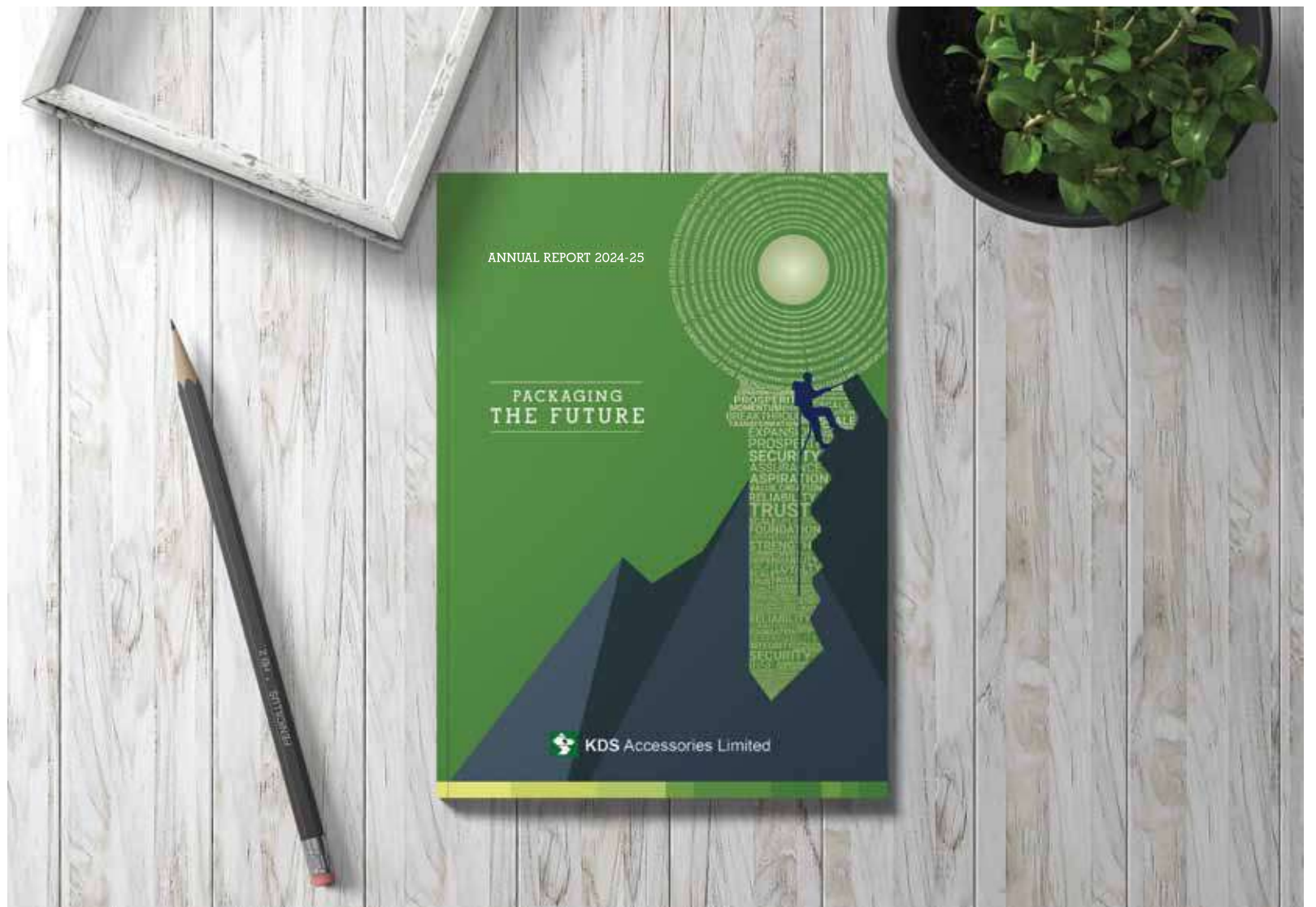


ANNUAL REPORT 2024-25

PACKAGING THE FUTURE



KDS Accessories Limited



C O V E R S T O R Y

PACKAGING THE FUTURE

When we chose “Packaging the Future” as our theme this year, we asked ourselves: what does packaging truly mean? Is it only a wrapper, a tag, or a box? Or is it something deeper?

Looking back, packaging has always been part of human progress. In the early days of trade, merchants carried spices, cloth, and pottery across deserts and oceans. They wrapped them in leaves, jars, wood, or whatever nature offered. The goal was simple—protect the goods until they reached another land. Packaging was born out of necessity.

Over time, it changed quietly with society. Barrels carried wine across seas, paper carried cloth across towns, and printed labels introduced the idea of identity and trust. Packaging became more than protection—it became recognition. People started to know products by how they were packed.

In our lifetime, packaging has taken on yet another meaning. It is now a reflection of values. Customers want to know if a package is sustainable, if it respects the planet, if it carries more than a product—if it carries a promise.

We have lived this change. Since 1991, when we began

in garment trims and packaging, we have seen the shift firsthand. From simple functional packaging to modern designs, from just delivering goods to delivering identity, and now, to delivering responsibility. Every stage taught us something, and every client trusted us to evolve with time.

So, what do we mean when we say “Packaging the Future”?





We mean:

- Packaging that is lighter on the planet, yet stronger in purpose.
- Packaging that tells a story—of brand, of care, of trust.
- Packaging that connects past craftsmanship with future innovation.

As we look forward, we see packaging not as the end of production, but as the beginning of experience. And our role is clear—to continue shaping that experience with responsibility, creativity, and vision.

For us, “Packaging the Future” is not just a theme. It is our journey, our learning, and our commitment to tomorrow.

TABLE OF CONTENTS

| | | |
|---|---|----|
|  | CORPORATE OBJECTIVES, VALUES & STRUCTURE | |
| | Company Profile | 06 |
| | Vision | 09 |
| | Strategic Objectives | 10 |
| | Core Values | 11 |
| | Director Profiles and Board Representation | 12 |
| | Organizational Structure | 19 |
|  | MANAGEMENT REPORT & ANALYSIS | |
| | Chairman's Message | 22 |
| | Managing Director's Message | 24 |
| | Comments By CEO | 26 |
| | Staff Contributions: Health, Safety, and Welfare | 28 |
| | Contribution to the National Exchequer | 29 |
| | Performance Highlights | 31 |
|  | SUSTAINABILITY REPORT | 32 |
|  | CORPORATE GOVERNANCE | |
| | Directors' Report | 36 |
| | Audit Committee Report | 44 |
| | NRC Report | 46 |
| | Corporate Governance Policies and Compliance | 49 |
| | Stakeholder Engagement and Communication | 69 |
| | Product Segment | 70 |



FINANCIALS

| | |
|-----------------------------------|----|
| Independent Auditors' Report | 81 |
| Statement of Financial Position | 86 |
| Income Statement | 87 |
| Statement of Changes in Equity | 88 |
| Cash Flow Statement | 89 |
| Notes to the Financial Statements | 90 |



GRAPHICAL & PICTORIAL DATA

| | |
|--|-----|
| Earnings Per Share and Financial Performance | 119 |
| Net Asset and Return on Shareholders' Funds | 120 |



RISK MANAGEMENT & INTERNAL CONTROLS

| | |
|---------------------------------------|-----|
| Risk Management Framework | 122 |
| Internal Control System and Processes | 123 |
| Risk and Concern | 124 |



GENERAL

| | |
|---------------------------|-----|
| Notice of the 34th AGM | 127 |
| Letter of Transmittal | 128 |
| Dividend Policy | 129 |
| Human Resource Accounting | 131 |
| Major Events | 132 |
| Award & Recognition | 133 |
| Events & Image | 150 |
| Certificate of BAPLC | 152 |
| Factory Album | 158 |
| Attendance & Proxy Form | 167 |



KDS

BREAKING BOUNDARIES

KDS is one of the most renowned business industries of Bangladesh, based mainly in the port city of Chittagong, with extensive operations in Dhaka and other major cities as well. It has also established its business in India, Hong Kong, UK and further expanding to North America, thereby making its way to become a Bangladeshi based multinational.

Group Office

255 Nasirabad I/A,
Chattogram-4211
Bangladesh.

+88 02 41380454-62
+88 02 41380201-2
+88 02 41380203-5
info@kdsgroup.net

www.kdsgroup.net
linkedin/kds rmg solution
kdsrmgsolution_1983
facebook.com/kdsgarments

FROM THE HOUSE OF KDS



APPAREL



TEXTILES



APPAREL
TRIMS AND
PACKAGING



PRIVATE PORT
INLAND
CONTAINER
DEPOT



STEEL



IT TRAINING
SERVICES



INFORMATION AND COMMUNICATION
TECHNOLOGIES



BANKING AND
INSURANCE



INVESTMENT
MANAGEMENT



SHARES AND
SECURITIES
TRADING



OTHER
TRADING
OPERATIONS



KDS ACCESSORIES LIMITED

Is one of the country's leading And **largest garments accessories company** with comprehensive product range.

Having single largest capacity We are pioneer of packaging.

We believe in working closely with our clients to understand their needs to design services accordingly and align ourselves as a strategic partner, helping us to realize our vision *'To be a globally preferred trims and packaging solutions company'*

WHO WE ARE

STARTING ITS JOURNEY BACK TO THE YEAR 1991,

KDS ACCESSORIES LIMITED

IS THE COUNTRY'S LEADING AND LARGEST ACCESSORIES MANUFACTURER AND A MAJOR PLAYER IN THE BANGLADESH READY-MADE GARMENTS (RMG) MARKET.



OUR STRENGTH

Our extensive experience in the industry has helped us acquire knowledge and information to design products and services that best suits requirements of our clients.

We offer flexibility, competitiveness and sharper lead-time to facilitate demanding sourcing requirement. Our national network supported by a dynamic team of professionals allows us to serve our clients as a strong supply chain partner providing production, consolidation and solution based services.



COMPREHENSIVE PRODUCTS RANGE

We offer one of the most comprehensive ranges of apparel Trims & Packaging products and services. In Bangladesh, we manufacture almost all the products in our IMS (ISO-9001: 2015, ISO 14001: 2015, BS OHSAS 18001: 2007) certified international standard facilities and our products meet global quality standards.



GLOBAL RECOGNITION

We are preferred by world's most reputed brands as a reliable and quality supplier for their garment accessories.



