Corporate Governance

Report of the Board of Directors

In the name of Allah, the Most Gracious, the Most Merciful

Dear shareholders,

Assalamu Alaikum Wa-Rahmatullah

On behalf of the Board of Directors and Management, we welcome you all to the 23rd Annual General Meeting (AGM) of Premier Cement Mills PLC. In compliance with the provisions of sections 184-186 of the Companies Act 1994 and notification No. BSEC/CMMRRCD/2006-158/207/Admin/80 dated on 3rd June 2018 of the Bangladesh Securities and Exchange Commission (BSEC), we are delighted to place the Directors' Report and Auditor's Report together herewith the Audited Financial Statements of the Company for the year ended June 30, 2025, thereon for your valued consideration, approval and adoption.

Bangladesh Economy:

Bangladesh's gross domestic product (GDP) has grown by just 3.69 percent in the fiscal year 2024-25, marking the lowest growth since the COVID-19 pandemic. According to updated data from the Bangladesh Bureau of Statistics (BBS), this is the weakest growth since the 2019-2020 fiscal year, when GDP growth was 3.45 percent. In contrast, the economy grew by 4.22 percent in the fiscal year 2023-24. The GDP size stood at Tk 14.4 trillion at the end of June 2025, up from Tk 13.18 trillion the previous year. The global lender cited high inflation, food and fuel shortages, import restrictions, and vulnerabilities in the financial sector as significant factors affecting the economic outlook. Currently, inflation hovers around 10%, with food price inflation at approximately 10.5% annually, placing the country in the midst of a cost-of-living crisis. Many experts believe these figures underestimate the true situation, as governments often select inflation estimation methods that align with their interests. While rising inflation has constrained private consumption, public spending has expanded, now representing 13.02% of GDP. The surge in inflation is also driving up production costs, which further exacerbates the situation. This inflationary wave has primarily been fueled by escalating food and fuel prices, alongside the depreciation of the taka. In response, Bangladesh Bank has implemented a contractionary monetary policy to combat inflationary pressures. However, the effectiveness of this policy is hindered by regulations limiting lending interest rates set by commercial banks. Additionally, private sector credit growth remains sluggish, reducing the impact of the policy rate.

The banking sector is currently experiencing significant instability, marked by a substantial increase in non-performing loans and tight liquidity conditions. Any additional instability in banking could trigger a crisis of confidence that may quickly extend to the broader financial system, posing serious risks to the economy.

Cement Industry in Bangladesh

The history of the Cement Industry of Bangladesh is not as old as other countries have a deep-rooted legacy of construction materials. The attempt to produce cement in Bangladesh dates back to 1941, when the first Cement Factory called **"Chattak Cement Factory Ltd"** (formerly known as Assam Bengal Cement Company Limited) was established in Sylhet, the north-eastern part of the country, during the regime of British India.

After the emergence of Bangladesh, the second factory called "Chittagong Cement Clinker and Grinding Factory Ltd" (Currently being operated by Heidelberg Cement) took place in 1973 in Chittagong. After that, no such factory came in until the early nineties. Although the demand was growing in a quicker manner during the period covering the early seventies to early nineties, the requirement had been fulfilled through imports mainly from countries like Indonesia, China, Malaysia, and India. It is relevant to add here that Bangladesh lacks limestone, the basic raw material of Cement, and resultantly this sector has failed to draw the attention of investors for a long time. However, in the early nineties, some enthusiastic entrepreneurs attempted to set up cement plants, which opened a new era in this sector.

Despite all the above inspiring indicators, some challenges are ahead for the Cement Industry of Bangladesh. The market has already been oversaturated, and yet the big players are on an expansion spree. We predict existing overcapacity will further deteriorate with the implementation of expansion projects by large players in the next 2/3 years. However, in order to be able to utilize this surplus capacity, the industry may require 5 to 7 years from now.

Challenges

Overcapacity

Gradually, cement production capacity has effectively increased; currently have an annual combined production capacity of 78 million tons, whereas the local demand is only 38 million tons. This means the cement industry has a surplus production capacity of 48% of the total demand. The domestic cement industry in Bangladesh is entirely reliant on imports, as key raw materials like clinker and limestone are not readily available within the country.

In contrast, Mohammed Amirul Haque, Managing Director of Premier Cement Mills, views overcapacity not as a burden but as an opportunity for growth, anticipating increased demand driven by urbanization. He explained that manufacturers established their operations with this growth in mind. Instead of focusing on overcapacity, Haque believes that issues like inadequate market projections and unreliable gas and power supply are more pressing concerns for the industry. He stated, “So, there is nothing to worry about regarding overcapacity,” adding that the industry’s excess production capacity can be effectively utilized in the future.

