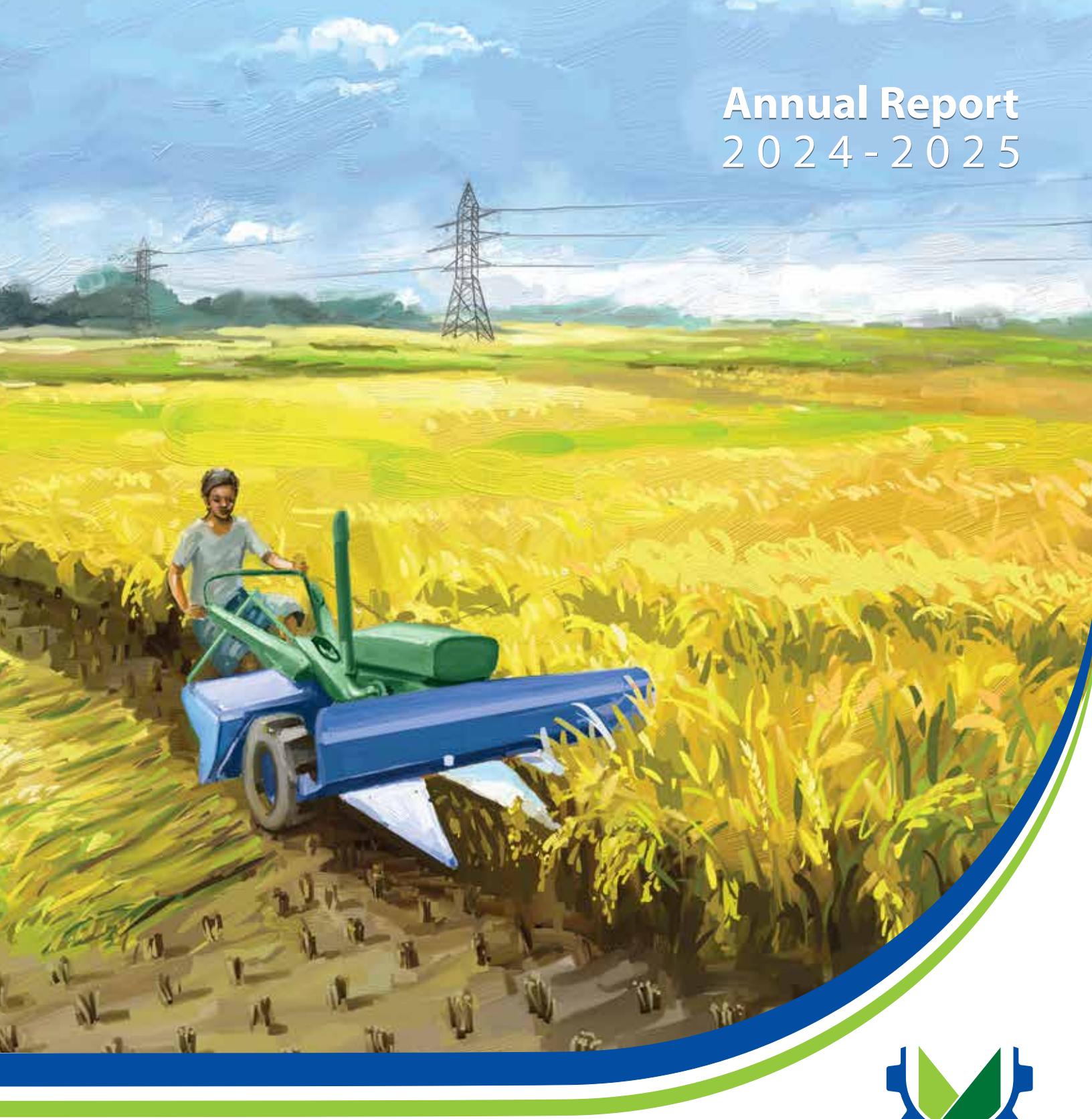
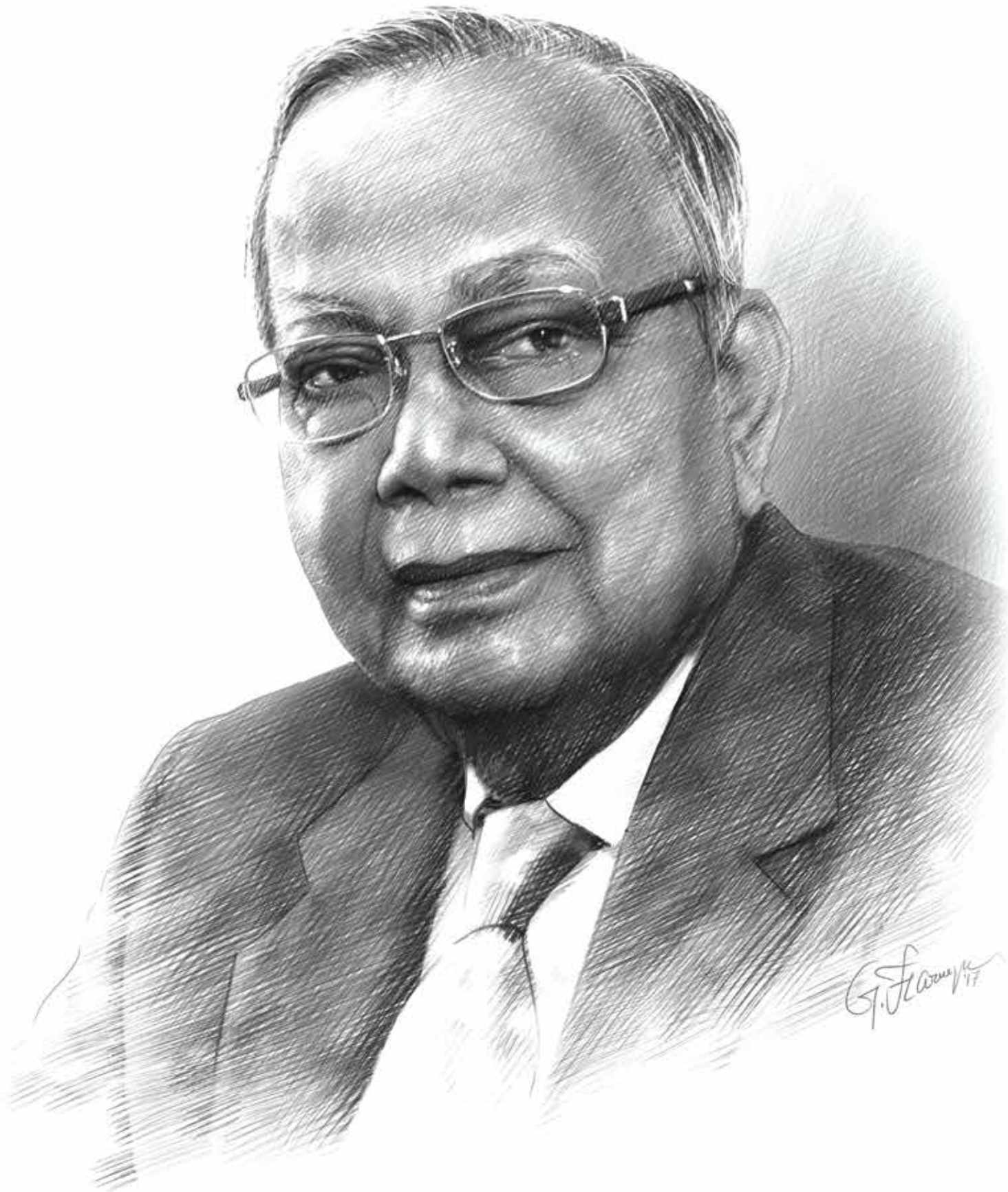


# Annual Report
2024-2025

MAGML

# Monno Agro & General Machinery Ltd.

(Former Monno Jute Stafflers Ltd.)



**Harunar Rashid Khan Monno**

Founding Chairman, Monno Group

1932-2017

## BOARD OF DIRECTORS:

**MRS. AFROZA KHANAM**
Chairman

**MR. MOYNUL ISLAM**
Vice Chairman

**MRS. HURON NAHAR RASHID**
Managing Director

**MR. RASHEED MYMUNUL ISLAM**
Deputy Managing Director

**MR. RASHEED SAMIUL ISLAM**
Director

**MR. RASHEED RAFIUL ISLAM**
Director

**MR. MD. NAZMUS SAADAT**
Independent Director

**MR. BENOY PAUL FCS**
**Company Secretary**

## AUDITORS:

M/S. Aziz Halim Khair Choudhury
Chartered Accountants,
House # 75/A, Road # 5/A,
Abasar Bhaban (2nd Floor),
Dhanmondi, Dhaka-1209.

## BANKER:

Islami Bank Bangladesh Limited,
Manikganj Branch,
Manikganj.

## FACTORY:

Islampur,
Dhamrai, Dhaka.

## REGISTERED OFFICE:

Islampur,
Dhamrai, Dhaka-1350.

## HEAD OFFICE & LIAISON OFFICE:

9, Wyer Street,
Wari,
Dhaka-1203.

# NOTICE OF THE FORTY SEVENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Forty Seventh (47th) Annual General Meeting of the shareholders of Monno Agro & General Machinery Ltd. will be held on Thursday, 11 December 2025 at 4:00 p.m virtually by using Digital Platform through the link https://monnoagro.virtualagmbd.com to transact the following business:

1. To receive, consider and adopt the Audited Financial Statements for the year ended 30 June 2025 together with Auditors' Report thereon and Report of the Directors.
2. To approve 5% (Five percent) Cash Dividend to the Public Shareholders other than Sponsors and/or Directors of the Company for the year ended on 30 June 2025.
3. To retire/re-elect Director(s).
4. To appoint/ re-appoint Statutory Auditors of the Company for the year ending 30 June 2026 and to fix their remuneration.
5. To appoint/re-appoint Corporate Governance Auditors for the year ending 30 June 2026 and to fix their remuneration.

By order of the Board,



Benoy Paul FCS
Company Secretary

Dated : Dhaka, 16 November 2025.

**Notes:**

1. 13 November 2025 is scheduled as Record Date. Shareholders whose names would appear in the Register of Members/CDS record on the record date would be entitled to attend the virtual AGM and vote thereat and also to receive cash dividend, if is approved in the AGM.
2. Any member of the Company entitled to attend and vote at the AGM may appoint a proxy to attend and vote on his/her behalf. The proxy form, duly affixed with stamps of Tk.100.00, should be submitted at the Liaison Office of the Company at 9, Wyer Street, Wari, Dhaka-1203 not less than 48 (forty-eight) hours before the time fixed for the AGM.
3. The link of the virtual AGM and online voting platform shall be opened 24 (twenty-four) hours prior to the time fixed for the AGM. The Shareholders will be able to vote electronically and put their question(s)/comment(s) during 24 (twenty-four) hours before commencement of the AGM and during the AGM until the deadline to be declared at the AGM.
4. Pursuant to Bangladesh Securities and Exchange Commission's Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018, soft copy of the Annual Report for the year 2023-2024 of the Company shall be sent to the respective e-mail addresses of the Shareholders mentioned in their Beneficiary Owner (BO) Accounts being maintained with the depository. In case of non-receipt of the Annual Report through e-mail, Shareholders may collect hard copy of the same from the Share Office of the Company by submitting a written request beforehand.
5. No gift or benefit in cash or kind shall be paid/offered to the shareholders in the AGM as per BSEC Circular No. SEC/CMRRCD/2006-193/154 dated 24 October 2013.

# Table of Contents


| Sl no. | Name of the content | Page no. |
|---|---|---|
| 1. | Board of Directors | 01 |
| 2. | Notice of the Forty Seventh Annual General Meeting | 02 |
| 3. | Five Years Financial Highlights | 05 |
| 4. | Statistics of Five Years Revenue Graph | 06 |
| 5. | Chairman's Statement | 07 |
| 6. | Directors' Report to the Shareholders | 10 |
| 7. | Management's Discussion & Analysis | 19 |
| 8. | Declaration by MD and CFO | 22 |
| 9. | Report of the Audit Committee | 23 |
| 10. | Report of the Nomination and Remuneration Committee | 26 |
| 11. | Report of the Divided Distribution Policy | 30 |
| 12. | Corporate Governance Compliance Certificate | 34 |
| 13. | Compliance Report on Corporate Governance | 35 |
| 14. | Independent Auditors' Report | 49 |
| 15. | Statement of Financial Position | 54 |
| 16. | Statement of Profit or Loss and Other Comprehensive Income | 55 |
| 17. | Statement of Changes in Equity | 56 |
| 18. | Statement of Cash Flows | 57 |
| 19. | Notes to the Financial Statements | 58 |
| 20. | Proxy Form | 75 |

**Vision** We see business as a means to the well-being of the shareholders and all other stakeholders, society as well as the national interest as a whole.

**Mission** Our Mission is to provide world class quality products to our valued customers, strictly maintain ethical standard in business operation.

**Objectives** Our objectives are to conduct transparent business operation within the legal & social frame work with aims to attain the mission with a quantitative/qualitative target in business operation.

**Corporate Focus** Our vision, our mission and our objectives are to emphasise on the continuous development in making value addition to our products for producing the higher quality products, to keep well prepared for competitive world market.

### Financial Management Policy

All financial policies like investments policy, dividend policy and financing policy is to maximise the value of the organisation.

## Corporate Governance:

### Top Management: Board of Directors

As per provisions of the Article of Association, Board of Directors hold periodic meetings to resolve issue of policies and strategies, recording minutes/decisions for implementation by the Executive Management.

### WE STRIVE FOR

- ◊ Protection of shareholders' capital as well as to ensure maximise the value of the organisation.
- ◊ Best compensation to all the employees who constitute the back-bone of the management and operational strength of the Company through a pay-package composing salary/wages, allowances, bonuses, profit participation and leave salary as per Company rules.
- ◊ The best co-operation of the suppliers by timely payment of their bills, the banks & financial Institutions by repayment of loan before due date and the authority relating to utilities-power, gas etc. by regular payment of their bills.
- ◊ Fulfillment of our responsibility to the Government through regular payment of taxes, VAT and duties etc.
- ◊ As responsible citizen, for a social order devoid of malpractices, anti-environmental behaviours, unethical and immoral activities and corruptive dealings.
- ◊ Practicing good-governance in every sphere of activities covering full disclosure & reporting to shareholders, holding AGM and distribution of dividends and other benefits to shareholders in time, reporting/dissemination of price sensitive information, recruitment & promotion of staff, procurement & supplies, sale of assets etc. all that directly and indirectly affect the interest of concerned groups - the shareholders, the creditors, suppliers, employees and the government.
- ◊ Regular repayment of loan and lease installments to the financial institutions is the ideology of Monno.

# FIVE YEARS FINANCIAL HIGHLIGHTS

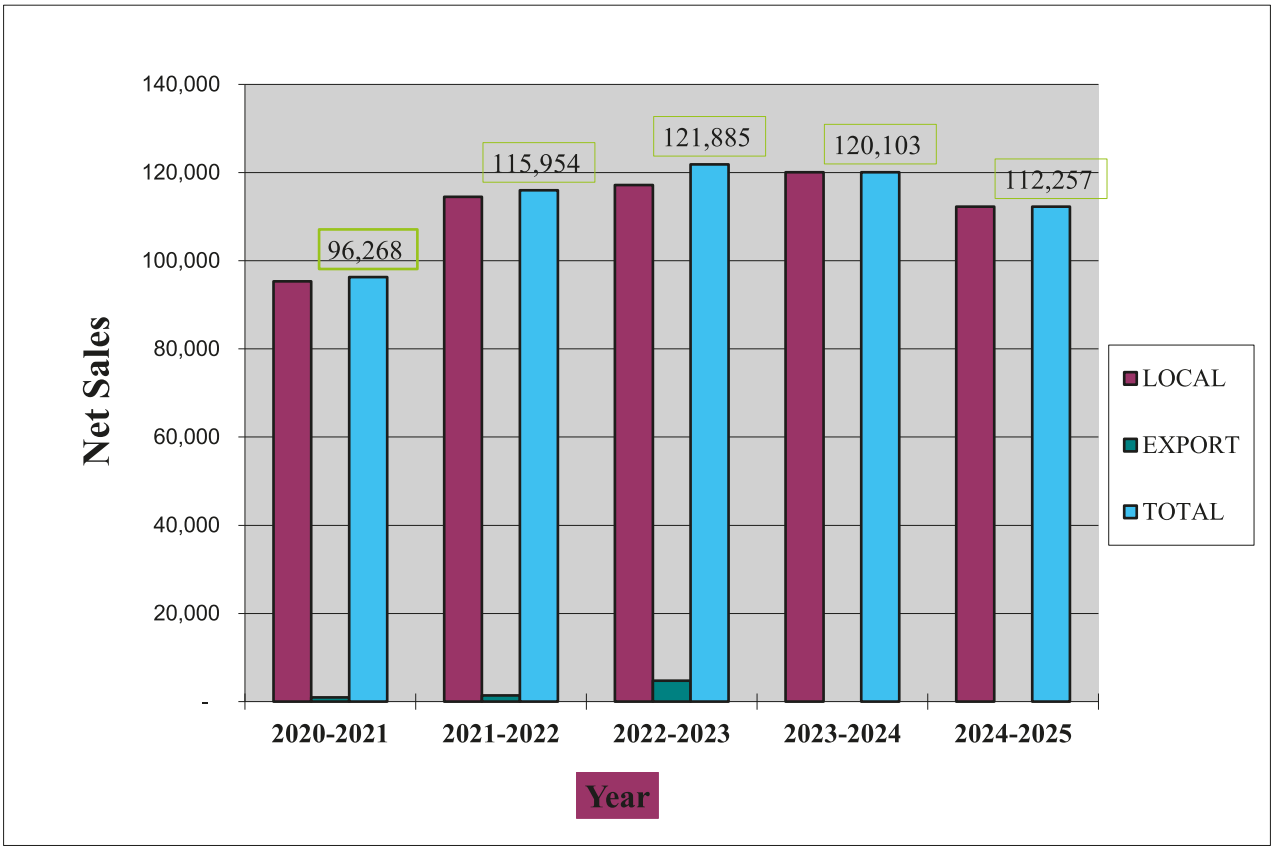
**(Figures in '000 taka)**

| PARTICULARS | 2024-2025 | 2023-2024 | 2022-2023 | 2021-2022 | 2020-2021 |
|---|---|---|---|---|---|
| Authorised capital | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| Paid-up capital | 44,002 | 36,067 | 27,324 | 27,324 | 27,324 |
| Revenue reserves & surplus | 443,809 | 447,340 | 449,167 | 448,021 | 9,904 |
| Shareholders' equity | 487,812 | 483,408 | 476,491 | 475,345 | 37,228 |
| Fixed assets (gross) | 516,618 | 510,267 | 503,786 | 503,786 | 68,449 |
| Fixed assets (net) | 455,417 | 454,789 | 452,881 | 457,681 | 26,228 |
| Sales | 112,257 | 120,103 | 121,885 | 115,954 | 96,268 |
| Gross margin | 20,778 | 20,853 | 21,348 | 20,470 | 16,494 |
| Net profit before tax | 4,038 | 8,859 | 7,628 | 8,169 | 5,472 |
| Net profit after tax | 4,403 | 7,737 | 7,911 | 4,338 | 4,243 |
| Surplus available for appropriation | 8,445 | 10,956 | 11,543 | 8,890 | 6,110 |
| Amount of cash dividend | 1,540 | - | 820 | 2,637 | 1,558 |

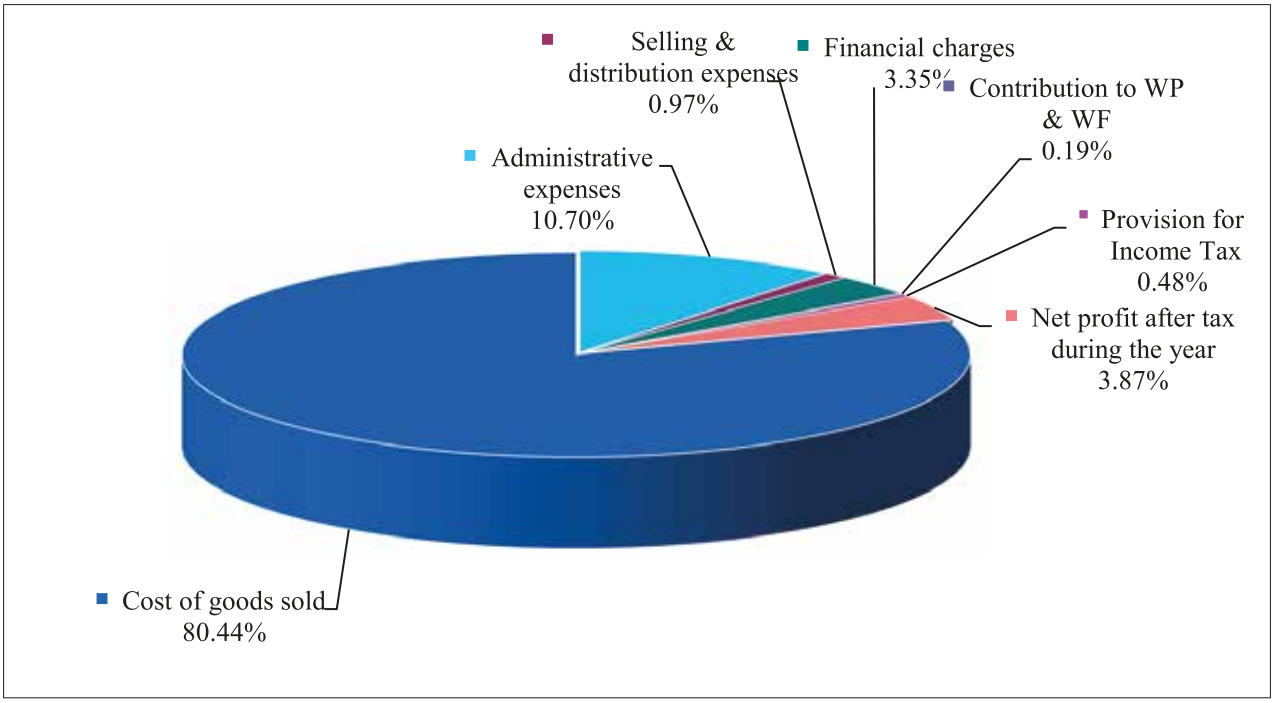
| | | | | | |
|---|---|---|---|---|---|
| Number of shares | 4,400,256 | 3,606,768 | 2,732,400 | 2,732,400 | 2,732,400 |
| Shareholders' equity per share | 110.86 | 134.03 | 174.39 | 173.97 | 13.62 |
| Return on paid-up capital | 10% | 21% | 29% | 16% | 16% |
| Rate of dividend | 5% cash | 22% Stock | 32% stock & 3% Cash | 15% Cash | 10% Cash |
| Earning per share | 1.00 | 2.15 | 2.90 | 1.59 | 1.55 |
| Net asset value per share | 110.86 | 134.03 | 174.39 | 173.97 | 13.62 |
| Payout ratio | 50.00% | - | 10.34% | 94.34% | 64.52% |
| Net operating cash flow per share | (0.81) | 0.50 | (3.11) | (3.67) | 0.36 |
| Number of shareholders | 4,775 | 5,320 | 3,084 | 5,506 | 5,908 |

## STATISTICS OF FIVE YEARS NET SALES

**(Taka in '000)**




## Cost & Profit for the year ended on June 30, 2025



## CHAIRMAN'S REPORT

**Dear shareholders,**

First of all let me welcome you all to the Forty Seventh Annual General Meeting of Monno Agro & General Machinery Ltd. It gives me immense pleasure to share the moments we all had been waiting for. On behalf of the Board of Directors of your Company, I have the privilege to present to you the Auditor's Report which includes the Audited Financial Statements and the Directors Report for the year ended 30 June 2025.

