,665,973	-
Others	2,089,935	31,670
	<u>325,460,708</u>	<u>492,284,146</u>
9 Inventories		
Raw materials	1,122,575,352	1,048,787,830
Less : Provision for slow moving & obsolete inventories	<u>102,591,118</u>	<u>41,734,296</u>
	1,019,984,234	1,007,053,534
Stores and consumables spares and packing	1,080,374,147	1,060,409,506
Less: Write off for stores and spares	15,672,978	10,715,325
Less: Provision for slow moving & obsolete inventories (Packing)	770,100	625,854
	1,063,931,068	1,049,068,327
Finished goods (net of net realizable value adjustment) *	1,519,551,373	1,024,820,406
Less : Provision for slow moving & obsolete inventories	34,811,469	26,671,277
	1,484,739,906	998,149,129
Work-in-process	184,672,385	182,145,428
Goods-in-transit	273,916,771	197,465,075
	<u>4,027,244,364</u>	<u>3,433,881,493</u>

*Finished goods exclude provision of net realizable value BDT. 15,015,549.

	<u>30 Sep 2025</u>	<u>31 Dec 2024</u>
	<u>Taka</u>	<u>Taka</u>
10 Trade and other receivables		
Trade receivables (Note 10.1)	2,549,552,208	2,758,904,924
	<u>2,549,552,208</u>	<u>2,758,904,924</u>
Accrued interest (Note 10.2)	1,085,755	793,669
Other receivable	-	28,667
	<u>2,550,637,963</u>	<u>2,759,727,260</u>
10.1 Trade receivables		
Receivables from local sales	2,579,627,270	2,746,646,498
Receivables from export sales	14,513,460	31,430,475
	<u>2,594,140,730</u>	<u>2,778,076,973</u>
Less: Provision of impairment loss on trade receivable:		
Unrelated parties	31,446,325	10,928,124
Related parties	13,142,197	8,243,925
	<u>2,549,552,208</u>	<u>2,758,904,924</u>
10.2 Accrued interest		
Interest accrued on Fixed Deposit Receipt	845,963	793,669
Interest accrued on Special Notice Deposit	239,792	-
	<u>1,085,755</u>	<u>793,669</u>
11 Advance, deposit and prepayments		
Advances:		
Employees	502,128	305,500
Purchase of land and others	3,192,038	4,134,422
Suppliers against materials and services	130,758,901	106,121,769
	<u>134,453,067</u>	<u>110,561,691</u>
Security and other deposits:		
Titas gas	100,531,900	100,041,650
Mymensingh Palli Bidyut Samity-2	1,955,000	1,955,000
VAT and Supplementary duty	2,081,355	2,147,385
Deposited with income tax authority	89,783,545	89,783,545
Deposited with VAT authority	11,804,770	10,280,108
Display center and others	2,838,900	2,826,000
Other deposits	1,553,226	1,494,626
	<u>210,548,696</u>	<u>208,528,314</u>
Prepayments:		
Showroom, warehouse and office rent	-	58,600
Insurance and others	9,247,851	8,134,237
	<u>9,247,851</u>	<u>8,192,837</u>
	<u>354,249,614</u>	<u>327,282,842</u>

	<u>30 Sep 2025</u>	<u>31 Dec 2024</u>
	<u>Taka</u>	<u>Taka</u>
12 Cash and cash equivalents		
Cash in hand	4,216,011	4,277,517
Cash at banks		
Standard Chartered Bank (current account - 01-6162940-01, 01-3767272-01 - BDT)	18,076,240	61,398
BRAC Bank Ltd. (current account - 1530201731248001 - BDT)	9,761,774	80,189,680
Citibank N.A. (current account - G0100001200262018 - BDT)	122,292	130,592
Dutch Bangla Bank Ltd. (current account -117-110-12733,117-110-4311,117.110.23474 BDT)	1,905,810	3,275,522
Standard Chartered Bank (ERQ - 42-6162940-01 - USD)	2,154,464	2,593,768
Standard Chartered Bank (Margin money account)	1,968,575	1,968,575
Midland Bank Ltd. (Margin money account)	22,804,431	4,776,108
United Commercial Bank Ltd. (SND account - 0831301000000164 BDT)	1,667,261	8,772,253
Al Arafah Islami Bank Ltd. (SND account - 0171220002646, 0171220002657 - BDT)	2,081,187	752,779
South East Bank Ltd. (Current account - 11100008546 - BDT)	2,371,731	2,770,037
Standard Chartered Bank (SND account - 02-3767272-01 - BDT)	125,253	126,403
Dutch Bangla Bank Ltd. (SND account - 117-120-589, 117-120-311,117-120.2550 - BDT)	6,948,483	8,155,175
Pubali Bank Ltd. (CD account 4709901003543, 4709901003539 - BDT)	108,019	108,846
Prime Bank Ltd. (SND - 2125316004690 - BDT)	113,695	1,667,155
Janata Bank Ltd. (SND 0100258556318 - BDT)	101,201	100,484
Eastern Bank Ltd. (CD account - 1132040363287, 1041060507936 - BDT)	15,130,884	17,711,823
Dhaka Bank Ltd (SND - 102.150.274- BDT))	118,269,980	119,023,981
Pubali Bank Ltd. (SND account 47091012000483 - BDT)	48,601	48,858
Dhaka Bank Ltd (CD - 204100000019318- BDT))	622,510	180,226
Commercial Bank of Ceylon (SND-2817000777 - BDT.)	51,874	6,258,295
Commercial Bank of Ceylon (ERQ-1806012366 - USD.)	3,426,852	927,803
Meghna Bank Ltd. (SND 1112-13500000004 - BDT)	242,860	239,226
Midland Bank Ltd. (SND 0006-1070000015, 0006-1060000043 - BDT)	29,504,288	35,740,330
Eastern Bank Ltd. (SND account - 1041360507944 - BDT)	63,783	98,105
Eastern Bank Ltd. (Margin Money account)	1,164,090	6,278,069
Commercial Bank of Ceylon (Margin Money account)	1,819,414	7,762,026
South East Bank Ltd. (Margin Money account)	-	793,040
	240,655,552	310,510,557
IPO bank account		
Citibank N.A. (RAK-IPO Central Account - G010001200262022 - BDT)	1,691,343	1,688,046
Citibank N.A. (RAK-IPO-NRB Subscription - G0100001200262042 - USD)	3,919,501	3,919,501
Citibank N.A. (RAK-IPO-NRB Subscription - G0100001200262026 - EURO)	153,606	153,606
Citibank N.A. (RAK-IPO-NRB Subscription - G0100001200262034 - GBP)	126,599	126,599
	5,891,049	5,887,752
Dividend bank account		
BRAC Bank (Current - 1510201731248001 - BDT) - 2010	2,821,596	2,825,286
BRAC Bank (Current - 1513201731248001 - BDT) - 2011	1,085,506	1,089,196
SCB (SND - 02-6162940-02- BDT) - 2012	172,417	173,686
SCB (SND - 02-6162940-03- BDT) - 2013	317,765	319,009
SCB (SND - 02-6162940-05- BDT) - 2015	37,035	38,178
SCB (SND - 02-6162940-06- BDT) - 2016	3,725	4,874
SCB (SND - 02-6162940-09- BDT) - 2019	-	57
SCB (SND - 02-6162940-10- BDT) - 2020	345,806	349,895
SCB (SND - 02-6162940-11- BDT) - 2021	41,373	2,963,017
MDB (SND - 0006-1090000460 - BDT) - 2022	5,298,439	5,261,003
MDB (SND - 0006-1090000504 - BDT) - 2023	3,323,614	3,326,714
MDB (SND - 0006-1090000504 - BDT) - 2024	2,582,586	-
	16,029,862	16,350,915
Investment in Fixed Deposit Receipt (FDR)		
Midland Bank Ltd.	60,000,000	60,000,000
Eastern Bank Ltd.	22,137,805	22,137,805
Al Arafah Islami Bank Ltd.	9,762,557	-
Commercial bank of Ceylon	5,000,000	5,000,000
	96,900,362	87,137,805
	363,692,836	424,164,546

	<u>30 Sep 2025</u>	<u>31 Dec 2024</u>
	Taka	Taka
13 Share Capital		
Authorised :		
600,000,000 ordinary shares of Taka 10/- each	<u>6,000,000,000</u>	<u>6,000,000,000</u>
Issued, subscribed, called and paid up :		
427,968,701 ordinary shares of Taka 10/- each	<u>4,279,687,010</u>	<u>4,279,687,010</u>
Percentage of shareholdings :		
	2025	2024
	%	%
RAK Ceramics PJSC, UAE	68.13	68.13
S.A.K. Ekramuzzaman	3.95	3.95
Other Sponsors	0.00	0.00
General Public	27.92	27.92
	<u>100.00</u>	<u>100.00</u>
	<u>4,279,687,010</u>	<u>4,279,687,010</u>

The company was incorporated on 26th of November 1998 with paid up capital of BDT 1,000 and subsequently has issued ordinary shares including bonus shares in several dates i.e. 30 September 2000, 30 October 2005, 15 June 2009, 28 July 2009, 31 January 2010, 24 May 2010, 20 March 2011, 15 April 2012, 10 April 2013, 02 April 2014, 29 March 2017, 18 April 2018 and 09 April 2019.