According to a report of FICCI Monthly Bulletin on April 23, 2025, the cement industry of Bangladesh is one of the largest importers by weight, having procured an unparalleled volume of raw material in the past years. The cement industry is not only critical to the country’s construction and infrastructural growth, but it is also interlinked with over 200 small, medium, and large-sized industries through forward and backward integration. Cement production in Bangladesh primarily involves grinding raw materials such as clinker, gypsum, limestone, slag, and fly ash. Due to the absence of economically viable limestone reserves within the country, nearly all cement manufacturing facilities operate solely as grinding units, relying on imported raw materials. Currently, only a limited number of coal-based power plants produce fly ash, which is insufficient to meet industry demand. As a result, the cement sector is heavily dependent on imports, with over 85% of raw materials sourced from countries including Thailand, Indonesia, the UAE, India, Pakistan, Oman, China, Vietnam, and Japan. This high reliance on imports makes the industry particularly vulnerable to factors such as port infrastructure, customs regulations, and international freight dynamics. Hence, the industry is vulnerable to freight volatility, supply chain disruptions, and tariff anomalies. As cement forms the base of all infrastructure development, its cost and quality significantly determine the outcomes of construction projects. Consequently, inefficiencies in raw material handling and port operations are directly reflected in project delays and increased construction costs. For example, in 2024 alone, the cement industry imported clinker valued at approximately $877 million. With the right policy and infrastructure reforms, such as revising customs assessments and improving port efficiency, importers could save at least $2 per ton, translating to $44 million in potential annual savings. This underscores the need for systemic changes across regulatory, logistical, and operational domains. Clinker, gypsum, and slag are primarily imported through seaports, while the transportation of fly ash and limestone largely depends on inland ports. Chittagong Port, which manages over 90% of Bangladesh’s maritime trade, serves as the principal gateway for raw material imports. Although Mongla Port is expanding, it still faces limitations in both capacity and connectivity, currently catering mainly to cement manufacturers located in the southern region of the country. Inland ports such as Hili, Tamabil, and Sheola also play a significant role in sourcing cement raw materials. Ongoing infrastructure developments such as the expansion of Matarbari Seaport, and inland ports like Sonamasjid, Bhomra, and Pangaon, are expected to substantially enhance import capabilities. However, persistent challenges such as port congestion, shallow draft restrictions, and inefficiencies in cargo handling continue to result in elevated demurrage charges and extended vessel turnaround times. According to the Agility Emerging Markets Logistics Index 2024, Bangladesh ranks 36th in terms of international logistics opportunities, with a score of 4.37 out of 10, positioning it relatively low compared to other South Asian emerging economies. As per expert analysis, reducing domestic logistics costs by 17% has the potential to increase Bangladesh’s export volumes by around 7.4%. However, poor port infrastructure remains a critical challenge, with approximately 35% of goods reportedly sustaining damage during port handling. The World Bank highlights that further improvements, such as decreasing dwell times and marginally enhancing average transport speeds

by just one day, could lead to additional export growth of 7.4% respectively. Bangladesh primarily imports its cement raw materials from countries such as Vietnam, Indonesia, Thailand, Pakistan, India, the UAE, Oman, Saudi Arabia, and Japan.

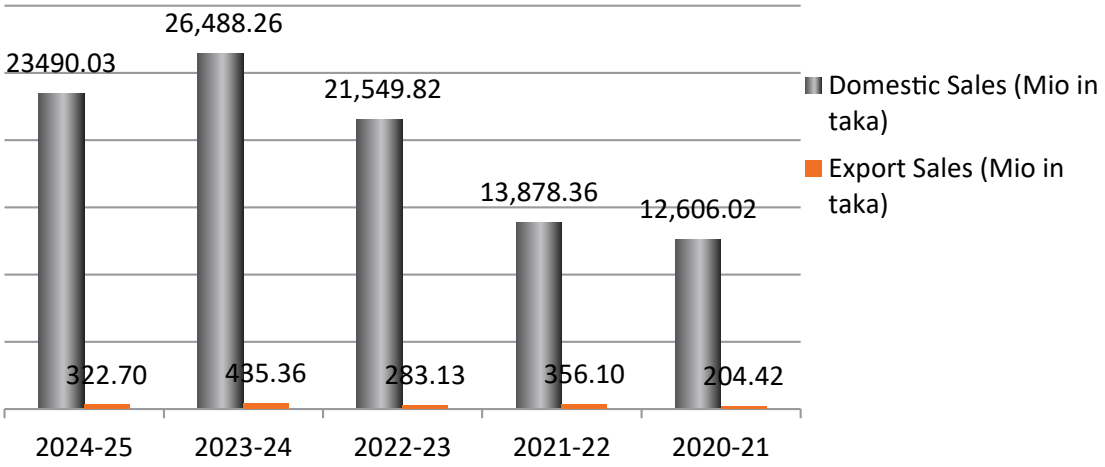
High Logistic Cost

Due to the poor road connectivity and infrastructure in Bangladesh, the cost of transportation for manufacturers increases significantly with each step, from sourcing raw material to delivering customer orders. On the other hand, to reduce the pressure on the roads of the country, the government of Bangladesh formulated a policy to reduce the truckload. As a result, manufacturers need multiple trucks for delivery, and this has increased the production cost. Producers, on the other hand, want to transport cement and raw materials by boat, but this is not possible due to a lack of cargo boats.

