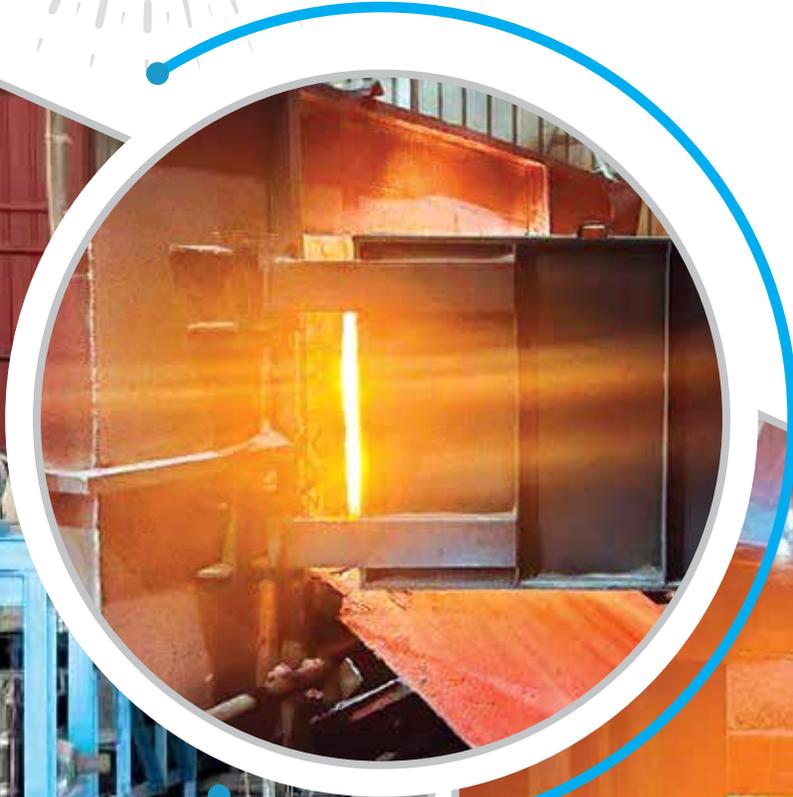


# ANNUAL REPORT

2024-25



**NIALCO**  
ALLOYS LTD.

# Contents

# Contents

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## Vision

Is to be a benchmark for the global market, with products and solutions that are recognized for quality, reliability, competitiveness and innovation. NIALCO aspires to anticipate evolving customer needs and develop diverse, competitive products and solutions based on new technologies. Our overarching goal is to operate sustainably and responsibly, acting as a reliable business partner and creating value for all stakeholders.



## Mission

Is to provide high quality and innovative metal product solutions that create the best possible value for our customers whilst increasing our market shares. This mission is supported by our state-of-the-art technology, investments in research and development, the support and commitment of our people and our proven experience in the export market. We aim to grow our company sustainably with a focus on our people, the environment, innovation and society throughout our business model, strategy and operations.



## OUR VALUES

### Reliability

We exist and we grow based on reliability, we depend on it for the relationships we build internally and externally. All our activities and transactions are defined by responsibility, integrity and business ethics.

### Respect

We operate based on the principles of Sustainable Development, with respect to people, the environment and society, whether this has to do with our internal processes or planning and development of products, or the relationships we build with partners, providers and local communities.

### Effectiveness

We operate through teamwork, dedication to the Company and commitment towards our clients, who are at the forefront of our activities. We develop innovative solutions and we maintain longstanding relationships providing excellent customer service and offering tailor made solutions. We keep our promises to our clients, striving to achieve continuous improvement.

### Transparency

We operate with transparency; we preserve and develop a safe workplace with equal opportunities for all. We maintain and seek open communication with local communities and all stakeholders.



## Strategy and Philosophy

NIALCO seeks to further consolidate its position among leading local and global manufacturers of metal products following a path of continuous sustainable development and responsible operation.

**This strategy is implemented by being structured around 6 key pillars:**

- Emphasis on quality and technology progress across all production processes;
- Continuous investments in state-of-the-art production facilities and in new technologies' research and development;
- Provision of innovative products and solutions;
- Dynamic commercial activity and strong presence in markets with growth potential;
- Customer-centric approach aimed primarily at building long-lasting relationships of trust;
- Sustainable development and value creation for all stakeholders.



# Nialco's Commitment to Sustainable future

The world is facing a range of environmental and social challenges, including climate change, pollution, and social inequality. Nialco takes our responsibility in addressing these issues and contributing to building a more sustainable future for all extremely seriously.

### Environment

The environment is nature and nature is synonymous with life. To this unique and extraordinary gift, Nialco attributes a value of primary and central importance in selecting its company policies, based on the respect, protection and safeguarding of the ecosystem in which it operates. Company activity is actually developed on the principle of 100% recycling, playing an important role in saving natural resources and working to eliminate waste that would otherwise be handed down to future generations.

As well as the intrinsic benefits of the company core business, Nialco is committed to ensuring that every action is analyzed from the standpoint of environmental protection and safety, in order to achieve results that are not limited to those required by law, but that ensure maximum protection of nature and the surrounding area, investing voluntarily in its promotion and safeguarding.

### Helping our supply chain become more sustainable

It's not just our own sustainability that we take seriously. We are determined to support our supply chain to work smarter. Increasingly, we are recovering scrap to be returned to our own facilities to be remelted. We are proud to be an active participant in the recycling and upcycling chain. Working smartly together we can be less of a burden on the planet for the production and distribution of our products.

### Investing in the future

Nialco is committed to being the very best supply chain partner we can be. We will work collaboratively with customers to achieve shared goals and create value for our customers. A new state-of-the-art factory building expansion reflects our commitment to solid, sustainable growth.

### Social

Nialco believes that a company represents a group of people that carry out an important function within the community, satisfying its needs and desires. For this reason, Nialco's identity is represented by collaborators who, by working each day with passion and commitment, operate so that those who coexist alongside Nialco can also enjoy the development that the economic activity generates. Nialco therefore bases its company policy on respect, ethics and the promotion of both the human patrimony and that of the land, investing in and executing its social role within the community with continuity and responsibility.

### Health and safety in the workplace-

Nialco is committed to ensuring the health and safety of its employees and external collaborators who operate across the three factories.

The principles that regulate strategic company decisions are based on:

- commitment and constant attention to the safety of plants,
- the reduction of work risks,
- the reduction of accidents,
- the training of staff,
- the adoption of safe operating practices that are in line with current legislation.

Nialco also pays great attention to the promotion of a culture of safety, with periodic training paths and meeting at all levels, designed to increase awareness, collaboration and the motivation of workers with regard to pertinent topics. In order to deal with these topics as effectively as possible, Nialco flanks its internal Prevention and Protection Service with a team of experienced external professionals.

## Operational Strategy, Resource Allocation

Careful planning and oversight to enable Company's businesses to adapt, whilst managing liquidity and financing is of pivotal importance from a portfolio planning point of view, and in this regard the Company will continue to leverage on such fundamentals which are based on principles of governance, accountability, and transparency to ensure continued resilience.

In managing the Company's portfolio, the Company places emphasis on identifying and pursuing growth prospects that would help achieve the Company's vision and its medium to long term objectives. In this light, businesses adopt a systematic approach to resource allocation and strategy formulation that is aligned with the core values, overall direction, and strategies.

As evident from the past, the Company strives to constantly align its portfolio of businesses with the growth sectors of the economy, both current and futuristic, and continuously endeavours to ensure that capital resources are efficiently employed in a manner that will expand the reach of the portfolio, ensure relevance, and give the ability to compete internationally. The believes the current portfolio continues to serve that purpose and that its investments over the last few years, and planned investments, in these core areas reinforce this strategy.

The Company is of the view that the fundamentals and potential of the industries the Company operates in remain largely unchanged, as the demand drivers underpinning the business would still be relevant in the medium to long-term, although there may be changes to operating models in some areas. The current economic challenges have heightened the need for diversification, particularly across geographies and the need for offshore revenue streams considering the foreign currency challenges faced by the country. The Company is conscious of the prevailing and emerging environment and is satisfied that the balance of the composition of businesses of the core portfolio are appropriate given the diverse nature of revenue streams as well as the direct exposure to foreign currency denominated income streams through the Sorted Copper, Copper Alloy PB Brass, Ingots and recently added Aluminium businesses.

Following are the key strategic initiatives pursued across Company businesses in furtherance of achieving its short, medium and long-term objectives.

- Creation of sustainable value is at the forefront when making operational decisions. In this regard, businesses place emphasis on maximising value by augmenting revenue channels, increasing market share and exploring opportunities.

Focus is placed on maintaining flexible cost structures to ensure optimisation of costs and thereby driving efficiencies and profit maximisation. The Company's emphasis on cost optimisation, prudence, and agility, has continued to assist businesses in enduring through challenging periods.



## Strength

- The only company in these business categories listed on Bangladeshi stock exchanges.
- Fully developed infrastructure facilities
- 100% export oriented
- Vertically integrated operations greater business certainty
- Skilled and well-trained workforce
- Established brand value

## Weakness

- Niche market
- Opportunity to penetrate the market is limited
- Traditional equipment technology
- Low process efficiency
- High cost of logistics
- Raw materials dependency

# SWOT Analysis



## Opportunity

- Growing metal product demand globally
- Ready market for copper assorted products due to finest quality
- Scope for expansion of capacity
- Opportunity to explore new products line

## Threat

- Volatility in LME metal Product price affecting turnover/profitability
- Fluctuation in dollar prices
- Increasing cost of import
- Increasing cost of shipping
- Attrition of skilled manpower

## NOTICE OF THE 14<sup>TH</sup> ANNUAL GENERAL MEETING

NOTICE is hereby given to all Shareholders of Nialco Alloys Limited that the 14th Annual General Meeting of the Company will be held on Saturday, December 20, 2025, at 10:30 a.m. by using hybrid system where online platform will be at <https://nal.hisoftcloud.com> and physical location at Plot-A, Block-B-28, BSCIC Industrial Area, Sagorika Road, Chattogram to transact the following businesses:

### Agenda:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2025, together with the Reports of the Directors and the Auditors thereon.
2. To declare dividend for the year ended June 30, 2025, as recommended by the Board of Directors of the Company.
3. To re-elect the retiring Directors.
4. To appoint Statutory Auditors of the Company for the year 2025-2026 and fix their remuneration.

By order of the Board of Directors

Chittagong, November 25, 2025



Company Secretary

### Notes:

1. Members whose names appeared on the Depository Register as on the "Record Date" i.e. November 13, 2025, are eligible to attend the Annual General Meeting (AGM) and receive the dividend.
2. A Member entitled to attend and vote at the AGM may appoint a Proxy to attend and vote in his/her stead. A copy of the "Proxy Form", duly filled and stamped requires to email at [boardsecretary@nialcoalloys.com](mailto:boardsecretary@nialcoalloys.com) not later than 48 hours before the AGM.
3. According to the Bangladesh Securities & Exchange Commission's Notification No. BSEC/CMRRCD/2016-158/208/Admin/81 dated June 20, 2018, the Company will send the Annual Report 2025 in soft-copy format to the email of the shareholders available in their Beneficial Owners (BO) accounts maintained with the CDBL.
4. In case of non-receipt of Annual Report 2025 of the Company that will be sent through email, Members may download the same from the 'Investors Information' section of the Company's website: [www.nialcoalloys.com](http://www.nialcoalloys.com)
5. Login process along with the joining link of the 14th AGM will also be available at the 'Investors Information' section of the Company's website, members are requested to check the login details. Members may also send an email at [boardsecretary@nialcoalloys.com](mailto:boardsecretary@nialcoalloys.com) for queries or assistance to join the AGM.

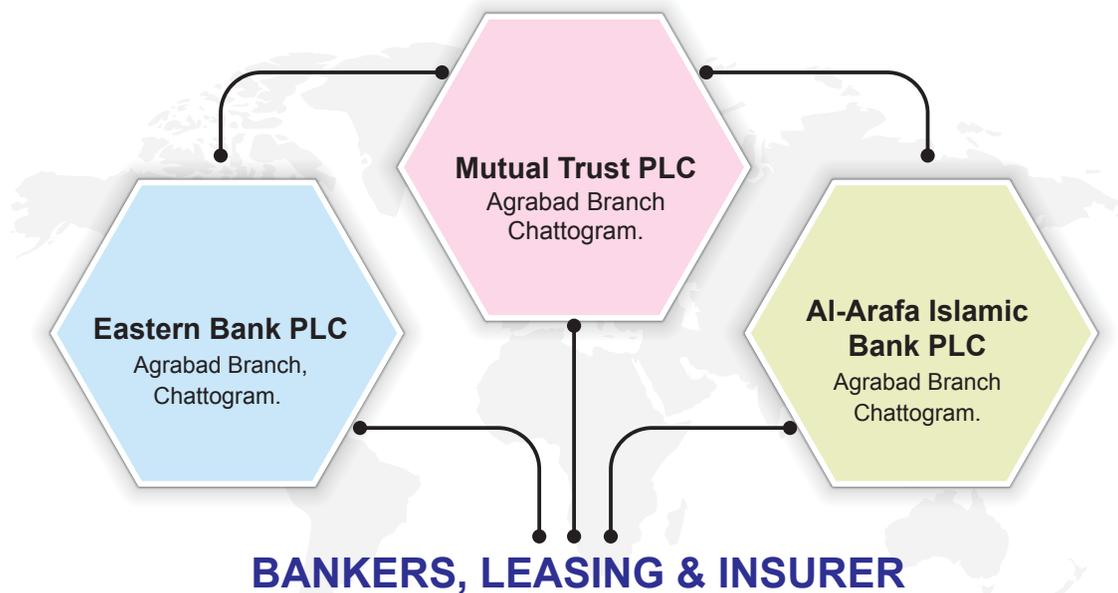
## CORPORATE DIRECTORY

### BOARD OF DIRECTORS

Md. Kamal Uddin Ahamed	: Chairman
Gazi Mukarram Ali Chowdhury	: Managing Director
Matin Uddin Ahmed	: Director

### MANAGEMENT TEAM

Gazi Mukarram Ali Chowdhury	: Managing Director
Arafat Rahman	: Chief Financial Officer (CC)
Adv. Tariqul Islam Chisty	: Company Secretary
Kamruzzaman Chowdhury	: Commercial Manager
Anjan Sen	: Factory Manager
Shahidul Islam Sumon	: Public Relation Manager
Aftab Uddin Irfan	: Production Manager



**Insurer**  
**Asia Pacific General Insurance Company Ltd.**

**Auditor**  
**MAHAMUD SABUJ & CO.**  
Chartered Accountants  
Facy Building (2nd Floor),  
87, Agrabad C/A, Chattogram, Bangladesh.

**Legal & Tax Advisor**  
**A. Hossain & Associates**  
Ahmed Mansion (3rd Floor),  
1128 Sk Mujib Road, Dawnhat, Chattogram.

**Credit Rating Agency**  
**Credit Rating Information And Services Limited (Crisl)**

**Registered Office:**  
Plot B-28, Block A,  
BSCIC Industrial Area,  
Sagorika Road, Chattogram

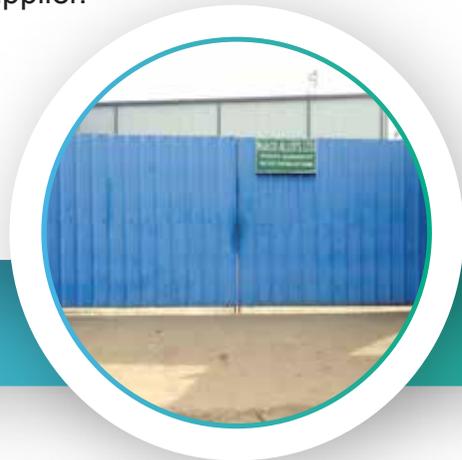
**Corporate Office:**  
Plot B-28, Block A,  
BSCIC Industrial Area,  
Sagorika Road, Chattogram

**Factory:**  
Jahanabad, Bhatiary,  
Shitakunda, Chattogram

## COMPANY PROFILE

Nialco Alloys Limited was incorporated in June 21, 2011 as a public limited company under Registrar of Joint Stock Companies and Firms (RJSC) vide registration number CH-8784/11 under the companies Act 1994. The Principal activity and the nature of the business of Nialco Alloys Limited to manufacturing of high grade Bronze and Brass Ingots including Phosphorus Bronze, Leaded Bronze, Aluminum Bronze, Manganese Bronze, Sand Cast Brass (SCB), High Tensile Brass (HTB), Die Cast Brass (DCB), Master Alloys, Phosphorus Copper etc. conforming to BS, IS, JIS, DIN, ASTM, UNI and as per all other International Standards. Copper is a metal that is essential in the development of civilization. Brass and Bronze are two major alloys of copper made by varying amounts of copper percentage mixed with other elements.

The diversity of uses of copper alloys is evidenced in the range of consumer goods and general products associated with these materials. Market demand of the copper products are increasing according to the development of civilization. Therefore, the copper industry has a huge prospect both in local and abroad. The main strength of Nialco Alloys Limited (NAL) is its Research & Development Team and its Skilled Executive. The team under the guidance of our Directors, Source Exact & Quality product from reliable supplier.