Mr. SAK Ekramuzzaman pledged 15,232,353 no of shares out of his total holding of 16,895,824 no of shares.

Classification of shareholders by holding

Shareholders' range	Number of shareholders		Number of shares	
	2025	2024	2025	2024
01-499 shares	14,919	15,534	3,432,170	3,617,179
500 to 5,000 shares	7,032	7,528	11,782,504	12,435,234
5001 to 10,000 shares	873	899	6,538,581	6,743,697
10,001 to 20,000 shares	469	455	6,704,918	6,499,873
20,001 to 30,000 shares	150	150	3,792,645	3,776,294
30,001 to 40,000 shares	75	77	2,698,933	2,760,938
40,001 to 50,000 shares	55	56	2,598,739	2,607,371
50,001 to 100,000 shares	95	93	6,870,020	6,836,451
100,001 to 1,000,000 shares	84	90	25,732,273	27,164,133
1,000,001 to 1,000,000,000 Shares	16	14	357,817,918	355,527,531
	<u>23,768</u>	<u>24,896</u>	<u>427,968,701</u>	<u>427,968,701</u>

14 Share premium

On 31 January, 2010, company issued 10,000,000 ordinary shares in favor of institutional shareholder and employees per share BDT. 40 (include BDT. 30 as premium). On 24 May, 2010 Company again issued 34,510,000 ordinary shares through IPO per share BDT. 48 (include BDT. 38 as premium). Details reconciliation shown below:

No. of shares	Share premium (per share)	2025	2024
		Taka	Taka
10,000,000	30	300,000,000	300,000,000
34,510,000	38	1,311,380,000	1,311,380,000
Less : Share issue expenses		1,611,380,000	1,611,380,000
		137,732,021	137,732,021
		<u>1,473,647,979</u>	<u>1,473,647,979</u>

15 Retained earnings (Reserve and surplus)

Balance as on 1 January	1,618,936,861	2,074,236,665
Add : Profit/(loss) during the period	(186,094,960)	(27,331,103)
Add : Adjustment for NCI	1,432,841,901	2,046,905,562
Less: Dividend declared during the period	1,393	-
Balance as on 30 Sep	<u>(427,968,701)</u>	<u>(427,968,701)</u>
	<u>1,004,874,593</u>	<u>1,618,936,861</u>

Detail movement for reserve and surplus was shown under statement of changes in equity.

	30 Sep 2025 Taka	31 Dec 2024 Taka
16 Deferred tax liabilities/(Assets)		
Balance as at 1 January	(15,529,147)	49,340,687
Less : Deferred tax (income)/expenses	(56,333,007)	(64,859,834)
Balance as at 30 Sep	(71,862,154)	(15,529,147)

	Carrying amount on the date of statement of financial position	Tax base	Taxable/ (deductible) temporary difference
	Taka	Taka	Taka
As at 30 Sep 2025			
Property, plant and equipment (Excluding land and others)			
Trade receivable	2,379,888,066	2,519,434,304	(139,546,238)
Inventories	2,564,575,316	2,609,163,838	(44,589,522)
Right of use assets	3,953,668,037	4,106,056,273	(153,186,236)
Lease liability	82,232,470	-	82,232,470
Net taxable temporary difference	(69,270,780)	-	(69,270,780)
Deferred tax liability (applying applicable tax rate for individual company)			(71,862,154)
As at 31 December 2024			
Property, plant and equipment (Excluding land and others)	2,379,206,716	2,334,508,148	44,699,568
Trade receivable	2,769,320,292	2,788,492,341	(19,172,049)
Inventories	3,358,776,852	3,468,742,536	(109,965,685)
Right of use assets	84,763,261	-	84,763,261
Lease liability	(71,820,447)	-	(71,820,447)
Net taxable temporary difference			(71,496,351)
Deferred tax liability (applying applicable tax rate for individual company)			(15,529,147)

17 Employees benefits payable

Provident fund	66,358,715	-
Gratuity fund	24,825,113	-
91,183,828	91,183,828	91,183,828

	30 Sep 2025		
	Provident fund Taka	Gratuity fund Taka	Total Taka
Balance as at 1 January	-	-	-
Add: Provision made during the period	69,850,503	26,671,039	96,521,542
Less: Payments made to fund during the period	69,850,503	26,671,039	96,521,542
Balance as at 30 Sep	3,491,788	1,845,926	5,337,714
66,358,715	24,825,113	91,183,828	91,183,828

Forfeited amount of provident fund amounting to BDT. 694,216 for the period 2025 has been adjusted with provision and payment.

	31 Dec 2024		
	Provident fund Taka	Gratuity fund Taka	Total Taka
Balance as at 1 January	-	-	-
Add: Provision made during the year	85,037,166	32,103,063	117,140,229
Less: Payments made to fund during the year	85,037,166	32,103,063	117,140,229
Balance as at 31 December	85,037,166	32,103,063	117,140,229

Forfeited amount of provident fund amounting to BDT. 1,189,885 for the year 2024 has been adjusted with provision and payment.

18 Borrowings

Non-current:			
Term loan	499,914,679	560,198,562	
Current portion of term loan	(127,073,156)	(111,523,703)	
	372,841,523	448,674,859	
Current:			
Bank overdrafts	133,354,513	131,348,131	
Short-term borrowings	1,365,557,855	834,590,839	
Term loan	127,073,156	111,523,703	
Current portion of term loan	1,828,985,524	1,077,452,673	
Balance as at 30 Sep	1,998,827,047	1,526,137,532	

18.1 Borrowings by maturity

At 30 September 2025	< 1 year	1-2 years	2-5 years	> 5 years	Total
Bank overdrafts	133,354,513	-	-	-	133,354,513
Short-term borrowings	1,365,557,855	-	-	-	1,365,557,855
Term loan	127,073,156	132,223,308	237,591,005	3,027,210	499,914,679
	1,625,985,524	132,223,308	237,591,005	3,027,210	1,998,827,047
At 31 December 2024	< 1 year	1-2 years	2-5 years	> 5 years	Total
Bank overdrafts	131,348,131	-	-	-	131,348,131
Short-term borrowings	834,590,839	-	-	-	834,590,839
Term loan	111,523,703	124,803,433	297,143,116	26,728,311	560,198,562
	1,077,462,674	124,803,433	297,143,116	26,728,311	1,526,137,532

