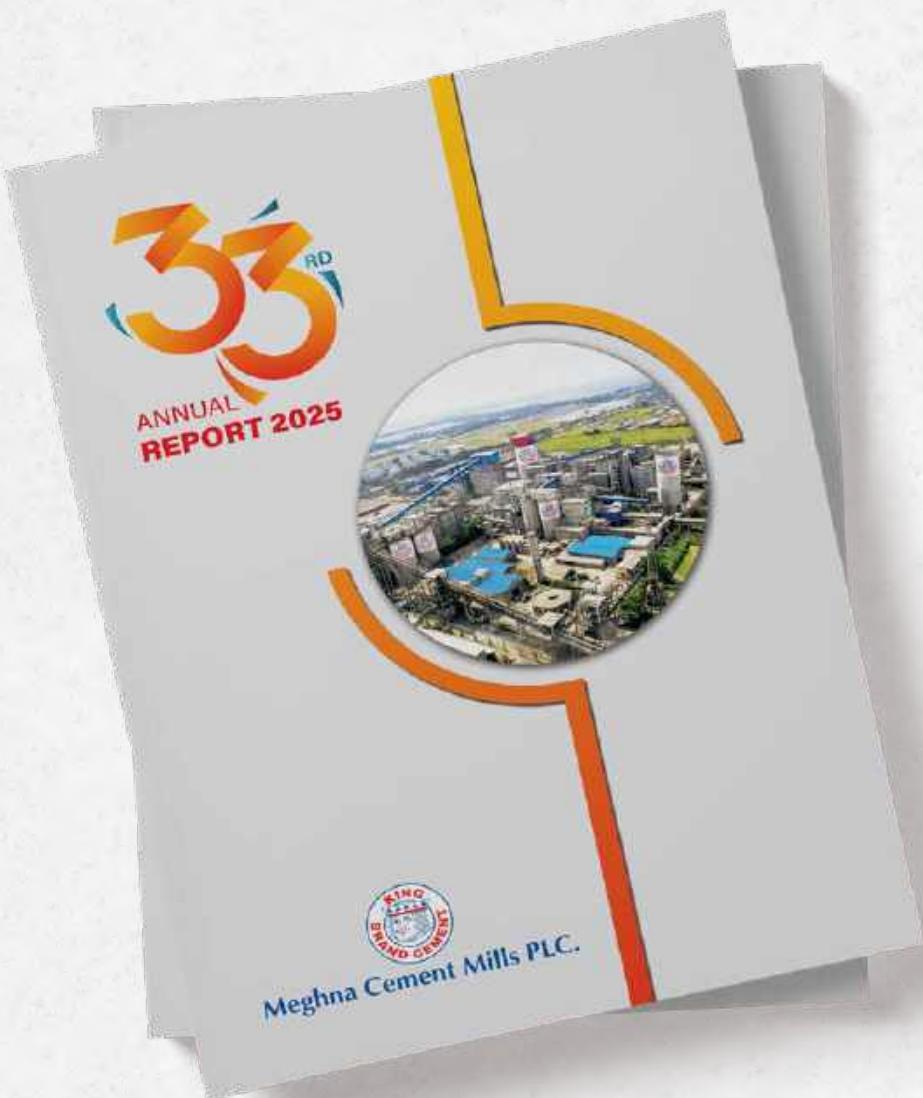




**ANNUAL
REPORT 2025**



Meghna Cement Mills PLC.



Meghna Cement Mills PLC.



LETTER OF TRANSMITTAL

All Shareholders of Meghna Cement Mills Plc. (MCMPlc)
Bangladesh Securities and Exchange Commission (BSEC)
Registrar of Joint Stock Companies and Firms (RJSC)
Dhaka Stock Exchange Plc (DSE)
Chittagong Stock Exchange Plc (CSE)
National Board of Revenue (NBR)
Bangladesh Investment Development Authority (BIDA)
Central Depository Bangladesh Limited (CDBL)
Central Counterparty Bangladesh Limited (CCBL)

Annual Report of Meghna Cement Mills Plc (MCMPlc) for the financial year ended on 30 June 2025.

Dear Sir(s),

We are pleased to enclose herewith a copy of MCMPlc's Annual Report together with the audited financial statements as on 30 June 2025, statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on 30 June 2025 along with notes thereto of MCMPlc for your kind information and record.

General review of this, unless explained otherwise, is based on the financials of the 'MCMPlc'.

Best regards.

Yours sincerely,

Sd/-

M. Naseemul Hye FCS

Company Secretary

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Meghna Cement Mills PLC.

Registered Office: Plot-125/A, Road-2, Block-A, Bashundhara R/A, Dhaka-1229

NOTICE OF THE 33RD ANNUAL GENERAL MEETING

(Virtual Meeting through Digital Platform)

Notice is hereby given that the 33rd Annual General Meeting of the Members of Meghna Cement Mills Plc will be held on Monday, 22 December 2025 at 11:00 AM (local time) by using Digital Platform through the link- <https://meghnacement.bdvirtualagm.com> to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Accounts of the Company, the Directors' and the Auditors' Reports thereon for the year ended June 30, 2025;
2. To approve No Dividend declaration for the Financial Year 2024-2025;
3. To elect and appoint of Directors of the company;
4. To appoint Statutory Auditors for the FY 2025-2026 and fix their remuneration;
5. The appoint Corporate Governance Compliance Auditors for the FY 2025-2026 and fix their remuneration.

By Order of the Board of Directors

M. Naseemul Hye FCS

Company Secretary

Date: 30 November, 2025

Notes:

- i. The **"Record Date"** of the Company has been fixed on **20/11/2025**. Members whose names appeared in the Company's Members Register (depository) at the close of business on the Record Date be entitled to attend/join the Annual General Meeting and entitled to receive the dividends;
- ii. The 33rd AGM of the Company would be conducted through "Digital Platform" in accordance with the Order No. SEC/ SRMIC/04-231/25 dated 8 July 2020 of Bangladesh Securities and Exchange Commission (BSEC);
- iii. The detailed log-in process for the meeting through the mentioned link will be available in the Company's website: www.meghnacement.com and the link will be e-mailed to the respective Member's address which is available with the registers on the record date. The members will be able to log-in with the link 24 hours before the time fixed for the Meeting for expressing their valuable comments. Please visit the website for technical assistance (if any) in accessing the virtual meeting;
- iv. Any member entitled to attend and vote at the AGM may appoint a proxy on his/her behalf provided that such proxy must be a member of the company. The Proxy Form (attached with the Annual Report-2025) must be affixed with revenue stamp of BDT 100/- and must be sent through at the email to cs.mcmplc@bgc-bd.com not later than 72 hours before the time fixed for the Meeting;
- v. Members are requested to notify the changes of their bank accounts, e-TIN and addresses including e-mail addresses through their respective Depository Participants (DP) in time as on Record Date;
- vi. The digital copy of the Annual Report-2025 of the Company will be sent to the e-mail addresses of the Members available in their BO Accounts maintained with the CDBL as per BSEC Notification No. BSEC/CMRRC/2006-158/208/Admin/81 dated 20 June 2018. The Annual Report-2025 will also be available on the website www.meghnacement.com of the Company.



৩৩তম বার্ষিক সাধারণ সভার বিজ্ঞপ্তি (ডিজিটাল প্লাটফর্মে)

এতদ্বারা মেঘনা সিমেন্ট মিলস পিএলসি এর সকল শেয়ারহোল্ডারবৃন্দসহ সংশ্লিষ্ট সকলের সদয় অবগতি ও প্রয়োজনীয় ব্যবস্থা গ্রহনের জন্য জানানো যাচ্ছে যে, আগামী ২২ ডিসেম্বর, ২০২৫ইং রোজ সোমবার সকাল ১১.০০ ঘটিকায় (স্থানীয় সময়) ডিজিটাল প্লাটফর্মের মাধ্যমে [link- https://meghnacement.bdvirtualgm.com](https://meghnacement.bdvirtualgm.com) লিঙ্ক ব্যবহার করতঃ অত্র কোম্পানীর ৩৩তম বার্ষিক সাধারণ সভা নিম্নরূপি বিষয়াদি সম্পাদনকল্পে অনুষ্ঠিত হবেঃ

সাধারণ আলোচ্য-সূচীঃ

১. ৩০শে জুন ২০২৫ইং তারিখে সমাপ্ত আর্থিক বৎসরের নিরীক্ষিত বার্ষিক আর্থিক প্রতিবেদন এবং তৎসঙ্গে নিরীক্ষক ও পরিচালকমণ্ডলীর প্রতিবেদন সমূহ গ্রহণ, বিবেচনা ও অনুমোদন;
২. ২০২৪-২০২৫ইং আর্থিক বৎসরের জন্য শূন্য লভ্যাংশ ঘোষণা অনুমোদন;
৩. অত্র কোম্পানীর পরিচালক নির্বাচন ও নিয়োগ অনুমোদন;
৪. ২০২৫-২০২৬ইং আর্থিক বৎসরের জন্য বিধিবদ্ধ নিরীক্ষক নিয়োগ ও তাদের পারিশ্রমিক নির্ধারণ;
৫. ২০২৫-২০২৬ইং আর্থিক বৎসরের জন্য কর্পোরেট গভর্নেন্স কমপ্লায়েন্স নিরীক্ষক নিয়োগ ও তাদের পারিশ্রমিক নির্ধারণ।

পরিচালকমণ্ডলীর আদেশক্রমে

এম. নাসিমুল হাই এফসিএএস
কোম্পানী সচিব

তারিখঃ ৩০ নভেম্বর, ২০২৫ইং

দ্রষ্টব্যঃ

- অত্র কোম্পানীর “রেকর্ড ডেট” ২০/১১/২০২৫ইং তারিখে নির্ধারণ করা হয়েছে। উক্ত তারিখে যে সকল শেয়ারহোল্ডারগণের নাম অত্র কোম্পানীর সদস্য বহিতে (ডিপোজিটরী) অন্তর্ভুক্ত থাকবে তাঁরা অত্র কোম্পানীর ৩৩ তম বার্ষিক সাধারণ সভায় যোগদান ও ঘোষিত লভ্যাংশ প্রাপ্তির জন্য যোগ্য বলে বিবেচিত হবেন।
- বিএসইসি-এর নির্দেশনা নংঃ SEC/SRMIC/০৮-২৩১/২৫ তারিখ ০৮ জুলাই ২০২০ অনুযায়ী ৩৩তম বার্ষিক সাধারণ সভা ডিজিটাল প্লাটফর্মের মাধ্যমে অনুষ্ঠিত হবে।
- ৩৩তম বার্ষিক সাধারণ সভায় সংযুক্ত (লগ-ইন) থাকার প্রক্রিয়া কোম্পানীর ওয়েবসাইটঃ www.meghnacement.com -এ প্রদান করা হয়েছে এবং এ সংক্রান্ত মাধ্যম (লিঙ্ক) সম্মানিত শেয়ারহোল্ডারগণের ই-মেইলে যথাসময়ে প্রেরণ করা হবে। বার্ষিক সাধারণ সভা শুরু হবার ২৪ ঘন্টা পূর্বে সম্মানিত শেয়ারহোল্ডারগণ লিঙ্ক-যুক্ত (লগ-ইন) হয়ে তাদের মূল্যবান মতামত প্রদান করতে পারবেন। উক্ত সাধারণ সভায় প্রযুক্তি ব্যবহার সংক্রান্ত কোন সহযোগীতা যদি প্রয়োজন হয় তবে সম্মানিত শেয়ারহোল্ডারগণ কোম্পানীর ওয়েবসাইটের সহায়তা নিতে পারেন।
- ৩৩তম সভায় সংযুক্ত ও ভোটদানের জন্য যোগ্য যে কোন সদস্য, তার পরিবর্তে অন্য যে কোন সদস্যকে (Proxy) হিসাবে নিয়োগ প্রদান করতে পারবেন। প্রক্রিয়া (Proxy) ফরমে ১০০/- টাকা মূল্যমানের রাজস্ব টিকেট সংযুক্ত করে তা যথাযথভাবে প্ররূপ-পূর্বক বার্ষিক সভা শুরু হবার অন্তর্বর্তী ৭২ ঘন্টা পূর্বে কোম্পানীর শেয়ার বিভাগে অথবা ই-মেইলের মাধ্যমে cs.mcmpic@bdc-bd.com ঠিকানায় পৌছাতে হবে।
- সম্মানিত শেয়ারহোল্ডারগণের ব্যাংক হিসাব, e-TIN, ঠিকানা, ই-মেইল ঠিকানা, ফোন নম্বরসহ যাবতীয় পরিবর্তন বিষয়ক তথ্যাদি সংশ্লিষ্ট (ডিপোজিটরী পার্টিসিপেন্ট) এর মাধ্যমে অত্র কোম্পানীকে রেকর্ড ডেট অনুযায়ী যথাসময়ে অবহিত করার জন্য অনুরোধ করা যাচ্ছে।
- বিএসইসি-এর নির্দেশনা নংঃ BSEC/CMRRCD/২০০৬-১৫৮/২০৮/Admin/৮১ তারিখ ২০ জুন, ২০১৮ অনুযায়ী ই-মেইলের মাধ্যমে সম্মানিত শেয়ারহোল্ডারগণকে বার্ষিক প্রতিবেদন-২০২৫ যথাসময়ে প্রেরণ করা হবে। এছাড়াও বার্ষিক প্রতিবেদন-২০২৫ অত্র কোম্পানীর ওয়েবসাইটঃ www.meghnacement.com এ প্রকাশ করা হবে।



ACCESS PROCESS TO JOIN AGM

In accordance with BSEC's Order no. SEC/ SRMIC/04-231/25 dated 8 July 2020 considering all pros and cons the Board of Directors of the MCMPlc has arranged its 32nd Annual General Meeting through digital/virtual platform.

The valued shareholders of Meghna Cement Mills Plc can join in the virtual meeting via live webcast by using the link: <https://meghnacement.bdvirtualagm.com>. The access process for joining in the virtual meeting adheres for the convenience of the shareholders. So that, the shareholders can participate fully and equally from any location of the country and abroad.



ACCESS TO JOIN

Shareholders Login-

- i. Click shareholder Tab
- ii. Enter BO ID in the text box
- iii. Enter number of shares held as of record date
- iv. Click login

Proxy Login

- i. Click Proxy Tab.
- ii. Enter BO ID of original shareholder
- iii. Enter number of shares held by original shareholder
- iv. Enter BO ID of proxy shareholder
- v. Enter number of shares held by proxy shareholder
- vi. Click login



QUESTION & SUGGESTION

- i. MCMPlc encourages shareholders to rise or suggest on any issue as per the agenda to the Board and the Management. The management will try to answer the questions as those come in
- ii. The login link shall be open before 24 hours of the meeting for put valuable comments and suggestion of the shareholders



VOTE FOR AGENDA

- i. Shareholders shall vote either in favor or against of any proposed agenda using the option of the tab
- ii. The vote shall be counted based on number of shares held by that shareholder. The voting result shall be published in real time at the time of approval on the specific agenda

33rd AGM Helpline:

Mr. Md. Sohrab Hossain
sohrab.hossain@bdc-bd.com

Mr. Mohsin Ahmad
mohsin.ahmad@bdc-bd.com

Tel : +09666443310-19
Fax : +88 02 55037206
Web : www.meghnacement.com



You may also download a copy of this Annual Report-2025 from www.meghnacement.com



You may download a digital copy the Annual Report-2025 by scanning this QR code on your smart device.

ABOUT MCMPLC





HISTORY OF MCMPlc

Meghna Cement Mills Plc is the first manufacturing unit of Bashundhara Group and it is one of the largest cement industries in the country having the capacity to produce 3.42 Million MT per year. It was established in 1992 on the bank of Pashur River and located in the industrial zone of Mongla Port, Bagerhat on 9.83 acres of leasehold land and 9.88 acres of freeland to produce Portland cement. MCMPlc has an excellent communication facility connecting all parts of the country through rivers and roads.

MCMPlc has started its commercial operation on 15th January 1996. The Meghna Cement Mills Plc is an International Standard Organization (ISO 9001:2015) certified company having accreditation of manufacturing products for both domestic and international markets.

The company is listed with both the Dhaka and Chittagong Stock Exchanges - the two bourses of the country since 1995 and 1996 respectively. The company markets its products under the registered trade mark "King Brand Cement".

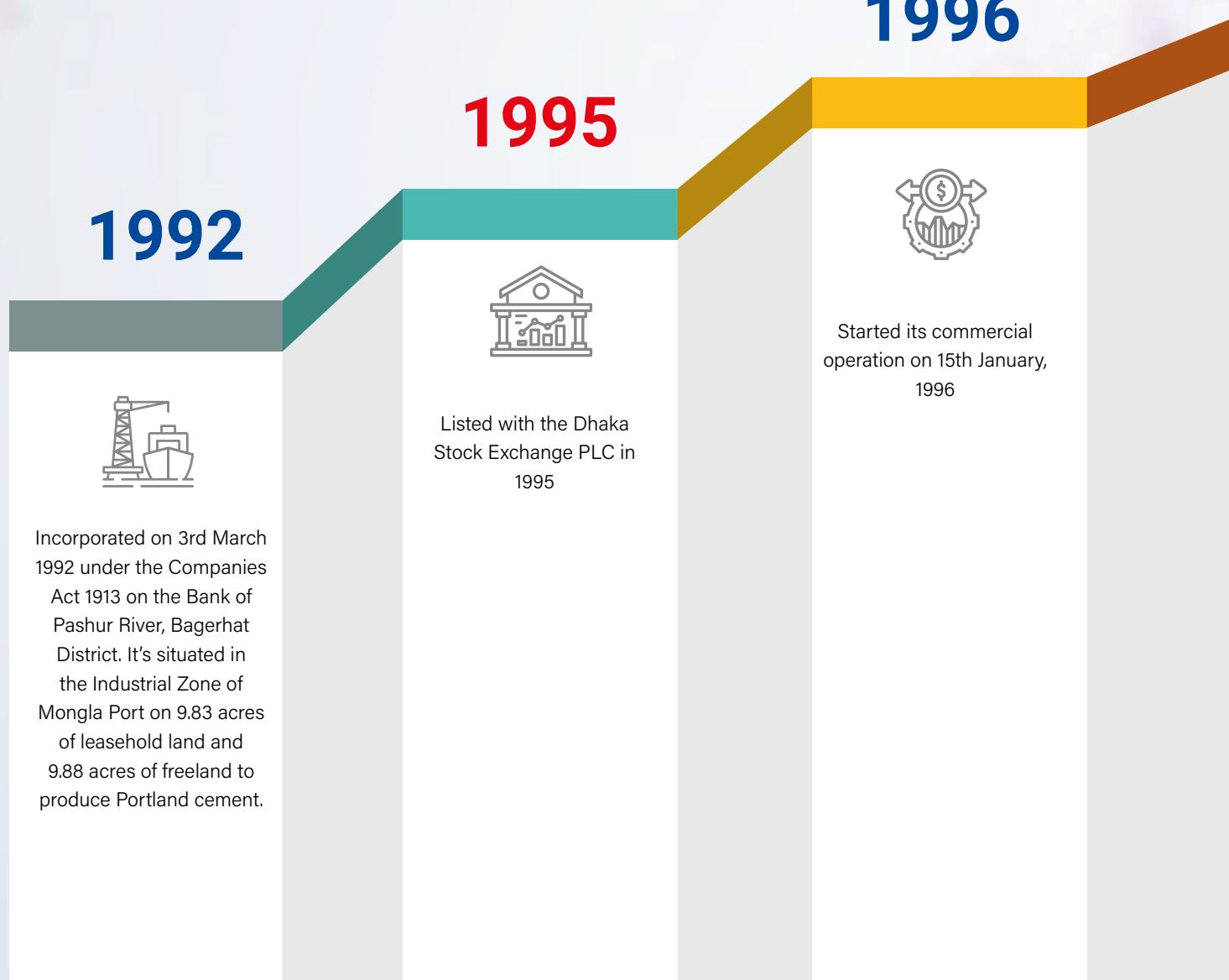
MCMPlc is the 1st Cement Manufacturing Company in Bangladesh under Private Sector.

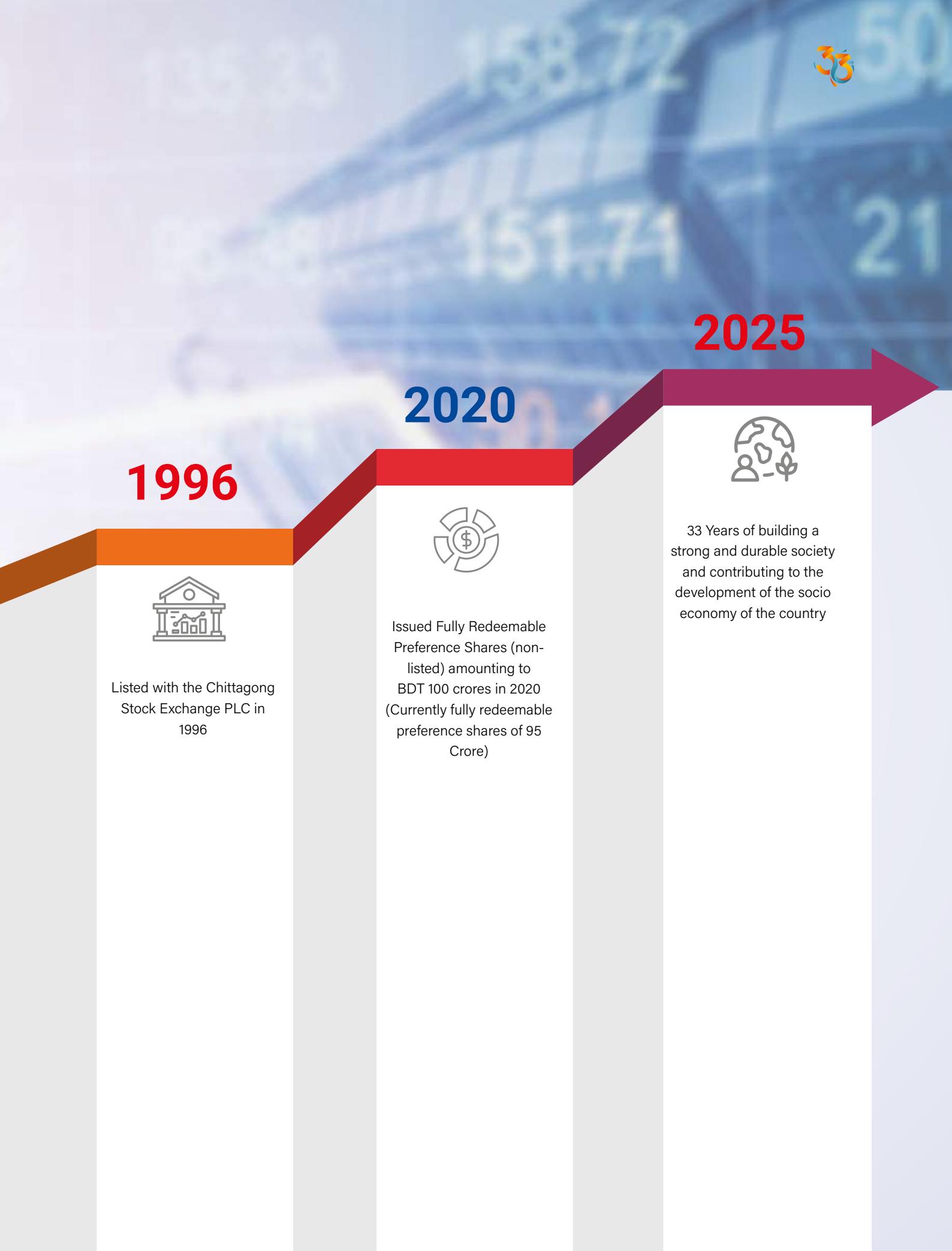






JOURNEY OF MCMPLC







CORPORATE INFORMATION

A Public Limited Company incorporated on 03/03/1992 under the Companies Act, 1913 and listed with DSE and CSE on 1995 and 1996 respectively.



Trade Marks: KING BRAND

Registered Office:

Plot -125/A, Road-2, Block-A, Bashundhara R/A, Dhaka-1229, Bangladesh.

Corporate Office and Share Division:

Bashundhara Industrial Headquarter (BIHQ), Tower#1, Plot#844, Road#12, Block#1, Bashundhara R/A, Dhaka 1229.

Factory Address:

Mongla Port Industrial Area, Mongla, Bagerhat, Bangladesh.

Installed Capacity	:	3,420,000 MT per annum
Authorized Capital	:	Tk. 500,00,00,000/- (Taka Five Hundred Crores) divided into 50,00,00,000 (Fifty Crore) nos. of shares of Tk. 10/- each
Paid-up-Capital	:	i. Ordinary shares: Tk. 31,58,85,290/- (Taka Thirty One Crore Fifty Eight Lac Eighty Five Thousand Two Hundred Ninety Only) ii. Fully Redeemable Preference Shares: Tk. 95,00,00,000/- (Taka Ninety Five Crore Only)
Company Registration No:	:	C-21841
Tax Identification No	:	643931439593
VAT Registration No	:	000921138-0802
Nature of Business	:	Manufacture, Sale, Import and Export of Cement and Clinker
Product	:	Portland Cement and Portland Composite Cement
Statutory Auditors	:	M/S. T. Hussain & Co., Chartered Accountants
Corporate Governance (Certificate) Auditors	:	Suraiya Parveen & Associates, Chartered Secretaries, Financial & Management Consultants
Bankers	:	Janata Bank PLC, United Commercial Bank PLC, Southeast Bank PLC, Bank Asia PLC, National Bank PLC, and The Padma Bank PLC.
Credit Rating Agency	:	CRAB
No. of employee	:	699
Legal Advisor	:	Mohammad Golam Kibria FCS, Advocate
Company website:	:	www.meghnacement.com

COMMITTEES OF COMPANY

Board Committees

	Name	Position in Committee	Position in Company
Audit Committee	Mr. Md. Nurul Karim	Chairman	Independent Director
	Mr. Md. Imrul Hassan	Member	Director
	Mr. M. Naseemul Hye FCS	Secretary	Company Secretary
Nomination & Remuneration Committee	Mr. Md. Nurul Karim	Chairman	Independent Director
	Mr. Md. Imrul Hassan	Member	Director
	Mr. M. Naseemul Hye FCS	Secretary	Company Secretary

Management Committees

	Name of Members	Position in Committee	Position in Company
Compliance Committee	Mr. Ahmed Akbar Sobhan	Chairman	Managing Director
	Mr. M. Naseemul Hye FCS	Member Secretary	Chief Compliance Officer
	Mr. Mohammad Mostafa Kamal Bhuiya ACMA	Member	Chief Financial Officer
	Mr. Imran Bin Ferdous	Member	Chief Human Resources Officer
Executive Committee	Mr. Ahmed Akbar Sobhan	Chairman	Managing Director
	Mr. KM Zahid Uddin	Member	Deputy Managing Director
	Mr. M. Naseemul Hye FCS	Member Secretary	DMD & Company Secretary
	Mr. Mohammad Mostafa Kamal Bhuiya ACMA	Member	Chief Financial Officer
	Mr. Simanto Biswas	Member	Head of Internal Audit & Compliance
	Mr. Mohammad Nurul Huda	Member	Chief Banking Operations Officer
	Mr. Shah Jamal Sikder (Sales)	Member	Chief Sales Officer
	Mr. Imran Bin Ferdous	Member	Chief Human Resources Officer
	Mr. Eng. Gyana Jyoti Chakma	Member	Head of Plant (Mongla)



VISION AND MISSION STATEMENT



VISION



VISION

To significantly contribute to the sustainable development & growth of the country towards its journey for a better & prosperous future.



MISSION

To be the leader in the cement sector of the country by rendering quality products & services through maintaining high standards in business operations & to bring fullest satisfaction to the valued shareholders, stakeholders, customers & employees.

CODE OF CONDUCT, COMPLIANCE AND OBJECTIVES

Compliance and Objectives



Fair governance practice is the key to inclusive and sustainable growth. We have clearly articulated in our Code of Conduct (guidelines). All the probable are as involving ethical dilemmas for the responsible and values driven management and control. Our code of conduct and ethical guidelines are as follows:

Compliance of laws

All our employees are to follow and comply with the laws of the land and internal rules and regulations of the Bashundhara Group.

Integrity in Business Practices

The Company maintains business practices with the highest integrity and ensures accuracy of all transactions. It shores up the privacy of the customers' affairs. Employees of the company divulge the MCMIC's plans, methods and activities considered by the employer to be proprietary and confidential's. Moreover, employees are not expected to disclose such information without proper authorization.

Integrity

Our employees are expected to act with integrity at all times. They should act uprightly equitably when dealing with the public and other employees of the Company.





OUR CULTURE



Our strategy demonstrates out what we do; our behaviors define how we deliver; and our motive is the reason of our existence.

Strategy

A company's culture is the foundation for future innovation. Our strategy is to build the foundation.

Purpose

Our product & service is sold on the promise of a better future. Our purpose of business is to deliver on the promise and profit is the reward for doings.

Behaviour

Behaviour drives people and people drives the business. The behaviour that guide the way we work. are-

- 1. Explore:** We believe growth comes from learning every day. We are curious and we dare to challenge our limit; try, fall, try, try, try until we succeed.
- 2. Transparency and Accountability:** We believe in transparency, accountability and practice corporate governance in operation through active involvement of the owners.
- 3. No Child Labour, No Forced Labour:** We believe child and forced labours have no place in the 21st century.
- 4. Build Trust:** We believe that Trust is the key in all our relationships. We take ownership and pride in delivering with precision and integrity.
- 5. Respect Individual Creativity:** We believe in the unique human ability to understand what matters for people.
- 6. Create Together:** We believe diverse teams find better solutions. We help each other to succeed.
- 7. Fair Trade Practice:** Fair Trade Practice establishes the sustainability of the organization. Our prior concern is to maintain the sustainability of the company.
- 8. Associate:** We are influenced by behaviours of people with whom we associate; we always try to be associated with positive, strong and motivated people.

CORPORATE POLICY



Quality Policy

MCMPlc is committed to provide products and services of high quality within the affordable range of its clientele.



Quality Policy Is To

- Achieve excellence by understanding and providing products as per customers' expectations.
- Follow consistent quality in production and supply of products to meet all regulatory requirements of its businesses.
- Consider and follow due procedures to ensure compliance with all quality standards.
- Develop all human resources engaged in this company as assets of the Company through training and skills development.



Environmental Policy

MCMPlc is dedicated to run its operations by following environment friendly, ensuring continual improvement in the utilization of resources and prevention of pollution or degradation of the environment.



In pursuit of this, the Company follows the policy to -

- Comply with all environmental related legislations and regulations of the country.
- Conserve mother nature by adopting environmentally safe production processes.
- Ensure appropriate treatment of all effluents prior to discharge.
- Create and maintain awareness on environmental issues within the Company.
- Ensure waste management system runs through continuous upgradation process.

কিং ব্র্যান্ড সিমেন্ট
এখন সর্বোন্নত
ভিআরএম
প্রযুক্তিতে তৈরি



ভিআরএম প্রযুক্তির সুবিধাসমূহ

- সিমেন্টে থাকে অতি সূক্ষ্ম কণার সুষম বিন্যাস
- ভিআরএম প্রযুক্তিতে উৎপাদন প্রক্রিয়ায় একই সাথে গ্রাইডিং, ড্রাইং ও সেপারেশনের সক্ষমতা রয়েছে
- অধিক উৎপাদন ক্ষমতা



কিং ব্র্যান্ড সিমেন্ট
স্বল্প নির্মাণ জাতিক সিমেন্ট



INFORMATION FOR INVESTORS



FIVE YEARS FINANCIAL SUMMARY

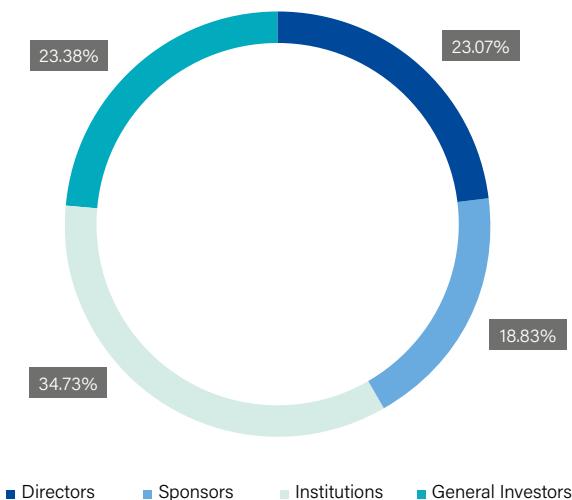
	2025	2024	2023	2022	2021
<i>Amount in TK. Million</i>					
Financial Performance					
Revenue	275.29	1869.10	3523.93	8295.41	9,646.85
Operation Profit	(137.10)	349.38	499.85	590.1	433.43
Profit before Tax	(1,355.84)	(25.09)	147.21	233.99	101.55
Net Profit After Tax	(1,155.35)	(226.14)	17.23	55.82	(23.44)
Financial Position					
Paid-Up Capital	315.89	315.88	300.84	286.52	272.87
Total Assets	14,234.53	14,796.59	14,578.95	13,464.34	12,979.24
Total Liabilities	14,288.21	1,189.14	13,057.21	11,805.49	11,065.37
Current Assets	4,003.52	4,451.23	4,117.53	4,955.83	4,924.25
Current Liabilities	5,171.16	4,242.43	6,501.08	6,627.04	6,007.55
Non Current Assets	10,231.02	10,345.00	10,461.42	8,508.51	8,054.98
Non Current Liabilities	9,117.05	7,879.00	6,566.13	5,178.45	5,057.82
Financial Ratios					
Current Asset to Current Liability	0.77	0.78	0.63	0.74	0.82
Debt to Equity	(266.18)	9.44	0.12	0.14	5.78
Operating Profit Margin	(0.50)	0.18	0.83	156.67	4.49
Net Profit Margin	(4.20)	(0.12)	0.48	79.25	0.77
Return on Equity	21.52	(0.19)	0.57	1.95	3.89
Return on Total Assets	(0.05)	(0.02)	0.01	0.41	0.57
Ordinary Shares Information					
Ordinary Shares Outstanding	315,885,297	315,885,297	3,008,431	286,517,280	27,287,360
Face Value per Share	10	10	10	10	10
Cash Dividend	Nil	Nil	5%	5%	5%
Stock Dividend	Nil	Nil	5%	5%	5%
NAV per Share	(1.70)	37.64	50.58	57.9	62.49
Net Operating Cash Flow per Share	0.44	(39.06)	54.43	15.14	42.66
Earnings Per Share	(36.58)	(7.16)	0.57	1.95	-0.86

SHAREHOLDINGS INFORMATION

Shareholding Status of MCMPlc as of June 30, 2025

SI No.	Name of Sponsors and Directors	Position in company	Nos. of Share	In Percent	Cumulative Shareholding
1	Ms. Afroza Begum	Chairman	3,272,146	10.359	23.07 %
2	Mr. Ahmed Akbar Sobhan	Managing Director	4,014,056	12.707	
3	Mr. Md. Imrul Hassan	Director	-	-	
4	Mr. Md. Nurul Karim	Independent Director	-	-	
5	Mr. Sadat Sobhan	Sponsor Shareholder	3,093,836	9.794	18.83 %
6	Mr. Shafiat Sobhan	Sponsor Shareholder	2,848,152	9.016	
7	Mr. Mahaboob Morshed Hassan	Sponsor Shareholder	3,508	0.011	
8	Ms. Rawshanara Begum	Sponsor Shareholder	1,401	0.004	
9	Ms. Dilara Mustafa	Sponsor Shareholder	1,401	0.004	
10	Institutions		10,969,868	34.727	34.73 %
11	General Investors		7,384,161	23.376	23.38 %
Total			315,885,29		100.00%

Illustrative Shareholding Status of MCMPlc's (as of June 30, 2025)





Meghna Cement Mills PLC.

MESSAGE FROM THE CHAIRMAN



Afroza Begum
Chairman

Hon'ble Members and Stakeholders,

Assalmu Alaikum Warahmatullah.

It is my privilege to welcome you all in the 33rd Annual General Meeting of Meghna Cement Mills PLC. I extend my profound gratitude to all of you for your continued support, confidence, goodwill, and throughout the year under review. Your trust on us has been vital as we navigated a volatile business environment marked by huge challenges.

The fiscal year 2024-2025 unfolded against a backdrop of small scale economic growth in Bangladesh. Following a period of global disruptions and domestic adjustments, the country experienced inflationary pressures, energy constraints, and currency fluctuations resulting operational complexities across almost all industrial sectors of our economy. Slow progress in large, medium and shall scale infrastructure development in both public and private sector affected adversely the demand for cement and construction materials. All though it was forecasted earlier that Bangladesh's construction activities may to expand in the coming years, driven by ongoing megaprojects, new industrial zones, housing developments, and enhanced connectivity initiatives. Due to the slow progress in the on going big projects the demand for the cement and other con materials were severely affected.