### TURNOVER

**Dear shareholders,**

You are aware that despite of Russia-Ukraine war of the world we have not able to reach an increase turnover of the Company. I am happy to report that 2024-2025 is also a year of success of your Company. You will be happy to know that during the year under review turnover stood at Tk.112.26 million against the preceding year's turnover of Tk.120.10 million. We achieved a profit before tax of Tk.4.04 million during the year. The net profit after tax of the Company is Tk.4.40 million against Tk.7.74 million of previous year. It is to be noted that Cost/Expenses control initiatives has been taken by the Company throughout the year contributed improvement in the profitability of the Company.

### DIVIDEND

Maintaining sound liquidity—to finance the proper working capital requirements for smooth and uninterrupted production, to pay timely installments of term loan, to reallocate internal funds for modernization of the factory according to the need of time, to consistently maintain the rate of dividend and to meet any unforeseen circumstances—is the dividend policy of Monno.

## সভাপতির প্রতিবেদন

**প্রিয় শেয়ারহোল্ডারবৃন্দ,**

প্রথমে আমি মুন্নু এগ্রো এন্ড জেনারেল মেশিনারী লিমিটেডের ৪৭তম বার্ষিক সাধারণ সভায় আপনাদের সকলকে স্বাগত জানাচ্ছি। দীর্ঘ প্রতীক্ষার পর এই মুহূর্তে আপনাদের সঙ্গে একত্রিত হতে পেরে আনন্দবোধ করছি। আপনাদের কোম্পানীর পরিচালকমন্ডলীর পক্ষ থেকে কোম্পানীর ৩০শে জুন ২০২৫ তারিখে সমাপ্ত বছরের নিরীক্ষিত আর্থিক প্রতিবেদন ও পরিচালকবৃন্দের প্রতিবেদন আপনাদের নিকট উপস্থাপন করছি।

### বিক্রয়

**প্রিয় শেয়ারহোল্ডারবৃন্দ,**

আপনারা অবগত আছেন রাশিয়া-ইউক্রেন যুদ্ধ থাকায় আমরা আলোচ্য বছরে বিক্রয় বৃদ্ধিতে সক্ষম হতে পারিনি। আমি আনন্দের সাথে জানাচ্ছি যে ২০২৪-২০২৫ সাল আপনাদের কোম্পানীর জন্য একটি সাফল্যের বছর। আপনারা জেনে আনন্দিত হবেন যে, আলোচ্য বছরে বিক্রয় ১১২.২৬ মিলিয়ন টাকার বিপরীতে গত বছরে ছিল ১২০.১০ মিলিয়ন টাকা। আলোচ্য বছরে কোম্পানী ৪.০৪ মিলিয়ন টাকা কর পূর্ব মুনাফা অর্জন করেছে। আলোচ্য বছরে কোম্পানীর কর বাদ নীট মুনাফা ৪.৪০ মিলিয়ন টাকা যা গত বছরে ছিল ৭.৭৪ মিলিয়ন টাকা। এখানে উল্লেখ্য যে, বছর ব্যাপী আপনাদের কোম্পানী যে খরচ/ব্যয় নিয়ন্ত্রণ উদ্যোগ গ্রহণ করেছে তা কোম্পানীকে আরও লাভজনক প্রতিষ্ঠানে পরিণত করতে সহায়তা করেছে।

### লভ্যাংশ

আর্থিক তহবিল তারল্য বজায় রেখে প্রয়োজনীয় চলতি মূলধনের মাধ্যমে স্বচ্ছন্দ ও নিরবচ্ছিন্ন উৎপাদন, যথা সময়ে মেয়াদী ঋণের কিস্তি পরিশোধ, সময়ের চাহিদা অনুযায়ী কারখানা আধুনিকীকরণে অভ্যন্তরীণ তহবিলকে পূনর্বিন্যস্ত করা, লভ্যাংশ প্রদানের হারে সামঞ্জস্যতা বজায় রাখা এবং যে কোন অনাকাংখিত পরিস্থিতি মোকাবেলা করা মুন্নু'র লভ্যাংশ প্রদানের নীতি।

The Board of Directors is always candid about its concern for your interest, and it is evident from its activities over the years. After due consideration of liquidity, available surplus, fund needed to meet unforeseen circumstances and to maintain a consistency in the rate of dividend payable to shareholders, the Board of Directors has recommended 5% (Five percent) cash dividend to the general public other than Sponsor or Director for the year under review, which requires your approval. We are sure that, in the long run, you will support this decision for the company's prospects.

Please note that the shares of the Company listed with Dhaka Stock Exchange Limited and the Company's share of a nominal value of Tk.10.00 was quoted @ Tk.320.80 per share as on 30th June 2025.

## PRODUCTION

While we are still the leading manufacturer of pins & staves for the jute mills, this industry cannot provide double digit yearly growth for MAGML due to the current market scenario of the jute sector. Therefore, we are diversifying our workshop to produce different types of high precision machineries and spare parts especially for agriculture, refractory, ceramics & food industries.

This year we are working to establish a state-of-the-art metal casting foundry & heat treatment facility to produce consumable spare parts for widely used agro-machineries. We are working to set up a production line to produce high precision spare parts that are frequently required by imported machineries like power tiller, combine harvesters & reapers. We intend to continue our focus on product development as well as skilled manpower development to ensure that our products meet the evolving and stringent requirements of the various industrial sectors of Bangladesh.

কোম্পানীর পরিচালনা পর্ষদ আপনাদের স্বার্থ রক্ষায় সর্বদাই আন্তরিক এবং পূর্ববর্তী বছর সমুহের কার্যক্রম তার স্বাক্ষর বহন করে। তহবিল তারল্য, পর্যাপ্ত উদ্বৃত্ত, অপ্রত্যাশিত পরিস্থিতি মোকাবিলার জন্য প্রয়োজনীয় তহবিলের প্রাপ্যতা এবং শেয়ারহোল্ডারবৃন্দকে লভ্যাংশ প্রদানের ধারাবাহিকতা বজায় রেখে পরিচালনা পর্ষদ আলোচ্য বছরের জন্য উদ্যোক্তা/পরিচালক ছাড়া অন্য সাধারণ শেয়ারের জন্য ৫% (পাঁচ শতাংশ) নগদ লভ্যাংশের সুপারিশ করেছেন যা আপনাদের অনুমোদনের অপেক্ষায় রয়েছে। কোম্পানীর ভবিষ্যৎ উন্নয়নের কথা বিবেচনা করে আপনারাও এ বিষয়ে একমত হবেন বলে আমাদের বিশ্বাস।

এখানে উল্লেখ্য যে কোম্পানীর শেয়ার ঢাকা ষ্টক এক্সচেঞ্জ লিমিটেড-এ তালিকাভূক্ত রয়েছে এবং আপনাদের কোম্পানীর ১০.০০ টাকা মূল্যের প্রতিটি শেয়ার ঢাকা ষ্টক এক্সচেঞ্জ লিমিটেডে ২০২৪ সালের ৩০শে জুন তারিখে ৩২০.৮০ টাকায় ক্রয় বিক্রয় হয়েছে।

## উৎপাদন

যদিও আমরা এখনও জুট মিলের জন্য পিন ও স্টেভ তৈরির নেতৃস্থানীয়, পাট শিল্পের বর্তমান বাজার পরিস্থিতির কারণে মুন্নু এগ্রো এন্ড জেনারেল মেশিনারী লিমিটেড দ্বিগুন প্রবৃদ্ধি প্রদান করতে পারেনি। তাই, আমরা আমাদের ওয়ার্কশপে বৈচিত্র্য এনেছি যাতে বিভিন্ন ধরনের উচ্চ নির্ভুল মেশিনারিজ এবং খুচরা যন্ত্রাংশ তৈরি করা যায় বিশেষ করে কৃষি, রিফ্রাক্টরি, সিরামিকস এবং খাদ্য শিল্পের জন্য।

এই বছর আমরা ব্যাপকভাবে ব্যবহৃত কৃষি-যন্ত্রের জন্য ব্যবহারযোগ্য খুচরা যন্ত্রাংশ উৎপাদন করতে একটি অত্যাধুনিক মেটাল ঢালাই ফাউন্ড্রি এবং তাপ ট্রিটমেন্ট সুবিধা স্থাপনের কাজ করছি। পাওয়ার টিলার, কম্বাইন হার্ভেস্টার এবং রিপারের মত আমদানি করা যন্ত্রপাতি গুলোর জন্য প্রায়ই প্রয়োজন হয় এমন উচ্চ নির্ভুল খুচরা যন্ত্রাংশ উৎপাদন করার জন্য আমরা একটি উৎপাদন লাইন স্থাপন করার জন্য কাজ করছি। আমাদের পণ্যগুলি যাতে বাংলাদেশের বিভিন্ন শিল্প সেক্টরের ক্রমবর্ধমান এবং প্রয়োজনীয়তা পূরণ করে তা নিশ্চিত করার জন্য আমরা পণ্য উন্নয়নের পাশাপাশি দক্ষ জনশক্তি বিকাশে আমাদের প্রচেষ্ঠা চালিয়ে যেতে চাই।

## Conclusion

**Dear shareholders,**

With a view to meeting the new challenges in this free and competitive market environment and worldwide economic recession all our efforts and activities are aimed at efficient management, reduction of operational cost and to increase more profitability of the Company. The most important is price competitiveness with our competitors compared to high local cost. We will do all our best to make the Company more profitable, value added and reputed enterprise. I seek all your co-operation.

I take this opportunity to express my sincere thanks and gratitude to our business associates, financial institutions, and everyone the Company interacted with, in conducting its business and our regulators as well as including Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange PLC., CDBL & BAPLC. Our main strength is our dedicated and sincere human resources. I thankfully acknowledge their contribution to the Company.

Finally, we are very grateful to our shareholders for extending their valuable support and co-operation at all times to bring the Company to the level it has needed to-days. The success we have achieved so far was only possible because of the collective efforts of all concerned. Let us pray to Almighty Allah that He may guide us in all our endeavours.

Thanking you everybody.

Afroza Khanam
Chairman
Dated : 05 November 2025.

## উপসংহার

**প্রিয় শেয়ারহোল্ডারবৃন্দ,**

বর্তমান মুক্ত ও প্রতিযোগিতামূলক বাজার পরিবেশের নতুন প্রতিদ্বন্দ্বিতা এবং বিশ্বব্যাপী অর্থনৈতিক মন্দা মোকাবেলায় আমাদের সকল কর্মক্ষমতা এবং কর্মতৎপরতার উদ্দেশ্য একটি দক্ষ ব্যবস্থাপনা, পরিচালনা ব্যয় কমানো এবং অধিক মুনাফা বৃদ্ধিকরণ। আমাদের প্রতিযোগীদের সাথে মূল্য প্রতিযোগিতায় স্থানীয় উচ্চ মূল্য বৃদ্ধি তুলনা করে প্রতিযোগিতামূলক মূল্য নির্ধারণ করা হচ্ছে বিশেষ গুরুত্বপূর্ণ। কোম্পানীকে লাভজনক, উচ্চ মূল্যমান সম্পন্ন পণ্য উৎপাদন এবং সুনাম অক্ষুন্ন রাখতে আমরা যথাসাধ্য চেষ্টা করবো। আমি আপনাদের সার্বিক সহযোগিতা কামনা করছি।

আমাদের ব্যবসায়িক সহযোগী, আর্থিক প্রতিষ্ঠানসমূহ এবং আমাদের কর্মকান্ডের সাথে সংশিষ্ট প্রত্যেককে সহ বাংলাদেশ সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন, ঢাকা স্টক এক্সচেঞ্জ পিএলসি, সিডিবিএল, বিএপিএলসি এবং অন্যান্য নিয়ন্ত্রণকারী কর্তৃপক্ষকে আমার আন্তরিক ধন্যবাদ ও কৃতজ্ঞতা জানাচ্ছি।। আমাদের অন্যতম শক্তি হচ্ছে উৎসর্গীকৃত সচেতন ও দায়িত্বসম্পন্ন কর্মীবাহিনী। আমি কৃতজ্ঞতার সাথে তাঁদের অবদানের প্রশংসা করছি।

পরিশেষে, আমাদের সম্মানিত শেয়ারহোল্ডারবৃন্দের মূল্যমান সহযোগিতা এবং সমর্থনে কোম্পানী আজকের অবস্থানে পৌঁছাতে সক্ষম হয়েছে এ জন্য আমরা তাঁদের সকলের নিকট গভীরভাবে কৃতজ্ঞ। এ পর্যন্ত আমাদের যে সাফল্য তা সকলের সম্মিলিত প্রচেষ্টার ফসল। আসুন আমরা সর্বশক্তিমান আল্লাহ তায়লার নিকট প্রার্থনা করি তিনি যেন আমাদের সকল প্রচেষ্টায় সঠিক দিক নির্দেশনা প্রদান করেন।

আপনাদের সকলকে ধন্যবাদ।

আফরোজা খানম
সভাপতি
তারিখ ঃ ০৫ নভেম্বর ২০২৫।

# DIRECTORS' REPORT TO THE SHAREHOLDERS

## DEAR SHAREHOLDERS,

The Board of Directors of Monno Agro & General Machinery Limited with immense pleasure take this opportunity of presenting the Directors' Report along with the Audited Financial Statements for the year ended 30 June 2025 together with the Auditors' Report thereon for your consideration and approval.

The Directors' Report has been prepared in compliance with the Companies Act 1994, Corporate Governance Code-2018, Notification of BSEC, and other applicable rules & regulations. We believe that the report will provide insights into the Company's performance during the year. The key financial results and other developments for the year ended 30 June 2025 of Monno Agro & General Machinery Limited business are discussed in this report. The Directors have the pleasure in submitting their report and the audited accounts of the Company for the year ended on June 30, 2025 along with the Auditors' Report thereon.

## FINANCIAL RESULTS

| **Particulars** | **2024-2025** | **2023-2024** |
|---|---|---|
| Sales including other income | 112,815,957 | 120,111,491 |
| Cost and expenses | 108,777,524 | 111,252,218 |
| **Net profit before tax** | **4,038,432** | **8,859,272** |
| Provision for Income-tax | 549,700 | 1,993,336 |
| Provision for Deferred tax | 914,611 | 871,089 |
| **Net profit after tax** | **4,403,343** | **7,737,025** |
| Surplus and adjustment brought forward from previous year | 4,042,019 | 3,219,150 |
| Surplus available for appropriation | 8,445,362 | 10,956,175 |

## APPROPRIATION OF AVAILABLE SURPLUS

To maintain sound liquidity, to finance the proper working capital requirements for smooth and uninterrupted production, to re-allocate internal funds for modernisation of the factory according to the needs of time, to consistently maintain the rate of dividend, and to meet any unforeseen circumstances, to the dividend policy of Monno and as such a conservative dividend policy is extremely necessary. After due consideration of the above factors, the Board recommends 5% (Five percent) Cash Dividend to the Public Shareholders other than Sponsors and/or Directors of the Company for the year ended on 30 June 2025, subject to your approval.

## DIRECTORS

The Board of Directors of the Company consist of 7 (seven) Directors including Chairman and 1 (one) Independent Director.

## ELECTION/RE-ELECTION OF DIRECTORS

Afroza Khanam and Mr. Rasheed Samiul Islam shall retire from the Board of Directors by rotation in accordance with the provisions of articles 142 and 143 of the Articles of Association of the Company and, being eligible, offer themselves for re-election as per article 144. Their brief resume mentioning nature of expertise in specific functional areas and names of companies in which they also hold the directorship and the membership of committees of the Board are given separately.

## RE-APPOINTMENT OF STATUTORY AUDITORS

The present Auditors of the Company, Messrs. Aziz Halim Khair Choudhury, Chartered Accountants, have expressed their willingness and offered themselves for being re-appointed as Statutory Auditors of the Company for the year ending the 30th June 2026. Based on suggestions of the Audit Committee, the Board recommends the re-appointment Messrs. Aziz Halim Khair Choudhury, Chartered Accountants, as the statutory auditors of the Company for the year 2025-2026, and to continue till the next Annual General Meeting at a fee of Tk. 150,000/- (Taka One lac fifty thousand) only (excluding VAT). Accordingly, the matter to be placed in this Annual General Meeting of the Company for approval of the honorable shareholders.

## RE-APPOINTMENT OF COMPLIANCE AUDITOR

Pursuant to condition no. 9(2) of the Corporate Governance Code 2018 issued by BSEC, the present Compliance Auditor of the Company Messrs. M. Mohashin & Co., Chartered Secretaries, have expressed their willingness and offered themselves for being re-appointed as Compliance Auditors of the Company for the year ending the 30th June 2026. The Compliance Auditor is eligible for re-appointment of the Company. Based on suggestions of the Audit Committee, the Board of Directors recommends, the re-appointment Messrs. M. Mohashin & Co., Chartered Secretaries, as the Compliance Auditors of the Company for the year 2025-2026, and to continue till the next Annual General Meeting at a fee of Tk.30,000/-(Thirty thousand) only (excluding VAT). Accordingly, the matter to be placed in this Annual General Meeting of the Company for approval of the honorable shareholders.

## INDEPENDENT SCRUTINIZER TO THE 47TH AGM

The Board of Directors, in its meeting dated 18 October 2025 has appointed M/s. S.A. Rashid & Associates, represented by Mr. S. Abdur Rashid FCS, as the Independent Scrutinizer for the 47th Annual General Meeting (AGM) of the Company which will be held virtually on 11 December 2025 at 4:00 p.m. The Independent Scrutinizer shall authenticate the due process of election and detailed information of voting results, and such authenticated report shall be submitted to the BSEC within 48 (forty-eight) hours of the conclusion of the 47th AGM of the Company.

## Industry outlook and possible future developments in the industry

Monno Agro & General Machinery Ltd. (Formerly Monno Jute Stafflers Limited) has been manufacturing very high-quality spare parts for Jute, Textile, and other industries since 1978.

With such a rich legacy of successful business operation in many industries, now MAGML wants to offer our best services to one of the major business sectors of Bangladesh which is agriculture. Agriculture is a vital sector as it ensures food security and provides employment to a lot of people, but it is still done manually which leads to low productivity. MAGML wants to help improve efficiency in agricultural sector by introducing mechanization through locally made agricultural machines and their spare parts.

The company is working to establish a state-of-the-art metal casting foundry & heat treatment facility to produce consumable spare parts for widely used agro-machineries. We intend to continue our focus on product development as well as skilled manpower development to ensure that our products meet the evolving and stringent requirements of the various industrial sectors of Bangladesh.