18.2 Facilities details (Funded)

Bank	Name of facilities	Limit	Utilisation	Maturity	Repayment	Security - STL	Security - LTL
SCB	Overdraft	50,000,000	-	Revolving	From company's own source	1) Hypothecation over stock & book debts on a pari - passu basis with other lenders. 2) Demand promissory note.	1) Specific charge over plant, machinery and equipment of BMRB projects of RAK Ceramics (BD) Ltd. Following are related to RAK Power Pvt. Ltd. 1. Mortgage of 5 bigha land. 2. Lien of Term Deposit of 100 MN 3. Charge over fixed & floating assets, 4. Corporate guarantee from RAK Ceramics (BD) Limited* 5. A signed cheque covering total facility
	Short term loan	500,000,000	206,608,279	180/360 days from B/L date	From company's own source		
Midland Bank PLC	Overdraft	50,000,000	50,000,000	Revolving	From company's own source	1) Hypothecation over stock & book debts on a pari - passu basis with other lenders. 2) Demand promissory note.	1) Specific charge over plant, machinery and equipment of BMRB projects of RAK Ceramics (BD) Ltd. Following are related to RAK Power Pvt. Ltd. 1. Mortgage of 5 bigha land. 2. Lien of Term Deposit of 100 MN 3. Charge over fixed & floating assets, 4. Corporate guarantee from RAK Ceramics (BD) Limited* 5. A signed cheque covering total facility
	Short term loan	500,000,000	372,619,682	180/360 days from B/L date	From company's own source		
Eastern Bank PLC	Long term loan	340,598,832	340,598,832	5 years with 1 year moratorium year	-	1) Specific charge over plant, machinery and equipment of BMRB projects of RAK Ceramics (BD) Ltd. Following are related to RAK Power Pvt. Ltd. 1. Mortgage of 5 bigha land. 2. Lien of Term Deposit of 100 MN 3. Charge over fixed & floating assets, 4. Corporate guarantee from RAK Ceramics (BD) Limited* 5. A signed cheque covering total facility	1) Specific charge over plant, machinery and equipment of BMRB projects of RAK Ceramics (BD) Ltd. Following are related to RAK Power Pvt. Ltd. 1. Mortgage of 5 bigha land. 2. Lien of Term Deposit of 100 MN 3. Charge over fixed & floating assets, 4. Corporate guarantee from RAK Ceramics (BD) Limited* 5. A signed cheque covering total facility
	Overdraft	30,000,000	25,000,000	Revolving	From company's own source		
Dutch Bangla Bank PLC	Short term loan	450,000,000	266,888,010	180/360 days from B/L date	From company's own source	1) Specific charge over plant, machinery and equipment of BMRB projects of RAK Ceramics (BD) Ltd. Following are related to RAK Power Pvt. Ltd. 1. Mortgage of 5 bigha land. 2. Lien of Term Deposit of 100 MN 3. Charge over fixed & floating assets, 4. Corporate guarantee from RAK Ceramics (BD) Limited* 5. A signed cheque covering total facility	1) Specific charge over plant, machinery and equipment of BMRB projects of RAK Ceramics (BD) Ltd. Following are related to RAK Power Pvt. Ltd. 1. Mortgage of 5 bigha land. 2. Lien of Term Deposit of 100 MN 3. Charge over fixed & floating assets, 4. Corporate guarantee from RAK Ceramics (BD) Limited* 5. A signed cheque covering total facility
	Overdraft	25,000,000	25,000,000	Revolving	From company's own source		
Commercial Bank of Ceylon	Short term loan	90,000,000	-	180/360 days from B/L date	From company's own source	1) Specific charge over plant, machinery and equipment of BMRB projects of RAK Ceramics (BD) Ltd. Following are related to RAK Power Pvt. Ltd. 1. Mortgage of 5 bigha land. 2. Lien of Term Deposit of 100 MN 3. Charge over fixed & floating assets, 4. Corporate guarantee from RAK Ceramics (BD) Limited* 5. A signed cheque covering total facility	1) Specific charge over plant, machinery and equipment of BMRB projects of RAK Ceramics (BD) Ltd. Following are related to RAK Power Pvt. Ltd. 1. Mortgage of 5 bigha land. 2. Lien of Term Deposit of 100 MN 3. Charge over fixed & floating assets, 4. Corporate guarantee from RAK Ceramics (BD) Limited* 5. A signed cheque covering total facility
	Overdraft	35,000,000	33,354,513	Revolving	From company's own source		
Al Arafa Islami Bank PLC	Short term loan	550,000,000	519,441,885	180/360 days from B/L date	From company's own source	1) Specific charge over plant, machinery and equipment of BMRB projects of RAK Ceramics (BD) Ltd. Following are related to RAK Power Pvt. Ltd. 1. Mortgage of 5 bigha land. 2. Lien of Term Deposit of 100 MN 3. Charge over fixed & floating assets, 4. Corporate guarantee from RAK Ceramics (BD) Limited* 5. A signed cheque covering total facility	1) Specific charge over plant, machinery and equipment of BMRB projects of RAK Ceramics (BD) Ltd. Following are related to RAK Power Pvt. Ltd. 1. Mortgage of 5 bigha land. 2. Lien of Term Deposit of 100 MN 3. Charge over fixed & floating assets, 4. Corporate guarantee from RAK Ceramics (BD) Limited* 5. A signed cheque covering total facility
	Long term loan*	15,000,000	-	180/360 days from B/L date	From company's own source		
Al Arafa Islami Bank PLC	Long term loan*	159,315,847	159,315,847	6 years with 1 year moratorium year	From company's own source		

* The company issued one corporate guarantee of BDT 392.90 Million in favour of subsidiary company named RAK Power Pvt. Limited to avail loan from Al Arafa Islami Bank PLC approved in AGM dated 22 Mar 2025 for purchasing a 4.3 MW new genseit. Outstanding loan against the said corporate guarantee is BDT 159.32 Million at 30 September 2025.

		30 Sep 2025	31 Dec 2024
		Taka	Taka
19 Lease liability			
Non-current:			
Lease liability		69,270,781	71,820,447
Less : Current portion of lease liability		19,309,420	15,400,824
		49,951,361	56,419,623
Current:			
Current portion of lease liability		19,309,420	15,400,824
30 September 2025			
Lease liability schedule			
Particulars	Balance as on 01 January 2025	Addition/(deletion)	Payment
Display center	42,306,245	7,249,139	10,650,359
Accommodation Building	1,586,300	905,250	843,041
Warehouse	22,844,469	94,546	5,094,737
Office Building	5,093,434	221,143	1,157,895
	73,820,447	9,320,078	17,746,031
			5,876,288
			11,869,742
			69,270,781
31 December 2024			
Lease liability schedule			
Particulars	Balance as on 01 January 2024	Addition/(deletion)	Payment
Display center	22,162,043	27,559,038	9,814,809
Accommodation Building	829,670	1,592,894	953,684
Warehouse	28,832,651	(1,779,039)	6,669,474
Office Building	6,050,340	-	1,515,789
	57,874,704	27,372,893	18,953,756
			5,526,607
			13,427,149
			71,820,447

20 Trade and other payables

		30 Sep 2025	31 Dec 2024
		Taka	Taka
Trade payables			
Payable to local suppliers		344,735,339	238,996,760
Payable to foreign suppliers		508,876,631	354,162,578
Payable to service provider		243,695,537	182,795,291
Payable to C & F agent		78,047,857	70,814,393
		1,175,355,366	846,769,022
Other payables			
Tax deducted at source		12,403,528	32,885,995
Tax deducted at source on remuneration (Note-20.1)		-	288,076
VAT deducted at source		7,787,404	8,857,687
VAT and Supplementary duty payable		143,233,914	211,175,615
Royalty and technical know-how fee		519,138,764	519,138,764
Unclaimed share application		20,061,956	20,061,956
Advance from customer against sales		9,243,530	36,861,648
Security deposit payable		1,617,592	1,617,592
Payable to employees		4,287,854	2,826,974
Provisional liabilities - material & services		68,010,626	52,473,855
		785,785,168	886,188,162
		1,961,140,534	1,732,957,184
30 Sep 2025			
31 Dec 2024			

20.1 VAT and Supplementary duty (SD) payable

		30 Sep 2025	31 Dec 2024
		Taka	Taka
Opening Balance			
Add: VAT and Supplementary duty on sales		211,175,615	122,145,071
Other payable		1,695,644,495	2,258,606,703
		325,792	625,533
Less: Treasury deposit for SD & VAT purpose			
Rebate of Input VAT		1,907,145,902	2,381,377,307
		970,689,776	1,360,263,432
		793,222,212	809,838,260
Balance as at 30 September		1,763,911,987	2,170,201,691
		145,339,914	211,175,615

21 Unclaimed Dividend Payable

			85,311,044	8,076,342
				Undistributed fund (BDT) as on 30 Sep 2025
Year	Dividend declared	TDS on dividend	Net dividend	Dividend distributed till 30 Sep 2025
2010	345,110,250	60,198,297	284,911,953	274,257,528
2011	379,621,275	65,382,545	314,238,730	306,565,331
2012	417,583,403	27,344,749	380,238,653	386,535,373
2013	459,341,744	30,693,245	428,648,499	426,108,408
2014	842,126,528	60,654,665	781,471,863	776,464,072
2015	842,126,528	61,659,449	780,467,078	776,773,479
2016	673,701,222	40,745,089	624,956,133	620,752,883
2017	353,693,141	27,776,252	326,416,889	324,575,456
2018	389,062,456	29,888,903	359,173,553	357,227,075
2019	641,933,052	49,029,624	592,923,428	588,305,450
2020	427,968,701	32,747,652	395,221,049	392,713,129
2021	534,960,876	39,123,334	495,837,543	493,232,694
2022	427,968,701	34,965,753	393,002,948	390,644,278
2023	427,968,701	31,206,814	396,761,887	394,411,970
2024	427,968,701	31,149,880	396,818,821	316,616,365
	7,591,155,279	630,066,251	6,981,089,027	6,824,965,491
				50,812,492
				85,311,044