During this period, the Company focused on operational discipline, cost optimization, and strengthening internal efficiencies. We continued to keep our commitment to sustainability, resource efficiency, and responsible manufacturing practices. Emphasis has been placed on enhancing energy management, optimizing clinker utilization, and improving production processes to ensure long-term competitiveness. Our teams are working diligently to integrate technological improvements and broaden our capacity for innovation—elements that are essential for maintaining resilience in a rapidly evolving industry landscape.

While the year presented challenges for the broader cement sector, I remain confident in the strategic direction adopted by the Company. We are pursuing a forward-looking approach designed to reinforce financial stability, elevate product quality, and ensure that your company to continue to serve its customers, partners, and other stakeholders with reliability and excellence. The unwavering dedication of our management team and employees has been instrumental in sustaining operational continuity and in advancing the Company's strategic priorities.

As we look ahead, we are guided by optimism and a strong belief in Bangladesh's long-term economic prospects. With collective effort, prudent management, and the blessings of the Almighty, I am confident that Meghna Cement Mills PLC will overcome all constraints and emerge stronger, more agile, and better prepared to deliver sustainable growth.

I express my sincere appreciation to all our valued shareholders, stakeholders, regulatory authorities, financiers, distributors, customers, and well-wishers for their continued trust on us and huge cooperation. My heartfelt thanks also go to our Board of Directors and the entire workforce for their dedication and commitment to the Company's vision.

May Almighty Allah grant us success in all our endeavors and bless us with a future of progress and prosperity.

May Almighty Allah bless all of us.

Sd/-
Afroza Begum
Chairman



MESSAGE FROM MANAGING DIRECTOR



Ahmed Akbar Sobhan
Managing Director

Dear Members and Stakeholders,

Assalmu Alaikum Warahmatullah,

I extend my heartfelt thanks and gratitude to all of you for your continued trust and support. On behalf of the Board of Directors and the management team of Meghna Cement Mills PLC, I warmly welcome you to the 33rd Annual General Meeting. Our journey has been marked by many challenges, but your confidence has always motivated us to move forward with determination.

Dear Stakeholders,

The fiscal year under review unfolded in an environment shaped by inflationary pressures, rising production costs, and energy-related constraints across industries. The cement sector, in particular, experienced increased prices of raw materials, higher transport and utility expenses, and volatility in global supply conditions. Despite these pressures, national development activities—especially public infrastructure projects, private construction, and industrial expansion—continued to support underlying demand in the market.

In response to the evolving situation, the management of Meghna Cement Mills PLC made concerted efforts to maintain operational continuity and efficiency. We focused on optimizing production processes, implementing cost-control measures, and exploring new avenues to strengthen sales and market presence. Every decision during this period

was guided by our commitment to sustainability, responsible management, and long-term value creation.

Respected Shareholders,

I assure you that we are working tirelessly within our policy framework and strategic vision to stabilize operations and improve performance. Our dedicated team members continue to contribute significantly toward achieving our objectives. We firmly believe that with collective efforts and prudent management, we will overcome our challenges and progress toward sustainable growth.

In conclusion, I express my sincere appreciation to our valued shareholders, employees, workers, customers, suppliers, financiers, regulatory bodies, patrons, and well-wishers for their continued cooperation and support. Your trust encourage us to strive harder and remain committed to the future of this Company.

Thank you all

Sd/-
Ahmed Akbar Sobhan
Managing Director



BOARD OF DIRECTORS



Afroza Begum
Chairman



Ahmed Akbar Sobhan
Managing Director



Md. Imrul Hassan
Director



Md. Nurul Karim
Independent Director



DIRECTORS' PROFILE



Afroza Begum

Chairman

Mrs. Afroza Begum is one of the sponsor directors and the Chairman of the Company. She has significant contributions towards the establishment and development of the company and its sister concerns. She has been serving in the Board since the formation of this Company. She had her graduation from the University of Dhaka. She played a pivotal role in setting up of many new industries in steel & engineering, ship building and shipment, cement and paper sectors as well as the restructuring process of the group for achieving the optimum level of efficiency in productions.

She is the Chairman of Board of Trustees of Afroza Begum Welfare Foundation. The Foundation has been running a project of 200 bed hospital in Manikgonj district.

Mrs. Afroza Begum is one of the Trustees of Bashundhara Foundation and serving in this capacity since the establishment of the Foundation. The Foundation has been operating "Interest-Free Loan Scheme/Project" operated for

the poverty-stricken poor women community of the rural areas. The Scheme have been helped more than 20,000 women of the working areas of the Bashundhara Foundation situated in rural areas of Bangladesh for their becoming self-reliant.

Mrs. Afroza Begum is also the Sponsor Director/ Shareholder of Bashundhara Paper Mills Ltd, Bashundhara Industrial Complex Ltd., Bashundhara Steel and Engineering Ltd., City Multi Agricultural Company Ltd., Bashundhara Infrastructure Development Ltd., Bashundhara Cement Industries Ltd., Bashundhara Shipping Lines Ltd., Bashundhara Amusement Park Ltd., Bashundhara Multi Paper Industries Ltd., and Sea Real Estate Developers Ltd. etc.

She is a CIP and one of the highest income taxpayers in Bangladesh for consecutive several years.



Ahmed Akbar Sobhan

Managing Director

Mr. Ahmed Akbar Sobhan is one of the Sponsor Directors and currently the Managing Director of Meghna Cement Mills Plc. He graduated in Business Studies from the University of Dhaka. He founded Bashundhara Group back in the 80s, which has become the leading industrial group of Bangladesh. Bashundhara Group (BG) now consisting of more than 120 companies comprising of moderate to heavy industrial and business units. His leadership, commitment and vision placed this group in highest position and now BG emerged as one of the biggest industrial and commercial conglomerates in the country.

He is also the Director of East West Property Development (Pvt.) Ltd., Bashundhara Paper Mills Ltd., Bashundhara Industrial Complex Ltd., East West Media Group Ltd., Bashundhara Multi Paper Industries Ltd., Bashundhara Infrastructure Development Ltd., Bashundhara International Trade Center Limited, Bashundhara Cement Industries Ltd., Bashundhara Agricultural Products Ltd., Dhaka Multi Agricultural Complex Ltd., and many other companies of the group.

Mr. Ahmed Akbar Sobhan was the Chairman/President of many financial institutions, trade organizations and trade bodies including Bangladesh Paper Mills Association, Bangladesh Land Developers Association, Bangladesh Cement Manufacturers Association etc. He was also member of general body of FBCCI, DCCI, ICC Bangladesh. He received many accolades, at home and abroad, in recognition of his excellent business leadership, performance and remarkable contributions in the socio-economic fields,

international understanding, conflict resolution and bringing peace, including President's Gold Medal in 1994, Kazi Nazrul Islam National Award in 1992, Moulana Bhasani National Award in 1993, Arthakantha Business Award in 2001, USA Summit International Award in 2002 and Janata Bank Prime Customer Award in 2002 and Agrani Bank Best Client Award in 2010, Mother Teresa International Canonisation Award in 2019, Kolkata's St Xavier's College prestigious Award Dashabhuja Bengali 2019, Information Communication Entertainment (ICA) Award in 2019 given by the Bengal Film and Television Chamber of Commerce, Franchise India organized Indian Retail Award and Indian E-Retail Award 2019. He was a sports man and now a sponsor of sports of this country. He is the owner of Bashundhara Kings, a leading Sports Club of Bangladesh. He is the Chairman of Board of Trustees of Bashundhara Foundation and the Chief Patron of Afroza Begum Welfare Foundation. These Foundations have been working tirelessly for the betterment of the poor and unprivileged people of this country. These two foundations have been living up to Bashundhara Group's promise of "For the People for the Country".

Mr. Ahmed Akbar Sobhan is one of the Trustees of Bashundhara Foundation and serving in this capacity since the establishment of the Foundation. The Foundation has been operating "Interest-Free Loan Scheme/Project" operated for the poverty-stricken poor women community of the rural areas. This unique and extraordinary scheme is the brainchild of Mr. Ahmed Akbar Sobhan.



Md. Imrul Hassan

Director

Mr. Md. Imrul Hassan is a Director of Meghna Cement Mills Plc. He completed his Post Graduation from University of Dhaka. He is a successful business personality and holding a fabulous track of experience business, finance & management. He is also a sports-loving personality and well known person for his sports development, social work and activities. Mr. Hassan has been engaged in development of the other socio-cultural activities and a successful businessman indeed.

He is a member of the Audit Committee and Nomination and Remuneration Committee (NRC) of the MCMPlc. Mr. Hassan is a trustee of the Bashundhara Foundation. He is the President of Bashundhara Kings which is the most famous sports club of this country and was the elected as the Sr. Vice President of Executive Committee of Bangladesh Football Federation. Mr. Hassan visited different countries around the world as such India, Singapore, Thailand, Qatar, KSA, Russia, Malaysia.



Md. Nurul Karim

Independent Director

Mr. Mohammad Nurul Karim, one of the successful bureaucrats of Bangladesh government, went on retirement in 2020 as the Additional Secretary of the Information Ministry. He had colourful assignments during his 34 years of career. He served the Cabinet Division as the Joint Secretary and Additional Secretary. He served in the Ministry of Environment and Forest, Ministry of Science and Technology, the Education Assistance Trust of the Prime Minister, the Bureau of Mineral Development, a component of Power & Energy Ministry.

He is a person of multi-disciplinary knowledge, attended professional trainings, seminar, symposium and experience sharing forums at home and abroad beside representing the state at different international forums. Crisis Management Course for Senior Public Officials under the US Department of State, Training on Anti-Corruption under the Malaysian Anticorruption Academy, the UN General Assembly on Environment, Advance Course on Administration and Development, the MATT training under the Ministry of Public Administration are the notable ones he so far has taken successfully.

He led the Technical Committee for Carbon Emission in the NDC (Nationally Determined Contributions) as the country representative of Bangladesh and became its Chair. He was the regional representative of South Asia to the International Committee for Ozone Depleting Substances.



DIRECTORS' REPORT



DIRECTOR'S REPORT TO THE SHAREHOLDERS

Dear Members,

Assalamu Alaikum Wa Rahmatullah.

The Board of Directors of Meghna Cement Mills Plc express its sincere appreciation to all the valued shareholders and warmly welcomes you all to the 33rd Annual General Meeting of your Beloved company. It is our privilege to present the Directors' Report together with the Audited Financial Statements for the FY 2024–2025, ended 30 June 2025, along with the accompanying Notes to the Accounts, the Statutory Auditors' Report, the Audit Committee Report, the Nomination & Remuneration Committee Report, and the Corporate Governance Statement and Compliance Report for your review, consideration and kind approval.

A BRIEF ON THE ECONOMY AND CEMENT SECTOR OF BANGLADESH - IN BRIEF

Our country achieved sustainable progress in growth and poverty reduction and maintaining its lower-middle-income status since 2015, now stands at a critical juncture where its long-term development aspirations toward upper-middle-income status are being tested by an extended period of economic slowdown, prolonged macroeconomic pressures and heightened political and external uncertainties.

The economy in FY 2024–25 operated under one of the most challenging environments in recent years, with multiple domestic and global factors combining to weaken growth momentum, depressed investment sentiment, and disrupted industrial activity. Real GDP growth of the country dropped further to 3.97% from and well below the levels required for the country's targeted growth trajectory. This subdued performance caused by a broad-based weakening of industrial output, a marked decline in private investment due to tightened credit conditions and higher borrowing costs, persistent inflationary pressures, and an overall cautious approach adopted by businesses and households amid ongoing political transitions and policy uncertainty. Inflation remained stubbornly high throughout the fiscal year, with consumer prices recorded at 8.36% year-on-year, confirming the persistence of this macroeconomic headwind, driven by elevated food prices, supply-chain disruptions, and rising utility and energy costs; although slightly lower than the double-digit inflation seen in the preceding year, it continued to erode real incomes and deepen the cost-of-living challenges for a large portion of the population.

The financial sector, which plays a critical role in supporting business expansion, showed continued vulnerabilities as non-performing loans remained elevated, banks faced liquidity shortages, and the ability to extend credit, particularly for large industrial imports, was constrained by a persistent shortage of foreign currency. Bangladesh's foreign exchange reserves, under pressure for nearly three consecutive years, showed signs of gradual recovery and were projected to exceed USD 26 billion, supported by an uptick in remittances and improving merchandise exports, particularly from the ready-made garments (RMG) sector, which continues to contribute more than 80% of the country's total export earnings. However, despite the modest improvement, the import-export gap remained wide, external payments pressures persisted, and many banks continued to struggle to open letters of credit (LCs) for essential industrial raw materials due to insufficient foreign currency holdings, leading to periodic interruptions in manufacturing and construction supply chains.

While the economy faces significant headwinds, Bangladesh continues its medium-term efforts to diversify exports beyond the RMG sector by promoting higher value addition in leather goods, jute products, shrimp, and engineering items, though the scale of diversification remains modest relative to national requirements. At the same time, the government has been pursuing institutional reforms aimed at enhancing transparency, improving the efficiency of public service delivery, modernizing tax administration, and increasing domestic revenue mobilization to support development expenditure. However, fiscal pressures intensified during the year due to rising government debt, which surpassed Tk 21 trillion, and the increasing cost of interest payments, limiting the fiscal space available for development investments. These constraints were reflected in the implementation of the Annual Development Programme (ADP), which recorded an execution rate of only 67.85% in FY 2024–25, the lowest in at least two decades, compared to 80.63% in the previous fiscal year. The sharp decline in development spending had an immediate and profound impact on the construction sector, which historically relies heavily on public infrastructure projects. Mega-projects that once anchored national economic activity experienced delays, reduced work volumes, or slowed procurement processes due to budgetary constraints, contributing significantly to the broader decline in demand for construction materials.

The construction sector, after experiencing nearly a decade of rapid growth driven by urban expansion, industrial development, and state-led infrastructure modernization, faced a pronounced slowdown during the year. High inflation, soaring costs of construction materials, elevated lending rates, and political uncertainty collectively discouraged new investments. The sharp rise in raw-material costs since the pandemic, estimated at up to 85% for some items, has pushed apartment prices beyond the affordability range of a large segment of consumers in the middle-income groups. As a result, sales of ready apartments slowed, prompting real-estate developers to postpone new projects and making delay over ongoing construction projects. The private sector, which typically complements public infrastructure demand, therefore contributed less to the overall consumption of building materials during the period under review. Coupled with costlier bank financing for construction loans and reduced investor confidence, the real-estate market's contraction added to the downward pressure on cement and steel consumption across the country.

The cement industry, which is fundamentally linked to the performance of the construction and infrastructure sectors, consequently endured one of its most difficult times in recent years. Cement demand nationally remained subdued at around 3.8 crore tonnes in FY 2024–25, representing less than 40% of the country's total installed cement manufacturing capacity of approximately 8.3 crore tonnes. As a result, most cement plants operated at below 30% capacity utilization, significantly lower than the global benchmark of 70–80%, creating severe pressure on operational efficiency, cost structures, and working-capital management. The slowdown in public infrastructure activities was particularly impactful, as government mega-projects, which previously accounted for nearly 40% of total cement consumption, contributed only about 20–25% during the fiscal year due to reduced development allocations. Similarly, the private construction sector's sluggish performance further constrained demand, stripping the industry of a crucial source of consumption. The volatility in the foreign exchange market also compounded these challenges: the average exchange rate was around Tk 118 per USD significantly raised the local-currency cost of imported clinker, gypsum, slag, fly ash, and other essential raw materials. Input-cost pressures intensified further as banks struggled to open LCs owing to inadequate foreign currency reserves, disrupting import cycles and adding unpredictability to production planning.

The broader industrial environment also faced headwinds from energy shortages and intermittent power supply disruptions, which affected both large and small manufacturers and increased operating costs through higher reliance on alternative energy sources. During a period when domestic demands were already constrained by high global commodity prices, particularly the fuel and

raw materials, further strained the import-dependent manufacturing industries of this country, including cement manufacturing. The combination of reduced demand, increased production costs, lower capacity utilization, and financial-sector instability resulted in a challenging year for this country's cement producers, compelling them to prioritize operation process, cost minimization, and prudent financial management to match with the downturn.

The industry's difficulties were further compounded by external uncertainties, including the ongoing geopolitical tensions all over the globe including in Europe and the Middle East, global inflationary pressures, and the broader slowdown in major export markets such as the United States and the European Union. These global dynamics affected domestic consumption indirectly by weakening export-sector earnings, reducing liquidity, slowing remittance flows at the start of the fiscal year, and ultimately lowering domestic purchasing power across various segments of the economy. Although remittances improved in the latter part of the year under review and the exports showed signs of slight recovery, the overall economic environment remained fragile, with investment sentiment still subdued and households prioritizing essential spending over property purchases or construction activities.

Bangladesh's structural need for infrastructure development, industrial expansion and rapid urbanization facing big challenge. The completion and operationalization of some major national projects are expected to stimulate the economic activities in the coming years. The country's demographic dividend, characterized by a large and young workforce, presents long-term opportunities for industrial growth, urban development, and rising housing demand once macroeconomic stability is restored. However, the recovery of the cement sector will depend on the improvements in the macroeconomic environment, including the easing of inflation, stabilization of the financial sector, enhancement of foreign-exchange liquidity, restoration of political stability, and the revival of both public and private investment confidence.

MARKET COMPETITION

The competitive landscape within the wide global market scenario continues to intensify, offering businesses some opportunities for product and service innovation, a trend to which the Bangladesh cement sector is no exception as it evolves from a nascent, import-dependent industry to a capacity-surplus, self-sufficient manufacturing hub following the GoB's policy-driven initiatives since the early 1990s. The entry of both multinational manufacturers and local entrepreneurs has significantly expanded national production capacity, now exceeding domestic demand and confirming Bangladesh's self-reliance in this essential infrastructure material. As major producers employ



largely similar technologies, competition has become increasingly challenging, with persistently underutilized capacity driven by fluctuating consumption patterns. This structural oversupply status has been further compounded by macroeconomic pressures and prolonged political and social instability during the fiscal year, which have slowed progress on government-led mega-projects and dampened private construction activity, resulting in a notable drop in overall cement demand.

Consequently, companies have been compelled to pursue market share more aggressively, intensifying price competition among dominant players and exerting considerable pressure on profit margins, particularly as many manufacturers operate at utilization rates below 40% while contending with high interest costs and elevated prices of imported raw materials such as clinker, gypsum, fly ash, and iron slag. At present, of the 76 registered cement manufacturing companies in the country, approximately 42 large, medium, and small producers remain active, including seven listed entities, with local companies collectively maintaining more than 75% of total market share despite competition from multinational brands. Although sustained development needs and the ongoing pace of urbanization support a favourable long-term outlook, the immediate market environment is defined by intense competition, margin compression, and demand volatility, necessitating continued focus on operational efficiency, cost management, and product diversification to maintain resilience in the current economic landscape.

MARKETING ENVIRONMENT

Market promotional activities are considered multi-dimensional and instrumental in navigating challenging commercial environments, serving as the essential force that enables a company to build and maintain relationships with consumers and clientele, thereby facilitating demand fulfillment; however, the latest fiscal year has forced us to confront a tempest of depressed consumption and fierce price competition, born from severe industry overcapacity, compelling a deliberate tactical pivot in the marketing strategy. We have moved beyond the pursuit of mere broad volume growth, focusing instead on a fortified market share defense and the cultivation of unwavering brand loyalty within the critical market scenario.

Consequently, this company has been trying to sustain through its promotional activities, innovative, targeted trade marketing initiatives and Below-the-Line (BTL) campaigns, which are fundamentally aimed at forging an unbreakable bond with our dealers, distributors, and the architects of construction, the key specifiers. Our energetic personnel have executed a tapestry of wide-ranging activities, revitalizing the advertising narrative and personal selling efforts, a heightened emphasis on specialized technical

training, immersive workshops, and knowledge-sharing seminars for masons, engineers, and contractors. This educational approach serves as the powerful antidote to market skepticism, transforming our product's consistent quality and technical attributes from a mere claim into a validated construction truth in a landscape where cut-throat pricing attempts to render every cement bag identical. Likewise previous year the company had been carried out by the teams of creative and energetic personnel who launched public relations and direct marketing programs, frequent promotional programs including advertising, personal selling, sales promotion activities, training of activists and knowledge sharing with dealers and consumers, conferences, workshop, seminars and outdoor marketing etc.

RAW MATERIALS SUPPLY & PRODUCTION

Clinker is a vital component for cement strength and quality largely depending on imported raw materials as Bangladesh has limited domestic limestone reserves and very modest in-house clinker production capacity. Indeed, only a very small number of local players produce clinker, rendering the broader industry heavily dependent on foreign sources such as Vietnam, Thailand, China, and Malaysia. This import reliance exposed us to foreign-exchange risk, exacerbated by fiscal year-over-year taka depreciation, which, in combination with tighter LC availability, constrained our working-capital flexibility. The broader cement industry has been under strain: capacity utilization has declined sharply, with many plants reportedly operating at under 30 percent, reflecting overcapacity, weak demand, and tight financial conditions. Imports of clinker also declined in FY 2023–24: inbound clinker shipments dropped by approximately 24 percent (by value) compared to the prior year, in part due to weak demand and constraints on foreign-exchange liquidity.

In this challenging backdrop, we have to pursue operational strategies to protect our cost base and safeguard production continuity. We remain committed to diversifying our raw-material mix, and are gradually increasing our use of supplementary cementitious materials, such as slag and fly ash, in line with industry trends and in response to both cost pressures and sustainability imperatives. Moreover, we closely manage power supply risks: although the national grid continues to supply most of our electricity, intermittent disruptions and voltage fluctuations remain a risk to output and cost stability, a reality we tried to mitigate through proactive planning and procurement practices.

Logistics remain a significant cost driver. The import of raw materials and the distribution of finished cement across Bangladesh incur high transport costs, exacerbated by port congestion and inland transport bottlenecks. In response, we continue to optimize our own distribution network: our system of company-owned trucks and vessels enables us to

maintain control over delivery schedules and minimize third-party dependency, thereby reducing risks associated with external logistics.

We also tried to retain our commitment to eco-friendly packaging. Our products are packaged in paper-based cement sacks, reinforcing our dedication to reducing environmental impact while meeting the functional and safety requirements of our customers.

Despite the challenging macroeconomic and policy-driven headwinds in the raw-materials supply chain, Meghna Cement Mills Plc has been following the strategy to secure clinker and other inputs, manage cost pressures, and maintain stable production — all while aligning with sustainability goals and safeguarding shareholder value.

CEMENT CONSUMERS SEGMENTATION

Our country continues to experience wide seasonal fluctuations in rainfall and temperature due to its tropical monsoon climate, which strongly influences construction activity and thereby cement demand. In recent years, a shift in consumer preferences has become evident: rural households with growing financial means are increasingly choosing modern, multistorey homes, and rapid urbanization is driving the construction of large apartment complexes, multistorey commercial buildings, and major infrastructure projects — all of which are now major pillars of cement demand. A key development is the growing preference for concrete road construction over traditional bitumen, driven by superior durability and lower lifecycle costs, which further intensifies bulk cement demand from public works.

Simultaneously, the proliferation of Ready-Mix Concrete (RMC) manufacturers has created a specialized, crucial intermediary segment whose technical purchasing requirements and volume-driven logistics needs are distinct from those of traditional contractors.

In today's market, competitive pricing alone no longer suffices; customers also value brand trust, consistent quality, and timely availability. Consequently, cement consumers in Bangladesh can be segmented not just by geographic location and purchase volume, but also by consumer behaviours, purchasing frequency, and brand loyalty. We identify three principal groups of cement consumers:



While individual homebuilders previously held the largest share of demand, in FY 2024–25 the public sector gained prominence, as many private developers scaled back activity due to macroeconomic stress and financing constraints. According to industry reports, most cement plants in the country are now operating at below 30 percent capacity.

Per capita consumption in Bangladesh remains relatively low at approximately 230 kg per person, compared with 400 kg in India, 270 kg in Myanmar, 500 kg in Thailand, 435 kg in Sri Lanka, 800 kg in Malaysia, 750 kg in Iran, 1,250 kg in South Korea, 1,470 kg in Saudi Arabia, and 1,700 kg in China. Total domestic consumption was about 38 million tonnes in 2024, which is 47.50% of the industry's installed capacity of around 80 million tonnes per annum.

Meanwhile, cement sales have come under severe pressure, with a reported 35–40 percent decline in certain periods, driven by political instability, suspended public-sector projects, inflation, and tighter credit conditions. This slowdown has weakened demand across all three consumer segments, with the private sector being particularly affected. However, it is forecasted that cement demand in Bangladesh will gradually return to normal levels when the country's economy might become back. It is also expected that the real estate sector will recover once a favorable socio-economic environment is restored. The country's infrastructure development process must be accelerated, urban construction projects continued, and housing initiatives in rural areas encouraged to support sustainable growth in cement demand.

TRANSPORTATION

The performance of industries producing bulk products is highly dependent on the efficiency of transportation. Cement is considered a bulk item. Being a bulk industrial product, cement is particularly sensitive to transport costs. This company continues to give priority to the optimization of its distribution network by balancing water and road transportations to maintain cost-effective delivery channels. During FY 2024–25, transportation costs for both raw materials and finished goods experienced a significant increase due to high inflation, rising of fuel prices, higher shipping costs.

This particular sector's reliance on imported raw materials, including clinker, affected by international freight rates and, domestically, to the perennial challenge of port inefficiencies at key maritime hubs such as Chittagong and Mongla. Delays in unloading bulk raw materials contribute to higher demurrage charges, further increasing production costs. The combination of road and inland waterway transport within the country is employed, with approximately 85 percent of cement transported by road and 15 percent via waterways. Meghna Cement Mills Plc's distribution system uses the country's extensive inland water transport (IWT) network, recognized as the most energy-efficient and cost-effective mode for moving bulk cargo over long distances, particularly as nearly 80 percent of manufacturing and key distribution points are located near riverbanks.

The Company tried to maintain close monitoring and management of its transport operations to mitigate the



impact on production as efficiency and ensure timely supply to its customers of the country.

SEASONALITY

Our country's geographical position, characterized by its low-lying deltaic plains, flat terrain, and subtropical monsoon climate, subjects the cement sector to visible seasonal effects. This is a critical driver for cement demand, a pattern that persists and has been slightly amplified by recent macroeconomic and policy developments in the latest fiscal year. The inherent seasonality in the construction industry directly impacts the cement consumers' purchase patterns, a trend clearly supported by our sales data analysis across different periods of the year. Our country's traditional six seasons consolidate into three dominant periods governing cement demand:

Peak Season	January to April/ May
Dull Season	June to September
Off Season	October to December

The period which is considered as the Peak Season, historically spans from January to April/May, remains the most dominant period for construction activities. The dry weather with little to no rainfall during this time makes it ideal for major infrastructural development, real estate projects, and building construction. In the current environment, construction demand, despite facing headwinds from high inflation, Taka depreciation, and foreign exchange constraints that affect imported raw material costs (like clinker), is still bolstered by the government's continued focus on strategic infrastructure and energy projects, often backed by multilateral development bank financing. Projects like the Dhaka Metro Rail and other urban development schemes continue to drive demand in this peak dry window, offering a vital uplift to sector sales.

During the Dull Season, generally from June to September, corresponds with heavy monsoon time. This period witnesses the lowest overall cement sales as construction activities slow down considerably due to persistent rainfall. Instead, this time is primarily utilized for curing—a vital step in concrete construction that ensures strength and durability, where the natural moisture from the rainfall aids the hydration process. While private sector construction, especially in housing, often sees a significant drop, government execution of pre-monsoon projects also slows, necessitating strategic inventory management and a focus on alternative distribution channels to maintain a baseline performance.

In the seasonality of the cement sector the Off Season, spanned over October to December, serves as the preparatory phase leading into the peak demand period. While traditionally characterized by reduced activity due to

factors like material procurement and festival breaks, the construction sector's inherent long-term growth (projected to be robust, driven by rapid urbanization) and the public sector's push to resume work post-monsoon offers a positive outlook. Meghna Cement Mills Plc remains alert to opportunities presented by early project restarts or government tenders to capitalize on the upcoming peak. By taking into careful consideration these seasonal variations and the current industry's sensitivity to both weather and macroeconomic policy, this company tried to maintain and continues to follow the season-responsive approach in its production, inventory, and supply chain processes to optimize efficiency and secure market share across all cycles.

PRODUCTION - SUPPLY MANAGEMENT

The production of finished cement to require a highly coordinated cross-functional approach involving the uninterrupted flow of imported raw materials, precise conversion processes within the plant and the timely distribution of finished products to an expanding national market. The supply chain framework within the industrial sector has continued to grow increasingly complex during the latest fiscal year and for a bulk commodity such as cement, the efficiency of production remains intrinsically linked to the robustness of supply management systems. The year under review faced additional challenges, as global freight volatility, longer lead times for clinker and other key inputs, port congestion, and frequent fluctuations in foreign exchange rates as well as availability which had influenced procurement planning and necessitated more stringent inventory management. As cement remains a high-volume, low-value commodity, any increase in transportation or handling costs directly affects production economics, particularly in a market environment where margins remain under pressure due to overcapacity and heightened competition.

There are variations in the demand for cement in this country. In cement consumption, regional variation persisted across the country, reaffirming the industry's long-standing characterization of cement as a regionally sensitive commodity. The demand for cement is geographically grouped into Division/Region-wise distribution as follows:

Areas	%
Dhaka Division	45%
Rajshahi and Rangpur Divisions	10%
Chittogram Division	23%
Sylhet Division	7%
Khulna Division	10%
Barishal Division	5%

Demand for cement concentrated monthly in Dhaka Division, followed by Chattogram, Khulna, Rajshahi and Rangpur, Sylhet, and Barishal divisions. These structural demand patterns, combined with uneven construction activity across divisions, influenced distribution planning and stock allocation throughout the year. The Company's plant location in the Mongla Industrial Area of Bagerhat District provided a distinct logistical advantage, enabling cost-effective distribution through both road and river routes to Dhaka as well as the southern and northern regions, including Barishal, Khulna, Rajshahi, and Rangpur. Through the continued use of multimodal logistics and its own transportation fleet, Meghna Cement Mills Plc timed to mitigate delays, enhanced delivery reliability and maintained competitive landed costs despite rising fuel prices and intermittent disruptions within national transport corridors.

During the year under review, the Company tried to maintain its distribution channels. Its supply chain focused on reinforcing dealer networks, optimizing warehouse operations, and maintaining adequate stock levels in alignment with seasonal variations and regional demand for cement. This integrated, season-responsive, and region-aligned production-supply system continues to support the Company's market presence.

PRODUCTION AND SALES

The primary cement consumption hubs of this country continued to be the Dhaka and Chattogram divisions, together accounting for approximately three-fourths of the national volume. During the last fiscal year, it has seen the continuation of a strategically important shift in demand, with a fall in consumption witnessed in both private and public sectors of Bangladesh. This is due to slow pace with Government initiatives to infrastructure development projects, coupled with rural urbanization and downward inward remittance flows.

The demand for cement across the market is fundamentally dependent on three major pillars: the development of public infrastructure projects, substantial industrial and commercial constructions, the vitality of the real estate sector, and the continuous activity of individual home builders spread throughout the country. While the industry has established a significant installed capacity, positioning it favorably for future national development, the period under review was characterized by macroeconomic pressures, including Taka depreciation and elevated costs for essential imported raw materials such as clinker and gypsum. These factors have placed considerable strain on private sector constructions, resulting in overall subdued demand and intense market competition. The Company tried to align its operations to maintain its presence in public and industrial segments while maintaining relationships across its customer base.

The customer categories served by the Company are as follows:

Distributors	Industrial units/Bodies
Dealers	Real Estate Companies & Developers
Retailers	Individual Home Builders
Contractors	Other Customers.

PRODUCTION:

During FY 2024-2025, the Company produced 24,929 MT of Cement compared to 2.32 Lac MT of cement in the FY 2023-2024 registering a decrease of 89% in production of cement.

During the year under review, the Company faced unprecedented challenges across multiple fronts that significantly impacted production and sales. These included acute difficulties in the timely import of essential raw materials due to global supply chain disruptions and port congestion, limited access to bank financing, and persistent foreign currency shortages. The Company also encountered a substantial rise in import costs for clinker, gypsum, and other key inputs, while domestic market prices for cement remained under pressure due to overcapacity and heightened competition. Weak demand from both public infrastructure projects and private construction, coupled with high inflation and escalating energy costs, further constrained sales. Additionally, intermittent political uncertainties and regulatory changes, alongside rising logistics and operational expenses, added to the overall business challenges, while slow recovery in rural and regional markets affected consumption patterns. These combined factors created a highly challenging operating environment, directly impacting production efficiency, cost management, and overall revenue performance.

In the FY 2024-2025 under review, the net sales revenue amounted to Tk. 31.371 crore compared to Tk. 214.95 crore of the last FY 2024-2025, registering a decrease in sales of Tk. 183.579 crore in comparison with the previous year's sales.

PERFORMANCE OF THE COMPANY

During the year under review, the Company operated in an exceptionally strained business environment, marked by a convergence of domestic and global disruptions that weighed heavily on both production and sales performance. Persistent constraints in securing essential raw materials—driven by prolonged supply chain instability, delays in international shipping schedules, and congestion at key ports—limited the Company's ability to maintain optimal production levels. These operational pressures were compounded by tightened liquidity conditions within the banking sector and continued scarcity of foreign currency, which affected the timing and cost of import settlements.



At the same time, sharp increases in the landed cost of clinker, gypsum, and other critical inputs further eroded margins, while excess industry capacity and aggressive pricing competition kept local cement prices subdued. Demand conditions also remained weak, reflecting slower progress in major public infrastructure works, deferment of private construction activities, and the broader impact of sustained inflation on household purchasing power. Rising energy tariffs, transportation expenses, and periodic regulatory uncertainties added layers of additional operational complexity. Collectively, these factors created a challenging landscape, exerting downward pressure on production efficiency, cost control, and overall revenue generation for the Company.

In this context, the Company undertook careful resource management, periodic review of business performance, and adjustments to its marketing and distribution strategies to align operations with prevailing market realities. Emphasis was placed on maintaining production continuity within available working capital limits, optimizing cost structures, and supporting key customers across all regions to preserve market presence.

For FY 2024–2025, the Company incurred a net loss of Tk. 115.53 crore, compared to a net loss of Tk. 22.61 crore in FY 2023–2024. The cost of goods sold for the year amounted to Tk. 26.24 crore, compared to Tk. 145.31 crore in the preceding year, reflecting significantly lower production volumes due to raw material import constraints and reduced market demand. The detailed cost components for the year under review are presented below:

Particulars	Amount in Tk.
Opening Stock of raw and packing material	548,437,917
Raw and Packing material Purchased	79,881,372
Closing Stock of Raw and Packing material	(529,978,779)
Raw and Packing material Consumed (Note-31)	98,340,509
Factory Expenses (Note-31.02)	138,879,941
Opening stock of finished goods	26,609,051
Closing stock of finished goods	(1,423,120)

PREFERENCE SHARES

The Board of Directors of Meghna Cement Mills Plc, in 2020, approved the issuance of Fully Redeemable Preference Shares amounting to BDT 100 crore through private placement as part of the Company's long-term capitalisation plan; the issuance was duly sanctioned by the Bangladesh Securities and Exchange Commission and the subscribed preference share capital was contributed by the following investors:

1. Mr. Sayem Sobhan (Directors' part) – BDT 30,00,00,000/- (30%)
2. Bank Asia Limited (General Investor) – BDT 70,00,00,000/- (70%)

Total Redeemable Preference Share Capital BDT 100,00,00,000/- (100%)

All statutory books and records relating to the Preference Shares are maintained at the Company's head office. An amount of BDT 5.00 crore was paid to the preference shareholders during FY 2022–2023; no payment was made during FY 2023–2024 and likewise no payment could be made during FY 2024–2025.

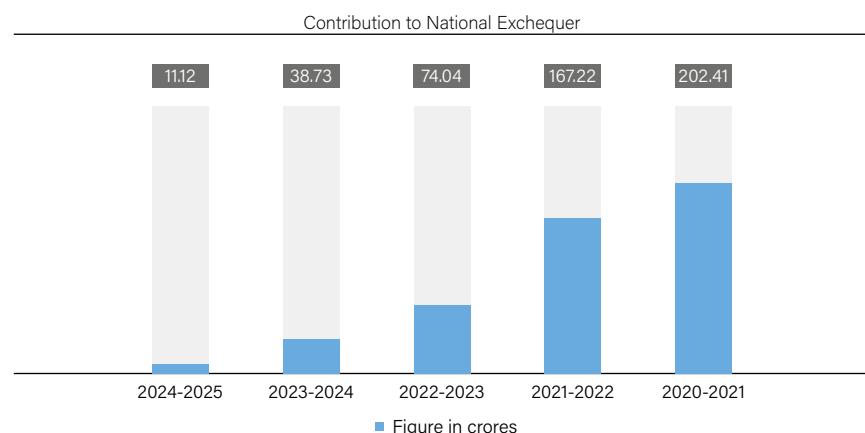
DIVIDEND

During the FY 2024–2025, the Board of Directors did not recommend any dividend for the shareholders, taking into account the Company's financial performance and the prevailing economic conditions. It is also noted that no dividend was declared in the preceding financial year.