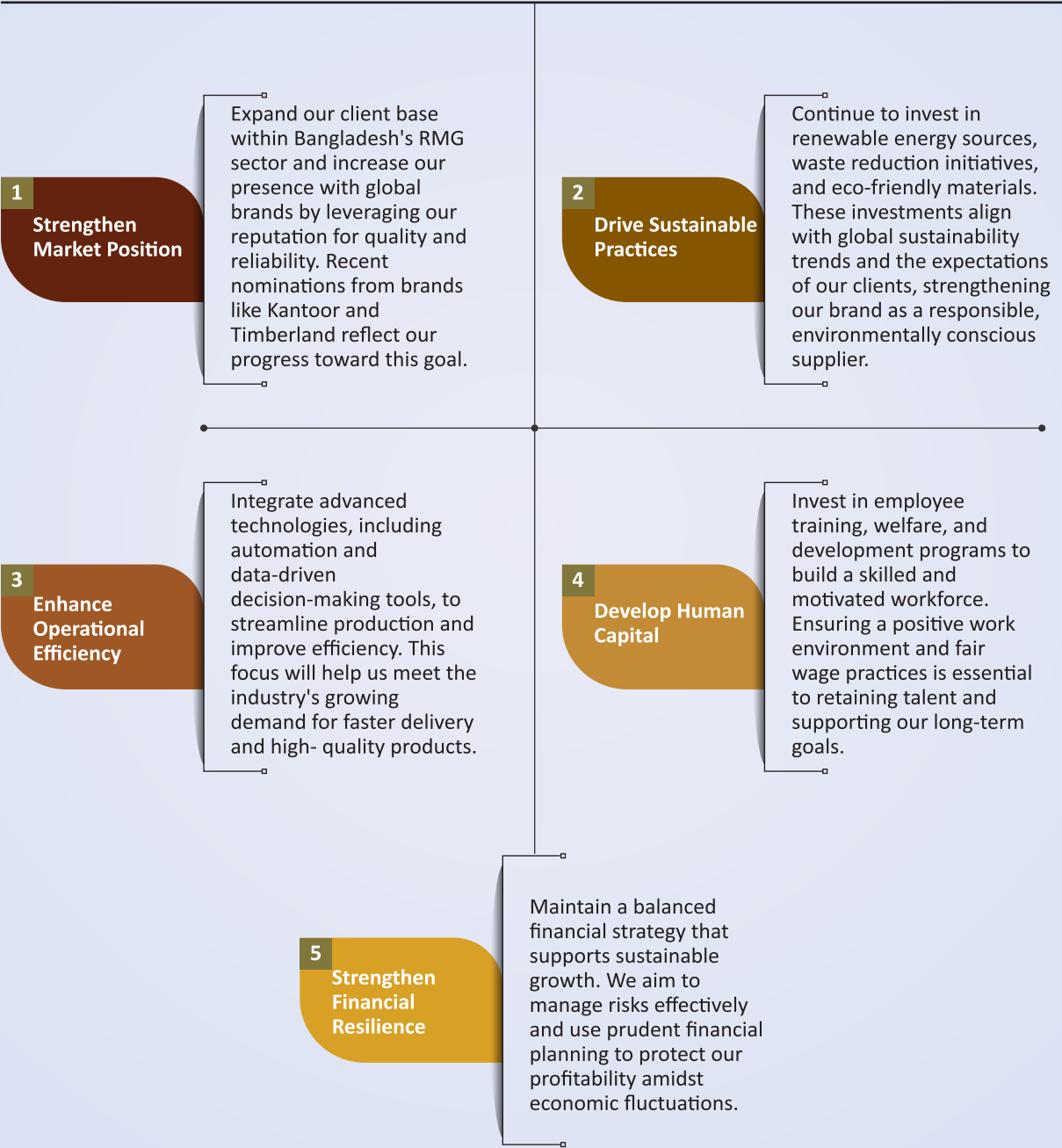


VISION

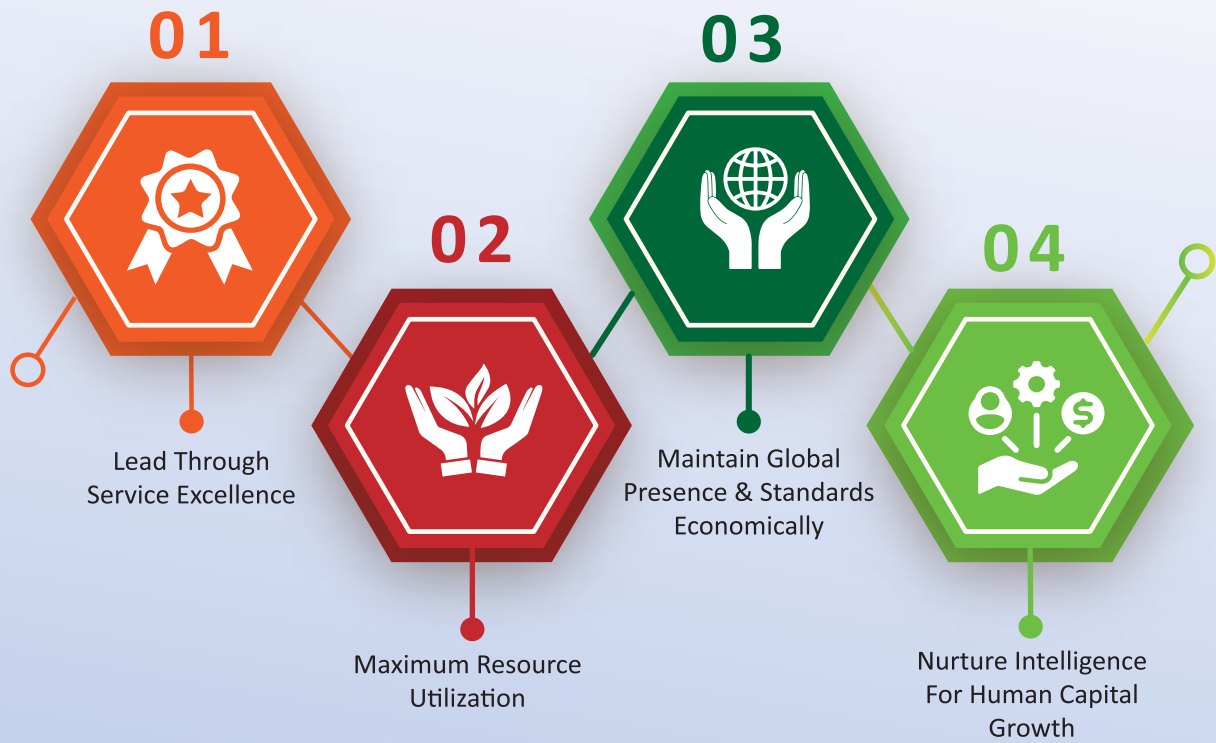
TO BE A GLOBALLY
PREFERRED
TRIMS & PACKAGING SOLUTIONS
COMPANY

STRATEGIC OBJECTIVES

At KDS Accessories Ltd., our strategic objectives are focused on sustainable growth, operational excellence, and enhancing stakeholder value. These objectives guide our decision-making and ensure that we remain competitive in the dynamic garment accessories industry. Our primary strategic goals include:



CORE VALUES







BOARD OF DIRECTORS



Mr. Khalilur Rahman
Chairman

Mr. Khalilur Rahman is the Founder of the KDS group and Chairman of the Company.

Mr. Khalilur Rahman is a seasoned and highly experienced businessman & successful entrepreneur. Coming from a very humble background, he has been pioneer in kick starting several industries in the country.

Starting his journey in 1967 from a small-localized business, he kept on diversifying into many areas of his interests.

His love for the struggling people of his area inspired him to start exploring labour intensive ventures. Around 1983, he started his major scale garments manufacturing facility, KDS Garments, out of Chattogram.

A keen sense of determination had enabled Mr. Rahman to expand his empire to include many other large scale projects over the years such as textiles, garment accessories, steel, investment management, logistics, banking, insurance and education etc.

Today, KDS group is one of the largest business conglomerate in the country having business links with USA, Canada, Europe, Japan, South Asian Sub-Continent, India and China etc. and the group was awarded President Gold Trophy for export 9 times and got recognition of Quality Garments Exporter from foreign retailers 4 times.

Apart from being founding father of all Groups' business, Mr. Rahman has been truly the guiding force of business growth cutting across several business verticals within the group.

His energy and passion has been instrumental in not only he has guided the group into a large industrial behemoth, but also he metamorphosed the group into a closely-knit family of organizations, each complementing the need of others.

His inspirational leadership style has developed several leaders within the group to undertake key business activities. He is also one of the few entrepreneurs of private banks and insurance business in the country.

He is one of the founding directors of National Bank Ltd.- a first generation private bank of the country.

He was also pioneer in the private sector insurance of the country and currently holding the position of director of Pragati Insurance Limited. and Chairman of Pragati Life Insurance Limited.

He is the chairman of AIBL Capital Market Services Ltd. (a subsidiary of Al-Arafah Islami Bank Limited) Besides contributing to the industrial growth in the country, he has undertaken various social activities, which helps the marginalized section of the society in a large way. A large number of non-profit and entirely charitable educational institutions (School, College, Madrasha etc.) have been setup by Mr. Khalilur Rahman.

He is the founder chairman of Southern University, founder of Khalilur Rahman Mohila College, Khalil Mir Degree College, Khalilur Rahman Girls' High School, Khalil Mir Girls' High School, Ziri Khalil Mir High School and three Madrashes and one cultural academy in greater Patiya of Chattogram.

He was vice president of BGMEA (Bangladesh Garment Manufacturers & Exporters Association) & currently President of Chittagong Metropolitan Chamber of Commerce & Industries.

He is also involved with Bangladesh CR Coil Manufacturer & Exporters Association and Bangladesh Inland Container Depot Association (BICDA).

He was awarded EKUSHEY PADAK 2015 from Chattogram City Corporation for his contribution in Trade and commerce.

He is the Life Member of Bhatary Golf & Country Club, Chittagong Boat Club, Chittagong Club Ltd., Chittagong Metropolitan Lions Club, Chittagong Press Club, Chittagong Institute Limited (Senior's Club), Chittagong Maa & Shishu Hospital & Ziri Janakollan Trust.



Mr. Salim Rahman
Managing Director

Inheriting the rich legacy of his father,

Mr. Salim Rahman has made his own mark in taking the group to next level of business excellence through strategic expansion and organizational transformation through his passionate and dynamic leadership style. Educating in India and the US, Mr. Salim Rahman has joined the group in 1997.

Since then, he has actively involved with different sectors like Garments, Accessories, Steel, Textile, Shipping, Securities, Banking and Insurance.

Within few years of his joining in the group, he has been instrumental in capacity expansion of steel division, which strategically helped steel business to be a key player in the country's infrastructural growth. Apart from steel, he has been instrumental in setting up the country's largest "Dry-dock" or Inland Container Depot (ICD) under KDS Logistics. He undertook similar expansion in other group businesses notably in Garments and Accessories.

Apart from business expansion, he has been instrumental with key organizational changes across the group to transform it a complete professional organization. Today KDS Group has been benchmarked as one of the true Bangladeshi professional organization. Setting up several industry-verticals led by competent CEOs, Mr. Rahman has helped the group perform more objectively and transparently.

Mr. Rahman has also injected operational excellence in key areas, which help the group business to grow several times in revenue & profitability. Mr. Rahman has also taken the group's footprint across various

overseas locations including that of India, Hong Kong, the UK etc.

Besides manufacturing base he is also involved with investment and IT sector. He was director of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and current director of Chittagong Metropolitan Chamber of Commerce & Industries.

He is a life member of Bhatiary Golf & Country Club and member of Chittagong Club Limited, Chittagong Institute Limited (Senior's Club).

He is also involved with others social organizations and activities being associated with many organizations.



Ms. Tahsina Rahman
Director

Ms. Tahsina Rahman obtained her BBA from University of Science and Technology, Chittagong (USTC) and completed MBA from Independent University Bangladesh (IUB).

She is a dynamic, results-oriented professional with experience and visible achievements in business development startup, strategic business partnerships and emerging markets including childcare arenas.

Ms. Tahsina Rahman is an Out-of-box thinker with visionary leadership strengths, resourceful team player characterized by innovative entrepreneurial spirit. She is also associated with number of Social Organizations and activities.



Professor Sarwar Jahan
Independent Director

Professor Sarwar Jahan obtained his Bachelor in Information System and Master in Business Management from the Langston University of USA. He also completed his Diploma in Business Management from Dallas, Texas, USA in 1987.

He joined Southern University Bangladesh as Professor and Treasurer (In-charge) in May 2016. He was also an Associate and Assistant Professor at Southern University Bangladesh from January 2008 to April 2016 and December 2004 to December 2007 respectively.

He was the Executive Director of the Institute of Management & Information Technology, Chittagong. He served as Assistant Manager and Manager in various companies of the USA and had around 40 years of professional experience.

He is also a member of the Chittagong Chamber of Commerce and Association of Overseas Technical Scholarship (AOTS), Japan. He joined the Board on 24 August 2021 & his term will expire on 23 August 2027.



Mr. Kamrul Hasan Siddiqui
FCA, ACMA (UK), CGMA,
Director
(Representative of KDS Garment Industries Limited)

Mr. Kamrul Hasan Siddiqui FCA, ACMA (UK), CGMA is a Director at KDS Accessories Limited representing KDS Garment Industries Limited.

Apart from his fellow membership at the Institute of Chartered Accountants of Bangladesh (ICAB), he also qualified as a Chartered Management Accountant (CMA) and Chartered Global Management Accountant (CGMA) in 2016 and currently is an associate member of CIMA UK.

He has been in the role of CFO at KDS Garments Division since August 2021.

Being extensively trained on result-based leadership and international management and financial reporting standards at home and abroad, Kamrul has been matured as a young and promising finance professional in the apparel sector with more than 10 years experience.


He is involved in various social activities in various professional and social organizations.