Segment-wise standalone Performance:

We believe Premier Cement Mills PLC could have achieved greater sales revenue growth in these years. In spite of the many obstacles this year, we have achieved a positive outcome in terms of sales volume from a standalone point of view, and our strong financials indicate a more well-off position in our current business operation. Comparative standalone sales can be found in the following chart"

Risks and Concerns:



The details of risks and concerns of the Company are discussed in 'Risk Management and Control Environment' on page no 107-110 in this annual report

Discussion on Cost of Goods Sold, Gross Profit Margin, and Net Profit Margin:

The details discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin of the Company is discussed in Section "The Management Discussion & Analysis" on page no 36-43 of this annual report.

Discussion on Continuity of any Extra-Ordinary gain or loss:

There was no extraordinary gain or loss during the mentioned period.

Related Party Transaction:

In the FY 2024-25, some transactions with related parties were carried out in the normal course of business on an arm's length basis. In note 36.00 of consolidated financial statements, a brief description of related party transactions is given, including names of the respective related parties, nature of the relationship with them, nature of those transactions, and their values in amount.

An explanation if the financial results deteriorate after the Company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offering, Direct Listing, etc.

There was no deterioration of financial results during the period under review after the above-mentioned events.

IPO Fund Utilization:

No IPO was made in the financial year 2024-25.

Safety, Health, and Environment Issues:

Ensuring healthy and safe working conditions for employees is one of the most important issues to consider for the cement industry. Premier Cement takes all possible measures to ensure that all its employees, as well as communities within which it operates, remain safe at all times. The company's safety measures, continuous risk assessment policy ensure a healthy and hazard-free work environment for all employees in the workplace. Moreover, we comply with a zero-tolerance policy in addressing our community's health issues, as we firmly believe that we are all an integral part of society. Environmental preservation is therefore one of our top agendas. Premier Cement is a certified Company from the Department of Environment, Government of the People's Republic of Bangladesh, and has been successfully abiding by all the laws and regulations set by the above-mentioned authority.

Quarterly disclosed financial performance and Annual financial performance:

As stipulated by law, the Company is required to publish the report of its 1st, 2nd,3rd, and 4th quarterly financial performance, and the yearly performance is indicated in the following table:

Quarterly financial performance PCMPLC (Standalone)

In Million

Particulars	Q.1	Q.2	Q.3	Q.4	2024-25
Revenue	5,197.27	5,411.82	7,241.81	5,961.82	23,812.73
Gross Profit	845.00	765.42	1,143.08	1,463.84	4,217.35
Profit from the operation	681.99	544.26	785.45	1,175.46	3,187.16
Profit before tax	193.32	97.61	215.40	215.20	721.54
Profit after tax	12.43	16.00	28.94	55.99	113.37
Total assets	36,266.72	36,484.34	36,330.54	36,992.98	36,992.98
Total equity	6,489.58	6,278.87	6,307.81	6,363.80	6,363.80
Total liability	29,777.13	30,205.47	30,022.73	30,629.18	30,629.18
Equity and liability	36,266.72	36,484.34	36,330.54	36,992.98	36,992.98
EPS	0.12	0.15	0.27	0.53	1.08
NAV per share	61.54	59.54	59.82	60.35	60.35
NOCFPS	2.82	5.13	5.83	6.86	6.86

Significant variance between quarterly financial performance and annual financial statements.

The Company was successfully able to maintain a remarkable performance in both operational and financial perspectives throughout the period. The Company recorded quarterly revenue of Tk. 5,197.27 million (Q1), Tk. 5,411.82 million (Q2), Tk. 7,241.81 million (Q3), and Tk. 5,961.82 million (Q4). By the end of Q4, revenue had increased by Tk. 764.55 million or 14.71% from the first quarter. EPS were BDT 0.12 (Q1), BDT 0.15 (Q2), BDT 0.27 (Q3), and BDT 0.53 (Q4), respectively, indicating improving profitability for shareholders. On the balance sheet, total assets increased from BDT 36,266.72 million in Q1 to BDT 36,992.98 million by Q4, reflecting steady growth. Total equity also rose, from BDT 6,489.58 million to BDT 6,363.80 million (though it slightly decreased from Q1 to Q4), while liabilities grew from BDT 29,777.13 million to BDT 30,629.18 million.

Remuneration of Directors:

None of our Board of Directors, including independent directors, receives any remuneration or benefits from the Company other than the BoD meeting attendance fee.

Internal control and adequacy of the Audit Committee:

Our Company has a well-defined internal control system to support efficient business operations and statutory compliance. External Auditors carry out a concurrent audit of financials, which adds to the stability of the entire internal control system. Suitable internal checks have been built in to cover all monetary transactions with proper delineation of authority, which provides transparency at every stage of operation.

The Company has a strong system of budgetary control which covers all aspects of operations, finance, and capital expenditure at a macro level every month, reporting directly to top management. Financial performances and efficiency parameters are monitored periodically, and actions are taken then and there. Currently, our Audit Committee consists of the following Directors:

Mr. A.K.M. Delwer Hussain, FCMA	- Chairman
Mr. Fakhrul Islam	- Member
Mr. Mohammed Ershadul Hoque	- Member

Going concern:

Going concern is one of the fundamental assumptions of accounting on the basis of which financial statements are prepared. According to going concern, a business will continue its business for the foreseeable future without the need or intention on the part of management to liquidate the entity or to significantly curtail its operational activities.