## Analysis of Cost of Goods sold, Gross Profit Margin and Net Profit Margin

**Amount in Taka**

| Particulars | 2024-2025 | 2023-2024 |
|---|---|---|
| Cost of Goods Sold | 91,479,560 | 99,250,519 |
| Gross Profit | 20,777,871 | 20,852,776 |
| Net Profit after Tax for the year | 4,403,343 | 7,737,025 |

The Jute Mills of the country have not made any market progress both at home and in global context, as a result, we could not reach the maximum sales target during the year.

## Extra-Ordinary gain or loss

During the year there was no realized extra-ordinary gain or loss made by the company.

## Related party transactions

Statement of related party transactions taken place during the year in the normal course of business has been shown at Note 31.00 under Notes to the Financial Statements.

## Utilization of proceeds from public issues and/ or rights issues:

There was no public issue and/or right issue during the recent years as such no statement regarding utilization of proceeds is from public issues and/ or rights issues is given.

## Financial results after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.:

Initial Public Offering was made on June 12, 1982. Since then, the company is performing well.

## Remuneration to directors including independent directors:

The remuneration of Directors including Independent Directors has been shown in Note–27.00 in the note of Financial Statements of the report.

## FAIRNESS OF THE ACCOUNTS

As per Companies Act 1994, it is the responsibility of the Directors to prepare financial statements for each year to be presented before the shareholders in the general meeting. The financial statements and other financial information included in this report present in all material respects, the financial conditions, results of operations, cash flow and changes in equity of company as of and for the year ended June 30, 2025.

## PROPER BOOKS OF ACCOUNTS

The management of Monno Agro & General Machinery Limited states that proper books of accounts have been maintained.

## ADAPTION OF PROPER ACCOUNTING POLICIES AND ESTIMATES

The management of Monno Agro & General Machinery Limited confirms that the appropriate accounting policies have been consistently applied in the preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment.

## IAS/IFRS APPLICATION

The management of Monno Agro & General Machinery Limited confirms that the International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh have been followed in the preparation of the financial statements, and any departure therefrom has been adequately disclosed.

## INTERNAL CONTROL

The management confirms that the internal control of Monno Agro & General Machinery Limited is sound in design and has been effectively implemented and monitored.

## MINORITY SHAREHOLDER'S INTEREST PROTECTION

The Corporate Governance philosophy at your Company emphasizes fairness and transparency to all stakeholders. The Company has a separate investor relation department through which minority shareholders can interact with the management or board and express their concerns. Any Shareholders can communicate any grievance to the Company Secretary's office, where complaints are tracked to closure. The Board of Directors oversees the redressed of these complaints. The Annual General Meeting is another forum where they can interact with the Board.

## GOING CONCERN

The management confirms that there is no significant doubt about the issuer company's ability to continue as a going concern.

## SIGNIFICANT DEVIATION FROM LAST YEARS OPERATING RESULT

| Particulars | 30.06.2025 | 30.06.2024 | Deviation | Reasons |
|---|---|---|---|---|
| NAVPS | 110.89 | 134.03 | (23.14) | The Net Asset Value (NAV) Per Share has been decreased due to increase of number of shares and decrease of retained earnings compared to the previous financial year. |
| NOCFPS | (0.81) | 0.50 | (1.31) | Net Operating Cash Flow (NOCF) Per Share has been decreased mainly due to the less cash receipt from customers & more payment made for the advance income tax and Employees & others compared to the previous financial year. |
| EPS | 1.00 | 2.15 | (1.15) | Earning Per Share (EPS) has been decreased due to decrease of sales & increase of Administrative Expenses compared to the previous financial year. |

## KEY OPERATING AND FINANCIAL DATA

**(Figures in '000 taka)**

| Particulars | 2024-2025 | 2023-2024 | 2022-2023 | 2021-2022 | 2020-2021 | 2019-2020 |
|---|---|---|---|---|---|---|
| Sales | 112,257 | 120,103 | 121,885 | 115,954 | 96,268 | 107,399 |
| Cost of goods sold | 91,480 | 99,251 | 100,538 | 95,483 | 79,774 | 89,174 |
| Gross profit | 20,778 | 20,853 | 21,348 | 20,470 | 16,494 | 18,225 |
| Operating expenses | 13,278 | 7,351 | 9,259 | 7,952 | 7,759 | 9,129 |
| Operating profit | 7,500 | 13,502 | 12,089 | 12,518 | 8,735 | 9,096 |
| Finance cost | 3,808 | 4,184 | 4,087 | 3,942 | 2,993 | 1,827 |
| Profit before tax | 4,038 | 8,859 | 7,628 | 8,169 | 5,472 | 6,932 |
| Profit after tax | 4,403 | 7,737 | 7,911 | 4,338 | 4,243 | 5,273 |
| Shareholders' equity | 110.86 | 483,408 | 476,491 | 475,345 | 37,228 | 35,469 |
| Total bank borrowings | 61,528 | 49,668 | 49,200 | 37,918 | 27,984 | 20,451 |
| Total current assets | 116,186 | 113,498 | 104,355 | 89,805 | 77,847 | 71,776 |
| Total current liabilities | 84,413 | 84,879 | 80,745 | 72,140 | 66,847 | 58,416 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Current ratio (Time) | 1.38 | 1.34 | 1.29 | 1.24 | 1.16 | 1.23 |
| Shareholders' equity per share | 111 | 134 | 174 | 174 | 14 | 14 |
| Rate of dividend | 5% Cash | 22% Stock | 32% stock & 3% Cash | 15% Cash | 10% Cash | 10% stock & 10% Cash |
| Earning per share | 1.00 | 2.15 | 2.90 | 1.59 | 1.55 | 2.12 |
| Net asset value per share | 110.86 | 134.03 | 174.39 | 173.97 | 13.62 | 14.28 |
| Net operating cash flow per share | (0.81) | 0.50 | (3.11) | (3.67) | 0.36 | 1.07 |
| Number of shareholders | 4,775 | 5,320 | 3,084 | 5,506 | 5,908 | 6,471 |

## DIVIDEND

The Board of Directors has recommended 5% (Five percent) Cash Dividend to the Public Shareholders other than Sponsors and/or Directors of the Company for the year ended on 30 June 2025, which is subject to approval by the shareholders in the upcoming annual general meeting. Upon your approval in this General Meeting, the Cash Dividend will be paid to the Shareholders whose names will appear in the Register of Members/CDS Record on 13 November 2025, at the close of the office. No bonus share or stock dividend has been declared during the year.

## BOARD MEETINGS AND ATTENDANCE:

The number of Board Meetings and the attendance of Directors for the year ended on June 30, 2025, were as follows:

| Name of the Directors | Number of Board Meetings held | Number of Board Meetings attended |
|---|---|---|
| Afroza Khanam<br>Chairman | 5 | 5 |
| Mr. Moynul Islam<br>Vice Chairman | 5 | 5 |
| Huron Nahar Rashid<br>Managing Director | 5 | 4 |
| Mr. Rasheed Mymunul Islam<br>Deputy Managing Director | 5 | 5 |
| Mr. Rasheed Samiul Islam<br>Director | 5 | 5 |
| Mr. Rasheed Rafiul Islam<br>Director | 5 | 3 |
| Mr. Md. Nazmus Saadat<br>Independent Director | 5 | 5 |

## SHAREHOLDING STRUCTURE

Number of shares held by the Directors of the Company, Chief Financial Officer, Company Secretary and Head of Internal Audit and their spouse and children as on June 30, 2025, are as follows:

| Name of the Directors | Designation | Number of shares | % of shareholding |
|---|---|---|---|
| Afroza Khanam | Chairman | 681,184 | 15.48 |
| Mr. Moynul Islam | Vice Chairman | 89,646 | 2.04 |
| Mrs. Huron Nahar Rashid | Managing Director | 102,781 | 2.34 |
| Mr. Rasheed Mymunul Islam | Deputy Managing Director | 89,102 | 2.02 |
| Mr. Rasheed Samiul Islam | Nominee of MWF | 357,370 | 8.12 |
| Mr. Rasheed Rafiul Islam | Nominee of MWF | | |
| Mr. Md. Nazmus Saadat | Independent Director | - | - |
| Mr. Monzur Md. Kawser | Chief Financial Officer | - | - |
| Mr. Benoy Paul FCS | Company Secretary | - | - |
| Mr. Md. Aminur Islam | Head of Internal Audit & Compliance | - | - |

**Shareholders holdings ten percent (10%) or more in the Company as on June 30, 2025, is as follows:**

| Name of shareholder | Number of shares | % of shareholding |
|---|---|---|
| Afroza Khanam | 681,184 | 15.48 |

## EXECUTIVE MANAGEMENT

The Executive Management is led by the Managing Director who is appointed by the Board of Directors for a term of 5 years (renewable) with the approval of shareholders in the Annual General Meeting. The Managing Director is supported by professional, well educated, trained, and experienced team consisting of Executive Directors, Directors, CFO, Company Secretary, General Managers, and a host of Senior Executives in the hierarchy of management. The Board has approved an organogram with modern features ensuring clear lines of delegation of authority and reporting for accountability for effective decision-making evaluation of performance on merit for both rewarding and disciplinary action.

The Executive Management is responsible for preparation of budgetary segment plans/sub segment plans for every cost/profit center and are held accountable for performance. The Executive Management is aided by committee(s)/sub-committee(s) in carrying out its functions.

## BRIEF RESUME OF THE DIRECTORS WHO SEEK APPOINTED/RE APPOINTMENT

### AFROZA KHANAM

Afroza Khanam, wife of Mr. Moynul Islam & Daughter of Late Mr. Harunar Rashid Khan Monno & Mrs. Huron Nahar Rashid of House No. 9 (new), Road No. 16 (new), Dhanmondi R/A, Dhaka. She is the Chairman of Monno Agro & General Machinery Ltd., Monno Ceramic Industries Limited, Monno Fabrics Limited and other concern of Monno Group of Industries. Afroza Khanam is an Honours Graduate and Master's Degree holder of the University of Dhaka has gathered commendable experience in the field of Industrial and Business management

Afroza Khanam travelled most of the countries of the world in connection with international trade and business of the group.

### MR. RASHEED SAMIUL ISLAM

Mr. Rasheed Samiul Islam has a double Master's in Mechanical Engineering and Management from Imperial College, London. He is the Director of Monno Agro & General Machinery Limited, Monno Ceramic Industries Limited and also the Managing Director of Monno Fabrics Limited.

He is a dynamic personality infused with an entrepreneurial spirit. He is focused on the organization's growth by continuously improving the products, services & processes, developing the people, deploying new technologies, and working closely with the stakeholders.

Mr. Samiul was first appointed to the Board on 05 April 2016 of Monno Fabrics Ltd. Before joining Monno he worked for Nissan Motor Corporation, and Rolls-Royce in the UK. His dynamic efforts and sincere services in the field of Research & Development made appreciable contributions toward product development for the group.

## CORPORATE SOCIAL RESPONSIBILITIES (CSR)

The Board of Directors is fully aware of their Corporate Social Responsibilities (CSR) especially in the areas of gender equality, race-religion-regional equality, non-employment of child labour human rights, environmental pollution, social-marketing, social activities (promotion of sports & culture, health care and population control programs, elimination of corruption programs, participation in charitable activities etc. in non-partisan manner) right to form and participate in Union under ILO convention, employment of disabled etc.

## HUMAN RESOURCES DEVELOPMENT

In order to improve the human skills, capacity and their productivity, the company continuously provides formal and informal training to the employees at every echelon of operation and management. During the year under review, 118 persons (note 32.02) of employees working in factory as well as Head Office of the Company which will ultimately make great contribution to the company's profitability as well as their own remuneration in due course.

## EXPLANATION ON ANY RESERVATION, QUALIFICATION OR ADVERSE REMARKS

## QUALIFIED OPINION

**During the financial year 2024-2025, the auditor provided qualified opinion to the financial statements as disclosed in note # 4.01.**

**Management Response and Corrective Action Plan (Qualified Opinion 1-Note #4.01 )**

The Company acknowledges the auditor's observation regarding the absence of a policy for recognizing expected credit losses (ECL) on trade receivables as required by IFRS 9 *Financial Instruments*.To address this matter, management has initiated steps to ensure full compliance with IFRS 9 in the upcoming financial period. Specifically:

**Formulation of an ECL Policy**

The Company will develop and approve a formal policy for the recognition and measurement of expected credit losses (ECL) on trade receivables. This policy will be aligned with the simplified approach prescribed under IFRS 9 for trade receivables.

**Assessment of Receivables**

A detailed review and aging analysis of all outstanding trade receivables will be conducted to identify potentially doubtful balances and estimate the probability of default based on historical data, customer credit profiles, and forward-looking information.

**Recognition of Allowance**

Based on the outcome of the assessment, an appropriate allowance for expected credit losses will be recognized in the financial statements for the year ending 30 June 2026.

## CORPORATE GOVERNANCE COMPLIANCE STATEMENT

The Board of Directors of MAGML acknowledges that the Company, being a listed business entity, has a role to play in upholding the interests of all its stakeholders. Improved and advanced governance practices are indispensable ingredients for an accomplished performance. The Company believes that a nurtured governance regime is essential to success and sustainability. Accordingly, the Board of Directors and Management are pledge-bound to continue the implementation of the highest standards of governance of the Company through a culture of accountability, transparency, ethical business conduct and well-understood policies and procedures. The Board of Directors of MAGML has always played a pivotal role in meeting all stakeholders' interests and is committed to upholding the same in the future as well. It is the responsibility of the Company Secretary, being the highest governance official in the Company, to ensure effective compliance with rules and regulations and proper timely disclosures in this respect.

The Company's Corporate Governance framework is directed towards achieving its business objectives in a manner that is responsible and in accordance with the high standards of honesty, reliability, transparency, and accountability. As part of its governance pursuits, the Company emphasizes on stronger diligence to business, all operations being apparent and invites larger involvement of the stakeholders. All employees are expected to live up to these principles and guidelines which are communicated regularly throughout the Company in the form of various training and awareness programs. In this respect, we have the pleasure to confirm that the Company has complied with all the necessary directives under BSEC CG Notification No. BSEC/ CMRRCD/2006-158/207/Admin/80 dated the 3rd June 2018.

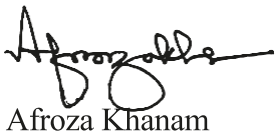
The Compliance Report along with the necessary remarks and disclosures is appended in this Annual Report for the year 2024-2025. Further, a Certificate of Compliance required under the said CG codes, as provided by M/s. M. Mohashin & Co. Chartered Secretaries, shall also be annexed to this report.

## APPRECIATION

The Directors acknowledge and extend heartfelt gratitude to all the stakeholders at home and abroad including the regulatory authorities for the trust they all have had and for extending their unreserved support and guidance in discharging the responsibilities reposed to the Board during the year under review.

The Directors also take the opportunity to express their sincere appreciation for the contributions made by the executives and members of the staff for their diligent and praiseworthy efforts in ensuring continued progress of the company.

On behalf of the Board of Directors,



Afroza Khanam
Chairman
Dated : 05 November 2025.

# MANAGEMENT'S DISCUSSION AND ANALYSIS

Pursuant to condition no. 1(5)(XXV) of the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission, the Management Discussion and Analysis for the year ended 30 June 2025 presents the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on as follows:

## Accounting policies and estimation for preparation of Financial Statement

The financial statements of Monno Agro & General Machinery Limited have been prepared in accordance with the International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules, and other applicable laws and regulations in Bangladesh. The financial statements have been prepared on a going concern basis under historical cost conventions in accordance with IFRSs. In the preparation of these financial statements, management used available information to make judgments, estimates, and assumption that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expenses. Actual results may differ from those estimates.

## Changes in Accounting Policies and Estimation of Financial Statements

The changes in accounting policies and estimation are described in note No. 2 of the financial statements.

## Comparative analysis of Financial Performance

The key operating and financial performance of the Company for the last 5 years are annexed.

## Briefly explain the financial and economic scenario of the country and the globe:

The production of jute textiles has fallen significantly over the past three years due to a drop in exports and the government's failure to strictly impose the mandatory packaging law that led to decreased domestic demand, according to jute textile mills.

In the fiscal year 2024-2025 (FY25), Bangladesh's exports of jute yarn and twine amounted to $461.83 million, a decrease of 6.22% compared to the previous fiscal year (FY24). These declines reflect ongoing struggles in the industry, such as outdated machinery, inefficiencies, and competition from synthetic alternatives.

Despite these difficulties, jute remains a vital part of Bangladesh's economy, contributing about 1% to the country's GDP and accounts for around 3% of total export earnings. With modernization efforts, including upgrading machinery and diversifying products, there are opportunities for the sector to recover and grow sustainably in the future.

According to the Export Promotion Bureau (EPB), Jute and jute products are a major source of foreign currency. In the fiscal year (FY) 2024-2025 (July 2024 to June 2025), Bangladesh's exports of jute and jute goods reached approximately $820.16 million, a decrease of 4.10% from the previous fiscal year (FY24).

However, with environmental awareness growing worldwide, various countries are increasingly turning to natural fibers in a bid to lessen the ecological damage caused using synthetic fibers, leading to higher demand and market value for jute. Therefore, leading conglomerates in Bangladesh are shifting their focus on setting up large jute mills to cater for this growing demand in the near future.

The ongoing the Russia – Ukraine war and the Palestinian – Isreal war is creating a tailspin in the global markets, particularly in the global commodity supply chain & energy sector. This has further strengthened our government's resolve to ensure food security for Bangladesh. To achieve this agricultural mechanization is the utmost priority. Bangladesh Agricultural Research Institute (BARI) & Bangladesh Rice Research Institute (BRRI) are working tirelessly to promote more local manufacturing for agricultural machineries and spare parts. This would significantly increase crop yield & profitability for the farmers.

Bangladesh is one of the world's fastest-growing economies. The size of the economy of Bangladesh has been growing consistently year on year. The World Bank projects a 4.8% growth for the 2025-2026 fiscal year, while the Asian Development Bank forecasts 5% for fiscal year 2026, and it considers Bangladesh to be at low risk of overall and external debt distress. Bangladesh remains an excellent country for investment, and we firmly believe that business activity will continue to flourish.

**Risk and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company:**

Company's management perceives investment risks within the national and international economic situation in relation to legal requirements involving intellectual property rights, scientific invention, WTO regulations and monetary & fiscal investment policies and has prepared its production & marketing strategy to meet the challenges from these risks.

Our country's US Dollar reserve crisis is the greatest threat to every business in the coming year. Ensuring a steady supply chain of imported raw materials is becoming very challenging as banks are unwilling to open LCs on a regular basis. To mitigate this risk, we are working with some renowned steel mills to produce the high carbon steel raw materials for us so that we can ensure a steady stock of raw materials to run production at full capacity.

Another huge challenge for manufacturing industries is the unavailability of a steady gas supply and the rapidly rising energy costs. Since the government has prioritized all available natural gas/LNG for electricity production, we have shifted our factory from captive power generation to an electricity connection from REB national grid. With a backup diesel generator, we can ensure full power load to the factory now.

## Future Plan:

While we are still the leading manufacturer of pins & staves for the jute mills, this industry cannot provide double digit yearly growth for MAGML due to the current market scenario of the jute sector. Therefore, we are diversifying our workshop to produce different types of high precision machineries and spare parts especially for agriculture, refractory, ceramics & food industries.

In association with BRRI & BARI, we have successfully launched our maize sheller, rice and wheat reaper & power thresher machines via the DAE subsidy program.

This year we are working to establish a state-of-the-art metal casting foundry & heat treatment facility to produce high precision spare parts that are frequently required by imported machineries like power tiller, combine harvesters & reapers. These spares are being imported now which is challenging due to the country's federal US dollar reserve crisis. As a result, there is not sufficient supply of these essential parts in the market leading to machine downtime and agricultural production loss. The quality of the MAGML spare parts will be on-par with the imported parts but at a much more affordable price. This initiative will help our rural farmers to get easy access to these vital spares to ensure their machines are running continuously and alleviate our country's import dependence and reduce the US dollar outflow. We will eventually look to export these agri products to our neighboring countries like India, Nepal, Bhutan, Myanmar etc. as they are all agri-based economies. So not only MAGML can save our country's liquidity outflow, but it will also help bring in export proceeds as well.

We intend to continue our focus on product development as well as skilled manpower development to ensure that our products meet the evolving and stringent requirements of the various industrial sectors of Bangladesh. As our country moves forward and industrialization continues, backward integration of light engineering products for machineries to reduce import dependency is vital. MAGML's goal is to be a state-of-the-art light engineering workshop that can cater to any light machinery and metal spare parts needs of the manufacturing and agricultural sectors.

Thank You,

Huron Nahar Rashid
Managing Director

Dated : 05 November 2025.

## Declaration by CEO and CFO

Dated : 18 October 2025

The Board of Directors
Monno Agro & General Machinery Ltd.,
9, Wyer Street, Wari,
Dhaka-1203.

**Subject: Declaration on Financial Statements for the year ended on June 30, 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 June 03, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

(1) The Financial Statements of Monno Agro & General Machinery Ltd. for the year ended on 30 June 2025 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;

(2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;

(3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;

(4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;

(5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and

(6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:-

i) We have reviewed the financial statements for the year ended on June 30, 2025 and that to the best of our knowledge and belief:

   a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.

ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,

Huron Nahar Rashid
Chief Executive Officer

Monzur Md. Kawser
Chief Financial Officer

# REPORT OF THE AUDIT COMMITTEE

Monno Agro & General Machinery Limited has an Audit Committee of the Board of Directors, in compliance with the Notification of Bangladesh Securities and Exchange Commission (BSEC) No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018. All Members of the Audit Committee are financially literate and are able to analyze and interpret financial statements to effectively discharge their duties and responsibilities as Members of the Audit Committee. The terms of reference of the Audit Committee have been determined by the Board in accordance with the BSEC Notification.

## COMPOSITION

The Audit Committee of Monno Agro & General Machinery Limited is reconstitute and comprised of three (03) Members of the Board of Directors including one Independent Director. The composition of the present Audit Committee is as follows:

| Sl. No. | N a m e | Status in Committee |
|---|---|---|
| 1. | Mr. Md. Nazmus Saadat | Chairman |
| 2. | Mr. Moynul Islam | Member |
| 3. | Mr. Rasheed Rafiul Islam | Member |
| 4. | Benoy Paul FCS | Member Secretary |

The Company Secretary attends the Committee's meetings as the Member Secretary of the Committee. The CFO attends the meetings by invitation. The Head of Internal Audit & Compliance and the External Auditors attend the meetings as and when invited.

## ROLE AND RESPONSIBILITIES

The Audit Committee's role flows directly from the Board's oversight function, and the purpose, authority, composition, duties, and responsibilities of the Audit Committee are delineated in its terms of reference. Some of the major responsibilities of the Audit Committee are as follows:

- Reviewing the form and content, and monitoring the integrity of the Company's annual, half-yearly and quarterly financial statements and other financial results, and upon its satisfaction of the review, recommend the same to the Board for approval.
- Reviewing the adequacy and effectiveness of the financial reporting process, internal control system, risk management, auditing matters, and the Company's processes for monitoring compliance with laws and regulations and the codes of conduct.
- Recommending to the Board the appointment, re-appointment, audit fee, and any question of resignation or dismissal of the external auditors.
- Exercising its oversight of the work of internal audit. Reviewing the effectiveness of internal audit function including performance, structure, adequacy of resources, and compliance with professional standards. Examining audit findings and material weaknesses and monitoring implementation of audit action plans.
- Reviewing the corrective measures taken by the Management as regards the incidents relating to fraud-forgery, deficiencies in internal control or other similar issues detected by Internal and External Auditors and Inspectors of the Regulatory Authorities and inform the Board on a regular basis.
- Reviewing and evaluating the factors related to the independence of the External Auditors and assist them in preserving their independence.
- Reviewing IPO Proceeds Utilization Report (If any).

## AUTHORITY

The Audit Committee is authorized by the Board to review any activity within the business as per its terms of reference (ToR). It is authorized to seek any information it requires from and require the attendance at any of its meetings of, any Director or Member of Management, and all employees are expected to cooperate with any request made by the Committee. The Committee is also authorized to have information and advice from the Company's Legal Advisors, Tax Consultant, Statutory Auditor, and Compliance Auditor if required.

## MEETINGS AND ATTENDANCE

During the year 2024-2025 under review, the Committee held four meetings. The attendance of the Members at these meetings is as under:

| Name of the Members | Position | No. of Meetings held during the year | Meetings Attended |
|---|---|---|---|
| Mr. Md. Nazmus Saadat | Chairman | 4 | 4 |
| Mr. Moynul Islam | Member | 4 | 4 |
| Mr. Rasheed Rafiul Islam | Member | 4 | 4 |

## ACTIVITIES CARRIED OUT DURING THE FINANCIAL YEAR 2024-2025

In accordance with the 'Audit Committee Charter', the Audit Committee worked and evaluated items that were raised for consideration as well as discussed issues related to key events of every financial reporting cycle:

- Reviewed the quarterly, half yearly and interim financial results of the Company and the relevant announcements to the Bangladesh Securities and Exchange Commission and the Stock Exchanges by the Board of Directors.
- Reviewed all the draft financial statements of the Company prior to submission to the Board of Directors for approval. The review was to ensure that the financial reporting and disclosures were in compliance with the Securities laws, provisions of the Companies Act 1994, applicable Accounting Standards/IFRSs, any conflict of interest and other relevant legal and regulatory requirements.
- Reviewed the audit plans including the audit methodology in assessing and rating risks of auditable areas to ensure adequate scope and comprehensive coverage on the audit activities of the Company.
- Reviewed the effectiveness of the audit process, resource requirements and assessed the performance of the Internal Audit Department. The competence and performance of the Head of Internal Audit was also reviewed.
- Reviewed the internal audit reports which encompassed the audit issues, audit recommendations and Management's responses to these recommendations. Improvement actions in the area of internal controls, systems and efficiency enhancements suggested by the Internal Auditors were discussed together with Management.
- Reviewed the Management's Discussion and Analysis before disclosing in the Annual Report.
- Reviewed the implementation of these recommendations through follow-up audit reports to ensure all key areas were addressed.

- Suggested additional improvement opportunities in the areas of internal control, systems, and efficiency improvement.
- The Committee met with External Auditors at the conclusion of their audits in the absence of Management and also reviewed their findings of observations and the Management's response thereto.
- Reviewed with the External Auditors about the scope of their audit, audit strategies and audit plans.
- Reviewed the external audit reports and areas of concern highlighted to the Management and the Management's responses to the findings of the External Auditors.
- Reviewed the performance, appointment process and audit fees based on scope of work and magnitude of the external auditors.

## REPORTING OF THE COMMITTEE

On discharging its responsibilities, the Audit Committee has ensured the following:

- Financial statements have been prepared and presented in compliance with all laws, regulations & standards as applicable.
- Adequate controls and procedures are in place to provide reasonable assurance that the Company's assets are safeguarded and that the financial position of the Company is adequately managed.

Observations, findings, and suggestions of the Committee were communicated to the Board of Directors and the Board of Directors had taken appropriate measures on the reports.

## RECOMMENDATIONS

- The Committee highlighted the importance of improving, efficiency and productivity at all levels to ensure continued profitability of the Company.
- The Committee highlighted the need to invest in continuous training and human resource development for the Company.
- The Audit Committee considered and made recommendation to the Board on the re-appointment and remuneration of statutory auditors Messrs. Aziz Halim Khair Choudhury, Chartered Accountants with fees of Tk.150,000/- (Taka One lac fifty thousand) only (excluding VAT) only for the next annual audit, subject to the approval of the Members at the 47th Annual General Meeting of the Company.

On behalf of the Audit Committee



Md. Nazmus Saadat
Chairman
Audit Committee

# REPORT OF NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of Monno Agro & General Machinery Limited has duly constituted the Nomination and Remuneration Committee (NRC) as per Bangladesh Securities and Exchange Commission's Notification on Corporate Governance Code-2018. The NRC is a sub-committee of the Board of Directors of Monno Agro & General Machinery Limited. The NRC assists the Board in formulating the nomination criteria/policy for determining the qualification, positive attributes, experiences and independence of directors and senior-level executives as well as a policy for a formal process of considering the remuneration of directors and senior-level executives.

## Terms of Reference (ToR)

The terms of reference of the Nomination and Remuneration Committee (NRC) have been determined by the Board as per BSEC notification. The NRC assists the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences, and independence of directors and top-level executives as well as a policy for formal process of considering remuneration of directors, and top-level executives.

## Composition

The Nomination and Remuneration Committee (NRC) of Monno Agro & General Machinery Limited is reconstitute and comprised of three (03) members of the Board. The Chairperson of the Committee is an Independent Director of the Company. The composition and re-constituted of the present NRC is as follows:

| Sl. No. | N a m e of the NRC | Status of the Company | Status of the Committee |
|---|---|---|---|
| 1. | Mr. Md. Nazmus Saadat | Independent Director | Chairperson |
| 2. | Mr. Moynul Islam | Vice Chairman | Member |
| 3. | Mr. Rasheed Rafiul Islam | Director | Member |
| 4. | Benoy Paul FCS | Company Secretary | Member Secretary |

Further, the Company Secretary attends the Committee's meeting as the Secretary of the Committee. The Head of Human Resources and Administration attends the meetings by invitation. The Head of Finance/CFO attends the meetings, as and when invited.

## Qualification

The members of the Nomination and Remuneration Committee (NRC) of Monno Agro & General Machinery Limited possess adequate knowledge of business management and corporate governance matters. The detailed qualifications of the existing members of the Committee are set out in the Brief Profile of the Directors of this Annual Report.

## Roles and Responsibilities

The roles and responsibilities of the Nomination and Remuneration Committee (NRC) flow directly from the Board's oversight functions. The purpose, authority, duties, and responsibilities of NRC are delineated in its terms of reference. The prime responsibilities of the NRC, among others, are as follows:

(1) NRC shall be independent and responsible or accountable to the Board and to shareholders

(2) NRC shall oversee, among others, the following matters and make a report with recommendations to the Board:

a) Formulating the criteria for determining qualifications, positive attributes, and independence of a Director, and recommending a policy to the Board relating to the remuneration of Directors and top-level executives, considering the following:

I. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable Directors to steward the Company successfully;

II. The alignment of remuneration to performance is clear and meets appropriate performance benchmarks;

III. Remuneration to Directors and top-level executives involves a balance between fixed and incentive pay, reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;

(b) Devising a policy on the Board's diversity, taking into consideration age, gender, experience, ethnicity, educational background and nationality;

(c) Identifying persons who are qualified to become Directors and who may be appointed in top-level executive positions, in accordance with the criteria laid down, and recommend their appointment and removal to the Board;

(d) Formulating the criteria for evaluation of performance of Independent Directors of the Board;

(e) Identifying the Company's needs for employees at different levels and determining their selection, transfer or replacement and promotion criteria;

(f) Developing, recommending and reviewing annually the Company's human resources and training policies; and

(g) Developing a succession plan for the Board and top-level executives, and regularly reviewing the plan.

## Nomination policy

The NRC shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director in terms of the diversity policy of the Board, and recommend to the Board his/her appointment. For the appointment of top-level executives, a person should possess adequate qualifications, expertise and experience for the position he/she is considered for appointment. Further, for administrative convenience, for the appointment of top-level executives, the Managing Director is authorized to identify and appoint a suitable person for such positions. However, if need be, the Managing Director may consult the Committee/Board for further directions/guidance.

## Remuneration policy

The level and composition of remuneration to be paid to Directors, top-level executives and other employees shall be reasonable and sufficient to attract, retain and motivate suitable individuals. The relationship of remuneration to performance should be clear and should encourage meeting of appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive/performance related pay, reflecting achievement of short- and long-term performance objectives appropriate to the working of the Company and meeting its goals.

## Evaluation criteria

The Committee shall carry out the evaluation of the performance of every Director. The Committee shall identify the evaluation criteria, which will evaluate Directors based on their knowledge to perform the role, time and level of participation, performance of duties, level of oversight, and professional conduct and independence. The appointment/re-appointment/ continuation of Directors on the Board shall be subject to the outcome of the annual evaluation process. The Committee shall evaluate the performance of top-level executives on the basis of individual KPIs. Decisions pertaining to the promotion/ continuation of top-level executives shall be subject to the outcome of the annual evaluation process based on appropriate performance benchmarks.

## Meetings and Attendance

During the financial year 2024-2025, the Committee met twice. The attendance of the Members is as under:

| Name of the Members | Position | No. of Meetings held on his period | Meetings Attended | Remarks |
|---|---|---|---|---|
| Mr. Md. Nazmus Saadat | Chairperson | 2 | 2 | |
| Mr. Moynul Islam | Member | 2 | 2 | |
| Mr. Rasheed Rafiul Islam | Member | 2 | 2 | |

## Activities Carried Out During Financial Year 2024-2025

In accordance with the 'Terms of Reference' of Nomination and Remuneration Committee, the Committee carried out the following activities:

- The NRC thoroughly checked current C.V, check list, academic certificates and past history of Experience etc. of Top Level Executive and recommend their appointment, re-appointment and removal to the Board.
- Reviewed issues related to the formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of Directors and top-level executives.
- Reviewed the performance of top-level executives on the basis of individual KPIs.
- Reviewed the criteria for evaluation of performance of Independent Directors and the Board.
- Reviewed the Company's need for employees at different levels and determined their selection, transfer or replacement and promotion criteria.
- Reviewed human resources and training policies.
- Reviewed the salary at different levels of the Company.
- Reviewed the appointment/reappointment of Director of the Company.

- Identified and reviewed the vacancy of Regulatory Mandatory Position of the Company and recommended to the Board for appointment.
- Reviewed the policy related with compensation and benefit of the Company.

## Authority

The Nomination and Remuneration Committee has carried out its duties with due care, due diligence, transparency, and independence, and as an act of good faith for the betterment of the Company and stakeholders. The Committee has authorized to seek any information it requires from and require the attendance at any of its meetings of, any Director or Member of Management, and all employees are expected to cooperate with any request made by the Committee. The Committee is committed to perform its duties based on equality and fairness according to the principles of good corporate governance.

On behalf of the Nomination and Remuneration Committee



Md. Nazmus Saadat
Chairman
Nomination and Remuneration Committee

# DIVIDEND DISTRIBUTION POLICY

## 1.0 Introduction

The Dividend Distribution Policy is prepared and adopted in compliance with the provisions of the Directive No. BSEC/CMRRCD/2021-386/03 dated 14 January, 2021 of the Bangladesh Securities and Exchange Commission (BSEC) about dividend declaration, pay off, disbursement and compliance.

The Board of Directors (the Board) will consider the directive while declaring/ recommending dividend on behalf of the Company. The Policy is not an alternative to the decision of the Board for declaring/recommending dividend, which takes into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided by the Board.

## 2.00 Definitions

**"the Act"** means Companies Act 1994

**"the Company"** means Monno Agro & General Machinery Limited.

**"AGM"** means Annual General Meeting

**"Board"** means Board of Directors of Monno Agro & General Machinery Limited.

**"Shareholders"** means Members whose name is registered in the Member Register of the Company.

**"Shares"** means Ordinary Equity Shares.

## 3.00 Concept of Dividend

Dividend is the share of the profit that a Company decides to distribute among its Shareholders in proportion to the amount paid-up on shares they hold in the form of Cash and/or Stock (Bonus). The profits earned by the Company can either be retained in the business or can be distributed among the Shareholders as dividend.

## 4.00 Types of Dividend

The Act deals with two types of dividend - Interim and Final.

- **Interim** dividend is the dividend declared by the Board between two AGMs as and when considered appropriate. The Act authorizes the Board to declare interim dividend during any financial year out of the profits for the financial year in which the dividend is sought to be declared and/or out of the surplus in the profit and loss account.
- **Final** dividend is recommended for the financial year at the time of approval of the annual financial statements as well as appropriation of profit. The Board shall have the power to recommend final dividend to the shareholders for their approval at the AGM of the Company. Dividend recommended by the Board of Directors cannot be changed prior to holding of the AGM.

## 5.00 Declaration of Dividend

Subject to the provisions of the Act, dividend shall be declared and paid out of:

a. Profits of the Company for the year for which the dividend is to be paid after setting off carried over previous losses and depreciation not provided in the previous year(s);

b. Undistributed profits of the previous financial years after providing for depreciation in accordance with law and remaining undistributed.

c. Out of a & b both.

Before declaration of dividend, the Company may transfer a portion of its profits to reserves of the Company as may be considered appropriate by the Board at its discretion.

In the event of inadequacy or absence of profits in any financial year, the Company may declare dividend out of free reserves subject to the compliance with the Act and Rules.

## 6.00 Factors Governing Declaration of Dividend

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among the shareholders and amount of profit to be retained in business. The circumstances for dividend pay-out decision depends on various external and internal factors which the Board of Directors shall consider while recommend/ declaring dividend including the following:

### 6.01 External Factors:

- The Board shall endeavor to retain a larger portion of profits to build up reserves, in case of Adverse Economic Scenario.
- The Board shall evaluate the market trends in terms of technological changes mandating investments, competition impacting profits, etc., which may require the Company to conserve resources.
- The Board shall consider the restrictions, if any, imposed by the Act and other applicable laws with regard to declaration of dividend in order to ensure compliance with the applicable laws.
- Dividend distribution tax or any tax deduction at source as required by tax regulations, applicable at the time of declaration of dividend may impact the decision with regard to dividend declaration.
- Other factors beyond control of the Management like natural calamities, fire, etc. effecting operations of the Company may impact the decision with regard to dividend declaration.

### 6.02 Internal Factors:

- Profitability
- Availability and Liquidity of Funds
- Capital Expenditure needs for the existing businesses
- Expansion/Modernization of the business
- Additional investments in subsidiaries/associates of the Company
- Cost of raising funds from alternate sources
- Cost of servicing outstanding debts
- Funds for meeting contingent liabilities
- Mergers and Acquisitions
- Any other factor as deemed appropriate by the Board.

Apart from the above factors, the Board also considers past dividend history and sense of shareholders' expectations while determining the rate of dividend. The Board may additionally recommend special dividend in special circumstances.

## 7.00 Financial Parameters for Declaring Dividend

The Company is committed to deliver sustainable value to its stakeholders. The Company shall strive to distribute an optimal and appropriate level of the profits among the shareholders in the form of dividend.

To keep investment attractive and to ensure capital appreciation for the shareholders, the Company shall also endeavor to provide consistent return over a period of time. While deciding on the dividend, micro and macroeconomic parameters for the country in general and the Company in particular shall also be considered.

Taking into consideration the aforementioned factors, the Board shall endeavor to maintain a dividend pay-out.

## 8.00 Utilization of Retained Earnings

Subject to the provisions of the Act and other applicable laws, retained earnings may be utilized as under:

- Issue of fully paid-up bonus shares
- Declaration of dividend-Interim or Final
- Augmenting internal resources
- Funding for capital expenditure/expansion plans/acquisition;
- Repayment of debt
- Any other permitted use as may be decided by the Board.

## 9.00 Parameters for Various Classes of Shares

Currently, the Company has only one class of shares - Equity Shares. There is no privilege amongst Equity Shareholders of the Company with respect to dividend distribution.

## 10.00 Circumstances Impacting Dividend Payment

The Company has been paying dividend to its shareholders around three decades and shall endeavor to continue with the dividend payment.

Given here in below are some of the circumstances in which shareholders of the Company may or may not expect dividend pay-out:

### 10.01 May Expect Dividend:

- Adequate profits and liquidity
- Accumulated profits not warranted for immediate business needs.

### 10.02 May Not Expect Dividend:

- Non availability of profits for dividend distribution
- Funds available for dividend but need to be conserved due to:

- Business needs;
- Adverse economic /market scenario expected in near future;
- Augmenting internal resources.

## 11.00 Disclosure

This Dividend Distribution Policy shall be disclosed in the Annual Report of the Company and on the Company's website www.monno.com.

If the Company proposes to declare dividend on the basis of any additional parameters apart from those mentioned in the Policy or proposes to change the parameters contained in this Policy, it shall disclose such changes along with the rationale for the same in the Annual Report and on the website.

## 12.00 Tax matters

Tax will be deducted at source as per applicable tax laws.

## 13.00 Effective Date

This Policy has been approved and modified by the Board of Directors of the Company in its meeting held on 18 October, 2025 and shall be effective and applicable for dividend, if any, declared for the Financial Year 2024-2025 onwards.

## 14.00 Amendments / Modifications

To the extent any change/amendment is required in terms of any applicable law or change in regulations or the Listing Regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with the law of the Country. Such amended policy shall be placed before the Board for approval.

.

M. MOHASHIN, FCS
(Principal)
M Mohashin & Co.
Chartered Secretaries In Practice
(A Firm recognized by ICSB Formed under an Act of Parliament)
A leadign Chartered Secretary firm rendering comprehensive professional service which include Corporate Laws, Secretarial Compliances, Secretarial Audit and Independent Scrutinizer.

49/A Sher-E-Bangla Road, (Opposite Modina Maszid)
4th Floor, Zigatola, Dhaka-1209
+88 01815-583682, +88 01534-940893
+88 01990-618253
mmohashinn@gmail.com

## Compliance Report
## Annexure-B
## Certificate as per condition No. 1(5)(xxvii)

**Report to the Shareholder Monno Agro & General Machinery Limited**
**on**
**Compliance with the Corporate Governance Code.**

We have examined the compliance status to the Corporate Governance Code by **Monno Agro & General Machinery Limited** for the year ended on 30 June 2025. This Code relates to the Notification No. BSEC/CMRRCD/2006- 158/207/Admin/80, dated 03 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 adopted by the Management to ensure compliance with the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance with 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 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 except as stated in the remarks column of the Statement on Status of Compliance of the Code prepared by the Directors of the Company;

(b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries 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;

M. MOHASHIN & CO ★ Chartered Secretaries in practice ★

For M. Mohashin & Co.

MD. MOHASHIN FCS
*Chartered Secretary in Practice*

Place : Dhaka
Dated : 10th November, 2025.