CONTRIBUTIONS TO THE NATIONAL EXCHEQUER

Economic development is a gradual process that requires consistent contributions from all sectors of the economy, including businesses. Meghna Cement Mills Plc has always prioritized its role in supporting national progress by ensuring that its operations are conducted with the highest standards of integrity and transparency. The Company diligently complies with all applicable laws and regulations, including timely payment of taxes, VAT, customs duties and other statutory levies. By doing so, the Company continues to play a meaningful role in strengthening the national exchequer and contributing to the sustainable growth of Bangladesh.

In the FY 2024–2025, the Company contributed Tk. 11.12 crores to the national exchequer through taxes, duties, and VAT, which accounted for approximately 35.43% of the Company's total sales revenue. The decrease in contribution compared to previous years reflects the lower production and sales volumes during the fiscal year.



ENVIRONMENT PROTECTION

Environmental protection encompasses the careful preservation and sustainable management of natural resources, ecosystems, and biodiversity to ensure their continued availability for present and future generations. A key objective in this regard is the conservation of biodiversity, which helps safeguard species from extinction, maintain ecosystem balance, and sustain essential services such as clean air, potable water, and fertile soil. In an era characterized by rapid industrialization, urbanization, and population growth, the need for proactive environmental stewardship has become increasingly critical, particularly in Bangladesh where industrial expansion and infrastructure development pose significant environmental challenges.

The management of Meghna Cement Mills Plc recognizes its responsibility in this area and has implemented policies to integrate environmental considerations into its production processes and business operations. The Company complies with all applicable environmental regulations and guidelines, including those issued by the Department of Environment (DoE), and continuously monitors its operations to mitigate environmental impacts.

Within the factory premises, modern technology and high-capacity equipment have been installed to enhance efficiency while reducing emissions, dust, and other forms of pollution. The Company has also adopted measures for proper waste management, water recycling, and energy efficiency, contributing to lower carbon emissions and a reduced environmental footprint. These initiatives not only optimize production output but also improve workplace safety and overall operational sustainability.

Furthermore, the Company actively engages employees and contractors in environmental awareness programs, emphasizing the importance of sustainable practices and compliance with environmental protocols. Operational procedures are designed to align with internationally recognized environmental standards, ensuring that ecological and social sustainability remain integral to the Company's strategy and decision-making. Through these efforts, Meghna Cement Mills Plc demonstrates its continued commitment to environmental protection while supporting sustainable industrial growth and contributing positively to Bangladesh's broader environmental objectives.

CERTIFICATION

Meghna Cement Mills Plc has established, implemented, and continues to maintain effective Environmental and Quality Management Systems, reflecting the Company's commitment to sustainable and responsible operations in cement manufacturing and distribution. In recognition of these efforts, the Company has been awarded ISO 14001:2015 certification for Environmental Management Systems and ISO 9001:2015 certification for Quality Management Systems. These internationally recognized certifications demonstrate the Company's adherence to global best practices, ensuring environmental compliance, operational efficiency, and consistent product quality. By maintaining these standards, Meghna Cement Mills Plc reinforces its commitment to sustainability, continuous improvement, and excellence in both environmental stewardship and quality assurance across all aspects of its operations.



RISK FACTORS AND ITS MANAGEMENT

All companies, regardless of size, face inherent business risks arising from uncertainties related to strategy, profitability, regulatory compliance, operational efficiency, environment, health, and safety. Such risks can affect both a company's financial performance and its reputation among stakeholders. In Bangladesh, the cement sector presents significant growth potential but is also exposed to a range of risk factors that require careful management. These include inflationary pressures, economic slowdowns, fluctuations in domestic and international raw material prices, foreign currency supply constraints, volatility in finished goods pricing, regulatory changes, tax and VAT adjustments, and other unforeseen operational or market disruptions.

Meghna Cement Mills Plc places strong emphasis on identifying, assessing, and managing these risks as an integral part of its business planning and operations. The Company's risk management framework is designed to anticipate potential threats, categorize controllable and uncontrollable risks, and implement strategies to mitigate their impact. By proactively monitoring economic, financial, and operational indicators, and by embedding risk-awareness in decision-making processes, the Company seeks to minimize adverse outcomes and safeguard its long-term sustainability and stakeholder value.

RELATED PARTY TRANSACTIONS

Since its inception, the Company has adhered to policies and practices designed to ensure full compliance with all applicable laws, rules, and regulations. In conducting its business, Meghna Cement Mills Plc places particular emphasis on protecting and preserving the interests of its stakeholders by upholding the highest standards of ethical conduct, accountability, and transparency. All transactions with related parties are carried out in accordance with these principles, and full disclosure of such transactions has been provided in Note No. 50 of the Financial Statements.

SHAREHOLDERS

Shareholders are the true owners of a company, providing the foundation for its financing, governance, and strategic growth. Their support and confidence empower the Company to pursue its objectives, and their interests remain at the forefront of the Board of Directors' priorities. The Board is committed not only to protecting shareholder value but also to fostering long-term growth, transparency, and sustainable returns, ensuring that every decision aligns with their expectations.

As of the Record Date, 20 November 2025, the total number of shareholders stood at 5,845 slightly lower than 5,868 recorded on the previous year's record date (FY 2023-2024), reflecting ongoing market dynamics and portfolio adjustments.

The issued, subscribed, and paid-up share capital of the Company is Tk. 31,58,85,297 contributed by a diverse mix of Sponsors, Banks, Financial Institutions, and the General Public. The Company continues to strengthen engagement with its shareholders, maintaining open communication, safeguarding their rights, and pursuing initiatives designed to enhance value and confidence across its investor base.

PROTECTION OF MINORITY SHAREHOLDERS' INTEREST

Since its incorporation, the Board of Directors of Meghna Cement Mills Plc has been committed to achieving the Company's objectives while expanding its business horizons. Ensuring fair and equitable treatment of all shareholders, including minority shareholders, remains a key priority. The Board is attentive to the interests of all stakeholders and has implemented measures to safeguard the rights of minority shareholders through transparency, accountability, and timely communication.

The Company actively ensures that strategic and operational information is shared promptly in compliance with regulatory directives, and minority shareholders are provided access to information and assistance whenever required. To further support minority shareholders, the Company disseminates relevant updates and decisions through widely accessible and reliable channels, ensuring they are informed about business activities, developments, and strategic initiatives. By maintaining these practices, Meghna Cement Mills Plc reinforces its commitment to fairness, inclusiveness, and the protection of shareholder rights.

BOARD OF DIRECTORS

We are pleased to report to you that-

- i. The roles and responsibilities of the Chairman and Managing Director are playing distinct roles and the positions are held by two different individuals. This separation has been in place since the company's inception and continued throughout FY 2024-2025. Detailed résumés for both the Chairman and the Managing Director are included in the Directors' Profiles section of this Annual Report.
- ii. The Board of Directors operates with a high degree of independence, fulfilling its responsibilities and obligations in line with its defined Terms of Reference. During the year under review, the Board members executed their duties and discharged their responsibilities without any interference, ensuring decisions as were made freely and for the best interest of this company.
- iii. The Board of Directors of MCMPlc continues to function independently, with its primary mandate to

guide the company's affairs as well as operations through collective decision-making while safeguarding the interests of shareholders and stakeholders. Beyond business and financial matters, the Board addresses broader issues relating to corporate governance, compliance, and operational challenges. It oversees management performance, ensures timely and appropriate decision-making, and acts to enhance long-term value for stockholders. The Board has established clear Terms of Reference for its members and remains committed to ensuring full adherence.

DIRECTORS' SHAREHOLDING STATUS

The Board of the company comprises 04 (four) directors, of whom 03 (three) represent the Sponsor Shareholders and are elected by the company's members at the general meetings. The names of the Directors along with a summary of their resumes are presented on pages 28 to 30 of this report. The shareholding positions of the Directors as of 30.06.2025 are as follows:

Sl. No.	Name of Directors	Position in Company	No. of Shares	% of Holding
01.	Ms. Afroza Begum	Chairman	32,72,146	10.36%
02.	Mr. Ahmed Akbar Sobhan	Director	40,14,056	12.71%
03.	Mr. Md. Imrul Hassan	Director	-	-
04.	Mr. Md. Nurul Karim	Independent Director	-	-

ROLES AND RESPONSIBILITIES OF THE BOARD

The major roles of the directors of the company were as follows:

- Providing entrepreneurial leadership;
- Setting of goals and objectives for the company;
- Setting company's values and standards;
- Providing entrepreneurial leadership;
- Ensuring human and financial resources be available to achieve objectives;
- Constructive challenges mitigation and help in developing proposals on business strategy;
- Satisfying themselves on integrity of financial information and reporting, controls and risk management systems and measures;
- Determining appropriate levels of remuneration and compensation issues;
- Appointment and removal of executive directors, and succession planning;
- Ensuring that obligations to shareholders and other stakeholders are understood and met.
- Reviewing of the management team members' performance and monitoring of performance reports;

DIRECTORS' BOARD MEETING ATTENDANCE

The Board of Directors conducts its meetings in accordance with the rules and procedures set forth in the company's governing documents. Regular meetings are essential to enable directors to effectively oversee the company's overall operations, strategy, and policies, as well as to monitor the exercise of any delegated authority. These meetings also provide individual directors with an opportunity to report on their specific areas of responsibility.

It is the company's long established practice to make collective decision making through during Board meetings. As a unified body, the directors address matters requiring the Board's attention. During the period under review, the Board of Directors convened meeting at regular intervals, holding a total of 08 (eight) meetings.

DIRECTORS' REMUNERATION

Consistent with previous years, during FY 2024-2025, the Directors of the company, including the Independent Director, did not receive any remuneration from the Company.

APPOINTMENT & RETIREMENT OF DIRECTORS/RECONSTITUTION OF THE BOARD OF DIRECTORS

The Board of Directors of this company since its Commencement of Business faced many big challenges in different time and has maintained compliances, corporate governance, corporate social responsibility and corporate ethics. It is committed to guiding the company's development, progress and long-term prosperity through collective decision-making, while safeguarding the interests of all stakeholders.

During the year under review, this company could not declare any dividend likewise previous year. In view of this, the DSE and CSE has placed this company in 'Z Category' with effect from 29 October 2025. The bourses also issued some guidelines



for this Company as to comply and follow. In compliance with the stated regulatory directives, the current Board of Directors has to be reconstituted.

This is mentionable that the current Board of Directors was constituted in the Financial Year 2023-2024 consisting of following members:

- 1. Mrs. Afroza Begum** – Chairman;
- 2. Mr. Ahmed Akbar Sobhan** – Managing Director;
- 3. Mr. Md. Imrul Hassan** – Director.

Earlier of the above, the status of the Board of Directors was as follows:

- 1. Mr. Ahmed Akbar Sobhan** – Chairman;
- 2. Mrs. Afroza Begum** – Director;
- 3. Mr. Sadat Sobhan** – Director ;
- 4. Mr. Shafiat Sobhan** – Director;
- 5. Mr. Safwan Sobhan** – Director;
- 6. Mr. Sayem Sobhan** - Managing Director.

This is to mention here that, some of the Directors of the aforementioned Board of Directors by tendering their resignations had left the Board and the Board of Directors accepted the resignations of the outgoing Directors and the matter was submitted duly to the RJSC for their recording and certifications.

After the acceptance of the resignations the new Board of Directors of Meghna Cement Mills Plc was as follows:

- 1. Mrs. Afroza Begum** – Chairman
- 2. Mr. Ahmed Akbar Sobhan** - Managing Director
- 3. Mr. Md. Imrul Hassan** – Director
- 4. Mr. Md. Nurul Karim** – Independent Director

And the matter had been pending in RJSC as the required 'NOC' from the Banks did not reach to the RJSC.

In the meantime, as this company has been placed in the 'Z Category', hence the regulators directed to reconstitute the Board of Directors of this Company.

In view of the said directives, all the Directors of the current Board of Directors as well as the outgoing Members/ Directors who were in the previous Board of Directors (being the matter was pending at the RJSC) had resigned and the Board of Directors has newly been constituted as follows:

- 1. Mr. Ahmed Akbar Sobhan** – Chairman
- 2. Mrs. Afroza Begum** – Director
- 3. Mr. Md. Imrul Hassan** – Director
- 4. Mr. Md. Nurul Karim** – Independent Director

The matter of appointment of directors/ reconstitution of the Board has been placed before the shareholders for their approval at the 33rd Annual General Meeting .

INDEPENDENT DIRECTOR

In accordance with the Bangladesh Securities and Exchange Commission's Corporate Governance Code, issued under Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03/06/2018, every listed company is required to appoint Independent Directors as members of the Board. As per the Code this company has to appointment at least two Independent Directors, including one female and that they collectively shall constitute of the Board and strengthen the governance.

Independent Directors are expected to possess adequate knowledge, integrity, and professional competence to ensure compliance with all applicable financial, regulatory, and corporate laws. They must be capable of making significant and meaningful contributions to the company's business operations and must have a minimum of twelve (12) years of corporate management or professional experience. Additionally, they should not have any material or pecuniary relationship with the company or its related parties.

In compliance with these provisions, Meghna Cement Mills Plc had earlier appointed Mr. Md. Nurul Karim, an experienced corporate professional, as an Independent Director. The Board is also actively considering to appoint a female professional as the Independent Director which is under process.

AUDIT COMMITTEE

The CG code as was issued by Bangladesh Securities and Exchange Commission (BSEC) mandates that every listed company constitute an Audit Committee in accordance with the CG Code provisions. In line with this requirement, the Board of Directors of Meghna Cement Mills Plc has established the Audit Committee in compliance with BSEC's CG Code (vide Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03/06/2018) and has defined the Committee's Terms of Reference consistent with the Code.

The Audit Committee of MCMPlc is entrusted with overseeing the company's financial reporting process, audit procedures, internal control systems, and compliance with applicable laws and regulations. The Committee reviews significant accounting and reporting matters, considers recent professional and regulatory pronouncements, and evaluates their potential impact on financial statements. An understanding of how management prepares interim financial information enables the Committee to assess the completeness and accuracy of reports. It also reviews audit results, meets with management and external auditors to resolve issues, and communicates findings in accordance with generally accepted auditing practices.

The Audit Committee reports directly to the Board of Directors. During the year under review, it assisted the Board in fulfilling its corporate governance responsibilities, overseeing the financial reporting system, internal control and risk management systems, and internal and external audit functions, while providing advice and recommendations within the scope of its Terms of Reference.

Members of the Audit Committee as was appointed by the Board, comprising 01 Independent Director and 01 Sponsor Director. The Company Secretary served as the Secretary of the Committee. During FY 2024-2025, the Audit Committee consisted of:

- **Mr. Md. Nurul Karim** – Independent Director & Chairman of the Audit Committee
- **Mr. Md. Imrul Hassan** – Director & Member of the Committee
- **Mr. M. Naseemul Hye FCS** – Company Secretary & Secretary of the Committee

The Committee members possess the necessary qualifications, experience, and knowledge in business, corporate law, financial literacy and analysis of financial statements, enabling them to effectively discharge their duties and responsibilities. The key responsibilities of the audit committee of this company include:

- To oversight of regulatory compliance matters;
- To monitor internal control system;
- To oversee performance of internal audit function;
- To monitor accounting policies and principles;
- To oversee financial reporting and disclosure process;
- To oversee hiring, performance and independence of the external auditors;
- To discuss risk management policies and practices with management.

The Report of the Audit Committee is appended herewith this report.

NOMINATION & REMUNERATION COMMITTEE

Under the Corporate Governance Code (CG Code) issued by the Bangladesh Securities and Exchange Commission (BSEC) vide Notification No. BSEC/CMRRC/2006-158/207/Admin/80 dated 03/06/2018, every listed company is required to constitute a Nomination & Remuneration Committee (NRC). In compliance with the regulatory directives, the Board of Directors of Meghna Cement Mills Plc has established the NRC and approved its Terms of Reference, which are being followed accordingly.

The Nomination & Remuneration Committee comprises of three members:

- **Mr. Md. Nurul Karim** – Independent Director & Chairman
- **Mr. Md. Imrul Hassan** – Director
- **Mr. M. Naseemul Hye, FCS** – Company Secretary & Secretary of the Committee

During FY 2024-2025, Mr. Md. Nurul Karim served as the Chairman, and Mr. M. Naseemul Hye, FCS, Company Secretary, functioned as Secretary of the NRC in accordance with the CG Code.

Key responsibilities of the Nomination & Remuneration Committee of this company included:

- To devise policy for Board's diversity;
- To set the qualifications and attributes for appointment, remuneration of suitable persons for appointment as directors and top level executives;
- To identify suitable qualified persons as directors and top level executives in accordance with the devised policy and recommend for their remuneration;
- To formulate the criteria for evaluation of the performance of Independent Directors, Non-Executive Directors and Board's function;
- To assess the need for employees and determination of selection criteria as well as transfers/ replacements/ promotions matters;
- To be independent, responsible and accountable;
- To develop and recommend the human resources and training policies and review of those annually.

The report of the Nomination & Remuneration Committee is appended to this Annual Report.

During the year under review, the Committee recommended the following appointments accordingly which was considered by the Board:

- **Mr. Mohammad Kamrul Hassan** was relieved from the position of Chief Financial Officer, and **Mr. Mohammad Mostafa Kamal Bhuiya, ACMA** was appointed as Chief Financial Officer;
- **Mr. Mohammad Eleas Hossain** was relieved from the position of Head of Internal Audit and Compliance, and **Mr. Simanto Biswas** was appointed as the Head of Internal Audit and Compliance of Meghna Cement Mills Plc.

The matter of appointment of a female Independent Director is under process.

FINANCIAL YEAR

The Company has adopted the period from July to June as its financial year, in accordance with the directives of the National Board of Revenue (NBR) of Bangladesh in the past. This financial year framework also has been followed consistently during the year under review.

STATUTORY AUDITORS

The existing statutory auditors, M/S. T. Hussain & Co, Chartered Accountants, have successfully completed their responsibilities and are concluding their consecutive two-year tenure. They were appointed at the 32nd Annual General Meeting of the company. M/S. T. Hussain & Co.



have expressed their willingness to continue as statutory auditors for the Financial Year 2025-2026, being fully eligible for reappointment.

The Board of Directors of MCMPlc has recommended the reappointment of M/S. T. Hussain & Co, Chartered Accountants as Statutory Auditors for the Financial Year 2025-2026, at a fee of BDT 4,50,000/- (Four Lac Fifty Thousand Taka only), exclusive of AIT and VAT. The matter has been placed before the shareholders for approval at the 33rd Annual General Meeting.

EXECUTIVES' SHAREHOLDING STATUS

The shareholding positions of the Company's top executives, governance officers, and their immediate family members (spouses and minor children) as of 30.06.2025 are as follows:

Name of the Executives	Nos. of Share holding		
	Self	Spouse	Children
Mr. KM Zahid Uddin Deputy Managing Director (Sales)	Nil	Nil	Nil
Mr. M. Naseemul Hye FCS DMD/ Company Secretary	10	Nil	Nil
Mr. Mohammad Mostafa Kamal Bhuiya, ACMA Chief Financial Officer	Nil	Nil	Nil
Mr. Simanto Biswas Head of Internal Audit & Compliance	Nil	Nil	Nil
Mr. Mohammad Nurul Huda Chief Banking Operations Officer	Nil	Nil	Nil
Mr. Shah Jamal Sikder (Sales) Chief Marketing Officer	Nil	Nil	Nil
Mr. Imran Bin Ferdous Chief Human Resources Officer	Nil	Nil	Nil
Mr. Eng. Gyana Jyoti Chakma Head of Plant (Mongla Factory)	Nil	Nil	Nil

CORPORATE GOVERNANCE

The Company has complied with all corporate governance requirements as prescribed under the Bangladesh Securities and Exchange Commission's (BSEC) Corporate Governance Code. In accordance with Notification No. BSEC/CMRRC/2006-158/207/Admin/80 dated 03/06/2018, the Board of Directors of Meghna Cement Mills Plc appointed M/s. Suraiya Parveen & Associates, Chartered Secretaries in Practice, to certify the Company's compliance with the Corporate Governance Code as mandated by the BSEC.

The certificate confirming the Company's compliance with the Corporate Governance Code for FY 2024-2025 has been appended to this Annual Report.

Corporate Governance Framework

Being a manufacturing business entity, Meghna Cement Mills Plc (MCMPlc) emphasizes on transparency, accountability and compliance, which are the essence of corporate governance. High standards of corporate governance play an important part towards the Company's continued growth and success. The Company has always endeavored to maintain the highest standards of corporate governance and business conduct so as to generate and maintain sustainable shareholders' value, safeguard stakeholders' interest and maintain investors' trust and confidence. The Company, at the same time, expects acts of honesty and integrity from its Board of Directors, employees and suppliers.

Corporate Governance Practices

MCMPlc is committed to upholding the highest standards of corporate governance to safeguard the interests of all stakeholders while promoting integrity, transparency, and accountability. The Board of Directors and the Management Team diligently ensure compliance with all applicable laws, internal regulations, policies, and procedures, fostering a fully transparent and well-governed organization.

Corporate Governance Report 2024

MCMPlc is listed on both the Dhaka Stock Exchange Ltd and the Chittagong Stock Exchange Ltd. The Company has fully adhered to all applicable requirements of the Corporate Governance Code 2018 ("the Code") issued by the Bangladesh Securities and Exchange Commission. The Board of Directors continuously monitors and evaluates the Company's corporate governance practices, implementing enhancements as necessary and at appropriate intervals. All actions are guided by the Company's core values and principles, which form the foundation for achieving sustainable success.

This report provides a comprehensive overview of MCMPlc's corporate governance framework, practices, and policies for FY 2024-2025, in alignment with the provisions of the Code.

Board Matters

a. Role of the Board

The Directors of the Board are appointed by the Shareholders at the Annual General Meeting (AGM) and are accountable to the Shareholders. The Board is responsible for ensuring that the business activities are soundly administered and effectively controlled. The Directors keep themselves informed about the Company's financial position and ensure that its activities, accounts and asset management are subject to adequate monitoring and control. The Board also ensures that MCMPlc Policies & Procedures and Code of Conduct are understood, implemented and maintained at all levels and the Company adheres generally accepted principles of good governance and effective control of Company activities.

b. Rules of Procedure for the Board

In addition to other regulatory guidelines, the Board has also adopted the ToR (Terms of Reference) for the Board of Directors' to ensure better governance in the work and administration of the Board.

c. Salient features of the ToR for the Board

- Providing entrepreneurial leadership
- Setting up the strategy
- Ensuring the human and financial resources are available to achieve objectives
- Reviewing management performance
- Setting up the company's values and standards
- Ensuring that obligations to shareholders and other stakeholders are understood and met adequately.

d. Key Features of the Board

- Except Managing Director all Board Members are Non-Executive Directors;
- Separate posts for the roles of Chair of the Board and the Managing Director;

- No Independent Director has served more than six (6) years;
- Chair of the Audit Committee and NRC is Independent Director;
- Management do not sit on the Board;
- Audit Committee comprised by 01 independent director and one non-executive director and CS. NRC comprised by one independent director and one non-executive director and the CS.

e. Board Composition

As at the date of this Annual Report, the Board of MCMPlc is comprising of Four (4) Directors, with One (1) Non-Executive Directors, One (1) Independent Director and one (1) Managing Director.

f. Board's Contribution

The Non-Executive Directors contribute diversified qualifications and experience to the Company by expressing their views in an independent, constructive and informed manner, and actively participating in Board and Committee meetings.

The Directors provide independent judgement and advice on issues relating to the Company's strategies, policies, performance, accountability, resources, key appointments, standards of conduct, conflicts of interests and management processes, with the shareholders' interests being the utmost important factor. The Company has also received from each Independent Director a confirmation annually of his/her independence taking into account the independence guidelines set out in BSEC Corporate Governance Code-2018.

g. Board Meetings

The Companies Act 1994, BSEC rules and regulations, DSE/CSE Listing regulations and Articles of Association ("AoA") of the Company requires the Board members to meet at least four (4) times in a year or when duly called in writing by any Board member. The Board accordingly met 08 (Eight) times during the year FY 2024-25. The notice contains the detailed statement of business to be transacted at each meeting. By following the Bangladesh Securities and Exchange Commission's Order no. SEC/ SRMIC /04-231/ 932 the Board of Directors already start convening hybrid and virtual meetings along with physical conventional meetings to facilitate the decision making process.

The Corporate Governance Compliance Report for the period under review has been prepared in accordance with the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission and is presented in Annexure-B of this report.



APPOINTMENT OF COMPLIANCE AUDITORS

In compliance with the Corporate Governance Code issued by BSEC vide Notification No. BSEC/CMRRCD/2006-158/207/ Admin/80 dated 03/06/2018, the existing Compliance Auditors, M/S. Suraiya Parveen & Associates, Chartered Secretaries in Practice, were appointed at the 32nd Annual General Meeting and have completed their responsibilities during the period under review. The existing compliance auditors since Financial Year 2025-2026 has been engaged with this company and for consecutive last 06 (Six) years they have preformed the compliance audit work. Meanwhile an honourable shareholder have proposed the name of M/S. Itrat Husain & Co., Chartered Secretaries in Practice as to be appointed as the Compliance Auditors. So, the Board of Directors of this Company have recommended the proposal of appointment of MS. Itrat Husain & Co, Chartered Secretaries in Practice for approval by the shareholders in the 33rd Annual General Meeting for the Financial Year 2025-2026 at a fee of TR 75,000/- (Seventy Five thousand only) exclusive of AIT and VAT to perform the compliance Audit work of this company. The matter has been placed before the shareholders at the 33rd Annual General Meeting of their approval.

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) represents a company's commitment to operating responsibly and ethically, ensuring that its actions positively influence society while supporting long-term organizational sustainability. Effective CSR emphasizes social, environmental, and economic well-being and reflects the broader responsibilities of corporate citizenship.

Since its inception, MCMPlc has consistently engaged in CSR activities that contribute to community welfare and national development, and the year under review was no exception. The key CSR initiatives as were undertaken by MCMPlc, along with ongoing efforts, include:

- MCMPlc continues to operate a school near its factory, providing education to more than 275 underprivileged students in the Apa Bari, Digraj, Mongla, Bagerhat area.
- The Company maintains readiness to support local communities during natural disasters. Past assistance has included providing medicines, dry food, warm clothing, saline water removal from ponds, installation of deep tube wells for safe drinking water in saline-prone areas, and financial support for cyclone-affected families.
- Scholarships were awarded to poor but meritorious students across various regions of the country.
- Donations have been made to initiatives promoting the spirit of the Liberation War and supporting war veterans.
- Financial support has been extended to patients suffering from various medical conditions.
- Significant quantities of educational materials have

been donated to different educational institutions.

- MCMPlc has been sponsoring a prominent national-level sports club for several years.
- The Company continues to sponsor the Bashundhara Kings football team, a leading national team.
- More than 30 health camps have been sponsored nationwide, with special focus on the northern region, targeting masons. Through these camps, MCMPlc's medical teams have provided services to over two thousand masons.
- Numerous workshops have been arranged for prospective private home builders, offering guidance on construction-related matters. More than 200 individuals have benefited from these awareness programs.

PRESENTATION OF FINANCIAL STATEMENTS

The presentation of these financial statements is in accordance with the guidelines provided by IAS 1: Presentation of Financial Statements, The Financial Statements comprises:

- a. Statement of Financial Position;
- b. Statement of Profit or Loss and Other Comprehensive Income;
- c. Statement of Changes in Equity;
- d. Statement of Cash flows; and
- e. Notes to the Financial Statements

STATEMENT ON SOUND INTERNAL CONTROL

The Board of Directors recognizes that effective internal controls and robust risk management practices are essential components of good corporate governance. The Company's internal control system is designed to manage risks within an acceptable risk appetite, rather than to eliminate all risks of failure to achieve its policies, strategic objectives, and business goals. Therefore, the system can provide only reasonable, not absolute, assurance against material misstatements in management and financial information.

To ensure this, the Board has established a well-defined organizational structure with clear lines of accountability and appropriately delegated authorities, enabling effective oversight and operational efficiency.

NATURE OF MCMPlc AS A GOING CONCERN

Significant deviations in Financial Performance owing to recover from economic recession situation of this country we found a notable deviation in NAV; however, the net cash flow per share has increased.

CERTIFICATION BY THE MANAGING DIRECTOR & CHIEF FINANCIAL OFFICER

The certification by the Managing Director and the Chief Financial Officer of the Company, confirming the accuracy and fair presentation of the financial statements, is appended to this Annual Report.

ACKNOWLEDGMENTS

Since its commencement of operations, MCMPlc has progressed steadily, thanks to the unwavering support of its stakeholders. We extend our heartfelt gratitude to all our customers for their continued trust, cooperation, and confidence in the Company. We sincerely acknowledge our indebtedness to them and remain confident that their support and collaboration will continue in the years ahead.

The Board of Directors of MCMPlc expresses special thanks to all valued shareholders for their steadfast support, cooperation, and patronage, without which the Company could not have carried out its operations effectively. We also extend our heartfelt gratitude to stakeholders, well-wishers, and regulators, including the Registrar of Joint Stock Companies and Firms, Bangladesh Securities and Exchange Commission, Central Depository Bangladesh Limited, Central Counterparty Bangladesh Limited, Dhaka Stock Exchange Ltd, Chittagong Stock Exchange Ltd., various Ministries of the Government of the People's Republic of Bangladesh, National Board of Revenue, Bangladesh Investment Development Authority, and banking and non-banking financial institutions such as Dutch-Bangla Bank PLC, Southeast Bank PLC, First Security Islami Bank PLC, IFIC Bank PLC, Shahjalal Islami Bank PLC, Arab Bangladesh Bank PLC, Mutual Trust Bank PLC, Agrani Bank PLC, Bank Asia PLC, Janata Bank PLC, BASIC Bank PLC, Dhaka Bank PLC, Trust Bank PLC, Premier Bank PLC, Sonali Bank PLC, Islami Bank Bangladesh PLC, Mercantile Bank PLC, Pubali Bank PLC, National Bank PLC, NCC Bank PLC, Social Islami Bank PLC, Standard Bank PLC, Union Bank PLC, United Commercial Bank PLC, IDCOL, as well as other government and semi-government agencies, vendors, media, and business partners, for their continued cooperation and support during FY 2024-2025.

The Board also conveys its sincere appreciation to the management team for their dedication, support, and teamwork, and to all employees of MCMPlc for their exceptional services, without which the Company could not have navigated the challenges of the past year.

CONCLUSION

MCMPlc operates its business in the country and playing in the cement sector, a critical and highly sensitive industry in Bangladesh. Consumers in this sector are very sensitive and

conscious about product quality and pricing, while the market continues to be intensely competitive, with most companies producing comparable quality products. The industry is also subject to evolving regulatory requirements. During the fiscal year under review, cement manufacturers faced continued pressure due to increased costs of production, including higher gas tariffs, rising import costs of raw materials, and elevated power prices. These factors, coupled with sustained inflationary pressures, fluctuations in foreign currency, and changes in applicable tax provisions, contributed to a significant rise in production costs. Despite these challenges, intense competition in the market constrained the ability to proportionately increase the sales prices of finished products, while overall demand growth remained moderated. Lower remittance inflows also continued to adversely impact on the construction activities and demand for all types of building materials, including cement.

Hon'ble Members,

Looking ahead, we remain cautiously optimistic that the economic challenges experienced in recent years will gradually ease. A sustained increase in remittance inflows is expected to provide a positive boost to the construction sector, supporting higher demand for residential and commercial infrastructure. The Company anticipates that ongoing and upcoming government-led infrastructure projects will further create a business-friendly environment, facilitating growth opportunities for the sector. MCMPlc is committed to navigating these challenges effectively, leveraging its operational strengths, market position, and stakeholder support to maintain performance and deliver sustainable value.

We remain confident that, with the continued support of our shareholders, customers, employees, and other stakeholders, the Company will overcome current market constraints and achieve positive outcomes in the coming time.

Thanking you all.

On behalf of the Board of Directors

Sd/-

Afroza Begum

Chairman



সিমেন্টের রাজ্যে আমরাই সেরা।
কারণ আমরাই নির্মাণ করি অগণিত মানুষের ষষ্ঠ্রের ভিত।
আর দেশকে গড়ে তুলছি সমৃদ্ধির রাজত্বে, সেই ১৯৯২ সাল থেকে।



কিং ব্র্যান্ড সিমেন্ট
স্বল্প তির্মাণ সহিত জিমেন্ট



CORPORATE GOVERNANCE



CORPORATE GOVERNANCE APPROACH

Corporate Governance

The Company has fully complied with all corporate governance requirements set forth in the Bangladesh Securities and Exchange Commission's (BSEC) Corporate Governance Code. In accordance with Notification No. BSEC/CMRRC/2006-158/207/Admin/80 dated 03/06/2018, the Board of Directors appointed M/S. Suraiya Parveen & Associates, Chartered Secretaries in Practice, to provide Compliance Certification on the Company's adherence to the Code.

The Corporate Governance Compliance Certificate for FY 2024–2025, as mandated by BSEC, is attached to this report.

Corporate Governance Framework

As a manufacturing entity, Meghna Cement Mills Plc (MCMPlc) places strong emphasis on transparency, accountability, and full regulatory compliance—fundamental elements of sound corporate governance. These principles play a crucial role in sustaining the Company's long-term growth and operational success.

MCMPlc consistently strives to uphold the highest standards of governance and ethical business conduct to preserve sustainable shareholder value, protect stakeholder interests, and strengthen investor confidence. The Company expects unwavering honesty and integrity from its Board of Directors, employees, suppliers, and all other associated parties.

Corporate Governance Practices

MCMPlc remains committed to maintaining robust governance practices designed to safeguard the interests of all stakeholders while reinforcing integrity, transparency, and accountability across operations. The Board and Management Team work diligently to ensure full compliance with national laws, internal regulations, policies, and procedures, reaffirming the Company's commitment to operating as a thoroughly transparent corporate entity.

Corporate Governance Report 2025

MCMPlc is listed with both the Dhaka Stock Exchange Ltd. and the Chittagong Stock Exchange Ltd. The Company has complied with all applicable provisions of the Corporate Governance Code 2018 ("the Code") issued by the BSEC.

The Board continues to supervise, monitor, and refine the Company's governance practices, making adjustments

where necessary. All decisions and actions are guided by the Company's core values and principles, which remain central to ensuring sustainable success.

This report outlines the Company's corporate governance framework, practices, and policies for FY 2024–2025 in alignment with the Code.

Board Matters

a. Role of the Board

The Directors of the Board are appointed by the Shareholders at the Annual General Meeting (AGM) and are accountable to the Shareholders. The Board is responsible for ensuring that the business activities are soundly administered and effectively controlled. The Directors keep themselves informed about the Company's financial position and ensure that its activities, accounts and asset management are subject to adequate monitoring and control. The Board also ensures that MCMPlc Policies & Procedures and Code of Conduct are understood, implemented and maintained at all levels and the Company adheres generally accepted principles of good governance and effective control of Company activities.

b. Rules of Procedure for the Board

In addition to other regulatory guidelines, the Board has also adopted the ToR (Terms of Reference) for the Board of Directors' to ensure better governance in the work and administration of the Board.

c. Salient features of the ToR for the Board

- Providing entrepreneurial leadership
- Setting up the strategy
- Ensuring the human and financial resources are available to achieve objectives
- Reviewing management performance
- Setting up the company's values and standards
- Ensuring that obligations to shareholders and other stakeholders are understood and met adequately.

d. Key Features of the Board

- All Board Members are Non-Executive Directors;
- Separate posts for the roles of Chair of the Board and the Managing Director;
- No Independent Director has served more than six (6) years;

- Chairman of the Audit Committee is an Independent Director;
- Chairman of the NRC Committee is an Independent Director;
- Management do not sit on the Board;
- Audit Committee comprised by 01 independent director and one non-executive director and CS.
- NRC comprised by one independent director and one non-executive director and the CS.

e. Board Composition

As at the date of this Annual Report, the Board of MCMPlc is comprising of Four (4) Directors, with One (1) Non-Executive Directors, One (1) Independent Director and one (1) Managing Director.

f. Board's Contribution

The Non-Executive Directors contribute diversified qualifications and experience to the Company by expressing their views in an independent, constructive and informed manner and actively participating in Board and Committee meetings.

The Directors provide independent judgement and advice on issues relating to the Company's strategies, policies, performance, accountability, resources, key appointments, standards of conduct, conflicts of interests and management processes, with the shareholders' interests being the utmost important factor. The Company has also received from each Independent Director a confirmation annually of his/her independence taking into account the independence guidelines set out in BSEC Corporate Governance Code-2018.

g. Board Meetings

The Companies Act 1994, BSEC rules and regulations, DSE/CSE Listing regulations and Articles of Association ("AoA") of the Company requires the Board members to meet at least four (4) times in a year or when duly called in writing by any Board member. The Board accordingly met 08 (Eight) times during the year FY 2024-25. The notice contains the detailed statement of business to be transacted at each meeting. By following Bangladesh Securities and Exchange Commission's order no. SEC/ SRMIC /0.4-231/ 932 the Board of Directors already start convening hybrid and virtual meetings along with physical conventional meetings to facilitate the decision making process.