# COMPANY & AT A GLANCE KEY MILESTONE

Company Name	: Nialco Alloys Ltd.
Registered Address	: Plot B 28, Block A, BSCIC Industrial area Sagorika, Road Chattogram.
Date of Incorporation	: June 21, 2011
Date of Commercial Operation	: July 5, 2015
Registration Number	: CH-8784/11
Date of Conversion into Public	: June 21, 2011
Date of Qualified Investor Offering	: May 16-May 20 2021
Date of Share trade	: June 10, 2021
Legal Status	: Publically Traded Company
Listing Status	: DSE & CSE
Authorized Capital	: 80,00,00,000
Paid up Capital	: 28,50,00,000
Number of Shareholder in record date	: 350
Business	: Hundred percent Export oriented non-ferrous metal, Manufacturing Company

## Five Years Key Financial Data

### Revenue and Results from Operation:

Particulars	30.06.2025	30.06.2024	30.06.2023	30.06.2022	30.06.2021
Revenue	1,041,782,507	730,286,584	606,417,920	205,814,121	602,862,064
Less: Cost of Goods Sold	936,655,256	636,875,390	515,343,310	175,528,116	529,684,614
<b>Gross Profit</b>	<b>105,127,251</b>	<b>93,411,194</b>	<b>91,074,610</b>	<b>30,286,005</b>	<b>73,177,450</b>
Less: Operating Expenses	26,762,138	23,230,058	21,545,503	13,390,310	24,266,331
<b>Profit from Operation</b>	<b>78,365,114</b>	<b>70,181,136</b>	<b>69,529,107</b>	<b>16,895,695</b>	<b>48,911,119</b>
Less: Financial Expenses	3,001,108	8,354,987	5,774,168	5,366,764	8,301,495
<b>Net Operation Profit</b>	<b>75,364,006</b>	<b>61,826,150</b>	<b>63,754,939</b>	<b>11,528,931</b>	<b>40,609,624</b>
Add: Others Income/(Loss)	7,915,234	(1,094,721)	6,999,458	8,132,768	392,279
<b>Net Profit Before Contribution to WPPF</b>	<b>83,279,240</b>	<b>60,731,429</b>	<b>70,754,397</b>	<b>19,661,699</b>	<b>41,001,903</b>
Less: Contribution to WPPF	4,163,962	3,036,571	3,369,257	936,271	1,952,472
<b>Profit/(Loss) Before Tax</b>	<b>79,115,278</b>	<b>57,694,858</b>	<b>67,385,140</b>	<b>18,725,428</b>	<b>39,049,431</b>
<b>Less: Income Tax Expenses</b>	<b>10,174,151</b>	<b>7,558,799</b>	<b>7,910,103</b>	<b>4,119,190</b>	<b>4,157,159</b>
Current Tax	10,314,493	7,599,460	7,744,768	3,156,697	4,030,658
Deferred Tax	(140,342)	(40,661)	165,335	962,493	126,501
<b>Total Comprehensive Income</b>	<b>68,941,127</b>	<b>50,136,059</b>	<b>59,475,037</b>	<b>14,606,238</b>	<b>34,892,272</b>
<b>Earnings per share (EPS)</b>	<b>2.42</b>	<b>1.76</b>	<b>2.09</b>	<b>0.51</b>	<b>1.72</b>

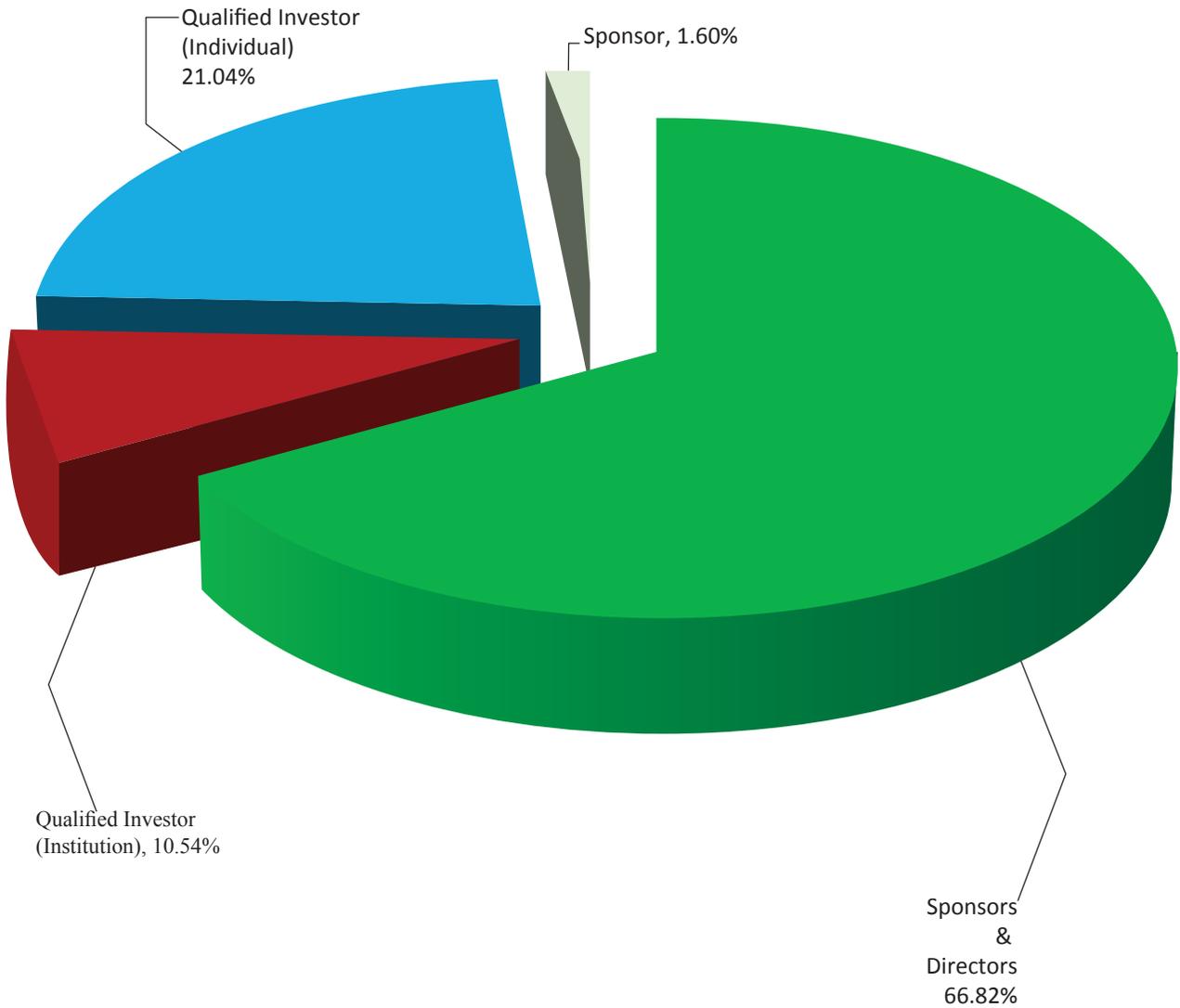
### Statement of Financial Position:

Particulars	30.06.2025	30.06.2024	30.06.2023	30.06.2022	30.06.2021
<b>ASSETS</b>					
<b>Non-Current Assets</b>	<b>124,604,028</b>	<b>133,078,914</b>	<b>101,183,677</b>	<b>86,103,530</b>	<b>52,013,912</b>
Property Plant & Equipment	124,604,028	133,078,914	99,040,188	86,103,530	52,013,912
Capital Work In Progress	-	-	2,143,489	-	-
<b>Current Assets</b>	<b>416,634,259</b>	<b>754,025,927</b>	<b>467,287,668</b>	<b>404,542,647</b>	<b>355,153,971</b>
Inventories	132,145,721	454,668,004	332,752,239	156,682,694	198,911,232
Trade Receivable	87,835,120	24,828,480	19,333,636	132,826,260	218,889
Advance, Deposit & Prepayments	25,466,315	232,412,779	41,539,009	41,843,914	35,680,678
Accounts Receivable	137,223,345	-	-	-	-
Cash & Cash Equivalents	33,963,758	42,116,664	73,662,784	73,189,780	120,343,172
<b>TOTAL ASSETS</b>	<b>541,238,287</b>	<b>887,104,841</b>	<b>568,471,345</b>	<b>490,646,177</b>	<b>407,167,883</b>
<b>SHAREHOLDERS EQUITY AND LIABILITIES</b>					
<b>Shareholders Equity</b>	<b>491,598,030</b>	<b>428,056,903</b>	<b>387,820,845</b>	<b>342,595,808</b>	<b>356,489,570</b>
Share Capital	285,000,000	285,000,000	285,000,000	285,000,000	285,000,000
Retained Earnings	206,598,030	143,056,903	102,820,845	57,595,808	71,489,570
<b>Non-Current Liabilities</b>	<b>1,451,014</b>	<b>1,591,356</b>	<b>1,632,017</b>	<b>1,466,682</b>	<b>504,189</b>
Deferred Tax Liabilities	1,451,014	1,591,356	1,632,017	1,466,682	504,189
<b>Current Liabilities</b>	<b>48,189,243</b>	<b>457,456,581</b>	<b>179,018,483</b>	<b>146,583,688</b>	<b>50,174,124</b>
Short Term Borrowings	-	130,058,373	-	142,216,540	36,184,814
Advance Against Sales	4,503,843	-	-	-	-
Accounts payable	27,795,966	313,745,847	165,824,539	-	10,340,477
Liabilities for Expenses	15,461,443	13,288,570	13,121,868	4,365,723	3,648,833
Dividend Payable	427,991	363,790	72,076	1,425	-
<b>TOTAL LIABILITIES</b>	<b>49,640,257</b>	<b>459,047,937</b>	<b>180,650,500</b>	<b>148,050,370</b>	<b>50,678,313</b>
<b>TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES</b>	<b>541,238,287</b>	<b>887,104,841</b>	<b>568,471,345</b>	<b>490,646,178</b>	<b>407,167,883</b>
<b>Net Asset Value (NAV) Per Share</b>	<b>17.25</b>	<b>15.02</b>	<b>13.61</b>	<b>12.02</b>	<b>12.51</b>

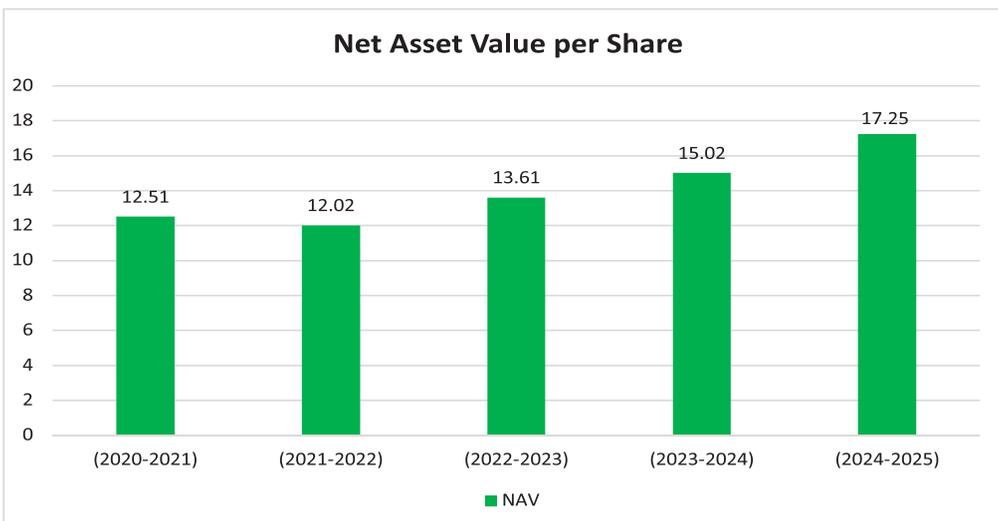
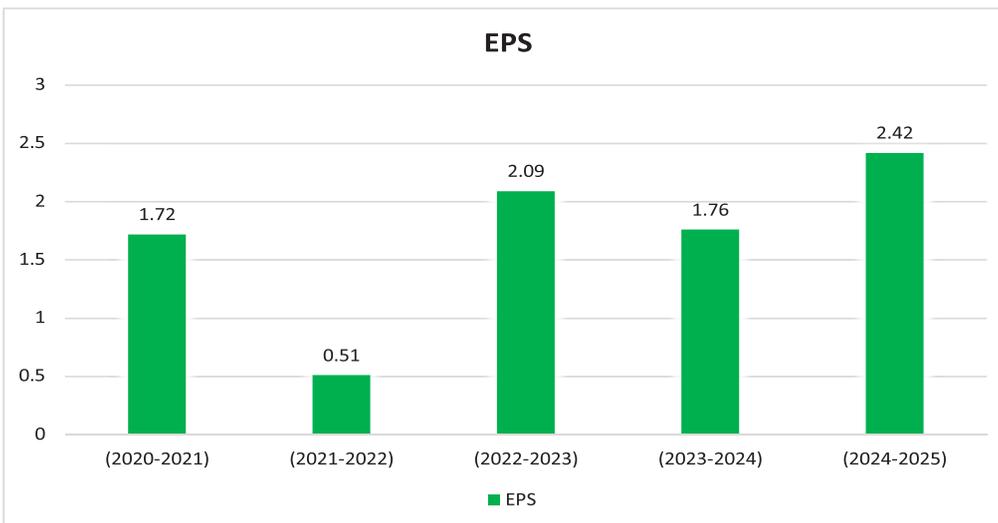
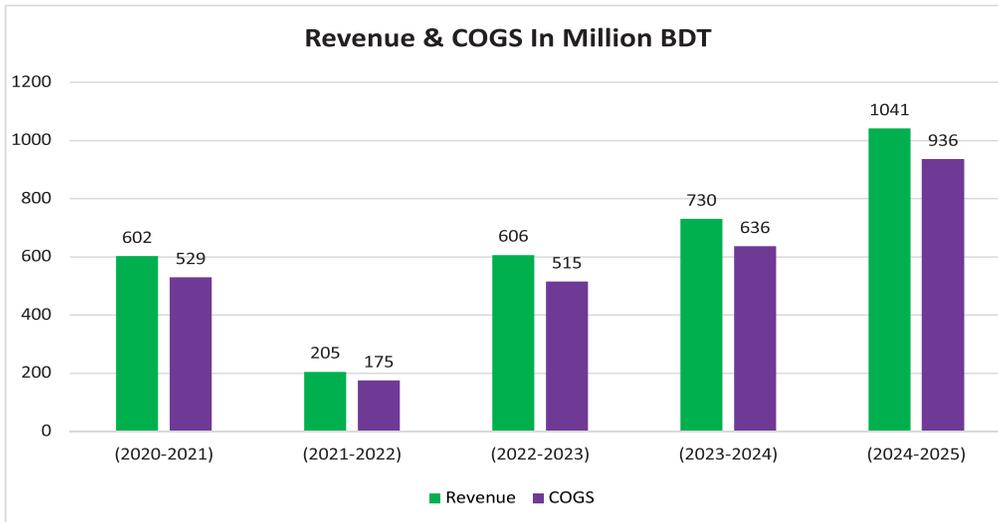
## Ratio Analysis

Particulars		30.06.2025	30.06.2024	30.06.2023	30.06.2022	30.06.2021
<b>I. Liquidity Ratios:</b>						
(i) Current Ratio (Times)	Current Assets/ Current Liability	8.65	1.65	2.61	2.76	7.08
(ii) Quick Ratio (Times)	(Current Assets - Inventory)/ Current Liability	5.90	0.65	0.75	1.69	3.11
<b>II. Operating Efficiency Ratios:</b>						
(i) Accounts Receivable Turnover Ratio	Net Sales/ Average Accounts Receivables	18.49	33.07	7.97	3.09	24.00
(ii) Inventory Turnover Ratio (Times)	Cost of Goods Sold/ Average Inventory	3.19	1.62	2.11	0.99	2.18
(iii) Assets Turnover Ratio (Times)	Sales/ Average Total Assets	1.46	1.00	1.15	0.46	1.48
<b>III. Profitability Ratios:</b>						
(i) Gross Margin Ratio (%)	Gross Profit/ Net Sales	10.09%	12.79%	15.02%	14.72%	12.14%
(ii) Operating Profit Ratio (%)	Operating Profit/ Net Sales	7.52%	9.61%	11.47%	8.21%	8.11%
(iii) Net Profit Ratio (%)	Net Profit after Tax/ Net Sales	6.62%	6.87%	9.81%	7.10%	5.79%
(iv) Return on Assets Ratio (%)	Net Profit after Tax/ Average Total Assets	9.65%	6.89%	11.23%	3.25%	8.56%
(v) Return on Equity Ratio (%)	Net Profit after Tax/ Average Total Shareholders' Equity	14.99%	12.29%	16.29%	4.18%	12.84%
(vi) Basic Earnings Per Share (EPS)	Net Profit after Tax/ Weighted Average Number of Ordinary Shares Outstanding	2.42	1.76	2.09	0.51	1.72
(vii) Earnings before interest, taxes, depreciation and amortization (EBITDA) Margin	EBITDA/ Net Sales	8.34%	7.90%	11.11%	9.10%	8.18%
<b>IV. Solvency Ratios:</b>						
(i) Debt to Total Assets Ratio	Total Debt/ Total Assets	0.09	0.52	0.32	0.30	0.09
(ii) Debt to Equity Ratio (Times)	Total Debt/ Total Equity	0.10	1.07	0.47	0.43	0.10
(iii) Times Interest Earned Ratio (Times)	EBIT/ Financial Expense	26.11	6.91	11.67	3.49	5.94

