# RAK Ceramics (Bangladesh) Ltd.

Consolidated financial statements
as at and for the period ended 30 September 2026

**RAK Ceramics (Bangladesh) Ltd.**

**Consolidated statement of financial position**
**as at 30 September 2026**

| | Notes | 30 Sep 2026 Taka | 31 Dec 2025 Taka |
|---|---|---|---|
| **Assets** | | | |
| Property, plant and equipment | 4 | 3,524,193,446 | 3,537,987,262 |
| Investment property | 5 | 502,180,508 | 502,346,491 |
| Right-of-use assets | 6 | 93,570,026 | 97,233,126 |
| Intangible assets | 7 | 4,308,456 | 5,788,218 |
| Capital work-in-progress | 8 | 120,507,332 | 101,123,591 |
| Deferred tax asset | 9 | 159,246,372 | 100,814,031 |
| **Total non-current assets** | | **4,404,006,140** | **4,345,292,719** |
| Inventories | 10 | 3,806,891,743 | 3,648,419,775 |
| Trade and other receivables | 11 | 2,640,974,836 | 2,646,937,998 |
| Advances, deposits and prepayments | 12 | 359,974,445 | 308,123,899 |
| Cash and cash equivalents | 13 | 250,336,157 | 302,596,176 |
| **Total current assets** | | **7,058,177,181** | **6,906,077,848** |
| **Total assets** | | **11,462,183,321** | **11,251,370,567** |
| **Equity** | | | |
| Share capital | 14 | 4,279,687,010 | 4,279,687,010 |
| Share premium | 15 | 1,473,647,979 | 1,473,647,979 |
| Retained earnings | 16 | 647,399,156 | 795,039,083 |
| **Equity attributable to equity holders of the company** | | **6,400,734,145** | **6,548,374,072** |
| **Non-controlling interests** | | - | - |
| **Total equity** | | **6,400,734,145** | **6,548,374,072** |
| **Liabilities** | | | |
| Borrowings | 18 | 356,499,976 | 340,711,140 |
| Lease liability | 19 | 58,677,378 | 66,273,313 |
| **Total non-current liabilities** | | **415,177,354** | **406,984,453** |
| Employees benefits payable | 17 | 96,346,474 | - |
| Borrowings | 18 | 1,692,491,310 | 1,518,503,061 |
| Lease liability | 19 | 22,680,981 | 20,033,887 |
| Trade and other payables | 20 | 2,106,009,490 | 1,989,743,582 |
| Unclaimed dividend payable | 21 | 7,477,388 | 7,757,382 |
| Accrued expenses | 22 | 347,099,753 | 326,348,575 |
| Current income tax liabilities | 23 | 374,166,426 | 433,625,555 |
| **Total current liabilities** | | **4,646,271,822** | **4,296,012,042** |
| **Total liabilities** | | **5,061,449,176** | **4,702,996,495** |
| **Total equity and liabilities** | | **11,462,183,321** | **11,251,370,567** |

*The accompanying notes are an integral part of these financial statements*

**Abdallah Massaad**
Chairman

**SAK Ekramuzzaman**
Managing Director

**Manoj Uttamrao Ahire**
Director

**Kazi Nasir Uddin**
Chief Financial Officer

**Muhammad Shahidul Islam FCS**
Company Secretary

Dated, 27 October 2026

**RAK Ceramics (Bangladesh) Ltd.**

**Consolidated statement of profit or loss and other comprehensive income**
**For the period ended 30 September 2026**

| | Notes | 30 Sep 2026 Taka | 30 Sep 2025 Taka | July to Sep 2026 Taka | July to Sep 2025 Taka |
|---|---|---|---|---|---|
| Sales | 24 | 5,597,179,021 | 5,164,621,991 | 1,855,681,360 | 2,064,082,689 |
| Cost of sales | 25 | (4,557,932,712) | (4,341,278,982) | (1,536,169,159) | (1,704,964,249) |
| **Gross profit/(loss)** | | **1,039,246,309** | **823,343,009** | **319,512,201** | **359,118,440** |
| Other income | 26 | 3,468,866 | 1,574,012 | - | (99,169) |
| Administrative expenses | 27 | (295,145,651) | (267,828,902) | (103,970,031) | (83,687,751) |
| Impairment loss on trade receivables | 27.1 | (49,791,535) | (25,416,473) | (16,678,564) | (794,974) |
| Marketing and selling expenses | 28 | (514,881,094) | (439,651,517) | (183,984,411) | (154,671,213) |
| | | (856,349,414) | (731,322,880) | (304,633,006) | (239,253,107) |
| **Profit/(loss) from operating activities** | | **182,896,895** | **92,020,129** | **14,879,195** | **119,865,333** |
| Finance income | 29 | 11,545,833 | 9,973,885 | 3,484,802 | 2,535,305 |
| Finance expenses | 30 | (206,672,822) | (201,496,383) | (67,365,070) | (70,685,134) |
| Net finance income/(expenses) | | (195,126,989) | (191,522,498) | (63,880,268) | (68,149,829) |
| **Profit/(loss) before contribution to workers' profit participation and welfare fund** | | **(12,230,094)** | **(99,502,369)** | **(49,001,073)** | **51,715,504** |
| Contribution to workers' profit participation and welfare fund | 31 | (762,974) | (323,807) | 660,784 | (134,010) |
| **Profit/(loss) before income tax** | | **(12,993,068)** | **(99,826,176)** | **(48,340,289)** | **51,581,494** |
| **Income tax expense** | | | | | |
| Current tax | 32 | (73,592,920) | (142,601,791) | (17,438,196) | (45,502,125) |
| Deferred tax | 9 | 58,432,341 | 56,333,007 | 14,824,282 | 18,208,752 |
| | | (15,160,579) | (86,268,784) | (2,613,914) | (27,293,373) |
| **Profit/(loss) after tax for the period** | | **(28,153,647)** | **(186,094,960)** | **(50,954,203)** | **24,288,121** |
| Other comprehensive income | | - | - | - | - |
| **Total comprehensive income for the period** | | **(28,153,647)** | **(186,094,960)** | **(50,954,203)** | **24,288,121** |
| **Profit/(loss) attributable to:** | | | | | |
| Equity holders of the company | | (28,153,647) | (186,094,960) | (50,954,203) | 24,288,121 |
| Non-controlling interests | | - | - | - | - |
| **Profit/(loss) after tax for the period** | | **(28,153,647)** | **(186,094,960)** | **(50,954,203)** | **24,288,121** |
| **Basic earnings per share (Par value TK 10)** | 39 | **(0.07)** | **(0.43)** | **(0.12)** | **0.06** |

*The accompanying notes are an integral part of these financial statements*

**Abdallah Massaad**
Chairman

**SAK Ekramuzzaman**
Managing Director

**Manoj Uttamrao Ahire**
Director

**Kazi Nasir Uddin**
Chief Financial Officer

**Muhammad Shahidul Islam FCS**
Company Secretary

Dated, 27 October 2026

**RAK Ceramics (Bangladesh) Ltd.**
**Consolidated statement of changes in equity**
**For the period ended 30 September 2026**

| | Attributable to owners of the Company | | | | Non-controlling interests | Total equity |
|---|---|---|---|---|---|---|
| | Share capital Taka | Share Premium Taka | Retained earnings Taka | Total Taka | Taka | Taka |
| | (Note - 14) | (Note - 15) | (Note - 16) | | | |
| **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 | (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** |
| **Balance as at 01 January 2026** | 4,279,687,010 | 1,473,647,979 | 795,039,083 | 6,548,374,072 | - | 6,548,374,072 |
| Total comprehensive income for 2026 | | | | | | |
| Profit/(loss) for the period | - | - | (28,153,647) | (28,153,647) | - | (28,153,647) |
| Transactions with the shareholders: | | | | | | |
| Cash dividend (2025) | - | - | (119,486,280) | (119,486,280) | - | (119,486,280) |
| **Balance as at 30 September 2026** | **4,279,687,010** | **1,473,647,979** | **647,399,156** | **6,400,734,145** | **-** | **6,400,734,145** |

*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 2026**

| | 30 Sep 2026 Taka | 30 Sep 2025 Taka |
|---|---|---|
| **Cash flows from operating activities** | | |
| Cash receipts from customers | 5,603,448,316 | 5,374,003,374 |
| Cash payments to suppliers and employees | (5,086,378,968) | (5,082,783,292) |
| **Cash generated from operating activities** | 517,069,348 | 291,220,082 |
| Interest received from bank deposits | 2,369,284 | 3,231,670 |
| Income tax paid (note - 23) | (133,052,049) | (147,511,210) |
| ***Net cash (used in)/from operating activities (note-42)*** | 386,386,583 | 146,940,542 |
| **Cash flows from investing activities** | | |
| Acquisition of property, plant and equipment | (313,164,930) | (168,182,137) |
| Sale of property, plant and equipment (note-5.3) | 217,800 | 5,379,500 |
| Interest received from FDR | 8,870,416 | 6,450,129 |
| Intangible assets | (2,646,595) | (1,670,768) |
| ***Net cash (used in)/from investing activities*** | (306,723,309) | (158,023,276) |
| **Cash flows from financing activities** | | |
| Finance charges | (189,913,530) | (159,693,053) |
| Avail/(repayment) of term loan | 29,652,424 | (60,283,882) |
| Avail/(repayment) of short-term loan | 160,124,661 | 532,973,398 |
| Payment of lease liability | (12,289,843) | (11,869,742) |
| Dividend paid | (119,766,274) | (350,734,000) |
| ***Net cash (used in)/from financing activities*** | (132,192,562) | (49,607,279) |
| Effect of exchange rate changes in cash and cash equivalents | 269,269 | 218,303 |
| **Net increase/(decrease) in cash and cash equivalents** | (52,260,019) | (60,471,710) |
| **Cash and cash equivalents as at 01 January** | 302,596,176 | 424,164,546 |
| **Cash and cash equivalents as at 30 September (Note 13)** | **250,336,157** | **363,692,836** |

*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 2026

### 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 6,400 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 2020.

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 27 October 2026.

### 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 9 | 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 2026 to 30 September 2026. The comparative figures cover the period from 1 January 2025 to 30 September 2025/31 Dec 2025 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 gives 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 | 5-20 |
| 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 2025".

### 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 delineats 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 period. Provisions for corporate income tax is made following the rate applicable for companies as per Finance Act 2026.

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 2020.