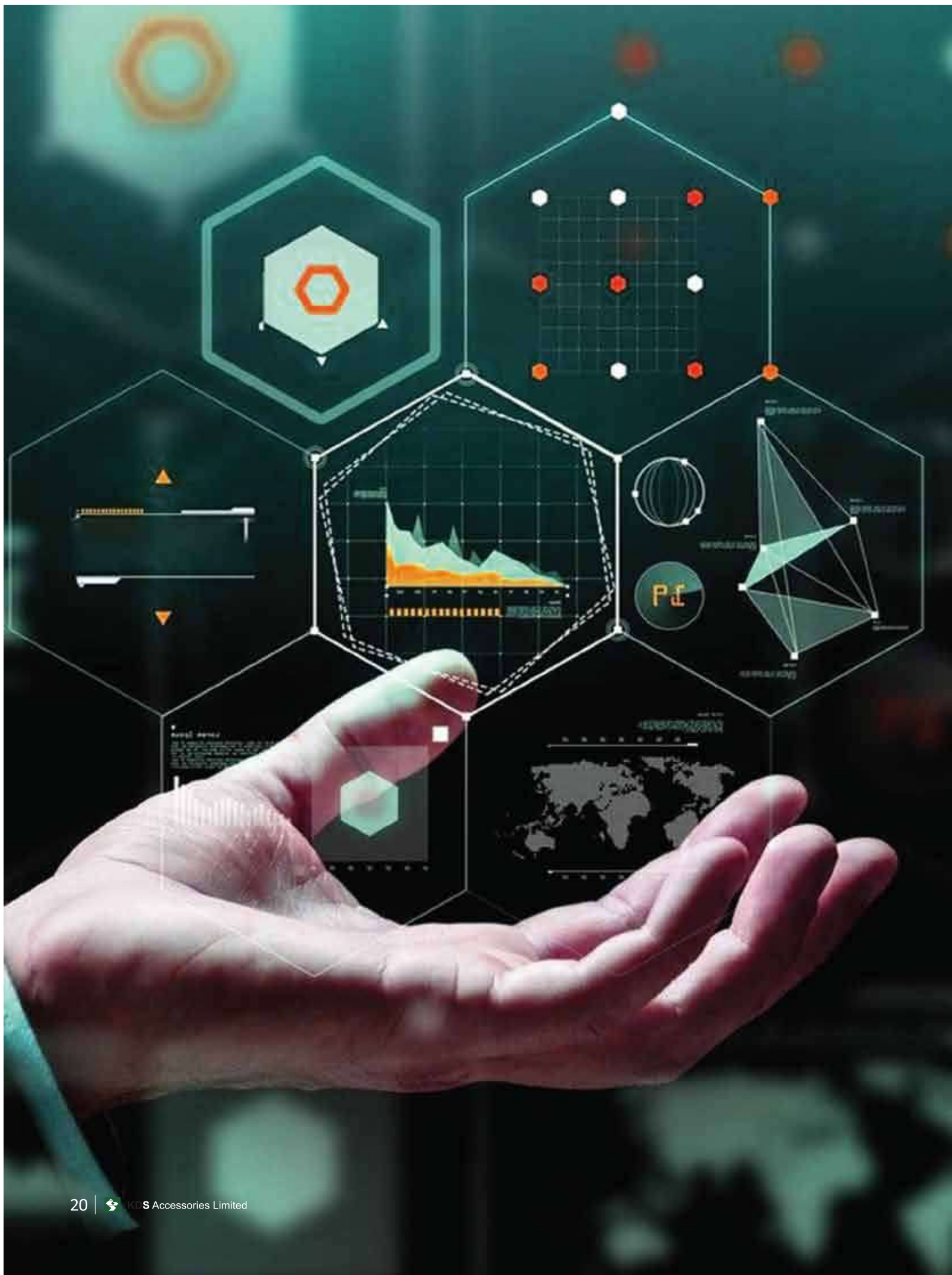
ORGANIZATIONAL STRUCTURE

| | | |
|--|--|------------------------|
|  Board of Directors | Mr. Khalilur Rahman | : Chairman |
| | Mr. Salim Rahman | : Managing Director |
| | Ms. Tahsina Rahman | : Director |
| | Mr. Kamrul Hasan Siddiqui FCA, ACMA (UK), CGMA (Representative of KDS Garment Industries Ltd.) | : Director |
| | Professor Sarwar Jahan | : Independent Director |

| | | |
|---|--|--------------------|
|  Audit Committee | Professor Sarwar Jahan | : Chairman |
| | Ms. Tahsina Rahman | : Member |
| | Mr. Kamrul Hasan Siddiqui FCA, ACMA (UK), CGMA (Representative of KDS Garment Industries Ltd.) | : Member |
| | Mr. Mohammad Ilias | : Member Secretary |

| | | |
|---|---|--------------------|
|  NRC Committee | Professor Sarwar Jahan | : Chairman |
| | Mr. Khalilur Rahman | : Member |
| | Mr. Kamrul Hasan Siddiqui FCA, ACMA (UK) CGMA (Representative of KDS Garment Industries Ltd.) | : Member |
| | Mr. Mohammad Ilias | : Member Secretary |

| | | |
|---|------------------------------|---------------------------------|
|  Senior Executives | Mr. Debasis Daspal | : Chief Executive Officer |
| | Mr. Shahab Uddin Mohd Jaffar | : Chief Operating Officer |
| | Mr. Anwar-UI-Azam | : VP-HR, Compliance & Operation |
| | Mr. Biplob Kanti Banik FCA | : Chief Financial Officer |
| | Mr. Mohammad Ilias | : Company Secretary |
| | Mr. Abu Taher | : GM-Sales |
| | Mr. Sarwar Hossain | : GM-HR & Compliance |
| | Mr. A.K.S. Parvez | : GM-Packaging |
| | Mr. Abdur Rouf Mollah | : GM Button |
| | Mr. Md. Shafiqul Mowla | : AGM-SLP |
| | Mr. Apu Sarwar | : Head of IT |
| | Mr. Kongku Chakma. | : Head of Hanger Unit |





MANAGEMENT REPORT & ANALYSIS

LETTER FROM THE CHAIRMAN



Dear Fellow Shareholders,

It gives me great pride to present our Annual Report for 2024-2025, as we celebrate a remarkable milestone—34 years of KDS Accessories Ltd. (KDSA). Since our founding in 1991 as one of Bangladesh's first-generation garment accessories companies, KDSA has consistently contributed to the ready-made garment (RMG) industry through our commitment to quality, product diversity, and robust supply chain management. Over these years, we have grown our presence globally, earning recognition as a trusted and compliant manufacturer, setting benchmarks in the industry.

Our Journey and Achievements

Since our journey began, KDS Accessories has risen to become one of the country's leading providers of trims and packaging solutions, with a significant and growing reach across global markets. Our efforts have strengthened Bangladesh's position in the global RMG industry, making us a preferred partner to many international brands.

The year 2024–25 tested the strength of Bangladesh's export-linked industries. In an environment of tight margins and shifting buyer expectations, our Company delivered stable results. This reflects not only Bangladesh's RMG and accessory sector continued to face cost and compliance pressure while gradually recovering from global disruptions. For companies like ours, stability and trust were more important than volume.

Sustained Growth amid Market Challenges

The year under review was another period of measured progress in a competitive environment.

While the global garment supply chain faced shifting demand and cost pressures, Bangladesh's export industry continued to demonstrate resilience. Within this context, our Company achieved 14 percent revenue growth and maintained a steady bottom-line profit, reflecting operational discipline and market credibility built over years of consistent service to leading RMG exporters.

The Board is pleased to recommend a 10% cash dividend for FY 2024–25, reaffirming its commitment to sustainable shareholder return.

Over the past three years, dividend declarations have remained consistent—reflecting our disciplined financial management and strong capital base.

Investing in the Future

The theme of this year's Annual Report, "Packaging the Future," reflects our conviction that innovation and sustainability will define long-term success.

We are gradually integrating eco-friendly materials, energy-efficient processes, and automation to enhance productivity and meet the evolving expectations of global buyers. These initiatives will help strengthen our market position and prepare the Company for the next phase of growth.



**OUR FOUNDATIONS ARE
SOLID, AND WE ARE
DETERMINED TO EMERGE
STRONGER FROM THESE
CHALLENGES.**

Looking Ahead

The near-term business outlook remains stable but competitive. As export markets regain momentum, we are cautiously optimistic about maintaining growth through continuous efficiency improvement, cost control, and product development.

Our long-term focus will remain on creating enduring value for shareholders through prudent governance and sustainable practices.

Thank you to our Board, our employees, our business partners, for your ongoing support. It is through your trust that KDS Accessories Ltd. continues to build a brighter, more resilient future.

I also want to thank our shareholders for your continued support, your confidence and above all for your trust.

I would like to express my gratitude to bankers, regulatory bodies (BSEC, DSE, CSE, CDBL, NBR, RJSC) and business associates for their cordial support in enabling KDS Accessories to achieve success.

I would like to take this opportunity to thank our Board for their contribution to the company.

In closing, while the global business environment remains competitive and unpredictable, our foundations are solid, and we are determined to emerge stronger from these challenges.

Khalilur Rahman
Chairman.

MESSAGE FROM THE MANAGING DIRECTOR



Dear Valued Shareholders,

Gratitude stands at the heart of this message: thank you for your enduring trust in KDS Accessories Ltd. Your steadfast confidence has supported our journey, and we remain deeply appreciative.

As we celebrate more than three decades of excellence and innovation, it is my honour to present the Annual Report for the 2024–2025 financial year. This significant milestone reflects the resilience, adaptability, and strength that have shaped our Company since inception.

Over the years, KDS Accessories Ltd. has grown in step with Bangladesh's vibrant export-oriented garment industry—an ecosystem continuously adapting to global shifts in trade, cost dynamics, and buyer expectations. Throughout this period, our company has remained a reliable partner to leading RMG exporters, driven by an unwavering commitment to quality, reliability, and ongoing improvement.

Performance Highlights

Despite a challenging operating landscape in garments and allied packaging, fiscal year 2024–25 was marked by steady progress:

- **Revenue** rose to Tk 2,888 million, up from Tk 2,531 million in the previous year,
- **Gross profit** increased to Tk 496 million (previous year: Tk 458 million), maintaining a healthy margin despite cost escalation.
- **Net profit after tax** stood at Tk 164 million, against Tk 154 million in FY 2023–24, reflecting stable profitability and prudent management.
- **Earnings per share** improved to Tk 2.19 from 2.16, maintaining a stable return.
- **Net Asset Value per share** rose to Tk 27.71, supported by retained earnings of Tk 98.9 crore and a strong equity base.

While higher raw material and overhead costs affected margins, our results reaffirm the Company's strong capacity to preserve profitability and shareholder value, even in cost-intensive conditions.

We maintained our policy of dependable dividend delivery, with the Board recommending a 10% cash dividend for FY 2024-25, underscoring our commitment to shareholder returns and financial steadiness.

Driving Sustainable Growth

The theme this year, "Packaging the Future," embodies our vision that sustainability and innovation will drive the industry forward. We are exploring eco-friendly materials and process automation to align with the evolving expectations of global buyers. Our ambition goes beyond sustaining growth; we strive to contribute to an environmentally responsible supply chain for Bangladesh's RMG sector.



OUR GOAL IS NOT ONLY TO MAINTAIN GROWTH BUT TO CONTRIBUTE MEANINGFULLY TO AN ENVIRONMENTALLY RESPONSIBLE SUPPLY CHAIN FOR BANGLADESH'S RMG SECTOR.

Outlook

Looking ahead to FY 2025–26, we anticipate steady growth alongside intensifying competition. Our strategy remains centered on efficiency, cost-consciousness, and service excellence. We are confident that our strong client partnerships, prudent management, and progressive mindset will help us meet evolving buyer needs and deliver lasting value for our stakeholders.

We extend sincere appreciation to the officials of the Bangladesh Securities & Exchange Commission, Dhaka and Chittagong Stock Exchanges, Central Depository Bangladesh Limited, Registrar of Joint Stock Companies, all bankers, the National Board of Revenue, and other government bodies for their continued support. Most of all, we thank you—our shareholders—for your enduring commitment to KDS Accessories Ltd.

It's exciting time to be with KDS Accessories. We stand at a key strategic and financial juncture, committed to meeting challenges and embracing innovation to sustain value creation. Your confidence is our greatest asset, and we pledge to honour your trust as we move forward.

Thank you for being integral to our ongoing success.

Yours sincerely,

Salim Rahman
Managing Director

A man with a beard and glasses, wearing a light blue suit and a patterned tie, stands in an office. Behind him is a wooden shelf with a vase and a potted plant, and a black desk lamp is visible to the left.

COMMENTS BY CEO



IN ALIGNMENT WITH
THIS YEAR'S THEME,
"PACKAGING THE
FUTURE," WE HAVE
INITIATED GRADUAL
ADOPTION OF
ECO-FRIENDLY
MATERIALS AND
ENERGY-EFFICIENT
MACHINERY.

Respected Shareholders

I take profound satisfaction to declare that your company has crossed yet another eventful year with various operational success and achievements. Despite several challenges pervading across global and local business landscape, we have performed reasonable well across different operational areas.

It is my privilege to share with you the operational highlights and management perspectives of KDS Accessories Limited for the financial year ended 30 June 2025.

Performance in a Competitive Environment

The year under review tested the resilience of Bangladesh's garment-related backward industries. Input costs, interest rates, and lead-time pressures remained elevated.

Despite these challenges, your Company achieved 14% growth in revenue and maintained a steady net profit through disciplined execution, efficiency in production, and close coordination between management teams and our valued clients.

Our business model — built on trust, compliance, and customer service — continued to deliver results even in a cost-sensitive market. The consistent dividend track record over the last three years stands as a testament to this financial discipline and stability.

Operational Discipline and Management

During FY 2024–25, management placed strong emphasis on process efficiency and cost control.

Improved utilization of raw materials, preventive maintenance of production lines, and targeted inventory management supported stable operations.

We navigated a tightening financial environment prudently, ensuring adequate liquidity to meet obligations while keeping borrowings within sustainable limits.

People, Technology, and Sustainability

Our success is rooted in the dedication of our workforce and our continued investment in capability enhancement.

We strengthened technical training, introduced process monitoring tools, and improved workplace safety standards.

In alignment with this year's theme, "Packaging the Future," we have initiated gradual adoption of eco-friendly materials and energy-efficient machinery.

We have successfully installed 1150 Kw solar power plant in our Gazipur premise in addition to 362 Kw solar power plant in our Chittagong plant. We also implemented rain water

harvesting in our Gazipur and Chittagong premises which contributes to the circularity of energy.