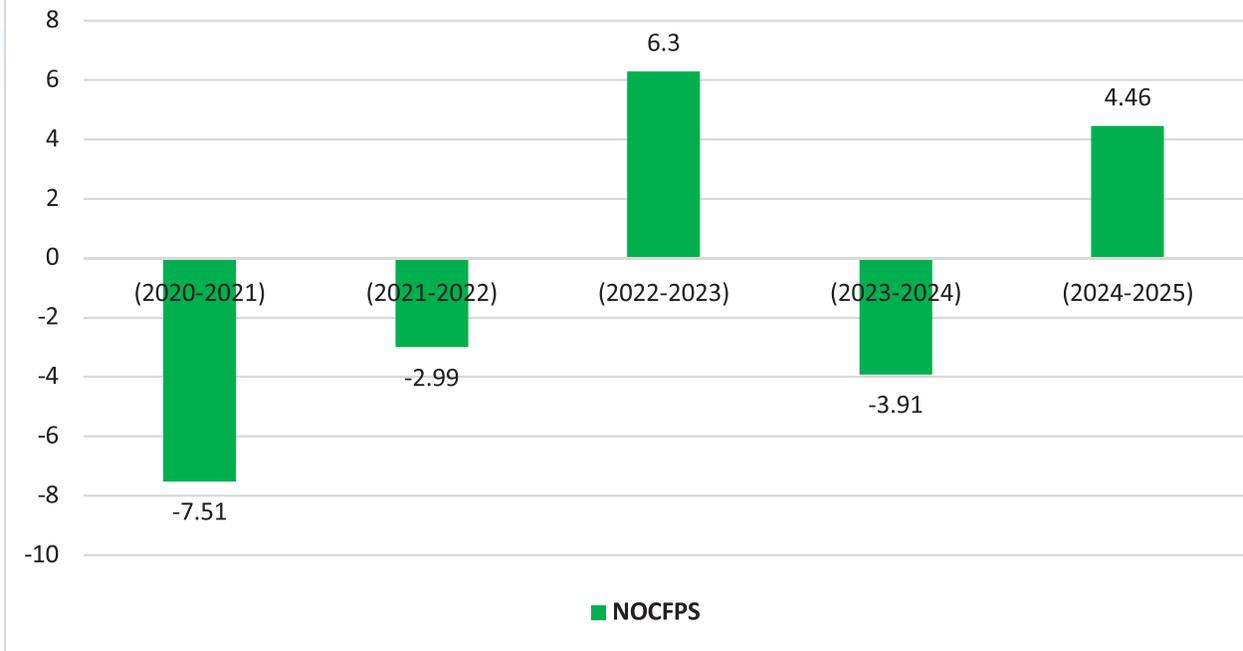
## Percentage of Share Holding Position



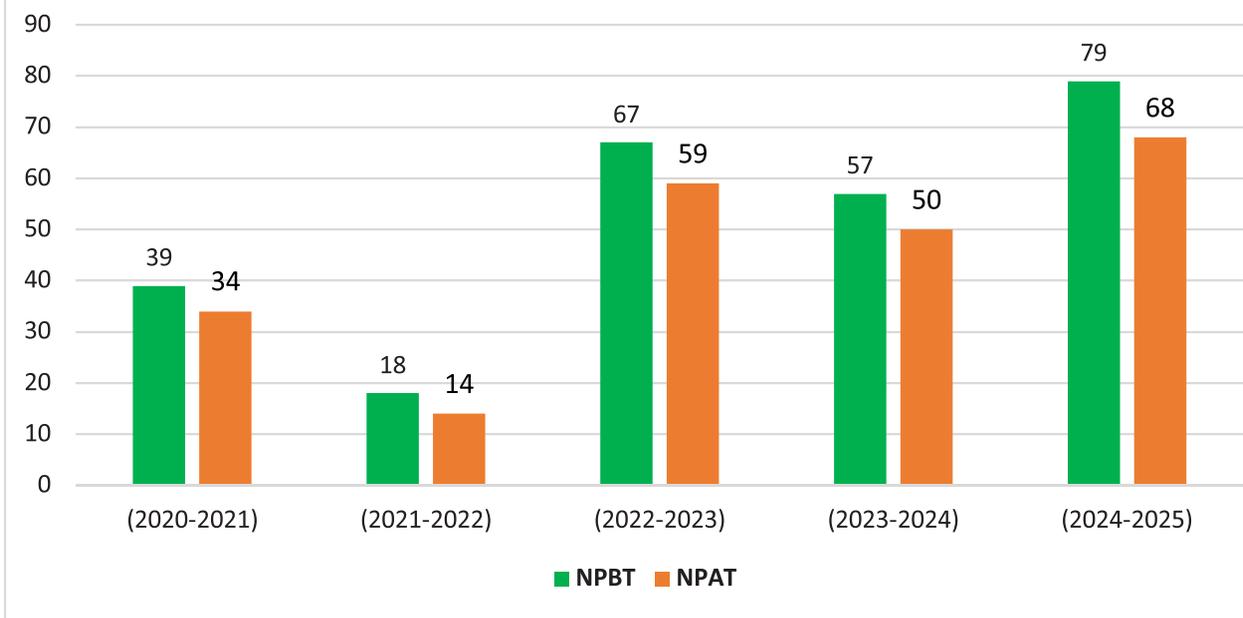
# Graphical Presentation of Key Financial Indicators



### Net Financial Cash Flows per Share



### Net Profit Before & After Tax in Million BDT



# Board of Directors

Chairman



Md. Kamal Uddin Ahamed

Managing Director



Gazi Mukarram Ali Chowdhury

Director



Matin Uddin Ahamed

## Brief Resume of Directors

### Mr. Mohammad Kamal Uddin Ahamed



Md. Kamal Uddin Ahamed is Chairman of Nialco alloys limited. He has vast experience in the non-ferrous metal industries. He is a successful entrepreneur in this sector and he is well known person in the whole world in this sector. Before starting his carrier as businessman Mr Kamal Uddin Ahamed graduated from University of Chittagong and post graduated from University of Dhaka. Mr Kamal Uddin Ahamed achieved Commercially Important Person(CIP) from Government of the People's Republic Bangladesh for four times for his outstanding business performance. He was born in 30th June, 1970 from an aristocrat family. Mr. Kamal Uddin Ahamed is a Successful entrepreneur in the non-ferrous metal industries since almost 29 years back. He is enthusiastic and look forward to developing and promoting his business and very significant contribution to this sector, and make our country well known in the world through supplying high quality product and prompt services. Mr. Kamal Uddin Ahamed also Partner of Chittagong Ship Breaking and recycling Industries and Managing Partner of Marine Safety System, Managing Partner of united Ship Recycling industries.

Mr. Kamal Uddin Ahamed involved in many social activities and association with various trade bodies some of these are presented below:

- Member of Bangladesh Ship Breakers and Re-Cycling association (BSBRA).
- Chottogram Ma-O Shishu Hospital

Mr. Kamal Uddin Ahamed travelled across the globe including USA, Canada, UK, China, Malaysia, Singapore, Thailand, Saudi Arabia, UAE and India. He attended many seminars for business purpose at home and abroad.

### Mr. Gazi Mukarram Ali Chowdhury



Gazi Mukarram Ali Chowdhury Managing Director of Nialco Alloys Limited. Before Starting his carrier as an entrepreneurship he was experienced in supply chain and export import, then he turn himself as a successful entrepreneur and business man through the dynamic skill and almost 28 years of experience of Non-ferrous metal sector. He is one of the Partner of Marine Safety System, Managing Partner of Chittagong Ship Breaking and Recycling Industries and ship recycling.

Mr. Chowdhury achieved Commercially Important Person (CIP) from Government of the People's Republic of Bangladesh for his outstanding business performance. Mr. Gazi Mukarram Ali Chowdhury came from a very well-known family and he was born in 3rd February, 1971. He has completed his bachelor degree from Bangladesh National University in the year 1993.

Mr. Chowdhury involved in many social activities and association with various trade bodies some of these are presented below:

- Member of Bangladesh Ship Breakers and Re-Cycling association (BSBRA).
- Life Member Chottogram Diabetic Hospital.
- Life Member Bhatary Country and Golf Club Ltd.

Mr. Chowdhury travelled across the globe including China, Malaysia, Singapore, Thailand, Saudi Arabia, UAE and India. He attended many seminars for business purpose at home and abroad.

### Mr. Matin Uddin Ahamed



"Matin Uddin Ahmed is a Director of Nialco Alloys Limited. He is an entrepreneur, consultant, His entrepreneurship is well known for more than 17 years now. With more than 17 years of experience in the Metal Industry he has become a successful business leader. Mr. Matin Uddin Ahmed completed his graduation from Bangladesh National University in the year 1996. For Matin Uddin Ahmed Environment-friendly Metal recycling method is most important, as well as Good Quality and prompt service. He is Managing Partner of Blue metal and managing Director of all metal Recycling Ind.

## BREIF RESUME OF CFO & CS

### **Mr. Arafat Rahman** CFO (Current Charge)

**Mr. Arafat Rahman**, CFO (CC) of Nialco Alloys Limited since November 2025. Mr. Arafat Rahman has successfully completed his graduation and post-graduation in Accounting from Government City College, Chattogram. He also completed his professional courses in Chartered Accountancy Article ship from Rahman Mostafa Alam & Co., Chartered Accountants on 26 October 2025.

### **Mr. Adv. Tariqul Islam Chisty** Company Secretary

**Mr. Advocate Tariqul Islam Chisty** has been serving in the Nialco Alloys Limited as a company secretary since the establishment of the company. He is well experienced in the legal and company law together with related regulatory body of the govt. republic of Bangladesh. He has completed his graduation and post-graduation from a renewed private university of Bangladesh. he is also a practicing lawyer in Chittagong Judge court and part time lecturer of Chittagong Law college.



## Chairman's Message

Dear Shareholders,

As we reflect on the fiscal year 2024-25, I am proud to report that Nialco Alloys Ltd. has demonstrated resilience and strategic foresight in navigating a challenging economic landscape. Despite facing significant headwinds including volatile raw material prices, escalating energy costs, and global geopolitical tensions the company has maintained its commitment to operational excellence and sustainable growth.

FY 2025 was a milestone year for Nialco. For the first time, our Company's revenue surpassed BDT 100 crore, a significant achievement that reflects the strength of our market position, the resilience of our operations, and the trust placed in us by our customers. We also recorded a profit before taxation of BDT 7.91 crore, the highest in our history, underscoring our ability to drive sustainable growth even amid a challenging external environment. These outstanding results were made possible through the collective efforts of our dedicated team, the strength of our business segments and the unwavering support of our customers and business partners worldwide.

Regardless, there were still major obstacles facing the world economy in 2025. An atmosphere of uncertainty pervaded global markets as a result of growing geopolitical tensions, trade disputes, ongoing supply chain disruptions, and rising raw material prices. All industries, including ours, were impacted by these outside variables. Despite these difficulties, we continued to be flexible and responsive, using our customer-focused strategy and operational flexibility to preserve stability. The financial metrics show a robust presence and point to further growth. We have outstanding earnings per share of BDT 2.42 at the end of 2025. Based on these impressive results, we are pleased to recommend 10% cash dividend for the shareholders a 67% enhancement from previous year. In light of the uncertain global economic outlook, the Board has adopted a prudent approach to capital management by maintaining a conservative dividend payment like last year despite our improved profitability. This prudence stance allows us to strengthen balance sheet, preserve financial flexibility to weather potential market volatility, and maintain sufficient resources to fund strategic growth initiatives while ensuring operational resilience. Our balance sheet continues to reflect the strength of our strategic investments and disciplined financial stewardship. We remain committed to delivering sustainable returns to our shareholders and will continue to review our dividend policy as market conditions evolve.

None of our achievements would have been possible without the passion, dedication, and loyalty of our people. We are committed to building and nurturing a culture of excellence that embraces respect for our colleagues, celebrates the spirit of entrepreneurship, and rests on the core pillars of diversity, inclusion, and continuous learning. We invest in our people as partners in our journey towards a better tomorrow. Their safety, well-being, and professional growth remain our top priorities.

At Nialco, we believe that enduring value can only be achieved through responsible and sustainable practices. In line with our sustainability commitments, we have made tangible progress on several fronts this year. We also uphold strong social and governance standards across our operations. Our Human Rights Policy strictly prohibits child labour, forced labour, and all forms of discrimination. We are committed to ethical employment practices and safe working conditions. Furthermore, we have enhanced our risk management frameworks and strengthened anti-corruption controls to ensure the highest standards of corporate conduct.

We will continue to pursue operational excellence, continuous innovation and leadership in sustainable business. We will continue to expand our market reach, enhance our product offerings, and deepen our customer relationships. At the same time, we will uphold our responsibility to operate sustainably, treat our people with dignity, and deliver value that lasts. Our ongoing international market expansion strategy continues to yield positive results as our products gain increasing recognition for their quality and reliability in global markets. While we remain cautiously optimistic about the year ahead given the uncertain economic landscape, we are confident in our ability to navigate these challenges and create enduring value for all our stakeholders through excellence in everything we do.

As we conclude what is undoubtedly Nialco's most successful year to date, I wish to extend my heartfelt appreciation to my fellow Board members for their invaluable support, foresight, wisdom, and stewardship which have been instrumental in defining the long-term success of our company. I also commend our dynamic Managing Director and the entire Team Nialco for their unwavering dedication, diligence, and drive in delivering an exceptional performance. Their efforts have not only resulted in a strong set of financial results but have also elevated Nialco's stature as a benchmark in Bangladeshi Stock Exchanges "SME Platform" and a growing brand in international markets.

I also want to express my deepest gratitude to all who have supported Nialco, our employees, business partners, investors and shareholders. Your continued support and confidence have been instrumental in our success. Your continued belief in our purpose is what inspires us to aim higher and deliver more, year after year.

As we look to the future, we do so with humility in our hearts, strength in our convictions, and a renewed sense of excitement and responsibility.

With warm regards,



**Md. Kamal Uddin Ahamed**  
Chairman



## Managing Director's Message

Dear Shareholders,

This year is proof of the Nialco team's tenacity, adaptability, and unrelenting commitment. The company has continuously shown exceptional flexibility, strategic vision, and a strong dedication to providing sustainable value despite negotiating a terrain characterized by several obstacles. This noteworthy accomplishment highlights the company's core strengths, which include our inclusive and cooperative culture, the long-lasting equity of our brands, a wide distribution network, the success of our strategic initiatives, our dedication to corporate responsibility, and unquestionably the extraordinary commitment of our employees.

Trade barriers and economic and trade policy uncertainties have significantly increased during the last several months. This dramatic increase in uncertainty has had a detrimental effect on consumer and corporate confidence and is expected to impede investment and trade. Global growth is predicted to remain stable at 2.7 percent in 2025–2026 despite the global economic crisis, ongoing threats to supply chain management and commodity price stability, renewed geopolitical tensions worldwide, including unrest in the Middle East, ongoing Russia-Ukraine conflicts, and an acceleration among South Asian nuclear powers. However, the world economy seems to be settling at a low growth rate that will not be enough to replace sustained economic development with the potential for additional challenges from increased policy uncertainty and unfavorable changes in trade policy, geopolitical tensions, and natural disasters linked to climate change. From a slight surplus in early 2024 to a sizable deficit in 2025, the copper market has changed. Since early 2024, the price of this necessary industrial metal has increased by almost 40%, and its current value is approaching to the all-time high of \$5.11 per pound, which was reached in May 2025.

Despite a less favorable economic climate in 2024–2025 due to both local and worldwide geopolitical shifts, we continued to monitor the developments in our economy in order to fulfill our intended objective. In order to maintain the intended growth and maximize shareholder value, we kept up our best efforts and drives in terms of operational and business flexibility. This led to a satisfactory performance in nearly all of the key parameters, which served as the catalyst for Nialco's strength to address both short-term and long-term challenges in the constantly shifting environment in which we conduct business.

The strength and efficacy of Nialco's strategic orientation are well demonstrated by the financial outcomes

for FY 2024–2025. The company's sales reached an all-time high of BDT 104.79 crore, a strong 42.65% year-over-year increase from BDT 73 crore in FY 2023–2024. Our revenue mix also demonstrates the strength of our diverse global reach. For example, Japan continued to be our top destination last year, accounting for 46% of total sales and an 8% increase over the previous year. These exceptional outcomes, in my opinion, demonstrate our customers' faith in us and validate the audacious strategic choices we have made about product innovation, market expansion, and operational transformation.

This year, the price of raw materials reached an all-time high of \$5 per pound, a 40% rise over the previous year. As a result, COGS increased by 3% from the previous year and the gross margin decreased. However, increased revenue from other sources and lower financial expenses improved the Profit After Tax, which increased by 37% to BDT 6.89 crore from BDT 5.01 crore in the previous year. Operating cash flows improved by 1745% because of solid bottom-line results, which further improved the company's balance sheet. Basic earnings per share (EPS) rose from BDT 1.76 per share in FY2024 to BDT 2.42 per share, a 37% increase.

Strong outcomes and long-term value growth are fueled by our straightforward approach. We have more options because of the high standards of our assets and the pipeline of strong growth opportunities. This enables us to carefully and strategically decide how to increase shareholder value. We're using our solid balance sheet to fund our expansion. Our net debt target range has been established as low as feasible. Our operational performance and portfolio have significantly improved since it was last set, as evidenced by the fact that we managed to avoid having any short-term loans last year.

We have always believed that developing people is essential to creating a robust company that can prosper in a changing and competitive environment. Additionally, we carried on with the "Renaissance of Nialco" initiative, which is an organized endeavor to instill a culture of operational excellence through the creation of cross-functional OPEX teams that are at the forefront of finding and implementing changes that boost output, cut waste, and spur internal innovation.

As I stated last year, we think that we and all of our stakeholders are here to stay. In order to prevent short-term concerns from undermining long-term value creation, we consider the future in every business choice we make. Establishing long-term objectives for the firm and identifying areas to capitalize on its strengths, investigate new business prospects, and improve its current capabilities and offers are the main goals of our business plan framework. This is enabled through plans with three different time horizons, viz., a long-term perspective plan (7-10 years), medium-term strategy (5 years), and short-term (annual) budget targets. Directions and Objectives determined in the Perspective Plan become guideposts for medium-term and short-term plans.

Even though the global economy is predicted to grow slowly in the upcoming months due to an unpredictable trading environment and increased macroeconomic uncertainties, I am still optimistic that, with your continued faith in our journey, we will achieve even greater heights together.



**Gazi Mukarram Ali Chowdhury**  
Managing Director

## Directors' Report 2025

On behalf of the Board of Directors and Management, it is indeed a great privilege for me to welcome you to the 14th Annual General Meeting of the Company and 5th meeting after listing. We are pleased to place herewith the Directors' Report and the Auditors' Report together with the Audited Financial Statements of the Company for the year ended June 30, 2025, for your valued consideration, adoption, and approval.

The Directors' Report has been prepared in compliance with Section 184 of the Companies Act 1994, the Listing Regulations of Dhaka and Chittagong Stock Exchanges and other applicable rules and regulations. Relevant disclosures and explanations relating to certain issues have been given by the Directors, which they consider important to ensure transparency and good governance practices.

### World Economy:

The global economy in FY 2024–25 has seen a mix of cautious optimism and a continued uncertainty. The sharp increase in tariffs and the ensuing uncertainty is contributing to a broad-based growth slowdown and deteriorating prospects in most of the world's economies. Subdued global growth prospects are unlikely to improve materially without policy actions to address increasing trade restrictions, geopolitical tensions, heightened uncertainty, and limited fiscal space. Global financial conditions have been tighter this year, on average, relative to late 2024, principally reflecting trade policy uncertainty. Most U.S. trading partners now face tariff increases ranging from 10 to 50 per cent.

In the first quarter of 2025, global trade growth jumped to 4.5 per cent as firms built up inventories in anticipation of higher tariffs. Growth eased to 3.5 per cent in May and a sharper slowdown is expected over the remainder of the year. A similar trend was apparent with services trade, where growth slowed to 5 per cent year-on-year in the first quarter of 2025 about half the pace seen in 2023 and 2024. Early signs suggest the uncertain international trade environment is beginning to dampen investment. Amid trade tensions and policy unpredictability, many firms have adopted a "wait-and-see" approach, postponing or scaling back capital expenditures. In the second quarter of 2025, private investment stagnated in the United States, while gross fixed capital formation contracted in both France and Germany. Prolonged weakness would likely constrain productivity growth and erode the global economy's long-term potential.