56, Mouchak Road, Narayanganj, Dhaka. Mobile : 01815-583682, 01534-940893

## CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

## STATUS OF COMPLIANCE REPORT ON CORPORATE GOVERNANCE
## MONNO AGRO & GENERAL MACHINERY LTD.

Status of compliance with the conditions imposed by the Commission's Notification No BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

| Condition No. | Title | Compliance Status(Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not complied | |
| 1. | **Board of Directors** | | | |
| 1. (1) | **Size of the Board of Directors.** 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). | √ | | Board of Directors comprises of 07 Directors including 01 Independent Director. The appointment of one Female Independent Director is currently awaiting BSEC consent |
| 1. (2) | **Independent Directors.** All companies shall have effective representation of independent directors on their Boards, so that the Board, as a group, includes core competencies considered relevant in the context of each company; for this purpose, the companies shall comply with the following | √ | | |
| 1. (2) (a) | At least one-fifth (1/5) of the total number of directors on the company's board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent directors; | √ | | |
| 1. (2) (b) | For the purpose of this clause "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; | √ | | Does not hold any share of the company. |
| 1. (2) (b) (ii) | who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members; | √ | | |
| 1. (2) (b) (iii) | who has not been an executive of the company in immediately preceding 2 (two) financial years; | √ | | |
| 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; | √ | | |

M. MOHASHIN & CO Chartered Secretaries in practice

| Condition No. | Title | Compliance Status(Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not complied | |
| 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 convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and | √ | | |
| 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); | √ | | . |
| 1 (2) (d) | The post of independent director(s) cannot remain vacant for more than 90(ninety) days; and | √ | | |
| 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]: Provided further that the independent director shall not be subject to retirement by rotation as per the, (Companies Act, 1994). | √ | | |
| (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, regulatory requirements and corporate laws and can make meaningful contribution to the business; | √ | | |
| 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 business association; or | | | N/A |
| 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 | | | N/A |

M. MOHASHIN & CO Chartered Secretaries in practice

| Condition No. | Title | Compliance Status(Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not complied | |
| | with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company; | | | |
| 1 (3) (b) (iii) | Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law; or | √ | | |
| 1 (3) (b) (iv) | University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or | √ | | |
| 1 (3) (b) (v) | Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification; | | | 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. | | | No Such deviation occurred. |
| **1.4** | **Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer.-** | | | |
| 1 (4) (a) | The positions of the Chairperson 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; | √ | | |
| 1 (4) (e) | In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from nonexecutive 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:** The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994): | √ | | |
| 1 (5) (i) | An industry outlook and possible future developments in the industry; | √ | | |

| Condition No. | Title | Compliance Status(Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not complied | |
| 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); | √ | | |
| 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; | | | No such event arose. |
| 1 (5) (x) | A statement of remuneration paid to the directors including ID | √ | | |
| 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; | √ | | |
| 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 there of shall be disclosed; | √ | | |

| Condition No. | Title | Compliance Status(Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not complied | |
| 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; | | | No such event arose |
| 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; | | | N/A |
| 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 meetings held during the year and attendance by each director; | √ | | |
| 1 (5) (xxiii) (a) | Parent or Subsidiary or Associated Companies and other related parties (name-wise details); | √ | | |
| 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 | √ | | |
| 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 or her expertise in specific functional areas; and | √ | | |
| 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; | | | N/A |
| 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; | √ | | |

| Condition No. | Title | Compliance Status(Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not complied | |
| 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; and | √ | | |
| 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 (6) | **Meetings of the Board of Directors** | √ | | |
| 1.6 | 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 Officers.** | √ | | |
| 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 independency. | √ | | |
| 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; | | | N/A |
| 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 |

M. MOHASHIN & CO Chartered Secretaries in practice

| Condition No. | Title | Compliance Status(Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not complied | |
| 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 positions 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; | √ | | |
| 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). | √ | | |
| **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. | √ | | |
| 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; and | √ | | |
| 3 (3) (a) (ii) | these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws; | √ | | |
| 3 (3) (b) | The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members; | √ | | |

M. MOHASHIN & CO Chartered Secretaries in practice

| Condition No. | Title | Compliance Status(Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not complied | |
| 3.3 (c) | The certification of the MD or CEO and CFO shall be disclosed in the Annual Report. | √ | | |
| 4 | **Board of Directors, Committee. -** For ensuring good governance in the company, the Board shall have at least following sub-committees: | √ | | |
| 4 (i) | 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 subcommittee 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** | | | |
| 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 Chairperson of the Board and shall include at least 1 (one) independent director; | √ | | |
| 5.2(c) | All members of the audit committee should be “financially literate” and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience; | √ | | |
| 5.2(d) | When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee; | | | 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 the 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 | | | N/A |

| Condition No. | Title | Compliance Status(Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not complied | |
| | 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. | | | |
| 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 necessary. | √ | | |
| 5 (5) | **Role of Audit Committee:** | | | |
| 5.5 (a) | Oversee the financial reporting process; | √ | | |
| 5.5 (b) | monitor choice of accounting policies and principles; | √ | | |
| 5.5 (c) | monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report; | √ | | |
| 5.5 (d) | oversee hiring and performance of external auditors; | √ | | |
| 5.5 (e) | hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption; | √ | | |
| 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 statutory auditors; | √ | | |
| 5.5 (l) | oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and | √ | | |

M. MOHASHIN & CO. Chartered Secretaries in practice

| Condition No. | Title | Compliance Status(Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not complied | |
| 5.5 (m) | oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission: 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: 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. | | | N/A |
| 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 on its activities to the board. | | | N/A |
| 5.6 (a)(ii)(a) | report on conflicts of interests; | | | N/A |
| 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; and | | | 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**<br>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 unreasonably 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 of 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**<br>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).-** | | | |

| Condition No. | Title | Compliance Status(Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not complied | |
| 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) | All 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; | √ | | |
| 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; | √ | | |
| 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; | | | N/A |

M. MOHASHIN & CO. Chartered Secretaries in practice

| Condition No. | Title | Compliance Status(Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not complied | |
| 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 convene 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** | | | |
| 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: | | | ToR of NRC includes this role |
| 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: | | | ToR of NRC includes this role |
| 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; | | | ToR of NRC includes this role |
| 6.5 (b)(i)(b) | the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and | | | ToR of NRC includes this role |
| 6.5 (b)(i)(c) | Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals; | | | ToR of NRC includes this role |
| 6.5 (b) (ii) | devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality; | | | ToR of NRC includes this role |
| 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 recommend their appointment and removal to the Board; | | | ToR of NRC includes this role |
| 6.5 (b) (iv) | formulating the criteria for evaluation of performance of independent directors and the Board; | | | ToR of NRC includes this role |

| Condition No. | Title | Compliance Status(Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not complied | |
| 6.5 (b) (v) | identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; | | | ToR of NRC includes this role |
| 6.5 (b) (vi) | developing, recommending and reviewing annually the company's human resources and training policies; | | | ToR of NRC includes this role |
| 6.5 (c) | The company shall disclose the nomination and remuneration policy 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 services 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 service that the Audit Committee determines; | √ | | |
| 7.1(viii) | audit or certification services on compliance of corporate governance as required under condition No. 9(1); and | √ | | |
| 7.1(ix) | Any other service that creates conflict 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. | √ | | |

M. MOHASHIN & CO. Chartered Secretaries in practice

| Condition No. | Title | Compliance Status(Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not complied | |
| 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 Corporate 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 shareholders in the annual general meeting shall appoint the professional who will provide the certificate on compliance of this Corporate Governance Code. | √ | | |
| 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. | √ | | |



Aziz Halim Khair Choudhury
Chartered Accountants
Corporate Office
House # 75/A, Abasar Bhaban (2nd Floor)
Road # 5/A, Dhanmondi, Dhaka-1209.

Tel: +8809613339090-92
Email: pkfahkc.co@pkfahkcbd.com
Website: www.pkfahkcbd.com

## Independent Auditor's Report

To the Shareholders of Monno Agro & General Machinery Ltd.

Report on the Audit of the Financial Statements

**Qualified Opinion**

We have audited the accompanying financial statements of Monno Agro & General Machinery Ltd., which comprise the Statement of Financial Position as at 30 June 2025, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year 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 effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at 30 June 2025, and its financial performance and its cash flow year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations.

**Basis for Qualified Opinion**

1. As referred to *Note 4.01 Receivable Against Sales*, an amount of Tk. 6.98 crore has been recognized as receivables in the financial statements as at 30 June 2025. However, no allowance for expected credit losses has been recognized in accordance with the requirements of *IFRS 9: Financial Instruments*. Under IFRS 9, entities are required to assess the collectability of receivables and recognize an allowance for expected credit losses based on past events, current conditions, and forward-looking information. In the absence of such an assessment and corresponding provision, the carrying amount of receivables may be materially overstated, and consequently, the reported profit for the year may have been significantly overstated.

We conducted our audit in accordance with International Standards on Auditing (IASs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, 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 of our qualified opinion.

**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. Those matters were addressed in 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. For each matter below, our description of how our audit addressed the matter is produced in the context.

| Risk | Our response to the risk |
|---|---|
| **Property, plant and equipment (PP&E)** | |
| The carrying value of PP&E as at 30 June 2025 was BDT. 455,417,072 Which is 79.59% of total assets.<br><br>There are a number of areas where management judgment impacts the carrying value of PP&E, and the related depreciation profiles. These include: | Our audit procedures to assess the carrying value of PP&E included the following:<br>• Assessing the design, implementation and operating effectiveness of key internal controls over the completeness, existence and accuracy of property, plant and equipment, including the key internal controls over the estimation of useful economic lives and residual values; |

| Risk | Our response to the risk |
|---|---|
| Determining which costs meet the criteria for capitalization;<br><br>The estimation of economic useful lives an residual values assigned to property, plant and equipment.<br><br>We identified the carrying value of property, plant and equipment as a key audit matter because of the high level of management judgment involved and because of its significance to the financial statements. | • Assessing, on a sample basis, costs capitalized during the year by comparing the costs capitalized with the relevant underlying documentation, which included purchase agreements and invoices, and assessing whether the costs capitalized met the relevant criteria for capitalization; and<br><br>• Evaluating management's estimation of useful economic lives and residual values by considering our knowledge of the business. |
| See Schedule-A of the financial statements. | |
| **Valuation of Inventory** | |
| The Company had inventory of BDT 33,029,883 at 30 June 2025, held and across multiple product lines. Inventories are carried at the lower of cost and net realizable value.<br><br>Inventory valuation and existence was a key audit matter because of store/ location that inventory was held and the judgment applied in the valuation of inventory. | We performed a number of audit procedures for inventory valuation and existence. The procedure introduced any others the followings:<br><br>• Evaluated and selected systems and processes for inventory and tested a sample of key controls for establishing volumes and cost;<br><br>• Evaluated the stocking process in the selected stores and undertook our own test of control;<br><br>• Tested, on a sample basis, stocks of raw materials to actual prices. Assessed the reasonableness of the product and service costing;<br><br>• Comparing the net realizable value obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories;<br><br>• Participated in stock takes at a number of locations and tested the cut-off of deliveries in or out of inventory; and<br><br>• Obtained the company's monitoring controls of slow movers and assessments of obsolescence as well as net selling prices. |
| See note no. 3.00 to the financial statements | |
| **Recoverability Assessment of Trade & Other Receivables** | |
| The total amount of trade receivable is Tk. 69,781,517 as at June 30, 2025. There are significant large number customers. Customers in different business segments and jurisdictions are subject to their independent business risk. The increasing challenges over the economy and operating environment in the manufacturing industry during the year have increased the risks of default on receivables from the customers. In | Our audit procedures of assess the recoverability of trade receivables including the following:<br><br>• Tested the accuracy of aging of trade receivable at year end on a sample basis;<br><br>• Evaluating the Company's policy for making allowance for doubtful debts with reference to the requirements of the prevailing accounting Standards; |

| Risk | Our response to the risk |
|---|---|
| particular, in the event of insolvency of customers, the company is exposed to potential risk of financial loss when the customers fail to meet their contractual obligations in accordance with the requirements of the agreements.<br><br>Accordingly, we identified the recoverability of trade receivables as a key audit matter because of the significance of trade receivables to Company's Financial Position and because of the significant degree of management judgment involved in evaluating the adequacy of the allowance for doubtful debts. | • Assessing the classification of trade receivables in the trade receivable aging report by comparison with sales invoice and other underlying documentation on a test basis;<br><br>• Assessed the recoverability of the receivables on a sample basis through our evaluation of management's assessment with reference to the credit profile of the customers, historical payment pattern of customers; and<br><br>• Inspecting subsequent bank receipts from customers and other relevant underlying documentation relating to trade receivable balances at June 30, 2025; |
| See note no. 4.00 to the Financial Statements | |
| **Short Term Borrowings** | |
| As at June 30, 2025 the reported amount of total Short-term Borrowings is TK. 61,528,009 respectively. The company borrowed fund from various Bank for the purpose of working capital as well.<br><br>The company may face difficulties due to unfavorable movement in interest rate, monetary policy and adverse variance between import & export that may result in short-term cash flow crisis. | We have tested the design and operating effectiveness of key controls focusing on the following:<br><br>• We verified sanction letter, loan schedule and bank statements to confirm the loan outstanding and found that the balance had been reported in the Financial Statements accurately. We also submit the balance confirmation to the respective banks and financial institutions.<br><br>• We also checked the financial expenses and classification of loan and repayment schedule as well.<br><br>• We had checked the recording date of transactions and found the recording date is in line with the loan disbursement date. We also confirmed that the company had paid its installments within due time. |
| See note no. 12.00 to the Financial Statements | |
| **Revenue Recognition** | |
| At year end of the Company reported total revenue of BDT 112,257,432.<br><br>Since the company has complex terms of contracts which require significant management estimation and judgment in determining the timing of revenue recognition and measurement. Revenue is derived from several business segments and agreement with customers contain more than one performance obligation. Hence the management needs to determine the basis for allocating the consideration received between the separate performance obligations based on relative standard selling price. This matter is | Our audit procedures included, among others, the following:<br><br>• We evaluated the revenue recognition principles applied by the Company towards applicable accounting standards;<br>• We evaluated the revenue recognition of different segments of revenue in relation to the terms of the service terms;<br>• We tested the key controls over the calculation, authorization and approval of bills forwarded to customers and the capturing and recording of revenue transections;<br>• We tested the timing of the revenue recognition;<br><br>• We evaluated the appropriateness of the notes related to the Company's revenue; |

| Risk | Our response to the risk |
|---|---|
| considered a key audit matter due to the level of judgment required to determine the timing of revenue recognition and measurement. | • We critically assessed manual journals posted to revenue to identify unusual or irregular items; and<br>• Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards. |
| See note no. 18.00 of the financial statements | |

**Reporting on 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.

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

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, 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.
- Evaluate the appropriateness of accounting polices used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubts on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion is based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the 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, related safeguards.

From the matter 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 be 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, 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission and other applicable laws and regulations. We, as required by law, further report that:

a) We have obtained all the information and explanations which to the best of our knowledge and belief where necessary for the purpose of our audit and made due verification thereof;

b) In our opinion, proper books of accounts, records and other statutory books are required by law have been kept by the Company so far as it appeared from our examinations of those books;

c) The information and explanations required by us have been received and found satisfactory;

d) The Statement of Financial Position, and the Statement of Profit or Loss and Other Comprehensive Income and Statement of Changes in Equity and Statement of Cash Flows of the Company dealt with by the report are in agreement with the books of account and returns; and

e) The expenditure was incurred for the purpose of the Company's business.

Signed for and on behalf of
**Aziz Halim Khair Choudhury**
Chartered Accountants



Signed by:
**M. Mosharraf Hossain**
FCA I PhD I PMP I CPFA I CISM I CISA
Partner
ICAB Enrolment No: 769
DVC: 2510220769AS439845

**22 October 2025**
Dhaka

## STATEMENT OF FINANCIAL POSITION
## AS AT JUNE 30, 2025

Figures in Taka

| Particulars | Notes | As at 30 June 2025 | As at 30 June 2024 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-Current Assets** | | **456,039,143** | **454,788,920** |
| Property, Plant & Equipment | Schedule-A | 455,417,072 | 454,788,920 |
| Deferred Tax Asset | 11.00 | 622,072 | - |
| **Current Assets** | | **116,185,507** | **113,498,133** |
| Inventories | 3.00 | 33,029,883 | 35,583,913 |
| Trade & Other Receivables | 4.00 | 69,781,517 | 56,487,318 |
| Advance, Deposits & Prepayments | 5.00 | 2,402,062 | 2,202,063 |
| Advance Income Tax | 6.00 | 5,040,277 | 14,930,150 |
| Inter Company Current Account | 7.00 | 2,600,000 | 2,600,000 |
| Cash & Cash Equivalents | 8.00 | 3,331,768 | 1,694,689 |
| **TOTAL ASSETS** | | **572,224,651** | **568,287,053** |
| **EQUITY AND LIABILITIES** | | | |
| **Shareholders' Equity** | | **487,811,585** | **483,408,242** |
| Share Capital | 9.00 | 44,002,560 | 36,067,680 |
| General Reserve | | 3,794,368 | 3,794,368 |
| Revaluation Reserve | 10.00 | 431,569,295 | 432,590,019 |
| Retained Earnings | | 8,445,362 | 10,956,175 |
| **Non-Current Liabilities** | | **-** | **292,539** |
| Provision for Deferred Tax | 11.00 | - | 292,539 |
| **Current Liabilities and Provision** | | **84,413,066** | **84,586,272** |
| Short Term Borrowings | 12.00 | 61,528,009 | 49,668,868 |
| Inter Company Current Account | 13.00 | 4,607,737 | 4,407,737 |
| Liabilities for Other Finance | 14.00 | 141,000 | 144,800 |
| Unclaimed Dividend | 15.00 | 852,669 | 782,970 |
| Provision and Others | 16.00 | 6,129,444 | 14,695,787 |
| Provision for Income Tax | 17.00 | 11,154,207 | 14,886,110 |
| **TOTAL LIABILITIES** | | **84,413,066** | **84,878,811** |
| **TOTAL EQUITY AND LIABILITIES** | | **572,224,651** | **568,287,053** |
| **Net Asset Value Per Share** | 24.00 | **110.86** | **134.03** |

The annexed notes from 1.00 to 33.00 form an integral part of these financial statements.

| | | | |
|---|---|---|---|
| **Monzur Md. Kawser** | **Benoy Paul FCS** | **Huron Nahar Rashid** | **Afroza Khanam** |
| Chief Financial Officer | Company Secretary | Managing Director | Chairman |

Signed in terms of our separate report of even date.

Signed for and on behalf of
**Aziz Halim Khair Choudhury**
Chartered Accountants

Signed by:
**M. Mosharraf Hossain**
FCA I PhD I PMP I CPFA I CISM I CISA
Partner
ICAB Enrolment No: 769
DVC: 2510220769AS439845

**22 October 2025**
Dhaka

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
## FOR THE YEAR ENDED JUNE 30, 2025

Figures in Taka

| Particulars | Notes | 01 July 2024 to 30 June 2025 | 01 July 2023 to 30 June 2024 |
|---|---|---|---|
| Sales | 18.00 | 112,257,432 | 120,103,295 |
| Cost of Goods Sold | 19.00 | (91,479,560) | (99,250,519) |
| **Gross Profit (A)** | | **20,777,871** | **20,852,776** |
| **Operating Expenses (B):** | | **(13,277,765)** | **(7,351,162)** |
| Administrative Expenses | 20.00 | (12,172,465) | (5,975,462) |
| Selling & Distribution Expenses | 21.00 | (1,105,300) | (1,375,700) |
| **Profit from Operations (A+B):** | | **7,500,106** | **13,501,614** |
| Financial Expenses | 22.00 | (3,807,650) | (4,184,260) |
| Other Income | 23.00 | 558,525 | 8,196 |
| **Profit before Tax & WPF & WWF** | | **4,250,981** | **9,325,549** |
| Contribution to Workers Participation & Welfare Fund | 16.05 | (212,549) | (466,277) |
| **Net Profit before Tax** | | **4,038,432** | **8,859,272** |
| Provision for Income Tax | 17.02 | (549,700) | (1,993,336) |
| Provision for Deferred Tax | 11.00 | 914,611 | 871,089 |
| **Net Profit after Tax for the year** | | **4,403,343** | **7,737,025** |
| **Earnings per share** | 25.00 | **1.00** | **2.15** |

The annexed notes from 1.00 to 33.00 form an integral part of these financial statements.

| | | | |
|---|---|---|---|
| **Monzur Md. Kawser** | **Benoy Paul FCS** | **Huron Nahar Rashid** | **Afroza Khanam** |
| Chief Financial Officer | Company Secretary | Managing Director | Chairman |

Signed in terms of our separate report of even date.