### 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 2025 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 2026**

Amount in Taka

| Particulars | COST | | | | DEPRECIATION | | | | | Net book value as at 30 Sep 2026 |
|---|---|---|---|---|---|---|---|---|---|---|
| | Balance as at 01 Jan 2026 | Addition during the period | Sale/disposal retirement/ during the period | Balance as at 30 Sep 2026 | Rate (%) | Balance as at 01 Jan 2026 | Charged during the period | Adjustment during the period | Balance as at 30 Sep 2026 | |
| Land | 1,249,421,336 | - | - | 1,249,421,336 | | - | - | - | - | 1,249,421,336 |
| Factory building | 1,175,813,009 | 15,135,159 | - | 1,190,948,167 | 5-20 | 726,135,836 | 35,860,392 | - | 761,996,228 | 428,951,940 |
| Office and accommodation building | 615,711,997 | 1,959,377 | - | 617,671,374 | 5 | 326,490,221 | 24,243,639 | - | 350,733,859 | 266,937,514 |
| Plant and machinery | 6,336,116,816 | 253,746,998 | - | 6,589,863,814 | 10 | 4,926,295,743 | 214,258,786 | - | 5,140,554,529 | 1,449,309,285 |
| Mobile plant | 159,554,607 | - | - | 159,554,607 | 10-20 | 118,223,092 | 9,980,181 | - | 128,203,273 | 31,351,334 |
| Electrical installation | 100,698,321 | 5,790,592 | - | 106,488,913 | 10 | 86,863,133 | 2,913,853 | - | 89,776,987 | 16,711,927 |
| Gas pipeline | 98,491,171 | - | - | 98,491,171 | 10 | 80,849,821 | 2,187,964 | - | 83,037,784 | 15,453,386 |
| Furniture and fixtures | 54,980,593 | 2,835,509 | - | 57,816,103 | 10-34 | 45,530,069 | 3,502,766 | - | 49,032,836 | 8,783,267 |
| Office equipment | 68,047,175 | 5,575,064 | (519,367) | 73,102,872 | 10-34 | 58,559,168 | 4,264,368 | (519,365) | 62,304,170 | 10,798,701 |
| Communication equipment | 16,314,719 | 8,362,291 | - | 24,677,009 | 10-34 | 15,468,229 | 1,239,860 | - | 16,708,089 | 7,968,920 |
| Tools and appliances | 24,630,767 | 376,200 | - | 25,006,967 | 10-34 | 18,079,196 | 3,590,076 | - | 21,669,273 | 3,337,694 |
| Vehicles | 129,495,581 | - | (898,000) | 128,597,581 | 10 | 88,794,322 | 5,533,118 | (898,000) | 93,429,441 | 35,168,140 |
| Fire fighting equipment | 3,631,012 | - | - | 3,631,012 | 20 | 3,631,012 | - | - | 3,631,012 | - |
| **Total** | **10,032,907,104** | **293,781,189** | **(1,417,367)** | **10,325,270,926** | | **6,494,919,842** | **307,575,003** | **(1,417,365)** | **6,801,077,480** | **3,524,193,446** |

**31 Dec 2025**

Amount in Taka

| Particulars | COST | | | | DEPRECIATION | | | | | Net book value as at 31 Dec 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| | Balance as at 01 Jan 2025 | Addition during the year | Sale/disposal/ transfer during the year | Balance as at 31 Dec 2025 | Rate (%) | Balance as at 01 Jan 2025 | Charged during the year | Adjustment during the year | Balance as at 31 Dec 2025 | |
| Land | 1,249,421,336 | - | - | 1,249,421,336 | | - | - | - | - | 1,249,421,336 |
| Factory building | 1,136,388,301 | 39,424,708 | - | 1,175,813,009 | 5-20 | 678,935,802 | 47,200,034 | - | 726,135,836 | 449,677,173 |
| Office and accommodation building | 598,487,167 | 17,224,830 | - | 615,711,997 | 5 | 293,301,979 | 33,188,242 | - | 326,490,221 | 289,221,776 |
| Plant and machinery | 6,524,974,245 | 268,298,881 | (457,156,310) | 6,336,116,817 | 10 | 5,007,310,085 | 372,059,258 | (453,073,600) | 4,926,295,743 | 1,409,821,073 |
| Mobile plant | 138,679,618 | 25,754,001 | (4,879,012) | 159,554,607 | 10-20 | 111,377,467 | 11,681,309 | (4,835,684) | 118,223,092 | 41,331,515 |
| Electrical installation | 242,830,147 | 11,798,141 | (153,929,967) | 100,698,321 | 10 | 234,314,100 | 6,478,988 | (153,929,955) | 86,863,133 | 13,835,188 |
| Gas pipeline | 86,055,003 | 12,436,168 | - | 98,491,171 | 10 | 76,252,317 | 4,597,504 | - | 80,849,821 | 17,641,350 |
| Furniture and fixtures | 52,298,909 | 4,235,527 | (1,553,843) | 54,980,593 | 10-34 | 42,675,216 | 4,408,145 | (1,553,292) | 45,530,069 | 9,450,524 |
| Office equipment | 66,050,659 | 6,924,300 | (4,927,784) | 68,047,175 | 10-34 | 56,688,764 | 6,718,035 | (4,847,631) | 58,559,168 | 9,488,007 |
| Communication equipment | 19,417,128 | 422,587 | (3,524,996) | 16,314,719 | 10-34 | 17,030,737 | 1,881,572 | (3,444,080) | 15,468,229 | 846,490 |
| Tools and appliances | 23,993,385 | 3,370,316 | (2,732,934) | 24,630,767 | 10-34 | 16,508,154 | 4,303,969 | (2,732,927) | 18,079,196 | 6,551,571 |
| Vehicles | 130,108,437 | 322,075 | (934,931) | 129,495,581 | 10 | 81,871,357 | 7,595,855 | (672,889) | 88,794,322 | 40,701,258 |
| Fire fighting equipment | 3,631,012 | - | - | 3,631,012 | 20 | 3,631,012 | - | - | 3,631,012 | - |
| **Total** | **10,272,335,347** | **390,211,534** | **(629,639,777)** | **10,032,907,104** | | **6,619,896,990** | **500,112,910** | **(625,090,059)** | **6,494,919,842** | **3,537,987,262** |

## 5 Investment Property

**30 Sep 2026**

**Amount in Taka**

| Particulars | COST | | | | | DEPRECIATION | | | | Net book value as at 30 Sep 2026 |
|---|---|---|---|---|---|---|---|---|---|---|
| | Balance as at 01 Jan 2026 | Addition during the period | Sale/Transfer during the period | Balance as at 30 Sep 2026 | Rate | Balance as at 01 Jan 2026 | Charged during the period | Adjustment during the period | Balance as at 30 Sep 2026 | |
| Land[1] | 500,571,750 | - | - | 500,571,750 | | - | - | - | - | 500,571,750 |
| Office building[2] | 4,432,737 | - | - | 4,432,737 | 5% | 2,657,996 | 165,983 | - | 2,823,979 | 1,608,758 |
| **Total** | **505,004,487** | **-** | **-** | **505,004,487** | | **2,657,996** | **165,983** | **-** | **2,823,979** | **502,180,508** |

**31 Dec 2025**

**Amount in Taka**

| Particulars | COST | | | | | DEPRECIATION | | | | Net book value as at 31 Dec 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| | Balance as at 01 Jan 2025 | Addition during the year | Sale/Transfer during the year | Balance as at 31 Dec 2025 | Rate | Balance as at 01 Jan 2025 | Charged during the year | Adjustment during the year | Balance as at 31 Dec 2025 | |
| Land[1] | 500,571,750 | - | - | 500,571,750 | | - | - | - | - | 500,571,750 |
| Office building[2] | 4,432,737 | - | - | 4,432,737 | 5% | 2,436,077 | 221,918 | - | 2,657,996 | 1,774,741 |
| **Total** | **505,004,487** | **-** | **-** | **505,004,487** | | **2,436,077** | **221,918** | **-** | **2,657,996** | **502,346,491** |

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 2026<br>Taka | 30 Sep 2025<br>Taka |
|---|---|---|---|
| **5.1** | **Depreciation** | | |
| | Property, plant and equipment (Note 4) | 307,575,003 | 374,787,574 |
| | Investment Property (Note 5) | 165,983 | 165,983 |
| | | **307,740,986** | **374,953,557** |
| **5.2** | **Allocation of Depreciation** | | |
| | Cost of sales (Note 25) | 273,721,197 | 341,171,693 |
| | Administrative expenses (Note 5.2.1) | 22,865,560 | 23,815,902 |
| | Marketing & selling expenses (Note 28) | 11,154,229 | 9,965,962 |
| | | **307,740,986** | **374,953,557** |
| **5.2.1** | **Administrative Depreciation** | | |
| | Depreciation on property, plant & equipment (Note 27) | 22,699,577 | 23,649,919 |
| | Depreciation on investment property (Note 27) | 165,983 | 165,983 |
| | | **22,865,560** | **23,815,902** |

**5.3 Disposal of property, plant and equipment**

**30 Sep 2026**

| Particulars | Original cost | Accumulated depreciation | Book value | Receipt against sales/insurance | Profit/(loss) on disposal |
|---|---|---|---|---|---|
| | Taka | Taka | Taka | Taka | Taka |
| Office equipment | 519,367 | 519,365 | 2 | 35,000 | 34,998 |
| Vehicles | 898,000 | 898,000 | - | 182,800 | 182,800 |
| **Total** | **1,417,367** | **1,417,365** | **2** | **217,800** | **217,798** |

**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 |
| Office equipment | 4,753,825 | 4,716,219 | 37,606 | - | (37,606) |
| Furniture & fixture | 1,553,843 | 1,553,292 | 551 | - | (551) |
| Plant and machinery | 373,088,732 | 369,506,127 | 3,582,605 | 4,500,000 | 917,395 |
| Vehicles | 94,622 | 14,206 | 80,416 | 88,000 | 7,584 |
| Communication equipment | 3,267,025 | 3,206,042 | 60,983 | - | (60,983) |
| **Total** | **387,637,058** | **383,831,570** | **3,805,488** | **5,379,500** | **1,574,012** |

## 6 Right-of-use assets

**30 Sep 2026**

Amount in Taka

| Particulars | COST | | | | DEPRECIATION | | | | Net book value as at 30 Sep 2026 |
|---|---|---|---|---|---|---|---|---|---|
| | Balance as at 01 Jan 2026 | Addition during the period | Sale/disposal during the period | Balance as at 30 Sep 2026 | Balance as at 01 Jan 2026 | Charged during the period | Adjustment during the period | Balance as at 30 Sep 2026 | |
| Display center | 108,549,429 | 6,325,130 | (3,078,341) | 111,796,218 | 32,108,543 | 15,289,632 | (485,398) | 46,912,778 | 64,883,440 |
| Accommodation building | 2,496,552 | - | (1,646,771) | 849,780 | 1,089,203 | 581,026 | (1,174,525) | 495,704 | 354,077 |
| Warehouse | 29,631,958 | 28,788,142 | (29,631,958) | 28,788,142 | 14,018,751 | 4,205,985 | (15,026,056) | 3,198,681 | 25,589,461 |
| Office Building | 6,738,534 | - | - | 6,738,534 | 2,966,849 | 1,028,637 | - | 3,995,486 | 2,743,048 |
| **Total** | **147,416,473** | **35,113,274** | **(34,357,070)** | **148,172,675** | **50,183,347** | **21,105,280** | **(16,685,979)** | **54,602,649** | **93,570,026** |

**31 Dec 2025**

Amount in Taka

| Particulars | COST | | | | DEPRECIATION | | | | Net book value as at 31 Dec 2025 |
|---|---|---|---|---|---|---|---|---|---|
| | Balance as at 01 Jan 2025 | Addition during the year | Sale/disposal during the year | Balance as at 31 Dec 2025 | Balance as at 01 Jan 2025 | Charged during the year | Adjustment during the year | Balance as at 31 Dec 2025 | |
| Display center | 89,768,706 | 37,885,839 | (19,105,116) | 108,549,428 | 31,968,420 | 17,776,417 | (17,636,294) | 32,108,543 | 76,440,886 |
| Accommodation building | 2,351,946 | 905,250 | (760,644) | 2,496,552 | 836,328 | 1,013,519 | (760,644) | 1,089,203 | 1,407,349 |
| Warehouse | 28,687,412 | 944,546 | - | 29,631,958 | 8,128,100 | 5,890,652 | - | 14,018,752 | 15,613,206 |
| Office Building | 6,517,391 | 221,143 | - | 6,738,534 | 1,629,348 | 1,337,501 | - | 2,966,849 | 3,771,685 |
| **Total** | **127,325,455** | **39,956,778** | **(19,865,760)** | **147,416,473** | **42,562,196** | **26,018,089** | **(18,396,938)** | **50,183,347** | **97,233,126** |

### 6.1 Allocation of depreciation

| | 30 Sep 2026 | 30 Sep 2025 |
|---|---|---|
| Administrative expenses (Note 27) | 1,609,663 | 1,744,503 |
| Marketing & Selling expenses (Note 28) | 19,495,617 | 17,580,116 |
| | **21,105,280** | **19,324,619** |

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

**30 Sep 2026**

| Particulars | Lease liability | Right-of-use assets | Gain/(loss) |
|---|---|---|---|
| Warehouse | 22,582,083 | 19,331,015 | 3,251,068 |
| **Total** | **22,582,083** | **19,331,015** | **3,251,068** |

**30 Sep 2025**

| Particulars | Lease liability | Right-of-use assets | Gain/(loss) |
|---|---|---|---|
| Warehouse | - | - | - |
| **Total** | - | - | - |

1. Company rented six display centers situated in Dhaka, Chattogram, Sylhet, Rajshahi, Khulna 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 2026