The global disinflationary trend continues, though with notable cross-country divergence. In most other developed economies, including much of Europe, inflation has eased to around 2 per cent, supported by lower energy prices, moderating wage growth and currency appreciation. In developing economies, inflation is generally declining, with sharp reductions in several Asian countries, where rates have fallen below targets. In China, price pressures remain subdued, with consumer prices unchanged from a year ago in July. However, inflationary pressures persist in parts of Africa, Western Asia, and Latin America due to domestic cost factors, climate-related disruptions, and currency volatility.

Product specific tariffs display a similar pattern: by August 2025, the United States had imposed tariffs under Section 232 of the Trade Expansion Act of 1962 on aluminum, copper, steel, automobile and automobile parts. Ongoing section 232 investigations for potential future tariffs (on timber and lumber, semiconductors and semiconductor manufacturing equipment, pharmaceuticals, trucks, processed critical minerals, commercial aircraft, polysilicon, unmanned aircraft systems and wind turbines) add to the uncertainty.

Global supply chains are grappling with unprecedented challenges due to escalating geopolitical tensions and the intensifying impacts of climate change. Trade conflicts, particularly between major economies, have led to significant disruptions, with new tariffs and protectionist policies forcing companies to diversify their supplier bases and rethink their manufacturing strategies. Regional conflicts, such as the crisis in the Red Sea, have resulted in a 67% decrease in container ship transits compared to the previous year, causing vessels to reroute and increasing transit times and costs. On the other hand, a weakening dollar helps dollar-denominated exports while rising import prices.

In future, the convergence of geopolitical instability and climate change is expected to continue posing significant risks to global supply chains. Businesses that proactively adapt by enhancing flexibility, investing in technology, and prioritizing sustainability will be better positioned to navigate the complexities of the global trade environment.

### Bangladesh Economy

Bangladesh's economy showed signs of recovery in the latter part of FY25, with real GDP growth declining only slightly to 4.0 percent in FY25 from 4.2 percent in FY24, despite a FY25 first-quarter slump due to the student-led mass uprising. This was driven by subdued investment, high interest rates, and elevated input costs. Real GDP growth picked up in the second half of FY25, following a deceleration in the first half. Pressures in the external sector have eased, with the current account balance returning to a surplus for the first time in eight years. This improvement in external balance has been underpinned by a substantial increase in remittance inflows, resilient export performance, and budgetary support from development partners. Consequently, foreign exchange reserves—which have been on a declining trajectory in recent years have now stabilized. The exchange rate has also remained steady, notwithstanding the adoption of a more flexible exchange rate regime in May 2025. Furthermore, inflationary pressures have moderated in recent months.

Private sector credit growth fell to a 22-year low, and capital goods imports dropped significantly. Inflation, although recently showing signs of easing, stayed elevated throughout FY25. However, exports especially ready-made garments (RMGs) provided a notable boost to GDP growth. Exports benefited from favorable base effects following a sharp contraction in the previous year, a depreciation of the taka that improved price competitiveness, and resilient external demand despite episodes of domestic political unrest. RMG exports increased by 8.9 percent, while non-RMG exports also strengthened, led by leather and leather products (10.3 percent), plastic products (15.9 percent), agricultural products (2.6 percent), and footwear (25.2 percent). Despite these gains, the share of non-RMG exports in total exports remained relatively unchanged, underscoring the limited progress in export diversification. On the supply side, industrial growth improved slightly but remained below historical averages, while construction activity declined sharply. Agriculture began to recover in later quarters following early setbacks caused by flooding, and services growth was limited by slowdowns in trade, transport, and real estate.

Substantial remittance inflows and sustained export growth resulted in a current account surplus of US\$149 million in FY25—the first such surplus in eight years—contrasting sharply with the US\$6.6 billion deficit in FY24. Remittances increased significantly by 26.8 percent year-on year (y-o-y), and export earnings grew by 8.8 percent, driven by robust performances in RMG, leather, plastics, agriculture, and footwear. Import activity rebounded by 4.3 percent, primarily due to a pronounced rise in rice and intermediate goods imports, while imports of capital goods and machinery contracted indicating subdued private and public investment. Significant budgetary support from development partners also supported the financial account. Net Foreign Direct Investment (FDI) grew 20.1 percent to US\$1.7 billion, though this remained just 0.4 percent of GDP. As a result, the overall balance of payments improved significantly, shifting from a US\$4.3 billion deficit in the previous year to a US\$3.4 billion surplus in FY25. This positive shift contributed to the stabilization of foreign exchange (FX) reserves. The exchange rate has remained broadly stable following the adoption of a more flexible, market-based regime in May 2025.

The investment climate has shown limited signs of improvement, as both private and public sector activities have remained subdued. Political uncertainty continues, and the law-and-order situation remains a concern, despite some progress since the first quarter of FY25. As a result, new job creation has stalled, leading to a rise in the unemployment rate. The financial sector remains vulnerable, characterized by elevated levels of NPLs and several banks requiring substantial liquidity support from the BB to sustain operations. Revenue collection has also remained weak. After the regime change in summer 2024, BB and scheduled banks started disclosing past mismanagement. To improve banks' balance sheet transparency, BB started aligning regulatory policies on NPLs, loan loss provisions, and governance with international standards, revealing previously underreported NPLs and significant undercapitalization across the banking sector. Banking sector-wide NPLs reached 24.1 percent by March 2025, far above the average for South Asian banks (excluding Bangladesh's) of 7.9 percent.

Private consumption growth remained robust, despite elevated inflation, buoyed by record remittance inflows. This resilience was reflected in the 15.3 percent increase in imports of consumer goods in FY25, which turned positive after two consecutive years contractions. Despite disruptions in industrial areas during the first half of FY25 and prevailing domestic and global uncertainties, export growth remained strong. The depreciation of the taka, sustained demand from major export markets, and a shift in garment orders to Bangladesh from some of its competitors contributed to strong exports growth. Though imports growth turned positive, the trade deficit narrowed as the exports growth outpaced the imports growth.

Real GDP growth is projected to rise to 4.8 percent in FY26, supported by moderating inflation that bolsters private consumption. Investment is expected to improve relative to FY25 but remain subdued, reflecting election-related political uncertainty and ongoing vulnerabilities in the banking sector. Export growth should stay robust despite global tariff uncertainty. From FY27, growth is expected to accelerate with investment rebounds. The current account balance is likely to revert to a deficit as imports normalize; nevertheless, the external balance should remain supportive of a gradual buildup of foreign exchange reserves. The fiscal deficit is anticipated to remain below 5 percent of GDP, underpinned by revenue gains from reform initiatives. However, downside risks have increased materially: further banking sector weakness, heightened political instability around the election, shortfalls in reform implementation, international trade disruptions from policy uncertainty, persistent inflation, and energy supply constraints could all weigh on the economic outlook.

### Capital Market Scenario

Bangladesh's stock market was the second worst performer among Asian frontier markets in the first half of 2025, with the benchmark index sliding and no new listing. Sri Lanka showed the best performance as its equity index had a 13.9 percent return, while Thailand is at the bottom of the ranking with its index losing more than 22 per cent.

Factors such as high interest rates, declining corporate profitability, ongoing economic and political uncertainties and the legacy of negative equity have diminished investor confidence in Bangladesh. Global aspects, notably - US tariff imposition and India-Pakistan and Iran-Israel conflicts -- also impacted Bangladesh's market sentiment. A glimmer of hope ensued soon after the political changeover in August last year only to be doused as political uncertainties have loomed centering on the next national elections.

The DSEX, the benchmark free-float weighted market index, lost 378 points or 7.25 per cent to 4,838 by June 30, while the market cap shed 8.1 per cent during the time under review. The blue-chip DS30 index, a group of 30 prominent companies, also plunged by 124 points to 1,816 while the DSES Index, which represents Shariah-based companies, fell 108 points to 1,061. Average daily turnover of the prime bourse, which means the value of shares transacted in a day, tumbled to Tk 3.84 billion, a whopping 39 per cent decline year-on-year.

Following the implementation of the market-driven system, the currency market has shown stability and inflation is steadily declining, but interest rates are still high and the number of non-performing loans has skyrocketed. There hasn't been an IPO in the main market or SME market in the past year, which hasn't happened in decades, so stock investors in the down market haven't even had the opportunity to profit from IPOs.

The new commission is focused on bringing stability and discipline in the capital market, hence priority on bringing IPOs to the market has taken a back seat, the main problem of the stock market is that the market does not have enough investable equity. Along with ensuring transparency and accountability, companies with a good track record should be listed to restore investor confidence. Making the secondary market vibrant is one of the key tasks to create scope for new companies to raise funds through IPOs.

To address the issue of listing, the new commission has, nevertheless, established a committee and met with significant domestic and international business entities. The stocks of both local and international companies that performed well were also affected by the general negative sentiment. In the six months leading up to June, the stock values of every multinational company declined, with the exception of Heidelberg Materials and Marico. Reckitt Benckiser is the biggest loser, with a 24% loss in market value.

At least ten institutions' financial scars were discovered, causing the major banking industry to lose 8.4% throughout that period. Following the political shift last year, the interim government compelled banks to demonstrate their actual financial condition, which caused non-performing loans in the banking industry to rise dramatically to a record Tk 4.20 trillion at the end of March this year, a 130 percent year-over-year increase. The Bangladesh Bank's control over troubled non-bank financial institutions has also been strengthened. A BB plan proposes the merger or liquidation of 20 non-bank financial firms.

In its May 2025 review, the international investment research firm Morgan Stanley Capital International (MSCI) did not make any recommendations for the Bangladeshi market. The market continues to receive "special treatment". As of May of this year, the FTSE Frontier Index included just 24 DSE companies.

Nialco is listed on both of the country's exchanges and trades on the SME platform. During the under review fiscal year, shares on the SME platform deteriorated in tandem with the exchanges' main board. Nialco was not an exception to the aggressive price dilution of the majority of scripts during the year. The company's price dropped 64% from the start of the year at Tk. 48.50 to its lowest point ever at Tk. 17.90 by the end of June 30, 2025. Nialco's market capitalization also decreased from Tk. 1,382.25 million to Tk. 510.15 million by the end of the year.

### **World copper products market and outlook**

Copper supply remains constrained overall. But rather than being exceptionally tight globally, visible copper inventory is significantly dislocated and imbalanced.

The Copper Market size was valued at USD 3.32 Billion in 2024 and the total Copper revenue is expected to grow at a CAGR of 4.21% from 2025 to 2032, reaching nearly USD 4.62 Billion. The copper market has transitioned from a modest surplus in early 2024 to a significant deficit in 2025. Current estimates place the 2025 market deficit at approximately 500,000-700,000 tonnes, representing about 2-3% of global consumption. This deficit is expected to widen in coming years as demand growth outpaces new supply additions. Industry analysts project cumulative deficits of 4-6 million tonnes over the 2025-2030 period, even assuming all announced projects proceed as planned. Copper prices have climbed to near-record levels in 2025, driven by a complex interplay of surging demand and significant supply disruptions. This essential industrial metal has seen price increases of nearly 40% since early 2024, with values hovering around \$5.00 per pound—close to the all-time high of \$5.11 reached in May 2024. Market experts point to this dramatic price movement as evidence of a fundamental shift in the copper market's dynamics.

The current market tightness is reflected in historically low warehouse inventories, with LME stocks covering just 3.2 days of global consumption—well below the historical average of 10-14 days. Combined inventories across the LME, COMEX, and Shanghai exchanges represent less than 10 days of global demand, creating significant vulnerability to supply disruptions. Regional imbalances have emerged, with particularly acute shortages in European markets where industrial users report difficulty securing physical material despite willingness to pay substantial premiums over exchange prices.

The current price trajectory reflects more than just typical commodity cycles. Unlike previous boom periods, today's copper market is experiencing structural changes driven by the global energy transition and persistent supply challenges. Industry analysts note that these factors create a "perfect storm" for higher prices that may persist well into the future.

Copper's unique properties make it irreplaceable in the global transition to clean energy. Its excellent electrical conductivity (second only to silver among common metals), corrosion resistance, and malleability have positioned copper as a critical material for decarbonization efforts worldwide.

As countries accelerate their climate commitments, copper demand has become increasingly decoupled from traditional economic cycles. Even during periods of slower economic growth, copper demand surges as renewable energy deployment, grid modernization, and vehicle electrification progress. This fundamental shift represents a significant departure from historical patterns where copper demand closely tracked industrial production and construction activity.

The global push toward renewable energy and electrification represent the single largest driver of copper demand growth. Wind turbines require approximately 2.5-6.4 tonnes of copper per megawatt, while solar photovoltaic systems need about 2.8-4.8 tonnes per megawatt. These requirements represent a dramatic increase compared to traditional power generation methods, which typically use 1-2 tonnes per megawatt.

The International Energy Agency estimates that achieving net-zero emissions by 2050 would require a four-fold increase in mineral demands for clean energy technologies by 2040, with copper being among the most critical materials. This acceleration in deployment creates sustained pressure on copper supplies that transcends typical market cycles.

Electric vehicles further intensify demand pressures, with each EV requiring 2-4 times more copper than conventional internal combustion engine vehicles. An average electric vehicle contains approximately 180 pounds of copper, compared to 40-50 pounds in traditional vehicles. As global copper supply trends evolve, this demand multiplier effect becomes increasingly significant for copper markets.

The infrastructure to support EVs adds another layer of demand. Charging stations require substantial copper content—between 18-22 pounds for typical Level 2 chargers and up to 40 pounds for DC fast chargers. With millions of new charging points needed globally, this represents a significant new consumption source that didn't exist a decade ago.

#### **Beyond renewable energy and EVs, copper faces growing demand from several emerging technology sectors:**

- **Data Centers and AI Infrastructure:** The expansion of artificial intelligence capabilities requires massive computing power. A typical hyperscale data center uses between 500,000 to 1,000,000 pounds of copper. The rapid growth in AI applications has accelerated data center construction globally.
- **5G Networks:** The rollout of next-generation telecommunications infrastructure uses significantly more copper than previous network generations. A standard 5G base station requires approximately 4 times more copper than a 4G installation due to higher power requirements and greater network density.
- **Smart Buildings:** Modern construction increasingly incorporates smart systems requiring extensive copper wiring for sensors and controls. A typical smart building uses 2-3 times more copper than conventional structures built a decade ago.
- **Industrial Automation:** Advanced manufacturing facilities with high levels of automation require substantially more copper for control systems, motors, and power distribution.

#### **Principal Products and Activities**

NIALCO Alloys is a 100% export-oriented company with the capability to produce high-grade Bronze and Brass Ingots, Gun Metal, Phosphorus Bronze, Leaded Bronze, Aluminum Ingots, Manganese Bronze, Sand Cast Brass (SCB), High Tensile Brass (HTB), Die Cast Brass (DCB), Master Alloys, Phosphorus Copper, Sorted Copper etc. However, the Company has achieved the turnover of Tk. 104.17 crore in 2024-2025 which is historical highest turnover of the company based on exporting the two main products namely Copper Alloys, Aluminium Ingots and Sorted- (1) Copper, (2) Aluminium (3) Lead (4) Brass (5) Bronze.

## Copper Alloys:

Copper alloys are metal alloys which have copper as their principal component. It has high resistance against corrosion. The best known traditional types are bronze, where tin is a significant addition, and brass, using zinc instead. There are more than 400 copper alloys, each with a unique combination of properties, to suit many applications, high quality requirements, manufacturing processes and environments.

Brasses are a range of cast and wrought copper alloys made up of copper and zinc, with differing combinations of properties, including strength, machinability, ductility, wear-resistance, hardness, colour, electrical and thermal conductivity, and corrosion resistance.

Brasses with a copper content greater than 63% are the most ductile of any copper alloy and are shaped by complex cold forming operations. If the copper content is less than 63% the brasses can be extensively hot worked by rolling, extrusion, forging and stamping.

Leaded brasses set the standard by which the machinability of other materials is judged and is also available in a very wide variety of product forms and sizes to allow minimum machining to finished dimensions. Brass does not become brittle at low temperatures like mild steel, it is also non-magnetic and non-sparking.

Brass also has excellent thermal conductivity, making it a first choice for heat exchangers (radiators). Its electrical conductivity ranges from 23 to 44% that of pure copper and where the high electrical conductivity of pure copper is not required wrought or cast brass components provide a cost-effective solution for electrical contacts and terminals.

The brass industry throughout the world is well organised and equipped to recycle copper alloy products at the end of their long lives and process scrap (swarf and offcuts). Making brass from new copper and zinc would be uneconomical and wasteful of raw materials so, since new brass articles are made from recycled scrap, brass is said to be sustainable. Like brass manufacturers of other countries, NIALCO is also use brass scrap.

Copper Alloys has achieved turnover of Tk. 30 crore this FY an increase of 60% compared to Tk. 18.70 crore previous year's turnover. Last year the contribution to total sales was 25.60% and this year it was 28.84%.

## Aluminum Ingots

Aluminum ingots is non-ferrous product that is produced by pouring molten aluminum into special molds. These molds come in a variety of sizes and shapes, and the ingots created by this variety have different types in appearance. Today, aluminum is the second most widely used metal in the world after iron. Aluminum Ingot is used in remelt facilities and literally has endless uses. The Ingot is remelted and cast into a different form for reuse including automotive, household appliances, lighting, construction, mechanics and household goods.

Aluminum Ingots is also the NIALCO's mainstream product which contributes 15% of yearly sales. During the year 2024-2025 Aluminum Ingots/Bar sale value is TK. 15.26 crore.

## Sorted Copper

Copper is among the most valuable metals available when it comes to scrap collection and recycling. With an infinite recyclable life, copper is used and reused in motors, computers, construction, industrial machinery and more. For thousands of years, copper and copper alloys have been recycled. This has been a normal economic practice. The entire economy of the copper and copper alloy industry is dependent on the economic recycling of any surplus products. There is a wide range of copper-based materials made for a large variety of applications.

Sorted Copper made from recycled scrap copper is used as raw materials of other industries as the purity of the copper can be recovered. Scrap copper sells for high prices since they can be reused and re-purposed without altering the metal's quality. In fact, around 80 per cent of all copper used today is recycled and re-purposed. Scrap copper can normally be classified as either just copper metal or copper cable.

Sorted Copper is the NIALCO's another mainstream product which has achieved Tk. 21.88 crore sales contributed 21 percent of yearly sales.