Signed for and on behalf of
**Aziz Halim Khair Choudhury**
Chartered Accountants

Signed by:
**M. Mosharraf Hossain**
FCA I PhD I PMP I CPFA I CISM I CISA
Partner
ICAB Enrolment No: 769
DVC: 2510220769AS439845

**22 October 2025**
Dhaka

## STATEMENT OF CHANGES IN EQUITY
## FOR THE YEAR ENDED JUNE 30, 2025

Figures in Taka

| Particulars | Share Capital | General Reserve | Revaluation Reserve | Retained Earnings | Total Reserve & Surplus | Total |
|---|---|---|---|---|---|---|
| Opening Balance July 01, 2024 | 36,067,680 | 3,794,368 | 432,590,019 | 10,956,175 | 447,340,562 | 483,408,242 |
| Depreciation on Revaluation Assets | - | - | (1,020,724) | 1,020,724 | - | - |
| Cash Dividend declared for the year 2023-2024 | - | - | - | - | - | - |
| Bonus Share declared for the year 2023-2024 | 7,934,880 | - | - | (7,934,880) | (7,934,880) | - |
| Net profit after tax for the period | - | - | - | 4,403,343 | 4,403,343 | 4,403,343 |
| **Balance as on June 30, 2025** | **44,002,560** | **3,794,368** | **431,569,295** | **8,445,362** | **443,809,025** | **487,811,585** |

## FOR THE YEAR ENDED JUNE 30, 2024

| Particulars | Share Capital | General Reserve | Revaluation Reserve | Retained Earnings | Total Reserve & Surplus | Total |
|---|---|---|---|---|---|---|
| Opening Balance July 01, 2023 | 27,324,000 | 3,794,368 | 433,829,923 | 11,542,646 | 449,166,937 | 476,490,937 |
| Depreciation on Revaluation of Assets | - | - | (1,239,904) | 1,239,904 | - | - |
| Cash Dividend declared for the year 2022-2023 | - | - | - | (819,720) | (819,720) | (819,720) |
| Bonus Share Declared for 2022-23 | 8,743,680 | - | - | (8,743,680) | (8,743,680) | - |
| Net profit after tax during the period | - | - | - | 7,737,025 | 7,737,025 | 7,737,025 |
| **Balance as on June 30, 2024** | **36,067,680** | **3,794,368** | **432,590,019** | **10,956,175** | **447,340,562** | **483,408,242** |

The annexed notes from 1.00 to 33.00 form an integral part of these financial statements.

**Monzur Md. Kawser**
Chief Financial Officer

**Benoy Paul FCS**
Company Secretary

**Huron Nahar Rashid**
Managing Director

**Afroza Khanam**
Chairman

**22 October 2025**
Dhaka

Aziz Halim Khair Choudhury Chartered Accountants Dhaka.

## STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED JUNE 30, 2025

Figures in Taka

| Particulars | Notes | 01 July 2024 to 30 June 2025 | 01 July 2023 to 30 June 2024 |
|---|---|---|---|
| **Cash Flows from Operating Activities:** | | **(3,562,184)** | **1,812,934** |
| Cash Receipts from Customers | 4.00 | 98,963,233 | 117,533,035 |
| Cash Receipts from Others | 23.00 | 558,525 | 8,196 |
| Cash paid to Suppliers | 28.00 | (84,154,551) | (99,942,921) |
| Cash paid to Employees and Others | 29.00 | (14,735,403) | (11,225,865) |
| Interest paid | 22.00 | (3,807,650) | (4,184,260) |
| Advance Income Tax paid | 6.01 | (386,338) | (375,251) |
| **Cash Flows from Investing Activities:** | | **(6,351,077)** | **(6,481,050)** |
| Acquisitions of Property, Plant & Equipment | Schedule-A | (6,351,077) | (6,481,050) |
| **Cash Flows from Financing Activities:** | | **11,550,340** | **5,374,040** |
| Short Term Loan (Payment)/Received | 12.00 | 11,859,141 | 468,542 |
| Intercompany Current Account (Payment)/Received | 13.00 | 200,000 | 1,037,263 |
| Inter Company Current Account | 7.00 | - | 4,407,737 |
| Dividend Paid | 15.00 | (490,190) | (522,120) |
| CMSF Transfer | 15.00 | (18,611) | (17,382) |
| **Net Increase/(Decrease) in Cash & Cash Equivalents** | | **1,637,079** | **705,922** |
| Cash and Cash Equivalents at Beginning of the year | 8.00 | 1,694,689 | 988,766 |
| **Cash and Cash Equivalents at closing of the year** | 8.00 | **3,331,768** | **1,694,689** |
| **Net Operating Cash Flow per share** | 26.00 | **(0.81)** | **0.50** |

The annexed notes from 1.00 to 33.00 form an integral part of these financial statements.

| | | | |
|---|---|---|---|
| **Monzur Md. Kawser** | **Benoy Paul FCS** | **Huron Nahar Rashid** | **Afroza Khanam** |
| Chief Financial Officer | Company Secretary | Managing Director | Chairman |

**22 October 2025**
Dhaka

Aziz Halim Khair Choudhury Chartered Accountants Dhaka.

**NOTES TO THE FINANCIAL STATEMENT**
**FOR THE YEAR ENDED JUNE 30, 2025**

## 1.00 COMPANY AND ITS ACTIVITIES:

### 1.01 Corporate History of the Reporting Entity:

a) Monno Jute Stafllers Limited was incorporated in Bangladesh on 16th June 1978 as a Public Limited Company under the Companies Act, 1913 with the Registrar of Joint Stock Companies vide registration no. C- 6204/762 of 1977-1978. Monno Jute Stafflers Limited changed it's name as Monno Agro & General Machinery Ltd. on 27th July 2020 vide no. C-6204.

b) The registered office and factory of the company are situated at Islampur, Dhamrai, Dhaka-1350 and corporate office at 9, Wyer Street, Wari, Dhaka-1203.

c) The shares of the Company are traded at Dhaka Stock Exchange Limited.

### 1.02 Corporate Business:

To erect, construct, establish and run factories for the manufacturing of wooden staves, steel faced wooden staves, pin and faller bars (pin through), agro machineries, general machineries.

## 2.00 SIGNIFICANT ACCOUNTING POLICIES & OTHER MATERIAL INFORMATION:

### 2.01 Corporate Financial Statements :

**Financial Statements comprise of the followings:**

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 & explanatory materials covering accounting policies.

The Financial Statements prepared under the historical cost convention and in accordance with the requirements of the Companies Act, 1994, the Securities and Exchange Rules, 2020, the Listing Regulations of Dhaka Stock Exchange Ltd. and the International Accounting Standards (IASs) as well as those standards and disclosures recommended by IASs as applicable to the company.

The Management is responsible for preparing and presenting the Financial statements including adequate disclosures, who approved and authorized for issue of these financial statements.

The following IASs and IFRSs are complied for the Financial Statements under audit:

| IAS | Title | Remarks |
|---|---|---|
| IAS 1 | Presentation of Financial Statements | Complied |
| IAS 2 | Inventory | Complied |
| IAS 7 | Statement of Cash Flows | Complied |
| IAS 8 | Accounting Policies, Changes in Accounting Estimates and Errors | Complied |
| IAS 10 | Events after the Reporting Period | Complied |
| IAS 12 | Income Taxes | Complied |
| IAS 16 | Property, Plant and Equipment | Complied |
| IAS 19 | Employee Benefits | Complied |
| IAS 23 | Borrowing Costs | Complied |
| IAS 24 | Related Party Disclosures | Complied |
| IAS 32 | Financial Instruments: Presentation | Complied |
| IAS 33 | Earnings per Share | Complied |
| IAS 36 | Impairment of Assets | Complied |
| IAS 37 | Provisions, Contingent Liabilities and Contingent Assets | Complied |

| IFRS | Title | Remarks |
|---|---|---|
| IFRS 7 | Financial Instruments : Disclosures | Complied |
| IFRS 9 | Financial Instruments | Complied |
| IFRS 15 | Revenue from Contracts with Customers | Complied |
| IFRS 16 | Lease | Complied |

### 2.02 Fundamental Accounting Concepts/Assumption:

The Financial statements have been prepared based on Going concern, Consistency, Accrual and such other concepts and conventions as required by IAS-1 for fair presentation of financial statements.

### 2.03 Net Profit Before Tax:

Net profit before tax for the year were not materially affected by:

a) transactions of a nature not usually undertaken by the company;
b) circumstances of an exceptional or non-recurring nature;
c) charges of credits relating to prior years; and
d) changes in accounting policies.

Aziz Halim Khair Choudhury Chartered Accountants Dhaka

**2.04 Reporting Currency and Level of Precision:**

The Financial statements are presented in Bangladesh currency (Taka), which have been rounded off to the nearest Taka except where indicated otherwise. Figures in brackets indicate subtractions.

**2.05 Reporting Period:**

Yearly Financial Statements cover from 1st July 2024 to 30 June 2025.

**2.06 Comparative Information:**

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year. Comparative information is reclassified and rearranged, wherever necessary, to conform to the current presentation.

**2.07 Historical Cost Profit and Loss:**

There was no extraordinary item, hence there was no difference in profit on ordinary activities before taxation and the net profit before tax. In addition, there was revaluation of fixed assets during the period under review. Therefore, there was no factor like the differences between historical cost depreciation and depreciation on revalued amount, realization of revenue surplus on retirement or disposal of assets, etc. Accordingly, no separate note of historical cost profit and loss has been presented.

**2.08 Principal Accounting Policies:**

The specific accounting policies selected and applied by the Company's directors for significant transactions and events that have material effect within the framework of IAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in earlier years.

For a proper understanding of the financial statements, these accounting policies are set out below in one place. The recommendation of IAS-1 relating to the format of financial statements were also taken into full consideration for fair presentation.

**2.09 Recognition of Property, Plant & Equipment:**

These are capitalized at cost of acquisition and subsequently stated at cost less accumulated depreciation. The cost of acquisition comprises purchase price, including import duties and non-refundable Taxes and any directly attributable cost of bringing the assets to its working condition for its intended use. Interest during construction period have been capitalized as required by IAS-23. Expenditure incurred after the assets have been put into operation, Repairs & maintenance is normally charged as revenue expenditure in the period in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of the fixed assets, the expenditure is capitalized as an additional cost of the assets.

On retirement or otherwise disposal of PPE, the cost and accumulated depreciation are eliminated and any gain or loss on such disposal is reflected in the Statement of Comprehensive Income which is determined with reference to the net book value of assets and the net sales proceeds.

**2.10 Depreciation on Property, Plant & Equipment:**

(a) Property, Plant & Equipment are valued at cost less accumulated depreciation.
(b) Depreciation on Property, Plant & Equipment is computed using the Reducing Balance Method.
(c) No depreciation has been charged on land and land development.
(d) Depreciation has been charged on additions from the date when the related assets are put into use.
(e) After considering the useful life of assets as per IAS-16, the annual depreciation rates have been applied as under which is considered reasonable by the management.

| Particulars | 30.06.2025 | 30.06.2024 |
|---|---|---|
| Building and Other Constructions | 20% | 20% |
| Plant, Machinery and Equipment | 15% | 15% |
| Furniture and Fixtures | 10% | 10% |
| Vehicles | 20% | 20% |
| Air Conditioner | 10% | 10% |
| Computers & Others | 25% | 25% |

**2.11 Revaluation of Property, Plant & Equipment:**

**2.11.01 About the Valuer Information:**

Shiraz Khan Basak & Co. (SKB), Chartered Accountants was established in 1985 and is a registered partnership firm under the register of Joint Stock Companies & Firms vide registration no. P 46140/2020. SKB located at R.K. Tower (Level-10 & 6), 86, Bir Uttam C.R. Datta Road (312, Sonargaon Road), Dhaka-1205. Valuer engagement partner name Ms. Chaity Basak, FCA (Enrol # 1772) Partner at Shiraz Khan Basak & Co. Chartered Accountants.

**2.11.02 Purpose of the Valuation:**

The main objective of this valuation is to arrive at the fair value of Land and Land Development, Building, Machinery & Equipment, Vehicle, Furniture & Fixtures, Air Conditioner, Computer and other assets of Monno Agro & General Machinery Ltd. So as to enable the management to account for the fair value of fixed assets to arrive at in the financial statements of the company to give effect in its financial statements for the year ended June 30, 2022.

**2.11.03 Basis of Valuation:**

The non-current assets of the company have been revalued based on Current Cost Accounting (CCA) method, premised on the accompanying narrative information, valuation methodology, summary of values. SKB opinion of the appraisal values of the existing non-current assets as of June 30, 2022 for continued use as part of a going concern. Present valuation of the land and other assets has been arrived at by taking into consideration the location and the market price of recent transfer of the assets. SKB have collected information and explanation from local people and Mouza value to assess an average current transfer market rate of the lands and in case of Building & Other Constructions, Plant Machinery & Equipment, Furniture & Fixtures, Vehicle, Air Conditioner, Computer and other assets SKB have collected information from both local and international sources.

**2.11.04 Cut-off Date of Valuation:**

The cut-off date of valuation is June 30, 2022 to be given effect on the financial statements for the year ended June 30, 2022.

**2.11.05 Extent of Investigation:**

The valuation of assets was conducted in accordance with International Valuation Standards (IVSs) and Bangladesh Securities & Exchange Commission (BSEC) guideline dated August 18, 2013.

SKB investigation methodology was as follows:

(a) As per decision of the company the assets of the company under the scope of this revaluation are as follows:

Land and Land Development
Building & Other Constructions
Plant, Machinery & Equipment
Furniture & Fixtures
Vehicle
Air Conditioner
Computers & Other Assets

(b) As per paragraph 36 of IAS-16: " when an item of property, plant and equipment is revalued, entire class of property, plant and equipment to which that asset belongs to have to be revalued". Accordingly, entire class of property plant and equipment have been revalued.

(c) As per paragraph 31 of IAS-16: "after recognition as an asset, an item of property, plant & equipment whose fair value can be measured reliably shall be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses". Accordingly, the company has complied this provision in its valuation of assets.

The fair values of Land and Land development, Plant Machinery & Equipment, Building & Other constructions, Furniture & Fixtures, Vehicle, Air Conditioner, Computer and others assets have been determined from relevant documents and market evidences. The non-current assets of Monno Agro & General Machinery Ltd. have been revalued based on Current Cost Accounting (CCA) Method.

(d) "Current Cost" as defined in International Accounting Standard (IASs) is the amount of cash or cash equivalents that would have to be paid if the same or an equivalent asset was acquired currently.

**2.12 Impairment of Assets:**

Property, Plant & Equipment have been reviewed and it was confirmed by the management that no such impairment of Property, Plant & Equipment is verified during the year. For this reason no provision has been made for impairment of assets.

**2.13 Inventories:**

Inventories comprises of Raw Materials ,Work-in-process, Finished goods, Stores & Spares and Materials-in-transit. Raw materials and Stores & Spares have been valued at average cost. Materials-in-transit have been valued at the cost incurred up to the date of Statement of Financial Position. Work-in-process have been valued at prime cost basis as required by IAS-2 with proportionate addition of Factory Overheads. Finished goods have been valued at the lower of cost and net realizable value.

**Cash and Cash Equivalents:**

Cash in hand and Cash at banks have been considered as cash and cash equivalents for the preparation of these financial statements, which were held and available for use by the Company without any restriction and there was no significant risk of changes in value of these current assets.

**2.15 Cash Flow Statement:**

Cash flow statement is prepared principally in accordance with IAS-7 "Cash Flow Statements" and the cash flows from the operating activities have been presented under direct method as required by the Securities and Exchange rules 1987 and considering the provisions of paragraph-19 of IAS-7 which provides that "Enterprises are Encouraged to Report Cash Flow from Operating Activities using the Direct Method". Reconciliation of cash flows from operating activities between Direct and Indirect method have been shown in note 30.00.

**2.16 Taxation:**

a) **Current Tax**

Current tax is the expected tax payable on the taxable income for the financial year, using tax rates enacted or subsequently enacted after the reporting date and any adjustment to tax payable in respect of previous years. Provision for taxation is calculated on the basis of applicable current tax rate and in compliance with Income Tax Act, 2023.

b) **Deferred Tax**

The company has decided to adopt policy of recognition of deferred tax in accordance with the IAS-12 "Income Taxes". Deferred Tax is provided using the liability method for temporary difference between the carrying value of Property, Plant & Equipment as per financial statements and the corresponding income tax written down value. Deferred tax is calculated at the effective income tax rate prevailing at the Statement of Financial Position date.

c) **Income Tax Assessment Position**

The Income Tax assessment of the company has been completed up to the Accounting year 2008-2009, 2009-10, 2010 -11, 2011-2012 & 2012-13 & 2014-2015 (Assessment year 2010-11, 2011-12, 2012-13, 2013-14, 2014-15 & 2015-2016). The details of Tax provision is shown note no: 17.00

**2.17 Employees Benefit:**

a) **WPWF:**

i) The company has a "Recognized" Workers Participation Fund & Welfare Fund. The fund is controlled and managed by separate Trustee Board.

ii) Company has complied with the Labor Act, 2006, as amended in 2018 and introduced workers profit participation fund (5% of profit before charging such expenses). The 5% is being distributed in a proportion of 80:10:10 to the fund.

b) **Gratuity Fund:**

The company has a gratuity fund which continued till 31st August 2007. After which gratuity fund was discontinued by the management. Hence, no provision was made.

**2.18 Revenue Recognition:**

Revenue are recognized when goods are delivered from the Factory Godown and Delivery Challan is issued.

**2.19 Transactions in Foreign Currencies:**

Transactions in foreign currencies are converted into Bangladesh Taka at the exchange rate ruling on the dates of transactions.

**2.20 Finance Costs:**

Finance Cost (Borrowing Costs) incurred during the year was recognized as revenue expenses in accordance with the requirements of IAS 23 "Borrowings Costs".

**2.21 Earning Per Share (EPS):**

The company calculates Basic Earnings per share (EPS) in accordance with International Accounting Standards (IAS-33), which is shown in note: 25 Diluted earning per share is not applicable for the company as it has no such convertible securities. Revenue of the company has increased, as such, the net profit after tax has also increased. Therefore the Earning Per Share (EPS) has Increased from the last year.

**2.22 Net Asset Value Per Share (NAVPS):**

The company has calculated Net Asset Value Per Share (NAVPS) which is shown in note: 24.00. The net profit of the company has increased during the year which result in the increased of the Net Asset Value Per Share (NAVPS) from the last year.

**2.23 Net Operating Cash Flows Per Share (NOCFPS):**

Net Operating Cash Flows of the Company is negative due to Increase of Bank Loan and also increased of Accounts Receivable. Accounts Receivable has increased due to lack of collection from Sales. The Company's main customers are Jutes Mills which didn't properly run their Operation due to crisis of Raw Jute. Net Operating Cash Flows Per Share (NOCFPS) is shown in note: 26.00. Cash Flow of the Company has increased due to cash receipts from customers. Prior year tax adjustment incurred during the year causes Net Operating Cash Flow (NOCF) Per Share negative.

**2.24 Related Party Disclosures:**

The company carried out transactions with related party in the normal course of business and on arms' length basis. The information as required by IAS- 24 "Related Party Disclosures" has been disclosed in a separate note to the financial statements in note-31.00.



Figures in Taka

| Sl. No | Particulars | Notes | As at 30 June 2025 | As at 30 June 2024 |
|---|---|---|---|---|
| **3.00** | **Inventories:** | | | |
| | The details break-up is made up as follows: | | | |
| | Raw Materials | | 5,913,078 | 6,684,476 |
| | Finished Goods | 18.00 | 21,174,550 | 22,574,549 |
| | Work-in-Process | 18.00 | 1,026,685 | 873,256 |
| | Stores & Spares | | 4,915,570 | 5,451,632 |
| | | **Total:** | **33,029,883** | **35,583,913** |
| | Inventories have been valued and certified by the management. | | | |
| **4.00** | **Trade & Other Receivable:** | | | |
| | The details break-up is made up as follows: | | | |
| | Opening Balance | | 56,487,318 | 53,917,058 |
| | Add: Sales during the year | 18.00 | 112,257,432 | 120,103,295 |
| | | | **168,744,750** | **174,020,353** |
| | Less: Collection during the year | | 98,963,233 | 117,533,035 |
| | **Closing Balance** | | **69,781,517** | **56,487,318** |
| **4.01** | **Aging of Accounts Receivable:** | | | |
| | **Duration** | | | |
| | 0-1 Month | | 12,538,657 | 7,141,000 |
| | 2-3 Months | | 23,780,550 | 12,177,500 |
| | 4-6 Months | | 13,055,920 | 10,893,500 |
| | 7-9 Months | | 8,045,900 | 11,654,060 |
| | 10-12 Months | | 9,265,389 | 10,576,157 |
| | Over 12 Months | | 3,095,101 | 4,045,101 |
| | | **Total:** | **69,781,517** | **56,487,318** |
| **5.00** | **Advance, Deposits & Prepayments:** | | | |
| | The details break-up is made up as follows: | | | |
| | **Advances:** | | **500,000** | **300,000** |
| | Other Advance-Employee | | - | 300,000 |
| | Advance Party -Maleque Enterprise (Civil Cont.) | | 500,000 | - |
| | **Deposits:** | | **1,902,062** | **1,902,062** |
| | Earnest Money Deposits | | 2,118 | 2,118 |
| | Security Deposits-REB | | 536,500 | 536,500 |
| | Value Added Tax | | 1,363,444 | 1,363,444 |
| | | **Total:** | **2,402,062** | **2,202,063** |
| **6.00** | **Advance Income Tax:** | | | |
| | The details break-up is made up as follows: | | | |
| | Opening Balance | | 14,930,150 | 14,554,899 |
| | Add: Addition during the year | | 386,338 | 375,251 |
| | | | **15,316,488** | **14,930,150** |
| | Less: Adjustment during the year | | 10,276,211 | - |
| | **Closing Balance** | | **5,040,277** | **14,930,150** |

Figures in Taka

| Sl. No | Particulars | Notes | As at 30 June 2025 | As at 30 June 2024 |
|---|---|---|---|---|

**6.01** The advance income tax represents the income tax paid and deducted at source relating to the following year.

| Accounting Year | Assessment Year | | | |
|---|---|---|---|---|
| 2024- 2025 | 2025- 2026 | | 386,338 | - |
| 2023 - 2024 | 2024 - 2025 | | 375,251 | 375,251 |
| 2022 - 2023 | 2023 - 2024 | | 1,695,380 | 1,695,380 |
| 2021 - 2022 | 2022 - 2023 | | 1,717,086 | 1,717,086 |
| 2019 - 2020 | 2020 - 2021 | | 337,166 | 337,166 |
| 2018 - 2019 | 2019 - 2020 | | 529,056 | 529,056 |
| 2014- 2015 | 2015 - 2016 | | - | 1,724,557 |
| 2013- 2014 | 2014 - 2015 | | - | 1,580,380 |
| 2012- 2013 | 2013 - 2014 | | - | 1,561,449 |
| 2011- 2012 | 2012 - 2013 | | - | 1,104,724 |
| 2010- 2011 | 2011 - 2012 | | - | 1,083,053 |
| 2009- 2010 | 2010 - 2011 | | - | 3,222,048 |
| | | **Total:** | **5,040,277** | **14,930,150** |

**7.00 Inter Company Current Account:**

The details break-up is made up as follows:

| | | | |
|---|---|---|---|
| Monno Bone China Limited | 7.01 | 2,600,000 | 2,600,000 |
| | **Total:** | **2,600,000** | **2,600,000** |

**7.01 Monno Bone China Limited:**

The details break-up is made up as follows:

| | | |
|---|---|---|
| Opening Balance | 2,600,000 | 2,600,000 |
| Add: Addition During the year | - | - |
| | **2,600,000** | **2,600,000** |
| Less: Adjustment during the year | - | - |
| **Closing Balance** | **2,600,000** | **2,600,000** |

**7.02 Monno Ceramic Industries Limited:**

The details break-up is made up as follows:

| | | |
|---|---|---|
| Opening Balance | - | 1,037,263 |
| Add: Addition During the year | - | - |
| | **-** | **1,037,263** |
| Less: Adjustment during the year | - | 1,037,263 |
| **Closing Balance** | **-** | **-** |

**8.00 Cash And Cash Equivalents:**

The details break-up is made up as follows:

| | | | |
|---|---|---|---|
| Cash in Hand | 8.01 | 491,160 | 501,890 |
| Cash at Bank | 8.02 | 2,840,608 | 1,192,799 |
| | **Total:** | **3,331,768** | **1,694,689** |

**8.01 Cash in Hand:**

The cash in hand Tk. 491,160 has been Certified by the management.

