

DIRECTORS' REPORT TO THE SHAREHOLDERS FOR THE YEAR ENDED 30 JUNE 2025

To the Members,

Your directors have pleasure in presenting the Annual Report on the business and operations of the Company, together with the audited financial statements for the financial year ended June 30, 2025 ("FY 2024-2025").

This report has been prepared in compliance with the Section 184 of the Companies Act 1994 and Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018.

Even in a year of continuing global economic uncertainty, Bangladesh has maintained its path of steady growth and development. A strong demographic base, resilient ready-made garment (RMG) exports, stable remittance inflows, and consistent macroeconomic management have supported the country's economic stability. Bangladesh's garment sector has continued to perform well, reinforcing its position as one of the world's leading apparel exporters. While the sector faced pressures from rising global competition, cost fluctuations, and external market volatility, it has demonstrated resilience and adaptability. Emphasis on sustainability, improved labor practices, and gradual adoption of modern technologies is expected to maintain Bangladesh's competitive edge in the global apparel market. Against the backdrop of a cautious global economy, our Company has achieved another year of steady revenue performance. We remain committed to enhancing value for all stakeholders and continue to pursue this objective diligently. We have reported another year of steady revenue growth. Our Company always makes sincere efforts to enhance the value of all stakeholders and we continue to do so every year. I thank all the Board of Directors, shareholders, stakeholders, employees & workers and our customer for their efforts in making this journey successful.

PRINCIPAL ACTIVITIES OF THE COMPANY

The Company has been carrying out the business of manufacturing and exporting of garment hangers and accessories which facilitate the export of garments to the world's largest retailers like WalMart, K-Mart, Khol's, J C Penny, C&A, Auchan, H&M etc. in the USA, Canada as well as in Europe.

MATERIAL CHANGE OR CHANGE IN THE NATURE OF BUSINESS

During the year under review, there are no material changes in the nature of business of the Company.

INDUSTRY OUTLOOK AND POSSIBLE FUTURE DEVELOPMENT OF THE INDUSTRY

The garments-hanger sector in Bangladesh is intrinsically linked with the country's ready-made garments (RMG) industry, which remains the backbone of the national economy. As per the Export Promotion Bureau figures published in The Financial Express in July 2025, Bangladesh earned USD 39.34 billion from RMG exports in the fiscal year 2024-2025 out of total national exports of USD 48.28 billion, representing over 81 percent of the country's export earnings. The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) reported in 2025 that the industry employs more than 4.4 million workers across approximately 3,900 export-oriented factories. This enormous production base generates continuous and large-scale demand for garment accessories including hangers, which are mandatory in every stage of apparel production, storage, export packaging, supply-chain logistics and store presentation for international retail brands. On the global front, the hanger industry continues to expand along with the worldwide apparel market. Market intelligence reports from Future Market Insights (2024) and Data Bridge Market Research (2025) indicate that the global market size for hangers is currently within the range of USD 2.0 to 2.3 billion with an annual growth trajectory of approximately 6 to 8 percent. This growth is supported by rising global apparel consumption, rapid expansion of e-commerce fashion deliveries, improvement of garment display standards in retail chains, and increased product diversification into specialized hanger categories for formalwear, sportswear, lingerie and children's garments. Sustainability priorities among leading global apparel buyers are reinforcing demand for durable, high-performance plastic hangers that meet recyclability and traceability standards. Recent industry analyses indicate that plastic hangers continue to hold more than 40 percent of the global hanger market, supported by their cost efficiency, functional versatility, and long product life cycle

Page 1 of 7



(Verified Market Research, 2024). Updated market assessments further show that the global plastic clothes-hanger segment is projected to grow at a 5.8 percent CAGR between 2023 and 2030, driven by increased adoption of post-consumer and post-industrial recycled resins that comply with international environmental criteria (Cognitive Market Research, 2024). As global brands strengthen resource-efficiency requirements, they are increasingly sourcing recyclable plastic hangers capable of supporting large-volume garment programs without compromising quality or compliance expectations. According to Future Market Insights (2024), the total global hanger market is expected to expand from USD 2.14 billion in 2024 to more than USD 4.1 billion by 2035, confirming sustained long-term demand. With Bangladesh maintaining its position as a major exporter of ready-made garments, the country is strategically positioned to scale export-oriented plastic-hanger production that aligns with global buyer standards and evolving sustainability frameworks

The future prospect of Bangladesh's garments-hanger industry is highly encouraging as the country gradually transitions from low-cost volume-based production to value-added manufacturing. The MarketWatch Global Apparel Retail Outlook for 2025 forecasts increasing retail investments and brand expansions across Asia Pacific, GCC/Middle East and Latin America, which will elevate global demand for hanger varieties designed for specific garment categories. Bangladesh, as the second-largest exporter of garments in the world, can strategically expand from meeting domestic RMG needs to supplying finished hanger products across regional and global markets, potentially generating direct foreign exchange earnings from hanger exports.