Amount in Taka

| Particulars | COST | | | | AMORTIZATION | | | | Net book value as at 30 Sep 2026 |
|---|---|---|---|---|---|---|---|---|---|
| | Balance as at 01 Jan 2026 | Addition during the period | Sale/disposal during the period | Balance as at 30 Sep 2026 | Balance as at 01 Jan 2026 | Amortized during the period | Adjustment during the period | Balance as at 30 Sep 2026 | |
| License | 40,039,275 | 2,335,095 | - | 42,374,370 | 35,467,003 | 3,594,204 | - | 39,061,207 | 3,313,163 |
| Computer Software | 14,101,930 | 311,500 | - | 14,413,430 | 12,885,984 | 532,153 | - | 13,418,137 | 995,293 |
| **Total** | **54,141,205** | **2,646,595** | **-** | **56,787,800** | **48,352,987** | **4,126,357** | **-** | **52,479,344** | **4,308,456** |

### 31 Dec 2025

Amount in Taka

| Particulars | COST | | | | AMORTIZATION | | | | Net book value as at 31 Dec 2025 |
|---|---|---|---|---|---|---|---|---|---|
| | Balance as at 01 Jan 2025 | Addition during the year | Sale/disposal during the year | Balance as at 31 Dec 2025 | Balance as at 01 Jan 2025 | Amortized during the year | Adjustment during the year | Balance as at 31 Dec 2025 | |
| License | 44,150,049 | 2,245,691 | (6,356,465) | 40,039,275 | 35,408,486 | 6,446,888 | (6,388,371) | 35,467,003 | 4,572,272 |
| Computer Software | 13,361,680 | 740,250 | - | 14,101,930 | 12,194,709 | 659,369 | 31,906 | 12,885,984 | 1,215,946 |
| **Total** | **57,511,729** | **2,985,941** | **(6,356,465)** | **54,141,205** | **47,603,195** | **7,106,257** | **(6,356,465)** | **48,352,987** | **5,788,218** |

| | | 30 Sep 2026<br>Taka | 31 Dec 2025<br>Taka |
|---|---|---|---|
| **8** | **Capital Work-in-Progress** | | |
| | Balance as at 1 January | 101,123,591 | 270,280,122 |
| | Add: Addition during the period (note 8.1) | 292,103,414 | 157,182,184 |
| | | 393,227,005 | 427,462,306 |
| | Less: Transfer to property, plant & equipment during the period (note 8.2) | -272,719,672 | 326,338,715 |
| | Balance as at 30 September | **120,507,332** | **101,123,591** |
| **8.1** | **Addition during the period** | | |
| | Building | 64,191,773 | 53,778,501 |
| | Plant & machinery | 227,783,897 | 97,136,580 |
| | Others | 127,743 | 6,267,103 |
| | | **292,103,414** | **157,182,184** |
| **8.2** | **Items transferred from capital work in progress to property, plant & equipment** | | |
| | Office building | 1,587,243 | 2,422,718 |
| | Electrical installation | - | 11,768,486 |
| | Factory Building | 15,048,885 | 38,471,890 |
| | Plant & machinery | 254,640,445 | 262,131,913 |
| | Tools and appliances | - | 1,929,151 |
| | Gas pipe line | - | 9,453,773 |
| | Furniture & fixture | - | 160,784 |
| | Communication equipment | 1,443,098 | - |
| | | **272,719,672** | **326,338,715** |
| **9** | **Deferred tax assets** | | |
| | Balance as at 1 January | 100,814,031 | 15,529,147 |
| | Less : Deferred tax income/(expenses) | 58,432,341 | 85,284,884 |
| | Balance as at 30 September | **159,246,372** | **100,814,031** |

| | Carrying amount on the date of statement of financial position | Tax base | Taxable/ (deductible) temporary difference |
|---|---|---|---|
| As at 30 September 2026 | Taka | Taka | Taka |
| Property, plant and equipment (Excluding land and others) | 2,263,927,413 | 2,574,904,682 | (310,977,269) |
| Trade receivable | 2,655,423,565 | 2,755,504,000 | (100,080,435) |
| Inventories | 3,740,600,549 | 4,041,556,809 | (300,956,260) |
| Right of use assets | 93,570,028 | | 93,570,028 |
| Lease liability | (81,358,357) | | (81,358,357) |
| Net taxable temporary difference | | | **(699,802,292)** |
| Deferred tax liability (applying applicable tax rate for individual company) | | | **(159,246,372)** |
| As at 31 December 2025 | | | |
| Property, plant and equipment (Excluding land and others) | 2,272,768,690 | 2,472,189,977 | (199,421,287) |
| Trade receivable | 2,661,671,091 | 2,712,788,913 | (51,117,822) |
| Inventories | 3,578,345,665 | 3,791,303,051 | (212,957,385) |
| Right of use assets | 97,233,127 | - | 97,233,127 |
| Lease liability | (86,307,198) | - | (86,307,198) |
| Net taxable temporary difference | | | **(452,570,566)** |
| Deferred tax liability (applying applicable tax rate for individual company) | | | **(100,814,031)** |

| | 30 Sep 2026<br>Taka | 31 Dec 2025<br>Taka |
|---|---|---|
| **10 Inventories** | | |
| Raw materials | 1,305,301,856 | 1,037,506,360 |
| Less : Provision for slow moving & obsolete inventories | 68,844,874 | 86,801,376 |
| Less: Write off for obsolete raw materials | - | 21,164,947 |
| | 1,236,456,982 | 929,540,037 |
| Stores and consumables spares and packing | 1,266,173,303 | 1,138,767,943 |
| Less: Write off for stores and spares | - | 1,834,502 |
| Less: Provision for slow moving & obsolete inventories | 151,294,497 | 52,619,836 |
| | 1,114,878,806 | 1,084,313,605 |
| Finished goods (net of net realizable value adjustment) * | 1,259,611,367 | 1,262,570,361 |
| Less : Provision for slow moving & obsolete inventories | 52,920,520 | 37,990,515 |
| | 1,206,690,846 | 1,224,579,846 |
| Work-in-process | 78,688,190 | 66,443,012 |
| Goods-in-transit | 170,176,919 | 343,543,276 |
| | **3,806,891,743** | **3,648,419,775** |

*Finished goods exclude provision of net realizable value BDT 40,037,997.

| | | |
|---|---|---|
| **11 Trade and other receivables** | | |
| Trade receivables (Note 11.1) | 2,639,669,159 | 2,645,938,454 |
| | 2,639,669,159 | 2,645,938,454 |
| Accrued interest (Note 11.2) | 1,305,677 | 999,544 |
| | **2,640,974,836** | **2,646,937,998** |
| **11.1 Trade receivables** | | |
| Receivables from local sales | 2,733,961,820 | 2,694,265,549 |
| Receivables from export sales | 6,616,696 | 2,790,727 |
| | 2,740,578,516 | 2,697,056,276 |
| Less: Provision of impairment loss on trade receivable: | | |
| Unrelated parties | 65,261,015 | 33,493,510 |
| Related parties | 35,648,342 | 17,624,312 |
| | **2,639,669,159** | **2,645,938,454** |
| **11.2 Accrued interest** | | |
| Interest accrued on Fixed Deposit Receipt | 850,452 | 999,544 |
| Interest accrued on Special Notice Deposit | 455,225 | - |
| | **1,305,677** | **999,544** |

| | | 30 Sep 2026<br>Taka | 31 Dec 2025<br>Taka |
|---|---|---|---|
| **12** | **Advance, deposit and prepayments** | | |
| | Advances: | | |
| | Employees | 1,076,510 | 351,000 |
| | Purchase of land and others | 4,358,054 | 1,393,583 |
| | Suppliers against materials and services | 127,600,679 | 89,510,612 |
| | | 133,035,243 | 91,255,195 |
| | Security and other deposits: | | |
| | Titas gas | 100,531,900 | 100,531,900 |
| | Mymensingh Palli Bidyut Samity-2 | 1,955,000 | 1,955,000 |
| | VAT and Supplementary duty (Note 12.1) | 2,186,930 | 1,894,762 |
| | Deposited with income tax authority | 96,731,364 | 89,783,545 |
| | Deposited with VAT authority | 11,804,770 | 11,804,770 |
| | Display center and others | 2,738,900 | 4,908,900 |
| | Other deposits | 1,553,226 | 1,553,226 |
| | | 217,502,090 | 212,432,103 |
| | Prepayments: | | |
| | Insurance and others | 9,437,112 | 4,436,601 |
| | | **359,974,445** | **308,123,899** |

| | | | |
|---|---|---|---|
| **12.1** | **Supplementary duty & VAT** | | |
| | Balance as at 1 January | 1,894,762 | 2,147,385 |
| | Add: Treasury deposit for SD & VAT purpose | 15,404,040 | 17,390,853 |
| | | 17,298,802 | 19,538,238 |
| | Less: SD & VAT on sales | 15,111,872 | 17,643,476 |
| | Balance as at 30 September | **2,186,930** | **1,894,762** |

The above amount represents RAK Security and Services (Pvt) Ltd.

| | 30 Sep 2026<br>Taka | 31 Dec 2025<br>Taka |
|---|---|---|
| **13 Cash and cash equivalents** | | |
| Cash in hand | 2,265,420 | 1,301,586 |
| Cash at banks | | |
| Standard Chartered Bank (current account - 01-6162940-01, 01-3767272-01 - BDT) | 60,280 | 60,603 |
| BRAC Bank Ltd. (current account - 1530201731248001 - BDT) | 21,200,733 | 8,705,074 |
| Citibank N.A. (current account - G0100001200262018 - BDT) | 114,292 | 122,292 |
| Dutch Bangla Bank Ltd. (current account -117-110-12733,117-110-4311,117.110.23474 BDT) | 5,000 | 4,717,228 |
| Standard Chartered Bank (ERQ - 42-6162940-01 - USD) | 2,934,899 | 3,013,350 |
| Standard Chartered Bank (Margin money account) | 1,968,575 | 1,968,575 |
| Midland Bank Ltd. (Margin money account) | 1,454,363 | 595,629 |
| United Commercial Bank Ltd. (SND account - 0831301000000164 BDT) | 15,171,736 | 3,248,315 |
| Al Arafa Islami Bank Ltd. (SND account - 0171220002646, 0171220002657 - BDT) | 10,375,766 | 2,592,848 |
| South East Bank Ltd. (Current account - 11100008546 - BDT) | 2,033,525 | 475,281 |
| Al Arafa Islami Bank Ltd. (Margin money account - BDT) | 1,573,845 | - |
| Standard Chartered Bank (SND account - 02-3767272-01 - BDT) | 124,678 | 125,253 |
| Dutch Bangla Bank Ltd. (SND account - 117-120-589, 117-120-311,117-120.2550 - BDT) | 5,935,608 | 15,166,086 |
| Pubali Bank Ltd. (CD account 4709901003543, 4709901003539 - BDT) | 106,363 | 107,191 |
| Prime Bank Ltd. (SND - 2125316004690 - BDT) | 5,910,421 | 568,181 |
| Janata Bank Ltd. (SND 0100258556318 - BDT) | 102,519 | 101,927 |
| Eastern Bank Ltd. (CD account - 1132040363287, 1041060507936 - BDT) | 11,134,658 | 9,772,416 |
| Dhaka Bank Ltd (SND - 102.150.274- BDT)) | 12,389,709 | 15,367,260 |
| Pubali Bank Ltd. ( SND account 47091012000483 - BDT) | 48,087 | 48,348 |
| Dhaka Bank Ltd (CD - 204100000019318- BDT)) | 1,015,446 | 726,722 |
| Commercial Bank of Ceylon (SND-2817000777 - BDT) | 1,000 | 1,000 |
| Commercial Bank of Ceylon (ERQ-1806012366 - USD) | 3,799,251 | 3,914,393 |
| Meghna Bank Ltd. (SND 1112-13500000004 - BDT) | 288,276 | 245,676 |
| Midland Bank Ltd. (SND 0006-1070000015, 0006-1060000043 - BDT) | 287,239 | 65,894,706 |
| Eastern Bank Ltd. (SND account - 1041360507944 - BDT) | - | 51,140 |
| Eastern Bank Ltd. (Margin Money account) | 1,141,169 | 1,007,180 |
| Commercial Bank of Ceylon (Margin Money account) | - | 347,850 |
| | 99,177,438 | 138,944,524 |
| IPO bank account | | |
| Citibank N.A. (RAK-IPO Central Account - G010001200262022 - BDT) | 1,692,029 | 1,688,689 |
| 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 |
| | 5,891,735 | 5,888,395 |
| Dividend bank account | | |
| BRAC Bank (Current - 1510201731248001 - BDT) - 2010 | 2,817,906 | 2,821,596 |
| BRAC Bank (Current - 1513201731248001 - BDT) - 2011 | 1,081,816 | 1,085,506 |
| SCB (SND - 02-6162940-02- BDT) - 2012 | 171,332 | 172,447 |
| SCB (SND - 02-6162940-03- BDT) - 2013 | 316,585 | 317,821 |
| SCB (SND - 02-6162940-05- BDT) - 2015 | 35,899 | 37,042 |
| SCB (SND - 02-6162940-06- BDT) - 2016 | 2,576 | 3,726 |
| SCB (SND - 02-6162940-10- BDT) - 2020 | 344,637 | 345,868 |
| SCB (SND - 02-6162940-11- BDT) - 2021 | 37,238 | 41,381 |
| MDB (SND - 0006-1090000460 - BDT) - 2022 | 3,059,322 | 5,344,091 |
| MDB (SND - 0006-1090000504 - BDT) - 2023 | 3,281,410 | 3,353,003 |
| MDB (SND - 0006-1090000504 - BDT) - 2024 | 2,544,624 | 2,634,443 |
| MDB (SND - 0006-1090000639 - BDT) - 2025 | 2,485,564 | - |
| | 16,178,909 | 16,156,924 |
| Investment in Fixed Deposit Receipt (FDR) | | |
| Midland Bank Ltd. | 60,000,000 | 60,000,000 |
| Eastern Bank Ltd. | 17,806,155 | 22,137,805 |
| Al Arafah Islami Bank Ltd. | 44,016,500 | 53,166,942 |
| Commercial bank of Ceylon | 5,000,000 | 5,000,000 |
| | 126,822,655 | 140,304,747 |
| | **250,336,157** | **302,596,176** |