**8.02 Cash at Bank:**

The details break-up is made up as follows:

| | | |
|---|---|---|
| In Current Accounts | 1,981,836 | 288,213 |
| In SND Account | 6,102 | 121,616 |
| In Dividend Account | 852,670 | 782,971 |
| **Total:** | **2,840,608** | **1,192,800** |

The above bank balances are in agreement with the respective bank statements.

Aziz Halim Khair Choudhury Chartered Accountants Dhaka

Figures in Taka

| Sl. No | Particulars | Notes | As at 30 June 2025 | As at 30 June 2024 |
|---|---|---|---|---|
| **9.00** | **Share Capital:** | | | |
| **9.01** | The details break-up is made up as follows: | | | |
| | **Authorized Share Capital** | | | |
| | 1,00,000,000 Ordinary shares of Taka 10.00 each | **Total:** | **1,000,000,000** | **1,000,000,000** |
| | **Issued, Subscribed and Paid up Share Capital:** | | | |
| | 400,000 Ordinary shares of Taka 10.00 each paid up in full in cash | | 4,000,000 | 4,000,000 |
| | 60,000 Ordinary shares of Taka 10.00 each fully paid as bonus for the year 2016-2017. | | 600,000 | 600,000 |
| | 16,10,000 Ordinary shares of Taka 10.00 each fully paid as bonus for the year 2017-2018. | | 16,100,000 | 16,100,000 |
| | 4,14,000 Ordinary shares of Taka 10.00 each fully paid as bonus for the year 2018-2019. | | 4,140,000 | 4,140,000 |
| | 2,48,400 Ordinary shares of Taka 10.00 each fully paid as bonus for the year 2019-2020. | | 2,484,000 | 2,484,000 |
| | 8,74,368 Ordinary shares of Taka 10.00 each fully paid as bonus for the year 2022-2023. | | 8,743,680 | 8,743,680 |
| | 7,93,488.00 Ordinary shares of Taka 10.00 each fully paid as bonus for the year 2023-2024. | | 7,934,880 | - |
| | | **Total:** | **44,002,560** | **36,067,680** |

**9.02 The break-up of the share holdings as on 30.06.2025 is given below:**

| Particulars | 30.06.2025 | | 30.06.2024 | |
|---|---|---|---|---|
| | No. of shares | % | No. of shares | % |
| Sponsors & Directors | 1,320,083 | 30.00 | 1,154,038 | 32.00 |
| Institutions | 331,834 | 7.54 | 247,831 | 6.87 |
| Non Resident Investor (NRB) | 4,026 | 0.09 | 3,670 | 0.10 |
| General Public | 2,744,313 | 62.37 | 2,201,229 | 61.03 |
| **Total:** | **4,400,256** | **100.00** | **3,606,768** | **100.00** |

**9.03 The distribution schedule showing the number of shareholders and their shareholdings in percentage as on 30.06.2025 are shown below:**

| Range of holdings in number of shares | No. of shareholders | | No. of shares | | Holding % | |
|---|---|---|---|---|---|---|
| | 30.06.2025 | 30.06.2024 | 30.06.2025 | 30.06.2024 | 30.06.2025 | 30.06.2024 |
| Less than 500 | 3,658 | 4,375 | 399,605 | 438,398 | 9.08 | 12.15 |
| 500 to 5,000 | 1,023 | 869 | 1,348,931 | 1,142,535 | 30.66 | 31.68 |
| 5,001 to 10,000 | 45 | 45 | 308,460 | 327,167 | 7.01 | 9.07 |
| 10,001 to 20,000 | 28 | 15 | 371,137 | 199,939 | 8.43 | 5.54 |
| 20,001 to 30,000 | 8 | 7 | 191,801 | 160,793 | 4.36 | 4.46 |
| 30,001 to 40,000 | 3 | 2 | 104,328 | 68,800 | 2.37 | 1.91 |
| 40,001 to 50,000 | 2 | 1 | 83,111 | 42,236 | 1.89 | 1.17 |
| 50,001 to 100,000 | 4 | 4 | 342,003 | 303,625 | 7.77 | 8.42 |
| 100,001 to 1,000,000 | 4 | 2 | 1,250,880 | 923,275 | 28.43 | 25.60 |
| **Total:** | **4,775** | **5,320** | **4,400,256** | **3,606,768** | **100.00** | **100.00** |

**9.04 Market price:**

The shares of the company are listed in the Dhaka Stock Exchange Ltd. and was quoted at Tk. **320.80** per share as on June 30, 2025.

**10.00 Revaluation Reserve:**

| | | | |
|---|---|---|---|
| The details break-up is made up as follows: | | | |
| Opening Balance | | 432,590,019 | 433,829,923 |
| Add: Addition during the period | | - | - |
| | | **432,590,019** | **433,829,923** |
| Less: Depreciation on Revaluation of Assets | Schedule-A | 1,020,724 | 1,239,904 |
| **Closing Balance** | | **431,569,295** | **432,590,019** |

Figures in Taka

| Sl. No | Particulars | Notes | As at 30 June 2025 | As at 30 June 2024 |
|---|---|---|---|---|
| 11.00 | **Provision for Deferred Tax:** | | | |
| | The details break-up is made up as follows: | | | |
| | Opening Balance | | 292,539 | 1,163,628 |
| | Add: Provision during the year | | - | - |
| | | | **292,539** | **1,163,628** |
| | Less: Adjustment during the year | | 914,611 | 871,089 |
| | **Closing Balance** | | **(622,072)** | **292,539** |
| 11.01 | **Deferred Tax Liability:** | | | |
| | The details break-up is made up as follows: | | | |
| | Carrying Value (As per Accounts) | | 28,144,404 | 27,516,252 |
| | Carrying Value (As per Tax Base) | | 30,909,167 | 26,216,078 |
| | **Temporary Difference** | | **(2,764,763)** | **1,300,174** |
| | Effective Tax Rate | | 22.5% | 22.5% |
| | **Deffered Tax Liability/(Assests)** | **Total:** | **(622,072)** | **292,539** |
| 12.00 | **Short Term Borrowings:** | | | |
| 12.01 | The details break-up is made up as follows: | | | |
| | Opening Balance | | 49,668,868 | 49,200,326 |
| | Add: Borrowing During the year | | 21,984,269 | 45,050,000 |
| | | | **71,653,137** | **94,250,326** |
| | Less: Paid during the year | | 10,125,128 | 44,581,458 |
| | **Closing Balance** | | **61,528,009** | **49,668,868** |
| 12.02 | The short term borrowings balance represents working capital loans taken from Islami Bank Bangladesh Limited, Manikganj Branch. The loans are secured by the first charge on investment and collateral security on the Property, Plant & Equipment of the Company. The rate of interest applicable on the loan is governed by the interest policy of the bank which is subject to change from time to time. | | | |
| 13.00 | **Inter Company Current Account:** | | | |
| | The details break-up is made up as follows: | | | |
| | Monno Ceramic Industries Limited | 13.01 | 4,607,737 | 4,407,737 |
| | | **Total:** | **4,607,737** | **4,407,737** |
| 13.01 | **Monno Ceramic Industries Limited:** | | | |
| | The details break-up is made up as follows: | | | |
| | Opening Balance | | 4,407,737 | - |
| | Add: Addition During the year | | 200,000 | 5,945,000 |
| | | | **4,607,737** | **5,945,000** |
| | Less: Adjustment during the year | | - | 1,537,263 |
| | **Closing Balance** | | **4,607,737** | **4,407,737** |
| 14.00 | **Liabilities for Other Finance:** | | | |
| | The details break-up is made up as follows: | | | |
| | Tax Deducted at Source on Salary | | 136,500 | 140,300 |
| | Security Money Deposit | | 4,500 | 4,500 |
| | | **Total:** | **141,000** | **144,800** |
| 15.00 | **Unclaimed Dividend:** | | | |
| | The details break-up is made up as follows: | | | |
| | Opening Balance | | 782,970 | 63,819 |
| | Add: Cash Dividend during the period | | - | 819,720 |
| | Add: Fractional Share Sales & Others | | 578,500 | 438,933 |
| | | | **1,361,470** | **1,322,472** |
| | Less: Dividend Payment including TDS | | 490,190 | 522,120 |
| | Less: Transfer to CMSF | 15.02 | 18,611 | 17,382 |
| | **Closing Balance** | | **852,669** | **782,970** |

Figures in Taka

| Sl. No | Particulars | Notes | As at 30 June 2025 | As at 30 June 2024 |
|---|---|---|---|---|
| **15.01** | **The details break-up is made up as follows:** | | | |
| | 2020-2021 | | - | 18,611 |
| | 2021-2022 | | 27,884 | 27,884 |
| | 2022-2023 | | 736,475 | 736,475 |
| | 2023-2024 | | 88,310 | - |
| | | **Total:** | **852,669** | **782,970** |

**15.02** Taka 18,611.00 of unpaid dividend for the year 2020-2021 deposited into Capital Market Stabilization Fund vide our letter no. MAGM/090/2025 dated 20 March 2025 vide Pay order no. POG 5995706 dated 18.03.2025, Sonali Bank PLC., LOcal Office, as per letter No. SEC/SRMIC/165-2020/part-1/182dated 19 July 2021 of Bangladesh Securities and Exchange Commission.

| | | | | |
|---|---|---|---|---|
| **16.00** | **Provision and Others:** | | | |
| | The details break-up is made up as follows: | | | |
| | Provision for Expenses | 16.01 | 2,420,431 | 7,006,433 |
| | Creditors for Expenses | 16.02 | 268,500 | 2,440,972 |
| | Creditors for Goods Supply | 16.03 | 3,218,476 | 4,051,948 |
| | Provision for Leave Pay & Gratuity | 16.04 | 9,489 | 730,156 |
| | Workers Participation Fund & Workers Welfare Fund | 16.05 | 212,549 | 466,278 |
| | | **Total:** | **6,129,445** | **14,695,787** |
| **16.01** | **Provision for Expenses:** | | | |
| | The details break-up is made up as follows: | | | |
| | Opening Balance | | 7,006,433 | 10,491,251 |
| | Add: Addition During the year | | 24,674,883 | 15,468,447 |
| | | | **31,681,316** | **25,959,698** |
| | Less: Adjustment during the year | | 29,260,885 | 18,953,265 |
| | **Closing Balance** | 16.01.01 | **2,420,431** | **7,006,433** |
| **16.01.01** | The details break-up is made up as follows: | | | |
| | Directors Remuneration | | 440,000 | 3,170,000 |
| | Salary & Allowance Staff & Others | | 716,100 | 2,120,317 |
| | Wages & Allowance | | 800,782 | 1,530,710 |
| | Electricity Bill | | 463,549 | 185,406 |
| | **Closing Balance** | | **2,420,431** | **7,006,433** |
| **16.02** | **Creditors for Expenses:** | | | |
| | The details break-up is made up as follows: | | | |
| | Opening Balance | | 2,440,972 | 2,348,258 |
| | Add: Addition During the year | | 268,500 | 265,214 |
| | | | **2,709,472** | **2,613,472** |
| | Less: Adjustment during the year | | 2,440,972 | 172,500 |
| | **Closing Balance** | 16.02.01 | **268,500** | **2,440,972** |



Figures in Taka

| Sl. No | Particulars | | Notes | As at 30 June 2025 | As at 30 June 2024 |
|---|---|---|---|---|---|
| **16.02.01** | **The details break-up is made up as follows:** | | | | |
| | Advertisement Expenses | | | 98,500 | 95,214 |
| | Audit fee | | | 170,000 | 170,000 |
| | Other Expenses | | | - | 2,175,758 |
| | **Closing Balance** | | | **268,500** | **2,440,972** |
| **16.03** | **Creditors for Goods Supply:** | | | | |
| | The details break-up is made up as follows: | | | | |
| | Opening Balance | | | 4,051,948 | 3,350,075 |
| | Add: Addition During the year | | | 42,531,962 | 56,406,566 |
| | | | | **46,583,910** | **59,756,641** |
| | Less: Adjustment during the year | | | 43,365,435 | 55,704,693 |
| | **Closing Balance** | | 16.03.01 | **3,218,476** | **4,051,948** |
| **16.03.01** | **The details break-up is made up as follows:** | | | | |
| | Raw Material Purchase | | | 3,218,476 | 4,051,948 |
| | **Closing Balance** | | | **3,218,476** | **4,051,948** |
| **16.04** | **Provision for Leave Pay & Gratuity:** | | | | |
| | The details break-up is made up as follows: | | | | |
| | Opening Balance | | | 730,156 | 730,156 |
| | Add: Provision made during the year | | | - | - |
| | | | | **730,156** | **730,156** |
| | Less: Adjustment & Paid during the year | | | 720,667 | - |
| | **Closing Balance** | | | **9,489** | **730,156** |
| **16.05** | **Workers Participation & Welfare Fund:** | | | | |
| | This represents 5% of Net profit after charging such contribution and provided as per Labour Act, 2006 and is payable to workers as defined in the said Act. | | | | |
| | The details break-up is made up as follows: | | | | |
| | Opening Balance | | | 466,278 | 381,058 |
| | Add: Addition during the year | | | 212,549 | 466,277 |
| | | | | **678,827** | **847,336** |
| | Less: Transfer to WWF | | | 93,256 | 38,106 |
| | | | | **585,571** | **809,230** |
| | Less: Adjustment & Paid during the year | | | 373,022 | 342,952 |
| | **Closing Balance** | | | **212,549** | **466,278** |
| **17.00** | **Provision for Income Tax:** | | | | |
| | The details break-up is made up as follows: | | | | |
| | Opening Balance | | | 14,886,110 | 12,892,774 |
| | Add: Provision for the year | | 17.01 | 1,128,160 | 1,993,336 |
| | | | | **16,014,270** | **14,886,110** |
| | Less: Adjustment of previous year excess provision | | | 578,460 | - |
| | Less: Adjustment During the year | | | 4,281,603 | - |
| | **Closing Balance** | | | **11,154,207** | **14,886,110** |
| **17.01** | **Details of Provision for Income Tax:** | | | | |
| | This is made up as follows: | | | | |
| | a. Income Tax Expenses @ 22.50% on | 4,038,432 | | 908,647 | 1,993,336 |
| | b. Advance Income Tax (AIT) | | 6.01 | 386,338 | 375,251 |
| | c. Minimum Tax gross receipt - @1% | 112,815,957 | | 1,128,160 | 722,464 |
| | **Whichever is higher (a,b,c)** | | | **1,128,160** | **1,993,336** |
| **17.02** | **Income Tax Expenses:** | | | | |
| | Provision for the year | | 17.01 | 1,128,160 | 1,993,336 |
| | Excess Provision (Assessment Years: 2015-16, 2014-15, 2013-14, 2012-13, 2011-12, 2010-11) | | | (578,460) | - |
| | | | | **549,700** | **1,993,336** |

Figures in Taka

| Sl. No | Particulars | Notes | As at 30 June 2025 | As at 30 June 2024 |
|---|---|---|---|---|
| 17.03 | **Year wise details of provision for income tax is as below:** | | | |
| | **Accounting Year** / **Assessment Year** | | | |
| | 2024- 2025 / 2025- 2026 | | 1,128,160 | - |
| | 2023 - 2024 / 2024 - 2025 | | 1,993,336 | 1,993,336 |
| | 2022 - 2023 / 2023 - 2024 | | 1,716,252 | 1,716,252 |
| | 2021 - 2022 / 2022 - 2023 | | 1,838,043 | 1,838,043 |
| | 2019 - 2020 / 2020 - 2021 | | 1,733,073 | 1,733,073 |
| | 2018 - 2019 / 2019 - 2020 | | 2,308,069 | 2,308,069 |
| | 2014 / 2015 - 2016 | | - | 360,862 |
| | 2013 / 2014 - 2015 | | - | 622,777 |
| | 2012 / 2013 - 2014 | | - | 805,314 |
| | 2011 / 2012 - 2013 | | 305,951 | 399,821 |
| | 2010 / 2011 - 2012 | | 131,322 | 727,144 |
| | 2009 / 2010 - 2011 | | - | 2,381,419 |
| | | **Total:** | **11,154,207** | **14,886,110** |

Figures in Taka

| Sl. No | Particulars | Notes | 01 July 2024 to 30 June 2025 | 01 July 2023 to 30 June 2024 |
|---|---|---|---|---|
| **18.00** | **Sales:** | | | |
| | The details break-up is made up as follows: | | | |
| | Local Sales | | 112,257,432 | 120,103,295 |
| | Export Sales | | - | - |
| | | **Total:** | **112,257,432** | **120,103,295** |
| **19.00** | **Cost of Goods Sold:** | | | |
| | The details break-up is made up as follows: | | | |
| | Opening work-in-process | | 873,256 | 1,313,686 |
| | Raw materials consumed | 19.01 | 43,303,360 | 56,358,108 |
| | Other direct materials | | 7,680,965 | 5,144,777 |
| | | | **51,857,581** | **62,816,571** |
| | Add: Conversion cost | 19.02 | 39,248,665 | 40,612,196 |
| | | | **91,106,246** | **103,428,766** |
| | Less: Closing work-in-process | 3.00 | 1,026,685 | 873,256 |
| | **Cost of Production** | | **90,079,561** | **102,555,510** |
| | Add: Opening stock of finished goods | | 22,574,549 | 19,269,558 |
| | | | **112,654,110** | **121,825,068** |
| | Less: Closing stock of finished goods | 3.00 | 21,174,550 | 22,574,549 |
| | **Cost of Goods Sold** | **Total:** | **91,479,560** | **99,250,519** |
| **19.01** | **Raw Materials Consumed:** | | | |
| | The details break-up is made up as follows: | | | |
| | Opening stock of Raw Materials | | 6,684,476 | 6,636,018 |
| | Add: Purchase during the year | | 42,531,962 | 56,406,566 |
| | Less: Closing stock of Raw Materials | 3.00 | 5,913,078 | 6,684,476 |
| | **Raw materials consumed** | **Total:** | **43,303,360** | **56,358,108** |

Aziz Halim Khair Choudhury Chartered Accountants Dhaka.