Our Company has adequate resources to continue its operation for the foreseeable future. Thus, the directors think that the Company is a going concern, and its financial statements are prepared on a going concern basis.

Significant deviation from last year's operating results and the reasons behind the deviations

The details about significant deviation from the last year's operating results and the reasons behind deviations are discussed in "The Management Discussion & Analysis" on page no 36-43 of this annual report.

Comparative 5 years' operating, financial data, and performance indicators:

Summary of five years' operating, financial data, and performance indicators is presented on page no 63-81 of this Annual Report.

Reserve and Surplus

Consolidated Retained Earnings of the Company in FY-2024-25 stood at BDT 2,229.66 million against BDT 2,313.34 million in FY-2023-24. The revaluation reserve stood at 3,075.91 million as on the year-end 2024-25 against BDT 3,083.34 million as on the corresponding previous year.

Events after the reporting Period

Subsequent events after the reporting period, the Board of Directors has recommended a Cash Dividend 10.00% for the year 2024-25.

The number of Board meetings during the FY-2024-25 and the attendance of the Directors:

During the FY-2024-25, a total of 5 (Five) meetings of the board were held. Attendance by the Directors has been summarized in the corporate governance report of this annual report, page no 95.

Pattern of shareholding:

The pattern of shareholding (along with name wise details) of parent/subsidiary/associate companies and other related parties, Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary, Head of Internal Auditor and their spouse and minor children, executives, shareholders holding 10% or more voting interest in the Company as at June 30, 2025 are duly stated in the following report.

A) Parent/ Subsidiary/ Associated Company and other related: **Prent**

B) Shares held by Chairman/Managing Director/Director, their spouses and minor children (name-wise details) as on June 30, 2025:

Name of the Directors	Position	Nos. of Shareholding	%	Spouse or Minor Children	%
Mr. Mohammad Mustafa Haider	Chairman	11,473,150	10.88%	Nil	Nil
Mr. Mohammed Amirul Haque	Managing Director	11,599,500	11.00%	56,800	0.05%
Mr. Mohammed Jahangir Alam	Director	7,825,313	7.42%	21,25,000	2.02%
Mr. Md. Alamgir Kabir	Director	4,416,562	4.19%	Nil	Nil
Mr. Mohammed Ershadul Hoque Representative by Ancient Properties Ltd.	Nominated Director	2,113,500	2.00%	Nil	Nil
Mr. Fakhrul Islam	Independent Director	Nil	Nil	Nil	Nil
Mr. A.K.M. Delwer Hussain, FCMA	Independent Director	Nil	Nil	Nil	Nil

C) Shares held by Chief Operating Officer, Chief Financial Officer, Company Secretary and Head of Internal Audit & Compliance as on June 30, 2025.

Particulars	Position	No. of share-holding	%	Spouse or Minor Children	%
Mr. Tarique Kamal	COO	Nil	Nil	Nil	Nil
Mr. Md. Selim Reza FCA, CMA, CLA	CFO	Nil	Nil	Nil	Nil
Kazi Md. Shafiqur Rahman, CMA	CS	Nil	Nil	Nil	Nil
Mr. Md. Aminul Islam, CMA	HoIAC	Nil	Nil	Nil	Nil

D) Shareholders holding ten percent (10%) or more votes in interest in the Company (name-wise details) as on June 30, 2025: Nil.

E) Shareholding of Senior Executives (Top Four salaried executives other than the Directors are CEO, CFO, CS, & HIAC) as on June 30, 2025: Nil.

F) On the other hand, Premier Cement Mills PLC (PCMPLC) holds 96% stake in the shares of Premier Power Generation Limited (Subsidiary) and 18.67% stake in the shares of National Cement Mills Limited (Associate) as on the Statement of Financial Position date.

Director's Profile:

A brief profile of all directors is provided in the section "Directors' profile" of the page number 46-51.

CSR Activities:

Since we are conducting our business in a society, we confess that we have some responsibilities towards our society and its welfare. Apart from doing business and making a profit, we also engage ourselves in the welfare of the society in which we are operating our business. We carry out regular analysis to find out the most effective way of rendering service to people and to accelerate society's welfare. After a comprehensive analysis, we finally chose a way to execute our responsibility towards society. Because of our CSR program, not only are the people of our society being benefited, but we are being benefited as well. It helps us to enhance our corporate image in society. A summary of sustainable development initiatives and CSR initiatives of the Company during the years is discussed on page 141-146 of this annual report-2024.