| | 30 Sep 2026<br>Taka | 31 Dec 2025<br>Taka |
|---|---|---|

## 14 Share Capital

| | | |
|---|---|---|
| **Authorised :** | | |
| 600,000,000 ordinary shares of Taka 10/- each | **6,000,000,000** | **6,000,000,000** |
| **Issued, subscribed, called and paid up :** | | |
| 427,968,701 ordinary shares of Taka 10/- each | **4,279,687,010** | **4,279,687,010** |

**Percentage of shareholdings :**

| | 30 Sep 2026 | | 31 Dec 2025 | |
|---|---|---|---|---|
| | % | Taka | % | Taka |
| RAK Ceramics PJSC, UAE | 68.13 | 2,915,864,310 | 68.13 | 2,915,864,310 |
| S.A.K. Ekramuzzaman | 3.95 | 168,958,240 | 3.95 | 168,958,240 |
| Other Sponsors | 0.00 | 1,660 | 0.00 | 1,660 |
| General Public | 27.92 | 1,194,862,800 | 27.92 | 1,194,862,800 |
| | **100.00** | **4,279,687,010** | **100.00** | **4,279,687,010** |

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 | |
|---|---|---|---|---|
| | 30 Sep 2026 | 31 Dec 2025 | 30 Sep 2026 | 31 Dec 2025 |
| 01-499 shares | 14,471 | 14,807 | 3,285,316 | 3,403,461 |
| 500 to 5,000 shares | 6,870 | 6,922 | 11,620,962 | 11,584,467 |
| 5001 to 10,000 shares | 895 | 877 | 6,718,833 | 6,556,860 |
| 10,001 to 20,000 shares | 494 | 480 | 7,177,385 | 6,931,444 |
| 20,001 to 30,000 shares | 150 | 147 | 3,764,751 | 3,693,708 |
| 30,001 to 40,000 shares | 89 | 70 | 3,141,526 | 2,496,932 |
| 40,001 to 50,000 shares | 59 | 51 | 2,741,176 | 2,394,882 |
| 50,001 to 100,000 shares | 97 | 97 | 6,971,912 | 7,065,371 |
| 100,001 to 1,000,000 shares | 76 | 83 | 23,979,362 | 25,849,947 |
| 1,000,001 to 1,000,000,000 Shares | 16 | 16 | 358,567,478 | 357,991,629 |
| | **23,217** | **23,550** | **427,968,701** | **427,968,701** |

## 15 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) | 30 Sep 2026<br>Taka | 31 Dec 2025<br>Taka |
|---|---|---|---|
| 10,000,000 | 30 | 300,000,000 | 300,000,000 |
| 34,510,000 | 38 | 1,311,380,000 | 1,311,380,000 |
| | | 1,611,380,000 | 1,611,380,000 |
| Less : Share issue expenses | | 137,732,021 | 137,732,021 |
| | | **1,473,647,979** | **1,473,647,979** |

## 16 Retained earnings (Reserve and surplus)

| | | |
|---|---|---|
| Balance as on 1 January | 795,039,083 | 1,618,936,861 |
| Add : Profit/(loss) during the period | (28,153,647) | (395,930,470) |
| | 766,885,435 | 1,223,006,391 |
| Add : Adjustment for NCI | - | 1,393 |
| Less: Dividend declared during the period | (119,486,280) | (427,968,701) |
| Balance as on 30 September | **647,399,155** | **795,039,083** |

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

| | 30 Sep 2026<br>Taka | 31 Dec 2025<br>Taka |
|---|---|---|
| **17 Employees benefits payable** | | |
| Provident fund | 70,300,366 | - |
| Gratuity fund | 26,046,108 | - |
| | **96,346,474** | - |

| | 30 Sep 2026 | | |
|---|---|---|---|
| | Provident fund<br>Taka | Gratuity fund<br>Taka | Total<br>Taka |
| Balance as at 1 January | - | - | - |
| Add: Provision made during the period | 73,572,908 | 27,756,058 | 101,328,966 |
| | 73,572,908 | 27,756,058 | 101,328,966 |
| Less: Payments made to fund during the period | 3,272,542 | 1,709,950 | 4,982,492 |
| Balance as on 30 September | **70,300,366** | **26,046,108** | **96,346,474** |

Forfeited amount of provident fund amounting to BDT. 593,361 for the period 2026 has been adjusted with provision and payment.

| | 31 Dec 2025 | | |
|---|---|---|---|
| | Provident fund<br>Taka | Gratuity fund<br>Taka | Total<br>Taka |
| Balance as at 1 January | - | - | - |
| Add: Provision made during the year | 92,485,044 | 35,444,280 | 127,929,324 |
| | 92,485,044 | 35,444,280 | 127,929,324 |
| Less: Payments made to fund during the year | 92,485,044 | 35,444,280 | 127,929,324 |
| Balance as at 31 December | - | - | - |

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

| | | |
|---|---|---|
| **18 Borrowings** | | |
| **Non-current:** | | |
| Term loan | 498,980,963 | 469,328,540 |
| Current portion of term loan | (142,480,987) | (128,617,400) |
| | **356,499,976** | **340,711,140** |
| **Current:** | | |
| Bank overdrafts | 87,396,605 | 142,711,846 |
| Short-term borrowings | 1,462,613,718 | 1,247,173,815 |
| Current portion of term loan | 142,480,987 | 128,617,400 |
| | 1,692,491,310 | 1,518,503,061 |
| Balance as on 30 September | **2,048,991,286** | **1,859,214,201** |

**18.1 Borrowings by maturity**

| At 30 September 2026 | < 1 year | 1-2 years | 2-5 years | > 5 years | Total |
|---|---|---|---|---|---|
| Bank overdrafts | 87,396,605 | - | - | - | 87,396,605 |
| Short-term borrowings | 1,462,613,718 | - | - | - | 1,462,613,718 |
| Term loan | 142,480,987 | 165,280,561 | 176,838,694 | 14,380,721 | 498,980,963 |
| | **1,692,491,310** | **165,280,561** | **176,838,694** | **14,380,721** | **2,048,991,286** |

| At 31 December 2025 | < 1 year | 1-2 years | 2-5 years | > 5 years | Total |
|---|---|---|---|---|---|
| Bank overdrafts | 142,711,846 | - | - | - | 142,711,846 |
| Short-term borrowings | 1,247,173,815 | - | - | - | 1,247,173,815 |
| Term loan | 128,617,400 | 133,242,813 | 205,849,201 | 1,619,126 | 469,328,540 |
| | **1,518,503,061** | **133,242,813** | **205,849,201** | **1,619,126** | **1,859,214,201** |

**18.2 Facilities details (Funded)**

| Bank | Name of facilities | Limit | Utilisation | Maturity | Repayment | Security - STL | Security - LTL |
|---|---|---|---|---|---|---|---|
| SCB | Overdraft | 50,000,000 | 44,875,043 | Revolving | From company's own source | 1) Hypothecation over stock & book debts on a parri - passu basis with other lenders.<br>2) Demand promissory note. | 1) Specific charge over plant, machinery and equipment of BMRE projects of RAK Ceramics (BD) Ltd. Following are relating to RAK Power Pvt. Ltd.<br>2. Mortgage of 5 bigha land.<br>3. Lien of Term Deposit of 100 MN<br>4. Charge over fixed & floating assets,<br>5. Corporate guarantee from RAK Ceramics (BD) Limited*<br>6. A signed cheque covering total facility |
| | Short term loan | 700,000,000 | 555,477,034 | 180/360 days from B/L date | | | |
| Midland Bank PLC | Overdraft | 50,000,000 | 19,100,000 | Revolving | From company's own source | | |
| | Short term loan | 500,000,000 | 443,119,559 | 180/360 days from B/L date | | | |
| | Long term loan | 235,799,191 | 235,799,191 | 5 years with 1 year moratorium year | | | |
| Eastern Bank PLC | Overdraft | 25,000,000 | 25,000,000 | Revolving | From company's own source | | |
| | Short term loan | 425,000,000 | 320,101,254 | 180/360 days from B/L date | | | |
| Dutch Bangla Bank PLC. | Overdraft | 25,000,000 | (35,696,777) | Revolving | From company's own source | | |
| | Short term loan | 90,000,000 | 30,000,000 | 180/360 days from B/L date | | | |
| Commercial Bank of Ceylon | Overdraft | 35,000,000 | 34,118,339 | Revolving | From company's own source | | |
| | Short term loan | 550,000,000 | 113,915,872 | 180/360 days from B/L date | | | |
| Al Arafa Islami Bank PLC | Short term loan | 15,000,000 | - | 180/360 days from B/L date | From company's own source | | |
| | Long term loan* | 263,181,772 | 263,181,772 | 6 years with 1 year moratorium year | | | |

* 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 2x4.3 MW new genset. Outstanding loan against the said corporate guarantee is BDT 263.18 Million at 30 Sep 2026.

| | | 30 Sep 2026 Taka | 31 Dec 2025 Taka |
|---|---|---|---|
| **19** | **Lease liability** | | |
| | **Non-current:** | | |
| | Lease liability | 81,358,360 | 86,307,200 |
| | Less : Current portion of lease liability | 22,680,981 | 20,033,887 |
| | | 58,677,378 | 66,273,313 |
| | **Current:** | | |
| | Current portion of lease liability | 22,680,981 | 20,033,887 |

**30 September 2026**

**Lease liability schedule**

| Particulars | Balance as on 01 January 2026 | Addition/(deletion) | Payment | Interest expenses | Decrease in lease liability | Balance as on 30 Sep 2026 |
|---|---|---|---|---|---|---|
| Display center | 61,396,370 | 3,670,194 | 13,439,216 | 4,672,806 | 8,766,409 | 56,300,157 |
| Accommodation Building | 1,497,503 | (532,164) | 655,556 | 64,958 | 590,598 | 374,742 |
| Warehouse | 19,205,385 | 4,202,970 | 3,109,157 | 1,226,235 | 1,882,922 | |
| Office Building | 4,207,942 | - | 1,319,997 | 270,082 | 1,049,915 | 3,158,027 |
| | **86,307,200** | **7,341,000** | **18,523,925** | **6,234,082** | **12,289,843** | **81,358,360** |