Year	Dividend declared	TDS on dividend	Net dividend	Dividend distributed till 31 Dec 2024	Fund Transferred to CMSF	Undistributed fund (BDT) as on 31 Dec 2024
2010	345,110,250	60,198,297	284,911,953	274,257,528	10,654,425	-
2011	379,621,275	65,392,545	314,238,730	306,565,331	7,673,399	-
2012	417,593,403	27,344,749	390,238,653	386,535,373	3,703,280	-
2013	459,341,744	30,693,245	428,648,499	426,108,408	2,540,090	-
2014	842,126,528	60,654,655	781,471,863	776,464,072	5,007,791	-
2015	842,126,528	61,659,449	780,467,078	776,773,479	3,693,599	-
2016	673,701,222	48,745,089	624,956,133	620,752,883	4,203,250	-
2017	353,693,141	27,276,252	326,416,889	324,757,456	1,659,433	-
2018	389,062,456	29,888,903	359,173,553	357,227,075	1,946,478	-
2019	641,953,052	49,029,624	592,923,428	588,305,450	4,617,978	-
2020	427,968,701	32,747,652	395,221,049	392,713,129	2,507,921	-
2021	534,960,876	39,123,334	495,837,543	492,919,890	-	2,917,653
2022	427,968,701	34,955,753	393,002,948	390,629,758	-	2,373,190
2023	427,968,701	31,206,014	396,761,887	393,876,388	-	2,785,499
	7,163,186,578	598,916,371	6,564,270,208	6,507,986,220	48,207,644	8,076,342

		30 Sep 2025	31 Dec 2024
		Taka	Taka
22 Accrued expenses			
Power and gas	120,107,266	124,792,677	
Staff cost	58,815,157	109,451,121	
Dealer's incentive and bonus	-	175,323	
Audit fees	1,563,750	1,855,000	
Professional charges	954,751	825,000	
Interest on loans	49,544,149	33,206,126	
Telephone	767,916	622,957	
Freight bill	4,956,666	6,812,186	
Business promotion and advertisement	-	4,000,000	
Managing Director's remuneration (Note 22.1)	-	864,228	
Worker's profit participation and welfare fund (Note 22.2)	323,807	1,910,053	
Others	36,935,407	46,669,172	
	273,750,766	331,183,843	

22.1 Managing Director's remuneration

Balance as at 1 January	864,228	18,937,048
Add: Payable to Managing Director for the period (Note 27)	-	1,152,304
Less: Tax deducted at source during the period (Note 20)	864,228	20,089,352
Less: Paid to Managing Director during the period	-	288,076
Balance as at 30 Sep	864,228	18,937,048
	-	864,228

22.2 Worker's profit participation and welfare fund

Balance as at 1 January	1,910,053	40,690,956
Add: Contribution made to the fund during the period	323,807	1,910,053
Less: Payment made from the fund during the period	2,233,860	42,601,009
Balance as at 30 Sep	1,910,053	40,690,956
	323,807	1,910,053

23 Current income tax liabilities

a) Provision for income tax		
Balance as at 1 January	4,819,058,236	4,709,190,648
Add: Provision made during the period (Note 32)	142,601,791	144,770,598
Less: Adjustment for the period	(68,692,854)	(34,903,010)
Balance as at 30 Sep	4,892,967,173	4,819,058,236

b) Advance income tax		
Balance as at 1 January	4,380,962,857	4,206,879,792
Add: Paid during the period	147,511,211	208,034,130
Less: Adjustment for the period	(68,692,854)	(33,951,065)
Balance as at 30 Sep	4,459,781,214	4,380,962,857

Current tax liability at 30 Sep (a-b)	433,185,960	438,095,379
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	30 Sep 2025 Taka	30 Sep 2024 Taka	July to Sep 2025 Taka	July to Sep 2024 Taka
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24 Sales

Gross sales from Ceramics product	7,046,200,437	6,341,476,512	2,776,324,236	1,880,347,432
Gross sales from Power generation	470,763,433	400,714,554	178,774,132	125,438,363
Gross sales from Security service	105,755,540	101,773,362	30,822,176	35,924,347
Less: Elimination	7,622,719,410	6,843,964,428	2,985,920,544	2,041,710,142
Supplementary Duty	451,131,297	389,216,161	169,383,864	122,593,020
VAT	717,595,850	639,025,601	282,702,079	186,479,919
Discount	991,779,185	887,595,330	386,966,930	263,067,632
Commission, incentive and bonus	19,504	7,314,377	-	113,914
Net sales	297,571,583	390,593,607	82,784,983	124,849,103
	5,164,621,991	4,530,219,352	2,064,082,689	1,344,606,554

25 Cost of sales

Materials consumed:				
Opening Inventory as at 1 January	1,007,053,534	1,106,113,719	1,055,507,801	1,159,075,264
Add: Purchase during the period	2,453,238,320	2,138,896,683	904,473,115	715,335,137
Less: Closing Inventory as at 30 September	3,460,291,854	3,245,010,402	1,959,980,916	1,874,410,401

Manufacturing overhead:				
Direct labour (note 25.1)	551,628,820	538,332,401	168,187,581	156,137,488
Direct expenses:				
Power and gas	652,921,193	477,428,569	232,610,134	133,491,957
Repairs and Indirect materials (note 25.2)	671,282,027	495,916,782	256,334,223	147,047,734
Depreciation on property, plant & equipment (note 5.2)	341,171,693	338,701,668	112,927,827	115,861,296
Royalty and technical know-how/assistance fees *	-	-	-	(5,676,963)
Other production overhead (note 25.3)	32,482,944	31,930,897	9,270,576	10,607,444
Provision for slow moving & obsolete inventories (note 9)	69,141,260	9,932,445	21,100,947	5,821,404
Movement in stock	(420,047,366)	(101,505,087)	(35,937,837)	70,449,073
	4,338,888,191	3,701,796,739	1,704,490,133	1,174,198,496

25.1 Direct labour

Salary & wages	442,658,811	399,402,014	159,376,618	111,256,973
Overtime	24,577,309	19,057,677	8,435,111	4,079,095
Bonus	21,454,269	38,537,009	(19,610,432)	15,971,481
Incentive	407,934	407,932	135,978	135,978
Temporary labour wages	4,971,374	35,625,379	2,100	10,732,683
Staff uniform, safety and welfare expenses	6,297,159	2,979,549	2,134,659	2,427,134
Gratuity	18,026,615	16,175,129	6,580,370	4,394,000
Employer's contribution to provident fund	23,025,387	20,775,830	8,640,463	5,581,679
Leave encashment	3,075,754	2,694,321	1,132,941	718,597
Group life Insurance	3,178,995	1,713,382	1,079,774	839,868
Canteen and conveyance expenses	2,456,450	-	220,000	-
Compensation	1,498,763	964,179	60,000	-
	551,628,820	538,332,401	168,187,581	156,137,488

25.2 Repairs and indirect materials

Stores, spares, repair & maintenance	376,548,171	269,442,266	143,412,261	84,365,804
Packing expenses	294,733,856	226,474,516	112,921,962	62,681,930
	671,282,027	495,916,782	256,334,223	147,047,734

25.3 Other production overhead

Tour and travel expenses	1,825,818	1,626,768	542,657	340,362
Demurrage and penalty	632,761	1,266,421	315,339	579,680
Insurance	11,109,199	16,904,724	2,460,321	5,236,103
Hiring charges and transportation	1,736,006	2,147,348	155,940	1,067,349
Write off for stores and spares	15,672,978	9,439,193	5,224,326	3,146,398
Other expenses	1,506,182	546,443	571,995	237,552
	32,482,944	31,930,897	9,270,578	10,607,444

*Royalty has been calculated 8% on business profit as per Finance Act 2020.