STEWARDSHIP OF CORPORATE GOVERNANCE CODE

In compliance of the Corporate Governance Code-2018, Meghna Cement Mills Plc has complied the condition no. 3.1.b by appointing four individuals in separate position of the company to ensure the accountability, transparency and good governance as well. The duties, responsibility and independence of each position are clearly determined by the NRC and the Board in accordance with the guidelines.

The brief information of the core individual position of the MCMPlc in accordance with CGC-2018 under mentioned:



AHMED AKBAR SOBHAN

Managing Director

“

Expertise areas:

Business Leadership, Business Planning & Development, Strategic Decision Making, Investment Management, Team Building & Guidance, Corporate Policy Formulation, Risk Management, Financial Analysis, Legal Compliances, Time Management, Negotiations, Business Control and Compliances.

E mail: cs.mcmplc@bgc-bd.com



**Mohammad Mostafa Kamal
Bhuiya, ACMA**
Chief Financial Officer

Expertise areas: Finance, Accounts, Financial Reporting, Financial Compliances, Budget & Control, Financial Planning, Business Risk Analysis, Tax, VAT and Customs Affairs, Regulatory Compliance and Management Information System.

Email: mostafa.kamal@bgc-bd.com



Simanto Biswas
Head of Internal Audit & Compliance

Expertise areas: Internal Audit, Internal Control and Compliances, Accounts, Policy Formulation, Strategic Decision, Audit and Inspection, Supply Chain Planning and Management.

Email: simanto.biswas@bgc-bd.com



M. NASEEMUL HYE FCS
Company Secretary

Expertise areas: Corporate Reporting, Regulatory Compliance, Corporate Governance, CGC Reporting, Capital Management, Policy Formulation, Corporate Restructuring, Strategic Planning, Training and Negotiations.

Email: naseemul.hye@bgc-bd.com



MANAGEMENT DISCUSSION AND ANALYSIS

As per Condition 1(5)(xxv) of the BSEC Corporate Governance Code-2018, the Management of Meghna Cement Mills Plc is pleased to present the Management's Discussion & Analysis for the year ended June 30, 2025.

a. ACCOUNTING POLICIES AND ESTIMATION FOR PREPARATION OF FINANCIAL STATEMENTS

The financial statements of Meghna Cement Mills Plc have been prepared in compliance and accordance with the International Standards on Auditing (ISAs) as outlined in the Auditors' Responsibilities for the Audit of the Financial Statements, and in compliance with the International Ethics Standards Board for Accountants (IESBA) Code of Ethics for Professional Accountants, the guidelines of the Bangladesh Securities and Exchange Commission (BSEC), and the relevant bylaws of the Institute of Chartered Accountants of Bangladesh (ICAB). The preparation and presentation of the Meghna Cement Mills Plc's financial statements it follow all applicable International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted in Bangladesh.

In January 2018, ICAB formally adopted the IFRSs issued by the International Accounting Standards Board (IASB). Since ICAB had already been applying these standards as Bangladesh Financial Reporting Standards (BFRS) without any modification, this adoption does not result in any material impact on the Company's financial statements going forward.

The detailed significant accounting policies applied during the year are presented in Note 2.00 of the financial statements. Key considerations relevant to the preparation of these financial statements are outlined hereinafter:

Statement of Compliance

The financial statements have been prepared in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987, the Listing Regulations of the Dhaka and Chittagong Stock Exchanges, and other applicable laws and regulations.

Basis of Measurement

The financial statements follow the historical cost convention, except for fixed assets revalued on 30 June 2010. Expenses are classified by function as required by IAS 1, and the cash flow statement is prepared on a cash basis.

Reporting Period

The financial year covers 01 July to 30 June, in line with BSEC Notification No. SEC/SRMIC/2011/1240/445 (27 April 2016) and sub-section 35 of section 2 of the Income Tax Ordinance 1984, as amended by the Finance Act 2015.

Going Concern

The Company has sufficient resources to operate in the foreseeable future; therefore, the financial statements have been prepared on a going concern basis. Management has identified no material uncertainty regarding the Company's ability to continue as a going concern.

Comparative Information and Rearrangement Thereof

Comparative information relating to the year ended 30 June 2025 has been presented in accordance with IAS 1, paragraph 36, for all numerical data as well as related narrative and descriptive disclosures relevant to understanding the current-period financial statements, which cover a 12-month period as described in Note 2.02. Figures for the prior year have been rearranged or reclassified where considered necessary to ensure better comparability with the current year's presentation.

b. CHANGES IN ACCOUNTING POLICIES AND ESTIMATION

The principal accounting policies applied in the preparation of these financial statements are outlined below. These policies have been applied consistently across all years as being presented, unless stated otherwise. The accounting policies selected by management for significant transactions and events have been applied in accordance with IAS 1: Presentation of Financial Statements to ensure proper preparation and presentation of the financial statements.

Compared to the previous year, there have been no significant changes in the accounting or valuation policies that would materially affect the Company's financial position or performance. Accounting and valuation methods are disclosed for transparency and clarity.

The Financial Statements comprise of:

- Statement of Financial Position;
- Statement of Profit or Loss and Other Comprehensive Income;
- Statement of Changes in Equity;
- Statement of Cash flows; and
- Notes to the Financial Statements

c. COMPARATIVE ANALYSIS OF FINANCIAL PERFORMANCE AND OPERATIONAL PERFORMANCE

The key financial performance indicators for the last five years are presented below:

Particulars/ FY	Amount in BDT Million				
	2024-2025	2023-2024	2022-2023	2021-2022	2020-2021
Revenue	275.29	1869.10	3523.93	8295.41	9,646.85
Operation Profit	(137.10)	349.38	499.85	590.1	433.43
Profit before Tax	(1,355.84)	(25.09)	147.21	233.99	101.55
Net Profit After Tax	(1,155.35)	(226.14)	17.23	55.82	(23.44)
Total Assets	14,234.53	14,796.59	14,578.95	13,464.34	12,979.24
Total Liabilities	14,288.21	11,891.14	13,057.21	11,805.49	11,065.37

The Company's gross turnover for the Financial Year ended on June 30, 2025 decreased by approximately 85.29% compared to the preceding financial year.

Cash flow movement statement (Stated in Excel)

The FY 2024-2025 was a very challenging as the country run through various adverse situations. The NOCFPS was 0.44 per share during the year under review.

No Dividend

In view of the operational outcomes of the company and considering all the Board of Directors could not recommend any dividend for the year ended June 30, 2025, which is to be approved at the ensuing 33rd Annual General Meeting.

d. COMPARISON OF FINANCIAL PERFORMANCE WITH PEER INDUSTRIES

A comparison of the financial performance, financial position, and cash flows for the year ended 30 June 2024 of four (4) cement companies, including Meghna Cement Mills Plc, is presented hereinafter based on the available information.

Figure in BDT million.

Particulars	MCMLPic	Crown Cement PLC	CONFIDENCE CEMENT PLC	LHBL
	2023-2024	2023-2024	2023-2024	2023-2024
Revenue (Turnover)	1,869,102,564	27,899,495,875	4,093,218,561	26,923,624,341
Gross Profit	415,963,498	4,215,273,824	623,062,960	4,202,431,587
Operating Expenses	(126,097,469)	1,085,830,272	(149,197,594)	1,047,940,563
Financial Expenses	(376,853,997)	1,637,270,721	434,676,487	1,703,228,765
Net profit before tax	(25,094,873)	1,634,215,511	825,445,744	1,388,804,399
Net Profit After Tax	(226,143,929)	1,001,370,244	753,380,058	741,778,198
Earnings per Share	(7.16)	6.74	9	7.04



Cash flow Movement

Figure in BDT million.

Particulars	MCMLPlc	Crown Cement PLC	Confidence Cement PLC	LHBL
	2023-2024	2023-2024	2023-2024	2023-2024
Cash generated by operating activities	(914,519,966)	1,554,822,984	343,293,225	3,036,941,090
Income taxes paid	(24,016,851)	(595,157,986)	(93,880,671)	(571,717,876)
Interest Paid	(376,853,997)	(1,637,270,721)	(489,017,208)	(1,676,680,800)
Net cash (used in)/generated by operating activities	(1,233,775,095)	1,293,550,264	(239,604,654)	661,567,363
Net cash (used in)/ generated by investing activities	(253,791,114)	(4,256,627,154)	(81,878,519)	(2,466,875,440)
Net cash (used in)/generated by financing activities	1,545,308,127	2,402,680,856	239,599,395	1,808,641,419
Net increase in cash and cash equivalents	57,741,918	(560,396,035)	(81,883,778)	3,333,342
Cash and cash equivalents at the beginning	90,785,524	893,903,481	134,688,626	292,997,193
Cash and cash equivalents at the end	148,527,441	333,507,445	53,694,117	296,330,536

e. FINANCIAL AND ECONOMIC SCENARIO OF THE COUNTRY AND THE GLOBE

Bangladesh Economy

The FY 2024-2025 was a period of turbulence for Bangladesh. It was due to economic struggles, significant shifts in governance and political unrests. During the year under review the country was in a critical juncture. The FY experienced rise of a new phase in its political landscape and now running through economic challenges. As the country was grappled with high inflation, rising unemployment, and growing income inequality. These issues created widespread economic crisis within mid-income groups and marginalized communities. The economic struggles coincided with social unrest and growing calls for widespread reforms in the country. Amidst the challenges, Bangladesh's economic situation in 2024-2025 was marked by instability as its foreign reserves reached to its lowest level and the economy continued to face significant challenges. According to the World Bank, the country's real GDP growth slowed to 5.2% in FY 2024-2025, primarily due to the weak consumption and big drop in exports. Inflation surged to 11.38 percent, as food prices remained persistently high despite a reduction in import taxes on several essential items. While there was a slight increase in foreign exchange reserves in the later part of the FY, the country's fiscal deficit remained a concern, highlighting the dire need for substantial economic reforms to stabilize the country's overall economy.

The country economy faced persistent headwinds, inflationary pressures being elevated further due to global commodity price volatility, fluctuations in energy and fuel prices, and domestic currency depreciation, all of which increased import costs and affected households and businesses. Global oil price movements further added to production and transportation expenses, highlighting the sensitivity of Bangladesh's economy to international energy markets.

Export and import dynamics reflected these pressures, with trade balances impacted by global demand fluctuations and rising import costs, while remittances continued to provide critical foreign-exchange inflows and support domestic consumption. Foreign direct investment (FDI) remained cautious, influenced by macroeconomic uncertainties and global investor sentiment. Overall macroeconomic stability showed signs of resilience but remained exposed to structural vulnerabilities and external shocks, including geopolitical tensions, climate-related risks, and global market instability.

However, looking forward, the country's overall growth prospects would depend on effective policy implementation, macroeconomic stability, and favorable external conditions. If these elements align, the country could strengthen its growth trajectory and reinforce investors' confidence in long-term sustainable development.

Global Economy

The global economy is navigating a landscape reshaped by recent policy measures, trade adjustments, and evolving geopolitical tensions. While some of the more extreme tariff increases have been moderated, global markets remain volatile and susceptible to shocks. According to the latest World Economic Outlook (WEO), global GDP growth is projected to slow slightly, from 3.3% in 2024 to 3.2% in 2025 and 3.1% in 2026, reflecting ongoing structural challenges and policy adjustments. Inflation is forecasted to continue its gradual decline worldwide, although core inflation is expected to ease slowly, maintaining pressure on monetary policy frameworks.

Prolonged uncertainty, persistent protectionist tendencies, and labor supply disruptions could further weaken growth prospects. Financial markets face potential corrections, while fiscal vulnerabilities and institutional erosion in some economies pose additional risks to broader stability. Global tensions, particularly in key trading regions, continue to create uncertainty for global supply chains systems, commodity prices, and investment flows. Policymakers are urged to maintain credibility and transparency, implement sustainable fiscal and monetary measures, and support investors confidence to mitigate these risks and foster a stable environment for global trade and growth.

Amid this environment, countries with resilient external sectors, strong fiscal buffers, and proactive reform agendas are better positioned to navigate global headwinds, sustain growth, and attract investment. For Bangladesh, these global conditions underscore the importance of strong macroeconomic management, export diversification, and prudent fiscal and monetary policies to mitigate external shocks and maintain stable growth.

Global Cement Market Forecasting

The global cement market was valued about at USD 400 billion during the Financial Year 2023-2024 and is projected to reach more than USD 600 billion by 2033, according to a research report by Spherical Insights & Consulting (August 9, 2024). The largest players in the global cement sector include Cement Roadstone Holding (Ireland), Holcim Group (Switzerland), UltraTech Cement (India), Heidelberg Materials (Germany), Anhui Conch Cement (China), Cemex (Mexico), Taiwan Cement Corporation (Taiwan), Buzzi Unicem (Italy), and Siam Cement Group (Thailand).

The market is being driven by increasing urban populations, a growing number of residential projects, and rising investments in the construction industry worldwide. Cement remains a vital commodity for emerging economies, forming the backbone of modern construction. To meet diverse construction requirements, the industry produces a variety of cement types, tailored for specific physical and chemical needs such as strength and durability. Key products in the global cement sector include:

- i. Clinker – the essential ingredient for cement, produced by heating limestone and clay at high temperatures.
- ii. Pozzolana Portland Cement – includes additives to enhance durability in specialized applications.
- iii. Grey Cement – the most common and cost-effective type, used in general construction.
- iv. White Cement – a finer, higher-priced product for decorative and architectural purposes.
- v. Ready-Mixed Concrete – a pre-mixed combination of cement, water, and aggregates, delivered ready for use.
- vi. Ordinary Portland Cement – the standard and widely used cement type for general construction.

Cement is primarily used for mass construction projects such as housing, civil works, and industrial estates. The global cement industry is currently undergoing significant transformation, driven by sustainability pressures, carbon-emission reduction targets, and the adoption of digital technologies. High capital requirements and regulatory complexities compel firms to innovate in order to remain competitive. Industry leaders are exploring innovations such as self-healing cement and CO₂-absorbing cement, while digitalization is enhancing operational efficiency, quality control, and supply-chain management.

With rapid urbanization driving demand, and cement being the world's second-most consumed substance after water, the global cement industry has a critical role in developing infrastructure and supporting sustainable development initiatives. Industry resilience, innovation, and adoption of sustainable practices will be essential to meet growing global needs while balancing environmental responsibilities.

f. RISKS AND CONCERN ISSUES RELATED TO THE FINANCIAL STATEMENTS

The Company has established comprehensive policies, procedures, and controls over financial reporting and consolidation to address key financial reporting risks, including those arising from changes in business operations or accounting standards. The Chief Financial Officer (CFO) is required to annually confirm that all information relevant to the audit has been provided to the Board of Directors through the Audit Committee, and that reasonable steps have been taken to ensure full disclosure in response to requests from the external auditor. In addition, the CFO conducts bi-annual reviews of account reconciliations to ensure accuracy. The effectiveness of the Company's financial reporting controls is evaluated through self-certification as part of the Control Navigator exercise. The integrity of public financial reporting is further reinforced through review and recommendation by the Audit Committee, followed by approval from the Board of Directors. These measures collectively ensure the completeness, accuracy, and reliability of the Company's financial reporting.

g. FUTURE PROJECTIONS / FORECASTS

MCMPlc passed its 33-year history and have experienced a variety of financial ups and downs, faced crisis and challenges, events like growth, revenue generation, both high and low revenue along with various external as well as internal, operational, administrative, political and socio-economic challenges. Despite these, Meghna Cement Mills Plc. remains committed to delivering quality products while strengthening its operational resilience amid challenging macroeconomic conditions. Looking ahead, the Company plans to enhance production efficiency through



modernization of its machinery, adoption of advanced technologies, and optimization of operational processes. MCMPLC will continue to prioritize sustainable practices, including energy efficiency, carbon-emission reduction, and environmentally responsible operations, in line with global cement industry trends.

The Company also intends to maintain a strong focus on social responsibility initiatives, building on past efforts to support poverty alleviation, gender equality, human development, and economic growth across Bangladesh. Strategically, MCMPLC aims to sustain, expand market presence, diversifying its product portfolio, and exploring opportunities to strengthen partnerships with key stakeholders.

Despite domestic and global economic uncertainties including inflationary pressures, currency fluctuations, and international energy price volatility pose potential risks, the Company is committed to play proactive sole, complement management, maintain financial discipline and operational agility to safeguard long-term stability and stakeholder's value. MCMPlc aims to navigate current challenges and position itself for sustainable growth and value creation in the coming years.

Sd/-

Ahmed Akbar Sobhan

Managing Director

DIVIDEND POLICY

DIVIDEND POLICY

[Pursuant to the Companies Act 1994 and Bangladesh Securities and Exchange Commission's rules and regulations]

PREFACE

The Dividend Distribution Policy has been prepared and adopted in compliance with the provisions of the Companies Act, 1994, the Directives Numbered SEC/C-MRRCD/2009-193/18 /Admin/.....dated 09 February 2010, BSEC/CMRRCD/2021-386/03 dated 14 January 2021, BSEC/CMRRCD/2009-193/23/Admin/123 dated 30 June 2021 of the Bangladesh Securities and Exchange Commission (BSEC), and Bangladesh Secretarial Standard-4 issued by the Institute of Chartered Secretaries of Bangladesh (ICSB) regarding dividend declaration, pay off, disbursement and compliance following the Articles of Association of the Company, and Finance Act of the Country accordingly.

The Board of Directors (the Board) shall consider the above-stated provisions and directives to declare/ recommend dividends of the Company. The Dividend Policy stated hereunder shall not be an alternative to the decision of the Board in this regard. All the possible relevant circumstances enumerated hereunder to be considered to declare dividends for all shareholders including Directors.

INTRODUCTION

The subject matter of dividend policy remains one of the most controversial issues in corporate finance. For more than half a century, financial economists have engaged in modelling and examining corporate dividend policy. Dividend decision is one of the fundamental decisions which corporate organizations have to make on continuous basis. This involves the determination of the proportion of earnings to retain and the proportion to distribute to shareholders. This concern has prompted many studies on dividend policy. These studies focused on the nature of dividends and such areas as the relevance or irrelevance of dividend policy to the value of a firm; theories and the determinants of dividend yield and dividend payout rate. Types of dividend policy stated hereunder-

- Stable Dividend Policy
- Regular Dividend Policy
- Irregular Dividend Policy
- No Dividend Policy

LITERATURE REVIEW

Summarized views on dividend policy are-

- The view that relates dividend policy to a firm's financing and investment decisions;
- The view that relates dividend policy to level of dividends; and
- The view that relates dividend policy to dividend stability.

DEFINITIONS

Here the following terms are used with the meaning as specified below-

"Act" means the Companies Act, 1994 (Act No. XVIII of 1994), or any statutory modification or re-enactment thereof.

"Articles" means the Articles of Association of the company, as originally framed or as altered from time to time, including, where they apply, the Regulations contained in the Schedule-I of the Companies Act, 1994.

"Board" means the Board of Directors of the company. "Free Reserves" means the reserve which is not restricted in any manner.

"Member" means any person who agrees, either by subscribing to the Memorandum of Association of the company or by applying in writing, to become a member of the company and whose name is entered either in the Register of Members of the company or in the records of the depository as a Beneficial Owner (BO) at the book closing date or record date in respect of the shares of the company held by him.

"Preference Shareholder" means a holder of shares having a preferential right, in respect of Dividend, to a fixed amount or an amount at a fixed rate and, in respect of capital, to repayment of capital.

Unless the context otherwise requires, words and expressions used but not defined herein shall have the same meaning respectively as assigned to them under the Act.

ESSENTIALS OF A SOUND DIVIDEND POLICY

A Company's dividend decisions and policy signify its future and financial wellbeing focusing on-

- a. distributing profit to Shareholders, and
- b. driving the divisible profit back in to the business.

As per Weston and Brigham, "Dividend policy determines the division of earnings between payments to shareholders and retained earnings."



CONCEPT OF DIVIDEND

A dividend means a sum of money paid regularly (typically annually) by a company to its shareholders out of its profits (or reserves). It may also be defined as part of the profit (divisible profit) the company decides to pay to its members (shareholders) in proportion to the amount paid by shareholders against each share in the form of cash and/or stocks (Bonus shares).

Dividend can be divided into two categories considering the nature of declaration such as interim dividend and final dividend.

An interim dividend is a dividend payment made before the company's Annual General Meeting (AGM) and the release of final financial statements (Audited Accounts). This declared dividend usually accompanies the company's interim financial statements. The interim dividend is typically the smaller of the two payments made to shareholders. Interim dividend shall be declared by the Board.

* A final dividend is recommended by the Board in a Board Meeting prior to AGM and declared & approved at the company's Annual General Meeting (AGM) for a given fiscal year. This amount is calculated after all year-end financial statements (based on the Company's annual profits) are recorded, audited and the directors are made aware of the company's profitability and financial health.

The decision about recommending or not recommending dividend and entitlement for such dividend, if recommended, shall be taken after considering the interim dividend already distributed and cannot be changed prior to holding the annual general meeting.

PARAMETERS FOR DECLARATION OF DIVIDEND

Dividend distribution policy mostly determined by two parameters, i.e., Dividend Payout Ratio and Retention Ratio.

$$\text{Dividend Payout Ratio} = \frac{\text{Total Dividends} \times 100}{\text{Net Income}}$$

$$\text{Retention Ratio} = \frac{\text{Retained Earnings} \times 100}{\text{Net Income}}$$

The Company, Meghna Cement Mills Plc, always prioritize the interest of the investors, i.e., Institutions and General Shareholders. The Board takes care of the rights of minority shareholders of the Company. From its very inception, the esteemed Board maintaining a very good dividend payout ratio till the present. They successfully have managed to balance between the two vital elements to the Dividend Distribution Policy of the Company, i.e., Dividend Payout Ratio and Retention Ratio.

Elements of dividend policy include: paying a dividend vs reinvestment in company, high vs low payout, stable vs irregular dividends, and frequency of payment.

SHAREHOLDERS MAY HOPE FOR DIVIDEND

If the company earns-

- adequate profit and availability of liquidity, and
- enough accumulated profits and positive growth.

MAY NOT EXPECT DIVIDEND

In the case of-

- non availability of profit, and
- demand for utilization of divisible amount as retained earnings.

VARIABLES TO THE DIVIDEND

Stock returns can depend on a variety of internal variables ranging from volume of trade, P/E ratio, retained earnings, dividend payout ratio, retention ratio and external variables such as economic policies, political situations and state of global economy and even on investors' psychology which is studied under the umbrella of behavioral finance. The different factors which determine the dividend policy of a company stated below-

Internal Factors:	
Sl. no.	Consideration
1.	Stability of Earnings
2.	Age of Corporation
3.	Company's Financial Policy
4.	Divisible Profit
5.	Liquidity of Funds
6.	Extent of Share Distribution
7.	Needs for Additional Capital
8.	Dividend History
9.	Ability to Borrow
10.	Control Policy
11.	Repayments of Loan
12.	Regularity and Stability in Dividend Payment
13.	Shareholders Expectations

External Factor	
Sl. no.	Consideration
1.	Government Policies
2.	Taxation Policy
3.	Legal Requirements
4.	Impact of Trade Cycles
5.	Time for Payment of Dividend
6.	Debt Obligations
7.	Political Status
8.	Economical view
9.	Social environment
10.	Geological Conditions

IMPORTANCE OF DIVIDEND DISTRIBUTION POLICY

Dividend Distribution Policy provides as a base for all capital budgeting activities and in designing a company's capital structure. Following are some of the reasons for which dividend policy is essential in every business organization:

- Develop Shareholders' Trust
- Influence Institutional Investors
- Future Prospects
- Equity Evaluation
- Market Value Stability of Shares
- Market for Preference Shares and Debentures
- Degree of Control
- Raising of Surplus Funds
- Tax Advantage

DIVIDEND DECLARATION, PAY-OFF, DISBURSMENT AND COMPLIANCE

1. Declaration / Recommendation of Dividend

1.1. Dividend shall be declared by the Members at the Annual General Meeting on the basis of recommendation of the Board. The recommendation for Dividend shall not be made by any Committee of the Board or by way of a 'Resolution by Circulation.' Unless the Dividend has been recommended by the Board, the Members in General Meeting cannot on their own, declare any Dividend. Members may declare a lower rate of Dividend than what is recommended by the Board. The amount or rate of Dividend recommended by the Board cannot be increased by the Members.

Where a company has an Audit Committee, this Committee will consider the financial statements before its submission to the Board. Dividend shall be recommended by the Board after consideration and approval of the financial statements. All requisite approvals and clearances, where necessary as applicable, be obtained before the declaration of Dividend.

- 1.2. Dividend shall relate to a financial year.
- 1.3. No Dividend shall be declared on equity shares for previous year(s) in respect of which annual financial statements have already been adopted at the respective Annual General Meeting(s).
- 1.4. Interim Dividend shall be declared by the Board of Directors. Declaration of Interim Dividend shall not be made by any Committee of the Board or by way of a Resolution by Circulation. Interim Dividend will be a part of the Final Dividend. Where a company has an Audit Committee, it will review the periodic financial statements then be submitted to the Board.
- 1.5. Dividend, once declared, becomes a debt of the company and cannot be revoked in any way.

2. Dividend out of Profits.

- 2.1. Dividend shall be paid out of the profit of the company for the financial year or out of profit(s) for the previous financial year(s).
- 2.2. Dividend shall not be declared out of the Share Premium Account or the Capital Reserve Account or Revaluation Reserve Account or out of profit earned prior to the incorporation of the company.
- 2.3. Where applicable, no Dividend to be declared unless the prescribed percentage of profit is transferred to reserve(s).
- 2.4. Interim Dividend will be declared out of profit after considering the periodic financial statements audited.

3. Dividend Out of Reserves.

- 3.1. In a year in which the profits are inadequate, the company may declare and pay Dividend out of Free Reserves.
- 3.2. Interim Dividend shall not be declared out of reserves.

4. Entitlement to Dividend

- 4.1. Only the Members of the Company are entitled to receive Dividend.
- 4.2. Dividend shall be paid (i) in respect of shares held in electronic form, to those members whose names appear as Beneficial Owners (BO) in the statement(s) furnished by the Depository as on the record date; (ii) in respect of shares held in physical form, to those Shareholders whose names appear



on the company's Register of Members after giving effect to all valid share transfers in physical form lodged with the company before the date of book closure; and (iii) in respect of share warrants, to the holders of such warrants.

4.3. Dividend shall be paid to the Preference Shareholders before payment of Dividend to the Ordinary Shareholders.

4.4. Preference shares carry a preferential right as to Dividend in accordance with the terms of issue and the Articles. However, this right is subject to the availability of distributable profits. In the case of Interim Dividend, the Board should set aside such sum as would be necessary to pay Dividend to Preference Shareholders at the contracted rate.

5. Payment Of Dividend

5.1. Dividend shall be paid within thirty days of declaration, i.e., from the date of AGM, subject to comply with all circulars/directives of BSEC, Bangladesh Bank and/or other regulatory authority from time to time. The amount of Dividend after deducting tax at source, if applicable, will be deposited in a separate bank account immediately after declaration of Dividend.

5.2. Dividend shall be paid by Cheques or Dividend Warrants or through Electronic Transfer. Payment of Dividend through Electronic Transfer to be made to the bank accounts of the Members concerned as per depository record / to the bank account given by the Members concerned. The Cheque or Dividend Warrant will be sent to the registered address of the Member and, in the case of joint holders, to the registered address of the person named first in the register of members or to such person or to such address as the Member or the joint holders have directed in writing.

5.3. Dividends of the entitled margin clients of any Depository Participants (DP) shall pay-off to the Consolidated Customers' Bank Account (CCBA) of the DP or the separate bank account as instructed by the DP.

5.4. Dividends of the entitled foreign nationals and non-resident sponsor(s), director(s), shareholder(s), unit holder(s) or Foreign Portfolio Investor (FPI) to be transferred through custodian following GFET rules and orders, circulars of Bangladesh Bank and Bangladesh Securities and Exchange Commission in this regard.

5.5. Initial validity of the Dividend Warrant shall be for six months. Particulars of every revalidated Dividend warrant to be entered in a Register of Revalidated Dividend Warrant indicating the name of the person to whom the Dividend Warrant is issued, the number and amount of the Dividend Warrant and the date of revalidation.

5.6. A duplicate Dividend Warrant shall be issued, in case the original instrument is not tendered to the company, only after obtaining requisite declaration from the Member.

5.7. The Dividend Warrant must be accompanied by a statement in writing showing the amount of Dividend paid and the amount of tax deducted at source, if any.

5.8. The company shall credit bonus shares within 30 days of the declaration to the members designated BO account whose names appeared in the depository record in record date of the same year and issue bonus share certificates against the entitlement of paper shareholders of the Company.

6. Dividend Compliance Report

The issuer of listed securities shall submit a compliance report to the Exchange and to the Commission in the format prescribed by the Commission, time to time, in respect of dividend payment within 07 (seven) working days.

7. Unpaid / Unclaimed Dividend

7.1. The amount of Dividend which remains unpaid or unclaimed after one year from the date of declaration shall be transferred to a special dividend account, to be called 'Unclaimed Dividend Account' of the Company. However, in the case of shares which have not been transferred because the ownership thereof is in dispute, or where attachment / prohibitory orders have been passed by a court or statutory authority, Dividend shall be held in abeyance by transferring to the unclaimed Dividend Account.

7.2. The Financial Statements of the company shall disclose the amount lying in the Unclaimed Dividend Account.

7.3. The company is responsible for transferring unclaimed dividend amounts to the Capital Market Stabilization Fund (CMSF) as directed by the Bangladesh Securities and Exchange Commission.

UTILIZATION OF RETAINED EARNINGS

The Company may utilize the retained earnings of the Company in a manner which is beneficial to the interest of the Company and its stakeholders, including but not limited to ensuring maintenance of a healthy level of minimum capital adequacy ratios, meeting the Company's future business growth/expansion and strategic plans or such other purpose as the Board may deem fit from time to time in the interest of the Company and its stakeholders. Subject to the provisions of the Act and other applicable laws, retained earnings may be utilized as under:

- Additional Capital requirements;
- Funding for capital expenditures/expansions/merger and acquisitions;
- Inorganic growth;
- General corporate purposes, including contingencies;
- It can be distributed (fully or partially) among the members in the form of dividends (cash dividend and bonus shares);
- Repayment of debts;
- It can be invested to expand the existing business operations;
- Other permissible usage as per the Act, rules and regulations of BSEC and other regulators as decided by the Board.

DISCLOSURE

The Policy will be disclosed in the Company's Annual Report and will also be available on the Company's website: <http://www.meghnacement.com>

REVIEW/ AMENDMENT

The Board of Directors of the Company shall review and may alter/amend this policy from time to time in the Board Meeting to comply with the rules and regulations of relevant authorities.

EFFECTIVE DATE

This Policy has been approved by the Board of Directors of the Company at its meeting held on 30th September, 2021 and become effective and applicable for distribution of dividends of this company from that day.



REPORT OF THE AUDIT COMMITTEE

Meghna Cement Mills Plc has formed an independent Audit Committee in line with the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission. Since its listing on the stock exchanges, the Committee has operated as a sub-committee of the Board of Directors. Its primary responsibility is to oversee, monitor, and review the integrity and accuracy of the Company's financial statements. In accordance with Condition 5 of the Corporate Governance Code, the Audit Committee also submits informed recommendations to the Board concerning business risks, internal control systems, corporate governance practices, and the Company's overall compliance status.

Composition of the Audit Committee:

The Audit Committee of Meghna Cement Mills Plc comprises of three (03) members appointed by the Board of Directors. The Committee includes one Independent Director, one Non-Executive Directors and the Company Secretary. As a key sub-committee of the Board, the Audit Committee has been entrusted with the responsibilities of executing of the Board's governance and compliance duties effectively.

The following individuals served as the Members of the Audit Committee of Meghna Cement Mills Plc during the FY 2024-2025:

Sl. No	Name of Members of Audit Committee	Designation
1.	Mr. Md. Nurul Karim, Independent Director	Chairman
2.	Mr. Md. Imrul Hassan, Director	Member
3.	Mr. M. Naseemul Hye FCS, Company Secretary	Secretary

Qualifications of Members

The members of the Audit Committee of MCMPlc possess comprehensive knowledge of business management and are financially literate, fully meeting the regulatory requirements. They are well-equipped to analyze, interpret, and provide insights on corporate laws, financial matters, and issues pertaining to the Company's financial statements. The Committee actively ensures that robust internal control systems and effective checks and balances are maintained throughout the Company.

Terms of Reference

The Terms of Reference of the Audit Committee are periodically reviewed and updated with the approval of the Board of Directors. They clearly define the Committee's roles and responsibilities in line with the Corporate Governance Code of the BSEC. The Committee liaises with both the Internal and External Auditors as needed and is empowered to examine all matters related to financial management, internal controls, and other operational aspects of the Company.

Roles and Responsibilities

The roles and responsibilities of the Audit Committee are clearly outlined in its Terms of Reference. The Committee of MCMPlc has been instrumental in serving as a bridge between the Board, the Members, and other Stakeholders. Key responsibilities of the Committee include:

- Oversee the recruitment and performance evaluation of external auditors.
- Oversee the financial reporting process and review periodic and annual financial reports, including key information and indicators.
- Monitor the selection and application of accounting policies and principles.
- Supervise the Internal Audit and Compliance functions to ensure they are adequately resourced, including approving the Internal Audit and Compliance Plan and reviewing the related reports.
- Meet with external or statutory auditors to review the annual financial statements prior to submission to the Board for approval.
- Review, together with management, the annual financial statements before they are presented to the Board for approval.

- Review, together with management, quarterly and half-yearly financial statements prior to Board submission.
- Assess the adequacy and effectiveness of the internal audit function.
- Review the Management's Discussion and Analysis section before its inclusion in the Annual Report.
- Oversee the determination of audit fees based on the scope, scale, expertise required, and time commitment, while evaluating external auditors' performance.
- Monitor the utilization of funds raised through Public Offerings.
- Address any other matters within the Committee's jurisdiction as advised by the Board.
- Examine Management Letters or Letters on Internal Control weaknesses issued by statutory auditors.

Committee Meeting

To fulfill its mandate, the Audit Committee convenes periodic meetings at least once in every financial quarter, providing informed recommendations and guidance to the Board of Directors and Management. These meetings are called and authorized by the Board in accordance with the Corporate Governance Code of the Bangladesh Securities and Exchange Commission. During its sessions, the Committee reviews and evaluates the effectiveness of internal control systems, compliance with internal policies, operational performance, financial results, capital expenditures, product lines, and procurement activities related to raw materials, plant, and machinery.

Meeting and Attendance by the Members

During the Financial Year 2024-2025, the Audit Committee held four (04) meetings. The Committee consistently reported its findings and recommendations to the Board of Directors. The number of meetings held and the attendance of each member during the year under review are summarized below:

SL. NO	Name of Members	Designation	Nos. of Meetings Held	Nos. of Meetings Attendance	Attendance in Percen
1.	Mr. Md. Nurul Karim, Independent Director	Chairman	04	04	100%
2.	Mr. Md. Imrul Hassan, Director	Member	04	04	100%
3.	Mr. M. Naseemul Hye FCS, Company Secretary	Secretary	04	04	100%

Activities of the Audit Committee during the year ended on 30 June 2025:

The Audit Committee performed the activities during the year ended on 30 June 2025 and recommended thereon as and when it was necessary. The Audit Committee in course of discharging of the responsibilities monitored the following issues:

- Reviewed annual financial statements along with management before submission to the Board.
- Oversaw the financial reporting process and implementation of accounting policies and principles.
- Monitored the Internal Audit and Compliance process and reviewed related reports.
- Held meetings with External/Statutory Auditors to review annual financial statements prior to Board submission.
- Reviewed quarterly and half-yearly financial statements along with management before submission to the Board.
- Reviewed the Management's Discussion and Analysis before its inclusion in the Annual Report.
- Examined statements of all related party transactions submitted by management.
- Oversaw the hiring and performance of External Auditors.
- Determined audit fees based on audit scope, complexity, expertise required, and performance evaluation of External Auditors.
- Evaluated the Company's risk management framework and internal control systems.

Core Focus Areas of the Committee

For the period ended 30 June 2025, the Audit Committee devoted its highest attention to the following key areas:

Financial Reporting

The Committee reviewed the quarterly, half-yearly, and annual financial statements of MCMPLC for FY 2024-2025. Based on its review, the Committee recommended these statements to the Board of Directors for adoption and submission to the regulatory authorities in accordance with applicable directives.

Review of Internal Control Processes

The Committee examined the effectiveness of the Company's internal control systems and evaluated audit observations and issues raised by the Internal Audit and Compliance Division, along with corresponding action plans. It ensured



that a robust internal control framework was in place and properly managed. Drawing upon insights from internal and external auditors, as well as its own assessments, the Committee made appropriate recommendations to the Board for corrective and improvement measures. The Committee is of the opinion that the Company's internal control procedures are adequate and effective in ensuring that financial statements present a true and fair view of the Company's operations and financial position.