**Sorted Aluminum**

Aluminum is recyclable because it does not contaminate other materials during the process, and in fact, it can be recycled infinitely and 75% of all aluminum ever produced is still in use. Only 5 percent of the energy requires to produce primary aluminum from scrap. Sorting aluminum is the process of separating aluminum from mixed waste materials. As industries focus on sustainable manufacturing and CO2 emissions, the global demand for recycled aluminum continues to surge. European automotive and construction sectors lead the way, with recycling rates above 90 percent.

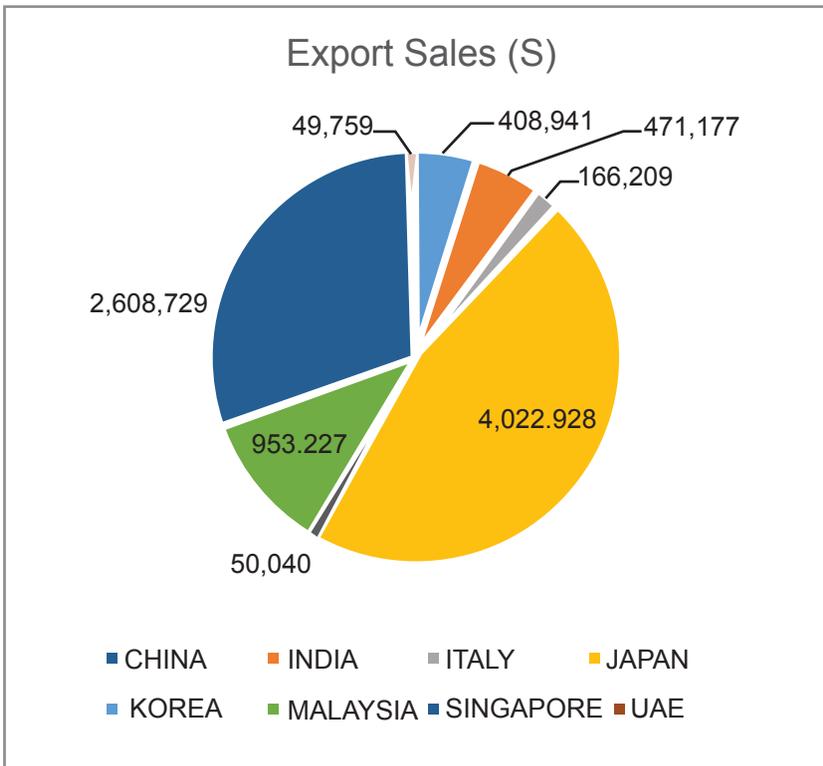
Sorted Aluminum is the NIALCO's another mainstream product which has achieved Tk. 20.43 crore sales contributed 20 percent of yearly sales.

**Segment wise Turnover**

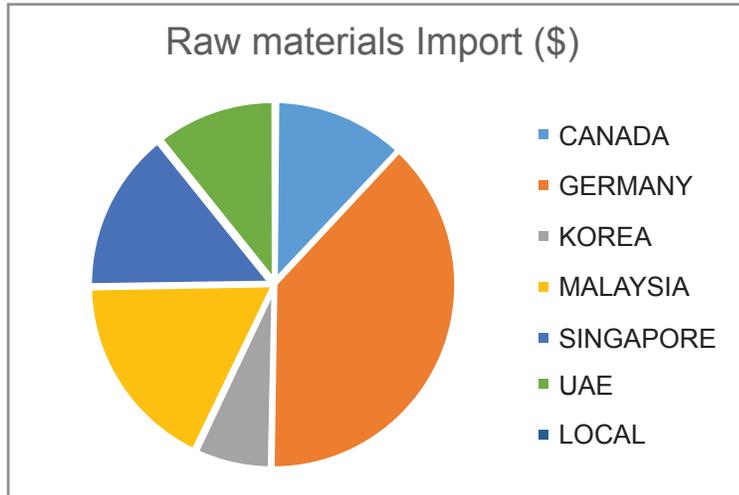
During the year 2024-2025 the company has posted a total revenue of Tk. 104.24 crore which is 43 percent increase from 2023-2024. The product wise contribution towards the revenue are as follows:

Copper Alloys	Tk. 30.07 crore	28.84% of total sales
Aluminum ingots	Tk. 15.26 crore	15.26% of total sales
Sorted Copper	Tk. 21.88 crore	21.03% of total sales
Sorted Aluminium	Tk. 20.43 crore	19.67% of total sales
Other Alloys	Tk. 16.58 crore	15.90% of total sales

Copper and aluminum are sustainable materials of choice for the circular economy since they can be recycled without losing any of their qualities. NIALCO is an entirely export-focused company Asia and Europe accounted for the majority of the company's exports during the reviewed year. Japan accounted for almost 46% of its total exports in 2025, an 8% rise over the previous year, making it the leading export destination once more. We achieved the second-highest export sales to Singapore, accounting for 29.85%, thanks to our approach for breaking into new markets. We were able to achieve 11% export in Malaysia and 5.48% in India, up from 2.83% and 1.14% in the previous year, thanks to our strategic efforts to reclaim former markets. However, exports to China, Korea, and Italy decreased significantly from 31.72%, 12%, and 2.59% in the previous year to 4.70%, 0.57%, and 1.88% this year. In addition, we were unable to continue shipping to Thailand, which accounted for 11.84% of the total exports in the previous year. Nonetheless, we kept exporting to the UAE, which accounted for 0.56% of our total exports.



## Import of Raw Material



Customers trust NIALCO because of its immaculate quality, which stems from the company's philosophy that top-notch raw materials are essential for superb finished products. As a result, the company keeps searching for superior raw resources. During the year under review, the company purchased raw materials from Korea, the United Arab Emirates, Malaysia, Singapore, Canada, and Germany. More than half of the overall procurement came from Germany and Malaysia, with the remaining amount coming from Singapore, Canada, Korea, and the United Arab Emirates.

### Quality Control

NIALCO is committed to providing goods and services that meet standards of our customer's requirements while striving to improve our quality system. All wrought material in our warehouse can be supplied with full certifications in accordance with specifications, chemically, mechanically, and physically. All material is analysed and checked several times before dispatch. Material is identified in all stages of production, in scrap form, in molten form, in billet form, and in final configuration. Material is carefully tagged with heat numbers and identification numbers as it moves down the production line until the final inspection prior to dispatch. All material is subject to rigorous physical tests where micro-structures, tensile, yield strength, U.T. testing, eddy current conductivity, elongation, and hardness are measured and reported.

### Operating and Financial

#### Performance of the Company

NIALCO's shift in strategy to capture new markets while retaining legacy markets enabled the company to conclude achieving highest turnover in 2024-2025. Net sales increased by 42.65% in 2024-2025 compared to 2023-2024, owing mostly to greater market penetration. We are positive about the long term, as we see enormous opportunity to further change our business and deliver value and returns to our shareholders.

During 2024-25, the turnover of the Company was BDT 1041.78 mn as against BDT 730.28 mn during FY 2023-24 registering 42.65% increase. The Company posted a Profit before Tax from continuing operation of BDT 79.11 mn during the year as against BDT 57.69 mn retaining the growth trajectory. The Profit after Tax from continuing operation during FY 2024-25 is BDT 68.94 mn as against BDT 50.13 mn in FY 2023-24 registering a 37.52% increase. Despite increased turnover, GP margins were not improved significantly due to increases in raw material prices. However, a minimum finance charges, and non-operating income ended with a remarkable bottom line.

During FY25, the gross profit is BDT 105.13 mn which was BDT 93.41 mn during FY24 registering an increase of 12.54%. During FY25, COGS was BDT 936.65 mn and BDT 636.87 mn in FY 24 a 47% increase, which is a reflection of aggressive selling strategy.

The financial results of the Company for the year 2025 with a comparison of 2024 are summarized below:

BDT in million except per share data)	2025	2024
Revenue	1041.78	730.28
Gross profit	105.12	93.41
Operating profit	78.36	70.18
Profit before tax	79.11	57.69
Profit after tax	68.94	50.13
Earnings per Share (EPS)	2.42	1.76

### Significant deviation in operating results

China's construction industry, which for a few years was the world's biggest user of copper, had muted development as a result of geopolitical and trade tensions between the two global powers, the United States and China. However, compared to China, Singapore and Japan were in better circumstances. The management of the corporation searches for methods to increase its share of the Japanese market and break into the Singaporean market as part of its strategic push. The additional drives accounted for almost 46% of overall sales in Japan, indicating that the strategy was successful. Additionally, gaining a 29.85% market share in Singapore and increased market share in Malaysia, India, and Italy helped the company achieving benchmark sales.

### Five years data

Key operating and financial data of the preceding 5 (five) years of the Company are the part of this report and have been summarized on 14 page of this Annual Report.

### Capital Expenditure

No additional capital expenditures for the acquisition of property, plant, and equipment were needed in FY 25 because the IPO fund had just finished being used at the end of FY 24. The detailed note on the acquisition of property, plant, and Equipment is given under note no 4 Of the financial statements.

### Material changes after Balance Sheet data (June 30, 2025)

There have been no material changes and commitments between the end of FY25 and the date of this report, affecting the financial position of the Company.

### Appropriations of profit

Taking into account the profit available for distribution after complying with the regulatory requirements, the Board recommended 10 percent cash dividend for all the shareholders for the year ended June 30, 2025 for approval of Shareholders in the 14th Annual General Meeting. The Board proposed the following appropriations:

**Amount in million BDT**

Net profit for the year 2025	68.94
Retained earnings at the beginning of 2024	143.05
Total profit available for appropriation	211.99
Proposed Appropriations	
Proposed cash dividend	28.50
Retained earnings	206.60

**Dividend**

The Company will be paying 10% cash dividend for the year ended 2025 to all the shareholders. The Board of Directors in its meeting held on 25 October 2025 recommended “10% cash” dividend for the year 2025 amounting Tk. 28.50 million for the shareholders. As per Schedule-1 of the Companies Act 1994, dividend shall be declared out of profit i.e. from current year’s profit and from previous years’ retained profit. During the year ended the company has registered profit of BDT 68.94 mn.

The Board of Directors affirms that no bonus share or stock dividend has been or shall be declared as interim dividend.

**Annual General Meeting**

The Annual General Meeting is the biggest program for the Company in a year. All shareholders are encouraged to attend and/or participate in an AGM to deliberately give their opinion regarding any facts of the company. Shareholders can attend in person or send a proxy as their representative. The notice of AGM and proxy form is also available for all shareholders on the official website.

The notice of the 14th Annual General Meeting is given on page 09 of this Annual Report. A summary of the agenda is given below:

**Ordinary Business:**

- › To receive, consider and adopt the audited financial statements of the Company for the year ended 30 June 2025 together with the reports of the Auditors’ and Directors’ thereon.
- › To declare dividend for the year 2025 as recommended by the Board of Directors.
- › To re-appoint the retiring Directors.
- › To appoint Auditors and fixation of their remuneration.

**Special Business: Nil**

## Notice of the Annual General Meeting

Notice of the 14th Annual General Meeting of the Company is given on page no 09 of the Annual report.

## Status of utilization of QIO proceeds

NIALCO went into qualified investor offering vide consent of Bangladesh Securities and Exchange Commission in the month of April 2021 and made allotment to shareholders in May 2021 against the amount of BDT 75 mn raised through QIO.

The company got listed and started trading shares in the burses of Chittagong Stock Exchanges on June 10, 2021, thereafter it got listed on Dhaka Stock Exchange also. The reasons for raising capital were mainly to utilize for Land and land development, procurement of Plant & Machineries and QIO expenses.

The fund raised through QIO was received in June 2021, and during the year that concluded on June 30, 2024, the money received through QIO had been utilized to finish all of the projects. Still, Tk. 9,689/-that was no longer needed to finish the projects was left not being utilized. As a result, unused funds have been held in cash at the bank; the audited financial statements for the financial year ending June 30, 2025, have a remark about this.

## Directors' statement pursuant to the disclosure and transparency

The Directors confirm that to the best of each director's knowledge and belief:

- The financial statements, prepared in accordance with IAS/IFRS, give a true and fair view of the assets, liabilities, financial position and results of the Company, and
- The management report contained in the operational and financial review includes a fair review of the development and performance of the business and the position of the company, together with a description of principal risks and uncertainties that may face.
- The internal control system is properly designed, implemented and effectively monitored.

## Directors' Responsibilities for Financial Statements

The Board is responsible to present a fair, balanced and understandable assessment of the Company's position and prospect as part of good corporate governance and to that end the directors confirm to the best of their knowledge that-

- The Financial Statements, prepared by the Management of the Company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity;
- Proper books of account as required by the law 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 judgments;
- The Financial Statements prepared in accordance with IAS//IFRS;
- The Financial Statements prepared on going concern basis;
- The minority shareholders have been protected from abusive action by or in the interest of controlling shareholders acting either directly or indirectly and have effective means of redress;

### **Directors' Responsibility to Internal Control System**

The Board of Directors are responsible for ensuring that the system of internal control is sound in design and has been effectively implemented and monitored. In this regard, the board has taken proper steps and sufficient care in building a system of internal control, which is reviewed, evaluated, and updated regularly.

### **Accounting policies and maintenance of books of accounts**

The Directors consider that in preparing the Financial Statements, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates and that the International Accounting Standards have been followed. In preparing financial statements, information has been obtained from the books of accounts, which have been maintained properly as required by the applicable rules and regulations.

### **Directors' responsibilities of preparation of Financial Statements**

The Directors are of the view that the Annual Report and Company's financial statements have been prepared in accordance with applicable laws and regulations and as per the requirement of regulatory authorities. The Board confirms that a true and fair view of the state of the affairs of the Company has been ensured while preparing the Financial Statements of the Company.

### **Fairness of the accounts**

The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards (IFRS) and the requirements of Companies Act, 1994. The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company and of their profits for the year ended June 30, 2024.

### **Going concern**

The Board of Directors has reviewed the Company's overall business plans and strategies and is satisfied that the Company has adequate resources to continue its operations in the foreseeable future. Accordingly, the financial statements of the Company are prepared based on the going concern concept.

### **Risk and concerns**

The Board of Directors are responsible for formulating risk policies, determining methods to measure and manage risk, setting commensurate risk limits and monitoring their performance. Risk management policies require establishing standard procedures to identify and analyze the main risks to which the Company is exposed and continually deploying and managing risk management systems designed to eliminate or reduce the probability that risks will arise and to limit their impact. The Company is exposed to credit risk, liquidity risk and market risk.

### **Directors to retire, re-appointment and biographies of the Directors-**

As per the Companies Act 1994, one-third of the Directors of the Company are required to retire by rotation at each Annual General Meeting (AGM). The retiring Directors are eligible to stand for re-election. In this connection the following Directors will retire in the 14th Annual General Meeting and being eligible offered himself for re-election:

- i) Matin Uddin Ahmed

Biographies of the Directors (including retiring Directors) are given in this annual report on 20 page.

### Shareholding pattern

As on June 30, 2025 the paid-up capital of the Company is Tk. 285,000,000 subdivided by 28,500,000 shares of Tk. 10 where the Sponsor Shareholders holding is 66.82%, Institute 10.54% and Public 21.04%.

### Audit information

**The Directors who held office at the date of this Director's Report confirm that:**

- So far as the Directors are aware, there is no relevant audit information of which the company's auditors are unaware; and
- The Directors have taken all the steps that they themselves ought to have taken as Directors in order to make themselves aware of any relevant information and to establish that the company's Auditors are aware of that information.

### Auditors

Mahamud Sabuj & Co., Chartered Accountants being eligible under BSEC guidelines expressed their willingness to be re-appointed as Statutory Auditor of the Company for the year 2025-2026. The Board in its meeting held on 25 October 2025 recommended to the shareholders regarding appointment of Mahamud Sabuj & Co., Chartered Accountants at a remuneration of BDT 2,00,000. Now in exercise of the power conferred upon Section 210(10) of the Companies Act, 1994 the shareholders of the company will approve the appointment and fix the Auditor's remuneration in the general meeting.

### Our employees and environment

The Management of NIALCO believes that Human Resources of any organization can make the difference in the industry. Considering this thought NIALCO recruits competent people, develop them as per the demand of the time and situation, and retain them with competitive and standard motivation-award and retention policies and practices.

The Company is committed to creating a working environment based on the values of equal opportunity, diversity and meritocracy. All the Company's activities are reinforced by its governance structure, which complies with the leading codes of best practices.

**With respect to issues that are relevant to its operating environment, NIALCO promises to:**

- Avoid and discourage discrimination and provide equal opportunity and respect diversity;
- Ensure frequent interaction between employees and senior Management for constructive development in systems & procedure;
- Support employee efforts to achieve a healthy work-life balance;
- Organizing Training & Seminar for employee development
- Ensuring best HR practices
- An empowering Management style that develops employee and encourages performance;
- NIALCO seeks to enhance employee motivation and performance in line with Company's strategic objectives and in accordance with "NIALCO" brand promises: ethics, professionalism, innovation, pragmatism, team spirit and integrity.

**Signing of Report**

The Board in its meeting held on October 25, 2025, authorized the Chairman, Mohammad Kamal Uddin Ahmed to sign Director's report and any addendum thereto.

**Acknowledgement**

We would like to acknowledge and place on record our gratitude to our valued clients, depositors and shareholders for the confidence in NIALCO. Our sincere appreciation to the Bangladesh Securities and Exchange Commission, Chittagong Sock Exchanges, NBR, Banks and Financial Institutions, Other government bodies and statutory auditors for their constructive suggestions and cooperation. We also express our appreciation for the dedication and efforts put in by the employees at all levels of the Company.

**For and on behalf of the Board,**



**Mohammad Kamal Uddin Ahmed**

Chairman

Chattogram, October 25, 2025

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Shasan002@yahoo.com  
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Mahamud  
Sabuj 

Ref. MSC-NAL-26/10/2025

Dated: 26.10.2025

## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF NIALCO ALLOYS LIMITED

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the Financial Statements of Nialco Alloys Limited ("the Company"), which comprise the Statement of Financial Position as at 30th 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.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the company as at 30th June, 2025 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), together with ethical requirement that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for opinion.

#### Emphasis of Matter

- i We draw attention to note no # 2.10.6 to the financial statement regarding of asset revaluation .Our opinion is not modified in this regard.
- ii We draw attention to note no # 2.11 (c) to the financial statement regarding of & Employees' Benefit (Provident Fund & Gratuity Fund). Our opinion is not modified in this report.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, are of most significant in the audit of the financial statements of the current period. These matters are addressed in the context of the audit of the financial statements as a whole, and in forming the auditor's 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 provided in that context.