Figures in Taka

| Sl. No | Particulars | Notes | 01 July 2024 to 30 June 2025 | 01 July 2023 to 30 June 2024 |
|---|---|---|---|---|
| 19.02 | **Conversion Cost:** | | | |
| | The details break-up is made up as follows: | | | |
| | Salaries and wages | | 19,765,254 | 22,003,500 |
| | Consumable stores and spares | | 5,297,470 | 5,397,412 |
| | Insurance | | 345,850 | 547,850 |
| | Other direct expenses | | 3,057,890 | 2,263,302 |
| | Power & Fuel | | 4,062,905 | 4,662,401 |
| | Rent, Rates and Taxes | | 455,000 | 478,800 |
| | Travelling & conveyance | | 347,719 | 567,723 |
| | Entertainment Expenses | | 270,890 | 181,553 |
| | Postage, telegram and telephone | | 41,235 | 39,315 |
| | Depreciation | Schedule-A | 5,604,452 | 4,470,340 |
| | | **Total:** | **39,248,665** | **40,612,196** |
| 20.00 | **Administrative Expenses:** | | | |
| | The details break-up is made up as follows: | | | |
| | Salaries and allowances | | 1,950,000 | 1,493,104 |
| | Repairs & Maintenance | | 30,475 | 49,447 |
| | Office & Printing Stationery | | 15,650 | 25,300 |
| | Power & Fuel (CNG) | | 73,707 | 120,500 |
| | Travelling & conveyance | | 65,230 | 95,230 |
| | Postage, telegram and telephone | | 33,940 | 53,646 |
| | Entertainment expenses | | 14,050 | 24,053 |
| | AGM expenses | | 133,589 | 75,000 |
| | Audit fee | | 170,000 | 170,000 |
| | Registration, renewal & other fees | | 274,058 | 342,494 |
| | Write off -AIT | | 5,994,608 | - |
| | Legal & Professional Expenses | | 66,917 | 25,000 |
| | Membership fee | | 21,500 | 26,925 |
| | Advertisement & publicity | | 156,268 | 155,000 |
| | Directors Remuneration | | 2,950,000 | 3,090,100 |
| | Board Meetting Fees | 27.01 | 104,000 | 126,683 |
| | Depreciation | Schedule-A | 118,473 | 102,981 |
| | | **Total:** | **12,172,465** | **5,975,462** |
| 21.00 | **Selling & Distribution Expenses:** | | | |
| | The details break-up is made up as follows: | | | |
| | Salaries and allowances | | 991,000 | 1,220,000 |
| | Office stationery | | 11,560 | 13,500 |
| | Travelling & conveyance | | 27,330 | 25,300 |
| | Postage, telegram and telephone | | 15,700 | 24,400 |
| | Entertainment expenses | | 6,320 | 12,000 |
| | Delivery Charge | | 48,520 | 75,000 |
| | Sample Expenses | | 4,870 | 5,500 |
| | | **Total:** | **1,105,300** | **1,375,700** |
| 22.00 | **Financial Expenses:** | | | |
| | The details break-up is made up as follows: | | | |
| | Profit on Short Term Borrowings | | 3,784,269 | 2,459,249 |
| | Bank Charges | | 23,381 | 1,725,011 |
| | | **Total:** | **3,807,650** | **4,184,260** |
| 23.00 | **Other Income:** | | | |
| | The details break-up is made up as follows: | | | |
| | Scarp Sale | | 557,950 | - |
| | Interest on STD Account | | 575 | 8,196 |
| | | **Total:** | **558,525** | **8,196** |

Aziz Halim Khair Choudhury Chartered Accountants Dhaka.

Figures in Taka

| Sl. No | Particulars | Notes | 01 July 2024 to 30 June 2025 | 01 July 2023 to 30 June 2024 |
|---|---|---|---|---|

**24.00 Net Assets Value Per Share (NAVPS):**

The computation of net assts value per share is given below:

| | | | |
|---|---|---|---|
| Shareholder's Equity | | 487,811,585 | 483,408,242 |
| Weighted average number of ordinary shares outstanding during the year | | 4,400,256 | 3,606,768 |
| **Net Assets Value Per Share** | **Total:** | **110.86** | **134.03** |

**25.00 Earnings per share (EPS):**

The computation of EPS is given below:

| | | | |
|---|---|---|---|
| Current year's Earning attributable to the ordinary shareholders | | 4,403,343 | 7,737,025 |
| Weighted average number of ordinary shares outstanding during the year | | 4,400,256 | 3,606,768 |
| **Basic Earning Per Share** | **Total:** | **1.00** | **2.15** |

**26.00 Net Operating Cash Flow Per Share (NOCFPS):**

The computation of net operating cash flow per share is given below:

| | | | |
|---|---|---|---|
| Net Cash Flow From Operating Activities | | (3,562,184) | 1,812,934 |
| Weighted average number of ordinary shares outstanding during the year | | 4,400,256 | 3,606,768 |
| **Net Operating Cash Flow Per Share** | **Total:** | **(0.81)** | **0.50** |
| **Net Operating Cash Flow Per Share (Diluted)** | **Total:** | **(0.81)** | **0.50** |

**27.00 Payments of Remuneration/ Perquisites to Directors:**

The aggregate amount paid/provided for remuneration/benefit during the year to Directors of the Company as defined in Securities and Exchange Rules, 2020 are disclosed below:

| Designation | 30-06-2025 | 30-06-2025 |
|---|---|---|
| Deputy Managing Director Remuneration | 2,200,000 | 2,565,100 |
| Bonus | 310,000 | 525,000 |
| **Total:** | **2,510,000** | **3,090,100** |

**27.01 Board Meeting Fees:**

Independent Directors have received the following meeting fees from the company during the financial year.

| Name | 30-06-2025 | 30-06-2025 |
|---|---|---|
| Mr.Md.Zakir Hossain | 64,000 | 53,340 |
| Mr.Nazmus Saadat | 40,000 | 73,343 |
| **Total:** | **104,000** | **126,683** |

**Other payments during the year:**

No attendance fee for Board Meeting was paid to Directors. (Excluding Independent Director).
No compensation was allowed by the Company to the Chief Executive Officer of the Company.
No amount of money was spent by the Company for compensating any member of the Board for special service rendered.

**28.00 Cash paid to Suppliers:**

The details break-up is made up as follows:

| | | | |
|---|---|---|---|
| Cost of Goods Sold | 19.00 | 91,479,560 | 99,250,519 |
| Changes in Inventories | 3.00 | (2,554,030) | 5,864,614 |
| Changes in Creditors for goods supply | 16.03 | 833,473 | (701,873) |
| Depreciation on Conversion cost | Schedule-A | (5,604,452) | (4,470,340) |
| | **Total:** | **84,154,551** | **99,942,920** |

Aziz Halim Khair Choudhury Chartered Accountants Dhaka

Figures in Taka

| Sl. No | Particulars | Note | 01 July 2024 to 30 June 2025 | 01 July 2023 to 30 June 2024 |
|---|---|---|---|---|
| 29.00 | **Cash paid to Employees and Others:** | | | |
| | The details break-up is made up as follows: | | | |
| | Administrative Expenses | 20.00 | 6,281,605 | 5,975,462 |
| | Selling & Distribution Expenses | 21.00 | 1,105,300 | 1,375,700 |
| | Changes in Provision for Expenses | 16.01 | 4,586,002 | 3,484,818 |
| | Changes in Creditors for Expenses | 16.02 | 2,172,472 | (92,714) |
| | Changes in Provision for Leave Pay & Gratuity | 16.04 | 720,667 | - |
| | Changes in Advance, Deposits & Prepayments (without AIT) | 5.00 | (199,999) | 664,405 |
| | Changes in Unclaimed Dividend | 15.00 | (69,699) | (438,933) |
| | Changes in WPPF | 16.05 | 253,729 | 381,058 |
| | Changes in Liabilities for Other Finance | 14.00 | 3,800 | (20,950) |
| | Depreciation of Aministrative Expense | Schedule-A | (118,473) | (102,981) |
| | | **Total:** | **14,735,403** | **11,225,865** |
| 30.00 | **Reconciliation of Cash Flows:** | | | |
| | The reconciliation of Net Cash Flow from operating activities between Direct and Indirect method as follows: | | | |
| | **Cash flow from Operating Activities:** | | | |
| | As per direct method | | **(3,562,184)** | **1,812,934** |
| | **As per indirect method:** | | | |
| | Net Profit after Tax for the year | | 4,403,343 | 7,737,025 |
| | **Adjustments for items not involving movement of cash:** | | | |
| | Add: Depreciation on Property, Plant & Equipment | | 5,722,925 | 4,573,321 |
| | | **Total:** | **10,126,268** | **12,310,346** |
| | **Changing in working capital components:** | | | |
| | Decrease/(Increase) in Inventories | | 2,554,030 | (5,864,614) |
| | Decrease/(Increase) in Trade & Other Receivables | | (13,294,198) | (2,570,260) |
| | Decrease/(Increase) in Advances, Deposits & Pre-Payments | | (200,000) | (664,404) |
| | Decrease/(Increase) in Advance Income Tax | | 9,889,873 | (375,251) |
| | (Decrease)/Increase in Liabilities for Other Finance | | (3,800) | 20,950 |
| | (Decrease)/Increase in Unclaimed Dividend | | 578,500 | 438,933 |
| | (Decrease)/Increase in Provisions and Others | | (8,566,343) | (2,605,011) |
| | (Decrease)/Increase in Provisions for Income Tax | | (3,731,903) | 1,993,336 |
| | (Decrease)/Increase in Provisions for Deferred Tax | | (914,611) | (871,089) |
| | **Net Cash Flow from Operating Activities** | | **(13,688,453)** | **(10,497,410)** |
| | | **Total:** | **(3,562,184)** | **1,812,934** |

**31.00 Related Party Transactions:**

Parties are considered to be related if one party has the ability to control the other party or exercises significant influence over the other party in making financial and operational decision and include associated companies with or without common Directors and key management positions. The company has entered into transaction with other related entities in normal course of business that fall within the definition of related party as per International Accounting Standard (IAS) 24: "Related Party Disclosures". Transactions with related parties are executed on the same terms, including interest rate and collateral, as those prevailing at the time for comparable transactions with other customers of similar credentials do not involve more than a normal risk.

Details of transactions with related parties and balances with them as at 30 June 2025 as follows:

| Name of the related party | Relationship | Nature of Transaction | Notes | Balance as at 01 July 2024 | Addition | Adjustment | Balance as at 30 June 2025 |
|---|---|---|---|---|---|---|---|
| | | | | Amount in Taka | | | |
| Monno Bone China Ltd. | Inter Company | Inter Company Current Account | 7.00 | 2,600,000 | - | - | 2,600,000 |
| Monno Ceramic Industries Limited | Inter Company | Inter Company Current Account | 13.00 | (4,407,737) | (200,000) | - | (4,607,737) |
| **Total:** | | | | **(1,807,737)** | **-** | **-** | **(2,007,737)** |

**32.00 OTHER RELEVANT INFORMATION:**

**32.01 Foreign Investors:**

As on the date of Statement of Financial Position, there were no foreign investors and therefore no dividend was paid in foreign currency.

Aziz Halim Khair Choudhury Dhaka. Chartered Accountants

**32.02 Man Power:**

As on 30 June, 2025 the total number of employees working in factory as well as in Head Office of the company was 118 (2024:110) Persons.

The details break-up is made up as follows:

| Sl. No | Particulars | Salaries & Wages | Remuneration | Total |
|---|---|---|---|---|
| 01 | Conversion Cost | 19,765,254 | - | 19,765,254 |
| 02 | Administration Expenses | 1,950,000 | - | 1,950,000 |
| 03 | Selling & Distribution Expenses | 991,000 | - | 991,000 |
| 04 | Director Remuneration | - | 104,000 | 104,000 |
| **Total:** | | **22,706,254** | **104,000** | **22,810,254** |

**32.03 Production Capacity:**

A comparative information relates to the actual present Production Capacity in a 2/1 shift basis and actual production is shown as follows:

| Particulars | Production Capacity | Production Actual |
|---|---|---|
| Staves | 70,000 Pcs | 50,200 Pcs |
| Card, Gill & Meta Pin | 400,000,000 Pcs | 333,750 Pcs |
| Shuttle Cover | 40,000 Pcs | 34,805 Pcs |
| Hackle Pin | 20,000 Pcs | 35,880 Pcs |
| Stretching Needle | 20,000 Pcs | 1,850 Pcs |
| Metallic Stand (Big Size) | 2,500 Pcs | 1,400 Pcs |
| Metallic Stand (Small Size) | 2,500 Pcs | 1,230 Pcs |
| Faller Bar | 15,000 Pcs | 13,205 Pcs |
| Felt Blobs | 2,000,000 Pcs | 736,250 Pcs |
| Krishna Beater Bar | 5,000 Pcs | 2,720 Pcs |
| Ushaped Pin | 10,000 Pcs | 4,700 Pcs |
| Spike Latise Bar | 2,000 Pcs | 1,834 Pcs |

The Optimum Production has not achieved during the Year 2024-2025 due to economic recession worldwide, Actual production to meet the demand of the market as well as availability of Raw Materials from the market.

**32.04 Capital Expenditure Commitment/Credit Facility Not Availed:**

There was no capital expenditure commitment and no credit facilities availed by the company under any contract, other than trade credit available in the ordinary course of business as of 30 June 2025.

**32.05 Contingent Assets/Liabilities:**

There was no contingent Assets of the Company as on 30.06.2025. There was no sum for which the company was contingently liable as on 30.06.2025. There was no claim against the company not being acknowledged as debt as on 30.06.2025.

**33.00 Events After the Reporting Period; (IAS # 10):**

There is no major event that has occurred subsequent to the date of Statement of Financial Position and the date when the financial statements are authorized for issue by the Board of Directors that may affect the operating results significantly except that the Board in its meeting held on October 18, 2025 the Board of Director has recommended 5% (Five Percent) cash dividend to the Public Shareholders other than Sponsors and/or Directors of the company for the year ended June 30, 2025 which is subject to approval by the shareholders in the next annual general meeting.

| | | | |
|---|---|---|---|
| **Monzur Md. Kawser** | **Benoy Paul FCS** | **Huron Nahar Rashid** | **Afroza Khanam** |
| Chief Financial Officer | Company Secretary | Managing Director | Chairman |

**22 October 2025**
Dhaka

Aziz Halim Khair Choudhury Chartered Accountants Dhaka.

**SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT**
**FOR THE YEAR ENDED JUNE 30, 2025**

**Schedule-A**

| Particulars | C O S T | | | | D E P R E C I A T I O N | | | | Written down Value as on 30.06.2025 | Written down Value as on 30.06.2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| | Balance as on 01.07.2024 | Addition during the year | Adjustment during the year | Balance as on 30.06.2025 | Rate | Balance as on 01.07.2024 | Charged during the year | Balance as on 30.06.2025 | | |
| Land & Land Development | 602,323 | - | - | 602,323 | 0% | - | - | - | 602,323 | 602,323 |
| Building and Other Construction | 5,616,293 | 2,150,720 | - | 7,767,013 | 20% | 3,605,924 | 1,071,408 | 4,677,331 | 3,089,682 | 2,010,369 |
| Plant, Machinery and Equipment | 64,291,630 | 3,543,357 | - | 67,834,987 | 15% | 45,129,669 | 3,512,321 | 48,641,990 | 19,192,997 | 19,161,961 |
| Furniture and Fixtures | 178,377 | - | - | 178,377 | 10% | 151,910 | 2,647 | 154,557 | 23,820 | 26,467 |
| Vehicles | 3,979,000 | - | - | 3,979,000 | 20% | 3,603,386 | 75,123 | 3,678,509 | 300,491 | 375,614 |
| Air Conditioner | 122,570 | - | - | 122,570 | 10% | 116,933 | 564 | 117,497 | 5,073 | 5,637 |
| Computers & Others | 139,405 | 657,000 | - | 796,405 | 25% | 122,875 | 40,139 | 163,014 | 633,391 | 16,530 |
| **Sub Total** | **74,929,598** | **6,351,077** | **-** | **81,280,675** | | **52,730,697** | **4,702,201** | **57,432,898** | **23,847,777** | **22,198,901** |
| **AT REVALUATION:** | | | | | | | | | | |
| Land & Land Development | 426,670,345 | - | - | 426,670,345 | 0% | - | - | - | 426,670,345 | 426,670,345 |
| Building and other construction | 4,149,166 | - | - | 4,149,166 | 20% | 1,493,700 | 531,093 | 2,024,793 | 2,124,373 | 2,655,466 |
| Plant, machinery and equipment | 4,517,935 | - | - | 4,517,935 | 15% | 1,253,727 | 489,631 | 1,743,358 | 2,774,577 | 3,264,208 |
| **Sub Total** | **435,337,446** | **-** | **-** | **435,337,446** | | **2,747,427** | **1,020,724** | **3,768,151** | **431,569,295** | **432,590,019** |
| **Total Balance** | **510,267,044** | **6,351,077** | **-** | **516,618,121** | | **55,478,124** | **5,722,925** | **61,201,049** | **455,417,072** | **454,788,920** |

Depreciation has been charged as below:

| Particulars | Notes | 30-06-2025 | 30-06-2024 |
|---|---|---|---|
| a) Conversion cost | 19.02 | 5,604,452 | 4,470,340 |
| b) Administrative expenses | 20.00 | 118,473 | 102,981 |
| | | **5,722,925** | **4,573,320** |

Aziz Halim Khair Choudhury Chartered Accountants
ahke Dhaka.

**Deferred Tax Calculation**

**Accounting Year-2024-25 (as per Accounts)**

**Schedule - B**

| SL. No | Particulars | W.D.V as on 1.7.24 | Addition | Adjustment | Total | Rate | Depreciation | W.D.V as on 30.06.2025 |
|---|---|---|---|---|---|---|---|---|
| 1 | Building & Others Cons: | 4,665,835 | 2,150,720 | - | 6,816,555 | 20% | 1,602,501 | 5,214,054 |
| 2 | Plant and Machinery | 22,426,169 | 3,543,357 | - | 25,969,526 | 15% | 4,001,952 | 21,967,574 |
| 3 | Vehicles | 375,614 | - | - | 375,614 | 20% | 75,123 | 300,491 |
| 4 | Furniture & Fixture | 26,467 | - | - | 26,467 | 10% | 2,647 | 23,820 |
| 5 | Sundry Assets (AC) | 5,637 | - | - | 5,637 | 10% | 564 | 5,073 |
| 6 | Computer & others | 16,530 | 657,000 | - | 673,530 | 25% | 40,139 | 633,391 |
| **Total** | | **27,516,252** | **6,351,077** | **-** | **33,867,329** | | **5,722,925** | **28,144,404** |

**Accounting Year-2024-25 (as per Tax Base)**

| SL. No | Particulars | W.D.V as on 1.7.24 | Addition | Adjustment | Total | Rate | Depreciation | W.D.V as on 30.06.2025 |
|---|---|---|---|---|---|---|---|---|
| 1 | Building & Others Cons: | 4,665,835 | 2,150,720 | - | 6,816,555 | 10% | 535,704 | 6,280,851 |
| 2 | Plant and Machinery | 22,426,169 | 3,543,357 | - | 25,969,526 | 10% | 2,341,547 | 23,627,979 |
| 3 | Vehicles | 375,614 | - | - | 375,614 | 10% | 37,561 | 338,053 |
| 4 | Furniture & Fixture | 26,467 | - | - | 26,467 | 10% | 2,647 | 23,820 |
| 5 | Sundry Assets (AC) | 5,637 | - | - | 5,637 | 10% | 564 | 5,073 |
| 6 | Computer & others | 16,530 | 657,000 | - | 673,530 | 25% | 40,139 | 633,391 |
| **Total** | | **27,516,252** | **6,351,077** | **-** | **33,867,329** | | **2,958,162** | **30,909,167** |

Aziz Halim Khair Choudhury Chartered Accountants
ahke Dhaka.

# Monno Agro & General Machinery Ltd.

9 Wyre Street, Wari, Dhaka-1203

## PROXY FORM

I/We,.....

of .....

being shareholder(s) of MONNO AGRO & GENERAL MACHINERY LTD., hereby appoint

Mr./Mrs./Miss.....

of.....

as my/our proxy in my/our absence to attend and vote for me/us and on my/our behalf at the Forty Seventh Annual General Meeting of the Company to be held on Thursday, 11 December 2025 at 04.00 p.m. at Virtually by using Digital Platform, link https://monnoagro.virtualagmbd.com and at any adjournment thereof.

Shareholder's Folio/BO No. :

Number of shares held :

Affix Tk.100.00 revenue stamps

_____
Signature of proxy

_____
Signature of shareholder(s)

_____
Signature of witness

Date :

---

FOR OFFICIAL USE

Received in the office on .....

Signature verified

Authorised Signatory

**Note:**
The proxy form duly filled in/signed and affixed with revenue stamps of Tk.100.00 must be submitted at the Liaison office of the Company at 9, Wyre Street, Wari, Dhaka-1203 not less than 48 hours before the time fixed for the meeting.

.....

## MONNO AGRO & GENERAL MACHINERY LTD.

### Shareholder's Attendance Slip

I/We, .....

Folio/BOID ..... holding ..... ordinary shares of **Monno Agro & General Machinery Ltd.**, am/are recording my/our attendance at the Forty Seventh Annual General Meeting of the Company for the year 2025 on Thursday, 11 December 2025 at 04.00 p.m. at Virtually by using Digital Platform, link https://monnoagro.virtualagmbd.com.

_____
Signature of shareholder(s)

# Products of
# Monno Agro & General Machinery Ltd.













M A G M L

**Monno Agro & General Machinery Ltd.**

Islampur, Dhamrai, Dhaka-1350

Phone : +880-2-7730587-8

Liaison Office: 9, Wyer Steet, Wari, Dhaka-1203

Phone: 880-2-47123449

Email: share@monno.com