Review of Internal Audit Process

The Audit Committee oversaw the functions and operations of the Internal Audit Department. It was satisfied that the Internal Audit Team possesses the necessary qualifications, competence, and independence to execute its responsibilities in line with the approved audit plans. The Team enjoyed unrestricted access to all records, activities, assets, and information necessary to perform its duties effectively. The Committee acknowledged the continued cooperation and support of the Internal Audit Team throughout FY 2024-2025.

Review of External Audit

The Committee reviewed the draft financial statements prepared by management and forwarded them to the External Auditors for audit purpose. Upon completion, the Committee recommended the audited financial statements to the Board for approval and presentation to shareholders at the forthcoming 33rd Annual General Meeting. The Committee also reviewed matters related to the appointment or reappointment of External Auditors and determined audit fees.

Related Party Transactions

During FY 2024-2025, MCMPLC conducted various transactions in the normal course of business, including transactions with related parties. The Committee ensured that the names of related parties, the nature of relationships, transaction details, amounts, and year-end balances were properly monitored and disclosed in the financial statements in compliance with BAS 24: Related Party Disclosures.

Compliance with Laws and Regulations

The Committee confirmed that during the year, the Company complied with all directives, notifications, guidelines, rules, and regulations issued by BSEC, the Stock Exchanges, and other regulatory authorities, as well as internal policies, guidelines, and instructions approved by the Board and Management.

Audit Committee Reports

The Committee prepared its annual report and submitted it to the Board, detailing its composition, Terms of Reference, number of meetings held, a summary of its activities during FY 2024-2025, the existence and functions of internal audit services, and their activities for inclusion in the audit report.

Reporting to Shareholders and Investors

In line with Condition 5(6)(a)(i) of the BSEC Corporate Governance Code, the activities and reports of the Audit Committee, along with other reports submitted to the Board during the year, are signed by the Chairman of the Audit Committee and disclosed in the Company's Annual Report.

Committee Evaluation

During the review period, the Audit Committee found the overall internal control and management processes of the Company to be satisfactory. The Board reviewed the Committee's proceedings, recommendations, and evaluation of its effectiveness, and concluded that the Committee has been effective in fulfilling its responsibilities. Recommendations made by the Committee—including those aimed at improving governance, risk management, and internal controls—were duly submitted to the Board, most of which have been adopted, reflecting the Committee's active role in supporting the Company's governance and oversight functions.

Sd/-

M. Naseemul Hye FCS

Secretary, Audit Committee

Sd/-

Md. Nurul Karim

Chairman, Audit Committee

REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of Meghna Cement Mills Plc was established in accordance with the directives of the Bangladesh Securities and Exchange Commission's Corporate Governance Guidelines, as per Notification No. BSEC/CMRRC-D/2006-158/207/Admin/80 dated 03 June 2018.

Functioning as a sub-committee of the Board, the Nomination and Remuneration Committee (NRC) is accountable to the Board of Directors. It assists the Board in formulating policies and criteria for the nomination process, defining the qualifications, positive attributes, experience, and independence of directors and senior executives. The Committee also establishes a formal policy for determining and reviewing the remuneration of directors and top-level executives, ensuring alignment with the Company's governance standards and performance objectives.

Composition of the Nomination and Remuneration Committee

In accordance with the Corporate Governance Code of the Bangladesh Securities and Exchange Commission, the Board of Directors of MCMPLC has formally constituted a Nomination and Remuneration Committee (NRC) since the Company's listing on the stock exchanges. The Committee comprises three members appointed by the Board, including an Independent Director, a Shareholder Director, and the Company Secretary. The NRC functions as a key sub-committee of the Board, supporting the formulation of policies related to the nomination, selection, and remuneration of directors and senior executives.

The current Nomination and Remuneration Committee of the Company is constituted with the following persons:

Sl. No	Name of the Members	Position In Company	Position In Committee
1.	Mr. Md. Nurul Karim	Independent Director	Chairman
2.	Mr. Md. Imrul Hassan	Director	Member
3.	Mr. M. Naseemul Hye FCS	Company Secretary	Secretary

Qualifications of the NRC Members:

The members of the Nomination and Remuneration Committee possess the necessary knowledge of business management and sound corporate governance practices. They are financially literate and capable of analyzing, understanding, and interpreting corporate laws, financial matters, and relevant financial tools. In addition, they bring valuable business expertise and experience in their respective areas of specialization, enabling them to provide informed guidance on matters related to director and executive nominations, as well as remuneration policies.

Terms of Reference

The Terms of Reference of the Nomination and Remuneration Committee are periodically reviewed and updated with the approval of the Board of Directors. They clearly define the Committee's roles and responsibilities as delegated by the Board, in alignment with the Corporate Governance Code of the Bangladesh Securities and Exchange Commission (BSEC).

Roles and Responsibilities

The Nomination and Remuneration Committee (NRC) of MCMPLC is an independent committee, accountable to the Board of Directors and the shareholders. Its key roles and responsibilities, as defined in the Terms of Reference approved by the Board, include:

- Ensuring the NRC operates independently and remains accountable to the Board and shareholders.
- Overseeing and reporting to the Board on matters relating to the nomination and remuneration of directors and top-level executives.



- Formulating criteria for determining the qualifications, positive attributes, and independence of directors, and recommending policies to the Board on remuneration.
- Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain, and motivate competent directors.
- Establishing a clear relationship between remuneration and performance, aligned with appropriate performance benchmarks.
- Maintaining a balance between fixed and incentive pay for directors and top executives, reflecting short-term and long-term performance objectives in line with the Company's goals.
- Developing policies on Board diversity, taking into account age, gender, experience, ethnicity, educational background, and nationality.
- Identifying qualified candidates for appointment as directors and top-level executives, and recommending their appointment or removal to the Board.
- Formulating criteria for evaluating the performance of independent directors and the Board.
- Assessing the Company's staffing needs at various levels and determining selection, transfer, replacement, and promotion criteria.
- Analyzing, monitoring, developing, and reviewing the Company's human resources and training policies on an annual basis.
- Determining whether to extend or continue the term of independent directors based on performance evaluation reports.
- Setting compensation levels for senior management and other staff, ensuring they are market-related and include appropriate fixed and variable components.
- Reviewing and approving the overall compensation strategy periodically, considering prevailing market conditions and applicable laws.
- Performing any other activities as delegated by the Board or required by relevant regulatory authorities.

Meeting Attendance by the Members

During the Financial Year ended 30 June 2025, the Nomination and Remuneration Committee (NRC) held one meeting. The Committee submitted its report and recommendations to the Board of Directors in due course. The details of the meeting held and the attendance of each member are summarized below:

SI No.	Name of the Members	Position in Committee	Nos. of Meetings Held	Attendance in Meetings	Attendance in Percent
1.	Mr. Md. Nurul Karim	Chairman	01	01	100%
2.	Mr. Md. Imrul Hassan	Member	01	01	100%
3.	Mr. M. Naseemul Hye FCS	Secretary	01	01	100%

Core Focus Areas of the Committee

For the period ended 30 June 2025, the Nomination and Remuneration Committee (NRC) concentrated on the following key areas:

Nomination Criteria

The Committee worked to establish nomination criteria in accordance with the Company's policies, regulatory requirements, and applicable country guidelines, ensuring that the selection process is fully transparent. Emphasis was placed on aligning these criteria with international standards and local best practices. In developing the criteria, the Committee also considered diversity factors such as age, experience, qualifications, expertise, and gender.

Recruitment and Selection Guidelines

The NRC Charter outlined the Company's staffing requirements across different levels, as identified by management. The Committee oversaw the recruitment and selection of Directors, top-level executives, and other employees, including Executive Directors, Non-Executive Directors, Independent Directors, and senior executives, in accordance with Board-approved policies and guidelines.

Remuneration Criteria

The structure, scale, and composition of remuneration and honoraria were designed to attract, retain, and motivate suitable Directors, top-level executives, and employees, enabling the Company to operate efficiently and effectively. Remuneration

packages, including monthly, annual, and long-term benefits, are clearly defined and aligned with performance benchmarks and Company objectives. Remuneration for Executive Directors follows the Company's established policies and guidelines, and any increments are determined by the NRC based on these policies and ratified by the Board as required.

Evaluation Criteria

The performance of Independent and Non-Executive Directors is evaluated at least once a year by the Board, taking into account attendance at Board and Committee meetings and contributions to strategic decision-making. Evaluations of top-level executives and other employees are conducted individually twice a year, in line with each employee's job description.

Policy Formulation

The Committee focuses on the development, revision, and updating of Company policies. Particular attention is given to internal policies that strengthen internal controls while supporting the achievement of the Company's objectives.

Succession Planning

Recognizing the importance of continuity, the Committee emphasizes succession planning and retirement policies to ensure a smooth transition of responsibilities from outgoing Directors and employees. The Company has taken necessary measures to maintain continuity in all key and supporting operations, in alignment with sound corporate governance practices.

Reporting to Shareholders and Investors

In compliance with Condition 6(5)(c) of the BSEC Corporate Governance Code, the policies, evaluation criteria, and activities of the NRC for the year are signed by the Chairman of the Committee and disclosed in the Company's Annual Report.

Summary of Committee Activities for FY 2024-2025

- Provided guidance to the Board on its composition, taking into account the experience, expertise, and reputation of potential members.
- Evaluated the re-election and reappointment of two Non-Executive Directors, Mr. Ahmed Akbar Sobhan and Mr. Md. Imrul Hassan, who were due to resign by rotation and were eligible for re-election under Articles 131 and 133 of the Company's Articles of Association.
- Reviewed and recommended adjustments to the compensation of top management in accordance with their responsibilities, expertise, market standards, and talent availability.
- Assessed the Company's staffing requirements at various levels, including employee benefits, selection procedures, and recruitment criteria.
- Evaluated the performance of senior executives and submitted recommendations to the Board.
- Reviewed human capital management practices, including employee development and training policies.
- Oversaw other matters within the NRC's mandate and the Code of Conduct.
- Examined existing vacancies, proposed the creation of new positions as needed, and submitted recommendations to the Board for approval.

Committee Evaluation

The Committee submitted all its recommendations to the Board, most of which were reviewed and adopted. The NRC is of the view that processes related to nomination, re-election, appointment, and remuneration, as well as internal controls and policies, are adequate to ensure a true and fair representation of the Company's administration, human resource activities, employee development, external affairs, compliance with labour laws, human rights, and overall internal governance. During the period under review, the Committee found that the Company's internal control and management processes were satisfactory and consistent with the requirements of the Corporate Governance Code.

Sd/-

M. Naseemul Hye FCS
Secretary, NRC

Sd/-

Md. Nurul Karim
Chairman, Nomination and
Remuneration Committee



CEO AND CFO DECLARATION ON FINANCIAL STATEMENTS

Annexure-A

[as per condition No.1(5)(xxvi) of the CG Code, 2018]

Date: October 28, 2025

The Board of Directors

Meghna Cement Mills Plc.
Bashundhara Industrial Headquarter (BIHQ),
Tower#1, Plot#844, Road#12, Block# I, Bashundhara R/A, Dhaka 1229.

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

Dear Sirs,

Pursuant to the Condition No.1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/ Admin/80 Dated 03/06/2018 under Section 2CC of the Bangladesh Securities and Exchange Ordinance, 1969, we do hereby declare that:

1. The Financial Statements of Meghna Cement Mills Plc for the year ended on 30/06/2025 have been prepared in compliance with the International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure therefrom has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order in the financial statements to reveal a true and fair view;
3. The form and substances of transactions and the Company's State of Affairs have been reasonably and fairly presented in its financial statements;
4. To ensure the above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently been followed; and
6. The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- i. We have reviewed the financial statements for the Financial Year as ended on 30/06/2025 and that to the best of our knowledge and belief that:
 - a. these statements do not contain any material untrue statement or omit any material fact or contain statements that might be misleading;
 - b. these statements collectively present the true and fair view of the Company's affairs and are in compliance with the existing accounting standards and applicable laws.
- ii. There are, to the best of our knowledge and belief, no transaction entered into the financial statements by the Company during the year which are fraudulent, illegal or in violation of the Code of Conduct for this Company's Board of Directors or its Members.

Sincerely yours,

Sd/-
Ahmed Akbar Sobhan
Managing Director

Sd/-
Mohammad Mostafa Kamal Bhuiya, ACMA
Chief Financial Officer

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

Annexure-B

[as per condition No.1(5)(xxvii) of the CG Code, 2018]

Report to the Shareholders of Meghna Cement Mills Plc on Compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Meghna Cement Mills Plc for the year ended 30 June 2024. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/ 207/ Admin/80 dated 3 June, 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

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

Dhaka, Dated
October 28, 2025

For Suraiya Parveen & Associates
Chartered Secretaries



Suraiya Parveen, FCS
Chief Executive Officer



STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Annexure-C

[as per condition No.1(5)(xxvii) of the CG code, 2018]

Status of compliance with the Corporate Governance Code (CGC) [Meghna Cement Mills Plc]

Status of compliance for the period ended 30th June 2025 of **Meghna Cement mills Plc** with the conditions imposed by **Bangladesh Securities and Exchange Commission (BSEC)** vide Notification No. **BSEC/CMRRCD/2006-158/207/Admin/80** dated **03 June 2018** and its latest amendments issued under section 2CC of the Securities and Exchange Ordinance, 1969

Condition No.	Title	(Report under Condition No. 9)		Remarks (if any)
		Compliance Status (Put ✓ in the appropriate column)	Not Complied	
1	Board of Directors			
1(1)	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	✓		
1(2)	Independent Directors			
1(2)(a)	At least 2 (two) directors or one-fifth (1/5) of the total number of directors in the company's Board, whichever is higher, shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director (s): Provided that the Board shall appoint at least 1 (one) female independent director in the Board of Directors of the company;	✓		Appointment of another female Independent Director under process
1(2)(b)	Without contravention of any provision of any other laws, for the purpose of this clause, an "independent director" means a director –			
1(2)(b)(i)	Who either does not hold any share in the Company or holds less than one percent (1%) shares of the total paid-up shares of the Company.	✓		
1(2)(b)(ii)	Who is not a sponsor of the Company or is not connected with the Company's any sponsor or director or nominated director or shareholder of the Company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the Company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the Company.	✓		

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



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

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



Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress.	√		
1(5)(xvii)	A statement that there is no significant doubt upon the issuer Company's ability to continue as a going concern, if the issuer Company is not considered to be a going concern, the fact along with reasons thereof shall be disclosed.	√		
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer Company shall be highlighted and the reasons thereof shall be explained.			N/A
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized.	√		
1(5)(xx)	An explanation on the reasons if the issuer Company has not declared dividend (cash or stock) for the year.	√		
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	√		
1(5)(xxii)	The total number of Board meeting held during the year and attendance by each director.	√		
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details).			N/A
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details).	√		
1(5)(xxiii)(c)	Executives; and [Executives means top salaries person other than Directors, CEO, CS, CFO & HIAC]	√		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the Company (name-wise details).	√		
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:			
1(5)(xxiv)(a)	A brief resume of the director.	√		
1(5)(xxiv)(b)	Nature of his her expertise in specific functional areas.	√		
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board.	√		
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the Company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements.	√		
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes.	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof.		√	
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario.		√	
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the Country and the globe.		√	
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the Company.		√	
1(5)(xxv)(g)	Future plan or projection or forecast for Company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM.		√	
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A .		√	
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C .		√	
1(5)(xxviii)	The Directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality.		√	
1(6)	Meetings of the Board of Directors :			
	The Company shall conduct its Board Meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.			
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer:			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other Board members and Chief Executive Officer of the Company.			
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the Company including, among others, prudent conduct and behavior; confidentiality; conflict of interest, compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independencey.			
2	Governance of Board of Directors of Subsidiary Company :			
2(a)	Provisions relating to the composition of the Board of the holding Company shall be made applicable to the composition of the Board of the subsidiary Company.			



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
2(b)	At least 1(one) independent director on the Board of the holding Company shall be a director on the Board of the subsidiary Company.	-		N/A
2(c)	The minutes of the Board meeting of the subsidiary Company shall be placed for review at the following Board meeting of the holding Company.	-		N/A
2(d)	The minutes of the respective Board meeting of the holding Company shall state that they have reviewed the affairs of the subsidiary Company also.	-		N/A
2(e)	The Audit Committee of the holding Company shall also review the financial statements, in particular the investments made by the subsidiary Company.	-		N/A
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS).			
3(1)	Appointment			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO), and a Head of Internal Audit and Compliance (HIAC).	✓		
3(1)(b)	The position of the managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO), and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals.	✓		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed Company shall not hold any executive position in any other Company at the same time.			
	Provided that CFO or CS of any listed company may be appointed for the same position in any other listed or non-listed company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission.	✓		
	Provided further that the remuneration and perquisites of the said CFO or CS shall be shared by appointing companies proportionately.			
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS.	✓		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).			N/A
3(2)	Requirement to attend Board of Directors' Meetings:			
3(2)	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO) :			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief.	✓		
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.	✓		
3(3)(a)(ii)	These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.	✓		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company's Board or its members.	✓		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4	Board of Directors' Committee:			
4(i)	For ensuring good governance in the Company, The Board shall have at least following sub-committees: Audit Committee; and	✓		
4(ii)	Nomination and Remuneration Committee.	✓		
5	Audit Committee:			
5(1)	Responsibility to the Board of Directors			
5(1)(a)	The Company shall have an Audit Committee as a sub-committee of the Board.	✓		
5(1)(b)	The Audit committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company and in ensuring a good monitoring system within the business.	✓		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		
5(2)	Constitution of the Audit Committee (AC)			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members.	✓		
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the Company excepting Chairpersons of the Board and shall include at least 1 (one) independent director.	✓		
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1(one) member shall have accounting or related financial management background and 10 (ten) years of such experience.	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 60 (sixty) days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee.			N/A
5(2)(e)	The Company Secretary shall act as the secretary of the Committee.	✓		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
5(3)	Chairperson of Audit Committee:			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director.	✓		
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			N/A
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM).		✓	
	Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.			
5(4)	Meeting of the Audit Committee:			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year.		✓	
	Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the committee.			
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		
5(5)	Role of Audit Committee:			
	The Audit Committee shall:-			
5(5)(a)	Oversee the financial reporting process.	✓		
5(5)(b)	Monitor choice of accounting policies and principles.	✓		

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



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

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee.	-		N/A
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/ or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and / or member(s) of staff shall be required or valuable for the Committee.			N/A
6(2)(g)	The Company Secretary shall act as the secretary of the Committee.	✓		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director.	✓		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the Company.	✓		
6(3)	Chairperson of the NRC:			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director.	✓		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No such case
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders. Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.	✓		
6(4)	Meeting of the NRC:			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year.	✓		
6(4)(b)	The Chairperson of the NRC may conven any emergency meeting upon request by any member of the NRC.			N/A
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2) (h).	✓		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓		
6(5)	Role of the NRC:			

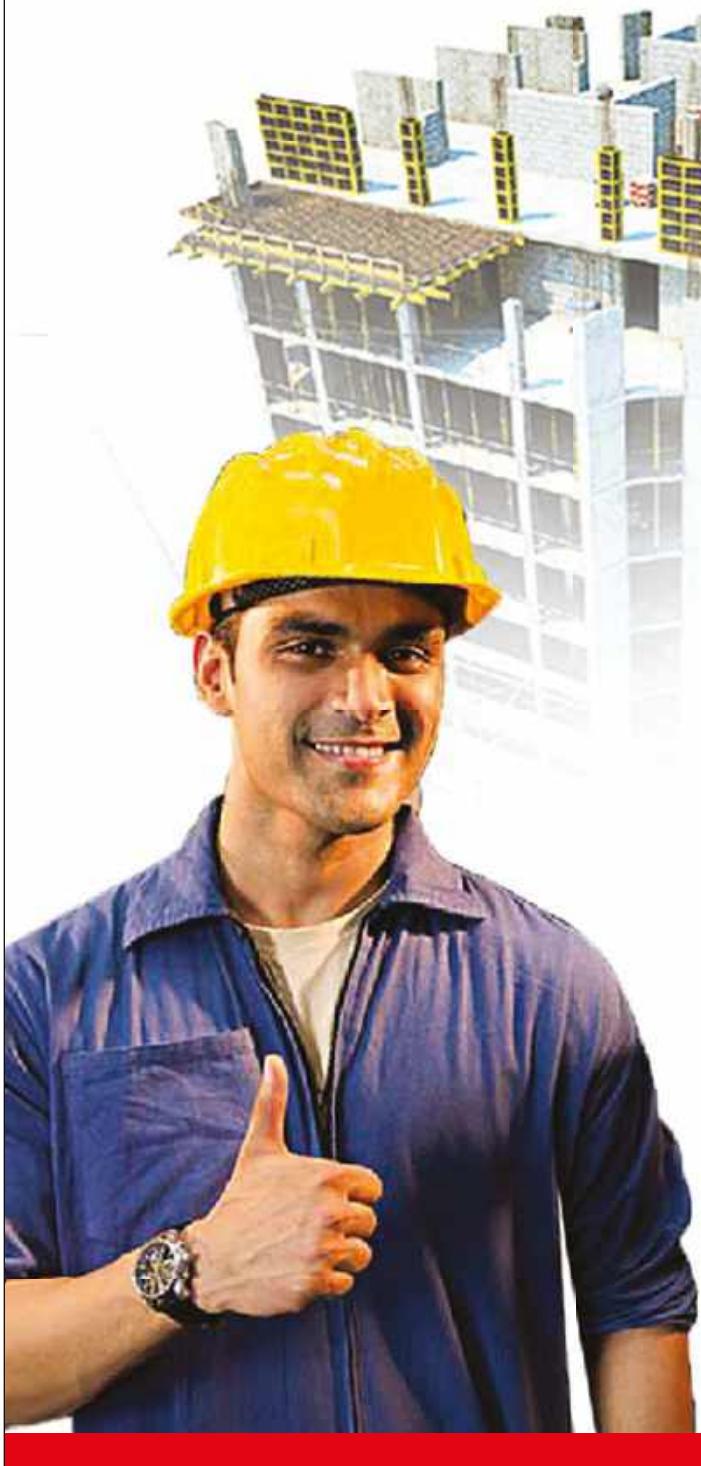


Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders.	✓		
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:			
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following.	✓		
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the Company successfully.	✓		
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks.	✓		
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflection short and long-term performance objectives appropriate to the working of the Company and its goal.	✓		
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality.	✓		
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommended their appointment and removal to the Board.	✓		
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board.	✓		
6(5)(b)(v)	Identification the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria.	✓		
6(5)(b)(vi)	Developing, recommending and reviewing annually the Company's human resource and training policies.	✓		
6(5)(c)	The Company shall disclose the nomination and remuneration police and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓		
7 External or Statutory Auditors:				
7(1)	The issuer Company shall not engage its external or statutory auditors to perform the following services of the Company, namely.			
7(1)(i)	Appraisal or valuation service or fairness opinions.	✓		
7(1)(ii)	Financial information systems design and implementation.	✓		
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements.	✓		
7(1)(iv)	Broker-dealer services.	✓		
7(1)(v)	Actuarial services.	✓		
7(1)(vi)	Internal audit services or special audit services.	✓		
7(1)(vii)	Any services that the Audit Committee determines.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1).	✓		
7(1)(ix)	Any other service that creates conflicts of interest.	✓		
7(2)	No partner or employees of the external audit firms shall possess any share of the Company they audit at least during the tenure of their audit assignment of that Company; his or her family members also shall not hold any shares in the said Company. Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members .	✓		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		
8 Maintaining a website by the Company:				
8(1)	The Company shall have an official website linked with the website of the stock exchange.	✓		
8(2)	The Company shall keep the website functional from the date of listing.	✓		
8(3)	The Company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
9 Reporting and Compliance of Corporation Governance:				
9(1)	The Company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	✓		
9(3)	The directors of the Company shall state, in accordance with the Annexure-C attached, in the directors' report whether the Company has complied with these conditions or not.	✓		



কিং ব্র্যান্ড সিমেন্ট
স্বল্প দিমাপ সঠিক সিমেন্ট



স্থাপনা নির্মাণে
অর্পণা
LOW ALKALI
সিমেন্ট

লো-অ্যালকালি সিমেন্ট নিশ্চিত করে আপনার স্থাপনার দীর্ঘস্থায়ীত্ব।
কিং ব্র্যান্ড সিমেন্টের অ্যালকালির মাত্রা ০.৬ বা এর কম।
তাই স্বল্পের সুস্থৃত নির্মাণে কিং ব্র্যান্ড সিমেন্টই সঠিক সিমেন্ট।





FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT OF MEGHNA CEMENT MILLS PLC.

Qualified Opinion

We have audited the financial statements of Meghna Cement Mills PLC. which comprises of the Statement of Financial Position as at June 30, 2025, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects (or give a true and fair view of) the financial position of the Company as at June 30, 2025 and (of) its financial performance for the year then ended in accordance with the International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

- As disclosed in Note 2.04, 3.17, 17, 21, 22, 30 and 58(ii) to the financial statements, turnover drastically fall during Financial Year 2024-2025 to BDT 275 million from Financial Year 2023-2024 BDT 1869 million due to production restrictions. Company has been restricted from opening import letter of credit (LCs) due to bank loan has been classified for unable to repay debts as they fall due and thereby production operations have been suspended. To sustain operations, temporarily the Company entered into a contract manufacturing arrangement with other companies.

During the year, total turnover amounted to BDT 275 million (comprising BDT 153 million from direct cement sales and BDT 122 million from contract manufacturing), compared to BDT 1,869 million in the preceding year. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

- As disclosed in Note 3.08 & 7 to the financial statements, inventories of BDT 651 million have been recorded. During our audit we noted that a portion of the inventories may be obsolete or slow-moving, due in particular to the main raw material supply crisis and prolonged non-use of certain items. Specifically, we are unable to get sufficient evidence to demonstrate that these inventories have been carried at the lower of cost and net realizable value (NRV), in accordance with the applicable accounting policy and standard (for example, IAS 2 Inventories). Further, the store records, physical inspection and usage history of many categories of inventory indicate significant uncertainty as to their realizable value or utility.

As a result, we were unable to obtain sufficient appropriate audit evidence concerning the valuation and obsolescence provisioning of these inventories and therefore cannot determine whether any adjustment might be necessary in respect of inventories and the effect on cost of sales, profit for the year and net assets.

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and Bangladesh Financial Reporting Council (FRC). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without qualifying our opinion, we draw attention to the following:

- Without further qualifying our opinion, we draw attention to Note 58(ii) to the financial statements, which describes management's plans and the ongoing process of loan rescheduling. The ability of the Company to continue as a going concern depends on the successful completion of this rescheduling and subsequent improvement in operational cash flows.

- We draw attention to the note number 3.15. Company recognized gratuity fund since long. According to Finance Act 2020, Gratuity Fund need to be approved by NBR but company yet not got gratuity fund approval from NBR and yet not actuary valuation has been done.

Other Matters

The financial statements of the Company for the year ended 30 June 2024 were audited by us where expressed an unmodified opinion on those statements on 28 October 2024.

Key Audit Matters

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

1. Revenue recognition and valuation of receivables:

Description of Key Audit Matters	Our Responses to the Key Audit Matters
During FY 2024–2025, the company's revenue structure changed significantly. Turnover from direct cement sales amounted to BDT 153 million, compared to BDT 1,869 million in the previous year. The company suspended its own cement production due to the inability to import clinker and fly ash, resulting from restrictions imposed by commercial banks and foreign currency shortages (Bangladesh Bank reserves declined to approximately BDT 17 billion). To sustain operations, the company entered into a contract manufacturing arrangement with Bashundhara Ready Mix Construction Industries Limited (BRMCIL), from which BDT 122 million was earned during the year.	Our audit procedures included, among others: Understanding and evaluating the contract manufacturing agreement between Meghna Cement Mills PLC and BRMCIL. Testing internal controls related to revenue recognition and bank receipts. Inspecting supporting documents for direct sales, delivery challans, and VAT invoices. Confirming transactions with BRMCIL to validate contract manufacturing revenue and refund arrangements.
There is a significant change in the business model and magnitude of turnover (a very large reduction in direct cement sales), which gives rise to heightened risk of mis-statement of revenue (both timing and completeness) as the Company transitions to contract manufacturing. This situation created a risk of revenue misstatement and potential classification errors in financial reporting.	Assessing revenue cut-off at year-end to ensure revenue is recorded in the correct accounting period. Evaluating management's disclosure of the revenue recognition policy and related-party transactions. Reviewing correspondence with VAT authorities regarding contract manufacturing pricing and compliance.
We consider revenue recognition is a key audit matter because of complex revenue recognition under the new contract manufacturing model, risk of incorrect recording or timing of revenue, possibility of misclassification of customer deposits and refunds and VAT compliance issues due to initial non-declaration of contract manufacturing pricing with VAT authorities.	Based on the procedures performed, we found the company's revenue recognition and related disclosures to be reasonable and in compliance with IFRS 15, given the operational changes during the year.
See note no. 3.14, 08 & 30 for details	

2. Measurement of deferred tax liability:

Description of Key Audit Matters	Our Responses to the Key Audit Matters
Company reported net deferred tax liability totaling BDT 318 million as at June 30, 2025.	We obtained an understanding, evaluated the design and tested the operational effectiveness of the company's key controls over the recognition and measurement of deferred tax assets and liabilities based on prevailing tax rates and the assumptions used in estimating the future taxable expenses of the company.
Significant judgement is required in relation to deferred tax liability as their liability is dependent on forecast of future profitability over a number of years.	We also assessed the completeness and accuracy of the data used for the estimations of future taxable expenses.
	We evaluated the reasonableness of key assumptions, timing of reversal of temporary differences and expiration of tax loss carry forwards, recognition and measurement of deferred tax liability.

	We involved tax specialists to assess key assumptions, controls, recognition and measurement of deferred tax assets.
	We assessed the adequacy of the company's disclosures setting out the basis of deferred tax liability balances and the level of estimation involved. We also assisted in evaluating the tax implications, the reasonableness of estimates and calculations determined by management.
	Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax.
See note no. 20, & 37.01 for details	
3. Valuation of property, plant and equipment (PP&E) including impairment assessment of other items of PP&E	
The Key Audit Matter	How the matter was addressed in our audit
PPE is a significant asset category for the Company, and its carrying amount as at the year-end is BDT 9,162 million. The Company's PPE comprises various types of assets, including land, buildings, furniture, vehicle, machinery, and equipment. The Company's financial statements recognize PPE at cost, and subsequent to initial recognition, PPE is carried at cost less accumulated depreciation and impairment losses.	<p>Our audit procedures for recognition and valuation of proper plant and equipment (PPE) included:</p> <ul style="list-style-type: none"> obtaining an understanding of the Company's policies and procedures for the recognition and valuation of PPE including the initial recognition of assets, useful lives and residual values of assets, and the assessment of impairment losses;
The valuation of PPE requires significant management judgment and estimation, including determining the useful lives of assets, assessing the residual values, and estimating the cost of dismantling/assets retirement obligation. Additionally, there is an inherent risk of misstatement in the valuation of PPE due to the complexity and diversity of the asset category.	<ul style="list-style-type: none"> evaluating the design and operating effectiveness of the Company's internal controls over PPE recognition and valuation; reviewing and testing the Company's PPE balance to ensure its accuracy and completeness;
	<ul style="list-style-type: none"> testing the accuracy and completeness of PPE additions, disposals, and impairment charges to ensure that all transactions are properly recorded in the accounting system; reviewing the Company's maintenance records to ensure that the repairs and maintenance expenses are correctly classified as operating expenses and that any significant repairs are capitalized as part of the PPE; conducting physical verification of fixed assets to verify the existence in line with the fixed asset register and relevant documents;
See note no. 3.02, 04 & Annexure A/01 for details	

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the board of directors of the Company.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISA, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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

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

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Securities and Exchange Rules 2020 and Financial Reporting Act 2015, we also report the following

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of these books;
- the statement of financial position and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns; and
- The expenditures incurred were for the purpose of the Company's Business.

The engagement partner on the audit resulting in this independent auditor's report is Mohammad Abu Kawsar, FCA



Mohammad Abu Kawsar FCA,
ICAB Enrolment No. 1497
Partner
T. Hussain & Co.
Chartered Accountants
DVC 2510281497AS550760

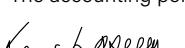
Date: Dhaka
28-Oct-2025

MEGHNA CEMENT MILLS PLC.

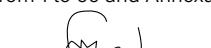
STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

Particulars	Note	Amount in Taka		
		30 June, 2025	30 June, 2024	
ASSETS				
Non Current Assets:				
Property, Plant & Equipment	4.00	10,231,016,524	10,345,356,432	
Capital work-in -Progress	5.00	9,161,808,148	9,276,148,056	
Right of Use Asset	6.00	1,069,208,376	1,069,208,376	
		4,003,517,186	4,451,238,179	
Current Assets:				
Inventories	7.00	1,182,348,103	1,241,737,112	
Trade & Other Receivables	8.00	761,116,232	761,887,780	
Advance, Deposits & Prepayments	9.00	1,370,967,281	1,653,239,881	
Advance Income Tax	10.00	649,515,591	645,845,965	
Cash and Cash Equivalents	11.00	39,569,978	148,527,441	
		14,234,533,710	14,796,594,612	
Total Assets:				
EQUITY & LIABILITIES				
Shareholders Equity:				
Share Capital	12.00	(53,677,779)	1,189,142,741	
Preference Share	13.00	315,885,297	315,885,297	
General Reserve	14.00	950,000,000	950,000,000	
Revaluation Reserve	15.00	166,000,000	166,000,000	
Retained Earnings	16.00	-	1,967,210	
		(1,485,563,076)	(244,709,766)	
		9,117,047,620	7,879,629,399	
Non Current Liabilities:				
Long Term Borrowings	17.00	8,629,992,866	7,157,621,541	
Gratuity Payable	18.00	169,243,392	202,925,587	
Long Term Lease Liability	19.00	-	-	
Deferred Tax Liability	20.00	317,811,362	519,082,270	
		5,171,163,869	5,727,822,471	
Current Liabilities:				
Short Term Bank Borrowings	21.00	3,879,601,662	4,242,431,860	
Long Term Borrowings-Current Portion	22.00	485,854,109	422,154,025	
Lease Liability -Current Portion	19.00	-	-	
Payable for Other Expenses	23.00	47,643,197	131,725,847	
Income Tax Provision	24.00	308,789,617	306,036,678	
Trade Payables	25.00	128,279,411	389,635,722	
Payable for Other Finance	26.00	656,700	656,700	
Unclaimed Dividend	27.00	240,505,552	155,005,552	
Provision for WPPF	28.00	13,022,495	13,022,495	
Advance Received against Sales	29.00	66,811,125	67,153,591	
		14,288,211,489	13,607,451,870	
Total Liabilities				
Total Equity & Liabilities:				
Net Asset Value Per Share (NAVPS)		40.00	-1.70	
The accounting policies, other notes from 1 to 66 and Annexure-A form an integral part of the financial statements.			37.64	



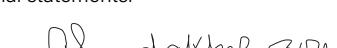
Company Secretary



Chief Financial Officer



Director



Chairman / Managing Director

Date: Dhaka
28-Oct-2025



Mohammad Abu Kawsar
FCA
ICAB Enrolment No. 1497
Partner, T. Hussain & Co.
Chartered Accountants
DVC 2510281497AS550760



MEGHNA CEMENT MILLS PLC.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2025

Particulars	Note	Amount in Taka	
		30 June, 2025	30 June, 2024
Revenue, net	30.00	275,293,919	1,869,102,564
Cost of Goods Sold	31.00	(262,406,382)	(1,453,139,066)
Gross profit		12,887,538	415,963,498
Other Operating Income	32.00	-	59,514,005
Administrative Overhead	33.00	(73,077,713)	(73,538,975)
Selling & Distribution Overhead	34.00	(76,912,482)	(52,558,494)
Operating profit		(137,102,658)	349,380,034
Finance Cost	35.00	(1,221,042,154)	(376,853,997)
Finance income	36.00	2,306,323	2,379,091
Profit before WPPF & income tax		(1,355,838,490)	(25,094,873)
Contribution to WPPF		-	-
Profit before income tax		(1,355,838,490)	(25,094,873)
Income Tax Expenses	37.00	200,485,178	(201,049,057)
Current Tax Expenses		(2,752,939)	(11,214,615)
Deferred Tax Income/(Expenses)		203,238,118	(189,834,441)
Profit after tax		(1,155,353,311)	(226,143,929)
Other Comprehensive Income:			
Revaluation surplus of property, plant and equipment		-	-
Income tax on other comprehensive income		-	-
Total other comprehensive income		-	-
Total comprehensive income		(1,155,353,311)	(226,143,929)
Earnings per share (Basic)	38.00	(36.58)	(7.16)

The accounting policies, other notes from 1 to 66 and Annexure-A form an integral part of the financial statements.