These initiatives are not only good for business — they are good for the environment and for Bangladesh's reputation as a responsible manufacturing hub.

Stakeholder Confidence

Transparency, accountability, and ethical practices remain central to our governance philosophy.

We maintain open communication with our banks, suppliers, and regulatory authorities, ensuring all commitments are met on time and in full compliance with applicable laws and standards.

Our customers continue to value our reliability and responsiveness, while our shareholders benefit from consistent returns and long-term value creation.

Outlook and Future Priorities

Looking forward, management is cautiously optimistic.

While the global apparel market remains competitive, early signs of order recovery provide encouragement.

Our priorities for FY 2025–26 include:

- Deepening customer relationships through quality and service excellence.
- Increasing automation and data-driven efficiency in production.
- Expanding the range of sustainable packaging solutions.
- Strengthening internal control and workforce capability to support future growth.
- These actions will ensure that we continue "Packaging the Future" with innovation, discipline, and confidence.

Acknowledgement

I wish to extend heartfelt thanks to our Board of Directors for their guidance, our management and employees for their dedication, and our valued customers, banks, and suppliers for their continued trust and cooperation.

Together, we are building a stronger, more resilient Company — one that reflects the spirit of Bangladesh's growing industrial capability.

With best regards,



Debasis Daspal
Chief Executive Officer



STAFF CONTRIBUTION

HEALTH, SAFETY AND WELFARE

KDS Accessories Ltd. prioritizes the health, safety, and well-being of all employees. We believe that a healthy workforce is the foundation of a productive and resilient company. To support this, we have implemented various health and safety policies and welfare programs aimed at fostering a safe and supportive working environment.



HEALTH AND SAFETY STANDARDS

Our facilities follow stringent health and safety standards, including regular safety drills, emergency response training, and hazard identification procedures. We ensure that all employees receive the necessary training to operate safely in their roles.



WELFARE PROGRAMS

We offer employee welfare programs that include medical support, health insurance options, and access to wellness resources. These initiatives help promote both physical and mental well-being among our staff.



FAIR WAGE POLICY

In alignment with government regulations, we have implemented fair wage policies, including recent adjustments to minimum wage levels to support our employees' financial security.



WORKPLACE ERGONOMICS

To reduce physical strain, our facilities are designed with ergonomics in mind, providing safe and comfortable workstations, especially for our production team.

These initiatives reflect our commitment to maintaining a safe and supportive workplace, ensuring that our team remains healthy, motivated, and engaged.



KDS Accessories Ltd. is proud to report on the value generated for and distributed among its key stakeholders in the fiscal year 2024-2025. Through careful management of resources and strategic initiatives, the company has created lasting value, supporting not only its shareholders but also the broader community and the national economy.

DISTRIBUTION OF VALUE ADDED

Government Contributions

This year, KDS Accessories Ltd. contributed significantly through tax payments and regulatory compliance costs, directly supporting national infrastructure and public service development.

Employee Benefits

Our workforce is our core strength. In addition to competitive salaries, we have invested in employee training, health, and safety initiatives, providing a supportive work environment that prioritizes their well-being and professional development.

Dividend Payments to Shareholders

The company's commitment to returning value to shareholders is reflected in our dividend declaration, with a total payout of 10%. Cash dividend. This dividend approach balances rewarding investors while maintaining capital for sustainable growth.

Reinvested Earnings

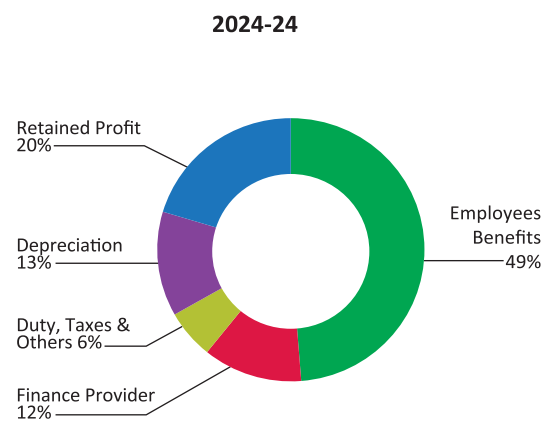
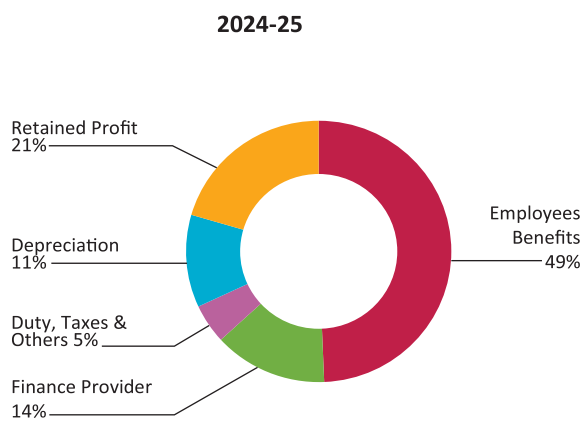
A significant portion of profits has been reinvested in strategic growth areas, including our solar energy project, sustainable product innovation, and operational enhancements, to reinforce our financial stability and readiness for future challenges.

Economic Impact

KDS Accessories Ltd. plays an active role in contributing to Bangladesh's economy. As a leading supplier to the RMG sector, our operations generate employment, stimulate local markets, and enhance Bangladesh's reputation as a reliable sourcing hub for garment accessories. By investing in local suppliers and community development, we aim to foster an ecosystem that benefits all stakeholders

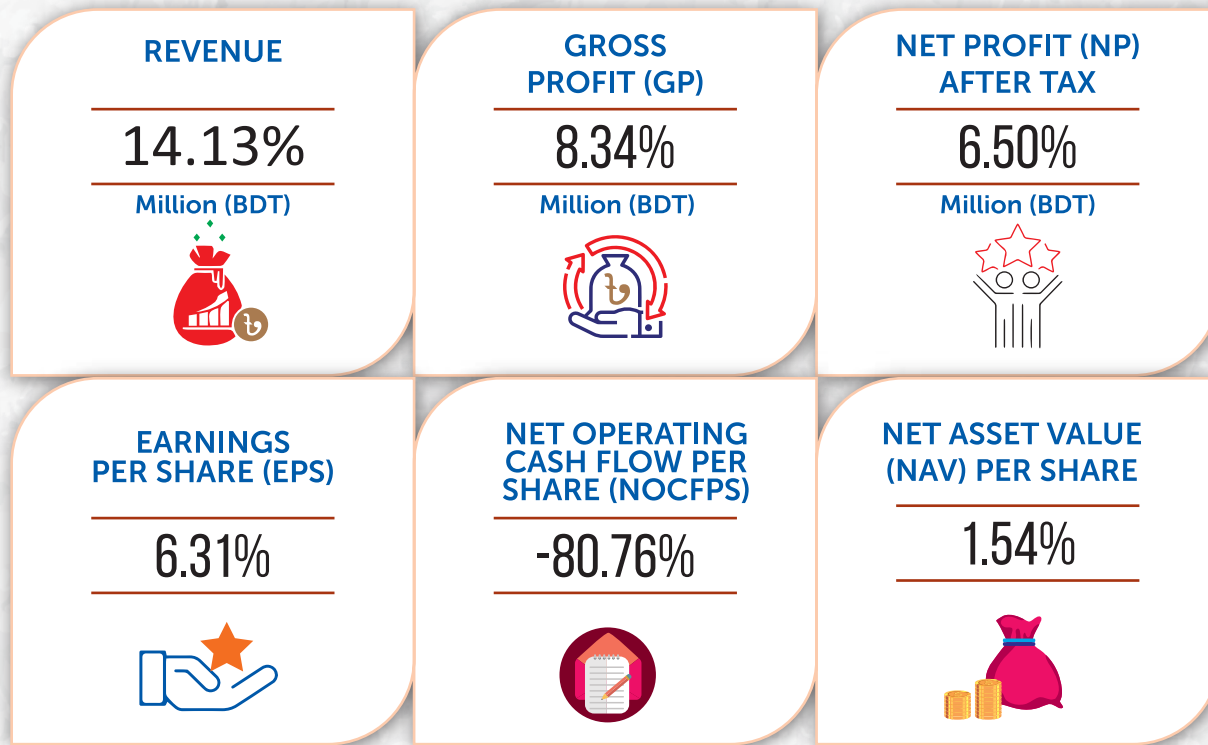
VALUE ADDED STATEMENT

| | 2024 - 2025 Amount in Tk. | % | 2023 - 2024 Amount in Tk. | % |
|--|------------------------------|-------------|------------------------------|-------------|
| Value Added: | | | | |
| Revenue & Other Income | 2,984,480,421 | | 2,611,665,197 | |
| Less: Paid to suppliers for materials & other services | 2,184,691,539 | | 1,852,981,294 | |
| | 799,788,882 | | 758,683,903 | |
| Distribution as follows: | | | | |
| Employees Benefits Wages, Salaries, Bonus & others) | 394,590,959 | 49% | 368,818,462 | 49% |
| Finance Provider | 110,794,652 | 14% | 93,145,092 | 12% |
| Duty, Taxes & Other related expenses | 39,196,537 | 5% | 45,727,181 | 6% |
| | 544,582,148 | 68% | 507,690,734 | 67% |
| Retained for Re-Investment & Future Growth | | | | |
| Depreciation | 91,460,248 | 11% | 97,233,482 | 13% |
| Retained Profit | 163,746,486 | 20% | 153,759,686 | 20% |
| | 255,206,734 | 32% | 250,993,168 | 33% |
| | 799,788,882 | 100% | 758,683,903 | 100% |

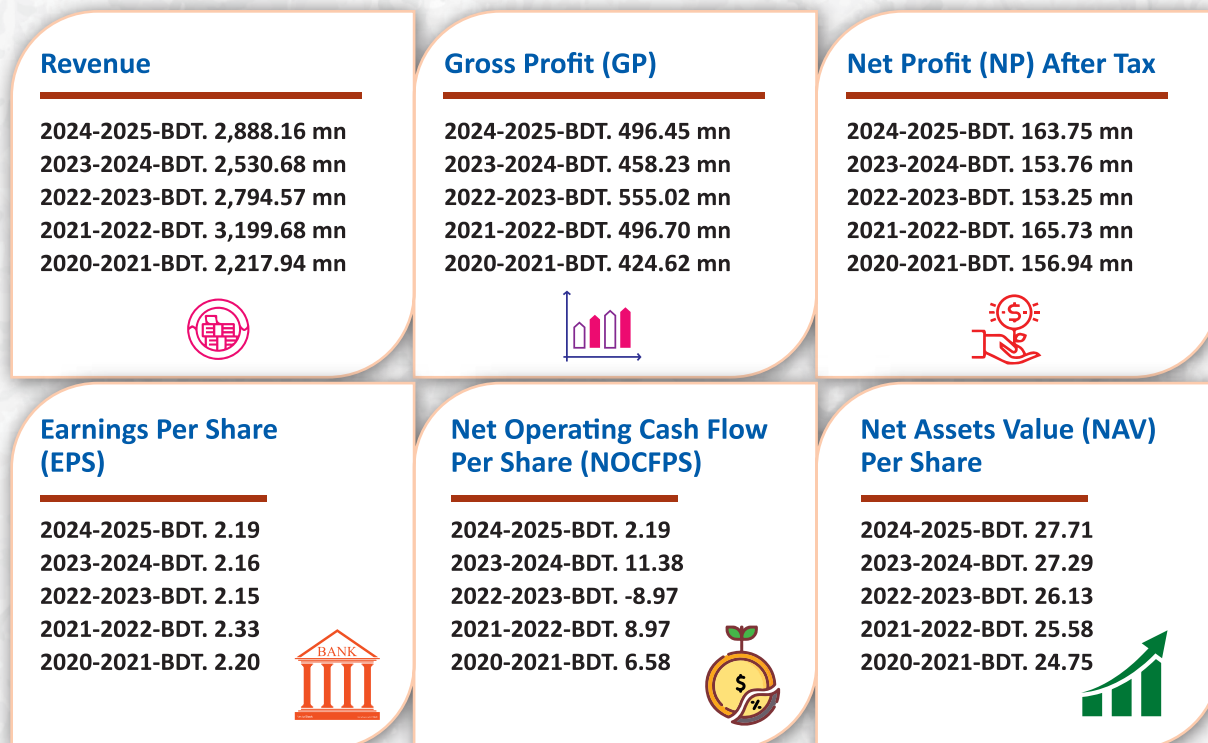


PERFORMANCE HIGHLIGHTS

Financial performance 2024-25



5 Years Financial Highlights



SUSTAINABILITY REPORT

COMMITMENT TO A SUSTAINABLE FUTURE

As an integral part of Bangladesh's thriving ready-made garment (RMG) sector, KDS Accessories Ltd. is committed to sustainable growth that creates value for stakeholders and protects our environment. As part of KDS Group's comprehensive sustainability strategy, we are implementing robust Environmental, Social, and Governance (ESG) practices across our operations, aligning with certifications like FSC® Chain of Custody and ISO 14001 standards for environmental management.