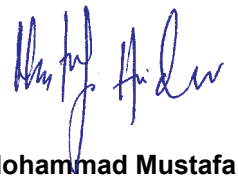
Corporate Governance

To ensure the spirit of corporate governance with accountability, for inspiring confidence of investors, regulators, financers, and other stakeholders, Premier Cement Mills PLC. is committed to comply with all the requirements of Corporate Governance (CG) as required by the Bangladesh Securities and Exchange Commission (BSEC). Details about the initiatives are discussed in the Corporate Governance Report under Annexure-

Status of Compliance

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No.BSEC/CMMRRCD/2006-158/207/Admin/80 dated 3rd June 2018 has been enclosed in Annexure-X

On behalf of the Board



Mohammad Mustafa Haider
Chairman

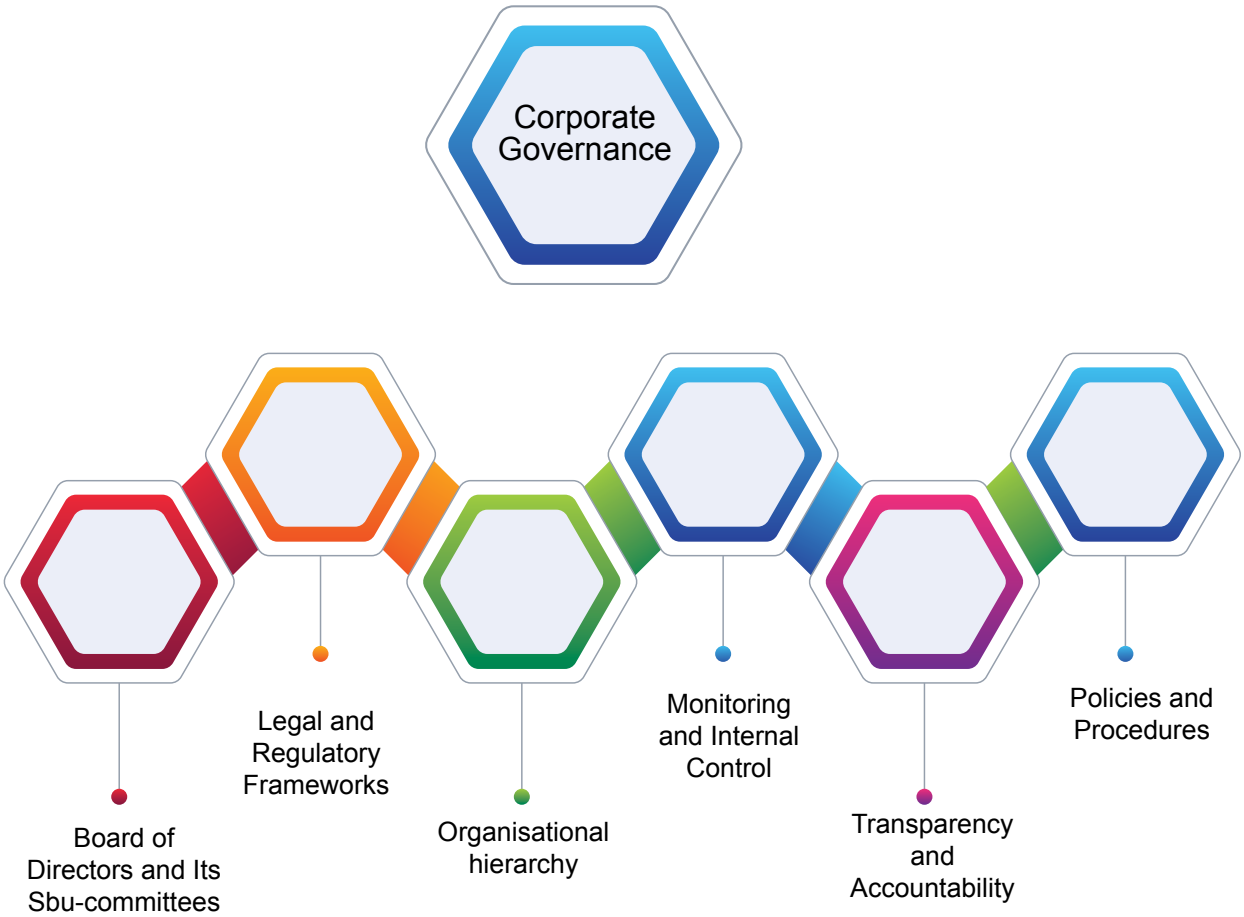
Date : November 17, 2025
Place : Dhaka

Annexure- I

Statement of Corporate Governance

Corporate governance is a mechanism, practice, and process by which companies are directed and controlled. Corporate governance essentially involves balancing the interests of the company's many stakeholders, such as management, Shareholders, Customers, Suppliers, Government, and Community. The principal characteristics of corporate governance are transparency, independence, accountability, responsibility, fairness, and social responsibility.

A good governance process provides transparency of corporate policies, strategies, and the decision-making process. This further strengthens internal control systems and helps in building relationships with all stakeholders. We believe in transparency and commit ourselves to adhering to good corporate governance practices at all times. We believe that good governance generates goodwill among business partners, customers, and investors and helps the company grow.