In alignment with international procurement priorities, hanger manufacturers in Bangladesh are increasingly working toward environmental certifications such as the Global Recycled Standard (GRS), Forest Stewardship Council (FSC) certification, and internationally recognized environmental management systems. Sustainability disclosures released by global retailers in 2024 and the Inditex Circularity Strategy 2025 indicate that global buyers now emphasize digital traceability platforms including RFID and QR-based coding for hangers, ensuring transparency in product lifecycle, recyclability performance and waste-recovery mapping. Companies capable of supporting these requirements are expected to move into higher-value segments of the accessories supply chain. The Government of Bangladesh is already prioritizing accessories backward linkage to reduce import dependency and enhance global competitiveness. The Ministry of Commerce Export Diversification Roadmap 2025 highlights policy initiatives including customs process modernization, bonded warehouse facilitation, plastic and polymer recycling infrastructure enhancement and logistics upgrading through the Patenga Container Terminal and Bay Terminal expansion in Chattogram. These improvements are expected to lower lead time, reduce cost bottlenecks and raise export readiness for hanger manufacturers. Analytical projections from the Organization for Economic Co-operation and Development (OECD) in 2025 suggest that as global clothing and packaging move toward circularity principles, demand will increase for hangers with multi-use durability, lightweight logistics efficiency, low-carbon material credentials and full end-of-life recoverability. If Bangladesh's hanger producers continue to modernize with automated injection molding systems, advanced tooling, product engineering and compliance-driven production management, the sector is expected to more than double its production value by 2030. This transformation would significantly contribute to employment generation, reduce costly imports of accessories, and strengthen Bangladesh's global trade position through enhanced manufacturing self-sufficiency.

RISKS AND CONCERNS

Risks and concerns of the industries solely depends on the interest rate, exchange rate fluctuation, change of raw materials cost, management perception, industry risks, Technology related risks, labour unrest and upcoming changes of global and national policies & pandemic, which may have negative impact on the cost structure and profitability of the Company.



OPERATIONAL PERFORMANCE

The operational performance of the Company, such as Revenue, Cost of Goods Sold, Gross Profit and Net Profit after Tax for the last two years are given below:

Financial Year	Revenue	Cost of Goods Sold	(Figure in Thousand Taka)	
			Gross Profit	Net Profit after Tax
2023-2024	801,233	654,139	147,094	48,542
2024-2025	903,471	731,928	171,543	50,054

FINANCIAL RESULT AND APPROPRIATION OF PROFIT

The Directors of the Company are pleased to report its shareholders the financial results of the Company for the year ended on 30 June 2025 and their recommendations for appropriation of earnings for the year under review are as follows:

Particulars	(Figure in Taka)	
	As on 30 June 2025	As on 30 June 2024
Opening Balance	906,125,220	878,974,084
Net Profit after Tax	50,054,559	48,542,868
Dividend Declared	21,391,732	21,391,732
Retained Earnings	934,788,047	906,125,220

DIVIDEND

In the view of the profit earned by the Company for the year ended 30 June 2025, the Board of Directors agreed to recommend 5% cash dividend (Except Sponsors & Directors) for this year considering the Company's profitability, finance prudence and the long-term interest of the shareholders.

DIVIDEND DISTRIBUTION POLICY

The Board believe that it is the best interest of the Company to draw up a long term and predictable dividend policy. The objective of the policy is to allow the Shareholders to make informed investment decisions.

In compliance with the Directive dated 14th January 2021 bearing reference No. BSEC/CMRRCD/2021-386/03 issued by the Bangladesh Securities and Exchange Commission (BSEC), the Board of Directors of the Company has formulated "The Dividend Distribution Policy" about dividend declaration, pay off, disbursement and compliance and disclosed the same publishing in the Company's annual report and official website as a guiding framework for the shareholders. Company's Dividend Distribution Policy is stated in **Annexure-G** in this Annual Report.

TRANSFERRING THE UNCLAIMED DIVIDEND TO CAPITAL MARKET STABILIZATION FUND (CMSF)

Pursuant to the Bangladesh Securities and Exchange Commission (BSEC) Directive No. BSEC/CMRRCD/2021-386/03, dated 14th January 2021 and BSEC Capital Market Stabilization Rules, 2021, the Company transferred the amount of Tk. 2,739,772.05 (Twenty Seven Lac Thirty Nine Thousand Seven Hundred Seventy Two taka and Five Paisa) only held against unclaimed or undistributed or unsettled dividend from the year 2013 to 2019 to Capital Market Stabilization Fund. We also have transferred our **(13,068 shares)** unclaimed or undistributed or unsettled stock dividend or bonus shares or un-allotted rights shares from our Suspense BO Account to Capital Market Stabilization Fund (CMSF) on 13 January 2022.