ENVIRONMENTAL STEWARDSHIP

1. Renewable Energy Expansion

In FY 2024-25, KDS Accessories Ltd. achieved significant milestones in renewable energy through solar power generation:

- **Chattogram Solar PV Project:** Generating 362 KW annually and reducing carbon emissions by 151.32 tons CO₂e.
- **Dhaka Solar PV Project:** Designed with a capacity of 1150 KW, projected to reduce 558.26 tons CO₂e annually.

Together, these projects total 709.58 tons CO₂e in carbon reduction, demonstrating our commitment to cleaner energy and aligning with national and international emissions targets.

2. Resource Efficiency and Waste Reduction

By enhancing resource efficiency and reducing waste, KDS Accessories Ltd. follows KDS Group's commitment to sustainability. These efforts include:

- **Water Conservation:** We minimize water consumption in energy-intensive processes.
- **Efficient Production:** Advanced production technologies ensure minimal waste and optimized resource use.

Through FSC and ISO 14001 certification compliance, we continue to elevate sustainable operations, benefitting our clients, community, and environment.

- and also Investment in energy-efficient machinery and LED lighting across production floors, reducing electricity consumption.
- Adoption of water recycling and rainwater harvesting systems to minimize freshwater use.

- Gradual replacement of plastic-based packaging materials with eco-friendly and recyclable alternatives.
- Maintenance of greenbelt and tree plantation around factory premises.

3. Sustainable Product Development

Our dedication to sustainable product innovation has led to environmentally friendly materials for trims and accessories, with a focus on biodegradable and recyclable components. This aligns with the demand for eco-friendly products across the global supply chain, and underscores our compliance with Group-level sustainability standards, ensuring a trustworthy and ethical supply chain.

SOCIAL RESPONSIBILITY

1. Workforce Support and Development

Our employees drive our mission, and we prioritize their safety, growth, and well-being. Initiatives include:

- **Skill Development:** Continuous training opportunities across departments.
- **Safe Working Conditions:** Adherence to ISO 45001 standards, ensuring a safe and supportive workplace.

2. Community Engagement and CSR Initiatives

Aligned with KDS Group's overarching CSR framework, our 2024-25 initiatives included:

- **Educational Support:** Contributions to local schools to foster education and skill-building.
- **Environmental Projects:** Launching tree plantation drives to enhance local ecosystems.
- **Full tuition support for employees' children:** The Company bears 100% of tuition fees for employees' children studying at Chattogram BGMEA University of Fashion and Technology (CBUFT), promoting access to higher education in the field of fashion and industrial technology.

GOVERNANCE AND TRANSPARENCY

1. Strong Corporate Governance

We uphold the highest corporate governance standards, with our Board of Directors ensuring accountability and compliance. Our adherence to ISO 9001 for quality management reflects our focus on operational excellence, while strict supplier monitoring supports ethical sourcing, aligning with global best practices and BSCI standards.

2. Compliance and Certifications

KDS Accessories Ltd. is certified under FSC® Chain of Custody, ISO 9001, ISO 14001, and ISO 45001

standards, ensuring we meet both quality and environmental management benchmarks across our operations.

INTEGRATED REPORTING

In 2024-2025, KDS Accessories Ltd. made strides in integrating financial and sustainability reporting, creating a cohesive narrative that reflects our commitment to holistic value creation. We focused on linking our financial outcomes with our environmental, social, and governance (ESG) achievements to provide stakeholders with a complete view of our impact and strategic direction.

KEY HIGHLIGHTS:

- **ESG and Financial Impact:** Our solar energy initiatives, implemented to offset energy costs and reduce emissions, contributed to operational savings and a lower carbon footprint, aligning with our commitment to sustainable growth. These efforts also provided cost stabilization amidst rising energy prices.
- **Resource Optimization:** Waste and water management initiatives directly supported our production efficiency goals, reducing costs and ensuring long-term resource sustainability, essential for the stability of our operations in the competitive garment accessory market

FUTURE SUSTAINABILITY GOALS

Looking ahead, we aim to expand our efforts, with specific goals that include:

- **Increased Solar Capacity:** Expanding solar energy infrastructure to power a larger share of our operations and further reduce CO₂ emissions.
- **Enhanced Sustainable Product Development:** Pursuing materials innovation for biodegradable and recycled products.
- **Community Development:** Strengthening initiatives for education, health, and environmental sustainability.

CONCLUSION

Our commitment to sustainability reflects our belief that long-term success depends on responsible practices that benefit our environment, society, and stakeholders. KDS Accessorie Ltd. is dedicated to pursuing sustainable growth and contributing positively to Bangladesh's RMG industry and beyond. We thank our employees, partners, and stakeholders for their support as we continue on this journey toward a sustainable future.



The background is a complex digital composition. It features several glowing hexagonal frames, some containing intricate patterns or symbols. Interspersed among these are mechanical gears, some in red and others in gold. Numerous vertical and diagonal light trails, resembling rain or data streams, fall across the scene. The color palette is dominated by deep blues and greens, with warm orange and yellow highlights at the bottom, suggesting a sunset or sunrise over a cityscape. The overall effect is one of high-tech sophistication and dynamic energy.

CORPORATE GOVERNANCE

DIRECTORS' REPORT

Bismillahir Rahmanir Rahim

Honorable Shareholders,

On behalf of the Board of Directors, it is a pleasure to present to you our annual report for the fiscal year ending 30 June 2025. This year holds special significance as we celebrate 34 years of dedicated service and growth at KDS Accessories Ltd. From humble beginnings, we have established ourselves as a trusted partner in Bangladesh's ready-made garment (RMG) industry, supporting global brands with high-quality trims and accessories. We are grateful for your continued trust and support as we pursue our vision of sustainable growth and innovation.

The theme of this year's Annual Report "Packaging the Future" appropriately reflects the Company's strategic direction and consistent efforts during the year.

The Board believes that the year's operational and financial performance remained aligned with this theme, reinforcing the Company's long-term objectives of efficiency, stability, and value creation.

Our business and market position

KDS Accessories Ltd. is a key supplier in the garment accessories sector, providing a comprehensive range of products, including corrugated cartons, buttons, soft line printing products (labels, elastics, offset printing), hangers, and gum tape. Serving global brands such as Walmart, Tesco, and Decathlon, we have developed a reputation for quality, reliability, and compliance with global standards. Our extensive product range and dedication to excellence have positioned us as a cornerstone of the RMG sector's supply chain in Bangladesh.

Performance Overview for FY 2024-2025

Revenue and Profit:

During the financial year 2024–25, the Company achieved a revenue of Tk. 288 crore, compared to Tk. 253 crore in FY 2023–24 registering a growth of 14%.

This performance was driven by stable demand from long-term export-oriented garment manufacturers and efficient utilization of production capacity.

Despite a challenging business environment marked by higher input costs, increased energy tariffs, and foreign exchange volatility, the Company maintained a net profit after tax of Tk. 16.37 crore, which was broadly in line with the previous year's result.

The steady bottom line reflects disciplined cost management, selective pricing adjustments, and strict working capital control.

The Company's operating profit margin remained consistent, demonstrating the resilience of its core business model in the face of cost pressures and

shifting order cycles in the garment export sector.

Earnings Per Share (EPS) and Net Asset Value (NAV):

Earnings Per Share (EPS) stood at Tk. 2.19 for the year ended 30 June 2025, compared to Tk. 2.16 in FY 2023–24, representing a stable earnings trend despite rising operational expenses.

The Net Asset Value (NAV) per share increased to Tk. 27.71 as on 30 June 2025 from Tk. 27.29 in the previous year, reflecting growth in retained earnings and prudent utilization of funds.

This improvement in NAV underscores the Company's commitment to maintaining a strong capital structure and safeguarding shareholder value.

Cash Flow and Financial Stability:

Net Operating Cash Flow per Share (NOCFPS) stood at Tk. 2.19 for the year ended 30 June 2025, compared to Tk. 11.38 in the previous year.

The decline was primarily attributable to higher supplier payments and increased finance costs on working-capital borrowings, following an upward movement in market interest rates during the year.

In addition, advance tax payments and the impact of stock-dividend issuance modestly reduced the cash flow per share.

Despite these factors, the Company maintained a healthy operating cash inflow and adequate liquidity to meet all business and financial obligations in a timely manner.

Cost Management and Operational Efficiency

Throughout FY 2024–25, management concentrated on improving production efficiency and minimizing wastage. Rising raw-material costs particularly paperboard, chemicals, and packaging films were partially offset through process optimization and strategic sourcing.

No major capacity addition was undertaken during the year; however, operational uptime and output consistency improved through better maintenance planning.

Outlook

The coming year is expected to remain competitive but manageable. Demand from export-oriented garment manufacturers is showing gradual improvement, although pricing pressure and cost challenges are likely to persist.

Your Company will continue to emphasize operational efficiency, cost discipline, and service reliability as its core strengths. Management remains focused on enhancing process automation, product quality, and

timely delivery to retain customer confidence in a changing market.

The Company also plans to progressively introduce more sustainable and value-added packaging

solutions, in line with evolving buyer expectations. With a prudent financial approach and a dedicated workforce, the Board believes the Company is well-positioned to maintain stability and pursue measured growth in the year ahead.

Segment & Products' Performance

Operational Performance:

| Particulars | Unit | 01 July 2024 to 30 June 2025 | | | 01 July 2023 to 30 June 2024 | | |
|-----------------------------|------|------------------------------|----------------------------|-----------------------------|------------------------------|----------------------------|-----------------------------|
| | | Production Capacity (Pcs/GG) | Actual Production (Pcs/GG) | Capacity Utilization in (%) | Production Capacity (Pcs/GG) | Actual Production (Pcs/GG) | Capacity Utilization in (%) |
| Carton | Pcs | 31,750,000 | 24,323,902 | 76.61% | 31,750,000 | 21,184,985 | 66.72% |
| Label | Pcs | 175,964,208 | 59,069,823 | 33.57% | 175,964,208 | 66,336,043 | 37.70% |
| Elastics and Narrow Fabrics | Yard | 35,376,000 | 20,426,405 | 57.74% | 35,376,000 | 18,301,498 | 51.73% |
| Offset Printing | Pcs | 150,009,600 | 33,449,163 | 22.30% | 150,009,600 | 38,618,859 | 25.74% |
| Heat Transfer Printing | Pcs | 24,960,000 | 2,352,936 | 9.43% | 24,960,000 | 2,019,136 | 8.09% |
| Button | GG | 360,000 | 222,759 | 61.88% | 360,000 | 211,782 | 58.83% |
| Gum Tape | Pcs | 4,290,000 | 707,587 | 16.49% | 4,290,000 | 559,850 | 13.05% |
| Hanger | Pcs | 45,000,000 | - | 0.00% | 45,000,000 | 4,200,711 | 9.33% |

For calculation of capacity utilization, weighted average of actual production capacity of each products has been considered.

Product wise revenue:

| Product name | Contribution to Total Revenue | | | |
|-----------------------------|-------------------------------|--------|---------------|--------|
| | Year 2024-25 | | Year 2023-24 | |
| | In taka | In % | In taka | In % |
| Carton | 2,369,700,007 | 82.05% | 2,042,641,821 | 80.72% |
| Label | 64,707,877 | 2.24% | 60,854,372 | 2.40% |
| Elastics and Narrow Fabrics | 151,383,043 | 5.24% | 144,624,139 | 5.71% |
| Offset Printing | 65,502,992 | 2.27% | 72,885,700 | 2.88% |
| Heat Transfer Printing | 10,671,292 | 0.37% | 4,082,078 | 0.16% |
| Button | 173,719,327 | 6.01% | 152,649,678 | 6.03% |
| Gum Tape | 52,473,631 | 1.82% | 46,642,648 | 1.84% |
| Hanger | - | 0.00% | 6,297,662 | 0.25% |
| Total | 2,888,158,169 | 100% | 2,530,678,096 | 100% |

Risk and concerns

Board of Directors reviews the risk management practices and actions deployed by the Management with respect to identification, impact assessment, monitoring, mitigation and reporting of key risks while trying to achieve its business objectives. A detailed report on Risk & Concerns are given in Page No: 124

Analysis cost of goods sold, gross profit margin and net profit margin (Refer to Annexure-D, Page No: 62).