**31 December 2025**

**Lease liability schedule**

| Particulars | Balance as on 01 January 2025 | Addition/(deletion) | Payment | Interest expenses | Decrease in lease liability | Balance as on 31 December 2025 |
|---|---|---|---|---|---|---|
| Display center | 42,306,245 | 28,747,614 | 14,464,778 | 4,807,288 | 9,657,490 | 61,396,370 |
| Accommodation Building | 1,586,300 | 905,250 | 1,143,041 | 148,994 | 994,047 | 1,497,503 |
| Warehouse | 22,844,469 | 944,547 | 6,854,737 | 2,271,106 | 4,583,631 | 19,205,385 |
| Office Building | 5,083,434 | 221,143 | 1,597,895 | 501,260 | 1,096,635 | 4,207,942 |
| | **71,820,447** | **30,818,554** | **24,060,451** | **7,728,648** | **16,331,803** | **86,307,200** |

| | | | |
|---|---|---|---|
| **20** | **Trade and other payables** | | |
| | **Trade payables** | | |
| | Payable to local suppliers | 272,747,845 | 454,074,845 |
| | Payable to foreign suppliers | 693,549,097 | 490,530,677 |
| | Payable to service provider | 136,906,705 | 234,533,276 |
| | Payable to C & F agent | 65,280,346 | 71,816,241 |
| | | 1,168,483,993 | 1,250,955,039 |
| | **Other payables** | | |
| | Tax deducted at source | 18,748,992 | 22,712,542 |
| | VAT deducted at source | 11,629,470 | 10,101,053 |
| | VAT and Supplementary duty payable (Note-20.1) | 208,338,008 | 128,342,978 |
| | 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 | 39,849,243 | 14,394,995 |
| | Security deposit payable | 3,178,792 | 1,617,592 |
| | Payable to employees | 4,353,740 | 3,259,995 |
| | Provisional liabilities - material & services | 112,226,532 | 19,158,668 |
| | | 937,525,497 | 738,788,543 |
| | | **2,106,009,490** | **1,989,743,582** |

| | | 30 Sep 2026<br>Taka | 31 Dec 2025<br>Taka |
|---|---|---|---|
| **20.1** | **VAT and Supplementary duty (SD) payable** | | |
| | Opening Balance | 128,342,978 | 211,175,616 |
| | Add: VAT and Supplementary duty on sales | 1,900,083,412 | 2,452,546,216 |
| | Other payable | 1,430,926 | 325,792 |
| | | 2,029,857,316 | 2,664,047,623 |
| | Less: Treasury deposit for SD & VAT purpose | 1,060,998,376 | 1,459,805,068 |
| | Rebate of input VAT | 760,520,933 | 1,075,899,577 |
| | | 1,821,519,308 | 2,535,704,644 |
| | Balance as at 30 September | **208,338,009** | **128,342,978** |
| **21** | **Unclaimed Dividend Payable** | **7,477,388** | **7,757,382** |

| Year | Dividend declared | TDS on dividend | Net dividend | Dividend distributed till 30 Sep 2026 | Fund Transferred to CMSF | Undistributed fund (BDT) as on 30 Sep 2026 |
|---|---|---|---|---|---|---|
| 2022 | 427,968,701 | 34,965,753 | 393,002,948 | 390,713,585 | 2,269,469 | 19,895 |
| 2023 | 427,968,701 | 31,206,814 | 396,761,887 | 394,116,699 | - | 2,645,188 |
| 2024 | 427,968,701 | 31,149,880 | 396,818,821 | 394,283,790 | - | 2,535,031 |
| 2025 | 119,486,280 | 15,084,425 | 104,401,855 | 102,124,580 | - | 2,277,275 |
| | **7,710,641,557** | **645,150,675** | **7,065,490,882** | **7,004,931,532** | **53,081,961** | **7,477,388** |

| Year | Dividend declared | TDS on dividend | Net dividend | Dividend distributed till 31 Dec 2025 | Fund Transferred to CMSF | Undistributed fund (BDT) as on 31 Dec 2025 |
|---|---|---|---|---|---|---|
| 2022 | 427,968,701 | 34,965,753 | 393,002,948 | 390,645,706 | - | 2,357,242 |
| 2023 | 427,968,701 | 31,206,814 | 396,761,887 | 394,012,245 | - | 2,749,643 |
| 2024 | 427,968,701 | 31,149,880 | 396,818,821 | 394,168,324 | - | 2,650,497 |
| | **7,591,155,277** | **630,066,251** | **6,961,089,026** | **6,902,519,152** | **50,812,492** | **7,757,382** |

| | | 30 Sep 2026<br>Taka | 31 Dec 2025<br>Taka |
|---|---|---|---|
| **22** | **Accrued expenses** | | |
| | Power and gas | 67,493,927 | 95,152,237 |
| | Staff cost | 110,363,784 | 110,917,157 |
| | Dealer's incentive and bonus | 19,262,209 | 5,386,870 |
| | Audit fees | 1,806,252 | 2,385,000 |
| | Professional charges | 720,003 | 1,939,002 |
| | Interest on loans | 53,816,975 | 44,448,826 |
| | Telephone | 386,627 | 284,299 |
| | Freight bill | 8,411,077 | 5,318,167 |
| | Business promotion and advertisement | 14,016,654 | 6,941,337 |
| | Hiring heavy equipment | 2,140,054 | - |
| | Managing Director's remuneration (Note 22.1) | - | - |
| | Worker's profit participation and welfare fund (Note 22.2) | 762,974 | 128,701 |
| | Others | 67,919,218 | 53,446,979 |
| | | **347,099,753** | **326,348,575** |
| **22.1** | **Managing Director's remuneration** | | |
| | Balance as at 1 January | - | 864,228 |
| | Add: Payable to Managing Director for the period (Note 27) | - | - |
| | | - | 864,228 |
| | Less: Tax deducted at source during the period (Note 20) | - | - |
| | Less: Paid to Managing Director during the period | - | 864,228 |
| | Balance as on 30 September | - | - |
| **22.2** | **Worker's profit participation and welfare fund** | | |
| | Balance as at 1 January | 128,701 | 1,910,053 |
| | Add: Contribution made to the fund during the period | 762,974 | 128,701 |
| | | 891,675 | 2,038,754 |
| | Less: Payment made from the fund during the period | 128,701 | 1,910,053 |
| | Balance as on 30 September | **762,974** | **128,701** |
| **23** | **Current income tax liabilities** | | |
| | **a) Provision for income tax** | | |
| | **Balance as at 1 January** | 4,945,157,633 | 4,819,058,236 |
| | Add: Provision made during the period | 73,592,920 | 194,792,251 |
| | Less: Adjustment for the period | - | (68,692,854) |
| | **Balance as at 30 September** | **5,018,750,553** | **4,945,157,633** |
| | **b) Advance income tax** | | |
| | **Balance of as at 1 January** | 4,511,532,078 | 4,380,962,857 |
| | Add: Paid during the period | 133,052,049 | 199,262,075 |
| | Less: Adjustment for the period | - | (68,692,854) |
| | **Balance as at 30 September** | **4,644,584,127** | **4,511,532,078** |
| | **Current tax liability at 30 September (a-b)** | **374,166,426** | **433,625,555** |

| | 30 Sep 2026 Taka | 30 Sep 2025 Taka | July to Sep 2026 Taka | July to Sep 2025 Taka |
|---|---|---|---|---|
| **24 Sales** | | | | |
| Gross sales from Ceramics product | 7,864,756,087 | 7,046,200,437 | 2,564,821,767 | 2,776,324,236 |
| Gross sales from Power generation | 489,189,649 | 470,763,433 | 138,388,560 | 178,774,132 |
| Gross sales from Security service | 121,123,260 | 105,755,540 | 42,451,275 | 30,822,176 |
| | 8,475,068,996 | 7,622,719,410 | 2,745,661,603 | 2,985,920,544 |
| Less: Inter company elimination | 468,810,896 | 451,131,297 | 134,577,108 | 169,383,864 |
| Supplementary Duty | 810,757,785 | 717,595,850 | 268,543,644 | 282,702,079 |
| VAT | 1,105,868,426 | 991,779,185 | 364,311,706 | 386,966,930 |
| Discount | - | 19,504 | - | - |
| Commission, incentive and bonus | 492,452,868 | 297,571,583 | 122,547,784 | 82,784,983 |
| **Net sales** | **5,597,179,021** | **5,164,621,991** | **1,855,681,360** | **2,064,082,689** |
| **25 Cost of sales** | | | | |
| Materials consumed: | | | | |
| Opening inventory as at 1 January | 929,540,037 | 1,007,053,534 | 898,682,909 | 1,055,507,801 |
| Add: Purchase during the period | 2,590,940,935 | 2,453,238,320 | 882,188,626 | 904,473,115 |
| | 3,520,480,972 | 3,460,291,854 | 1,780,871,535 | 1,959,980,916 |
| Less: Closing inventory as at 30 September | 1,236,456,982 | 1,019,984,234 | 1,236,456,982 | 1,019,984,234 |
| | 2,284,023,990 | 2,440,307,620 | 544,414,553 | 939,996,682 |
| Manufacturing overhead: | | | | |
| Direct labour (note 25.1) | 659,389,377 | 553,026,689 | 214,531,384 | 168,473,306 |
| Direct expenses: | | | | |
| Power and gas | 541,123,672 | 652,921,193 | 128,371,186 | 232,610,134 |
| Repairs and indirect materials (note 25.2) | 630,906,809 | 671,282,027 | 172,147,846 | 256,334,223 |
| Depreciation on property, plant & equipment (note 5.2) | 273,721,197 | 341,171,693 | 71,876,282 | 112,927,827 |
| Royalty and technical know-how/assistance fees * | - | - | (470,122) | - |
| Other production overhead (note 25.3) | 20,936,612 | 33,475,866 | 11,166,613 | 9,458,968 |
| Provision for slow moving & obsolete inventories (note 9) | 95,648,165 | 69,141,260 | 42,200,611 | 21,100,947 |
| Movement in stock | 52,182,890 | (420,047,366) | 351,930,806 | (35,937,837) |
| | **4,557,932,712** | **4,341,278,982** | **1,536,169,159** | **1,704,964,249** |
| **25.1 Direct labour** | | | | |
| Salary & wages | 455,416,702 | 442,658,811 | 150,313,225 | 159,376,618 |
| Overtime | 32,289,555 | 24,577,309 | 8,343,827 | 8,435,111 |
| Bonus | 51,517,165 | 21,454,269 | 13,808,646 | (19,610,432) |
| Incentive | - | 407,934 | - | 135,978 |
| Temporary labour wages | 51,756,225 | 4,971,374 | 21,156,383 | 2,100 |
| Staff uniform, safety and welfare expenses | 4,388,480 | 6,297,159 | 458,318 | 2,134,659 |
| Gratuity | 18,364,049 | 18,026,615 | 6,105,071 | 6,580,370 |
| Employer's contribution to provident fund | 23,557,633 | 23,025,387 | 7,940,576 | 8,640,463 |
| Leave encashment | 13,435,301 | 3,075,754 | 4,285,528 | 1,132,941 |
| Group life insurance | 3,561,052 | 3,178,995 | 1,120,237 | 1,079,774 |
| Canteen and conveyance expenses | 4,879,720 | 3,854,319 | 882,186 | 505,725 |
| Compensation | 223,495 | 1,498,763 | 117,389 | 60,000 |
| | **659,389,377** | **553,026,689** | **214,531,384** | **168,473,306** |
| **25.2 Repairs and indirect materials** | | | | |
| Stores, spares, repair & maintenance | 345,771,697 | 376,548,171 | 96,382,670 | 143,412,261 |
| Packing expenses | 285,135,112 | 294,733,856 | 75,765,176 | 112,921,962 |
| | **630,906,809** | **671,282,027** | **172,147,846** | **256,334,223** |
| **25.3 Other production overhead** | | | | |
| Tour and travel expenses | 1,964,584 | 1,825,818 | 728,384 | 542,657 |
| Demurrage and penalty | 2,250,131 | 632,761 | 493,865 | 315,339 |
| Insurance | 6,656,535 | 11,109,199 | 2,036,124 | 2,460,321 |
| Hiring charges and transportation | 7,078,552 | 1,736,006 | 7,078,552 | 155,940 |
| Write off for stores and spares | - | 15,672,978 | - | 5,224,326 |
| Other expenses | 2,986,810 | 2,499,104 | 829,688 | 760,385 |
| | **20,936,612** | **33,475,866** | **11,166,613** | **9,458,968** |