26 Other income

Profit on sale of fixed assets (note 5.3)	1,574,012	-	(99,169)	-
Gain on retirement of right of use assets (note 6.2)	-	120,858	-	-
	1,574,012	120,858	(99,169)	-

	<u>30 Sep 2025</u> Taka	<u>30 Sep 2024</u> Taka	<u>July to Sep 2025</u> Taka	<u>July to Sep 2024</u> Taka
27 Administrative expenses				
Staff cost (note 27.2)	164,772,113	161,628,259	48,618,066	46,951,371
Annual General Meeting expenses	2,880,707	5,557,016	286,500	191,500
Telephone and postage	8,017,736	7,457,396	2,651,118	2,681,391
Office repair and maintenance (note 27.3)	4,084,968	10,435,106	1,724,215	3,390,100
Registration and renewal	1,193,742	1,507,863	605,943	431,181
Security and guard expenses	243,776	333,830	26,840	292,980
Electricity, gas and water	6,073,484	6,162,683	2,099,614	2,428,135
Depreciation on property, plant & equipment (note 5.2.1)	23,649,919	27,045,968	7,767,096	9,098,341
Depreciation on investment property (note 5.2.1)	165,983	166,136	55,936	55,783
Depreciation on right of use assets (note 6.1)	1,744,503	1,612,850	604,333	570,085
Amortization (note 7)	5,329,138	6,487,546	1,821,925	1,670,424
Legal and professional fees	8,741,056	12,443,098	3,208,141	2,899,533
Vehicle repair and maintenance	13,785,221	13,465,179	4,232,465	3,665,380
Rent, rate and tax	3,731,800	4,571,101	1,202,047	1,681,487
Loss on retirement of assets (note 5.3)		44,084	-	(29,358)
IT expenses	3,816,806	3,058,839	1,081,433	814,111
General Service	5,798,327	5,400,324	1,935,040	1,906,924
Donation	1,743,494	1,401,246	1,102,943	110,428
Managing Director's remuneration (note 27.4)		-	-	(2,330,232)
Others	17,407,524	14,569,071	6,523,900	3,520,008
	273,180,097	283,347,595	85,547,555	79,999,572

27.1 Impairment loss on trade receivables

Unrelated parties	20,518,201	16,319,202	4,160,532	5,052,401
Related parties	4,898,272	(8,080,164)	(3,365,558)	(1,622,259)
	25,416,473	8,239,038	794,974	3,430,142

New classification of financial assets shown in note 35.1(b) as per IFRS 9.

27.2 Staff cost

Salary & wages	125,672,827	114,699,971	44,717,212	31,796,546
Bonus	5,920,696	15,672,343	(6,380,025)	6,931,949
Incentive	192,546	192,546	64,182	64,182
Gratuity	5,139,948	4,748,192	1,801,191	1,292,732
Employer's contribution to provident fund	6,898,173	6,393,418	2,446,940	1,744,351
Leave encashment	958,326	871,537	335,059	239,929
Group life insurance	653,177	600,633	215,186	214,302
Canteen and conveyance expenses	15,524,338	14,736,855	4,507,045	3,685,041
Staff uniform, safety and welfare expenses	1,186,172	1,437,710	305,352	303,105
Travelling expenses	1,141,384	1,061,646	280,249	202,537
Compensation	628,449	52,721	-	-
Medical expenses	494,100	571,099	232,435	283,380
Accommodation expenses	361,976	589,588	93,240	193,317
	164,772,113	161,628,259	48,618,066	46,951,371

Accommodation expenses and Rent, rates and taxes include rent expenses for short term lease for BDT. 1,561,472 and related government levies wherever applicable. Details of the short term lease is shown in note 34. No low value item exists at the reporting period.

27.3 Office repair & maintenance

Repairs office equipment	327,435	152,627	193,915	40,900
Office maintenance	3,757,533	10,282,479	1,530,300	3,349,200
	4,084,968	10,435,106	1,724,215	3,390,100

27.4 Managing Director's remuneration

Provision made during the period	-	-	-	(2,330,232)
	-	-	-	(2,330,232)

Managing Director's remuneration represents provision made 3% of net profit before tax of RAK Ceramics (Bangladesh) Ltd.

28 Marketing & selling expenses

Staff cost (note 28.1)	121,267,934	110,655,470	37,374,561	33,980,627
Advertisement	13,138,296	25,905,279	3,203,690	5,202,245
Freight and transportation	174,456,999	191,109,430	72,645,170	61,938,737
Compensation to customers	4,859,275	5,132,616	844,744	1,462,153
Business promotion	36,279,217	60,049,911	13,291,291	17,302,430
Depreciation on property, plant & equipment (note 5.2)	9,965,962	6,005,860	3,741,904	1,975,213
Depreciation on right of use assets (note 6.1)	17,580,116	13,636,492	5,974,406	4,583,737
Showroom, office & house rent	5,008,053	5,447,465	1,726,740	1,059,712
Sample expenses	25,924,755	15,906,221	5,754,009	7,205,154
Tour, travel and others	28,210,506	17,766,606	8,729,010	5,533,623
	436,691,113	451,615,350	153,285,525	140,243,631

28.1 Staff cost

Salary & wages	79,962,671	66,891,445	28,697,547	18,901,011
Bonus	3,259,722	6,442,407	(4,218,125)	2,924,693
Incentive	9,124,684	9,913,149	2,859,232	4,410,140
Gratuity	3,500,994	2,904,411	1,270,763	811,195
Employer's contribution to provident fund	4,654,584	3,914,332	1,701,043	1,098,175
Leave Encashment	617,775	516,361	221,547	144,297
Group life Insurance	570,706	357,975	195,192	132,946
Conveyance & food expenses	19,481,132	14,234,267	6,647,360	4,183,171
Compensation	95,666	-	-	-
Staff uniform, safety and welfare expenses	-	5,481,123	-	1,374,999
	121,267,934	110,655,470	37,374,561	33,980,627

		30 Sep 2025 Taka	30 Sep 2024 Taka	July to Sep 2025 Taka	July to Sep 2024 Taka
28.2 Salary & wages under staff cost (note no. 25.1, 27.2 & 28.1) Includes employee contribution to provident fund for BDT.23,025,387, BDT. 6,898,173 & BDT. 4,654,584.					
29 Finance income					
Interest on bank account (SND)		3,231,670	4,136,273	240,885	1,444,230
Interest on fixed deposits		6,742,215	5,175,170	2,294,420	1,742,501
		9,973,885	9,311,443	2,535,305	3,186,731
30 Finance expenses					
Interest expenses against loan		167,492,645	107,031,863	61,129,713	55,139,534
Interest expenses against lease liability		5,876,290	3,907,577	2,199,697	1,315,818
Foreign exchange loss		25,465,306	26,839,094	6,598,392	24,439,669
Bank charges		2,662,142	3,076,923	757,332	1,905,977
		201,495,383	140,855,457	70,685,134	82,800,998
31 Contribution to worker's profit participation and welfare fund					
Provision made during the period		323,807	277,472	134,010	(3,605,932)
		323,807	277,472	134,010	(3,605,932)
32 Income tax expenses					
Accounting profit (PBT as per individual company)		(97,826,176)	(44,479,998)	51,581,496	(129,273,624)
Add: Inadmissible depreciation allowance for separate consideration:					
Accounting Depreciation of Fixed Assets		374,953,557	371,919,632	124,492,763	126,990,632
		277,127,382	327,439,635	176,074,258	(2,282,992)
Add: Inadmissible expenses / allowances as per ITO, 1984/ITA, 2023:					
Business promotion expenses		-	27,251,126	(806,515)	7,472,444
Royalty expenses		-	-	-	(28,164)
Sample expenses		18,603,555	10,049,315	2,977,685	5,326,407
Amortization expenses		5,329,138	6,487,547	1,821,925	1,670,425
Depreciation on Right of Use Assets (ROUA)		19,324,619	15,249,341	6,578,740	5,153,822
Interest on lease liability		5,876,290	3,907,578	2,199,697	1,315,818
Provision for slow moving inventories		69,141,260	9,932,445	21,100,947	5,821,404
NRV Provision on Inventories		-	14,438,772	-	8,985,201
Impairment loss on trade receivable		25,416,473	7,885,711	794,974	3,257,874
		143,691,335	95,201,834	34,667,453	38,975,231
Deduct: Tax base depreciation of Fixed Assets (as per 3rd Schedule of ITO, 1984/ITA, 2023):		(420,818,717)	422,641,468	210,741,711	36,692,239
		(184,398,687)	(171,932,444)	(63,658,564)	(68,926,139)
Admissible expenses as per ITO, 1984/ITA, 2023:					
Rent expenses		(25,256,900)	(22,609,602)	(8,669,726)	(6,676,503)
Deduct: Dividend Income		(2,000,000)	(2,000,000)	-	-
Taxable profit		209,163,130	226,099,422	138,413,421	(38,910,402)
Applicable tax rate for individual company					
On Business income		20%	As per applicable tax rate for individual company		
On Dividend income		20%	20%	20%	20%
Tax expenses as per applicable tax rate for individual company :					
Business Income		47,930,702	51,924,900	31,327,140	(8,394,813)
Dividend Income		400,000	400,000	-	-
Current Tax Liability based on taxable profit		48,330,702	52,324,900	31,327,140	(8,394,813)
Current Tax Liability considering minimum tax liability		142,601,791	117,141,819	45,502,125	35,466,473
		142,601,791	117,141,819	45,502,125	35,466,473
33 Reconciliation of effective tax rate					
Profit before tax			30 Sep 2025 Taka	30 Sep 2024 Taka	
Current tax expenses		(99,826,176)	%	(46,479,998)	
Deferred tax expenses		142,601,791	-142.85%	117,141,819	
Total tax expenses		(56,333,007)	56.43%	(52,698,426)	
		86,268,784	-86.42%	64,443,393	
Expected income tax using applicable tax rate for individual company					
Prior year adjustment		21.44%	(21,406,540)	19.25%	(8,945,309)
Tax on non-deductible expenses		-164.3%	164,008,331	-271.3%	126,087,128
Effective current tax		-142.85%	142,601,791	-252.03%	117,141,819
Effective deferred tax		56.43%	(56,333,007)	113.38%	(52,698,426)
		86,268,784	-86.42%	64,443,393	
34 Short term lease expenses					
Nature of the lease	Lease term	Allocation	30 Sep 2025 Taka	30 Sep 2024 Taka	July to Sep 2025 Taka
Rented accommodation	<1 year	Admin	Rent Payment 1,561,472	Rent Payment 1,427,885	Rent Payment 523,402
			1,561,472	1,427,885	523,402
					Rent Payment 478,135