CRISL
Credit Rating Information and Services Limited
Chattogram Regional Office : Epic Ittehad Point (4th Floor), 618, Nur Ahmed Road (Near Old Biman Office), Chittagong
Tel : 02333367784-6, E-mail : info@crislbd.com, Web : www.crislbd.com
First ISO 9001 : 2015 Certified Credit Rating Company in Bangladesh Operating Since 1995

Setting global standard at national level

March 20, 2025

CRISL/Com/ 1256 /25

Managing Director
Premier Cement Mills PLC
13, Kawran Bazar, T.K. Bhaban (12th floor)
Dhaka-1215
Email: delwar.hossain@premiercement.com

Sub: Announcement of Credit Rating for Public Listed Companies

Sir,
Pursuant to the Credit Rating Companies Rules, 2022, this is to inform you that the Rating Committee of Credit Rating Information and Services Limited (CRISL) has assigned the following rating to **"Premier Cement Mills PLC"** on 20.03.2025 in consideration of its audited financials up to 30th June, 2024 also unaudited financials up to 31st December, 2024 and other relevant quantitative as well as qualitative information up to the date of rating declaration:

Long Term	Short Term	Outlook	Rating Date	Rating Validity
AA	ST-2	Stable	20.03.2025	19.03.2026

The above is reported as price sensitive information as per guidance in clause 8 A (b) of chapter III of Credit Rating Companies Rules 2022 by BSEC.

Thanking you,

With best regards

Rony Chandra Ghosh
Manager Compliance



Head Office : Nakshi Homes (1st, 4th & 5th Floor) 6/1/A, Segunbagicha Dhaka-1000 Bangladesh. Tel: 88-02-953 0991-3, Fax: 88-02-953 0995, E-mail: info@crislbd.com, Web: www.crislbd.com

Board of Directors

The Company's business is managed under the direction of the Board of Directors (BoD). The Board delegates to the Managing Director, and through that individual to other senior management, the authority and responsibility for managing the Company's business. Directors are elected or appointed by the shareholders. The role of the Board of Directors is to oversee the management and governance of the company. It is responsible for the operation of the company and works for the best interest of its shareholders and is accountable to the shareholders.

Structure of the Board

The Board of Directors of the Company consists of Seven Directors, namely:

Name	Designation
Mr. Mohammad Mustafa Haider	Chairman
Mr. Mohammed Amirul Haque	Managing Director
Mr. Mohammed Jahangir Alam	Director
Mr. Md. Alamgir Kabir	Director
Mr. Mohammed Ershadul Hoque	Director (Nominated)
Mr. Fakhrul Islam	Independent Director
Mr. A.K.M. Delwer Hussain, FCMA	Independent Director

Retirement of Directors by rotation

As per the Company Act 1994 and Articles 140, 141, 142 & 143 of the Articles of Association of the Company, 1/3 of the Directors retire by rotation in every ordinary general meeting. Accordingly, the retiring Directors, **i) Mr. Mohammad Mustafa Haider & ii) Mr. Md. Alamgir Kabir**, being eligible, offered themself to be re-elected as Directors of the Company. The Board of Directors recommends that the retiring Directors be re-elected.

Independent Director (ID)

Mr. Fakhrul Islam was elected (Second Term) as an Independent Director (ID) in the Board of Directors' meeting dated October 28, 2023, which was duly approved in the 21st Annual General Meeting (AGM).

The qualifications of the ID are addressed in detail in their brief profile on Page No 51 in this Annual Report.

Mr. A.K.M. Delwer Hussain, FCMA, will be re-elected (Second Term) as an Independent Director (ID) in the Board of Directors' meeting dated October 20, 2024, which will be approved on the 22nd Annual General Meeting (AGM).

The qualifications of the ID are addressed in detail in their brief profile on Page No 51 in this Annual Report

Roles and Responsibilities of the Board of Directors

The Board is responsible for the periodic review and approval of the overall strategies, business, and significant policies of the Company. The Board also sets the company's core values, adopts proper standards to ensure that the Company operates with integrity and complies with the relevant rules and regulations. The Board's responsibilities are: -

- Reviewing and approving the strategies and business plans for the Company.
- Reviewing and approving the un-audited quarterly financial Report.
- Reviewing the adequacy and integrity of the Company's internal control systems.
- Overseeing the conduct and performance of the Company.
- Reviewing succession planning and talent management plans for the Company and approving the appointment and compensation of senior management staff.
- Approving changes in the corporate organization structure.

- Approving policies relating to corporate branding, public relations, investor relations, and shareholder communication programs.

The Board duly complies with the guidelines issued by BSEC and the Company Act 1994 regarding the responsibility and accountability of the Board, its Chairman, and Managing Director.

Board of Director's Meeting

As per the provisions of the Bangladesh Secretarial Standards (BSS) adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB), the Company conducts its Board meetings, records the minutes of the meetings, and maintains the required books and records.

Four board meetings were held during the year 2024-25 & the attendance records are as follows:

Names of directors	Designation	Date of Meeting					
		October 20, 2024	November 09, 2024	January 29, 2025	April 28, 2025	March 13, 2025	Meeting attended /held
Mr. Mohammad Mustafa Haider	Chairman	√	√	√	√	√	5/5
Mr. Mohammed Amirul Haque	MD	√	√	√	√	√	5/5
Mr. Mohammed Jahangir Alam	Director	√	√	√	√	√	5/5
Mr. Md. Alamgir Kabir	Director	√	√	√	√	√	5/5
Mr. Mohammed Ershadul Hoque	Director	√	√	√	√	√	5/5
Mr. Fakhrul Islam	ID	√	√	√	√	√	5/5
Mr. A.K.M. Delwer Hussain, FCMA	ID	√	√	√	√	√	5/5
Mr. Md. Selim Reza FCA, CMA, CLA	CFO	√	√	√	√	√	5/5
Kazi Md. Shafiqur Rahman, CMA	CS	√	√	√	√	√	5/5
Mr. Md. Aminul Islam, CMA	HoIAC	√	√	√	√	√	5/5

Chairman of the Board and Chief Executive Officer

The positions of the Chairman of the Board and the Chief Executive Officer of Premier Cement Mills PLC., were filled by two different individuals. The Chairman was elected from among the non-executive directors of the company. The Managing Director & Chief Executive Officer (CEO) was also appointed from the board. The Board of Directors has clearly defined respective roles and responsibilities of the Chairman and Managing Director & the Chief Executive Officer as per the Articles of Association of the Company.