Year wise unclaimed/undistributed/unsettled dividend amount is stated in **Annexure-H** in this Annual Report.




EXTRA-ORDINARY GAIN OR LOSS

There is no extra-ordinary gain or loss in the financial statements under report.

BASIS FOR RELATED PARTY TRANSACTIONS

The detail lists of the related parties with whom transactions have been taken place and their relationship for the year 2024-2025 are as follows:

Name of the Party	Relationship	Nature of transaction	Transactions in 2024-2025			
			Opening Balance	Addition	Adjustments	Closing Balance
Bengal Propak Limited	Common Directors	Purchase of packing materials	1,837,935	15,192,521	16,406,000	624,456

SIGNIFICANT VARIANCE BETWEEN QUARTERLY AND ANNUAL FINANCIAL STATEMENTS

No significant variations have occurred between quarterly and final financial results of the Company during the year under report.

BOARD SIZE

The Board of Directors of the Company is comprised of 9 (Nine) members including 2 (Two) independent directors.

CODE OF CONDUCT OF ALL BOARD MEMBERS

In compliance with the corporate governance guidelines, the Board has laid down a code of conduct of all Board members and annual compliance of the code is recorded accordingly.

INTERNAL CONTROL

The Board has the ultimate responsibility of establishing effective systems of internal control. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, compliance with applicable legislations, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information. The Company has also established an internal audit and compliance department that functions under an independent head of internal audit and compliance to ensure that internal control and compliances are in place.

BOARD MEETING AND ATTENDANCE

The Board of Directors of the Company met together 5 (Five) times for meeting during the year. The attendance record of the Directors is as follows:

Name of Directors	Position	Meeting Held	Attended
Mr. Morshed Alam	Chairman	05	02
Mr. Md. Jashim Uddin	Vice Chairman	05	02
Mr. Humayun Kabir	Managing Director	05	03
Mrs. Bilqis Nahar	Director	05	03
Mr. Firoz Alam	Director	05	05
Mr. Shamsul Alam	Director	05	05
Mr. Saiful Alam	Director	05	01
Mr. Shahedul Islam*	Ex-Independent Director	05	02
Mr. Abu Zafor Md. Kibria FCA*	Ex-Independent Director	05	02
Mr. Fayyaz Khundker**	Independent Director	05	02

The Directors who could not attend the meetings were granted leave of absence.

*The tenure of office as Independent Directors was expired on 19 December 2024.

** Appointed as Independent Director on 19 December 2024.




REMUNERATION TO DIRECTORS

The Company did not pay any remuneration to any director including independent director except board meeting attendance fee and Taka 200,000.00 as salary per month to Managing Director.

DIRECTORS PROPOSED FOR RE-ELECTION

Mr. Morshed Alam (Chairman), Mrs. Bilqis Nahar (Director) and Mr. Shamsul Alam (Director) will retire from the Board by rotation as per Article-127 of the Articles of Association of the Company and as per Article 128 of the Articles of Association of the Company, being eligible, have offered themselves for re-election. Brief resume and other information of the above-mentioned directors as per clause 1.5(xxiv)a, 1.5(xxiv)b, and 1.5(xxiv)c, of BSEC notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated, 03 June 2018 are depicted in **Annexure-E** in this Annual Report.

APPOINTMENT OF INDEPENDENT DIRECTOR

To ensure corporate governance practices and compliance with the Corporate Governance Code 2018 issued by the Bangladesh Securities and Exchange Commission (BSEC), the Board of Directors, upon the recommendation of the Nomination and Remuneration Committee (NRC), appointed Barrister Mrs. Siddatam Muneera Farhan as an independent director of the Company. Her appointment has already been consented by the BSEC. The appointment will now be placed before the shareholders for approval at the upcoming Annual General Meeting.

APPOINTMENT OF AUDITORS

Toha Khan Zaman & Co., Chartered Accountants the retiring auditor of the Company, retire at this Annual General Meeting will be completed their service for a consecutive period of three years and as per BSEC order we cannot appoint any firm of chartered accountants as our statutory auditors for a consecutive period exceeding three years. After scrutinizing the letters of expression of interest submitted by different Chartered Accountants Firms, the Audit Committee of the Board proposed to appoint Arun & Company, Chartered Accountants as the auditors of the Company for the year 2025-2026. The Board also accepted Audit Committee's proposal and recommended to appoint Arun & Company, Chartered Accountants as statutory auditors which will be placed before Annual General Meeting (AGM) for shareholders' approval. Remuneration of the auditor will also fix by the shareholders at the AGM.