35 Financial risk management

The management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company has exposure to the following risks from its use of financial instruments.

- Credit risk
- Liquidity risk
- Market risk

35.1 Credit risk

Credit risk is the risk of financial loss to the Company if a client or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade receivables and other receivables.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. In monitoring credit risk, debtors are grouped according to their risk profile, i.e. their legal status, financial condition etc. Trade & other receivable are mainly related to receivables from dealers, receivables from export sales, claim receivables, accrued interest and other receivables. The Company's exposure to credit risk on accounts receivables is mainly influenced by the individual payment characteristics of customers.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

a) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	USD	USD	Amounts in Taka	
			As at 30 Sep 2025	As at 31 Dec 2024
Trade receivables				
Customer-Local				
Customer-Export				
	-	-	2,535,038,748	2,727,474,449
	119,227	263,017	14,513,460	31,430,475
	119,227	263,017	2,549,552,208	2,758,904,924
Other receivables				
Accrued Interest				1,085,755
Others				793,669
			1,085,755	28,667
			1,085,755	822,336
Cash equivalents				
			359,476,824	419,887,029

b) Impact of IFRS 9

The following table and the accompanying notes below explain the original measurement categories under IFRS 9 for each class of the financial assets as at 30 September 2025.

Financial assets	Note	Classification under IFRS 9	Carrying amount	Carrying amount under IFRS 9	Impairment loss (Refer note 10.1)
Trade receivable-unrelated	10.1	Amortized cost	1,230,126,682	1,198,680,357	31,446,325
Trade receivable-related	10.1	Amortized cost	1,364,014,048	1,350,871,851	13,142,197
Cash at banks	13	Amortized cost	262,576,463	262,576,463	-

i The above table provides information ECLs till date. Impairment provision till Dec 2024 was Tk. 19,172,049 and provision made during the period is Tk. 25,416,473.

ii Trade receivables that were classified at amortised cost.

iii Cash at banks that were classified at amortised cost.

iv Impairment loss allowance has not been considered on other receivables and bank balances because business is confident to recover the full amount.

c) Ageing of receivables

The ageing of trade receivables was:

	USD	USD	Amounts in Taka	
			As at 30 Sep 2025	As at 31 Dec 2024
Not past due				1,764,084,198
0-90 days past due				711,487,160
91-180 days past due				32,688,750
181-365 days past due				22,550,225
over 365 days past due				18,741,873
			2,549,552,208	2,758,904,924

35.2 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 preparation of the cash flow forecast, prepared based on 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 in the event that there is insufficient cash to make the required payment. The requirement is determined in advance through cash flows projections and credit lines facilities with banks are negotiated accordingly.

The following are the contractual maturities of financial liabilities of the Company:

	As at 30 Sep 2025			
	Carrying amount	Contractual cash flows	Within 12 months or less	More than 12 months
	Taka	Taka	Taka	Taka
Bank overdraft	133,354,513	133,354,513	133,354,513	-
Trade and other payables	1,961,140,534	1,961,140,534	1,961,140,534	-
Short term borrowing	1,365,557,855	1,365,557,855	1,365,557,855	-
Term loan	499,914,679	499,914,679	127,073,156	372,841,523
	3,959,967,580	3,959,967,580	3,587,126,058	372,841,523

	As at 31 Dec 2024			
	Carrying amount	Contractual cash flows	Within 12 months or less	More than 12 months
	Taka	Taka	Taka	Taka
Bank overdraft	131,348,131	131,348,131	131,348,131	-
Trade and other payables	1,732,957,184	1,732,957,184	1,732,957,184	-
Short term borrowing	834,590,839	834,590,839	834,590,839	-
Term loan	560,198,562	560,198,562	111,523,703	448,674,860
	3,259,094,716	3,259,094,716	2,810,419,858	448,674,860

35.3 Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Company's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a) Currency risk

The Company is exposed to currency risk on certain revenues and purchase of raw material, spare parts, accessories and capital item. Majority of the company's foreign currency purchase are denominated in USD and EURO. All the export proceeds are receipt in USD, 15% of export proceeds are crediting to export retention quota account and rest of the 85% are converted to Taka and crediting to company's current account.

I Exposure to currency risk

The Company's exposure to foreign currency risk was as follows based on notional amounts (in Taka):

	As at 30 Sep 2025			As at 31 Dec 2024		
	GBP	USD	EURO	GBP	USD	EURO
Foreign currency denominated assets						
Receivable from customers-Export	-	119,227	-	-	263,017	-
Cash at bank	-	46,031	-	-	29,593	-
	-	165,259	-	-	292,610	-

	As at 30 Sep 2025		
	GBP	USD	EURO
Foreign currency denominated liabilities			
Trade payables	138,836	2,034,062	982,318
Short term borrowings	87,940	3,882,240	247,865
Royalty & Technical Fees	-	4,246,534	-
	226,776	10,162,836	1,230,184
Net exposure	(226,776)	(9,997,577)	(1,230,184)

As at 31 Dec 2024		
GBP	USD	EURO
85,997	2,381,530	415,420
-	1,837,045	11,824
-	4,326,156	-
85,997	8,544,731	427,244
(85,997)	(8,252,121)	(427,244)

The Company has foreign exchange loss of Tk 25,465,306 during the period ended 30 Sep 2025 (30 Sep 2024: Exchange loss Tk 26,839,094).

The following significant exchange rates have been applied:

AED
GBP
USD
EURO

Exchange rate as at (Average)	
30 Sep 2025	31 Dec 2024
Taka	Taka
33.1668	32.6164
163.6327	150.6845
121.7500	119.5000
142.7856	124.8915

II Foreign exchange rate sensitivity analysis for foreign currency expenditures

A strengthening or weakening of the Taka, as indicated below, against the GBP, USD, EURO at 30 Sep would have increased/(decreased) profit or loss by the amounts shown below.