Company Secretary


Chief Financial Officer


Director


Chairman / Managing Director

Date: Dhaka
28-Oct-2025


Mohammad Abu Kawsar
FCA
ICAB Enrolment No. 1497
Partner, T. Hussain & Co.
Chartered Accountants
DVC 2510281497AS550760

MEGHNA CEMENT MILLS PLC. STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2025

Particulars	Share Capital	Preference Share	General Reserve	Revaluation Surplus	Retained Earnings	Total Taka
Balance as on 1st July 2024	315,885,297	950,000,000	166,000,000	1,967,210	(244,709,766)	1,189,142,741
Net Profit after tax					(1,155,353,311)	(1,155,353,311)
Preference share Dividend					(85,500,000)	(85,500,000)
Realization of revaluation surplus				(1,967,210)		(1,967,210)
Balance as on 30 June 2025	315,885,297	950,000,000	166,000,000	(0)	(1,485,563,076)	(53,677,779)

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2024

Particulars	Share Capital	Preference Share	General Reserve	Revaluation Surplus	Retained Earnings	Total Taka
Balance as on 1st July 2023	300,843,140	950,000,000	166,000,000	18,366,253	86,534,765	1,521,744,158
Net Profit after tax					(226,143,929)	(226,143,929)
Stock Dividend for the FY-22-23	15,042,157				(15,042,157)	-
Cash Dividend for the FY-22-23					(15,042,157)	(15,042,157)
Preference share Dividend					(85,500,000)	(85,500,000)
Realization of revaluation surplus				(4,469,591)	-	(4,469,591)
Adjustment of depreciation for derecognition of ROU Assets					5,468,685	5,468,685
Adjustment of interest on lease liability for derecognition of ROU Assets					5,015,028	5,015,028
Adjustment for deferred tax on revalued assets					(11,929,452)	(11,929,452)
Balance as on 30 June 2024	315,885,297	950,000,000	166,000,000	1,967,210	(244,709,766)	1,189,142,742

The accounting policies, other notes from 1 to 66 and Annexure-A form an integral part of the financial statements.


Company Secretary


Chief Financial Officer


Director


Chairman / Managing Director

Date: Dhaka
28-Oct-2025


Mohammad Abu Kawsar
FCA
ICAB Enrolment No. 1497
Partner, T. Hussain & Co.
Chartered Accountants
DVC 2510281497AS550760



MEGHNA CEMENT MILLS PLC.

STATEMENT OF CASH FLOWS

For the year ended 30 June 2025

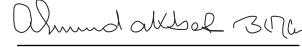
Particulars	Note	Amount in Taka	
		30 June, 2025	30 June, 2024
A. Cash Flows from Operating Activities :			
Receipts from customers	39.01	314,140,979	1,692,774,777
Receipts from other income		2,306,323	61,893,096
		316,447,302	1,754,667,873
Payment to suppliers, employee and others	39.02	(217,841,269)	(2,669,187,839)
Cash generation from operations		98,606,033	(914,519,966)
VAT Paid	30.01	(38,417,978)	(280,365,385)
Gratuity Paid	18.00	(6,111,103)	(14,872,893)
Gratuity Transfer to others unit	18.00	(36,535,589)	-
Income tax paid	39.03	(3,669,626)	(24,016,851)
Net Cash provided/(used) by Operating Activities		13,871,737	(1,233,775,095)
B. Cash flows from Investment Activities :			
Acquisition of Fixed Assets		(75,028,257)	(267,399,983)
Disposal of Fixed Assets		-	13,608,869
Net cash used by Investing activities		(75,028,257)	(253,791,114)
C. Cash flows from Financing Activities :			
Long Term Borrowings (Net)		1,472,371,324	1,144,904,978
Short Term Borrowings		(299,130,114)	792,212,744
Interest paid		(1,221,042,154)	(376,853,997)
Dividend Paid		-	(14,955,598)
Net Cash provided/(used) by Financing Activities		(47,800,943)	1,545,308,127
Increase/(Decrease) in Cash Flows (A+B+C)		(108,957,463)	57,741,918
Opening Cash & Bank Balances		148,527,441	90,785,524
Cash and Cash Equivalents		39,569,978	148,527,441
Net Operating Cash Flows Per Share (TK)		41.00	0.44
			(39.06)

The accounting policies, other notes from 1 to 66 and Annexure-A form an integral part of the financial statements.


 Company Secretary


 Chief Financial Officer


 Director


 Chairman / Managing Director
Date: Dhaka
28-Oct-2025

Mohammad Abu Kawser
FCA
 ICAB Enrolment No. 1497
 Partner, T. Hussain & Co.
 Chartered Accountants
 DVC 2510281497AS550760

MEGHNA CEMENT MILLS PLC.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

1.00 The background and activities of the Company :

1.01 Legal form of the Company :

Meghna Cement Mills PLC (hereinafter referred to as "MCMPLC" / "the Company") is a public limited company domiciled in Bangladesh which was incorporated on 1st March 1992 vide registration no. C-21841(248). MCMPLC has started its commercial operation on 15th January 1996. The Company was converted itself as a Public Limited Company under the Companies Act, 1994.

The Company has been listed with both Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) on 1995 and 1996 respectively.

1.02 Address of the Registered & Corporate Office :

The registered office of the Company is located at Bashundhara Corporate Office, House No. 125/A, Block # A, Bashundhara R/A, Dhaka-1229 the factory is situated at Mongla Port I /A, Mongla, Bagerhat.

1.03 Nature of Business Activities :

The principal activities of the Company are manufacturing and marketing of all kinds of Cement. The company markets its product under the registered trade mark KING BRAND. The manufacturing plant (Unit-1 & 2) of the company is situated at Mongla Port I /A, Mongla, Bagerhat.

2.00 Summary of Significant Accounting Principle and Valuation Policies :

2.01 Basis of Preparation and Presentation of Financial Statements :

The financial statements have been prepared and the disclosures of information were made in accordance with International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs), The Companies Act 1994, the Bangladesh Securities and Exchange Rules 2020, guidelines issued by FRC & all other applicable rules & regulations of the country. The Statement of Financial Position and Statement of Comprehensive Income have been prepared according to IAS-1 "Presentation of Financial Statements" under generally accepted accounting principles which are stated as under:

2.01.1 Statement of Compliance with Applicable Laws and Standards :

The Company is also required to comply with the following major legal provisions in addition to Companies Act, 1994 and other applicable laws and regulations :

- The Income Tax Act, 2023;
- The Income Tax Rules, 2023;
- The Finance Ordinance, 2025;
- Financial Reporting Act, 2015
- The Bangladesh Securities and Exchange Rules 2020
- The Value Added Tax and Supplementary Duty Act, 2012;
- The Value Added Tax Rules, 2016;
- The Customs Act, 2023
- Bangladesh Labour Act, 2006 (as amended to 2023)
- International Accounting Standards (IAS)
- International Financial Reporting Standard (IFRS)
- International Valuation Standards (IVS)
- The Listing Regulations of Dhaka Stock Exchange Ltd. & Chittagong Stock Exchange Ltd.

2.02 Measurement bases :

These financial statements have been prepared on a historical cost basis with the except for certain assets which are stated either at revalued amount or fair market value as explained in the accompanying note and, therefore, do not take into consideration the effect of inflation. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous period/year.



2.03 Risk and uncertainty for use of estimates and judgments :

The preparation of financial statements in conformity with International Accounting Standards and International Financial Reporting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and for contingent assets and liabilities that require disclosure, during and at the date of the financial statements. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognized in the period/year in which the estimate is revised and in any future period/years affected as required by IAS 8: "Accounting Policies, Changes in Accounting Estimates and Errors".

2.04 Going Concern :

The financial statements of the Company are prepared on a going concern basis. As per management assessment there are no material uncertainties related to events or conditions which may cast significant doubt upon Company's ability to continue as a going concern.

2.05 Accrual basis :

The company has prepared the financial statements, except cash flow information, using the accrual basis of accounting in accordance with IAS-1 Para-27.

2.06 Components of the Financial Statements :

According to the International Accounting Standards (IAS)-1 "Presentation of Financial Statements" the complete set of Financial Statements includes the following components":

- i Statement of Financial Position as at 30 June, 2025
- ii Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June, 2025;
- iii Statement of Changes in Equity for the year ended 30 June, 2025;
- iv Statement of Cash Flows for the year ended 30 June, 2025 &
- iv Notes to the Financial Statements.

2.07 Reporting Period :

The financial period of the Company covers from 01 July to 30 June. The Company follows its reporting period from 01 July to 30 June in order to comply with the provision of section 9 of the Finance Act, 2015 and interpretations and implementation of Bangladesh Securities and Exchange Commission Directive No. SEC/SRMIC/2011/1240/445 dated April 27, 2016 concerning uniform income year. However, the company was followed its reporting period from 01 January to 31 December up to 30 June 2016. The financial statements cover twelve months from 01 July, 2024 to 30 June, 2025.

2.08 Authorization for Issue :

The Board of Directors has approve these financial statements in its meeting held on 28 October, 2025.

2.09 Application of Standards :

Accounting standards set out below have been applied consistently to all periods presented in these financial statements. The company's compliance with accounting standards is stated below:

Accounting Standards	Particulars	Compliance Status
IAS-1	Presentation of Financial Statements	Complied
IAS-2	Inventories	Complied
IAS-7	Statement of Cash Flows	Complied
IAS-8	Accounting Policies, Changes in Accounting Estimates & Errors	Complied
IAS-10	Events After the Reporting Period	Complied
IAS-12	Income Taxes	Complied
IAS-16	Property, Plant & Equipment's	Complied

Accounting Standards	Particulars	Compliance Status
IAS-19	Employee Benefits	Complied
IAS-20	Accounting for Government Grants and Disclosure of Government Assistance	Not Applicable
IAS-21	The Effects of Changes in Foreign Exchange Rates	Complied
IAS-23	Borrowing Costs	Complied
IAS-24	Related Party Disclosures	Complied
IAS-26	Accounting & Reporting by Retirement Benefit Plans	Complied
IAS-27	Consolidated & Separate Financial Statements	Not Applicable
IAS-28	Investments in Associates	Complied
IAS-29	Financial Reporting in Hyperinflationary Economies	Not Applicable
IAS-31	Interest in Joint Ventures	Not Applicable
IAS-32	Financial Instruments: Presentation	Complied
IAS-33	Earning Per Share	Complied
IAS-34	Interim Financial Reporting	Complied
IAS-36	Impairment of Assets	Complied
IAS-37	Provisions, Contingent Liabilities & Contingent Assets	Complied
IAS-38	Intangible Assets	Complied
IAS-40	Investment Property	Complied
IAS-41	Agriculture	Not Applicable
IFRS-1	First Time Adoption of International Financial Reporting Standards	Complied
IFRS-2	Share Based Payment	Not Applicable
IFRS-3	Business Combinations	Not Applicable
IFRS-4	Insurance Contracts	Not Applicable
IFRS-5	Non-Current Assets Held for Sale and Discontinued Operations	Not Applicable
IFRS-6	Exploration for and Evaluation of Mineral Resources	Not Applicable
IFRS-7	Financial Instruments: Disclosure	Complied
IFRS-8	Operating Segments	Complied
IFRS-9	Financial Instruments	Complied
IFRS-10	Consolidated Financial Statements	Not Applicable
IFRS-11	Joint Arrangements	Not Applicable
IFRS-12	Disclosure of Interest in Other Entities	Not Applicable
IFRS-13	Fair Value Measurements	Complied
IFRS-14	Regulatory Deferral Accounts	Not Applicable
IFRS-15	Revenue from Contracts with Customers	Complied
IFRS-16	Leases	Complied

2.10 Functional and Presentation Currency :

Functional and presentation currency items included in these financial statements are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). These financial statements are presented in Bangladesh Taka ("BDT") which is also the functional currency of the company. The amounts in these financial statements have been rounded off to the nearest BDT except otherwise indicated.

2.11 Compliance with the Requirements of Notification of the Securities and Exchange Commission dated: 04.06.2008 under Ref. # SEC/CMMRPC/2008-81/53/Adm/03/28

Notes to the financial statements marked from 3.00 to 3.27 setting out the policies are unambiguous with respect to the reporting framework on which the accounting policies are based. The accounting policies on all material areas have been stated clearly in the notes marked from 3.00 to 3.27

3.00 Significant Accounting Policies :

3.01 Classification of Current versus Non-current :



Current versus Non-Current Classification

The company presents assets and liabilities in statement of financial position based on current/non-current classification.

An asset is current when it is :

- expected to be realized or intended to be sold or consumed in normal operating cycle,
- or - expected to be realized within twelve months after the reporting period,
- or - held primarily for the purpose of trading,
- or - cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is :

- expected to be settled within twelve months after the reporting period,
- or - held primarily for the purpose of trading,
- or - there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies

All other liabilities as non-current.

Deferred tax assets and liabilities are always classified as non-current assets and liabilities

3.02 Property, Plant & Equipment :

a) Recognition and Measurement :

All property, plant and equipment are initially accounted for at cost and depreciated over their expected useful life in accordance with IAS-16. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes. In respect of major projects involving construction, related pre-operational expenses form part of the value of asset capitalized.

b) Capitalization of Borrowing Cost :

Finance costs that are directly attributable to the construction of plants are included in the cost of those plants in compliance with IAS-23: Borrowing Cost, allowed alternative treatment.

c) Subsequent Costs :

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day to day maintaining cost on PPE are recognized in the Statement of Profit or Loss and Other Comprehensive Income as incurred.

d) Depreciation :

No depreciation is charged on land, land development and Capital Work-in-Progress. Consistently, depreciation is provided on diminishing balance method based on written down value at which the asset is carried in the books of account. Depreciation continues to be provided until such time as the written down value is reduced to Taka one.

Each item of PPE is depreciated when it is available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with IFRS 5 and the date that the asset is derecognized. The depreciation/amortization rate(s) are as follows:

Fixed Assets	Dep. Rates
Building & other construction	5
Plant & Machinery	4-18.67
Furniture and Fixture	10
Office Equipment	22.79
Motor Vehicles	20
Vesseles	5
Factory Apparatus & Equipment	32.25
Sundry Assets	11.6

Vehicle	10
Software SAP ECC6.0	10

N.B.-Leasehold Land and Freehold land is not depreciated.

e) Retirements and Disposals :

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gains or losses arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized as gain and loss from disposal of asset under other income in the Statement of Profit or Loss and Other Comprehensive Income.

3.03 Software :

Software is generally charged off as revenue expenditure. Customized software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

Acquired computer software's capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lives.

3.04 Intangible assets :

a) Recognition and Measurement :

Intangible assets have finite useful lives and are stated at cost less accumulated amortization and any impairment losses. Intangible assets are recognized in accordance with IAS 38-Intangible assets. Intangible assets include cost of acquisition of computer software, intellectual property, copyright and other costs incidental to such capital expenditure.

b) Subsequent costs :

Subsequent costs are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate. All other costs are recognized in profit or loss as incurred.

c) Amortization :

Amortization is recognized in profit or loss on straight line basis over the estimated useful lives of intangible assets from the date they are available for use. Intangible asset (Computer Software) is amortized at the rate of 5% to 33%.

d) Derecognition :

An intangible asset is derecognized on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of intangible assets, measured as the difference between the net disposal proceeds and the carrying amount of the assets, are recognized in profit or loss.

3.05 Impairment of Assets :

All assets have been reviewed according to IAS-36 and it was confirmed that no such assets have been impaired during the year and for this reason no provision has been made for impairment of assets.

3.06 Capital Work-in-Progress :

Property, plant and equipment under construction or not available for use are accounted for as capital works in progress and are measured at cost until completion of construction or installation or available for use. In conformity with IAS 16: property, plant & equipment; no depreciation is charged on Capital work in progress as it is not available for use.

3.07 Financial Instruments :

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity

3.07.01 Financial Assets :

The Company initially recognizes receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the date at which the Company becomes a party to the contractual provisions of the transaction.



The Company derecognizes a financial asset when the contractual rights or probabilities of receiving the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial assets include cash and cash equivalents, accounts receivable, and long term receivables and deposits.

3.07.02 Financial Liabilities :

The Company initially recognizes debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognized initially on the transaction date at which the company becomes a party to the contractual provisions of the liability.

The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

Financial liabilities include loans and borrowings, accounts payable and other payables.

3.08 Inventories :

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on weighted average cost method 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. Stores and spares and material in transit are measured at cost.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses. Inventories consist of raw materials, finished goods, and stores and spares.

Category of Inventory	Basis of Valuation
Raw Materials	: At weighted average cost
Finished Goods	: Net Realizable Value
Stores & Spares	: At weighted average cost

3.09 Cash & Cash Equivalents :

Cash & cash equivalents include cash in hand, cash at banks, term deposits which are available for use by the Company without any restrictions. There is an insignificant risk of change in value of the same.

3.10 Accounts Receivable :

Accounts receivables are created at original invoice amount less any provision for doubtful debts. Provision are made where there is evidence of a risk of non-payment, taking into account ageing, provision experience and general economic conditions. When an accounts receivable is determined to be uncollectible it is written off, firstly against any provision available and then to the statement of comprehensive income.

3.11 Creditors & Other Payables :

Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the Company.

3.12 Provisions & Contingencies :

Provisions were made considering risk and un-certainties at best estimate of the probable expenditure that would require to meet the current obligation at the date of statement of financial position. Contingent liabilities and assets are current or possible obligations on liabilities or assets, arising from past events and existence of which depends upon the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the company.

3.13 Leases :

IFRS-16: "Leases" has come into force on 01 January 2019 as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). The Company was used it's associated company's floor space for corporate office entering an agreement up to June 30, 2023. Subsequently company cancelled its lease agreement for shifting corporate office to its own building. Company does not includes any Machinery, Copy Right, Software, Vehicles etc. The contracts was four-years cancellable (both parties three months notice period). The contracts does not offer any buying option, commitment to buy or any assurance of post use minimum market price for the used floors. Considering exemptions allowed in IFRS-16 (does not transfers substantially all the risk and rewards incidental to ownership, the rental agreements was not considered as finance lease).

Right-of-Use Assets :

In Financial Year 2022-2023, the Company recognized right of use assets at the inception date which was measured at cost, less any accumulated depreciation. Right of use assets were depreciated on a straight-line basis over the lease term. The right of use assets were presented under Non-current Asset in Statement of Financial Position which has been derecognized during the current year due to cancellation of lease agreement with associate.

Lease Liability :

As the company recognized right-of-use of assets, at the commencement date of the lease, the company recognized lease liabilities measured at the present value of lease payments to be made over the lease term using the incremental borrowing rate. Lease liabilities were measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payment. During the current year company derecognize lease liability for cancellation of lease agreement with associate.

3.14 Revenue & Other Income:

Revenue from Contracts with Customers :

Revenue is recognized when invoice for products and service are made and the significant risk and reward of ownership are transferred to the dealers, recovery of the consideration is probable, associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. The five steps model as suggested by IFRS-15 has been complied in case of revenue recognition.

The five steps model consists of :

1. Identification of contract(s) with a customer
2. Identification of performance obligation
3. Determination of transaction price
4. Allocation of transaction price to separate performance obligations
5. Recognition of revenue when entity satisfies performance obligations

(a) Sales of Goods :

In compliance with the requirements of IFRS-15 revenue is recognized for local sales of cement at the time of delivery from Factory Godown. Revenue is recognized when goods are supplied to external customers against orders received, title and risk of loss is transferred to the customer, reliable estimates can be made of relevant obligations have been fulfilled, such that the earnings process is regarded as being completed.

(b) Interest Income :

Interest income comprises interest on financial deposits with banks. The amount of interest income is recognized on an accrual basis using the effective interest rate method.

3.15 Employees' Benefit :

Employees of the Company are entitled to get the following benefits from the Company :

a) Short-term Benefits :

Short-term benefits consist of wages, salaries, allowances and bonuses. These obligations are recognized and expenses in the respective periods when the related services are obtained. Any amount not paid are recognized as a liability (undiscounted) at the end of the year.

b) Gratuity :

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The employee gratuity plan is considered as defined benefit plan as it meets the recognition criteria. The company's obligation is to provide the agreed benefits to current and former employees. This fund yet to be recognized by the National Board of Revenue (NBR).

The Company operates an unfunded gratuity scheme for its permanent employees, under which an employee is entitled to the benefits depending on the length of services and last drawn basic salary.

The expected cost of this benefit is included in respective annual statement of profit or loss and other comprehensive income over the period of employment.



c) Workers' Profit Participation Fund :

This represents 5% of the net profit after charging such contribution but before tax contribution by the Company as per provisions of Bangladesh Labour Law 2006 (Amendments 2023) and is payable to the workers as defined in the said Law. During the current year, company unable to provision WPPF for incurring net loss.

3.16 Borrowing Costs :

In compliance with the requirements of IAS-23 "Borrowing Costs", borrowing costs of operational period on short-term loan facilities from commercial banks was charged off as revenue expenditure as they incurred.

3.17 Net Profit before Tax :

Net Profit before Tax for the year was not materially affected by:

- transaction of a nature not usually undertaken by the Company;
- circumstances of an exceptional or non-recurring nature;
- charges or credits relating to prior years; and
- changes in accounting policies.

3.18 Taxation :

Provision is made at the ruling rate, considering tax, applied on 'estimated' taxable profit as a "Public Limited Company Listed with Stock Exchanges".

a) Current Tax :

Provision for income tax has been made as per requirements of the Income Tax Act, 2023, Income Tax Rules 2023 & Finance Ordinance 2025. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense has been recognized on the basis of the Finance Ordinance 2025 and Income Tax Act, 2023 and Income Tax Rules 2023 and the tax rate of the company is @ 22.5% or subject to minimum tax on the gross receipts or Tax deducted at source whichever is higher is treated as taxable income.

b) Deferred Tax :

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the Statement of Financial Position as liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. MCMPLC recognized deferred tax liabilities for all taxable temporary differences.

3.19 Earnings per Share :

The Company calculates Earnings per Share (EPS) in accordance with IAS-33: "Earnings per Share", which has been shown on the face of Statement of Profit or Loss and Other Comprehensive Income, and the computation of EPS is stated in the note.

(a) Basic Earnings :

This represents earnings for the year attributable to the ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit after tax for the period has been considered as fully attributable to ordinary shareholders.

(b) Weighted Average Number of Ordinary Shares Outstanding during the period :

Computation of weighted average number of ordinary shares is not required, as number of shares outstanding has been not changed during the reporting year.

(c) Basic Earnings per Share :

This has been calculated by dividing the basic earnings by weighted average number of ordinary shares outstanding during the year.

(d) Diluted Earnings per Share :

No diluted EPS is required to be calculated for the year, as there was no scope for dilution during the year under review.

3.20 Foreign Currency Transactions :

Foreign currencies are translated into taka at the exchange rates ruling on the date of transactions in accordance with IAS-21 "The Effects of Changes in Foreign Exchange Rates". Bank deposit in foreign currency has been translated into taka at the year end at the rate of exchange ruling on that date and gain/ (loss) if any have been accounted for as other income/(loss) in the Income Statement.

3.21 Statements of Cash Flows :

Statement of Cash Flows is prepared principally in accordance with IAS-7: Cash Flow Statements and the cash flows from operating activities have been presented under direct method.

3.22 Related Parties Disclosure :

As per IAS-24 'Related Party Disclosures', parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party transactions have been disclosed under Note-50 of the notes to the financial statements.

3.23 Segment Reporting :

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

3.24 Offsetting :

No assets and liabilities or income and expenses were offset that may contradict requirements of any IFRSs/ IASs.

3.25 Concentration of Counterparty Risk :

As of June 30, 2025, the company does not have any significant concentration of business transacted with a particular customer, supplier or lender that could, if suddenly eliminated, have severely impacted the company's operations. The company also does not have any concentration of available source of labour, service or licenses or other rights that could, if suddenly eliminated, have severe impact on the operations of the company.

3.26 Comparative Information :

Comparative information has been disclosed in respect of the year ended June 2025 for all numerical information in the financial statements where it is relevant for understanding of the current year's financial statements. Figures for the year ended June 2024 have been re-arranged wherever considered necessary to ensure better comparability with the current year.

3.27 General :

Previous year's figures have been regrouped/reclassified wherever considered necessary to conform to current year's presentation. Figures have been rounded off to the nearest Taka, as the currency represented in this Financial Statements.



		Amount in Taka	
		30 June, 2025	30 June, 2024
4.00	<u>Property, Plant & Equipment :</u>		
	<u>1. Based on Cost:</u>		
	<u>A. Cost:</u>		
	Opening Balance	10,937,665,761	11,110,071,343
	Less: Transfer/Disposal during the year	-	(176,337,124)
	Add: Addition during the year	75,028,257	3,931,542
	Closing Balance	11,012,694,019	10,937,665,761
	<u>B. Accumulated Depreciation :</u>		
	Opening Balance	1,714,537,492	1,625,909,888
	Less: Transfer/Disposal during the year	-	(162,370,889)
	Add: Charged during the year	186,055,037	250,998,493
	Closing Balance	1,900,592,529	1,714,537,492
	<u>C. Written down value on cost (A-B) :</u>	9,112,101,489	9,223,128,269
	<u>2. Based on Revaluation :</u>		
	<u>A. Cost :</u>		
	Opening Balance	234,527,027	234,527,027
	Less: Transfer/Disposal during the year	-	-
	Add: Addition during the year	-	-
	Closing Balance	234,527,027	234,527,027
	<u>B. Accumulated Depreciation :</u>		
	Opening Balance	181,507,240	177,037,649
	Less: Transfer/Disposal during the year	-	-
	Add: Charged during the year	3,313,127	4,469,591
	Closing Balance	184,820,368	181,507,240
	<u>C. Written down value on cost (A-B) :</u>	49,706,659	53,019,787
	<u>3. Written down value on cost and revaluation (1+2) :</u>	9,161,808,148	9,276,148,056
4.01	During the year management of the company reassess the recoverable amount of manufacturing plant and other related assets. The review has not found any impairment loss. The recoverable amount of the relevant assets has been determined on the basis of their value in use. It also may mention here that no indication of impairment was determined in the year ended on 30 June 2025.		
4.02	Depreciation on additions are charged in the year of acquisition. The Company is following this policy consistently.		
N.B.-The Details Property, Plant & Equipment Schedule has been shown in Annexure -A/01			
5.00	<u>Capital work-in -Progress :</u>		
	<u>A. Pant and Machinery</u>		
	<u>Opening Balance</u>		
	Add: Addition made during the year	317,898,888	67,880,796
	Less: Adjustment/Transfer to appropriate asset Category	-	250,018,092
		317,898,888	-
	<u>B. Building</u>		
	Opening Balance	494,042,627	493,999,564
	<u>Add: Addition made during the year</u>		
	Less: Adjustment/Transfer to appropriate asset Category	-	43,063
		494,042,627	-
			494,042,627

		Amount in Taka	
		30 June, 2025	30 June, 2024
C. Other Construction :			
Opening Balance		257,251,754	253,054,875
Add: Addition made during the year		-	4,216,567
Less: Adjustment/Transfer to appropriate asset Category		-	(19,688)
		257,251,754	257,251,754
D. Vessel :			
Opening Balance		15,107	931,048
Add: Addition made during the year		-	1,947,112
Less: Adjustment/Transfer to appropriate asset Category		-	(2,863,053)
		15,107	15,107
Closing Balance		1,069,208,376	1,069,208,376

- The above amount includes partial completion of work. When ever whole or part of the assets become ready for commercial operation, that portion will be transferred to Fixed Asset.

6.00	Right of Use Asset :		
	<i>Opening balance</i>	-	109,373,696.56
	Addition during the year	-	-
	Disposal during the year	-	(109,373,697)
	Closing balance	-	-
	Accumulated depreciation :		
	Opening balance	-	5,468,685
	Charged during the year	-	-
	Adjustment during the year	-	(5,468,685)
	Closing balance	-	-
	Written down value (WDV)	-	-

- Financial year 2023-2024, company cancelled its lease agreement which has been made in Financial Year 2022-2023 with its associate and derecognize right of use assets as well as lease liabilities of the same.

7.00	Inventories :		
	Stores and Spares	650,946,203	666,690,143
	Closing Stock of Raw Materials	529,978,779	548,437,917
	Other Materials	1,423,120	26,609,051
	Total	1,182,348,103	1,241,737,112

- 7.01** The basis of valuation has been stated in note-3.08
- 7.02** All stocks are good and it does not include any wastage and defective materials.
- 7.03** Management has been carried out a stock taking as on the close of the year found all right in terms of quality and weight.
- 7.04** The cost of inventories recognized as an expenses during the year in the statement of comprehensive income.
- 7.05** Inventories are valued at lower cost or net realizable value. Net realizable value is based on estimated selling price less any other cost anticipated to be incurred to make the sale.
- 7.06** The above inventories has been physically counted and valued by the inventory team consists of management staffs and audit teams.
- 7.07** As the Company deals in large number of items which vary in units , item-wise quantity statement of inventories could not be given.



		Amount in Taka	
		30 June, 2025	30 June, 2024
8.00	<u>Trade & Other Receivables :</u>		
	Dues within 3 months	83,722,786	281,898,479
	Dues over 3 months but within 6 months	38,055,812	83,807,656
	Dues over 6 months	639,337,635	396,181,646
		761,116,232	761,887,780
8.01	The above amounts are unsecured but good and have been subsequently most of receivables realized. No provision was made for bad debt during the year under review.		
8.02	No amount was due by the Directors (including Managing Director) or any other officers of the Company.		
8.03	The Company did not make any provision for bad debts against trade receivables as trade receivables.		
9.00	<u>Advance, Deposits & Prepayments :</u>		
	A. Advance:		
	Salary	49,329	70,929
	Generals	-	27,334,891
	C&F Agents	239,957,213	250,304,998
	Motor Cars	16,937,687	17,626,907
	Supplier	-	245,422,648
	Sundry	6,050,910	5,185,041
	Advance to IDLC	10,000	10,000
	Govt. of Bangladesh	520,000,000	520,000,000
	Sub-Total	783,005,139	1,065,955,414
	B. Deposits:		
	PDB Factory Office	5,402,625	5,402,625
	Security Deposit-REB	122,301	122,301
	Mobile Telephone	197,000	197,000
	Bank Guarantee Margin	81,902,073	81,902,073
	CDBL	300,000	300,000
	Security Deposit-T & T	30,600	30,600
	Security Deposit-BOC (BD) Ltd.	64,000	64,000
	Security Deposit-Uttra Finance	151,230	151,230
	Security Deposit- Water (BFDC)	300,000	300,000
	Security Deposit- (DBBL)	100,000	100,000
	Security Deposit- Others	11,858,167	11,858,167
	Lease Deposit-Phoenix Leasing	1,525,964	1,525,964
	BFICL	1,581,740	1,581,740
	Sub-Total	103,535,700	103,535,700
	C. Prepayments :		
	Prepaid VAT	9.04	678,285
	L/C Margin		483,748,157
			483,748,157
	Total (A+B+C)	484,426,442	483,748,768
		1,370,967,281	1,653,239,881

9.01 **Advance:** All advances and deposits amount are considered good and recoverable. There is no agreement amount due from directors or officers of the Company.

9.02 **Security Deposits:** The above balance represents security deposit made by the Company for electric, Gas, telephone line connection, bank guarantee margin and others.

Amount in Taka	
30 June, 2025	30 June, 2024

9.03 Advance to Govt. of Bangladesh represents the amount forcibly taken by the Caretaker Government. The total amount of Tk.52,00,00,000/= (Fifty Two Crore) was paid in favour of Government of The Peoples Republic of Bangladesh. A Writ Petition no. 8125 of 2009 was filed in the High Court Division of the Hon'ble Supreme Court of Bangladesh. The Hon'ble Court was satisfied enough to issue a Rule Nisi against the Govt. Authorities. Subsequently the Company got the judgement in its favour at High Court absolving the Rule in August 2012.

However, in Hon'ble Supreme Court of Bangladesh appellate Division, A civil petition for leave to appeal no. 1172 of 2014 was filed and the petitioners (Bangladesh Bank) filed a civil petition for leave to Appeal along with an application for stay before the Appellate Division of the Supreme Court of Bangladesh against order date 29/08/2012 passed by the High Court Division in favour of the company in writ petition No 8125 of 2009.

9.04 The company has no pending current liability for VAT. VAT current account showed positive balance (advance payment) as of 30 June 2025.

10.00 Advance Income Tax :

Opening Balance

Add: Addition during the year

Tax General	10.01	645,845,965	624,739,114
AIT-Clinker		3,669,626	21,106,851
AIT-Spare Parts		2,616,800	1,875,892
AIT- Gypsum		-	7,108,591
AIT-Slag		1,052,826	2,192,081
AIT-Flyash		-	1,749,364
AIT-Limestone		-	5,470,584
		649,515,591	1,098,106
			1,612,233
			645,845,965
Less: Adjusted during the year		-	-
Closing Balance		649,515,591	645,845,965

10.01 Tax General :

AIT-Sale	1,339,648	131,901
AIT on License	765,000	275,000
AIT on Bank Interest	484,884	630,231
AIT on Others	27,268	838,760
	2,616,800	1,875,892

10.02 Advance income tax paid during the year represents tax deducted at source by creditors on purchase of raw materials, tax deducted by customers on bill for cement supply, tax deducted at source from export sales, tax deducted at source from interest income etc.

10.03 Advance income tax paid has been set off with provision for corporate tax to comply with IAS 1 and IAS 32 as and when the Assessment is completed.

11.00 Cash and Cash Equivalents :

Cash in Hand	11.01	609,895	2,428,053
Cash at Banks	11.02	38,960,083	146,099,388
Total		39,569,978	148,527,441

11.01 Cash in Hand :

Cash in Hand Head Office	358,570	1,526,954
Cash in Hand Factory	251,325	901,099
Total	609,895	2,428,053



	Amount in Taka	
	30 June, 2025	30 June, 2024
11.02 Cash at Banks :		
Currents Accounts with Banks	12,628,402	60,342,901
STD Accounts with Banks	828,086	61,770,137
FDR with Banks	25,503,595	23,986,350
Total	38,960,083	146,099,388

- The bank balances have been confirmed and reconciled with respective bank statements.

12.00 Share Capital :

As per disclosure requirement laid down in schedule under the rule 12(2) of the Securities and Exchange Rules 1987, the followings are the part and parcel of share capital.

Authorized share Capital :

50,00,00,000 Ordinary Share of Tk. 10 each

5,000,000,000

5,000,000,000

Issued, Subscribed & Paid-up :

31,588,529 Nos. Ordinary Shares of TK. 10 each issued and fully paid-up in cash

Particulars	% of shares	30-06-2025	30-06-2024
132,355,939 Ordinary Share of Tk.10 each-Sponsors	41.90%	132,355,939	132,345,000
109,706,964 ordinary share of TK. 10 each-FI	34.73%	109,706,964	106,642,871
73,822,394 Ordinary Share of Tk.10 each- Gen. Public	23.37%	73,822,394	76,897,426
Total	100%	315,885,297	315,885,297

12.01 Movement of share capital :

Opening Balance

Issuance of stock dividend during the year

315,885,297

300,843,140

15,042,157

Closing balance

315,885,297

315,885,297

12.02 Range of holdings in number of shares	No. of Shareholders	No. of Share	No. of Share
1 to 500 shares	4,463	527,791	508,189
501 to 5000 shares	1,135	1,730,909	1,624,948
5001 to 10000 shares	99	672,808	701,712
10001 to 20000 shares	53	752,713	717,970
20001 to 30000 shares	24	337,412	572,975
30001 to 40000 shares	10	333,684	339,079
40001 to 50000 shares	6	190,767	277,188
50001 to 100000 shares	20	1,418,694	1,262,594
100001 to 1000000 shares	14	4,847,253	4,807,376
1000001 to 1000000000 shares	7	20,776,498	20,776,498
	5,831	31,588,529	31,588,529

13.00 Preference Share :

Bank Asia Ltd.