Last 5 Years' Key Operating and Financial Performance:

| Particulars | 2024-2025 | 2023-2024 | 2022-2023 | 2021-2022 | 2020-2021 |
|---|---------------|---------------|---------------|---------------|---------------|
| Revenue | 2,888,158,169 | 2,530,678,096 | 2,794,569,748 | 3,199,681,329 | 2,217,942,652 |
| Gross Profit | 496,448,581 | 458,228,137 | 555,024,234 | 496,703,842 | 424,624,094 |
| Profit before WPPF &Tax | 202,943,023 | 199,486,867 | 207,613,436 | 198,510,645 | 185,868,514 |
| Profit after WPPF &Tax | 163,746,486 | 153,759,686 | 153,252,545 | 165,725,402 | 156,945,148 |
| Earnings Per Share (EPS) | 2.19 | 2.16 | 2.15 | 2.33 | 2.20 |
| Shareholders' Equity | 2,070,855,441 | 1,942,700,136 | 1,860,122,810 | 1,820,762,043 | 1,761,810,181 |
| Current Liabilities | 2,384,647,229 | 1,871,754,366 | 2,275,553,891 | 2,582,244,823 | 1,820,561,155 |
| Non-Current Liabilities | 202,558,184 | 218,181,830 | 243,582,292 | 244,789,178 | 179,267,520 |
| Addition to Fixed Assets & CWIP | 13,727,979 | 12,282,772 | 15,371,140 | 87,113,736 | 154,890,122 |
| NAV Per Share | 27.71 | 27.29 | 26.13 | 25.58 | 24.75 |
| Net Operating Cash Flow Per Share (NOCFPS) | 2.19 | 11.38 | (8.97) | 8.97 | 6.58 |

Extra-ordinary gain / (loss)

There is no extraordinary gain or loss occurred during the reporting period.

Related party transactions

There have been no materially significant related party transactions between the Company and the Directors, the management, the subsidiaries or the relatives except for those disclosed in the financial statements in Note 37 and in Annexure-G, Page: 66 in accordance with relevant International Accounting Standards (IAS).

Utilization of proceeds raised through public issues, rights issues and/or any other instruments

Initial Public offering (IPO) of KDS Accessories Limited was made in 2015 and the fund raised thereby has already been utilized as reported to the regulators.

No other issues of any instrument including right share was made during the year.

Explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing

KDS Accessories Limited went for IPO in 2015 and after that the company didn't raise any fund by any sort of offerings up to 2020-21. Moreover, the financial results have improved during the year under review. Therefore, no explanation is required in this connection.

Significant variance between Quarterly and Annual Financial Statements

There was no significant difference between quarterly performance and overall period ended performance of the Company.

Remuneration to directors including independent directors

Directors of KDSAL don't enjoy any facilities in the name of remuneration, bonus or any other form except the Managing Director for his direct participation to Company's day to day operations. Managing Director enjoys remuneration and festival bonus for his contribution to the Company which are as under:

| Name of Directors | Designation | Amount |
|--|----------------------|-----------|
| Mr. Khalilur Rahman | Chairman | |
| Mr. Salim Rahman | Managing Director | 6,100,000 |
| Ms. Tahsina Rahman | Director | |
| KDS Garment Ind. Limited. Represented by Mr. Kamrul Hasan Siddiqui FCA, ACMA (UK), CGMA | Director | |
| Professor Sarwar Jahan | Independent Director | |

Internal control system

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Board.

Minority shareholders' protection

The Board is and shall be committed to respect the rights of the minority shareholders to voting, right to information, dividends and appraisal of any alteration in Memorandum and Articles.

Going concern

The Directors consider that the Company has adequate resources to remain in operation for the foreseeable future and has therefore continued to adopt the going concern basis in preparing the financial statements.

Significant deviation in operating results compared to previous period

There is no such deviation in operating results compared to the previous period.

Dividend Declaration

In recognition of our commitment to value creation,

the Board of Directors is pleased to declare 10% cash dividend for the fiscal year 2024-2025. This dividend reflects our performance and dedication to rewarding our valued shareholders.

Board of directors'

i) Structure and size of the Board:

On 30 June 2025, there were 5 members on the Board of the Company. The Board comprises Chairman, Managing Director, Two Directors and One Independent Director.

ii) Status of Companies in which Directors also hold Directorship.

An Annexure is attached to this report on the status of Companies in which Directors are also hold Directorship. Annexure-I, Page: 68.

iii) Director's Retirement and Re-election.

In accordance with the Articles of Association of the Company, one third of the total number of Directors is to retire by rotation in every year. In the forthcoming Annual General Meeting the following two Directors will retire and being eligible, offer themselves for re-appointment:

- a) Mr. Salim Rahman
- b) Ms. Tahsina Rahman

Board of Directors' in its meeting held on 21 October 2025 proposed their appointment. The brief bio-data of the said Directors are enclosed herewith in the section of Director's Profile in Page: 14-18.

iv) Board Meeting and Attendance

During the reporting period the Board met 4 times. The attendance record of the Directors is as follows:

| Name of Directors | Nos of Meeting | Nos of Meeting | Attendance |
|--|----------------------|----------------|------------|
| Mr. Khalilur Rahman | Chairman | 4 | 4 |
| Mr. Salim Rahman | Managing Director | 4 | 4 |
| Ms. Tahsina Rahman | Director | 4 | 4 |
| KDS Garment Ind. Limited. Represented by Mr. Kamrul Hasan Siddiqui FCA, ACMA (UK), CGMA | Director | 4 | 4 |
| Professor Sarwar Jahan | Independent Director | 4 | 4 |

Appointment of independent director

As per provision of Corporate Governance Guidelines notification no: SEC/CMRRCD/2006-158/207/ADMIN/80 Dated 3rd June 2018 by Bangladesh Securities & Exchange Commission (BSEC) Professor Sarwar Jahan was appointed as Independent Director of the Company for a period of 3 (Three) years in 33rd Annual General Meeting (AGM). Short-bio data of the said director is enclosed herewith in the section of Director's Profile. Page: 17.

Shareholding pattern

(Refer to Annexure-H, Page No:66)

Directors' involvement in other business (Refer to Annexure-I, Page No:68)

Management discussion and analysis

The Board of Directors converse on the increase / decrease of revenue, cost of goods sold, gross and net profit margin. The Board also takes instant actions on the inquiry as required. A detailed report on discussion in the regard is comprised in Annexure-D, Page: 62.

Certification by the CEO & the CFO

Declaration of certificate by the CEO & the CFO to the Board as required under condition no. 3(3) of Corporate Governance Code is included in Annexure-A, Page: 51

Credit rating

Credit Rating Information and Services Limited (CRISL) assigned rating for your company as below:

| Long Term | Short Term |
|-----------|------------|
| AA- | ST-2 |

Above rating have been assigned on the basis of good fundamental such as good profitability, sound infrastructural arrangement with state-of-the art, pioneer and market leader in Garment Accessories

Audit committee

The Board has constituted the Audit Committee as follows:

| Name of Directors | Nos of Meeting |
|---|---------------------------------|
| Professor Sarwar Jahan | Chairman & Independent Director |
| Ms. Tahsina Rahman | Member |
| KDS Garment Inds. Ltd. Represented by Mr Kamrul Hasan Siddiqui FCA, ACMA (UK),CGMA | Member |
| Mr. Mohammad Ilias | Member Secretary |

During the reporting period under review, the Committee held four meetings. A detailed of the roles and activities of the Audit Committee has been provided in "The Report of The Audit Committee". Page: 44.

industry, experienced management. Entities rated in this category are adjudged to be of high quality, offer higher safety and have credit quality.

Your Company in the evaluation of Credit Rating Company was also placed with "Stable".

Subsequent events

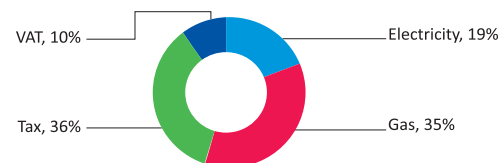
There is no subsequent event after the date of balance sheet and till the date of this report which could affect the ability of the users of these financial statements to make an appropriate evaluation.

Nomination and remuneration committee (NRC):

KDS Accessories Limited has formed a Nomination and Remuneration Committee (NRC) on 3rd December,2018 as a sub-committee of the Board of Directors. This committee will assist the Board of Directors in formulation of the nomination criteria or policy to determine qualifications, experiences, remuneration and independence of directors and top level of executives. The NRC has three members including one Independent Director. A detailed roles and activities of the NRC has been provided in "The Report of The Nomination and Remuneration Committee (NRC)".Page: 46

Contribution to National Exchequer

Being a responsible business entity, KDSAL is paying and facilitating collection of Government's revenue. In the reporting period, we have paid collected and deposited a significant amount of tax, VAT and duties. During the period, KDSAL contributed to Tk. 128,976,940 to the Government Exchequer along with utility bill which is presented below:



Corporate social responsibility (CSR)

Over the years, your company's commitment to Corporate Social Responsibility (CSR) activities is part and parcel of the Company's business model. Your Company has been contributing to the welfare of the community, research and development and protection of environment. Few initiatives of CSR of your company are mentioned below:

- Contributing donation to the Educational Institutes.
- Launching Tree Plantation program in patronizing a green environment.
- Contribute for safe drinking water supply.

Awards & Recognition

Since starting your Company received the following awards and recognitions:

- ISO 14001:2015 Certified.
- ISO 9001:2015 Certified.
- BS OHSAS 18001:2007 Certified.
- FSC Chain of Custody Certification Standard & FSC CoC Certification of Multiple Sites Standard by Bureau Verities
- OEKO-TEX Standard 100 Certified for Woven Labels.
- OEKO-TEX Standard 100 Certified for Elastic Labels.
- OEKO-TEX Standard 100 Certified for Buttons.
- Achievement Award of Trim Qualification Program by Intertek.
- CAP Closure Verification Visit Results by Alliance.

Information technology

We, at KDS Accessories always strive for the innovation in business by adopting something different, smarter or better for bringing positive impact in terms of value, quality or productivity.

We believe that now accurate business planning, effective marketing, global sales, systematic management, real time monitoring, instant customer support and long-term business growth cannot be achieved at the optimum level without IT and we plan ahead of others to enable our operations process through IT.

Some of our IT enabled applications and systems are Accounting Management System (AMS), HRIS, Sales & Distribution Management System (SDMS), Production Management System (PMS), Inventory Management System (IMS), Inventory & Procurement Managing System (IPMS), Fixed Asset Management System (FAMS) and Fund Management System (FMS). Through these applications management can view various reports for its review and decision from any location.

Website

Company maintains a website namely www.kdsaccessories.com which is linked with the websites of the stock exchanges and it is functional from the date of listing and all disclosures and financials are available in the website of the company.

Human resources

Human Resources are a fundamental asset across the entire business model.

The development of the company builds its competitive advantage on the skills and commitment of its employees, promoting and rewarding pro-activity, goal orientation and teamwork.

The HR Department of your company operates with specific policy, manual and plan designed by the world class consulting firm and approved by the Board of Directors.

We provide on-the-job training and development opportunities to enhance our employees' carrier progression. Through different training, staff's professional knowledge in corporate operations, occupational and management skills are enhanced.

KDS Accessories is an equal opportunity employer and does not discriminate on the basis of personal characteristics. Company has employee handbooks outlining terms and conditions of employment, expectations for employees' conduct and behavior, employees right and benefits. We establish and implement policies that promote a harmony and respectful workplace.

Information in compliance to the condition No 4 of the commission's notification No. BSEC/CMRR D/2009-193/10/ADMIN/118, Dated 22 March 2021.

Lien or Pledge information:

During the period from July 2024 to June 2025, the following directors of the company has not availed any loan or credit facility by lien or pledge of their shares to the lenders at the time of borrowings. They also had not availed any margin loan from the stockholder or portfolio manager.

| Name of the Director | Position in Company | No of Shareholding | % of shareholding |
|----------------------|---------------------|--------------------|-------------------|
| Mr. Khalilur Rahman | Chairman | 32,129,198 | 42.99% |
| Mr. Salim Rahman | Managing Director | 10,531,861 | 14.09% |

Code of Conduct

The underlying philosophy of KDS Accessories Limited's Code is to conduct the business in an ethical manner as well as create a work environment that is conducive for members and associates alike, based on the Company's values and beliefs.

Code of Conduct for Board of Directors was framed and followed accordingly in discharging their duties and responsibilities.

Appointment of auditors & professional

A. Appointment of External Auditors:

A. Qasem & Co, Chartered Accountants, having its office at Faruk Mahal (3rd Floor), Plot-93, Agrabad C/A, Chattogram-4100, Bangladesh is recommended for appointment of external Auditor of the company for the next accounting year for the period from 01 July 2025 to 30 June 2026 and till the conclusion of 35th AGM subject to the approval of shareholders in next AGM and the remuneration to be fixed mutually by the Board of Directors of the Company and the said firm."

B. Appointment of Professional for Corporate Governance Certificate:

On the willingness to be appointed as professional to certify on the compliance of corporate governance as issued by the Bangladesh Securities and Exchange Commission, the Board of Directors in its meeting held on 21 October 2025, recommended the appointment of Shafiq Basak & Co., Chartered Accountants, having its office at National House (1st Floor), 109, Agrabad C/A, Chattogram-4100 for the year 2025-2026 subject to the approval by the shareholders in the 34th AGM.