*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) | 217,798 | 1,574,012 | - | (99,169) |
| Gain on retirement of right of use assets (note 6.2) | 3,251,068 | - | - | - |
| | **3,468,866** | **1,574,012** | **-** | **(99,169)** |

| | 30 Sep 2026 Taka | 30 Sep 2025 Taka | July to Sep 2026 Taka | July to Sep 2025 Taka |
|---|---|---|---|---|
| **27 Administrative expenses** | | | | |
| Staff cost (note 27.2) | 193,506,673 | 164,772,112 | 69,642,383 | 48,618,066 |
| Annual General Meeting expenses | 2,880,310 | 2,880,707 | 193,557 | 286,500 |
| Telephone and postage | 5,086,074 | 5,995,207 | 2,265,968 | 1,807,402 |
| Office repair and maintenance (note 27.3) | 4,046,281 | 4,084,968 | 1,236,375 | 1,724,215 |
| Registration and renewal | 2,054,820 | 1,193,742 | 1,013,796 | 605,943 |
| Security and guard expenses | 309,126 | 243,776 | 4,587 | 26,840 |
| Electricity, gas and water | 6,023,610 | 6,073,484 | 2,470,299 | 2,099,614 |
| Depreciation on property, plant & equipment (note 5.2.1) | 22,699,577 | 23,649,919 | 8,016,445 | 7,767,096 |
| Depreciation on investment property (note 5.2.1) | 165,983 | 165,983 | 55,936 | 55,936 |
| Depreciation on right of use assets (note 6.1) | 1,609,663 | 1,744,503 | 449,101 | 604,333 |
| Amortization (note 7) | 4,126,357 | 5,329,138 | 563,031 | 1,821,925 |
| Legal and professional fees | 11,593,514 | 8,741,056 | 5,476,212 | 3,208,141 |
| Vehicle repair and maintenance | 11,697,748 | 10,456,356 | 4,398,093 | 3,216,377 |
| Rent, rate and tax | 3,990,918 | 3,731,800 | 1,316,146 | 1,202,047 |
| IT expenses | 3,412,166 | 3,816,806 | 1,604,497 | 1,081,433 |
| General Service | 5,691,172 | 5,798,327 | 1,888,511 | 1,935,040 |
| Donation | 450,000 | 1,743,494 | 150,000 | 1,102,943 |
| Managing Director's remuneration (note 27.4) | - | - | (529,903) | - |
| Others | 15,801,659 | 17,407,524 | 3,754,998 | 6,523,900 |
| | 295,145,651 | 267,828,902 | 103,970,031 | 83,687,751 |
| **27.1 Impairment loss on trade receivables** | | | | |
| Unrelated parties | 31,767,505 | 20,518,201 | 5,124,296 | 4,160,532 |
| Related parties | 18,024,030 | 4,898,272 | 11,554,268 | (3,365,558) |
| | 49,791,535 | 25,416,473 | 16,678,564 | 794,974 |

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

| | | | | |
|---|---|---|---|---|
| **27.2 Staff cost** | | | | |
| Salary & wages | 140,308,968 | 125,672,827 | 51,057,419 | 44,717,212 |
| Overtime | 21,024 | - | 11,288 | - |
| Bonus | 15,940,421 | 5,920,696 | 5,036,204 | (6,380,025) |
| Incentive | - | 192,546 | - | 64,182 |
| Gratuity | 5,883,513 | 5,139,948 | 2,231,726 | 1,801,191 |
| Employer's contribution to provident fund | 7,970,154 | 6,898,173 | 3,025,676 | 2,446,940 |
| Leave encashment | 3,158,885 | 958,326 | 1,276,984 | 335,059 |
| Group life insurance | 795,780 | 653,177 | 263,658 | 215,186 |
| Canteen and conveyance expenses | 16,070,168 | 15,524,338 | 5,391,501 | 4,507,045 |
| Staff uniform, safety and welfare expenses | 1,165,662 | 1,186,172 | 334,115 | 305,352 |
| Travelling expenses | 1,380,737 | 1,141,384 | 711,241 | 280,249 |
| Compensation | - | 628,449 | - | - |
| Medical expenses | 621,186 | 494,100 | 258,996 | 232,435 |
| Accommodation expenses | 190,175 | 361,976 | 43,575 | 93,240 |
| | 193,506,673 | 164,772,112 | 69,642,383 | 48,618,066 |

Accommodation expenses and Rent, rates and taxes include rent expenses for short term lease for BDT. 1,667,730 and related government levis 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 | 463,858 | 327,435 | 26,040 | 193,915 |
| Office maintenance | 3,582,423 | 3,757,533 | 1,210,335 | 1,530,300 |
| | 4,046,281 | 4,084,968 | 1,236,375 | 1,724,215 |
| **27.4 Managing Director's remuneration** | | | | |
| Provision made during the period | - | - | (529,903) | - |
| | - | - | (529,903) | - |

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) | 120,704,309 | 121,267,934 | 35,553,224 | 37,374,562 |
| Advertisement | 12,147,575 | 13,138,296 | 4,406,838 | 3,203,690 |
| Freight and transportation | 257,454,433 | 174,456,999 | 93,962,942 | 72,645,170 |
| Compensation to customers | 1,858,355 | 4,859,275 | 720,813 | 844,744 |
| Business promotion | 47,414,964 | 35,286,295 | 18,046,835 | 13,102,900 |
| Depreciation on property, plant & equipment (note 5.2) | 11,154,229 | 9,965,962 | 3,791,847 | 3,741,904 |
| Telephone and postage | 3,143,586 | 2,034,202 | 874,666 | 847,772 |
| Depreciation on right of use assets (note 6.1) | 19,010,219 | 17,580,116 | 7,570,967 | 5,974,406 |
| Vehicle repair and maintenance | 4,094,643 | 3,328,865 | 1,418,008 | 1,016,088 |
| Showroom, office & house rent | 3,542,613 | 5,008,053 | 1,375,238 | 1,726,740 |
| Sample expenses | 18,692,531 | 25,924,755 | 9,000,094 | 5,754,009 |
| Tour, travel and others | 15,663,637 | 26,800,764 | 7,262,939 | 8,439,229 |
| | 514,881,094 | 439,651,517 | 183,984,411 | 154,671,213 |
| **28.1 Staff cost** | | | | |
| Salary & wages | 80,882,787 | 79,962,671 | 27,697,343 | 28,697,547 |
| Bonus | 8,734,541 | 3,259,722 | 2,555,009 | (4,218,125) |
| Incentive | 2,391,890 | 9,124,684 | (4,500,000) | 2,859,232 |
| Gratuity | 3,508,497 | 3,500,994 | 1,230,877 | 1,270,763 |
| Employer's contribution to provident fund | 4,665,306 | 4,654,584 | 1,669,197 | 1,701,043 |
| Leave Encashment | 2,364,299 | 617,775 | 796,347 | 221,547 |
| Group life insurance | 533,965 | 570,706 | 165,801 | 195,192 |
| Conveyance & food expenses | 17,590,464 | 19,481,132 | 5,906,090 | 6,647,360 |
| Compensation | - | 95,666 | - | - |
| Staff uniform, safety and welfare expenses | 32,560 | - | 32,560 | - |
| | 120,704,309 | 121,267,934 | 35,553,224 | 37,374,562 |

| | 30 Sep 2026 Taka | 30 Sep 2025 Taka | July to Sep 2026 Taka | July to Sep 2025 Taka |
|---|---|---|---|---|

28.2 Salary & wages under staff cost (note no. 25.1, 27.2 & 28.1) includes employee contribution to provident fund for BDT.23,557,633, BDT. 7,970,154 & BDT. 4,665,306.

**29 Finance income**

| | | | | |
|---|---|---|---|---|
| Interest on bank account (SND) | 2,369,284 | 3,231,670 | 455,225 | 240,885 |
| Interest on fixed deposits | 9,176,549 | 6,742,215 | 3,029,577 | 2,294,420 |
| | **11,545,833** | **9,973,885** | **3,484,802** | **2,535,305** |

**30 Finance expenses**

| | | | | |
|---|---|---|---|---|
| Interest expenses against loan | 191,003,242 | 167,492,645 | 64,907,870 | 61,129,713 |
| Interest expenses against lease liability | 6,234,082 | 5,876,290 | 2,281,372 | 2,199,697 |
| Foreign exchange loss | 7,391,144 | 25,465,306 | (533,263) | 6,598,392 |
| Bank charges | 2,044,354 | 2,662,142 | 709,092 | 757,332 |
| | **206,672,822** | **201,496,383** | **67,365,070** | **70,685,134** |

**31 Contribution to worker's profit participation and welfare fund**

| | | | | |
|---|---|---|---|---|
| Provision made during the period | 762,974 | 323,807 | (660,784) | 134,010 |
| | **762,974** | **323,807** | **(660,784)** | **134,010** |

**32 Income tax expenses**

| | | | | |
|---|---|---|---|---|
| Accounting profit/(loss) (PBT as per individual company) | (10,993,067) | (97,826,176) | (48,340,289) | 51,581,496 |
| Add: Inadmissible depreciation allowance for separate consideration: | | | | |
| Accounting Depreciation of Fixed Assets | 307,740,986 | 374,953,557 | 83,740,509 | 124,492,763 |
| | 296,747,919 | 277,127,382 | 35,400,220 | 176,074,258 |
| Add: Inadmissible expenses / allowances as per ITO, 1984/ITA, 2023: | | - | | (806,515) |
| Business promotion expenses | - | - | - | - |
| Royalty expenses | 12,315,482 | 18,603,555 | 8,196,987 | 2,977,685 |
| Sample expenses | 4,126,357 | 5,329,138 | 563,031 | 1,821,925 |
| Amortization expenses | 20,619,882 | 19,324,619 | 8,020,068 | 6,578,740 |
| Depreciation on Right of Use Assets (ROUA) | 6,234,082 | 5,876,290 | 2,281,372 | 2,199,697 |
| Interest on lease liability | 95,648,165 | 69,141,260 | 42,200,611 | 21,100,947 |
| Provision for slow moving inventories | 4,492,338 | - | 1,402,987 | - |
| NRV Provision on inventories | 49,791,535 | 25,416,473 | 16,678,564 | 794,974 |
| Impairment loss on trade receivable | 193,227,842 | 143,691,335 | 79,343,621 | 34,667,453 |
| | 489,975,761 | 420,818,717 | 114,743,841 | 210,741,711 |
| Deduct: Tax base depreciation of Fixed Assets (as per 3rd Schedule of ITO,1984/ITA, 2023): | (189,611,660) | (184,398,687) | (75,169,738) | (63,658,564) |
| Admissible expenses as per ITO,1984/ITA, 2023: | (25,735,628) | (25,256,900) | (7,339,270) | (8,669,726) |
| Rent expenses | (87,498) | | | |
| Amortization expenses | | | | |
| Deduct: Non Business income (For separate consideration) | (2,000,000) | (2,000,000) | - | - |
| Dividend income | (2,347,830) | - | (2,347,830) | - |
| Rental Income | (182,800) | - | (182,800) | - |
| Profit on Sale of Fixed Assets | (3,251,068) | - | (3,251,068) | - |
| Gain on retirement of right of use assets | (2,269,891) | - | (2,269,891) | - |
| Interest on Bank Account (SND) | (9,176,549) | - | (9,176,549) | - |
| Interest on Fixed Deposit | **255,400,336** | **209,163,130** | **15,006,695** | **138,413,421** |
| **Business Income** | (626,730) | - | (626,730) | - |
| Income From export | **223,439,021** | **209,163,130** | **14,379,965** | **138,413,421** |
| **Local business income** | | | | |
| Applicable tax rate for individual company | | As per applicable tax rate for individual company | | |
| On Business income | 12% | 12% | 12% | 12% |
| On Business income (Export) | 20% | 20% | 20% | 20% |
| On Dividend income | 23% | 23% | 23% | 23% |
| On Income from Rental Income & Gain on ROUA | 15% | 15% | 15% | 15% |
| On Income from Profit on Sale of Fixed Assets | 23% | 23% | 23% | 23% |
| On Income from Interest on Bank Account (SND) | 23% | 23% | 23% | 23% |
| On Income from Interest on Fixed Deposit | | | | |
| Tax expenses as per applicable tax rate for individual company : | 58,941,936 | 47,930,702 | 3,187,212 | 31,327,140 |
| Business income | 400,000 | 400,000 | (400,000) | - |
| Dividend income | **59,341,936** | **48,330,702** | **2,787,212** | **31,327,140** |
| **Current tax liability based on taxable income** | | | | |
| **Current tax liability based on individual company** | **73,592,920** | **142,601,791** | **17,438,196** | **45,502,125** |

Tax calculated on gross receipts (turn over) being higher of tax computed on taxable profit for RAK Power (Pvt.) Ltd. and RAK Ceramics (BD) Ltd. For RAK Security and Services (Pvt.) Ltd. tax computed on taxable profit is higher than tax calculated at 1% on gross receipts. Accordingly, in compliance with applicable income tax regulations, the higher amount has been recognized as tax expense for the period ended 30 September 2026 as per Finance Act 2026.