650,000,000

650,000,000

Sponsor share

300,000,000

300,000,000

950,000,000

950,000,000

Less: Paid During the year

950,000,000

950,000,000

14.00 General Reserve :

Opening balance

166,000,000

166,000,000

166,000,000

166,000,000

		Amount in Taka	
		30 June, 2025	30 June, 2024
15.00	<u>Revaluation Reserve :</u>		
	Opening balance	1,967,210	18,366,253
	Adjustment of Depreciation on revalued Assets	(1,967,210)	(4,469,591)
	Adjustment for deferred tax on revaluation surplus	-	(11,929,452)
	Closing Balance	-	1,967,210
16.00	<u>Retained Earnings :</u>		
	Opening balance	(244,709,766)	86,534,765
	Profit attributable to the Equity holders of the Company	(1,155,353,311)	(226,143,929)
	Adjustment of depreciation for derecognition of ROU Assets	-	5,468,685
	Adjustment of interest on lease liability for derecognition of ROU Assets	-	5,015,028
	Preference share Dividend	(85,500,000)	(85,500,000)
	Less: Cash Dividend for the year 2022-23	-	(15,042,157)
	Less: Stock Dividend for the year 2022-23	-	(15,042,157)
	Closing Balance	(1,485,563,076)	(244,709,766)
17.00	<u>Long Term Borrowings :</u>		
	IDCOL	1,462,942,014	1,581,643,110
	Term Loan- Janata Bank PLC	3,781,457,873	3,654,893,757
	Term Loan-United Commercial Bank PLC	1,124,224,782	590,116,177
	Term Loan-The Padma Bank PLC	828,659,091	744,127,865
	Other Finance	1,432,709,105	586,840,632
		8,629,992,866	7,157,621,541
17.01	<u>Infrastructure Development Company Limited (IDCOL) :</u>		
	This loan has been taken from Infrastructure Development Company Limited (IDCOL) of BDT 1270 million for LC related shipping documents and installation of the energy efficient Vertical Roller Mill (VRM) at Mongla, Bagerhat . The loan is secured by corporate guarantee and personal guarantee of Directors.		
	The rate of interest is 7%. Interest rate may be revised to 4% per annum subject to obtaining NOC from SREDA and JICA under JICA's EE&C promotion and financing facility.		
	The tenor is 10 (ten) years from the date of first disbursement including Moratorium period. The moratorium period 2 (two) years from the date of first disbursement (for principal only); Interest during moratorium period (IDMP) shall be serviced. The loan is payable by -32 (thirty two) equal quarterly installments (comprised of principal and interest).		
17.02	<u>Other Finance :</u>		
	This represents interest free long term loan from Related Parties.		
18.00	<u>Gratuity Payable :</u>		
	Opening Balance	202,925,587	204,673,368
	Add: Provision during the year	8,964,496	13,125,112
		211,890,083	217,798,480
	Less: Payment during the year	6,111,103	14,872,893
	Less: Transfer to others unit	36,535,589	-
	Closing balance	169,243,392	202,925,587
19.00	<u>Long Term Lease Liability :</u>		
	Opening Balance	-	114,388,725
	Due within one year	-	-
	Adjustment during the year	-	(114,388,725)
		-	-



		Amount in Taka	
		30 June, 2025	30 June, 2024
20.00	<u>Deferred Tax (Assets)/Liability :</u>		
	Deferred tax assets and liabilities have been recognized and measured in accordance with the provisions of IAS 12 : Income Taxes. The following is the analysis of deferred tax (assets)/ liabilities presented in the statement of financial position.		
	Opening Balance	519,082,270	317,318,377
	Add: Provision during the year	(203,238,118)	189,834,441
	Add: Adjustment for deferred tax on revaluation surplus	1,967,210	11,929,452
	Closing balance	317,811,362	519,082,270
20.01	Details of deferred tax liabilities/(Assets)		
	:		
	Carrying amount on reporting date :		
	Property, plant & equipment (excluding land)	9,114,511,654	9,228,851,562
	Right of use asset	-	-
	Lease Liabilities	-	-
	Provision for Gratuity	(169,243,392)	(202,925,587)
		8,945,268,263	9,025,925,975
	Tax base on reporting date :		
	Property, Plant & Equipment	(6,176,934,832)	(6,693,798,796)
	Profit before WPPF & Income Tax	(1,355,838,490)	(25,094,873)
		(7,532,773,321)	(6,718,893,669)
	Taxable/(deductible)Temporary Difference	1,412,494,941	2,307,032,306
	Applicable Tax Rate	22.50%	22.50%
		317,811,362	519,082,269
	Closing balance of deferred tax(Assets)/Liability	317,811,362	519,082,269
	Opening balance of deferred tax(Assets)/Liability	519,082,269	317,318,376
	Changes in deferred tax(Assets)/Liability	(201,270,907)	201,763,893
	Adjustment for deferred tax on revaluation surplus	(1,967,210)	(11,929,452)
	Deferred Tax (Benefit)/Expenses	(203,238,118)	189,834,441
21.00	<u>Short Term Bank Borrowings :</u>		
	A. Janata Bank Ltd. Janata Bhaban Cor. Branch	2,722,087,446	1,890,836,482
	B. United Commercial Bank Ltd. Gulshan Branch	684,569,941	1,913,605,033
	C. Southeast Bank Ltd. Principal Br.	267,695,826	231,631,690
	D. Janata bank- Stimu Package	205,248,448	206,358,655
		3,879,601,662	4,242,431,860
21.01	The details of the loan is as under :		
Name of the Bank		Particulars	
Janata Bank Ltd.		Limit amount : Tk. 175 Crore Purpose : To meet the working capital Requirements Security : Mortgage of all property and fixed assets Interest rate : Fixed at respective contract dates Type of facility : Cash Credit (CC) Validity : 31.07.2025	
		Limit amount : Tk. 400 Crore	

		Amount in Taka	
		30 June, 2025	30 June, 2024
	Janata Bank Ltd.	Purpose : Importation of raw material Security : Mortgage of all property and fixed assets Interest rate : Fixed at respective contract dates Type of facility : UPAS Validity : 30.06.2025	
	Janata Bank Ltd.	Limit amount : Tk. 170 Crore Purpose : Purchase of 4 no"s. Vessels Security : Mortgage of all property and fixed assets Interest rate : Fixed at respective contract dates Type of facility : Long Term Validity : 30.06.2027	
	United Commercial Bank Ltd.	Limit amount : Tk. 170 Crore Purpose : Importation of raw material Security : 44,200 sft. Of BCDL, 122.5 decimal vacant land (B-L) Interest rate : Fixed at respective contract dates Type of facility : UPAS Validity : 31.01.2025	
	United Commercial Bank Ltd.	Limit amount : Tk. 20 Crore Purpose : To meet the working capital Requirements Security : Mortgage of all property and fixed assets Interest rate : Fixed at respective contract dates Type of facility : Overdraft (OD) Validity : 31.01.2025	
	Southeast Bank Ltd.	Limit amount : Tk. 185 Crore (Composite Limit) Purpose : Importation of raw material Security : Mortgage of all property and fixed assets Interest rate : Fixed at respective contract dates Type of facility : UPAS Validity : 31.05.2025	
	The Padma Bank Ltd.	Limit amount : Tk. 74 Crore Purpose : To meet the working capital Requirements Security : Mortgage of all property and fixed assets Interest rate : Fixed at respective contract dates Type of facility : Long Term Validity : 04.01.2025	
22.00	Long Term Borrowings-Current Portion :		
	A. IDCOL	360,000,000	422,154,025
	B. Term Loan-Janata	125,854,109	-
		485,854,109	422,154,025
23.00	Payable for Other Expenses :		
	Electricity Bill	1,251,805	16,251,805
	Conversion Charge	-	16,195,160
	Salary, Wages & Benefit	38,329,961	74,564,525
	Audit Fees	559,459	575,000
	General Expenses	-	15,589,729
	Provision for finance cost	6,307,546	7,307,546
	Company's contribution to PF	358,106	405,762
	Office Rent Payable	836,320	836,320
		47,643,197	131,725,847

**24.00 Income Tax Provision :****Opening Balance**

Provision made during the year

Payment made for assessment year 2022-2023

Closing balance

Amount in Taka	
30 June, 2025	30 June, 2024
306,036,678	297,732,063
2,752,939	11,214,615
-	(2,910,000)
308,789,617	306,036,678

24.01 Provision for current Tax of the company are as under :

Year	Assessment year	Assessment under section of ITO 1984/ ITA-2023	Status	Tax Demand/ (Refundable)	Remarks
30.06.25	2025-2026	163 & 180	Current Year	-	-
30.06.24	2024-2025	163 & 180	Assessment in under process		The Company has filled the income tax return on 29.04.25 but the assessment is under process.
30.06.23	2023-2024	163 & 180	Assessment in under process	21,348,280	The Company has filled the income tax return on 30.04.25 but the assessment is under process.
30.06.22	2022-2023	83(2)/82C/156	Assessment completed & CT Appeal filed	21,166,923	The DCT has completed the assessment on 28.12.23 and demand Tax Tk. 2,11,66,923 against which the company has filed an Appeal to the Appellate Commissioner of Taxes on 18.09.25

Year	Assessment year	Assessment under section of ITO 1984/ ITA-2023	Status	Tax Demand/ (Refundable)	Remarks
30.06.21	2021-2022	83(2)/156/159	Assessment completed	22,149,564	The DCT has completed the assessment on 28.12.2023 and issued a demand Tk. 2,21,49,564 against. Which the company has filled an Appel to the Appellate Commissioner of Taxes on 18.09.2025
30.06.20	2020-2021	83(2)/156/159	Assessment completed and filed appeal to Appellate Tribunal	47,310,000	The DCT has completed the assessment on 23.03.2025 and demand Tax Tk. 4,73,10,000 against which the Company filled an Appeal to the Appellate Commissioner of Taxes on 07.09.2025. The CT appeal complete the assessment on 25.09.2022 against which the company further filled an appeal to the appellate Tribunal on 17.09.2025

25.00 Trade Payables :

Accounts Payable -Others

Payable to local Suppliers

24,872,710	145,329,499
103,406,701	244,306,224
128,279,411	389,635,722

25.01 Payable to local suppliers represents amount payable to regular suppliers of raw materials, packing materials, spare parts etc. All suppliers were paid on a regular basis. No interest is charged on the trade payables. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

25.02 The carrying values of trade payables are considered to be a reasonable approximation of fair value.

		Amount in Taka	
		30 June, 2025	30 June, 2024
26.00	<u>Payable for Other Finance :</u>		
	Security Deposits	656,700	656,700
		<u>656,700</u>	<u>656,700</u>
27.00	<u>Unclaimed Dividend :</u>		
A)	<u>General Shareholder's Dividend</u>		
	Balance as on 1st July,2024	2,905,552	2,818,993
	Add: Provision during the year	-	15,042,157
		<u>2,905,552</u>	<u>17,861,150</u>
	Less: Payment during the year	-	14,955,598
	Balance as on 30th June,2025	<u>2,905,552</u>	<u>2,905,552</u>
B)	<u>Preference Shareholder's Dividend :</u>		
	Balance as on 1st July,2024	152,100,000	66,600,000
	Add: Provision during the period	85,500,000	85,500,000
		<u>237,600,000</u>	<u>152,100,000</u>
	Less: Payment during the period	-	-
	Balance as on 30th June,2025	<u>237,600,000</u>	<u>152,100,000</u>
	Total Balance as on 30th June,2025 (A + B)	<u>240,505,552</u>	<u>155,005,552</u>
28.00	<u>Provision for WPPF :</u>		
	Opening Balance	13,022,495	29,799,684
	Add: Provision during the period	-	-
		<u>13,022,495</u>	<u>29,799,684</u>
	Less: Payment during the year	-	16,777,189
	Balance as on 30th June,2025	<u>13,022,495</u>	<u>13,022,495</u>
29.00	<u>Advance Received against Sales :</u>		
	Amount received from dealer and retailer	66,811,125	67,153,591
		<u>66,811,125</u>	<u>67,153,591</u>



		Amount in Taka	
		30 June, 2025	30 June, 2024
30.00	Revenue :		
	A. Revenue streams		
	Revenue from contracts with customers	275,293,919 275,293,919	1,869,102,564 1,869,102,564
	B. Disaggregation of revenue from contracts with customers		
	Domestic Sales	30.01	133,951,009 122,168,840 19,174,070 275,293,919
	Service Revenue (Against Contract Manufacturing)	30.02	1,869,102,564 - - 1,869,102,564
	Deemed Export Sales	30.03	
30.01	Gross Domestic Sales :		
	Less: VAT		154,043,661 20,092,652 133,951,009
	Domestic Sales		2,149,467,948 280,365,384 1,869,102,564
30.02	Service Revenue (Against Contract Manufacturing):		
	Service Revenue (Against Contract Manufacturing)		140,494,166 18,325,326 122,168,840
	Less: VAT		- - - -
30.03	Export:		
	Deemed Export Sales		19,174,070 19,174,070
			- - - -

- During the financial year Company sold 17,521.73 MT Cement in local market and 2008.58 MT in local export.
- Meghna Cement Mills PLC has temporarily suspended its core cement production operations due to severe constraints in importing essential raw materials such as clinker and fly ash. The restriction was primarily driven by commercial banks' limitations on foreign currency transactions following the Bangladesh Central Bank's declining foreign reserve position, which fell to BDT 17 billion. As a result, the company's loan accounts were classified, further restricting its financial flexibility. To sustain operations, Meghna Cement Mills PLC entered into a contract manufacturing arrangement with other companies.

During the bank credit analysis, it was found that the company received total customer deposits amounting to BDT 582 million. Of this, BDT 153 million represented direct sales proceeds, while BDT 122 million was generated from contract manufacturing revenue. Due to initial procedural limitations for opening bank accounts throughout the country in the name of respective contract manufacturing companies and communication with related distributors, BDT 307 million was directly deposited by contract manufacturing company's customers into Meghna Cement Mills PLC's bank account. This excess amount has since been refunded to respective companies.

31.00	Cost of Goods Sold :		
	Opening Stock of raw and packing material		
	Raw and packing material Purchased	548,437,917 79,881,372 (529,978,779) 98,340,509	390,548,606 1,183,234,485 (548,437,917) 1,025,345,173
	Closing Stock of raw and packing material		
	Raw and packing material Consumed	31.01	
	Factory Expenses	31.02	138,879,941 26,609,051 (1,423,120) 262,406,382
	Opening stock of finished goods		435,359,097 19,043,847 (26,609,051) 1,453,139,066
	Closing stock of finished goods		
31.01	Raw & Packing Materials Consumed :		
	Opening stock of raw and packing materials	548,437,917	390,548,606
	Add: Purchased during the year	79,881,372 628,319,289	1,183,234,485 1,573,783,090
	Less : Closing stock of raw and packing materials	529,978,780 98,340,509	548,437,917 1,025,345,173
	Raw & Packing Materials Consumed		

		Amount in Taka	
		30 June, 2025	30 June, 2024
31.02	<u>Factory Expenses :</u>		
	Electricity Bill	11,482,191	86,732,666
	Salary, Wages and other benefit	16,541,568	83,275,508
	Company's Contribution to PF	851,665	890,952
	Gratuity	3,137,574	6,562,556
	Diesel and Lubricants	929,560	5,656,500
	Repairs and Maintenance	1,152,337	30,011,960
	Survey Charge	-	108,769
	Medical Expenses	61,019	525,629
	Port & Shipping Expenses	-	1,057,854
	Fooding Expenses	571,538	1,573,144
	Uniform & Liveries	-	384,040
	Depreciation	104,152,490	218,579,518
		138,879,941	435,359,097
32.00	<u>Other Operating Income :</u>		
	Truck Fare	-	34,518,123
	Cargo Fare	-	24,995,882
		-	59,514,005
33.00	<u>Administrative Overhead :</u>		
	Salary & Benefits	18,379,520	28,078,717
	Company's Contribution to PF	3,092,888	3,235,563
	Gratuity	2,689,349	3,543,780
	Electricity Bill	1,583,467	1,770,054
	Stationery and Office requisite	213,517	167,513
	Postage & Telegram	51,399	86,340
	Telephone & Fax	239,699	966,247
	Registration & Renewals	1,837,584	5,778,533
	Lease Rent & Municipal Taxes	1,972,392	3,280,033
	Conveyance	820,061	3,180,076
	Subscription	-	5,427,750
	Entertainment	171,765	865,311
	Paper and periodicals	-	59,333
	Audit Fees	559,459	575,000
	Legal & Consultancy Expenses	696,500	1,492,180
	AGM Expenses	304,500	333,514
	Office Maintenance	1,307,800	951,944
	Share Expenses	108,000	218,004
	Testing Fee	73,407	176,972
	Listing Fee	-	415,001
	Repairs and Maintenance- Vehicles	305,385	14,189
	Religion & Welfare	-	15,781
	Rent-A Car	-	1,028,535
	Office Rent	-	6,617,391
	Depreciation	38,671,021	5,261,214
		73,077,713	73,538,975
34.00	<u>Selling & Distribution Overhead :</u>		
	Salary and Wages	26,343,979	32,244,201
	Company's Contribution to PF	537,894	562,707
	Gratuity	3,137,574	3,018,776
	Advertisement- Sales	-	557,580
	Sales promotion	348,383	869,881
	Depreciation	46,544,653	15,305,349
		76,912,482	52,558,494



		Amount in Taka	
		30 June, 2025	30 June, 2024
35.00	<u>Finance Cost :</u>		
	Interest Expenses	1,221,042,154	376,853,997
36.00	<u>Finance income :</u>		
	Interest of STD	368,266	950,294
	Interest of FDR	1,938,057	1,428,796
37.00	<u>Income Tax Expenses :</u>		
	In completion with the requirements of para 79 of IAS-12:Income Tax, the major components of tax expenses are given below		
	a. Current Tax expenses :		
	Current tax expenses in respect of the current year	2,752,939	11,214,615
	b. Deferred tax income/expense :		
	Deferred tax income/(expense) recognized in the current year	(203,238,118)	189,834,441
	Total income tax expenses recognized in the current year(a+b)	(200,485,178)	201,049,057
37.01	Details of deferred tax liabilities/(Assets) :		
	Carrying amount on reporting date:		
	Property, Plant & Equipment	9,114,511,654	9,228,851,562
	Provision for Gratuity	(169,243,392)	(202,925,587)
	Tax base on reporting date :		
	Property, plant & equipment	(6,176,934,832)	(6,693,798,796)
	Profit before WPPF & Income Tax	(1,355,838,490)	(25,094,873)
	Taxable/(deductible)Temporary Difference	(7,532,773,321)	(6,718,893,669)
	Applicable Tax Rate	1,412,494,941	2,307,032,306
		22.50%	22.50%
		317,811,362	519,082,269
	Closing balance of deferred tax(Assets)/Liability	317,811,362	519,082,269
	Opening balance of deferred tax(Assets)/Liability	519,082,269	317,318,376
	Changes in deferred tax(Assets)/Liability	(201,270,907)	201,763,893
	Adjustment for deferred tax on revaluation surplus	(1,967,210)	(11,929,452)
	Deferred tax charged to profit or loss and other comprehensive income	(203,238,117)	189,834,441
37.02	Income Tax Reconciliation :		
	Profit before tax as per P/L Account	(1,355,838,490)	(25,094,873)
	Add: Accounting depreciation charged to accounts	189,368,164	255,468,085
	Add: Provision for gratuity	(1,166,470,326)	230,373,212
	Less: Depreciation as per IT rules	8,964,496	13,125,112
	Total Income	(1,157,505,829)	243,498,324
	Tax on Business Income (Minimum Tax)	591,892,220	1,061,699,914
	Net tax liability for the period ended 30 June 2024	(1,749,398,049)	(818,201,589)
	Deferred tax	2,752,939	11,214,615
	Total tax liability during the year	(203,238,117)	189,834,441
		(200,485,178)	201,049,057
38.00	<u>Earnings per share (EPS) :</u>		
38.01	<u>Basic Earnings per share (EPS) :</u>		
	Profit attributable to the Ordinary Shareholders	(1,155,353,311)	(226,143,929)
	Weighted average number of share outstanding	31,588,530	31,588,530
	Basic Earnings per share (EPS)	(36.58)	(7.16)

Amount in Taka	
30 June, 2025	30 June, 2024
(1,155,353,311)	(226,143,929)
31,588,530	31,588,530
(36.58)	(7.16)

38.02 Restated Earnings per share (EPS) :

Profit attributable to the Ordinary Shareholders
Weighted average number of share outstanding
Restated Earnings per share (EPS)

No diluted earnings per share required to calculate for the year as there was no scope for dilution of shares during the year under review.

38.03 The calculation of the basic earnings per share is made in accordance with IAS 33 (Earning per Share), dividing the profit for the year by weighting average number of the shares issued.

38.04 Basic Earnings This represents earnings for the year attributable to the ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

39.00 Statement of Cash Flows :

The cash flow statement shows the company's cash and cash equivalents changed during the year through inflows and outflows. Cash flows statement has been prepared as per IAS -7 using the Direct Method.

Net cash inflow from operating activities arrived after adjusting operating expenses and taxes paid during the year.

Net cash used in investing activities includes cash outflow for purchase of property, plant and equipment after adjusting sale proceeds.

Net cash inflow financing activities mainly resulted from repayment of long term loan as well as received from short term loan.

39.01 Cash receipts from customers :

Gross cash received from customers arrived at after adjusting accounts receivables

Opening trade receivables	761,887,780	373,744,472
Opening Advance received against sales	(67,153,591)	(135,703,455)
Sales during the period	313,711,897	2,149,467,948
Closing trade receivable	(761,116,232)	(761,887,780)
Closing Advance received against sales	66,811,125	67,153,591
	314,140,979	1,692,774,777

39.02 Cash payment to suppliers, employees and others :

Cash paid to suppliers arrived at after adjusting cost of raw materials and consumption cost of spares parts consumed with creditors for trade supplies, non-cash items and creditors for revenue expenses. Employee remuneration includes all types of benefits paid and provided both in cash and kind other than the re-imbursement of expenses incurred for the Company's business.

The mark up of:

Purchase of raw and packing material during the year	79,881,372	1,183,234,485
General administrative expenses	73,077,713	73,538,975
Selling and distribution expenses	76,912,482	52,558,494
Factory overhead	138,879,941	435,359,097
WPPF paid	-	16,777,189
(Increase)/decreases trade payables	261,356,312	923,719,847
(Increase)/decreases liability for expenses	84,082,650	557,346,502
Increase/(decreases) advance deposited & prepayments	(282,272,600)	(775,313,827)
Increase/(decreases) store and spares	(15,743,940)	476,574,397
Adjustment for non- cash items		
Depreciation	(189,368,164)	(250,998,493)
Provision for Labour Welfare foundation	-	-
Adj. of interest and depreciation on lease liability for derecognition of ROUA	-	(10,483,713)
Gratuity provision	(8,964,496)	(13,125,112)
	217,841,269	2,669,187,839



		Amount in Taka	
		30 June, 2025	30 June, 2024
39.03	Income Tax Paid :		
	During the year the Company paid Tk. 36,69,626 as advance income tax.		
40.00	Net Asset Value Per Share (NAVPS) :		
	Total Assets	14,234,533,710	14,796,594,612
	Less: Total Liabilities	14,288,211,489	13,607,451,870
	Net Asset Value (NAV)	(53,677,779)	1,189,142,741
	Number of ordinary shares outstanding (Denominator)	31,588,530	31,588,530
	Net Asset Value (NAV) Per Share (reported)	(1.70)	37.64
41.00	Net Operating Cash Flows Per Share (NOCFPS) :		
	Net Operating Cash Flows	13,871,737	(1,233,775,095)
	Number of ordinary shares outstanding (Denominator)	31,588,530	31,588,530
	Net Operating Cash Flows per share	0.44	-39.06
42.00	Cash Flows from Operating Activities (Indirect Method) :		
	Profit for the Year	(1,155,353,311)	(226,143,929)
	Adjustment for		
	Income Tax expenses recognized in the profit and loss	(200,485,178)	201,049,057
	Finance cost recognized in the profit and loss	1,221,042,154	376,853,997
	Adj. of interest and depreciation on lease liability for derecognition of ROUA	-	10,483,713
	Depreciation of non-current assets	189,368,164	250,998,493
		54,571,828	613,241,331
	Movements in Working Capital		
	(Increase)/decrease in inventories	59,389,009	(642,028,913)
	(Increase)/decrease in Trade and other receivable	771,548	(388,143,308)
	(Increase)/decrease in Advance, deposit and prepayment	282,272,600	775,313,827
	Increase/(decrease) in Trade payables	(261,356,312)	(923,719,847)
	Increase/(decrease) in other liabilities	(118,107,311)	(644,421,335)
	Cash generated from operation	(37,030,466)	(1,822,999,575)
	AIT Refund	-	-
	Income Tax paid	(3,669,626)	(24,016,851)
		13,871,735	(1,233,775,095)
43.00	Directors Responsibility on Statement :		
	The Board of Directors takes the responsibility for the preparation and presentation of these financial statements.		
44.00	Receivable from Directors :		
	No amount is lying as receivable from the Directors.		
45.00	Status of Tax Assessment of MCMPLC :		
	The company has filled the return for Tax assessment for tax assessment year 2024-2025.		

46.00 Commission, Brokerage or Discount :

No brokerage and discount against sales was paid during the year.

47.00 Payment made in Foreign Currency :

No expenses including Royalty, Technical Experts & Professional Advisory Fees and Interest etc. were incurred or paid in foreign currencies during the financial year.

48.00 Finance Lease Commitment :

As at 30-06-2025, there was no lease commitment under finance lease.

49.00 Claim not Acknowledged as debt :

There was no claim against the company acknowledged as debt as on 30 June, 2025.

50.00 Related Party Transactions :

During the year ended June 30, 2025 the Company entered into transactions with related party in the normal course of business. All these transactions took place in an arm length basis. Name of the related parties, nature of these transactions and amount thereof been set out below in accordance with the provisions of IAS 24: Related party disclosure.

50.01 Transactions with Related Parties :

Name of related party	Nature of transaction	Transaction during the year		Outstanding as on June 30, 2025	Outstanding as on June 30, 2024
		Received	Payment		
Bashundhara Industrial Complex Ltd.	Long Term Loan	-	5,985,300	(502,334,724)	(508,320,024)
Bashundhara Infrastructure Development Ltd.	Long Term Loan	-	-	11,200,000	11,200,000
East West property Dev, (pvt.) Ltd	Long Term Loan	-	13,913,914	(637,542,587)	(651,456,501)
Bashundhara Paper Mills Ltd.	Long Term Loan	(247,900,000)	-	(299,720,680)	(51,820,680)
The Daily Bangladesh Pratidin	Long Term Loan	-	-	1,000,000	1,000,000

51.00 Payment /Perquisites to Directors and Officers :

The aggregate amount paid/provided during the year in respect of "Directors" and "Officers" of the company as defined in the Securities and Exchange rules 1987 are disclosed below:

Particulars				30-06-2025	30-06-2024
Directors Remuneration				-	9,000,000
Managerial Remuneration				-	-
Managerial Benefits:					
Bonus				-	-
House Rent				-	-
Conveyance				-	-

(a) no compensation was made to the Managing Director of the company.

(b) no amount was spent by the company for compensating any member of the Board of Directors except as stated in (35) above.

52.00 Key Management Personnel Compensation :

The Board of Directors' is directly and indirectly responsible for directing and controlling the business of the company. None of the Directors takes any benefit from the Company as remuneration nor they take any board meeting attendance fee. Therefore, disclosure on this matter was not primarily essential for us. However, we will provide necessary disclosures in future if they decide to enjoy any kind of benefit from the company against their contributions or services to the company.



53.00 Attendance Status of Board Meeting of Directors :

During the year ended 30 June, 2025 total Eight Board Meetings were held. The attendance status of all the meetings is as follows:

SL No.	Name of the Directors	Designation	Meeting held	Attendance
1	Mrs. Afroza Begum	Chairman (W. e. from 28.12.202	8	8
2	Mr. Ahmed Akbar Sobhan	Managing Director (W. e. from 28.12.2023)	8	8
3	Mr. Md. Imrul Hassan	Director (Resigned on 08.10.2023 as Director (Matter pending due to NOC from the Banks)	8	6
4	Mr. Sadat Sobhan	Director (Resigned on 08.10.2023 as Director (Matter pending due to NOC from the Banks)	8	0
5	Mr. Shafiat Sobhan	Director (Resigned on 08.10.2023 as Director (Matter pending due to NOC from the Banks)	8	0
6	Mr. Sayem Sobhan	Director (Resigned on 08.10.2023 as Director (Matter pending due to NOC from the Banks)	8	0
7	Mr. Safwan Sobhan	Director (Resigned on 09.10.2023 as Director (Matter pending due to NOC from the Banks)	8	0
8	Mr. Md. Nurul Karim	Independent Director (W. e. from 28.12.2023)	8	8

4.00 Audit Fees :

Auditors' remuneration comprises annual audit fees only.

55.00 Un-availed Credit Facilities :

There are no credit facilities available to the Company under any contract (other than credit available in ordinary course of business) at the Statement of Financial Position date.

56.00 Contingent Liabilities :

There is no contingent liabilities of the Company during the year.

57.00 Board Meeting Fees :

No board meeting attendance fees has been given to the Board of Directors.

58.00 Subsequent Disclosure of Events after the Balance Sheet Date- Under IAS 10 :

i Financial Statements authorised for Issue:

The financial statements were authorized for issue on 28th October 2025 by the Board of Directors who had the power to amend the financial statements after issue. There is no other significant event that has occurred between the Financial Position date and the date when the financial statements were authorized for issue by the Board of Directors of the company.

ii Reschedule of Classified Loan:

On 29 September 2025, the Company submitted a ten-year feasibility study to its bankers as part of its turnaround plan. The feasibility study projects an average turnover of BDT 21,250 million over the ten-year period and an average debt-service-coverage-ratio of 1.35, and proposes rescheduling all classified loans (both funded and non-funded facilities) so that repayment terms align with the projected cash flows. The bankers are currently reviewing the feasibility study and have indicated that they are favourably disposed towards regularising and rescheduling the Company's classified loans.

Although the rescheduling request relates to arrangements made after the end of the reporting period, the Company considers the event to be a non-adjusting event because the underlying conditions (i.e., the classification of the loans as at 30 June 2025) were in existence at the reporting date, but the rescheduling agreement has not yet been finalised by the date of authorisation of these financial statements. Accordingly, no adjustment has been made to the carrying amounts of the loans as at 30 June 2025

The nature of the event and its potential financial effect are described below:

Nature of the event: Submission of a formal feasibility report and a request to reschedule and regularise all classified loans with the bankers, reflecting a longer term business turnaround plan.

Estimated financial effect: At the date of authorisation of these financial statements, the Company is unable to reliably estimate the precise quantum of the impact of the rescheduling arrangement (including changes in payment terms, interest rates, waivers or other concessions) or timing of recognition. As such, no adjustment has been made to the balances of the classified loans on the statement of financial position. The Company will provide appropriate recognition or further disclosure in future reporting periods when the outcome of the negotiations with the bankers becomes sufficiently certain.

59.00 Internal Control :

The following steps have been taken for implementation of an effective internal control procedure of the company:

- a. A strong internal control and compliance division has been formed with a view to establish a well designated system of internal control;
- b. Regular review of internal audit reports with a view to implement the suggestion of internal auditors in respect of internal control technique;
- c. To establish an effective management system that includes planning, organizing and supervising culture in the factory as well as at head office.

60.00 Events After Reporting Period :

60.01 Declaration of dividend and date of Annual General Meeting (AGM)

Meeting of the Board of Directors of Meghna Cement Mills Limited was held on October 28, 2025 from 4.45PM to 5.50 PM. Following decision was unanimously taken in the said meeting:

Particulars	Decision of the Board
Recommendation of Dividend for the Financial Year 2024-2025	No Dividend
Date of 33rd AGM	22-Dec-25
Record Date	20-Nov-25
Venue of AGM	Digital Platform

61.00 Segment Reporting :

The Company is domiciled in Bangladesh. The gross revenue from Cement is BDT 275 million (2025); BDT 1869 million(2024). The Company does not have any non current assets that are located outside Bangladesh

The Company is a primarily engaged in the manufacturing and sale of Cement in Bangladesh and this forms the focus of the Company's internal reporting system. While the Company has clearly differentiated brands, segmentation within a wide portfolio of brands is not part of the regular internally reported financial information to the chief operating decision maker. Therefore, it is not possible to segment the Company's results by brand without a high degree of estimation.

As there is single business and geographic segment within the company operates as such no segment reporting is felt necessary.

62.00 Cash Dividend Paid to the Shareholder :

During the year under review no dividend has been paid to the Shareholders.



63.00 Stock Dividend Paid to the Shareholder :

During the year under review no shares has been transferred to the respective shareholders BO account through CDBL who were the owner of shares at record date.

64.00 Dividend paid to the Capital Market Stabilization (CMS) Fund:

The unclaimed/unsettled cash dividend for the year from 2018-2019 & 2019-2020 has been deposited to the Capital Market Stabilization (CMS) Fund as instructed by the Bangladesh Securities and Exchange Commission. Summary of unclaimed/unsettled cash dividend deposited to CMS Fund is as under:

Year	Amount in Tk.
2018-2019	395,080
2019-2020	211,218
Total	606,298

65.00 Financial Risk Management :

International Financial Reporting Standard (IFRS) 7- Financial instruments: Disclosures - requires disclosure of information relating to: both recognized and unrecognized financial instruments, their significance and performance, accounting policies, terms and conditions, net fair values and risk information- the Company's policies for controlling risks and exposures.

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 analyze 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. This note presents information about the company's exposure to each of the following risks, the company's objectives, policies and processes for measuring and managing risk, and its management of capital. The company has exposure to the following risks from its use of financial instruments.

- a) Credit Risk
- b) Liquidity Risk
- c) Market Risk

65.01 Credit Risk :

Credit risk is the risk of a financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from institutional and export customers etc. 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, ageing profile etc. Accounts receivable are related to sale of generic pharmaceuticals products, basic chemical products, animal health products and pesticide products. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

(a) Exposure of Credit Risk

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

Particulars	30-06-2025	30-06-2024
Trade & Other Receivables	761,116,232	761,887,780
Advances, Deposits and Prepayments	1,370,967,281	1,653,239,881
Cash and Bank Balances	39,569,978	148,527,441
Total	2,171,653,491	2,563,655,103

(b) Ageing of Receivables

Particulars	30-06-2025	30-06-2024
Dues within 3 months	83,722,786	281,898,479
Dues over 3 months but within 6 months	38,055,812	83,807,656
Dues over 6 months	639,337,635	396,181,646
Total	761,116,232	761,887,780

(C) Cash and Bank balances :

Cash in hand	609,895	2,428,053
Cash at bank	38,960,083	146,099,388
Total	39,569,978	148,527,441

Bank & Branch Name	Account No.	Balance as on 30-06-2025	Balance as on 30-06-2024
1. Agrani Bank Ltd. Motijheel Branch, Dhaka	C/D0200005927961	27,749	6,257,323
2. Arab Bangladesh Bank Ltd. Pragati Sarani Branch	C/D-4028-153842-000	2,438	471,503
3. Bank Asia Ltd. Bashundhara Branch, Dhaka	C/D-02333000405	917,592	2,025,730
4. Bank Asia Ltd. P.O Motijheel, Dhaka	C/D-000333001979	192,037	141,672
5. Basic Bank Limited Bashundhara Branch, Dhaka	C/D-4910-01-0000631	39,019	1,098,379
6. Dutch-Bangla Bank Ltd. Bashundhara Branch	C/D-0147110000002762	440,415	1,290,546
7. Dhaka Bank Limited Banani Branch, Dhaka	C/D-206-100-24257	172,041	40,123
8. Farmers Bank Limited Gulshan Corporate Branch, Dhaka	C/D-0111100087448	-	7,195
9. First security Islami Bank Ltd. Banani Br.	C/D-02744	2,082,639	2,086,329
10. Southeast Bank Ltd Principal Branch, Dhaka	0002-24500280880	385,465	374,479
11. Islami Bank BD Ltd. Head office Complex Br. Dhaka	C/D-205021301000888211	38,055	38,745
12. Islami Bank BD Ltd. Baridhara Branch, Dhaka	C/D-20503420100011301	712,464	4,829,152
13. Janata Bank, Janata Bhaban Corporate Branch.	C / D - 0 0 1 0 0 3 8 5 7 - 0 1-999312	247,123	304,798
14. Janata Bank Ltd. Mongla Port compound Br.	C/D-217-01-21003128	357,273	197,867
15. Janata Bank Ltd. Mongla Port compound Br.	C/D-284-01-21003578	210,785	277,790
16. Janata Bank Ltd. Helatola Road Br. Khulna	C/D-3501-01-30078157	-	662
17. Janata Bank Ltd. Helatola Road Br. Khulna	C/D-3621-0130231095	-	159
18. Janata Bank Ltd. Nawapara Branch, Jessore	C/D-1893	18,740	19,430
19. Mercantile Bank Ltd. Main Branch, Dhaka	C/D-01011100082891	48,631	50,241
20. Premier Bank Ltd. Banani Branch	C/D -010411100083007	53,583	55,000
21. Mutual Trust Bank Limited Bashundhara Branch	C/D-0210000128	919,022	529,898
22. National Bank Ltd. Pragati Sarani Branch	C/D-0098-33004449	7,182	8,171,002
23. National Bank Ltd. Dilkusha Branch, Dhaka	C/D-1999001966409	421,129	421,969



24. NCC Bank Ltd. Bashundhara Branch, Dhaka	C/D-0096-0210001000	187,589	65,855
25. Southeast Bank Limited Principal Branch, Dhaka	C/D-11100011541	59,933	348,059
26. Southeast Bank Ltd. Bashundhara Branch	C/D-11100000317	564,505	616,552
Bank & Branch Name	Account No.	Balance as on 30-06-2025	Balance as on 30-06-2024
27. Social Islami Bank Limited Principal Branch, Dhaka	C/D-13300007622	622,446	623,636
28. Social Islami Bank Limited Foreign Ex. Branch, Dhaka	C/D-13300000923	39,418	40,108
29. Social Islami Bank Limited Bashundhara Branch.	C/D-1330000226	40,444	5,903,849
30. Standard Bank Ltd. Monshikhula Branch	C/D-33002183	4,397	721,577
31. Standard Bank Ltd. Principal Branch, Dhaka	C/D-00233011404	34,116	34,806
32. Shahjalal Islami Bank Ltd. Gulshan Branch, Dhaka	C/D-11100004821	91,552	92,587
33. Sonali Bank Limited Mongla Port Branch.	C/D-29140020000115	-	28,945
34. Trust Bank Ltd. Sena Kalyan Bhaban Branch, Dhaka	C/D-0210002402	76,795	77,485
35. United Commercial Bank Ltd. Bashundhara Branch, Dhaka	C/D-0991101000000251	35,387	1,127,125
36. United Commercial Bank Ltd. Gulshan Branch, Dhaka	C/D-0541101000003457	803,932	20,465,295
37. Janata Bank Ltd. Jamuna Future Park, Dhaka	C/D-0100212988795	1,589,957	1,605,477
38. UNION Bank Ltd. Gulshan Branch, Dhaka	C/D-00001263	32,900	33,590
39. Bank Asia Ltd. Bashundhara Branch, Dhaka	STD-02336000048	9,536	10,847
40. Bank Asia Ltd. Bashundhara Branch, Dhaka	STD-02336000133	309,614	50,000
41. Bank Asia Limited SND-02336000164 Bashundhara Branch, Dhaka.		179,725	178,763
42. Dhaka Bank Limited Banani Branch, Dhaka	SND-206-150-2447	284,014	286,010
43. IFIC Bank Ltd Dhanmondi Branch, Dhaka	STD-1006-134531-041	10	10
44. Islami Bank BD Ltd. Baridhara Branch, Dhaka	SND-20534209-3613	151,176	149,215
45. Janata Bank, Janata Bhaban		717,685	2,073,765
Corporate Branch, Dhaka	STD-004000664-01-1016444		
46. Pubali Bank Limited Kuril Bishaw Road Branch, Dhaka	SND-3937102000107	44,738	14,560,933
47. United Commercial Bank Ltd. Bashundhara Branch, Dhaka	STD-00991320000141	84,732	4,088,775
48. United Commercial Bank Ltd. Gulshan Branch, Dhaka	STD-054130100000327	449,794	40,229,827
49. Trust Bank Ltd. Sena Kalyan		23,068,172	21,618,138

Bhaban Branch,Dhaka	580313604			
50. Rec-Merchant Pocket Wallet	1100--01708466692	2,318		242,445
51. Main-Bank Asia-SND-Bashundhara	2336000169	131,861		141,992
52. Southeast Bank Limited		2,049,958		1,993,734
Principal Branch, Dhaka.		-		
		38,960,083		146,099,388

65.02 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 (Cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or jeopardizing to the company's reputation. Typically, the company ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, based on time line of payment of financial obligations and accordingly arrange for sufficient liquidity/fund to make the expected payments within due dates. Moreover, the company seeks to maintain short term lines of credit with scheduled commercial banks to ensure payment of obligation in the event that there is insufficient cash to make the required payment. The requirement is determined in advance through cash flow projections and credit lines with banks are negotiated accordingly. The following are the contractual maturities of financial liabilities:

Category of Liabilities	Year	Carrying Amount Taka	Contractual Cash Flow Taka	Cash Flow Within 0-12 Months Taka
Short Term Bank Borrowings	30.06.25	3,879,601,662	3,879,601,662	-
Trade Payables	30.06.25	128,279,411	128,279,411	-
Payable for Other Expenses	30.06.25	47,643,197	47,643,197	-
Bank overdraft	30.06.25	205,248,448	205,248,448	-
Long Term Borrowings	30.06.25	8,629,992,866	485,854,109	-
Total		12,890,765,584	4,746,626,828	8,144,138,757

65.03 Market Risk :

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

(a) Currency Risk

The company is exposed to currency risk on sales, purchase that are denominated in a currency other than the respective functional currencies of the entities, primarily the BDT Tk. but also USD. The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to Company's operating activities with the foreign suppliers.