Compliance of corporate governance

Pursuant to notification No: BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 by Bangladesh Securities and Exchange Commission (BSEC), the Corporate Governance Report and the Auditors' Certificate regarding compliance of conditions of Corporate Governance are made part of the Annual Report and attached in Annexure-B & C, Page : 52-61 respectively.

Directors' responsibilities statement

Pursuant to the BSEC notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 the Directors confirm that:

- The financial statements prepared by the management of KDS Accessories Limited fairly present its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of Account of the company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards (IAS)/ International Financial Reporting Standards (IFRS) as applicable in Bangladesh have been followed in preparation of the financial statements and any departure therefrom has been adequately disclosed.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no doubts upon the Company's ability to continue as a going concern and the accounts have been

prepared on going concern basis.

- vii) The significant deviations from previous period in the operating results of the company have been highlighted in the report and the reasons thereof have been explained.
- viii) The key operating and financial data of last 5 years is disclosed in Page: 38.
- ix) The number of Board Meeting held during the reporting period and the attendance by each director is disclosed in this report in Page: 39.
- x) The pattern of shareholding is disclosed in Annexure-H, Page: 66.
- xi) A compliance status report with requirements of Corporate Governance as required by BSEC is disclosed in Corporate Governance Report and is disclosed in Annexure-C, Page:53.
- xii) Directors' profile is attached in page no 14-18 and their directorship and business interest in other organizations have been disclosed in Board of Directors segment and in Annexure-I, Page: 68.

Appreciation

We thank our customers, vendors, investors, business associates and bankers for their continued support during the years. We place on record our appreciation of the contribution made by workers and employees at all levels. Our resilience to meet challenges was made possible by their hard work, solidarity, co-operation and support.

We thank the Government of Bangladesh, and Government Agencies and Regulatory Bodies-BSEC, DSE, CSE, CDBL, RJSC, NBR and others related parties for their support and look forward to their continued support in the future.

Allah Hafiz
on behalf of the Board



Khalilur Rahman
Chairman
21 October 2025

REPORT OF THE AUDIT COMMITTEE

For the year ended 30 June 2025

The Audit Committee of KDS Accessories Limited is pleased to present its report on the activities carried out during the financial year 2024–2025.

Formation and Composition of the Committee

In compliance with the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission (BSEC) on June 03, 2018, the Board of Directors has established an Audit Committee as a sub-committee of the Board.

The Committee, duly constituted by the Board, comprises the following members:

| Sl. No. | Name of Members | Designation | Position |
|---------|---|----------------------|------------------|
| 1. | Professor Sarwar Jahan | Independent Director | Chairman |
| 2. | Ms. Tahsina Rahman | Director | Member |
| 3. | KDS Garment Inds. Ltd. Represented by Mr Kamrul Hasan Siddiqui FCA, ACMA (UK), CGMA | Director | Member |
| 4. | Mr. Mohammad Ilias | Company Secretary | Member Secretary |

Terms of Reference

The Committee functions under specific terms of reference approved by the Board of Directors in accordance with the BSEC Corporate Governance Code. It assists the Board in ensuring the accuracy of financial reporting, the adequacy of internal controls, the independence and performance of internal and external audits, and compliance with applicable laws, regulations, and the Code of Corporate Governance.

Roles and Responsibilities

The key responsibilities of the Audit Committee include:

- Overseeing the financial reporting process and ensuring transparency and integrity of financial statements.
- Monitoring accounting policies and compliance with IAS and IFRS.
- Reviewing the internal audit plan, its adequacy of resources, and the effectiveness of internal controls.
- Evaluating the performance and independence of external auditors.
- Reviewing quarterly, half-yearly, and annual financial statements before submission to the Board.

- Reviewing related party transactions and management letters issued by auditors.
- Overseeing the determination of audit fees and scope of work.
- Reviewing the Management's Discussion and Analysis (MD&A) prior to inclusion in the Annual Report.

Activities During the Year

During the reporting year, the Audit Committee held four (4) meetings. The major activities were as follows:

- Reviewed the quarterly, half-yearly, and annual financial statements and recommended them to the Board for approval and publication.
- Reviewed the Management's Discussion and Analysis before disclosure in the Annual Report.
- Evaluated the adequacy and effectiveness of the internal audit system and control measures.
- Reviewed internal audit findings and monitored corrective actions taken by management.
- Reviewed the observations of external auditors and ensured compliance with relevant accounting standards.

- Reviewed compliance with BSEC notifications, RJSC requirements, and other applicable regulations.

Appointment of External Auditors

In accordance with the regulations of the Bangladesh Securities and Exchange Commission, the existing statutory auditors, Hussain Farhad & Co., Chartered Accountants, have completed their allowable tenure.

After due consideration, the Audit Committee recommended the appointment of A. Qasem & Co., Chartered Accountants, having its office at Faruk Mahal (3rd Floor), Plot-93, Agrabad C/A, Chattogram-4100, Bangladesh, as the Statutory/ External Auditor of the Company for the financial year from 01 July 2025 to 30 June 2026, subject to approval by the Board of Directors and the shareholders at the Annual General Meeting.

Acknowledgement

The Audit Committee expresses its sincere appreciation to the members of the Board of Directors, the Internal Audit team, the Accounts & Finance Department, and the management of the Company for their continuous support, cooperation, and commitment throughout the year.

On behalf of the Audit Committee,



Professor Sarwar Jahan
Independent Director
& Chairman of the Committee

REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE (NRC)

For the period from July 01, 2024 to June 30, 2025

The Nomination and Remuneration Committee (NRC) of KDS Accessories Limited is pleased to submit the following report on the activities for the financial year 2024-25.

This Nomination and Remuneration Policy is being formulated in compliance with Notification No. BSEC/CMRR D/ 2006-158/ 207/Admin /80, Date: June 03, 2018 on Corporate Governance Code of Bangladesh Securities & Exchange Commission (BSEC). This policy on nomination and remuneration of Directors and top level executives of the company has been formulated by the Nomination and Remuneration Committee (NRC) and has been approved by the Board of Directors. This is a sub-committee of the Board.

The Nomination and Remuneration Committee (NRC) of KDS Accessories Limited is Comprised of the following members:

| Name of Members & Designation | Position |
|--|-----------|
| Professor Sarwar Jahan Independent Director | Chairman |
| Mr. Khalilur Rahman Chairman | Member |
| KDS Garment Inds. Ltd. Represented by Mr Kamrul Hasan Siddiqui FCA, ACMA (UK),CGMA Director | Member |
| Mr. Mohammad Ilias Company Secretary | Secretary |

Terms of Reference

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

Role of the NRC

- NRC Shall be independent and responsible or accountable to the Board and to the shareholders;

- To oversee, among others, the following matters and make report with recommendation to the Board:
 - (i) formulation the criteria for determining qualification, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:
 - (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully,
 - (b) the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
 - (ii) devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background.
 - (iii) identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;
 - (iv) formulating the criteria for evaluation of performance of independent director (s) and the Board
 - (v) identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and
 - (vi) developing, recommending and reviewing annually the company's human resources and training policies;

Meeting of NRC:

During this reporting period, one NRC meeting was held. The NRC of KDS Accessories Limited carried out the following activities during the year 2024-25.

Members of the Nomination and Remuneration Committee (NRC) have elaborately discussed about the Nomination and Remuneration Policy of the Company.

Members of NRC have also reviewed the following activities of the Company:

1. Set up a organization structure where reporting line is clearly defined for the directors and top management team along with standard manpower planning exercise for each and every position for identifying the total requirement.
2. Set up standard pay structure for each job level based on education, experience and competency.
3. A target based on-line performance Management System to evaluate performance of employees. This KPI based PMS leads to Yearly Increment, Promotion of individual.
4. Employee Benefit policy to attract the job seekers and retain internal talents. Succession planning of the company to have our future leaders ready according to the requirements. Ensuring extensive training and development plan for the individual or group of people.
5. A transparent recruitment and selection policy where competent candidates get hired.
6. Practicing a clear career path system for employees which reflect in organization structure

Objective and Policy of the NRC

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors/top management team required to run the company successfully,
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, top level executives reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Appointment and Removal of Director, Top Level Executives and Senior Management

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, top level executives or at Senior Management level and recommend his/her appointment, as per Company's Policy.

b) A person should possess adequate qualification,

expertise and experience for the position he/she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient /satisfactory for the position.

Term /tenure of Independent Director

All companies shall have effective representation of independent directors on their Boards. At least two (one female) or one-fifth (1/5) of the total number of directors in the company's Board whichever is higher shall be independent directors. Qualifications, experience and position of Independent Director shall be as per notification on Corporate Governance Code of Bangladesh Securities & Exchange Commission.

The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM). The post of independent director(s) cannot remain vacant for more than 90 (ninety) days and the tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only. Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]:

Evaluation

The Committee shall carry out evaluation of performance of Director and top level executives yearly or at such intervals as may be considered necessary.

Removal

The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and Stock Exchange(s).

Retirement

The Director or top level executives shall retire as per policy of the Company. The Board will have the discretion to retain the Director of any top level executive even after attaining the retirement age, for the benefit of the Company.

Policy For Remuneration To Directors/top Level Executives:

a) The Remuneration to be paid to Managing Director / Other directors as approved by the NRC Committee.

b) The Nomination and Remuneration Committee shall make such recommendations to the Board of

Directors, as it may consider appropriate with regard to remuneration to Managing Director and other Directors.

c) The Non-Executive / Independent Director may receive meeting fees and such other remuneration as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

d) The remuneration to top level executives shall be fixed consideration their performances and in accordance with the Company's Policy.

Implementation

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in

supplement and for better implementation of this policy as considered appropriate.

Nomination and Remuneration Committee (NRC) expressed their sincere thanks to the members of the Board of Directors, management of the Company for their outstanding support and Co-operation.



Professor Sarwar Jahan

Chairman

of Nomination and Remuneration Committee &
Independent Director

CORPORATE GOVERNANCE REPORT

Corporate governance refers to the structures and processes through which a company is directed and controlled. Sound corporate governance is a fundamental part of the Company's culture and a prerequisite for long-term success. It ensures proper relationships among management, the Board of Directors, controlling shareholders, minority shareholders, and other stakeholders. Good corporate governance contributes to sustainable economic development by enhancing performance, transparency, and accountability.

The Board of Directors of KDS Accessoried Limited is firmly committed to upholding the principles of sound corporate governance in accordance with the Bangladesh Securities and Exchange Commission (BSEC) Corporate Governance Code 2018. The main objective is to create lasting value for all stakeholders through transparency, integrity, and ethical conduct in every aspect of business operations.

Board of Directors

The Board of Directors represents the shareholders and acts as their trustee. The Board of KDS Accessoried Limited comprises five members, including the Chairman, Managing Director, two Directors, and one Independent Director, in compliance with the BSEC Corporate Governance Code.

The Board performs key responsibilities such as setting the Company's strategic direction, providing leadership and supervision, ensuring effective risk management, and safeguarding shareholders' interests. The Board met periodically during the year to review financial and operational performance, approve budgets, monitor compliance, and guide long-term planning.

Audit Committee

KDS Accessoried Limited has an Audit Committee as a sub-committee of the Board of Directors. The Committee assists the Board in ensuring that financial statements present a true and fair view of the Company's affairs and that internal control systems and compliance mechanisms are effective.

The Audit Committee reports to the Board of Directors after each meeting, and its duties and responsibilities are clearly defined in writing in line with BSEC

guidelines. The Committee was reconstituted as per the BSEC Corporate Governance Code and held meetings on a regular basis.

The major activities of the Audit Committee include:

- Reviewing the financial statements and reporting process, including accounting policies and principles.
- Assessing the Company's business risk management framework.
- Reviewing internal audit reports and monitoring corrective actions.
- Overseeing compliance with good corporate practices and internal control adequacy.
- Recommending the appointment or reappointment of external auditors to the Board.

A separate report of the Audit Committee is included in this Annual Report on pages 86–87.

Nomination and Remuneration Committee (NRC)

KDS Accessoried Limited formed a Nomination and Remuneration Committee (NRC) on 3 December 2018 as a sub-committee of the Board of Directors in compliance with BSEC's Corporate Governance Code.

The NRC assists the Board in formulating policies for nomination, evaluation, and remuneration of Directors and top-level executives. It ensures fair, transparent, and performance-based remuneration practices that align with the Company's long-term objectives. The Committee comprises three members, including one Independent Director.

A separate report of the NRC is included in this Annual Report on pages 88–90.

Chairman of the Board, Managing Director, and CEO

In KDS Accessoried Limited, the positions of Chairman and Managing Director are held by two separate individuals to ensure balance of power and

governance transparency. Both perform well-defined responsibilities focused on adding strategic value to the Company.

The Managing Director regularly reviews operations and provides guidance to the Chief Executive Officer (CEO) on strategic and operational issues, while the Chairman focuses on overall policy direction and Board leadership.

Directors' Report to Shareholders

The Board of Directors prepares and presents the Directors' Report to Shareholders every year, summarizing the Company's performance, financial results, and significant achievements. The report also includes the Board's outlook on the industry and the Company's future plans in compliance with the Companies Act 1994 and BSEC requirements.