### Mahamud Sabuj & Co.

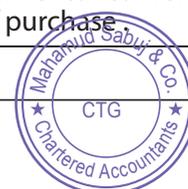
Chartered Accountants Management Consultants BPO Partners Office:  
Facy Building (2nd Floor), 87, Agrabad C/A, Chattogram, Bangladesh.

#### Corporate Office:

House 22 (3rd Floor, Road 13C, Block E,  
Banani, Dhaka-1213, Bangladesh.



Key Audit Matter (KAM)	How our Audit Addressed the Key Audit Matter
<b>Appropriateness of Revenue Recognition and Disclosures on the Impact of the Initial Application of IFRS 15</b>	
<p>Revenue of BDT 1,041,782,507 is recognized in the statement of profit or loss and other comprehensive income for the year ended 30 June 2025 by the company. This material item is subject to considerable inherent risk due to the complexity of the system necessary for proper recognition, measurement, and recording considering the application of the new standard on revenue recognition, International Financial Reporting Standard 15 "Revenue from Contracts with Customers". Therefore, there is a risk of revenue being misstated as a result of faulty estimations over discounts and exchange rates.</p> <p>There is also a risk that revenue may be overstated due to fraud through manipulation of the invoices, discounts recognized resulting from the pressure local management may feel to achieve performance targets.</p>	<p>In light of the fact that the high degree of complexity and estimates and assumptions give rise to an increased risk of accounting misstatements, we assessed the Company's processes and controls for recognizing revenue as part of our audit. Furthermore, in order to mitigate the inherent risk in this audit area, our audit approach included testing of the controls and substantive audit procedures, including:</p> <ul style="list-style-type: none"> <li>Assessing the environment of the measurement as well as other relevant systems supporting the accounting of revenue.</li> <li>Assessing controls for systems and procedures supporting revenue recognition.</li> <li>Assessing the invoicing and measurement system up to entries in the general ledger.</li> <li>Examining sales invoices and receipts on a test basis in accordance with LC, Bill of Lading, Exp Form, Commercial Invoice, Bank Receipt , Bank certificate, PRC,Packing list, Insurance copy etc.</li> <li>Testing the revenue recognition in line with contract and reporting standard.</li> <li>Furthermore, we assessed the accounting effects of business and price models. We assured ourselves of the appropriateness of the systems, Processes, and Controls in place and that the estimates and assumptions made by management are sufficiently documented and substantiated to ensure that revenue is properly recognized.</li> </ul>
See note # 20.00 to the Financial Statements.	
<b>Valuation of Inventory</b>	
<p>The company had inventory of BDT 132,145,721.00 as at 30th June, 2025, held in distribution centers, warehouses and numerous branches.</p> <p>Inventories are carried at the lower of cost and net realizable value. As a result, the Directors apply judgment in determining the appropriate values for slow-moving or obsolete items.</p>	<p>We checked the appropriateness of management's assumptions applied in calculating the value of the inventory provisions by:</p> <ul style="list-style-type: none"> <li>Evaluating the design and implementation of key inventory controls operating across the company, including those at a sample of distribution centers, warehouses.</li> <li>We checked the valuation system of the company for inventory and found that inventories were recorded at cost value at the time of purchase.</li> </ul>
See note # 5.00 to the Financial Statements	



<b>Property, plant and equipment</b>	
<p>The company has large amount and number of Property, plant and equipment items.</p> <p>Management has concluded that there is no revaluation in respect of Land &amp; Land Development. This conclusion required significant management judgment. Hence, we considered this to be a significant key audit matter</p>	<p>Our audit procedures in this area included, among others:</p> <p>Assessing the consistency of methodologies used for depreciating the assets.</p> <p>Checking, on sample basis, the accuracy and relevance of the accounting of Property, plant and equipment by management. Yet no revalued.</p>
See note # 4.00 to the Financial Statements	
<b>Trade Receivables</b>	
<p>Nialco Alloys Limited reported Trade Receivables amounting to BDT 87,835,120 representing amounts due from various export customers against sales made during the year.</p>	<p>We have checked Opening Trade Receivable Balance of BDT 24,828,480 was fully realized accordingly. we performed subsequent receipt testing up to 1 September 2025. Through this procedure, we verified that BDT 68,717,545 had been realized after year-end, while the remaining BDT 19,117,574 was outstanding as of that date. We also assessed the adequacy of management's provisioning and reviewed subsequent collection trends and related correspondence to evaluate the recoverability of the outstanding balance.</p>
See note # 6.00 to the Financial Statements	
<b>Accounts Receivable &amp; Payable</b>	
<p>The company has large amount of intercompany Transaction amounting 31,37,45,847.</p>	<p>Our audit procedures in this area included, among others:</p> <p>Assessing the consistency of methodologies used for Accounts Receivable &amp; Payable. We have sent Balance Confirmation Letter &amp; also checked Ledger &amp; Bank Transaction.</p>
See note # 8.00 & 14.00 to the Financial Statements	

### **Other Information included in the Company's 2025 Annual Report**

Other information consists of the information included in the Company's 2025 Annual Report other than the financial statements and our auditor's report thereon. Management is responsible for the other information. The Annual Report is expected to be made available to us after the date of issue of this auditor's Report.

Our opinion on the financial statements does not cover the other information and we do not and will 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. If, based on the work we have performed on the other information obtained prior to the date of the auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Company Act 1994, the Securities and Exchange Rules 2020 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 part of an audit in accordance with ISAs, we exercise professional judgment 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, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of 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 doubt 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 conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the 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 audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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



**Report on Other Legal and Regulatory Requirements**

In accordance with the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations, we also report the following:

- i. we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- ii. in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books;
- iii. the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and

Dated, Chattogram.  
26th October 2025



A handwritten signature in black ink, appearing to read "Kamrul Hasan".

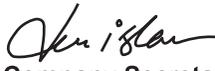
Signed by:  
**MD. KAMRUL HASAN, FCA**  
Partner  
**MAHAMUD SABUJ & CO**  
Chartered Accountants.  
Enrolment No: 0888  
DVC : 2510260888AS880247

## NIALCO ALLOYS LIMITED

### STATEMENT OF FINANCIAL POSITION

#### AS AT 30 JUNE 2025

Particulars	Note(s)	Amount in Taka	
		30 June 2025	30 June 2024
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, Plant and Equipment	4.00	124,604,028	133,078,914
		<b>124,604,028</b>	<b>133,078,914</b>
<b>Current Assets</b>			
Inventories	5.00	132,145,721	454,668,004
Trade Receivables	6.00	87,835,120	24,828,480
Advance, Deposit & Prepayments	7.00	25,466,315	232,412,779
Accounts Receivable	8.00	137,223,345	-
Cash and Cash Equivalents	9.00	33,963,758	42,116,664
		<b>416,634,259</b>	<b>754,025,927</b>
<b>Total Assets</b>		<b>541,238,287</b>	<b>887,104,841</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Equity</b>			
Share Capital	10.00	285,000,000	285,000,000
Retained Earnings		206,598,030	143,056,903
		<b>491,598,030</b>	<b>428,056,903</b>
<b>Non-Current Liabilities</b>			
Deferred Tax Liabilities	11.00	1,451,014	1,591,356
		<b>1,451,014</b>	<b>1,591,356</b>
<b>Current Liabilities</b>			
Short Term Loan	12.00	-	130,058,373
Advance Against Sales	13.00	4,503,843	-
Accounts Payable	14.00	27,795,966	313,745,847
Income Tax Provision	15.00	9,533,575	6,818,542
Workers Profit Participation Fund (WPPF)	16.00	4,289,903	3,162,512
Unclaimed Dividend	17.00	427,991	363,790
Liabilities for Expenses	18.00	1,637,965	3,307,516
		<b>48,189,243</b>	<b>457,456,581</b>
<b>Total Equity and Liabilities</b>		<b>541,238,287</b>	<b>887,104,841</b>
<b>Net Asset Value Per Share</b>	19.00	<b>17.25</b>	<b>15.02</b>

  
Company Secretary

  
Chairman

  
Director

  
Managing Director

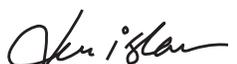
Dated, Chattogram.  
26th October 2025



  
Signed by :  
MD. KAMRUL HASAN , FCA  
Partner  
MAHAMUD SABUJ & CO.  
Chartered Accountants  
Enrolment No : 0888  
DVC : 2510260888AS880247

**NIALCO ALLOYS LIMITED**  
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED AS ON 30 JUNE 2025

Particulars	Note(s)	Amount in Taka	
		01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
Revenue	20.00	1,041,782,507	730,286,584
Cost of Goods Sold	21.00	(936,655,256)	(636,875,390)
<b>Gross Profit</b>		<b>105,127,251</b>	<b>93,411,194</b>
Administrative Expense	22.00	(12,214,551)	(11,579,940)
Selling & Distribution Expense	23.00	(14,547,587)	(11,650,118)
<b>Profit / (Loss) From Operating Activities</b>		<b>78,365,114</b>	<b>70,181,136</b>
Finance Expense	24.00	(3,001,108)	(8,354,987)
Non Operating Income/ (Loss)	25.00	7,915,234	(1,094,721)
<b>Net Profit before Contribution to WPPF</b>		<b>83,279,240</b>	<b>60,731,429</b>
Contribution to WPPF	16.00	(4,163,962)	(3,036,571)
<b>Net Profit before Income Tax</b>		<b>79,115,278</b>	<b>57,694,858</b>
Income Tax	26.00	(10,174,151)	(7,558,799)
<b>Net Profit after Income Tax</b>		<b>68,941,127</b>	<b>50,136,059</b>
<b>Earnings Per Share (EPS)</b>	27.00	<b>2.42</b>	<b>1.76</b>

  
Company Secretary

  
Chairman

  
Director

  
Managing Director

Dated, Chattogram.  
26th October 2025





Signed by :  
MD. KAMRUL HASAN , FCA  
Partner  
MAHAMUD SABUJ & CO.  
Chartered Accountants  
Enrolment No : 0888  
DVC : 2510260888AS880247

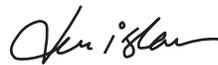
**NIALCO ALLOYS LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED AS ON 30 JUNE 2025**

Amount in Taka

Particulars	Share Capital	Retained earnings	Total equity
<b>Balance as on 01 July 2024</b>	<b>285,000,000</b>	<b>143,056,903</b>	<b>428,056,903</b>
Net Profit after Tax for The Year	-	68,941,127	68,941,127
Cash Dividend	-	(5,400,000)	(5,400,000)
<b>Balance as on 30 June 2025</b>	<b>285,000,000</b>	<b>206,598,030</b>	<b>491,598,030</b>

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED AS ON 30 JUNE 2024**

Particulars	Share Capital	Retained earnings	Total equity
<b>Balance as on 01 July 2023</b>	<b>285,000,000</b>	<b>102,820,845</b>	<b>387,820,845</b>
Net Profit after Tax for The Year	-	50,136,059	50,136,059
Cash Dividend	-	(9,900,000)	(9,900,000)
<b>Balance as on 30 June 2024</b>	<b>285,000,000</b>	<b>143,056,903</b>	<b>428,056,903</b>

  
Company Secretary

  
Chairman

  
Director

  
Managing Director

Dated, Chattogram.  
26th October 2025



  
Signed by :  
**MD. KAMRUL HASAN , FCA**  
Partner  
**MAHAMUD SABUJ & CO.**  
Chartered Accountants  
Enrolment No : 0888  
DVC : 2510260888AS880247

**NIALCO ALLOYS LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2025**

Particulars	Note	Amount in Taka	
		01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
<b>A. Cash Flows from Operating Activities</b>			
Receipts from customers		983,279,710	724,791,740
Receipts from others Income		7,915,234	(1,094,721)
Payment to Suppliers		(801,952,075)	(771,443,306)
Operating expenses paid		(48,629,002)	(47,811,826)
Finance expenses paid		(3,001,108)	(8,354,987)
<b>Cash Generate from Operation Activities</b>		<b>137,612,758</b>	<b>(103,913,099)</b>
Payment against Income Tax		(10,371,493)	(7,599,460)
<b>Net Cash Generate from Operating Activities</b>		<b>127,241,266</b>	<b>(111,512,559)</b>
<b>B. Cash Flows from Investing Activities</b>			
Acquisition of Property, Plant and Equipment		-	(40,483,648)
<b>Net Cash used in Investing Activities</b>		<b>-</b>	<b>(40,483,648)</b>
<b>C. Cash Flows from Financing Activities</b>			
Cash Dividend Paid		(5,335,799)	(9,608,286)
Increase/(Decrease) Short Term Borrowing		(130,058,373)	130,058,373
<b>Net Cash Provided by Financing Activities</b>		<b>(135,394,172)</b>	<b>120,450,087</b>
<b>D. Net increase/(Decrease) in Cash and Cash Equivalent (A+B+C)</b>		<b>(8,152,906)</b>	<b>(31,546,120)</b>
E. Cash and Bank Balances at beginning the year		42,116,664	73,662,784
<b>F. Cash and Bank Balances at end of the year (D+E)</b>		<b>33,963,758</b>	<b>42,116,664</b>
<b>Net Operating Cash Flows (NOCF) Per Share</b>	28.00	<b>4.46</b>	<b>(3.91)</b>

Company Secretary

Chairman

Director

Managing Director

Dated, Chattogram.  
26th October 2025



Signed by :  
**MD. KAMRUL HASAN , FCA**  
Partner  
**MAHAMUD SABUJ & CO.**  
Chartered Accountants  
Enrolment No : 0888  
DVC : 2510260888AS880247

# Nialco Alloys Limited

Notes to the Financial Statements  
For the year ended 30 June 2025

## 1.00 REPORTING ENTITY

### 1.01 "Company Profile

The Company "NIALCO ALLOYS LIMITED" as "NIALCO" or "The Company" was incorporated on 21st June, 2011 vide Registration No.CH-8784 as a public limited company in Bangladesh under the Companies Act-1994. The company has listed a public limited Chittagong Stock Exchange Limited (CSE) on 30th May, 2021 and subsequently started trading of its share on 10th June, 2021.

### 1.02 "Registered Office of the Company

The registered office & factory of the Company are located at Block-A, Plot-B28, BSCIC Industrial Area, Sagorika Road Pahartali Chittagong, and Jahanabad, Bhatary Shitakunda, Chittagong respectively."

### 1.03 "Nature of the Business

The principal activities of NIALCO ALLOYS LIMITED are to manufacture of high grade Bronze and Brass Ingots including Gum Metal, Phosphorus Bronze. Leaded Bronze Aluminum Bronze. Manganese Bronze, Sand Cast Brask (SCB) High Tensile Brass (HTB), Die Cast Brass (DCH), Master Alloys, Phosphorus Copper etc. conforming to BS, IS, JIS DIN, ASTM: UNI and as per all other International Standards."

## 2.00 BASIS OF PREPARATION

### 2.01 "Statement of Compliance

The Financial Statements of the Company are prepared on a going concern basis under historical cost convention and in accordance with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws & regulation in Bangladesh.

### 2.02 "Going Concern:

The company has adequate resources to continue its operation for the foreseeable future. As such, the directors intended to adopt the going concern basis in preparing the financial statements. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of as existing business."

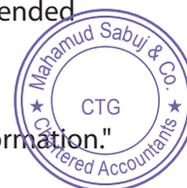
### 2.03 "Accrual Basis:

The financial statements have been prepared, except cash flow information & FDR Interest using the accrual basis of accounting.

### 2.04 "Components of the Financial Statements:

According to IAS-1 "presentation of the Financial Statements" the complete includes the following components

- a) Statement of Financial Position as at June 30, 2025
- b) Statement of Profit or Loss and other comprehensive income for the year ended June 30, 2025
- c) Statement of Changes in Equity for the year ended June 30, 2025
- d) Statement of Cash Flows for the year ended June 30, 2025 and
- e) Notes, summary of significant accounting policies aether explanatory information."



**2.05 "Accounting Policies & Estimates:**

The preparation of these financial statements is in conformity with IAS IFRS, which management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis and used for accounting of certain terms such as provision for expenses and depreciation."

**2.06 "Responsibility for Preparation and Presentation of Financial Statements:**

The Board of Directors is responsible for the preparation of financial statements under section 183 of the Companies Act 1994 and as per the provision of the Framework for the preparation and Presentation of Financial Statements issued by the International Accounting Standards (IASs)."

**2.07 "Statement of Cash flows:**

Statement of Cash flows have been prepared in accordance with IAS-7 "Statement of Cash Flows" and the cash flows from the operating activities have been presented under direct method considering the provisions of Paragraph 19 of IAS-7 which provides that "Enterprises are Encouraged to Report Cash Flows from Operating Activities Using the Direct Method."

**2.08 "Applicable accounting standards:**

The following IAS and IFRS are applicable for the financial statements for the year under review

IASs

- IAS 1 Presentation of Financial Statement
- IAS-2 Inventories
- IAS-7 Statements of Cash flows
- IAS-8 Accounting Policies, Changes in Accounting Estimates and Errors;
- IAS-10 Events after the reporting Period
- IAS 12 Income Taxes
- IAS 16 Property, Plant and Equipment
- IAS 19 Employee Benefits
- IAS 21 The Effects of Changes in Foreign Exchange Rates
- IAS 23 Borrowing Costs
- IAS 24 Related Party Disclosures
- IAS 33 Earnings per Share
- IAS 36 Impairment of Assets
- IAS 37 Provisions, Contingent Liabilities and Contingent Assets"

IFRSs

- IFRS 7 Financial Instruments Disclosures
- IFRS 9 Financial Instruments
- IFRS 13 Fair Value Measurement
- IFRS 15 Revenue from Contracts with Customers

**2.09 "Reporting Period**

The financial period of the Company under audit covers 12 months period from 01 July 2024 to 30 June 2025"



**2.10 "Property, Plant and Equipment"****2.10.1 Recognition and Measurement**

All Recognition Property, and Plant Measurement and Equipment are state of Asset accumulated depreciation as per IAS-16 "Property, Plant and Equipment". The cost of acquisition of an asset comprises of its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes. The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its costs can be measured reliably. The cost of the day to day maintaining cost on PPE is recognized in the statement of orifit or loss and other comprehensive income as incurred.