Responsibilities of the Chairman

The Chairman of the Board shall be responsible for the management, development, and effective performance of the Board of Directors and provide leadership to the Board for all aspects of the Board's functions. The Chairman is responsible for the leadership of the Board. In particular, he/she will:

- Ensure that Board Committees are properly structured and all corporate governance matters are fully addressed;
- Ensure an effective relationship among Directors, act as the principal conduit for communication and issues relating to business strategy, planned acquisitions, and corporate governance;
- Support the CEO & Managing Director in strategy formulation and, more broadly, provide support and give advice;
- Ensure that all Board Committees are properly established, composed, and operated;
- Set the agenda, style, and tone of Board discussions to promote constructive debate and effective decision-making;

- Ensure effective communication with shareholders, host governments, and other relevant constituencies and ensure that the views of these groups are understood by the Board;
- Ensure effective operations of the Board and its committees in conformance with the highest standards of corporate governance;

Chief Financial Officer (CFO)

Mr. Md. Selim Reza FCA, CMA, is the Chief Financial Officer (CFO) of Premier Cement Mills PLC., and has been appointed by the Board of Directors of the Company. He is responsible for the accounting and finance activities of the Company. The Board of Directors clearly defined the respective roles, responsibilities, and duties of the Chief Financial Officer (CFO).

Company Secretary (CS)

Kazi Md. Shafiqur Rahman, CMA, is the Company Secretary of Premier Cement Mills PLC., and has been appointed by the Board of Directors of the Company. The Board of Directors clearly defines the respective roles, responsibilities, and duties of the Company Secretary in compliance with the Corporate Governance Codes of the Bangladesh Securities and Exchange Commission (BSEC).

Role of the Company Secretary

The Company Secretary acts as a mediator between the Company, its Board of Directors, Stakeholders, the government, and Regulatory Authorities. He has expertise in corporate laws, capital markets, security laws, and corporate governance. He also advises the Board of Directors on the kind of practices to be adopted in upholding high levels of corporate governance.

The Company Secretary ensures that the best management practices and work ethics are embraced to create value for the Company. He represents the Company among internal and external stakeholders, coordinates the policies of the Company, fulfills the management function, and provides guidance on strategic decisions for the improvement and growth of the Company.

In compliance with the Corporate Governance Guidelines, the Company Secretary has a defined role and responsibilities approved by the Board. The brief roles and responsibilities of the Company Secretary are….

- Maintaining linkage between the Board, Management, Shareholders, and other Shareholders on matters of corporate interests in a transparent way.
- Compliance with the Acts, rules, regulations, notifications, guidelines, orders/directives, etc., as issued by BSEC, DSE, and CSE.
- Ensuring that appropriate Board procedures are followed as per given guidelines and best practices, and advises the Board on matters such as.
- Driving policy compliance awareness among the Company employees.
- Performing the duties as per the power of Attorney and Board level stakeholders' management, facilitating Legal and external affairs function, especially for company secretarial matters.
- Disclosure of the Company's price-sensitive information and other capital market-related issues.

Head of Internal Audit & Compliance (HoIAC):

Mr. Md. Aminul Islam, CMA, is the Head of Internal Audit & Compliance of Premier Cement Mills PLC., and has been appointed/promoted by the Board of Directors of the Company from Accounts & Finance Manager to Head of Internal Audit & Compliance. He is responsible for internal control and compliance of the Company. The Board of Directors clearly defined the respective roles, responsibilities, and duties of the Head of Internal Audit & Compliance (HoIAC).

Audit Committee

In pursuance of the Corporate Governance Code of Bangladesh Securities & Exchange Commission (BSEC), the Board has constituted an Audit Committee as a sub-committee of the Board for the Company. The

Committee includes 2 (two) Independent Directors and one Non-Executive Director. All the members of the Committee are financially literate and have extensive experience in audit. Mr. A.K.M. Delwer Hussain, FCMA, was duly appointed by the Board as the Chairman of the Committee. The duties of the Audit Committee and their report on the true and fair presentation of the Financial Statements are set out in Annexure .