**33 Reconciliation of effective tax rate**

| | | 30 Sep 2026 Taka | | 30 Sep 2025 Taka |
|---|---|---|---|---|
| Profit/(loss) before tax | % | (12,993,068) | % | (99,826,176) |
| Current tax expenses | -566.40% | 73,592,920 | -142.85% | 142,601,791 |
| Deferred tax expenses | 449.72% | (58,432,341) | 56.43% | (56,333,007) |
| Total tax expenses | **-116.68%** | **15,160,580** | **-86.42%** | **86,268,784** |
| Expected income tax using applicable tax rate for individual company | 6.97% | (905,295) | 21.44% | (21,406,540) |
| Tax on non-deductible expenses | -573.4% | 74,498,215 | -164.3% | 164,008,331 |
| Effective current tax | -566.40% | 73,592,920 | -142.85% | 142,601,791 |
| Effective deferred tax | 449.72% | (58,432,341) | 56.43% | (56,333,007) |
| | **-116.68%** | **15,160,580** | **-86.42%** | **86,268,784** |

**34 Short term lease expenses**

| | | | 30 Sep 2026 Taka | 30 Sep 2025 Taka | July to Sep 2026 Taka | July to Sep 2025 Taka |
|---|---|---|---|---|---|---|
| **Nature of the lease** | **Lease term** | **Allocation** | **Rent Payment** | **Rent Payment** | **Rent Payment** | **Rent Payment** |
| Rented accommodation | <1 year | Admin | 1,667,730 | 1,561,472 | 539,077 | 523,402 |
| | | | **1,667,730** | **1,561,472** | **539,077** | **523,402** |

## 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 2026 | As at 31 Dec 2025 | As at 30 Sep 2026 | As at 31 Dec 2025 |
| Trade receivables | - | - | 2,633,052,463 | 2,643,147,727 |
| Customer-Local | 53,935 | 22,864 | 6,616,696 | 2,790,727 |
| Customer-Export | **53,935** | **22,864** | **2,639,669,160** | **2,645,938,454** |
| Other receivables | | | 1,305,677 | 999,544 |
| Accrued Interest | | | - | - |
| Others | | | **1,305,677** | **999,544** |
| Cash equivalents | | | **248,070,737** | **301,294,589** |

#### 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 2026.

| Financial assets | Note | Classification under IFRS 9 | Carrying amount | Carrying amount under IFRS 9 | Impairment loss (Refer note 10.1) |
|---|---|---|---|---|---|
| Trade receivable-unrelated | 11.1 | Amortized cost | 1,049,830,296 | 984,569,281 | 65,261,015 |
| Trade receivable-related | 11.1 | Amortized cost | 1,690,748,221 | 1,655,099,879 | 35,648,342 |
| Cash at banks | 13 | Amortized cost | 121,248,082 | 121,248,082 | - |

i The above table provides information ECLs till date. Impairment provision till Dec 2025 was Tk. 51,117,822 and provision made during the period is Tk. 49,791,535.

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:

| | Amounts in Taka | |
|---|---|---|
| | As at 30 Sep 2026 | As at 31 Dec 2025 |
| Not past due | 924,065,299 | 2,026,945,261 |
| 0-90 days past due | 423,790,893 | 570,229,763 |
| 91-180 days past due | 351,602,104 | 11,827,748 |
| 181-365 days past due | 774,765,788 | 15,435,863 |
| over 365 days past due | 165,445,077 | 21,499,819 |
| | **2,639,669,160** | **2,645,938,454** |

### 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 2026 | | | |
|---|---|---|---|---|
| | Carrying amount | Contractual cash flows | Within 12 months or less | More than 12 months |
| | Taka | Taka | Taka | Taka |
| Bank overdraft | 87,396,605 | 87,396,605 | 87,396,605 | - |
| Trade and other payables | 2,106,009,490 | 2,106,009,490 | 2,106,009,490 | - |
| Short term borrowing | 1,462,613,718 | 1,462,613,718 | 1,462,613,718 | - |
| Term loan | 498,980,963 | 498,980,963 | 142,480,987 | 356,499,976 |
| | **4,155,000,776** | **4,155,000,776** | **3,798,500,800** | **356,499,976** |

| | As at 31 Dec 2025 | | | |
|---|---|---|---|---|
| | Carrying amount | Contractual cash flows | Within 12 months or less | More than 12 months |
| | Taka | Taka | Taka | Taka |
| Bank overdraft | 142,711,846 | 142,711,846 | 142,711,846 | - |
| Trade and other payables | 1,989,743,582 | 1,989,743,582 | 1,989,743,582 | - |
| Short term borrowing | 1,247,173,815 | 1,247,173,815 | 1,247,173,815 | - |
| Term loan | 469,328,540 | 469,328,540 | 128,617,400 | 340,711,140 |
| | **3,848,957,781** | **3,848,957,781** | **3,508,246,643** | **340,711,140** |

### 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 2026 | | | As at 31 Dec 2025 | | |
|---|---|---|---|---|---|---|
| | GBP | USD | EURO | GBP | USD | EURO |
| **Foreign currency denominated assets** | | | | | | |
| Receivable from customers-Export | - | 53,935 | - | - | 22,864 | - |
| Cash at bank | - | 55,063 | - | - | 56,925 | - |
| | **-** | **108,997** | **-** | **-** | **79,788** | **-** |

| | As at 30 Sep 2026 | | | As at 31 Dec 2025 | | |
|---|---|---|---|---|---|---|
| | GBP | USD | EURO | GBP | USD | EURO |
| **Foreign currency denominated liabilities** | | | | | | |
| Trade payables | 171,348 | 4,786,025 | 510,385 | 324,731 | 2,446,854 | 911,930 |
| Short term borrowings | - | 3,149,177 | - | - | 3,437,123 | 71,700 |
| Royalty & Technical Fees | - | 4,203,553 | - | - | 4,230,960 | - |
| | 171,348 | 12,138,754 | 510,386 | 324,731 | 10,114,937 | 983,631 |
| Net exposure | **(171,348)** | **(12,029,757)** | **(510,386)** | **(324,731)** | **(10,035,148)** | **(983,631)** |

The Company has foreign exchange loss of Tk 7,391,144 during the period ended 30 Sep 2026 (30 Sep 2025: Exchange loss Tk 25,465,306)

The following significant exchange rates have been applied:

| | Exchange rate as at (Average) | |
|---|---|---|
| | 30 Sep 2026 | 31 Dec 2025 |
| | Taka | Taka |
| GBP | 162.6882 | 165.2613 |
| USD | 122.9000 | 122.2000 |
| EURO | 139.3995 | 144.0558 |

**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 2026 | | As at 31 Dec 2025 | |
|---|---|---|---|---|
| | Profit or (loss) | | Profit or (loss) | |
| | Strengthening | Weakening | Strengthening | Weakening |
| | Taka | Taka | Taka | Taka |
| **At 30 Sep** | | | | |
| GBP (3 percent movement) | (5,299) | 4,991 | (10,043) | 9,458 |
| USD (3 percent movement) | (372,054) | 350,381 | (310,365) | 292,286 |
| EURO (3 percent movement) | (15,785) | 14,866 | (30,422) | 28,649 |

**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 2026 | As at 31 Dec 2025 |
| | Taka | Taka |
| **Fixed rate instruments** | | |
| **Financial assets** | 126,822,655 | 140,304,747 |
| Investment in FDR | 121,248,082 | 160,989,842 |
| Cash at banks | | |
| **Financial liabilities** | 498,980,963 | 469,328,540 |
| Term loan | 87,396,605 | 142,711,846 |
| Bank overdraft | 1,462,613,718 | 1,247,173,815 |
| Short term borrowing | | |

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 2026 | | As at 31 Dec 2025 | |
|---|---|---|---|---|
| | Carrying amount Taka | Fair value Taka | Carrying amount Taka | Fair value Taka |
| **Financial assets** | | | | |
| **Held to maturity assets** | | | | |
| Investment in FDR | 126,822,655 | 126,822,655 | 140,304,747 | 140,304,747 |
| **Loans and receivables** | | | | |
| Trade receivables | 2,639,669,160 | 2,639,669,160 | 2,645,938,454 | 2,645,938,454 |
| Other receivables | 1,305,677 | 1,305,677 | 999,544 | 999,544 |
| Cash equivalents | 248,070,737 | 248,070,737 | 301,294,589 | 301,294,589 |
| **Financial liabilities** | | | | |
| **Liabilities carried at amortised costs** | | | | |
| Term loan | 498,980,963 | 498,980,963 | 469,328,540 | 469,328,540 |
| Bank overdraft | 87,396,605 | 87,396,605 | 142,711,846 | 142,711,846 |
| Trade and other payables | 2,106,009,490 | 2,106,009,490 | 1,989,743,582 | 1,989,743,582 |
| Short term borrowing | 1,462,613,718 | 1,462,613,718 | 1,247,173,815 | 1,247,173,815 |

**Interest rates used for determining amortised cost**

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

| | 30 Sep 2026 | 31 Dec 2025 |
|---|---|---|
| Investment in FDR (local currency/BDT) | 6.00%-9.50% | 4.00%-10.25% |
| Term loan | 13.00%-15% | 13.00%-15% |
| Bank overdraft (local currency/BDT) | 11.00%-14.00% | 12.00%-14.50% |
| Short term bank loan (local currency/BDT) | 11.00%-14.00% | 13.00%-14.50% |
| Short term bank loan (foreign currency/USD) | SOFR+3% | SOFR+3.80-4.00% |

## 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 2026, 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 analyze 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.