**2.10.2 "Depreciation"**

All items of Property, Plant and Equipment have been depreciated on reducing balance method. Depreciation has been charged on addition when the related property, plant and equipment are available for used. On disposal of an asset, depreciation is charged up to the month prior to the disposal. Depreciation rates are as follows:

Name of Assets	Rate
	30-Jun-25
Land & Land Development	0%
Factory Building	10%
Plant & Machinery	10%
Computer & Printer	10%
Vehicles	10%
Furniture & Fixture	10%
CC Camera	10%

**2.10.3 "Retirement and Disposals"**

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

**2.10.4 "Impairment"**

In accordance with the provision of IAS-36, the carrying amount of non-financial assets other than inventories of the company involved in the manufacturing of the products. If any such indication exists, then the asset's recoverable amount is estimated and impairment losses are recognized in the statement of comprehensive income. No such indication of impairment has been observed till the end of the period.

**2.10.5 "Borrowing Cost"**

Interest and other cost incurred in the company in connection with the borrowing of fund are recognized as expenses in the year in which they are incurred unless such borrowings cost related to acquisition/construction of assets in progress that are required to capitalized as per IAS-23: Borrowing Cost."



### 2.10.6 Assets Revaluation

The company has decided to revalue of its assets an accordance with the guideline provided by the IAS-16. The board will accordingly follow this guideline ensuring compliance in this regard.

### 2.11 "Employees' Benefit

The company maintains defined benefit plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds. The company has accounted for and disclosed employee benefits in compliance with the provisions of IAS 19 - Employee Benefits. The cost of employee benefit is charged off as revenue expenditure in the period to which the contributions relate.

The company's employee benefits include the following:

#### a) "Short Term Employee Benefits

"Short-term employee benefits include wages, salaries, festival bonuses etc. Obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided.

#### b) "Worker's profit participation fund (WPPF)

The company makes a regular allocation of 5% on net profit before charging such expenses to this fund as per provisions of Labor Laws 2006.

#### c) Provident Fund & Gratuity

The Company will practice the relevent applicable requirements of Labour Law for the benefit of the employees of the company. The board will time to time take necessary initiative in this regard.

### 2.12 "Provisions

A provision is recognized if, there is a present legal or constructive obligation as a result of past event and this can be measured reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is probable that an outflow of resources embodying economic benefits are required to settle the obligation, the provisions are reversed.

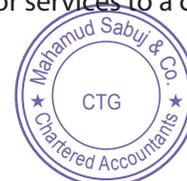
### 2.13 "Revenue Recognition

The Company has applied IFRS-15

(a) Under IFRS-15, revenue is measured based on the consideration specified in a contract with a customer.

(b) The company recognized revenue when it satisfies a performance obligation by transferring control over goods or services to a customer.

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer.



## 2.14 "Income Tax Expenses

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authority. Income tax expense comprises current and deferred tax. It is recognised in the statement of profit or loss and other comprehensive income except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

### "Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax payable is the best estimate of the tax amount expected to be paid that reflects uncertainty related to income tax, if any.

### "Deferred Tax

The company has decided to adopt policy of recognition of deferred tax in accordance with the IAS 12, deferred tax is provided using the balance sheet approach method for temporary difference arising between the carrying value of fixed assets as per accounts 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.

## 2.15 "Finance Income and Expenses

Finance income comprises interest on financial deposits with banks. Finance income is recognised on an accrual basis and shown under Statement of profit or loss and other comprehensive income. Finance costs comprise interest expense on overdraft and borrowings from bank.

## 2.16 "Basic Earnings

This represents earnings for the period attributable to the ordinary shareholders. As there was no minority interest or extra ordinary items, the net profit after tax for the period has been considered as fully attributable to ordinary shareholders. Calculated as per IAS 33.

## 2.17 "Materiality and aggregation

Each material class of similar items is presented separately in the financial statements. Items of dissimilar nature or function are presented separately unless they are immaterial.

## 2.18 "Events after the Reporting Period

Events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue.

Two types of events can be identified:

"• Adjusting Events: Those that provide evidence of conditions that existed at the end of the reporting period.

"• Non adjusting Events: Those that are indicative of conditions that arose after the reporting period. The company has taken close look whether any events after the reporting period exist that need to take into account during the preparation of Financial Reports. No event after the reporting period exists and management of the company has prepared the financial reports in accordance.



### 2.19 "Advances, Deposits and Prepayments

Advances are initially measured at cost. After initial recognition advances are carried at cost less deductions, adjustments or charges to other account heads such as PPE, inventory and others.

### 2.20 "Cash and Cash Equivalents

According to IAS 7 Statement of Cash Flows, cash comprises cash in hand, short term deposit and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in values. No foreign exchange gain or loss has been considered in Cash and Cash Equivalents.

### 2.21 "Other Regulatory Compliance

As required, Coppertech Industries Ltd. complies with the following major legal provisions in addition to the Companies Act 1994 and other applicable laws and regulations:

- a) Income Tax Act 2023
- b) The Income Tax Rules 1984
- c) Securities and Exchange Rules 2020
- d) The Labour Act 2006 (as amendment in 2015)
- e) The Value Added Tax Act 2012
- f) The Value Added Tax Rules 2016
- f) The Customs Act 1969

### 2.22 "Accounting Policies & Estimates

The preparation of these financial statements is in conformity with IASs/IFRSs which require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis and used for accounting of certain terms such as provision for expenses and depreciation.

### 2.23 "Responsibility for Preparation and Presentation of Financial Statements

The Board of Directors is responsible for the preparation and presentation of financial statements under section 183 of the Companies Act, 1994 and as per the provision of "The Framework for the preparation and Presentation of Financial Statements" issued by the International Accounting Standards Board (IASB).

### 2.24 "Comparative Information

Comparative information has been disclosed in the respect of previous year for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statement.

In the previous financial year, inter-company receivable and payable balances were presented on a net basis under a single caption.



During the current year, the Company has revised the presentation to show these balances on a gross basis under "Accounts Receivable" and "Accounts Payable," respectively.

The change has been made to ensure compliance with the presentation requirements of IAS 1 – Presentation of Financial Statements and to provide more transparent information to the users of the financial statements.

### 2.25 "Capacity

The Company works on continuous operation basis and given the current installed machine configurations and planned expansions, there is sufficient capacity to meet forecast future demand in a variety of specification. The Directors regularly review the production capability of the Company and are satisfied that the current and future capacities are adequate. Plans are in place to meet any anticipated future demand.

### 2.26 "Segmental Reporting

As required by IFRS-8 "Operating Segments", if an entity operates business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker and for which discrete financial information is available.

The company considers the operation on aggregate basis and manages the operations as a single operating segment. Hence it is felt that such segment reporting is not required to be disclosed.

### 2.27 "Related Party Disclosure

The company carried out a number of transactions with related parties 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 (note no 31.00) in the Financial Statement.

### 2.28 "Events after the Reporting Period

There are no events identified after the date of the statement of financial position which require adjustment or disclosure in the accompanying financial statements.

### 3.00 General

- i) The figure has been rounded off to the nearest taka.
- ii) The financial Statements have been prepared covering one year from 01 July 2024 to 30 June 2025.
- iii) Because of these rounding off, in some instance the total may not match the sum of individual balance.

3.01 The entity use it's sister concern's office space for operating head office.



Particulars	Note(s)	Amount in Taka	
		30 June 2025	30 June 2024
<b>4.00 Property, Plant &amp; Equipment's</b>			
<b>A. Cost</b>			
Opening Balance		164,596,838	121,969,701
Add: Addition during the year		-	42,627,137
Less: Disposal during the Year		-	-
<b>Total Cost</b>		<b>164,596,838</b>	<b>164,596,838</b>
<b>B. Accumulated Depreciation :</b>			
Opening Balance		31,517,925	22,929,513
Add: Charged during the year		8,474,885	8,588,411
Less: Disposal during the Year		-	-
Total Charge		<b>39,992,810</b>	<b>31,517,924</b>
<b>Written Down Value (A-B)</b>		<b>124,604,028</b>	<b>133,078,914</b>
<b>Details are Show in Annexure -A</b>			
<b>5.00 Inventories</b>			
Raw Material	21.01	86,619,919	158,738,925
Work in Progress	21.00	35,576,638	48,929,101
Finished Goods	21.00	9,949,164	246,999,978
		<b>132,145,721</b>	<b>454,668,004</b>
<b>6.00 Trade Receivables</b>			
Opening Balance		24,828,480	19,333,636
Sales during the year		1,041,782,507	730,286,584
		<b>1,066,610,987</b>	<b>749,620,220</b>
Received from customer during the year		(978,775,867)	(724,791,740)
		<b>87,835,120</b>	<b>24,828,480</b>
Ageing of Trade Receivables			
More than six months		-	-
Less than six months		<b>87,835,120</b>	-
		<b>87,835,120</b>	-

The classification of receivables as required by the Schedule XI of the Companies Act, 1994 are given below:

i) Receivables considered good and in respect of which the company is fully secured.	87,835,120	24,828,480
ii) Receivables considered good for which the company holds no security other than the debtor's personal security.		
iii) Receivables considered doubtful or bad.		
iv) Receivable due by directors or other officers of the company or any of them either severally or jointly with any other person or receivables due by firms or private companies respectively in which any director is a partner or a director or a member.		
v) Receivables due by companies under the same management.		
vi) The maximum amount due by directors or other officers of the company at any time during the year.		
<b>Total</b>	<b>87,835,120</b>	<b>24,828,480</b>



Particulars	Note(s)	Amount in Taka	
		30 June 2025	30 June 2024
<b>7.00 Advance, Deposit &amp; Prepayments</b>			
Advance Income Tax	7.01	7,070,419	4,298,386
Advance to Employees		-	363,800
VAT Current Account		231,003	193,403
Security Deposit CDBL		400,000	400,000
Linde Bangladesh Ltd.		-	47,422
Advance against Import		17,764,894	193,712,928
Advance against Margin		-	32,396,840
Fahima Corporation		-	1,000,000
		<b>25,466,315</b>	<b>232,412,779</b>
<b>7.01 Advance Income Tax</b>			
Opening Balance		4,298,386	4,443,694
Advance during the year		10,371,493	7,599,460
		<b>14,669,879</b>	<b>12,043,154</b>
Adjustment during the year		(7,599,460)	(7,744,768)
		<b>7,070,419</b>	<b>4,298,386</b>
Disclosure as per Schedule XI, Part I, Para 4 of the Companies Act, 1994			
i) Advance, deposits & prepayment considered good and in respect of which the company is fully secured.		25,466,315	231,001,557
ii) Advance, deposits & prepayment considered good for which the company holds no security.		-	1,047,422
iii) Advance, deposits & prepayment considered doubtful or bad.			
iv) Advance, deposits & prepayment due by directors or other officers of the company or any of them either severally or jointly with any other person or Advance, deposits & prepayment due by firms or private companies respectively in which any director is a partner or a director or a member.		-	363,800
v) Advance, deposits & prepayment due by companies under the same management.			
vi) The maximum amount due by directors or other officers of the company at any time during the year.			
Total		<b>25,466,315</b>	<b>232,412,779</b>
<b>8.00 Accounts Receivable</b>			
Marine Safety System		137,223,345	-
		<b>137,223,345</b>	<b>-</b>
<b>9.00 Cash and Cash Equivalents</b>			
Cash in Hand		1,720,560	2,662,229
Cash at Bank	9.01	3,784,576	12,336,520
Fixed Deposit	9.02	28,458,622	27,117,915
		<b>33,963,758</b>	<b>42,116,664</b>



Particulars			Note(s)	Amount in Taka	
				30 June 2025	30 June 2024
<b>9.01 Cash at Bank</b>					
Bank Name	Branch Name	A/C Number			
Mutual Trust Bank Limited	Agrabad	0220		904,091	1,595,598
Mutual Trust Bank Limited	Agrabad	1264		5,056	383,618
Mutual Trust Bank Limited	Agrabad	0548		1,860,000	1,860,000
Mutual Trust Bank Limited	Agrabad	8845		57,821	58,971
Mutual Trust Bank Limited	Agrabad	2666		294,529	300,679
Mutual Trust Bank Limited	Agrabad	0685		74,051	-
Eastern Bank Limited	Agrabad	5567		426,308	663,152
Eastern Bank Limited	Agrabad	0014		-	7,300,903
Midland Bank Limited	Agrabad	1613		2,325	3,475
Al-Arafah Islami Bank Ltd.	Agrabad	6096		44,895	45,930
SND Accounts			9.01.01	115,500	124,194
				<b>3,784,576</b>	<b>12,336,520</b>
<b>9.01.01 SND Accounts</b>					
Mutual Trust Bank Limited	Agrabad	3791		115,500	124,194
QIO Fund (unutilized)				9,689	-
Company's own funds				105,811	-
<b>9.02 Fixed Deposit</b>					
Bank Name	Branch Name	A/C Number			
Mutual Trust Bank Limited	Agrabad	91221		5,487,381	5,231,396
Mutual Trust Bank Limited	Agrabad	89636		2,226,222	2,119,636
Mutual Trust Bank Limited	Agrabad	88904		9,130,808	8,701,654
Mutual Trust Bank Limited	Agrabad	88833		5,873,714	5,599,367
Mutual Trust Bank Limited	Agrabad	85882		1,136,717	1,085,587
Mutual Trust Bank Limited	Agrabad	84249		4,603,779	4,380,275
				<b>28,458,622</b>	<b>27,117,915</b>
<b>10.00 Share Capital</b>					
<b>Authorized Capital:</b>					
80,000,000 Ordinary Shares of Tk. 10/- each				<b>800,000,000</b>	<b>800,000,000</b>
<b>Paid up Capital:</b>					
28,500,000 nos. Ordinary Shares of Tk.10 each fully paid-up in cash				285,000,000	285,000,000
				<b>285,000,000</b>	<b>285,000,000</b>



Particulars	Note(s)	Amount in Taka	
		30 June 2025	30 June 2024

**10.01 Share Holding Position of the company**

The composition of share holders as on the date of Financial Position:

Sl. No.	Name of Share Holder	Percentage (%)	Number of Shares	Value of Shares (Taka)	Value of Shares (Taka)
1	Md Kamal Uddin Ahmed	34.68%	9,885,000	98,850,000	98,850,000
2	Gazi Mukarram Ali Chowdhury	30.14%	8,590,000	85,900,000	85,900,000
3	Matin Uddin Ahmed	2.00%	570,000	5,700,000	5,700,000
4	Md Ruhul Amin	1.05%	300,000	3,000,000	3,000,000
5	Md Belal Uddin	0.16%	45,000	450,000	450,000
6	Farhana Islam	0.35%	100,000	1,000,000	1,000,000
7	Satyajit Saha	0.04%	10,000	100,000	100,000
8	Qualified Investors & Others	31.58%	9,000,000	90,000,000	90,000,000
<b>TOTAL</b>		<b>100%</b>	<b>28,500,000</b>	<b>285,000,000</b>	<b>285,000,000</b>

**11.00 Deferred Tax Liability**

Opening Balance	1,591,356	1,632,017
Addition during the year	(140,342)	(40,661)
	<b>1,451,014</b>	<b>1,591,356</b>

As at 30 June 2025	Carrying Ammount (Accounting Base)	Carrying Ammount (Tax Base)	Difference	Rate	Dederred Tax Liability(asset)
Property ,Plant and Equipment (Except Land)	76,273,962	64182182	12,091,780	12%	1,451,014

**12.00 Short Term Loan**

Mutual Trust Bank Limited (Acceptance Liability)	-	130,058,373
	<b>-</b>	<b>130,058,373</b>

**13.00 Advance Against Sales**

Sujitz Kyushu Corporation	4,503,843	-
	<b>4,503,843</b>	<b>-</b>

**14.00 Accounts Payable**

Marine Safety System		<b>344,752,634</b>
Chittagong Ship Breaking Industries	27,795,966	(31,006,787)
	<b>27,795,966</b>	<b>313,745,847</b>

**15.00 Income Tax Provision**

Opening Balance	6,818,542	6,963,850
Addition during the year	10,314,493	7,599,460
	<b>17,133,035</b>	<b>14,563,310</b>
Adjustment during the year	(7,599,460)	(7,744,768)
	<b>9,533,575</b>	<b>6,818,542</b>



Particulars	Note(s)	Amount in Taka	
		30 June 2025	30 June 2024
<b>16.00 Workers Profit Participation Fund (WPPF)</b>			
Opening Balance		3,162,512	3,495,198
Addition during the year		4,163,962	3,036,571
		<b>7,326,474</b>	<b>6,531,769</b>
Paid during the year		(3,036,571)	(3,369,257)
		<b>4,289,903</b>	<b>3,162,512</b>
<b>17.00 Unclaimed Dividend</b>			
2021-2022		72,076	72,076
2022-2023		291,715	291,715
2023-2024		64,201	-
		<b>427,991</b>	<b>363,790</b>
<b>18.00 Liabilities for Expenses</b>			
Salary & Allowances		1,010,250	1,070,750
Directors Remuneration		223,230	223,230
Shah Enterprise		-	1,231,381
Utility Bill		174,485	194,655
M/S Bhai Bhai Enterprise		-	300,000
Audit Fee (Statutory Audit)		230,000	230,000
Audit Fee (Use of Proceed)		-	57,500
		<b>1,637,965</b>	<b>3,307,516</b>
<b>19.00 Net Asset Value Per Share</b>			
Total Assets		541,238,287	887,104,841
Total Liabilities		(49,640,257)	(459,047,937)
<b>Net Asset Value (NAV)</b>		<b>491,598,030</b>	<b>428,056,904</b>
Number of Ordinary Shares Outstanding		28,500,000	28,500,000
		<b>17.25</b>	<b>15.02</b>