The number of the Audit Committee Meetings held and attendance of each member during the year 2024-25 are as follows:

Name of Member	Position	Date of meeting				Meeting attended / held
		October 20, 2024	Novem-ber 09, 2024	January 29, 2025	April 28, 2025	
Mr. A.K.M. Delwer Hussain, FCMA	Chairman	√	√	√	√	4/4
Mr. Fakhrul Islam	Member	√	√	√	√	4/4
Mr. Mohammed Ershadul Hoque	Member	√	√	√	√	4/4

Role of Audit Committee

The role of the audit committee of PCMPLC includes the following:

- Oversee the financial reporting process.
- Monitor choice of accounting policies and principles.
- Monitor the Internal Audit and Compliance process.
- Monitor the internal control Risk Management process.
- Oversee hiring and performance of external auditors.
- Hold a meeting with the external auditors for review of the annual financial statement's submission to the board for approval.
- Review, along with the management, the annual financial statement before submission to the board for approval.
- Review along with the management, the quarterly and half-yearly financial statements before submission to the board for approval.
- Review the adequacy of the internal audit function.
- Review the Management's Discussion and Analysis before disclosing in the Annual Report.
- Review the statement of significant related party transactions submitted by management.
- Review Management Letters/Letter of internal control weakness issued by statutory auditors.
- Appointment, removal, and fixing the terms of reference of the internal auditor.

External/Statutory Auditors

MABS & J Partners, Chartered Accountants, was the External/Statutory Auditor of the Company for the year 2024-25. They carry out systematic examination of books and records of the company and ascertain, verify, and report upon the facts regarding the financial operation and the results of the company. To comply with the corporate governance properly, the Company did not engage its statutory auditors to perform the following services-

- Appraisal or valuation services or fairness opinions.
- Financial information systems design and implementation.
- Book-keeping or other services related to the accounting records or financial statements.
- Broker-dealer services.
- Actuarial services.
- Internal audit services.

- Any other service that the Audit Committee determines.
- No partner or employee 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.

The shareholders appointed statutory auditors and fixed their remuneration in the 23rd Annual General Meeting (AGM).

Subsidiary Company

Premier Cement Mills PLC., has one subsidiary company, namely Premier Power Generation Limited (PPGL), and in compliance with the Corporate Governance Code of the BSEC, the Company complied with the following rules & regulations:

- The Conditions relating to the composition of the board of Directors, including the Independent Director, are fulfilled.
- Independent Director of the Company is also a director in the subsidiary Company
- The affairs of the subsidiary companies have been reviewed in the Board meeting of the Company.
- Minutes of the Board meeting of the subsidiary company have been placed for review in the Board meeting of the Company.
- Financial Statements of the subsidiary Company have been reviewed by the audit committee of the company.

Code of Ethics and its compliance

Very few things are as effective as good governance and integrity in our daily operations to earn trust, manage risks, foster sustainable growth, and build a resilient business. Mutual Co-operation for bringing honesty and integrity in every sphere of operations is at the heart of our approach. We aim to tackle challenging issues head-on, make our communications and processes simple, hold everyone accountable, and empower all our employees to do what's right. Our Code of Business Conduct, as well as our internal ethics resource center and tailored training, help employees make ethical decisions. We believe that continuous supervision in every business practice is the key to sustaining a leadership role. Therefore, our Company is directed, administered, and complied with the set of laws, policies, and procedures outlined in the Bangladesh Securities & Exchange Commission's (BSEC) Notification No. BSEC/CMMRRCD/2006-158/207/Admin/80 dated on 3rd June 2018, the Company Act, 1994, and Listing Regulations 2015 of the Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE).

Communication to Shareholders and Other Stakeholders

The Company encourages communicating with the Shareholders throughout the year and welcomes their participation in the annual general meeting. In the annual general meeting, the management of the Company receives valuable opinions and tries to implement them, if it is in the best interest of the company.

- **Policy on Communication with Shareholders and other Stakeholders:** The Share department of the Company plays an instrumental role in making effective communication with its Shareholders and other Stakeholders. Shareholders and other Stakeholders of the Company may contact this Department during office hours for any sort of information and queries. Furthermore, PCMPLC provides updated information on its website from time to time for the shareholders and other stakeholders of the Company.

- **Policy on Ensuring Participation of Shareholders at AGM:** To ensure effective and efficient participation of shareholders in AGM, PCMPLC publishes notice of AGM in daily newspapers with necessary details within a reasonable time frame. The arrangement of the AGM normally took place in a reputable place and at a convenient time. But the 22nd AGM is scheduled to be held under a digital platform, complying with the direction of the BSEC Annual Report is circulated as per the provision of the Companies Act. 1994. So, shareholders get sufficient time to go through the report and freely provide their valuable comments and suggestions at the AGM.

Company's corporate website

The Company's website ***www.premiercement.com*** displays, the Annual Reports, half yearly reports, quarterly reports, Notice, Shareholding Structure, Dividend Information's and all disclosures required by the Bangladesh Securities and Exchange Commission (BSEC), Listing Regulations of the Dhaka Stock Exchange Limited (DSE) and the Chittagong Stock Exchange Limited (CSE) in the form of Price Sensitive Information (PSI) are made adequately and promptly.

Conclusion

Premier Cement Mills PLC., ensures the highest standards in corporate good governance and strict adherence to the requirements of the ethical code of conduct through close monitoring. Through the code of ethics, all levels of staff have been educated and encouraged to report to whistle blowing, when they suspect wrong doings by other employees.