**37** Related party disclosures under IAS-24

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

**Amounts in Taka**

| Name of related party | Relationship | Security/ Guarantee status | Bad debts Status | Period | Purchase of goods/services | Sale of goods/services | Outstanding receivables/Advance | Outstanding payable | Remuneration | Dividend income* | Dividend payable* | Royalty payable* |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| RAK Power Pvt. Ltd** | Subsidiary | Unsecured | Nil | 30 Sep 2026 | 425,382,300 | 2,347,830 | - | 37,157,432 | - | - | - | - |
| | | | | 30 Sep 2025 | 409,359,507 | 2,347,830 | 2,347,830 | 228,301,564 | - | - | - | - |
| RAK Security & Services Pvt. Ltd | Subsidiary | Unsecured | Nil | 30 Sep 2026 | 42,249,664 | - | - | 14,636,225 | - | 1,980,000 | - | - |
| | | | | 30 Sep 2025 | 40,610,227 | - | - | 14,887,222 | - | 1,980,000 | - | - |
| RAK Ceramics PJSC, UAE | Parent | Unsecured | Nil | 30 Sep 2026 | - | - | - | - | - | - | - | 519,138,764 |
| | | | | 30 Sep 2025 | 4,331,190 | - | - | 29,065,819 | - | - | 81,586,431 | 519,138,764 |
| Ceramin FZ LLC | Fellow subsidiary | Secured | Nil | 30 Sep 2026 | 751,257,636 | - | - | 444,235,675 | - | - | - | - |
| | | | | 30 Sep 2025 | 618,879,730 | - | - | 137,857,321 | - | - | - | - |
| RAK Ceramics (India) Pvt. Ltd. | Fellow subsidiary | Secured | Nil | 30 Sep 2026 | - | - | - | - | - | - | - | - |
| | | | | 30 Sep 2025 | 1,105,531 | - | - | - | - | - | - | - |
| Kludi RAK LLC | Fellow subsidiary | Secured | Nil | 30 Sep 2026 | - | - | - | - | - | - | - | - |
| | | | | 30 Sep 2025 | 1,859,936 | - | - | - | - | - | - | - |
| Ceramin India Private Limited | Fellow subsidiary | Secured | Nil | 30 Sep 2026 | 2,404,528 | - | - | 1,403,269 | - | - | - | - |
| | | | | 30 Sep 2025 | 4,213,620 | - | - | - | - | - | - | - |
| Kea Printing & Packaging Industries | Other related party | Unsecured | Nil | 30 Sep 2026 | 95,474,510 | - | - | 12,917,387 | - | - | - | - |
| | | | | 30 Sep 2025 | 87,006,859 | - | - | 13,959,274 | - | - | - | - |
| Palli Properties Pte. Ltd | Other related party | Unsecured | Nil | 30 Sep 2026 | 15,419,947 | - | - | 827,616 | - | - | - | - |
| | | | | 30 Sep 2025 | 15,090,227 | - | - | 1,763,374 | - | - | - | - |
| Sky Bird Travel Agents Pvt. Ltd. | Other related party | Unsecured | Nil | 30 Sep 2026 | 777,338 | - | - | 179,970 | - | - | - | - |
| | | | | 30 Sep 2025 | 1,485,132 | - | - | - | - | - | - | - |
| Speedway International Pvt. Ltd | Other related party | Unsecured | Nil | 30 Sep 2026 | 119,839 | - | - | - | - | - | - | - |
| | | | | 30 Sep 2025 | 781.617 | - | - | 79.930 | - | - | - | - |
| International Trade Agency | Other related party | | | 30 Sep 2026 | 162.781.488 | - | - | 32.174.761 | - | - | | |
| | | | | 30 Sep 2025 | 56.441.229 | - | - | 718.573 | - | - | | |
| Global Business Associates Ltd. | Other related party | Unsecured | Nil | 30 Sep 2026 | - | - | - | - | - | - | - | - |
| | | | | 30 Sep 2025 | - | - | - | - | - | - | - | - |
| Automatic Bricks & Ceramics Pvt. Ltd. | Other related party | Unsecured | Nil | 30 Sep 2026 | 2,900,819 | - | - | - | - | - | - | - |
| | | | | 30 Sep 2025 | - | - | - | - | - | - | - | - |
| Mohammed Trading*** | Other related party | Secured by Guaranteed Cheque | Nil | 30 Sep 2026 | - | 1,833,196,543 | 1,689,776,293 | - | - | - | - | - |
| | | | | 30 Sep 2025 | - | 1,444,970,619 | 1,363,298,603 | - | - | - | - | - |
| S.A.K. Ekramuzzaman | Key Management Personnel | Unsecured | Nil | 30 Sep 2026 | 2,668,248 | - | - | 33,958 | - | - | - | - |
| | | | | 30 Sep 2025 | 3,980,698 | - | - | - | - | - | - | - |
| Sadhan Kumar Dey**** | Key Management Personnel | Unsecured | Nil | 30 Sep 2026 | - | - | - | - | 2,497,586 | - | - | - |
| | | | | 30 Sep 2025 | - | - | - | - | 10,168,181 | - | - | - |

*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 2x4.3 MW new genset. Outstanding loan against the said corporate guarantee is BDT 263.18 Million at 30 September 2026.

***To comply the BSEC notification no. BSEC/CMRRCD/2009-193/10/Admin/118 dated March 22, 2021 shareholders of the company in its 27th Annual General Meeting dated March 31,2026 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. 2,312,415 and Post employment benefits BDT. 185,171.

**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 687,222 was paid to the board members for attending the Board meetings.

## 38 Segment reporting

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 2026 | Business Segments | | | | |
|---|---|---|---|---|---|
| | Ceramic & sanitary ware | Power | Security and Services | Inter segment | Entity total |
| | Taka | Taka | Taka | Taka | Taka |
| Revenue - external customers | 5,534,596,228 | - | 62,582,792 | - | 5,597,179,021 |
| Revenue - inter segment | - | 425,382,300 | 43,428,596 | (468,810,896) | - |
| Total segment revenue | 5,534,596,228 | 425,382,300 | 106,011,388 | (468,810,896) | 5,597,179,021 |
| Cost of sales- external customer | (4,106,937,403) | (379,861,203) | (71,134,106) | - | (4,557,932,712) |
| Cost of sales- inter segment | (425,382,300) | (3,526,762) | - | 428,909,062 | - |
| Total segment cost of sales | (4,532,319,702) | (383,387,965) | (71,134,106) | 428,909,062 | (4,557,932,712) |
| Gross profit | 1,002,276,526 | 41,994,335 | 34,877,282 | - | 1,039,246,309 |
| Other income | 3,433,868 | - | 34,998 | | 3,468,866 |
| Dividend income | 1,980,000 | 20,000 | - | (2,000,000) | - |
| Rental income | 2,347,830 | - | - | (2,347,830) | - |
| Financial income | 7,532,853 | 3,913,587 | 99,393 | - | 11,545,833 |
| Financial expenses | (184,937,006) | (21,563,967) | (171,849) | - | (206,672,822) |
| Depreciation | (281,194,317) | (26,135,436) | (411,233) | - | (307,740,986) |
| Other operating expenses | (593,795,757) | 17,030,951 | (18,325,124) | 42,249,664 | (552,840,266) |
| Segment profit before tax | (42,356,004) | 15,259,470 | 16,103,467 | | (12,993,068) |
| Income tax expense | (63,648,555) | (5,334,059) | (4,610,306) | - | (73,592,920) |
| Deferred tax | 58,029,003 | 564,199 | (160,861) | - | 58,432,341 |
| Profit/(loss) for the period | | | | | **(28,153,647)** |

| 30 Sep 2025 | Business Segments | | | | |
|---|---|---|---|---|---|
| | Ceramic & sanitary ware | Power | Security and services | Inter segment | Entity total |
| | Taka | Taka | Taka | Taka | Taka |
| Revenue - external customers | 5,114,042,988 | - | 50,579,003 | - | 5,164,621,991 |
| 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) | 5,164,621,991 |
| Cost of sales- external customer | (3,899,810,621) | (374,813,827) | (66,654,534) | - | (4,341,278,982) |
| 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) | (66,654,534) | 412,868,900 | (4,341,278,982) |
| Gross profit | 804,872,860 | 31,036,287 | 25,696,259 | - | 823,343,009 |
| 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 | - | 9,973,885 |
| Financial expenses | (183,778,299) | (17,468,220) | (249,865) | - | (201,496,383) |
| Depreciation | (351,499,874) | (23,090,060) | (363,623) | - | (374,953,557) |
| Other operating expenses | (397,207,044) | 14,703,341 | (16,373,668) | 40,610,227 | (358,267,145) |
| Segment profit before tax | (113,151,290) | 6,476,150 | 8,848,964 | - | (99,826,176) |
| 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 2026<br>Taka | 30 Sep 2025<br>Taka |
|---|---|---|
| **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 | (28,153,647) | (186,094,960) |
| (b) No. of ordinary equity shares | 427,968,701 | 427,968,701 |
| (c) Weighted average no. of equity shares outstanding (Note 39.1) | 427,968,701 | 427,968,701 |
| Earnings per share (EPS) for the period (a÷c) | (0.07) | (0.43) |
| Diluted earnings per share for the period (a÷c) | (0.07) | (0.43) |

**39.1 Weighted average number of ordinary shares**

The weighted average number of ordinary shares outstanding during the period is the number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares issued during the period 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 period. 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.

| | 30 Sep 2026 | 30 Sep 2025 |
|---|---|---|
| Outstanding shares | 427,968,701 | 427,968,701 |
| | **427,968,701** | **427,968,701** |

**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 increase of earnings per share:**

For the period ended 30 September 2026, the Company recorded sales growth of 8.38%, from BDT 5,164.62 million to BDT 5,597.18 million. This growth was primarily driven by increasing sales volume. Consequently, the gross profit margin improved from 15.94% to 18.57%. In addition, current tax expense declined following a change in income tax regulations, particularly the treatment of the minimum tax and Advance Income Tax (AIT) paid in different stages as Tax Deducted at Source (TDS). This also had a positive impact on the Company's profitability, and net loss after tax narrowed from BDT 186.09 million in the corresponding previous period to BDT 28.15 million in the current period. As a result, earnings per share (EPS) improved from BDT -0.43 to BDT -0.07 compared to the corresponding period of the previous year.

| | | |
|---|---|---|
| **40 Calculation of Net assets value per share** | | |
| (a) Net assets value (Note 14, 15 & 16) | 6,400,734,145 | 6,758,209,582 |
| (b) Weighted average no. of equity shares outstanding (Note 39.1) | 427,968,701 | 427,968,701 |
| Net assets value per share (a÷b) | 14.96 | 15.79 |
| **41 Calculation of Net operating cash flow per share** | | |
| (a) Net Cash flows from operating activities (Note 41) | 386,386,583 | 146,940,542 |
| (b) Weighted average no. of equity shares outstanding (Note 39.1) | 427,968,701 | 427,968,701 |
| Net operating cash flow per share (a÷b) | 0.90 | 0.34 |

**41.1 Reason of decrease of net operating cash flow per share:**

Sales increased by 8.38% from BDT 5,164.62 million to BDT 5,597.18 million. In addition to the sales growth, trade receivable collections improved, supported by a strengthened credit control process. Simultaneously, lower payments to suppliers due to the negotiated extended payment terms with suppliers wherever feasible. As a result, net operating cash flow per share improved from BDT 0.34 to BDT 0.90.

## 42 Reconciliation of operating cash flow:

| | 30 Sep 2026 | 30 Sep 2025 |
|---|---|---|
| **Cash flows from operating activities** | | |
| Profit before taxation | (12,993,068) | (99,826,176) |
| Adjustment for: | | |
| Depreciation | 328,846,266 | 394,278,176 |
| Amortization | 4,126,357 | 5,329,138 |
| Adjustment relating to lease | (6,850,113) | (7,473,750) |
| Foreign exchange loss | 7,391,144 | 25,465,306 |
| Finance expenses | 199,281,679 | 176,031,078 |
| Finance income | (11,545,833) | (9,973,885) |
| Other income | (3,468,866) | (1,574,012) |
| | 504,787,567 | 482,255,876 |
| Increase/decrease in trade and other receivables | 6,269,295 | 209,381,383 |
| Increase/decrease in inventories | (158,471,968) | (593,362,871) |
| Increase/decrease in trade and other payables | 164,484,452 | 192,945,696 |
| **Cash generated from operating activities** | 517,069,348 | 291,220,082 |
| Interest received from bank deposit | 2,369,284 | 3,231,670 |
| Income tax paid | (133,052,049) | (147,511,210) |
| **Net cash (used in)/from operating activities** | **386,386,583** | **146,940,542** |

## 43 Contingent liabilities

There are contingent liabilities on account of unresolved disputed corporate tax assessments, VAT claims, customs duty and civil suits & others by the authority aggregating to Tk 1,132,577,120 (30 Sep 2025: Tk 446,528,877). 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 325,218,118 (30 Sep 2025: Tk 571,435,620) and letter of guarantee of Tk 344,483,833 (30 Sep 2025: Tk 346,303,246).

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 2x4.3 MW new gensets. Outstanding loan against the said corporate guarantee is BDT 263.18 Million at 30 September 2026. The loan repayment is made in timely manner by the subsidiary company. Therefore, no credit loss allowance is expected.