DIRECTORS STATEMENTS

The Directors, in accordance with BSEC's notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated, 03 June 2018 confirms the following to the best of their knowledge:

- The financial statements prepared by the management of Company present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- Proper books of accounts of the Company have been maintained.
- 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.
- International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- The 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.
- There are no significant doubts of the Company's ability to continue as a going Concern.
- No bonus share or stock dividend has been or shall be declared as interim dividend.

PATTERN OF SHAREHOLDING

In accordance with the condition of the corporate governance issued by the Bangladesh Securities and Exchange Commission (BSEC) on 03 June 2018, the shareholding pattern of the Company is disclosed in **Annexure-D** in this annual report.



FIVE YEAR'S FINANCIAL HIGHLIGHTS

The key operating and financial data for the last five years are as follows:

Figure in Thousand Taka

Particulars	2025	2024	2023	2022	2021
Turnover (Export sales)	903,471	801,233	736,286	750,839	702,722
Gross Profit	171,543	147,094	140,175	172,418	159,459
Operating Profit	83,221	70,633	66,534	86,779	62,402
Profit before Provision and Tax	61,971	58,682	62,106	83,894	58,485
Net profit after tax for the year	50,054	48,542	46,315	47,589	45,746
Property, Plant and Equipment at cost less accumulated depreciation	573,582	630,560	698,208	591,916	589,141
Intangible Assets	2,398	3,232	4,066	4,900	2,765
Current Assets	1,873,906	1,802,846	1,796,163	1,759,232	1,753,120
Share Capital	914,760	914,760	914,760	914,760	914,760
Retained Earnings	934,788	906,125	878,974	854,050	817,156
Equity	2,389,499	2,371,989	2,348,758	2,319,261	2,274,744
Current Liabilities	158,936	171,975	256,634	196,637	194,367
				Figure in Taka	
Particulars	2025	2024	2023	2022	2021
Net Asset Value Per Share (NAVPS)	26.12	25.93	25.68	25.35	24.87
Earnings per Share	0.55	0.53	0.51	0.52	0.50
Net Operating Cash Flow Per Share (NOCFPS)	1.48	1.37	1.50	1.20	0.73

CONTRIBUTION TO THE NATIONAL EXCHAQUER

During the year under review, our Company paid Taka. 17,485,165.00 to the national exchequer in the form of corporate income tax, customs duties and value added tax.

MANAGEMENT DISCUSSION AND ANALYSIS

In accordance with the condition of corporate governance code, 'Management discussion and analysis' has been duly signed by the Managing Director of the Company and is included in **Annexure-F** of this annual report.

DECLARATION BY MD AND CFO

In accordance with the conditions of corporate governance code, a declaration on financial statements for the year ended 30 June 2025 duly signed by the MD and CFO is included in **Annexure-A** of this annual report.

CORPORATE GOVERNANCE

Corporate Governance is the practice of good citizenship, through which the Company is governed by the Board, for inspiring confidence of all stakeholders. We have the pleasure to confirm that the Company has meanwhile complied with all the necessary guidelines under BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated, 03 June 2018. The compliance report along with the necessary remarks/disclosures is appended in this Annual Report of the Company for the year 2024-2025 (**Annexure-C**). Further, a Certificate of Corporate Governance Compliance required under the said Code, as provided by M/s Suraiya Parveen & Associates, Chartered Secretary in Practice, is also annexed to this report (**Annexure- B**).




MEMBERSHIP WITH BAPLC

Bengal Windsor Thermoplastics PLC. has membership with the Bangladesh Association of Publicly Listed Companies (BAPLC). A certificate of BAPLC membership has been included on page no. 68 of this Annual Report.

POST BALANCE SHEET EVENTS

There are no material events which have occurred after the balance sheet/reporting date, the nondisclosure of which could affect the ability of users of these financial statements to make an appropriate evaluation.

ACKNOWLEDGEMENT

The Board of Directors record with deep appreciation the performance of the management, the officers, staffs and workers whose relentless effort helped increase the productivity of the Company despite the natural and unnatural adverse factors throughout the country and the world. The Board of Directors humbly expresses its gratitude and acknowledges with satisfaction the cooperation and unflinching support it has received from various regulatory bodies and financial institutions.

For and on behalf of the Board of Directors,



Humayun Kabir
Managing Director
26 October 2025



Shamsul Alam
Director
26 October 2025