(i) Foreign exchange rate sensitivity analysis for foreign currency expenditures:

A strengthening or weakening of the Taka, as indicated below, against the USD at 30 June 2025 would have increased/(decreased) equity and profit or loss. This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the reporting date. The analysis assumes that all other variables, in particular interest rates, remain constant.

(b) Interest Rate Risk

The risk is that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest Rate Sensitivity

A +/- 1% change in short-term interest rates calculated on the financial assets and financial liabilities, would have a maximum impact on the company's 2025 profit before tax of +/- taka 2,63,317 (Taka 8,57,564 for 2024) in thousands and taka 12,99,54,486 (Taka 11,82,22,074 for 2024) in thousands respectively.



	Amount in Taka	
	30 June, 2025	30 June, 2024
Interest bearing financial instruments of the company at reporting date are as follows-		
Financial Assets		
Short Term Deposits	26,331,681	85,756,487
	<hr/> 26,331,681	<hr/> 85,756,487
Financial Liabilities		
Long Term Borrowings	9,115,846,975	7,579,775,566
Short Term Borrowings	3,879,601,662	4,242,431,860
	<hr/> 12,995,448,637	<hr/> 11,822,207,426

c) Other Price risk

Equity price risk arises from available-for-sale equity securities held for meeting partially the unfunded portion of the Company's defined benefit pension obligations as well as investments at fair value through profit and loss (other than those arising from interest rate risk and currency risk). The Company is not exposed to any equity price risk, as the Company does not have any investment in equity shares and also to commodity price risk.

66.00 Disclosure as per requirement of Schedule XI, Part II of the Companies Act, 1994:

A. Disclosure as per requirement of Schedule XI, Part II, Note 5 of Para 3:

Employee position of the company as at 30 June, 2025:

For the year ended June 30, 2025	Officer & Staff	Worker	Total Employees
	Factory & Head Office		
Below Tk. 3,000/-	-	-	-
Above Tk. 3,000/-	83	187	270
Total	83	187	270

The company has complied with the Minimum Wages Gazette Notification: SRO No. 39/Law/2017 dated 23 February, 2017 and there are no employees to receive below minimum wages during the reporting year.

B. Disclosure as per requirement of Schedule XI, Part II, Para 4:

Name of Directors	Designation	Salary	Festival Bonus	Total Payment
Mrs. Afroza Begum	Chairman	-	-	-
Mr. Ahmed Akbar Sobhan	Managing Director	-	-	-
Mr. Md. Imrul Hassan	Director	-	-	-
Mr. Sadat Sobhan	Director	-	-	-
Mr. Shafiat Sobhan	Director	-	-	-
Mr. Sayem Sobhan	Director	-	-	-
Mr. Safwan Sobhan	Director	-	-	-
Mr. Md. Nurul Karim	Independent Director	-	-	-
Total		-	-	-

Period of payment to Directors is from 01 July, 2024 to 30 June, 2025.

The above Directors of the company did not take any benefit from the company and the follows:

- a. Expenses reimbursed to the managing agent - Nil
- b. Commission or other remuneration payable separately to a managing agent or his associate -Nil
- c. Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into such concerns with the company-Nil
- d. The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year-Nil
- e. Any other perquisites or benefits in cash or in kind stating-Nil

f. Other allowances and commission including guarantee commission-Nil
Pensions, etc.-

1) Pensions-Nil

2) Gratuities :

Gratuity Payment

3) Payment from Provident Fund :

Company's Contribution to PF

4) Compensation for loss of office-Nil

5) Consideration in connection with retirement from office-Nil

Amount in Taka	
30 June, 2025	30 June, 2024
6,111,103	14,872,893
4,482,447	4,689,222

C. Disclosure as per requirement of Schedule XI, Part II, Para 7:

Details of production capacity utilization:

Particulars	License Capacity (In MT)	Installed Capacity (In MT)	Actual Production (In MT)	Capacity Utilization	Name of Product
Annual production capacity in MT	Not mentioned in License	3,420,000	24,929	0.73%	Cement

Details of revenue from finished goods:

Revenue consists of Cement. The summarized quantities are as under:

Particulars	Opening Balance (In MT)	Production (In MT)	Sales (In MT)	Closing Balance (In MT)
Cement	3,618	24,929	25,613	2,934
Total	3,618	24,929	25,613	2,934

D. Disclosure as per requirement of Schedule XI, Part II, Para 8:

Raw materials, spare parts, packing materials and capital machinery:

Items	Opening Balance	Total Purchase	Consumption	Closing Balance	% of Consumption of Total Purchase
Raw materials (In Tk.)	417,342,788	76,070,672	89,301,492	404,111,968	117.39%
Raw materials (In MT.)	93,112	18,670	21,812	89,970	
Total Raw materials (In Tk.)	548,437,917	79,881,372	98,340,509	529,978,780	
Total Raw materials (In MT.)	93,112	18,670	21,812	89,970	



Value of export and Domestic Sales :

Particulars	In foreign currencies (US\$)		In BDT
Export	-		19,174,070.00
Domestic Sales	-		133,951,009.00
Total	-		153,125,079.00

i) The company has not incurred any expenditure in foreign currencies for the period from 01 July, 2024 to 30 June, 2025 on account of royalty, know-how, professional fees, consultancy fees and interest;

ii) The company has not earned any foreign exchanges for royalty, know-how, professional fees, consultancy fees and interest;

E. Disclosure as per requirement of Schedule XI, Part II, Para 3:

Requirements under Condition No.	Compliance status of disclosure of Schedule XI, Part II, Para 3
3(i)(a) The turnover	Complied
3(i)(b) Commission paid to the selling agent	Not Applicable
3(i)(c) Brokerage and discount on sales, other than the usual trade discount	Not Applicable
3(i)(d)(i) The value of the raw materials consumed, giving item wise as possible	Complied
3(i)(d)(ii) The opening and closing stocks of goods produced	Complied
3(i)(e) In the case of trading companies, the purchase made and the opening and closing stocks	Complied
3(i)(f) In the case of companies rendering or supplying services, the gross income derived from services rendered or supplied	Complied
3(i)(g) Opening and closing stocks, purchases and sales and consumption of raw materials with value and quantity break-up for the company, which falls under one or more categories i.e. manufacturing and/or trading	Complied
3(i)(h) In the case of other companies, the gross income derived under different heads	Not Applicable
3(i)(i) Work-in-progress, which have been completed at the commencement and at the end of the accounting period	Complied
3(i)(j) Provision for depreciation, renewals or diminution in value of fixed assets	Complied
3(i)(k) Interest on the debenture paid or payable to the Managing Director, Managing Agent and Manager	Not Applicable
3(i)(l) Charge of income tax and other taxation on profits	Complied
3(i)(m) Revised for repayment of share capital and repayment of loans	Complied
3(i)(n)(i) Amount set aside or proposed to be set aside, to reserve, but not including provisions made to meet any specific liability, contingency or commitment, known to exist at the date as at which the balance sheet is made up	Not Applicable
3(i)(n)(ii) Amount withdrawn from above mentioned reserve	Not Applicable
3(i)(o)(i) Amount set aside to provisions made for meeting specific liabilities, contingencies of commitments	Not Applicable

3(i)(o)(ii) Amount withdrawn from above mentioned provisions, as no longer required	Not Applicable
3(i)(p) Expenditure incurred on each of the following items, separately for each item: (i) Consumption of stores and spare parts (ii) Power and Fuel (iii) Rent (iv) Repairs of Buildings (v) Repairs of Machinery (vi) (1) Salaries, wages and bonus (2) Contribution to provident and other funds (3) Workmen and staff welfare expenses to the extent not adjusted from any previous provision or reserve.	Complied

F. Disclosure of Advances, Deposits and Pre-payments of Schedule XI of the Companies Act, 1994:

The details break-up of Advances, Deposits and Pre-payments as per requirement of Schedule XI of the Companies Act, 1994 as stated below:

Particulars	30-06-2025	30-06-2024
Advances, Deposits and Pre-payments exceeding 6 months	623,545,700	623,535,700
Advances, Deposits and Pre-payments not exceeding 6 months	747,421,581	1,029,704,182
Other Advances, Deposits & Pre-payments less provision	Nil	Nil
Advances, Deposits and Pre-payments considered good and secured	Nil	Nil
Advances, Deposits and Pre-payments considered goods without security	1,370,967,281	1,653,239,881
Advances, Deposits and Pre-payments considered doubtful or bad	Nil	Nil
Advances, Deposits and Pre-payments due by Directors	Nil	Nil
Advances, Deposits and Pre-payments due by other officers (against salary)	49,329	70,929
Advances, Deposits and Pre-payments due from companies under same management	-	-
Maximum Advances, Deposits & Pre-payments due by Directors	Nil	Nil
Maximum Advances, Deposits & Pre-payments due by Officers at any time	Nil	Nil

These financial statements should be read in conjunction with the annexed notes and were approved by the Board of Directors on 28 October, 2025 and will be signed on its behalf by :


Company Secretary


Chief Financial Officer


Director


Chairman / Managing Director



MEGHNA CEMENT MILLS PLC.
SCHEDULE OF PROPERTY, PLANT & EQUIPMENT
as at 30 June, 2025

a) Based on Cost

i) Own Assets

Sl. No	PARTICULARS	Cost		Rate of Dep(%)	Balance as on 01.07.2024	Charged during the year	Adjustment/ Disposal	Depreciation	Accumulated Dep. on 30.06.2025	Written down Value As on 30.06.2025
		1	2							
01.	Leasehold Land	17,643,565	-	17,643,565	-	-	-	-	-	17,643,565
02.	Freehold Land	23,521,494	-	23,521,494	-	-	-	-	-	23,521,494
03.	Building & other construction	5,079,840,988	-	5,079,840,988	5	299,664,138	70,548,953	-	370,213,091	4,709,627,897
04.	Plant & Machinery	3,435,130,998	73,059,216	3,508,190,214	4-18.67	922,962,480	56,408,991	-	979,371,471	2,528,818,743
05.	Furniture and Fixture	19,907,153	-	19,907,153	10	19,538,969	132,366	-	19,671,335	235,818
06.	Office Equipment	43,892,160	1,969,040	45,861,200	22.79	41,478,207	785,560	-	42,263,768	3,597,433
07.	Motor Vehicles	127,073,690	-	127,073,690	20	78,286,453	8,785,714	-	87,072,167	40,001,523
08.	Vessels	2,009,001,687	-	2,009,001,687	5	185,949,873	47,914,028	-	233,863,901	1,775,137,787
09.	Factory Apparatus & Equipment	4,497,677	-	4,497,677	32.25	4,168,581	90,451	-	4,259,032	238,645
10.	Sundry Assets	26,288,957	-	26,288,957	11.6	12,541,072	1,090,095	-	13,631,167	12,657,790
Total Taka:		10,786,798,371	75,028,257		10,861,826,627	1,564,589,773	185,756,159		1,750,345,932	9,111,480,694

ii) Leased Assets

01.	Vehicle	150,867,391	-	150,867,391	10	149,947,719	298,878	-	150,246,597	620,795	
	Total Taka:	150,867,391		150,867,391		149,947,719	298,878		150,246,597	620,795	
	Total Taka:(i+ii)	10,937,665,762	75,028,257		11,012,694,018		1,714,537,492	186,055,037		1,900,592,528	9,112,101,489

SCHEDULE OF PROPERTY, PLANT & EQUIPMENT

as at 30 June, 2025

b) Revaluation

Sl. No	Particulars	Cost			Rate of Dep(%)	Balance as on 01.07.2024	Charged during the year	Adjustment/ Disposal	Depreciation	Accumulated Dep. on 30.06.2025	Written down Value As on 30.06.2025
		1	2	3							
01.	Leasehold Land.	6,131,435	-	-	6,131,435	-	-	-	-	-	6,131,435
02.	Building & other Construction	61,600,426	-	-	61,600,426	2-6.67	24,663,070	1,155,114	-	-	35,782,243
03.	Plant & Machinery	164,121,362	-	-	164,121,362	4-18.67	154,170,367	2,158,013	-	-	25,818,184
04.	Furniture and Fixture	1,666,583	-	-	1,666,583	10	1,666,583	-	-	-	156,328,380
05.	Office Equipment	-	-	-	-	22.79	-	-	-	-	1,666,583
06.	Motor Vehicles	-	-	-	-	20	-	-	-	-	-
07.	Factory Apparatus & Equipment	1,007,221	-	-	1,007,221	32.25	1,007,221	-	-	-	1,007,221
08.	Sundry Assets	-	-	-	-	11.6	-	-	-	-	-
	Total Taka:	234,527,027	-	-	234,527,027	181,507,240	3,313,127	-	184,820,368	49,706,660	9,161,808,148
	Total Taka:(a+b)	11,172,192,789	75,028,257	-	11,247,221,045	1,896,044,732	189,368,164	-	2,085,412,896	9,161,808,148	

c) Intangible assets

01.	Software SAP ECC6.0	14,838,700		14,838,700	10	14,838,700			14,838,700		-
	Total Taka:	14,838,700	-	14,838,700	-	14,838,700	-	-	14,838,700	-	
	Total Balance as on 30-6-25	11,187,031,489	75,028,257	-	11,262,059,745		1,910,883,432	189,368,164	-	2,100,251,596	9,161,808,148
	Balance as on 30-06-24	11,359,437,070	3,931,542	176,337,124	11,187,031,488		1,817,786,237	255,468,085	162,370,889	1,910,883,432	9,276,148,056

Allocation of Depreciation:

Cost of Goods Sold

Selling & Distribution Overhead

Administrative Overhead

6/30/2025

104,152,490

46,544,653

38,671,021

189,368,164





**KING BRAND
CEMENT**

CARE FOR YOUR SHELTER



Everyone dreams for better future with the safest shelter. **KING BRAND CEMENT** is the true friend of building a dream with shelter.

CORPORATE SOCIAL RESPONSIBILITY





CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) continues to serve as an integral platform through which corporate entities contribute meaningfully to the welfare of their communities. In an increasingly dynamic global environment, MCMPlc remains committed to fostering sustainable development through responsible business practices. The Company places strong emphasis on developing its intangible assets—including human capital and community relationships—which play a significant role in creating long-term corporate value. Our overarching objective is to deliver maximum satisfaction to the people we serve, thereby contributing to the broader economic advancement of Bangladesh. Meaningful progress also requires a stable socio-political environment, which is essential for sustainable growth.

Competition is an inherent aspect of modern business, and organizational strength is largely determined by its people—its most valuable intangible asset. Corporate institutions must adopt effective management policies and cultivate a culture that nurtures talent, builds capacity, and promotes innovation. In doing so, organizations enhance their resilience and ability to contribute to national economic development. MCMPlc continues to strengthen its workforce and operational capabilities to grow stronger, more efficient, and more responsive to the needs of the communities it serves.

Bangladesh remains one of the most densely populated countries in the world, where significant progress is still required in improving living standards, communication systems, industrial capacity, and agricultural productivity. Employment opportunities, though expanding, have not kept pace with population growth. Bashundhara Group—one of the country's largest and most diversified conglomerates—has long played a vital role in generating employment for the younger generation through sustained industrialization. As the Group's first manufacturing enterprise, MCMPlc remains aligned with its core objectives: delivering quality products and ensuring excellence in customer service. The Company produces various categories of cement based on market demand and maintains strict standardization using modern laboratory and testing equipment to ensure superior quality.

Since its inception, MCMPlc has contributed to national economic development through effective utilization of human resources, responsible sourcing of raw materials, production of high-quality cement at competitive prices, and the creation of substantial employment opportunities. We continue to allocate our financial resources prudently and invest in areas that offer sustainable growth and long-term value creation. The Company remains committed to enhancing its operational performance while strengthening its contribution to socio-economic progress across the country.

As part of its long-standing social commitments, MCMPlc has been operating and supporting a Madrasah-cum-School near its factory premises, where more than 250 underprivileged students from Apa Bari, Digraj, Mongla, and Bagerhat are receiving education. During periods of natural disasters, the Company has extended timely support to affected communities by providing warm clothing, medicines, dry food items, saline-water removal kits, and other financial assistance. On significant national occasions—including Victory Day, International Mother Language Day, Independence Day, and May Day—MCMPlc has donated sewing machines and provided financial support to freedom fighters and others in need through respective Thana and District authorities. The Company has also contributed cement and monetary support for the construction and renovation of various mosques, schools, mandirs, and madrasahs.

PROCEEDINGS OF 32ND AGM OF MCMPLC

Proceedings of the 32nd Annual General Meeting of Meghna Cement Mills Plc held on Monday, 23 December, 2024 at 11:00 A.M (BST) by using digital platform through the link <https://meghnacement.bdvirtualagm.com>

The 32nd Annual General Meeting of Meghna Cement Mills Plc was held on Monday, 23 December, 2024 at 11.00 A.M (BST) by using the Digital Platform through the link: "<https://meghnacement.bdvirtualagm.com>" conducted from the Meeting Room of the Company at Bashundhara Industrial Headquarters (BIHQ), Tower #1 (5th Floor), Plot #844, Road #12, Block # I, Bashundhara R/A, Dhaka-1229.

1. The following Members of the Board of Directors and 94 nos. of Members/ Shareholders (List of shareholders present attached in Annexure-1) of Meghna Cement Mills Plc were connected through digital platform in the 32nd Annual General Meeting:

Sl.	Name of Directors	Position in the Company	Signature
1.	Mr. Maynal Hossain Chowdhury	Director	Sd/-
2.	Mr. Md. Imrul Hassan	Director	Sd/-
3.	Mr. Md. Nurul Karim	Independent Director	Sd/-

2. At the request of the Members of the Board of Directors, Mr. Maynal Hossain Chowdhury presided over the 32nd Annual General Meeting.
3. The following persons attended the AGM in executive attendance-
 - i. Mr. Major General Mohammad Mahboob Haider Khan, NDC, PSC (Retd), Managing Director (CC);
 - ii. Mr. Mohammad Kamrul Hassan, Chief Financial Officer;
 - iii. Mr. Mohammad Eleas Hossain, Head of Internal Audit & Compliance;
 - iv. Mr. Mohammad Abu Kawsar FCA, Partner, M/S T. Hussain & Co., Chartered Accountants, Statutory Auditors;
 - v. Mrs. Suraiya Parveen FCS, Partner, M/S Suraiya Parveen & Associates, Chartered Secretaries, Corporate Governance Compliance Auditors;
 - vi. Mr. Md. Mominur Rahman ACS, M/S Haruner Rashid & Associates, Chartered Secretaries, Independent Scrutinizer;
 - vii. Mr. M. Naseemul Hye FCS, DMD and Company Secretary.
4. The 32nd Annual General Meeting was anchored by Mr. M. Naseemul Hye FCS, Company Secretary and the recording of the proceedings of the Annual General Meeting of the Company were duly been recorded.
5. At the outset of the meeting, the Verses from the Holy Qur'an were recited and the interpretation in Bangla of the recitation were presented by Hafez Mawlana Md. Tosaddeque Hossain.
6. As the required quorum was present in the 32nd Annual General Meeting, the Chairman of the Meeting called the meeting as duly constituted and ordered. Then the meeting proceeded as per the Agenda of the 32nd Annual General Meeting.
7. As directed by the Chairman of the Meeting, the Company Secretary read out the Notice of the 32nd AGM before the Members being connected through the digital platform and requested all to participate and cast their voting rights on the Agenda of the meeting. The poll option was also opened for the Members as to be considered and counted after close of the voting on the agendas of the meeting.



8. The Chairman of the Meeting then delivered the Welcome Address before the valued Shareholders present in the 32nd AGM of the Company and requested all to participate in the transaction of the Age and to exercise their voting rights by using poll option for the Agenda. He briefed about the overall market scenario and business environment of the cement sector and constructions sectors and this company as well.

The Chairman of the meeting informed the shareholders that, the company had stepped into the 33rd year and it has been the 29th year since, the company had been listed in the capital market. The Board and the management of the Company were proud to be associated with the stakeholders/investors during the year under review.

The Chairman mentioned that despite many obstacles, this company and the cement and allied products industries of Bangladesh during the last three decades, had grown up. He informed that due to the non-availability of the raw materials in the local market, the country's cement industry's growth was solely dependent on the imported raw materials. The members were also informed that, the Board of Directors could not recommend any dividend as the company incurred huge loss during the FY 2023-2024 under review due to Various reasons and it had been stated duly in the Directions' Report. In view of which for the first time the Board of Directors was compelled to place the Agenda of "No Dividend" before the shareholders for their kind considerations and approval in this 32nd Annual General Meeting.

The Chairman informed in the meeting that, the Notices of this AGM were duly been published in two national daily newspapers (e.g. The Daily Sun and The Kaler Kantha) and Online news portal (banglanews24.com) and the Audited Financial Statements along with the Directors' Report were sent to the Members, whose names were recorded in the Members Register as on the Record Date (20/11/2024) at their respective email addresses, in due time. The digital link for the 32nd AGM was also opened before 24 hours from the time of holding of the 32nd AGM as per the regulatory directives.

Then the meeting proceeded as per the agenda of the Notice of the 32nd AGM as was circulated earlier.

Agenda-1: To receive, consider and adopt the Directors' Report, the Auditors' Report and the Audited Financial Statements of the Company for the Financial Year ended on 30 June 2024

The Members present were invited to transact the Agenda No.1. The members were requested to submit their questions, comments, queries and suggestions on the Directors' Report and the Audited Financial Statements for the year ended on 30 June 2024. A considerable numbers of members being connected through the digital link, actively participated and tabled numerous questions and queries as well as expressed their observations, views, comments and suggestions on the Audited Financial Statements and the Directors' Report for the Financial Year 2023-2024. The answers to the questions and quarries of the valued members as were placed and the replies to those been given.

Then, the members exercised their voting rights on the Agenda 1; And after counting of the casted votes, it was resulted that the majority votes were casted by the members in favor of the Agenda no. 1 as to be passed (Members Votes in favor of the Agenda-1: 1,93,98,834nos. and Votes against 1,37,850nos.) and the following resolution was passed by the Shareholders by majority votes:

RESOLVED

"That the Directors' Report and the Audited Financial Statements of the Company for the year ended on 30 June, 2024 along with Auditors' Report thereon be and are hereby received, considered, adopted and approved by the Shareholders of the Company by the majority votes."

Agenda-2: To declare the No Dividend for the Financial Year 2023-2024

The members were informed that, the Board of Directors could not recommend any dividend as the company incurred huge loss during the FY 2023-2024 under review. In view of which for the first time the Board of Directors was compelled to place the Agenda of "No Dividend" before the shareholders for their kind considerations and approval in this 32nd Annual General Meeting. Then the Members present were invited to transact the Agenda No. 2 and cast vote on it.

So, the members exercised their voting rights and after counting of the casted votes it was resulted that majority votes were casted in favor of the Agenda no. 2 as to passed (Votes in favor 1,57,35,209 and Votes casted against 1,37,907) and the following resolution was passed by the Shareholders by majority votes:

RESOLVED

"That the recommendation for the "No Dividend" to the Members of the Company for the Financial Year 2023-2024 be and is hereby considered and approved by the Members of the Company by majority votes."

Agenda-3: To elect the Directors of the Company

The Chairman informed the meeting that, Mr. Ahmed Akbar Sobhan was retiring by rotation at the 32nd Annual General Meeting of the Company in accordance with Article 131 of the Articles of Association. In accordance with Article 132 of the Articles of Association, the retiring Director requested for his re-election as the Director and the Board of Director, Directors has recommended for his selection and the matter was placed before the shareholders present in this Annual General Meeting for their approval. So, the Members present were invited to transact the Agenda No. 3 and casted votes on it.

Then, the members exercised their voting rights and after counting of the casted votes it was resulted that the majority votes were casted in favor of the Agenda no. 3 as to be passed (Votes in favor 1,93,98,814 and Votes casted against 79) and the following resolution was passed by the Shareholders by majority votes:

RESOLVED

"That Mr. Ahmed Akbar Sobhan retired by rotation as per Article no.-131 of the Articles of Association of the Company, be and is hereby re-elected as the Director of Meghna Cement Mills Plc as per the Article-132 of the Articles of Association of the Company by majority votes."

Agenda-4: To appoint Statuary Auditors for the Financial Year 2024-2025 and to fix their remuneration

The members present were informed that the existing Statutory Auditors- M/S. T. Hussain & Co, Chartered Accountants have completed their responsibilities as the statutory auditors of this company for the FY 2023-2024. They were appointed as the Statutory Auditors in the casual vacancy while M/S. G Kibria & Co, Chartered Accountants expressed their unwillingness to continue as the auditors of the MCMPlc. It was informed that M/S. G Kibria & Co, Chartered Accountants were appointed in the 31st AGM of this company.

M/S. T. Hussain & Co, Chartered Accountants have requested for their appointment being they were eligible for appointment for the Financial Year 2024-2025.

In View of this the Board of Directors of MCMPlc has recommended for the appointment of M/S. T. Hussain & Co, Chartered Accountants as the Statutory Auditors for the Financial Year 2024-2025 at the fees of BDT 4,50,000/- (Taka Four Lac Fifty Thousand only) excluding AIT & VAT and placed the matter before the shareholders of this company for their consideration and approval in the 32nd Annual General Meeting through voting process.

So, the Members present were invited to transact the Agenda No. 4 and cast their votes on for re-appointment of the Statutory Auditors of the Company for the Financial Year 2024-2025 at a fee of BDT 4,50,000/- (Taka Four Lakh Fifty Thousand only) excluding AIT and VAT.

So, the members exercised their voting rights and after counting of the casted votes it was resulted that majority votes were casted in favor of the Agenda no. 4 as to be passed (Votes in favor 1,93,98,835 and Votes against 22.) and the following resolution was passed by the Shareholders by majority votes:

RESOLVED

"That M/S. T. Hossain & Co., Chartered Accountants be and is hereby appointed as the Statutory Auditors of the Company for the Financial Year 2024-2025 with the Audit Fees of BDT 4,50,000/- (Taka Four Lakh Fifty Thousand) only excluding AIT and VAT."

Agenda-5: To appoint Corporate Governance Compliance Auditors for the FY 2024-2025 and fix their remuneration

The members present were informed that the existing Compliance Auditors - M/S. Suraiya Parveen & Associates, Chartered Secretaries in practice who were appointed in the 31st Annual General Meeting, had completed their responsibilities during the period under review. The Auditors had requested for their re-appointment.

The Board of Directors of this Company meanwhile received a request from a valued shareholder as to consider to appoint M/S. Haruner Rashid & Associates, Chartered Secretaries in Practice as the compliance Auditors compliance certification on the corporate governance compliance of the MCMPlc of the FY 2024-2025. So, the Board of Directors decided to place the matter before the Members of this company in the 32nd Annual General Meeting regarding appointment of the Corporate Governance Compliance Auditors for the Financial Year 2024-2025 with same remunerations. The developments in this regard was also mentioned in the Directors' Report.

Soon after issuance of the Notice of the AGM the proposer/shareholder after being informed that M/S. Haruner Rashid & Associates, Chartered Secretaries in Practice was being appointed earlier as the Independent Scrutinizer of this Company, then had withdrawn his request/proposal.

In the 32nd AGM the entire matter was disclosed before the participating Members and was placed for their kind consideration. And the Agenda no. 5 for appointment of M/S. Suraiya Parveen & Associates, Chartered Secretaries



as the Auditors for the purpose of compliance certification on the corporate governance compliance of the MCMPlc with the remunerations of Tk. 75,000/- (Taka Seventy Five Thousand) only excluding Tax and VAT was then placed before the Members participated through digital link.

The Members present were invited to transact the Agenda No. 5 and cast their votes on it. Then, the members exercised their rights and after counting of the casted votes it was resulted that majority votes were casted in favor of the Agenda no. 5 as to be passed (Votes in favor 1,93,98,834 and Votes against 22) and the following resolution was passed by the Shareholders by majority votes:

RESELVOD

"That M/S. Suraia Parveen & Associates, Chartered Secretaries in practice be and is hereby re-appointed as the Compliance Auditors for Corporate Governance Certification of the Company for the Financial Year 2024-2025 with the fee of BDT 75,000/- (Taka Seventy Five Thousand) only excluding the TAX and VAT."

After passing of all the Agenda, then the Chairman of the Meeting directed the Company Secretary to read out the questions, queries, opinions, observations and suggestion of the Shareholders and to reply those accordingly. So, the Company Secretary read out the question, queries and observations of the valued shareholders and gave the replies to the questions and quarries of the Shareholders one after another accordingly.

After conclusions of the transactions of the scheduled Agenda of the 32nd AGM of the Company and ending of the Question Answer session on the questions, queries and observations by the valued Members of the Company then the Chairmen of the meeting delivered his concluding remarks. There was no issue to consider/transact so, the meeting was ended with votes of thanks to and from the Chair.

Sd/-

Maynal Hossain Chowdhury

Chairman of the Meeting



Meghna Cement Mills PLC.

Registered Office: Plot-125/A, Road-2, Block-A, Bashundhara R/A, Dhaka-1229

PROXY FROM

I/We.....of.....

.....
being Member of Meghna Cement Mills Plc, hereby appoint of.....

.....
as my/our proxy to attend and vote for me/us on my/our behalf at the **33rd Annual General Meeting** of the Company to be held on **Monday, 22 December, 2025 at 11.00 A.M.** (Local Time) and/or at any adjournment thereof. As witness I/We put my/our hand this day of..... 2025.

Signature of the Shareholder :

Signature of the Shareholder :

Register Folio no./BO ID no. :

Numbers of shares held :

Affix
the revenue stamp of
BDT 100/-

Note: A Member entitled to attend and vote at the Annual General Meeting, may appoint a proxy to attend and vote on his/her behalf. The Proxy Form duly completed must be deposited at the Registered Office of the company or email to **cs.mcmplc@bgc-bd.com** not later than 72 hours before the time fixed for the meeting.



Meghna Cement Mills PLC.

Registered Office: Plot-125/A, Road-2, Block-A, Bashundhara R/A, Dhaka-1229

ATTENDANCE SLIP

I hereby record my attendance at the **33rd Annual General Meeting** being held on **Monday, 22 December, 2025 at 11.00 A.M.** (Local Time) through Digital Platform.

Name of Shareholder : Signature of Shareholder :

Folio no./BO ID no. : Numbers of shares held :

Name of Proxy : Signature of proxy :



Meghna Cement Mills PLC.

Registered Office: Plot-125/A, Road-2, Block-A, Bashundhara R/A, Dhaka-1229

প্রতিনিধি/প্রক্রি ফরম

আমি/ আমরা _____

ঠিকানা _____

আমি/আমরা মেঘনা সিমেন্ট মিলস্পি পিএলসি এর সদস্য। আমার/আমাদের প্রতিনিধি হিসেবে আগামী ২২ ডিসেম্বর, ২০২৫ইং তারিখ সোমবার, সকাল ১১:০০ ঘটিকায় অনুষ্ঠিতব্য অত্র কোম্পানীর ৩৩তম বার্ষিক সাধারণ সভায় এবং এর মূলতবী ঘোষিত সভায় আমার/আমাদের পক্ষে উপস্থিত থাকার এবং তোট প্রদান করার জন্য নিম্নোক্ত প্রতিনিধিকে নিযুক্ত করলাম :

প্রতিনিধির নামঃ জনাব/জনাবা _____

ঠিকানা _____

অত্র প্রক্রি ঘোষনার স্বাক্ষ্য হিসেবে অদ্য _____ ২০২৫ইং তারিখে আমি/আমরা সজ্ঞানে আমার/আমাদের স্বাক্ষর প্রদান করলাম।

সদস্যের স্বাক্ষর : _____
সদস্যের স্বাক্ষর : _____
বিও আইডি/ফলিও নং : _____
ধারনকৃত শেয়ার সংখ্যা : _____

রাজস্ব টিকেট
১০০/- টাকা
সংযুক্ত করলুন

বিশ্বেঃ অত্র ৩৩তম সভায় সংযুক্ত ও তোট দানের জন্য যোগ্য যে কোন সদস্য, তার পরিবর্তে অন্য যে কোন সদস্য (Proxy) হিসাবে নিয়োগ প্রদান করতে পারবেন। প্রক্রি (Proxy) ফরমে ১০০/- টাকা মূল্য মানের রাজস্ব টিকেট সংযুক্ত করে তা যথাযথ ভাবে পূরণ-পূর্বক বার্ষিক সভা শুরু হবার অন্তর্ভুক্ত ৭২ ঘন্টা পূর্বে কোম্পানীর শেয়ার বিভাগে অথবা ই-মেইলের মাধ্যমে cs.mcml@bhc-com.bd ঠিকানায় পৌছাতে হবে।



Meghna Cement Mills PLC.

Registered Office: Plot-125/A, Road-2, Block-A, Bashundhara R/A, Dhaka-1229

উপস্থিতি পত্র

আমি/আমরা মেঘনা সিমেন্ট মিলস্পি পিএলসি এর ৩৩তম বার্ষিক সাধারণ সভা যা ডিজিটাল প্লাটফর্মের মাধ্যমে অদ্য ২২ ডিসেম্বর, ২০২৫ইং তারিখ সোমবার, সকাল ১১:০০ ঘটিকায় অনুষ্ঠিতব্য সভায় আমার/আমাদের উপস্থিতি লিপিবদ্ধ করিলাম।

সদস্যের নাম : _____ সদস্যের স্বাক্ষর : _____
বিও আইডি নং : _____ ধারনকৃত শেয়ার সংখ্যা : _____
প্রতিনিধির নাম : _____ প্রতিনিধির স্বাক্ষর : _____

NOTES



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Meghna Cement Mills PLC.