	As at 30 Sep 2025		As at 31 Dec 2024	
	Profit or (loss)		Profit or (loss)	
	Strengthening	Weakening	Strengthening	Weakening
At 30 Sep				
GBP (3 percent movement)	(7,014)	6,605	(2,660)	2,505
USD (3 percent movement)	(309,203)	291,192	(255,220)	240,353
EURO (3 percent movement)	(38,047)	35,831	(13,214)	12,444

b) Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. The Company is not significantly exposed to fluctuation in interest rates as company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

Profile

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments was:

	Carrying amount	
	As at 30 Sep 2025 Taka	As at 31 Dec 2024 Taka
Fixed rate instruments		
Financial assets		
Investment in FDR	96,900,362	87,137,805
Cash at banks	262,576,463	332,749,224
Financial liabilities		
Term loan	499,914,679	560,198,562
Bank overdraft	133,354,513	131,348,131
Short term borrowing	1,365,557,855	834,590,839

Fair value of financial assets and liabilities of the Company together with carrying amount shown in the statement of financial position are as follows:

	As at 30 Sep 2025		As at 31 Dec 2024	
	Carrying amount Taka	Fair value Taka	Carrying amount Taka	Fair value Taka
Financial assets				
Held to maturity assets				
Investment in FDR	96,900,362	96,900,362	87,137,805	87,137,805
Loans and receivables				
Trade receivables	2,549,552,208	2,549,552,208	2,758,904,924	2,758,904,924
Other receivables	1,085,755	1,085,755	822,336	822,336
Cash equivalents	359,476,824	359,476,824	419,887,029	419,887,029
Financial liabilities				
Liabilities carried at amortised costs				
Term loan	499,914,679	499,914,679	560,198,562	560,198,562
Bank overdraft	133,354,513	133,354,513	131,348,131	131,348,131
Trade and other payables	1,961,140,534	1,961,140,534	1,732,957,184	1,732,957,184
Short term borrowing	1,365,557,855	1,365,557,855	834,590,839	834,590,839

Interest rates used for determining amortised cost

The interest rates used to discount estimated cash flows, when applicable were as follows:

	30 June 2025	31 Dec 2024
Investment in FDR (local currency/BDT)	5.00%-10.50%	2.50%-10.50%
Term loan	12.50%	12.50%
Bank overdraft (local currency/BDT)	12.00%-14.50%	12.00%-14.50%
Short term bank loan (local currency/BDT)	12.50%-14.50%	12.50%-14.50%
Short term bank loan (foreign currency/USD)	SOFR+3.50-4.00%	SOFIR+3.50-4.00%

36 Sustainability and climate related risks and opportunities

The Management has overall responsibility for the establishment and oversee the sustainability and climate related risks and opportunities. Sustainability and climate related policies, procedure and systems are reviewed regularly to reflect changes of the environment.

a) Sustainability-related disclosure

1. Governance:

The Board of Directors oversees sustainability-related risks and opportunities. The management of the company discuss the sustainability-related risks and opportunities and review its progress and report to the board.

2. Strategy:

Our strategy includes reducing carbon emissions. We are investing in renewable energy such as ETP and heat recovery system and improving energy efficiency across our operations.

3. Risk Management:

We conduct annual risk assessments to identify and prioritize sustainability risks. This includes evaluating the impact of climate change on our supply chain and operations.

4. Metrics and Targets:

In 2025, we proactively reduced our carbon emissions by energy efficiency, recycling resources, enhancing plantation and reducing plant's waste. We also aim to enhance these initiatives by more than 20% in next 5 years.

5. Opportunities:

We believe integrating sustainability into strategic planning can enhance our overall business resilience, enhancing reputation and demonstrating commitment to sustainability.

b) Climate-related disclosure

1. Governance:

The board of directors also oversee the climate-related risks putting them into the priority list for ensuring safe running of business for the longer term.

2. Roadmap:

The Company creates plan to collect relevant data over the period for analyzing and formulating relevant strategy.

3. Data Collection:

The Company gathers data from different sources that are trustworthy and carries reliability.

4. Risk Management:

The Company analyzes the risks from extreme weather events, regulatory risks from climate-related policies, and transition risks related to changes in market dynamics.

5. Opportunities:

Investing in clean energy, energy efficiency, and sustainable practices can mitigate climate-related risks and open new markets.

List of related parties with whom transactions have been taken place and their relationship as identified and certified by management:

Name of related party	Relationship	Security/ Guarantee status	Bad debts/ Status	Period	Purchase of goods/services	Sale of goods/services	Outstanding receivables	Outstanding payable	Remuneration	Dividend income*	Dividend payable*	Royalty payable*
RAK Power Pvt. Ltd**	Subsidiary	Unsecured	NIL	30 Sep 2025	409,359,507	2,347,830	2,347,830	2,347,830	228,301,564	-	-	-
RAK Security & Services Pvt. Ltd	Subsidiary	Unsecured	NIL	30 Sep 2025	348,447,438	2,347,830	2,347,830	135,656,880	1,980,000	1,980,000	-	-
RAK Ceramics PJSC, UAE	Parent	Unsecured	NIL	30 Sep 2024	39,881,504	-	-	-	12,774,812	-	-	-
Ceramin FZ LLC	Fellow subsidiary	Secured	NIL	30 Sep 2024	4,331,190	-	-	-	29,065,819	81,596,431	519,138,764	80,086,431
RAK Ceramics (India) Pvt. Ltd.	Fellow subsidiary	Secured	NIL	30 Sep 2025	12,531,700	-	-	-	35,406,865	-	517,802,531	-
Kudu RAK LLC	Fellow subsidiary	Secured	NIL	30 Sep 2024	618,879,730	-	-	-	137,857,321	-	-	-
Ceramin India Private Limited	Fellow subsidiary	Secured	NIL	30 Sep 2024	418,591,378	-	-	-	108,559,948	-	-	-
Kea Printing & Packaging Industries	Other related party	Unsecured	NIL	30 Sep 2025	-	-	-	-	-	-	-	-
Palli Properties Pte. Ltd	Other related party	Unsecured	NIL	30 Sep 2025	-	-	-	-	-	-	-	-
Sky Bird Travel Agents Pvt. Ltd.	Other related party	Unsecured	NIL	30 Sep 2025	-	-	-	-	-	-	-	-
Speedway International Pvt. Ltd	Other related party	Unsecured	NIL	30 Sep 2024	-	-	-	-	-	-	-	-
International Trade Agency	Other related party	Unsecured	NIL	30 Sep 2025	-	-	-	-	-	-	-	-
Global Business Associates Ltd.	Other related party	Unsecured	NIL	30 Sep 2025	-	-	-	-	-	-	-	-
Mohammed Trading ***	Other related party	Secured by Guaranteed Cheque	NIL	30 Sep 2025	-	-	-	-	-	-	-	-
S.A.K. Ekramuzzaman	Key Management Personnel	Unsecured	NIL	30 Sep 2025	56,441,229	56,441,229	19,905,371	19,905,371	718,573	11,860,659	-	-
Sadhan Kumar Dey****	Key Management Personnel	Unsecured	NIL	30 Sep 2025	4,228,668	4,228,668	-	-	-	200,000	10,168,181	9,920,580

*The figures are included tax and VAT.

**The company issued one corporate guarantee of BDT 392,90 Million in favour of subsidiary company named RAK Power Pvt. Limited to avail loan from Al Arafa Islami Bank PLC approved in AGM dated 22 Mar 2025 for purchasing a 4.3 MW new genset. Outstanding loan against the said corporate guarantee is BDT 159.32 Million at 30 September 2025.

***To comply the BSEC notification no. BSEC/CMR/CD/2009-193/10/Admin/118 dated March 22, 2021 shareholders of the company in its 26th Annual General Meeting dated March 22, 2025 approved an agenda to enter into contract for supply of goods and materials to Mohammed Trading (Owner of Mohammed Trading is Managing Director of RAK Ceramics (Bangladesh) Limited) equivalent to 10% (Ten percent) or above of the revenue for the immediate financial year.

****Amount represents Short term benefits BDT. 9,334,911 and Post employment benefits BDT. 833,270.

37.1 Paid to Directors

During the period, No provision was made as MD's remuneration.

37.2 During the period, Board meeting fees of Taka 780,000 was paid to the board members for attending the Board meetings.

The company has three reportable segments which offer different products and services and are managed separately because they require different technology and marketing strategies. The following summary describes the operations of each segment:

Ceramics & Sanitary Ware: Engages in manufacturing and marketing of ceramics tiles, bathroom sets and all types of sanitary ware.

Power: To set-up power utilities and operate power-generating plants, transmission system and distribution system and to sell the generated electric power to any legal entity.

Security and services : Engages in providing security guard, cleaning services, verification services, termite and pest control services and set up manpower technical training.