Particulars	Note(s)	Amount in Taka	
		01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
<b>20.00 Revenue</b>			
Sales (Export)		1,042,483,297	731,248,100
Discount		(700,790)	(961,516)
		<b>1,041,782,507</b>	<b>730,286,584</b>
<b>21.00 Cost of Goods Sold</b>			
Raw Materials Consumption	21.01	660,074,191	695,273,289
Manufacturing Overhead	21.02	26,177,787	30,133,608
Cost of Manufacturing		<b>686,251,979</b>	<b>725,406,897</b>
Opening Work in Progress		48,929,101	84,499,194
		<b>735,181,080</b>	<b>809,906,091</b>
Closing Work in Progress		(35,576,638)	(48,929,101)
Cost of Goods Manufactured		<b>699,604,442</b>	<b>760,976,990</b>
Opening Finished Goods		246,999,978	122,898,378
		<b>946,604,420</b>	<b>883,875,368</b>
Closing Finished Goods		(9,949,164)	(246,999,978)
		<b>936,655,256</b>	<b>636,875,390</b>
<b>21.01 Raw Materials Consumption</b>			
Opening Stock of Raw Materials		158,738,925	125,354,667
Purchase during the year		587,955,185	728,657,547
		<b>746,694,110</b>	<b>854,012,214</b>
Closing Stock of Raw Materials		(86,619,919)	(158,738,925)
		<b>660,074,191</b>	<b>695,273,289</b>
<b>21.02 Manufacturing Overhead</b>			
Wages, Salary & Allowance		5,457,500	5,949,700
Bonus		901,500	1,370,250
Conveyance		370,260	299,805
Tours & Travel		748,803	648,803
Chemical Purchase		391,200	365,700
Utility Bill Expenses		1,998,279	2,249,384
Entertainment		350,622	296,246
Fooding		563,328	408,498
Dry Wood		48,570	42,140
Internet Expenses		14,400	15,600
License & Renewal		22,440	20,900
Insurance Expense		540,290	1,058,328
Medical Expense		201,725	210,586
Printing & Stationery		4,380	3,575



Particulars	Note(s)	Amount in Taka	
		01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
Repairs & Maintenance		524,550	849,016
Fuel, Oil & Lubricants		5,768,000	7,529,800
Cutting Expenses		157,550	589,400
Scale Charge		-	1,200
Miscellaneous Expenses		63,250	65,687
Depreciation		8,051,140	8,158,990
		<b>26,177,787</b>	<b>30,133,608</b>

**22.00 Administrative Expense**

Salary & Allowance	4,778,000	3,919,100
Bonus	1,106,500	1,341,500
Managing Directors Remuneration	2,678,760	2,678,760
Conveyance	449,599	339,072
Paper & Periodical	15,070	14,255
Entertainment	304,469	276,314
Printing & Stationery	236,417	221,515
Fees & Renewals	143,825	175,771
Credit Rating Fee	26,875	26,875
Utility Bill	376,529	383,000
Generator Fuel	383,473	327,617
Audit Fee (Statutory Audit)	230,000	230,000
Audit Fee (Use of Proceed)	-	97,750
Audit Fee (WPPF)	28,750	28,750
Telephone, Mobile & Internet	147,754	91,211
Business Development Expenses	-	173,438
Postage & Courier	55,200	63,600
Repair & Maintenance	438,856	372,459
Photocopy Charges	12,350	18,361
Board Meeting Fees	75,000	55,000
Medical Expenses	31,130	22,644
Miscellaneous Expenses	85,250	63,127
AGM Expense	100,000	75,000
Regulatory Fee - CSE	43,500	43,500
Regulatory Fee - DSE	43,500	43,500
Software Expense	-	68,400
Depreciation	423,744	429,421
	<b>12,214,551</b>	<b>11,579,940</b>

**23.00 Selling & Distribution Expense**

Salary & Allowances	3,751,200	3,166,320
Bonus	466,000	446,300
C & F Expense - Export	1,925,778	1,416,021
C & F Commission	416,000	-
Conveyance	235,654	150,348
Entertainment	324,243	292,561
Packing Expense	149,880	288,620



Particulars	Note(s)	Amount in Taka	
		01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
Repairs & Maintenance		524,550	849,016
Fuel, Oil & Lubricants		5,768,000	7,529,800
Cutting Expenses		157,550	589,400
Scale Charge		-	1,200
Miscellaneous Expenses		63,250	65,687
Depreciation		8,051,140	8,158,990
		<b>26,177,787</b>	<b>30,133,608</b>

**22.00 Administrative Expense**

Salary & Allowance	4,778,000	3,919,100
Bonus	1,106,500	1,341,500
Managing Directors Remuneration	2,678,760	2,678,760
Conveyance	449,599	339,072
Paper & Periodical	15,070	14,255
Entertainment	304,469	276,314
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Fees & Renewals	143,825	175,771
Credit Rating Fee	26,875	26,875
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Generator Fuel	383,473	327,617
Audit Fee (Statutory Audit)	230,000	230,000
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Telephone, Mobile & Internet	147,754	91,211
Business Development Expenses	-	173,438
Postage & Courier	55,200	63,600
Repair & Maintenance	438,856	372,459
Photocopy Charges	12,350	18,361
Board Meeting Fees	75,000	55,000
Medical Expenses	31,130	22,644
Miscellaneous Expenses	85,250	63,127
AGM Expense	100,000	75,000
Regulatory Fee - CSE	43,500	43,500
Regulatory Fee - DSE	43,500	43,500
Software Expense	-	68,400
Depreciation	423,744	429,421
	<b>12,214,551</b>	<b>11,579,940</b>

**23.00 Selling & Distribution Expense**

Salary & Allowances	3,751,200	3,166,320
Bonus	466,000	446,300
C & F Expense - Export	1,925,778	1,416,021
C & F Commission	416,000	-
Conveyance	235,654	150,348
Entertainment	324,243	292,561
Packing Expense	149,880	288,620



Particulars	Note(s)	Amount in Taka	
		01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
Sales Promotion Expense/Advertisement		261,594	213,620
Carriage Outward		7,600	5,300
Export Expense		914,561	1,352,404
Freight Charges		5,645,737	3,920,000
Postage & Courier		19,540	15,384
Loading & Unloading		327,720	297,300
Miscellaneous Expenses		36,980	22,310
Mobile, Telephone & Fax Expenses		65,100	60,630
Sample Expense		-	3,000
		<b>14,547,587</b>	<b>11,650,118</b>
<b>24.00 Finance Expense</b>			
Bank Charges and Interest		3,001,108	8,354,987
		<b>3,001,108</b>	<b>8,354,987</b>
<b>25.00 Non Operating Income/ (Loss)</b>			
Interest Income		1,810,161	1,691,318
Realized gain/ (loss)	25.01	6,105,072	(2,786,039)
		<b>7,915,234</b>	<b>(1,094,721)</b>
<b>25.01 Realized gain/ (loss)</b>			
Value of export collection on average rate		986,903,855	724,044,362
Value of export collection on sales booking rate		(978,775,867)	(724,791,740)
		<b>8,127,988</b>	<b>(747,379)</b>
Value of Import Bill Payment in booking rate		575,001,948	680,228,392
Value of Import Bill Payment in average rate		(577,024,864)	(682,267,052)
		<b>(2,022,916)</b>	<b>(2,038,660)</b>
		<b>6,105,072</b>	<b>(2,786,039)</b>
<b>26.00 Income Tax</b>			
Current Tax	26.01	10,314,493	7,599,460
Deferred Tax		(140,342)	(40,661)
		<b>10,174,151</b>	<b>7,558,799</b>
<b>26.01 Current Tax</b>			
<b>26.01.01 Profit from business (export)</b>			
Profit before tax as per accounts		79,115,278	57,694,858
Profit from Non-business source (other income)		(1,810,161)	(1,094,721)
		<b>77,305,116</b>	<b>58,789,579</b>
<b>26.01.02 Taxable profit from business (export)</b>			
Profit from business (export)		77,305,116	58,789,579
Accounting depreciation		8,474,885	8,588,411
Tax depreciation		(7,326,116)	(7,321,051)
		<b>78,453,885</b>	<b>60,056,939</b>



Particulars	Note(s)	Amount in Taka	
		01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
<b>26.01.03 A. Regular Tax</b>			
Tax on profit from business (export) @12% exclusion from total income under : according to Income tax Act 2023.		9,414,466	7,206,833
Tax on profit from non-business source in regular rate @22.5%		407,286	380,547
		<b>9,821,753</b>	<b>7,587,380</b>
<b>B. Minimum Tax</b>			
i. Gross Receipts from sales		1,041,782,507	730,286,584
<b>Minimum Tax @ .53% (Reduce rate)</b>		<b>5,521,447</b>	<b>7,302,866</b>
ii. FDR interest		1,810,161	
<b>Minimum Tax @ 1%</b>		<b>18,102</b>	
<b>Total Minimum Tax</b>		<b>5,539,549</b>	<b>7,302,866</b>
<b>C. TDS at Source</b>		<b>10,314,493</b>	<b>7,599,460</b>
Whichever is higher from above calculation (A,B & C)		<b>10,314,493</b>	<b>7,599,460</b>

**27.00 Basic Earning Per Share (EPS)**

Profit Attributable to the Ordinary Shareholders	68,941,127	50,136,059
Weighted Average Number of Shares Outstanding	28,500,000	28,500,000
	<b>2.42</b>	<b>1.76</b>
<b>Restated EPS as per current outstanding number of share</b>		
<b>Earnings per share</b>		
Profit Attributable to the Ordinary Shareholders	68,941,127	50,136,059
Weighted Average Number of Shares Outstanding	28,500,000	28,500,000
	<b>2.42</b>	<b>1.76</b>

Earnings Per Share (EPS): Despite an atmosphere of uncertainty due to political shift at the beginning of 2024-2025, the management manage to increase turnover and operate the company with less outside financing. Thereby, a notable increase in profitability was driven mainly by improved revenue growth and reduced finance expenses.

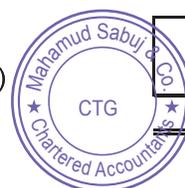
**Earnings per share (Adjusted)**

A. Net Profit after Tax	68,941,127	50,136,059
B. Total number of Share outstanding	28,500,000	28,500,000
<b>Earnings per Share (Adjusted)</b>	<b>2.42</b>	<b>1.76</b>

Particulars	Number of Share	Weight	Weighted average no of Shares	Weighted average no of Shares
Opening No. of Shares	28,500,000	365/365	28,500,000	28,500,000
<b>Total</b>	<b>28,500,000</b>		<b>28,500,000</b>	<b>28,500,000</b>

**28.00 Net Operating Cash Flows (NOCF) Per Share**

Net Operating Cash Flows (Numerator)	127,241,266	(111,512,559)
Number of Ordinary Shares (Denominator)	28,500,000	28,500,000
	<b>4.46</b>	<b>(3.91)</b>



Particulars	Note(s)	Amount in Taka	
		01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024

NOCFPS: Customer receipts and other revenue increased significantly over the previous year. However, supplier payments were nearly the same as the year before. Additionally, finance cost were decreased. These elements altogether significantly influenced the company's NOCFPS growth.

**29.00 Disclosure as per requirement of Schedule XI, Part II, Note 5 of Para 3:**

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

Salary (Monthly)	Officer & Staff		Workers
	Factory	Head Office	
Number of employees whose salary below Tk. 3,000 per month	-	-	-
Number of employees whose salary above Tk. 3,000 per month	27	19	46
<b>Total</b>	<b>27</b>	<b>19</b>	<b>46</b>

**30.00 Payment information to Directors as per requirement of schedule XI, part II, Para 4**

No Payment has been paid to directors within the year ending 30 June, 2025 in any of the following:

a) Managerial Remuneration paid or payable during the financial period to the directors, including managing director, a managing agent or manager.
b) Expenses reimbursed to the managing agent;
c) Commission or other remuneration payable separately to a managing agent or his associate;
d) Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company.
e) The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial period.
f) Any other perquisites or benefits in cash or in kind stating, approximate money value where practicable;
g) Other allowances and commission including guarantee commission.
h) Pensions etc.
(i) Pensions
(ii) Gratuities
(iii) Payments from a provident funds, in excess of own subscription and interest thereon
(iv) Compensation for loss of office
(v) Consideration in connection with retirement from office.

**31.00 Related Party Transaction:**

As per IAS 24: Related party disclosure and as defined in the Securities & Exchange Rules 1987 the related party transaction are as follows :

The Company carried out a number of transactions with related parties in the normal course of business, The nature of transactions and their values are shown below:

Name	Opening Balance	Received	Payment	Closing Balance
Marine Safety System	344,752,634	394,102,354	(876,078,334)	(137,223,345)
Chittagong ship Breaking & Recycling Ind.	(31,006,787)	123,600,000	(64,797,247)	27,795,966

During the year Managing Directors of the company has received Tk 26,78,760 ( Including STax) as remuneration by the approval 13th Annual General Meeting.



Particulars	Note(s)	Amount in Taka	
		01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
<b>32.00 Cash flow generated from operating activities under Indirect Method:</b>			
<b>Particulars</b>			
Profit before Tax		79,115,278	57,694,858
Add: Depreciation		8,474,885	8,588,411
		<b>87,590,162</b>	<b>66,283,269</b>
(Increase)/Decrease in Inventories		322,522,283	(121,915,765)
(Increase)/Decrease in Trade Receivable		(63,006,640)	(5,494,844)
(Increase)/Decrease in Advance, Deposit & Prepayments		206,946,464	(190,873,770)
(Increase)/Decrease in Intercompany Receivable		(137,223,346)	-
Increase/(Decrease) in Creditors & Accruals		(279,413,508)	148,088,011
		<b>137,415,416</b>	<b>(103,913,099)</b>
Cash payment against Income Tax		(10,174,151)	(7,599,460)
<b>Net Cash Generate from Operating Activities</b>		<b>127,241,266</b>	<b>(111,512,559)</b>
<b>33.00 Payment to Suppliers</b>			
COGS		936,655,256	636,875,390
(Increase)/decrease in inventory		(322,522,283)	121,915,765
Increase/(decrease) in Accounts payable and liabilities for expenses		283,777,009	(148,088,011)
Increase/(decrease) in Advance		(69,780,119)	190,873,770
Less: Manufacturing overhead		(26,177,787)	(30,133,608)
<b>Paid to Suppliers</b>		<b>801,952,075</b>	<b>771,443,306</b>
<b>34.00 Operating expenses paid</b>			
Office & administrative expenses		12,214,551	11,579,940
Selling & distribution expenses		14,547,587	11,650,118
Add: Worker profit participation Fund(WPPF)		4,163,962	3,036,571
Add: Manufacturing overhead		26,177,787	30,133,608
		<b>57,103,887</b>	<b>56,400,237</b>
Less: Non cash Depreciation		(8,474,885)	(8,588,411)
		<b>48,629,002</b>	<b>47,811,826</b>
<b>35.00 Events after reporting year</b>			
The Board of Directors of NIALCO ALLOYS LIMITED at its board meeting held on 25th October, 2025 recommended 10% cash dividend to the Ordinary Shareholders BDT 2,85,00,000 for the year 2024-2025. These dividends are subject to final approval by the shareholders at the forthcoming (AGM) annual general meeting of the company.			
<b>36.00 Bank Guarantee</b>			
The company have no Bank Guarantee on the reporting date.			
<b>37.00 Claim Acknowledgement</b>			
There was no claim against the Company not acknowledged as debt as on June 30, 2025.			
<b>38.00 Foreign currency earned</b>			
The company has earned the entire sales proceeds in the form of foreign currency against export sales.			
<b>39.00 Foreign currency payment</b>			
The company incurred foreign currency expenses through import of raw materials.			



**NIALCO ALLOYS LIMITED**  
Schedule of property, Plant & Equipment  
As at 30 June 2025

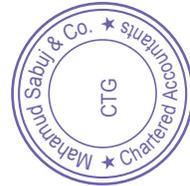
Property, Plant and Equipment - at Cost Less Accumulated Depreciation

Schedule-A

Particulars	Cost			Rate of Depreciation (%)	Depreciation			Written Down Value (WDV) at 30 June 2025
	Balance as on 01 July 2024	Addition During the Year	Deletion During the Year		Balance as on 30 June 2025	Charged During the Year	Adjustment/ Deletion	
Land & Land Development	48,330,066	-	-		48,330,066	-	-	48,330,066
Factory Building	14,085,652	-	-	10%	14,085,652	1,338,137	-	12,043,232
Plant & Machinery	94,496,891	-	-	10%	94,496,891	6,500,273	-	58,502,457
Computer & Printer	1,796,689	-	-	10%	1,796,689	135,299	-	1,217,689
Vehicles	5,460,000	-	-	10%	5,460,000	466,830	-	4,201,470
Furniture & Fixture	405,700	-	-	10%	405,700	32,271	-	290,441
CC Camera	21,840	-	-	10%	21,840	2,075	-	18,673
<b>Balance as on 30 June 2025</b>	<b>164,596,838</b>	<b>-</b>	<b>-</b>		<b>164,596,838</b>	<b>8,474,885</b>	<b>-</b>	<b>124,604,028</b>
<b>Balance as on 30 June 2024</b>	<b>121,969,701</b>	<b>42,627,137</b>	<b>-</b>		<b>164,596,838</b>	<b>8,588,411</b>	<b>-</b>	<b>133,078,914</b>

Allocation of Depreciation	Basis of Allocation	Note	01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
Manufacturing	95%	21.02	8,051,140	7,335,135
Administrative	5%	22.00	423,744	384,707
	<b>100%</b>		<b>8,474,885</b>	<b>7,719,842</b>

Manufacturing  
Administrative



## NIALCO ALLOYS LIMITED

Schedule of property, Plant & Equipment  
As at 30 June 2025

TAX BASE:

Particulars	Cost			Rate of Depreciation (%)	Depreciation			Written Down Value (WDV) at 30 June 2025
	Balance as on 01 July 2024	Addition During the Year	Deletion During the Year		Balance as on 30 June 2025	Charged During the Year	Adjustment/ Deletion	
Land & Land Development	48,330,066	-	-	0%	-	-	-	48,330,066
Factory Building	14,085,652	-	-	10%	1,338,137	-	2,042,420	12,043,232
Plant & Machinery	94,496,891	-	-	10%	42,550,296	5,194,660	47,744,956	46,751,936
Computer & Printer	1,796,689	-	-	25%	628,115	292,144	920,259	876,431
Vehicles	5,460,000	-	-	10%	791,700	466,830	1,258,530	4,201,470
Furniture & Fixture	405,700	-	-	10%	82,988	32,271	115,259	290,441
CC Camera	21,840	-	-	10%	1,092	2,075	3,167	18,673
<b>Balance as on 30 June 2025</b>	<b>164,596,838</b>	<b>-</b>	<b>-</b>		<b>44,758,474</b>	<b>7,326,116</b>	<b>52,084,590</b>	<b>112,512,248</b>
<b>Balance as on 30 June 2024</b>	<b>121,969,701</b>	<b>42,627,137</b>	<b>-</b>		<b>37,436,330</b>	<b>7,321,051</b>	<b>44,757,381</b>	<b>119,839,457</b>





Inside Production House



IN Bond Ware House



Factory Machine



Factory Machine



Raw Material



Furnish Machine



Production Belt



Production Belt



Finished Product



Finished Product





NIALCO ALLOYS LTD.