30 Sep 2025

	Business Segments			Entity total
	Ceramic & sanitary ware	Power	Security and Services	
	Taka	Taka	Taka	Taka
Revenue - external customers	5,114,042,988	-	50,579,003	-
Revenue - inter segment	-	409,359,507	41,771,790	(451,131,297)
Total segment revenue	5,114,042,988	409,359,507	92,350,793	(451,131,297)
Cost of sales- external customer	(3,899,810,621)	(374,813,827)	(64,263,743)	-
Cost of sales- inter segment	(409,359,507)	(3,509,393)	-	412,868,900
Total segment cost of sales	(4,309,170,128)	(378,323,220)	(64,263,743)	412,868,900
Gross profit	804,872,860	31,036,287	28,087,050	-
Other income	1,566,428	-	7,584	1,574,012
Dividend income	1,980,000	20,000	-	(2,000,000)
Rental income	2,347,830	-	-	(2,347,830)
Financial income	8,566,806	1,274,802	132,277	-
Financial expenses	(183,778,299)	(17,468,220)	(249,865)	9,973,885
Depreciation	(351,499,874)	(23,090,060)	(363,623)	(201,496,383)
Other operating expenses	(397,207,042)	14,703,341	(18,764,459)	(374,953,557)
Segment profit before tax	(113,151,290)	6,476,150	8,848,964	(360,657,934)
Income tax expense	(136,170,239)	(3,051,208)	(3,380,344)	(142,601,791)
Deferred tax	56,492,609	(258,921)	99,319	56,333,007
Profit/(loss) for the period				(186,094,960)

30 Sep 2024

	Business Segments						Entity total
	Ceramic & sanitary ware	Power	Security and services	Inter segment	Entity segment	Entity total	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Revenue - external customers	4,480,285,848	-	49,933,503	-	-	4,530,219,352	
Revenue - inter segment	-	348,447,438	40,768,723	(389,216,161)	-	4,530,219,352	
Total segment revenue	4,480,285,848	348,447,438	90,702,226	(389,216,161)	-	4,530,219,352	
Cost of sales- external customer	(3,309,631,949)	(331,162,011)	(61,002,777)	-	-	(3,701,796,738)	
Cost of sales- inter segment	(348,447,438)	(3,235,049)	-	351,682,487	-	-	
Total segment cost of sales	(3,658,079,389)	(334,397,060)	(61,002,777)	351,682,487	-	(3,701,796,738)	
Gross profit	822,206,459	14,050,378	29,699,449	-	-	828,422,615	
Dividend income	1,980,000	20,000	-	(2,000,000)	-	-	
Rental income	2,347,830	-	-	(2,347,830)	-	-	
Financial income	8,258,707	1,010,187	42,550	-	-	9,311,443	
Financial expenses	(139,049,193)	(1,540,171)	(266,093)	-	-	(140,855,457)	
Depreciation	(356,737,375)	(15,022,873)	(159,384)	-	-	(371,919,632)	
Other operating expenses	(399,626,329)	7,031,930	(18,846,931)	39,881,504	-	(371,559,823)	
Segment profit before tax	(60,499,040)	5,549,450	10,469,591	-	-	(46,479,998)	
Income tax expense	(109,906,914)	(4,180,067)	(3,054,838)	-	-	(117,141,818)	
Deferred tax	48,705,901	3,827,088	165,437	-	-	52,698,426	
Profit/(loss) for the period						(110,923,391)	

	<u>30 Sep 2025</u>	<u>30 Sep 2024</u>
	<u>Taka</u>	<u>Taka</u>
39 Calculation of Earnings per share (EPS)		
Calculation of earnings per share (EPS) is as under:		
(a) Profit/(loss) attributable to equity holders of the Company	(186,094,960)	(110,923,417)
(b) No. of ordinary equity shares	<u>427,968,701</u>	<u>427,968,701</u>
(c) Weighted average no. of equity shares outstanding (Note 39.1)	<u>427,968,701</u>	<u>427,968,701</u>
Earnings per share (EPS) for the period (a÷c)	(0.43)	(0.26)
Diluted earnings per share for the period (a÷c)	(0.43)	(0.26)

39.1 Weighted average number of ordinary shares

The weighted average number of ordinary shares outstanding during the year is the number of ordinary shares outstanding at the beginning of the year, adjusted by the number of ordinary shares issued during the year multiplied by a time-weighted factor. The time-weighted factor is the number of days that the shares are outstanding as a proportion of the total number of days in the year. The weighted average number of shares is calculated by assuming that the shares have always been in issue. This means that they have been issued at the start of the year presented as the comparative figures.

	<u>30 Sep 2025</u>	<u>30 Sep 2024</u>
Outstanding shares	427,968,701	427,968,701
	<u>427,968,701</u>	<u>427,968,701</u>

39.2 Diluted earning per share

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

39.3 Reason of deviation of earnings per share:

During the period ended 30 September 2025, the Company recorded a revenue growth of 14.00%, increasing from BDT 4,530.22 million to BDT 5,164.62 million. This growth was primarily driven by increased production capacity, due to uninterrupted gas supply in July to September quarter, which effectively supported the customer demand. Despite the rise in revenue, the gross profit margin declined from 18.29% to 15.99%, mainly for higher raw material and manufacturing costs. Additionally, finance expenses increased due to the requirement for additional bank borrowings to meet working capital needs. As a result, the net loss after tax increased from BDT 110.92 million to BDT 186.09 million. Consequently, earnings per share (EPS) declined from BDT -0.26 to BDT -0.43 over the same comparative period.

40 Calculation of Net assets value per share

(a) Net assets value (Note 13, 14 & 15)	6,758,209,582	7,288,679,536
(b) Weighted average no. of equity shares outstanding (Note 39.1)	<u>427,968,701</u>	<u>427,968,701</u>
Net assets value per share (a÷b)	15.79	17.03

41 Calculation of Net operating cash flow per share

(a) Net Cash flows from operating activities (Note 41)	146,940,542	(159,476,234)
(b) Weighted average no. of equity shares outstanding (Note 39.1)	<u>427,968,701</u>	<u>427,968,701</u>
Net operating cash flow per share (a÷b)	0.34	(0.37)

41.1 Reason of deviation of net operating cash flow per share:

Sales increased by 14.00%, from BDT 4,530.22 million to BDT 5,164.62 million, as detailed in note 39.3. In addition to the revenue growth, trade receivable collections improved, supported by a strengthened credit control process. Simultaneously, payments to suppliers decreased due to the successful extension of payment terms with vendors wherever feasible. As a result, net operating cash flow per share improved from BDT -0.37 to BDT +0.34.

42 Reconciliation of operating cash flow:	30 Sep 2025	30 Sep 2024
Cash flows from operating activities		
Profit before taxation	(99,826,176)	(46,479,998)
Adjustment for:		
Depreciation	394,278,176	387,168,971
Amortization	5,329,138	6,487,546
Advance rent adjustment	(7,473,750)	-
Loss on assets retirement	-	44,084
Foreign exchange loss	25,465,306	26,839,094
Finance expenses	176,031,078	114,016,362
Finance income	(9,973,885)	(9,311,443)
Other income	(1,574,012)	(120,858)
	482,255,876	478,643,759
Increase/decrease in trade and other receivables	209,381,383	123,905,658
Increase/decrease in inventories	(593,362,871)	(353,087,200)
Increase/decrease in trade and other payables	192,945,696	(231,793,749)
Cash generated from operating activities	291,220,082	17,668,462
Interest received from bank deposit	3,231,670	4,136,273
Income tax paid	(147,511,210)	(181,280,969)
Net cash (used in)/from operating activities	146,940,542	(159,476,234)

43 Contingent liabilities

There are contingent liabilities on account of unresolved disputed corporate tax assessments and VAT claims by the authority aggregating to Tk 446,528,877 (30 Sep 2024: Tk 487,330,273). Considering the merits of the cases, it has not been deemed necessary to make provisions for all such disputed claims.

There is also contingent liability in respect of outstanding letters of credit of Tk 571,435,620 (30 Sep 2024: Tk 256,266,068) and letter of guarantee of Tk 346,303,246 (30 Sep 2024: Tk 207,496,928).

The company issued one corporate guarantee of BDT 392.90 Million in favour of subsidiary company named RAK Power Pvt. Limited to avail loan from Al Arafa Islami Bank PLC approved in AGM dated 22 Mar 2025 for purchasing a 4.3 MW new genset. Outstanding loan against the said corporate guarantee is BDT 159.32 Million at 30 September 2025. The loan repayment is made in timely manner by the subsidiary company. Therefore, no credit loss allowance is expected.