Chief Financial Officer, Company Secretary, and Head of Internal Audit

The Company has appointed a qualified Chartered Accountant as Chief Financial Officer (CFO), who is a Fellow Member of the Institute of Chartered Accountants of Bangladesh (ICAB). The Company Secretary is also an experienced accounting professional, having completed Chartered Accountancy courses and post-graduation.

The CFO and Company Secretary regularly advise and assist the Board on financial strategy, compliance, and statutory matters. Both officers attend Board meetings as required under the BSEC Corporate Governance Code.

The Internal Audit Department is headed by a qualified and experienced professional with extensive knowledge in internal auditing. The Board of Directors has clearly defined the respective roles, responsibilities, and duties of the CFO, Company Secretary, and Head of Internal Audit and Compliance.

Internal Audit and Control

KDS Accessoried Limited has established an Internal Audit Department comprising competent professionals. The Department reports directly to the Board of Directors through the Audit Committee.

Internal audits are conducted based on an approved annual audit plan, covering operational, financial, and compliance areas. The Department reviews adherence to internal control procedures and ensures that all statutory and regulatory requirements are properly complied with.

External Auditors

The External Auditors of KDS Accessoried Limited are appointed annually at the Annual General Meeting (AGM) by shareholders, in accordance with the Companies Act 1994 and the BSEC Corporate Governance Code.

The Company ensures that its statutory auditors are independent and not engaged in any non-audit services such as accounting, financial consultancy, or internal audit to maintain auditor independence and objectivity.

Key Management Committee

The Board has delegated specific authority to several management-level committees to support strategic decision-making. These include committees for finance, procurement, safety, and operations.

These committees meet regularly to review company performance, assess risks, and recommend corrective or strategic actions to the Board.

Certification on Compliance with the Corporate Governance Code of BSEC

A certificate regarding compliance with the conditions of the BSEC Corporate Governance Code issued by Shafiq Basak & Co., Chartered Accountants is included in this Annual Report as Annexure B (Page 68).

The Board of Directors reaffirms its commitment to maintaining the highest standards of corporate governance and ensuring transparency, accountability, and long-term value creation for all stakeholders.

DECLARATION BY CEO & CFO

21 October 2025
 The Board of Directors
 KDS Accessories Limited
 191-192 Baizid Bostami Road Nasirabad I/A, Chattogram - 4210

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

Dear Sirs,

Pursuant to the condition No. 1(5) (xxvi) imposed vide the commission's Notification No. BSEC/ CMRRC-D/2006-158/207/Admin/80 Dated 03 June, 2019 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

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

In this regard, we also certify that :-

- (i) We have reviewed the financial statements for the year ended on 30 June, 2025 and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



Debasis Daspal
 Chief Executive Officer



Biplob Kanti Banik FCA
 Chief Financial Officer



শফিক বসাক এন্ড কোং
SHAFIQ BASAK & CO.
CHARTERED ACCOUNTANTS

CHATTOGRAM OFFICE :

National House (1st Floor),
109, Agrabad Commercial Area,
Chattogram-4100, Bangladesh.
Phone : 02333311561
 : 02333323680
Web : www.shafiqbasak.com
Email : basak_sbc@yahoo.com
 basak@shafiqbasak.com

Partners:

Md. Shafiqul Islam, FCA
Sampad Kumar Basak, FCA
Sarwar Mahmood, FCA
Md. Ashraful Hoque, FCA

DHAKA OFFICE- (1) :

Shatabdi Centre (6th Floor & 8th Floor)
292, Inner Circular Road,
Fakirpool, Motijheel, Dhaka, Bangladesh.
Phone : 02224401504
 : 02224400480
Web : www.shafiqbasak.com
Email : shafiq_basak@yahoo.com
 shafiq@shafiqbasak.com

Ref: No -SB-CTG-1-33/1229/2025

[Certificate as per condition No. I(5) (xxvii)]

Report to the Shareholders of KDS Accessories Limited on compliance on the Corporate Governance Code.

We have examined the compliance status to the Corporate Governance Code by **KDS Accessories Limited** for the year ended on 30th June 2025. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3rd June 2018; BSEC/CMRRCD/2009-193/66/PRD/148, dated 16 October, 2023 and BSEC/CMRRCD/2009-193/76/PRD/151, dated 04 April, 2024 of the Bangladesh Securities and Exchange Commission.

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

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

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

- The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission, **except condition no. - 1(2)(a).**
- The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code.
- Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws. and
- The Governance of the company is highly satisfactory.

S.K. Basak
SAMPAD KUMAR BASAK, FCA (0625)
PARTNER
SHAFIQ BASAK & CO.
CHARTERED ACCOUNTANTS



Dated: November 05, 2025
Place: Chattogram

DHAKA OFFICE-(2): House - 42 (1st Floor), Road -01, Block - A, Niketan, Gulshan - 01, Dhaka.
Phone : 88-02-9859602-3, 01819-285196, E-mail : mahmoods.bd@gmail.com.

CORPORATE GOVERNANCE COMPLIANCE REPORT

Annexure-C
[As per condition No. 1(5)(xxvii)]

Status of compliance with the condition imposed by the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June, 2018 ; BSEC/CMRRCD/2009-193/66/PRD/148, dated 16 October, 2023 and BSEC/CMRRCD/2009-193/76/PRD/151, dated 04 April, 2024 issued under section 2CC of the Securities and Exchange Ordinance, 1969.

| Condition No. | Title | Compliance Status | | Remarks |
|---------------|--|-------------------|--------------|---|
| | | Complied | Not Complied | |
| 1 | Board of Directors | | | |
| 1(1) | Size of the Board of Directors The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty). | √ | | |
| 1(2) | Independent Directors | | | |
| | All companies shall have effective representation of independent directors on their Boards, so that the Board, as a group, includes core competencies considered relevant in the context of each company; for this purpose, the companies shall comply with the following:- | | | |
| 1(2)(a) | At least 2(two) directors or one-fifth (1/5) of the total number of directors in the company's Board, whichever is higher, shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s); Provided that the Board shall appoint at least 1 (one) female independent director in the Board of Directors of the company; | | √ | Allowed up to December 2025 vide ref no BSEC/ICAD/CGD/2023/106/Part-1/373 dated: 29 July 2025 to appoint a female independent director. |
| 1(2)(b) | Without contravention of any provision of any other laws, for the purpose of this clause, an "independent director" means a director— | | | |
| 1(2)(b)(i) | Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company; | √ | | |
| 1(2)(b)(ii) | who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company; | √ | | |
| 1(2)(b)(iii) | who has not been an executive of the company in immediately preceding 2 (two) financial years; | √ | | |
| 1(2)(b)(iv) | Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies; | √ | | |
| 1(2)(b)(v) | Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange; | √ | | |
| 1(2)(b)(vi) | who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market; | √ | | |
| 1(2)(b)(vii) | Who is not a partner or an executive or was not a Partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm; | √ | | |
| 1(2)(b)(viii) | Who shall not be an independent director in more than 5 (five) listed companies; | √ | | |
| 1(2)(b)(ix) | "(ix) who has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for nonpayment of any loan or advance or obligation to a bank or a financial institution; and" | √ | | |
| 1(2)(b)(x) | Who has not been convicted for a criminal offence involving moral turpitude. | √ | | |
| 1(2)(c) | The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM); Provided that the Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of recommendation of the Nomination and Remuneration Committee (NRC) of the company; | √ | | |
| 1(2)(d) | The post of independent director(s) can not remain vacant for more than 90 (ninety) days. | √ | | |



| Condition No. | Title | Compliance Status | | Remarks |
|---------------|---|-------------------|--------------|---------|
| | | Complied | Not Complied | |
| 1(2)(e) | The tenure of office of an independent director shall be for a period of 3(three) years, which may be extended for 1(one) term only. | √ | | |
| 1(3) | Qualification of Independent Director (ID) | | | |
| 1(3)(a) | Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business. | √ | | |
| 1(3)(b) | Independent director shall have following qualifications: | | | |
| 1(3)(b)(i) | Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk.100.00 million or any listed company or a member of any national or international chamber of commerce or registered business association; or | | | N/A |
| 1(3)(b)(ii) | Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of k. 100.00 million or of a listed company; or | | | N/A |
| 1(3)(b)(iii) | Former or existing official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law: Provided that in case of appointment of existing official as independent director, it requires clearance from the organization where he or she is in service; or | | | N/A |
| 1(3)(b)(iv) | University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or | √ | | |
| 1(3)(b)(v) | Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification; | | | N/A |
| 1(3)(c) | The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b) | √ | | |
| 1(3)(d) | In special cases the above qualifications may be relaxed subject to prior approval of the Commission. | | | N/A |
| 1(4) | Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:- | | | |
| 1(4)(a) | The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals. | √ | | |
| 1(4)(b) | The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company | √ | | |
| 1(4)(c) | The Chairperson of the Board shall be elected from among the non-executive directors of the company; | √ | | |
| 1(4)(d) | The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer; | √ | | |
| 1(4)(e) | In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes. | | | N/A |
| 1(5) | The Directors' Report to Shareholders | | | |
| | The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994):- | | | |
| 1(5)(i) | An industry outlook and possible future developments in the industry | √ | | |
| 1(5)(ii) | The segment-wise or product-wise performance | √ | | |
| 1(5)(iii) | Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any; | √ | | |
| 1(5)(iv) | A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable; | √ | | |



| Condition No. | Title | Compliance Status | | Remarks |
|----------------|---|-------------------|--------------|---------|
| | | Complied | Not Complied | |
| 1(5)(v) | A discussion on continuity of any extraordinary activities and their implications (gain or loss); | √ | | |
| 1(5)(vi) | A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions; | √ | | |
| 1(5)(vii) | A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments | √ | | |
| 1(5)(viii) | An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.; | | | N/A |
| 1(5)(ix) | An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements; | √ | | |
| 1(5)(x) | A statement of remuneration paid to the directors including independent directors; | √ | | |
| 1(5)(xi) | A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity; | √ | | |
| 1(5)(xii) | A statement that proper books of account of the issuer company have been maintained; | √ | | |
| 1(5)(xiii) | A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment | √ | | |
| 1(5)(xiv) | A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed; | √ | | |
| 1(5)(xv) | A statement that the system of internal control is sound in design and has been effectively implemented and monitored; | √ | | |
| 1(5)(xvi) | A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress; | √ | | |
| 1(5)(xvii) | A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed; | √ | | |
| 1(5)(xviii) | An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained; | √ | | |
| 1(5)(xix) | A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized | √ | | |
| 1(5)(xx) | An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year; | | | N/A |
| 1(5)(xxi) | Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend; | √ | | |
| 1(5)(xxii) | The total number of Board meetings held during the year and attendance by each director; | √ | | |
| 1(5)(xxiii) | A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:- | | | |
| 1(5)(xxiii)(a) | Parent or Subsidiary or Associated Companies and other related parties (name-wise details); | √ | | |
| 1(5)(xxiii)(b) | Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details); | √ | | |
| 1(5)(xxiii)(c) | Executives; and | √ | | |
| 1(5)(xxiii)(d) | Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details); | √ | | |
| 1(5)(xxiv) | In case of the appointment or re-appointment of a director the company shall disclose the following information to the shareholders: | | | |
| 1(5)(xxiv)(a) | A brief resume of the director | √ | | |
| 1(5)(xxiv)(b) | Nature of his/her expertise in specific functional areas; | √ | | |
| 1(5)(xxiv)(c) | Names of companies in which the person also holds the directorship and the membership of committees of the board. | √ | | |



| Condition No. | Title | Compliance Status | | Remarks |
|---------------|---|-------------------|--------------|---------|
| | | Complied | Not Complied | |
| 1(5)(xxv) | A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on: | | | |
| 1(5)(xxv)(a) | Accounting policies and estimation for preparation of financial statements; | √ | | |
| 1(5)(xxv)(b) | Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes; | √ | | |
| 1(5)(xxv)(c) | Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof; | √ | | |
| 1(5)(xxv)(d) | Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario; | √ | | |
| 1(5)(xxv)(e) | Briefly explain the financial and economic scenario of the country and the globe; | √ | | |
| 1(5)(xxv)(f) | Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and | √ | | |
| 1(5)(xxv)(g) | future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM; | √ | | |
| 1(5)(xxvi) | Declaration or certification by the CEO and the CFO to the Board as required under condition No.3(3) shall be disclosed as per <i>Annexure-A</i> | √ | | |
| 1(5)(xxvii) | The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per <i>Annexure-B</i> and <i>Annexure-C</i> ; | √ | | |
| 1(5)(xxviii) | The Directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality. | √ | | |
| 1(6) | Meetings of the Board of Directors | | | |
| | The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code | √ | | |
| 1(7) | Code of Conduct for the Chairperson, other Board members and Chief Executive Officer | | | |
| 1(7)(a) | The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company; | √ | | |
| 1(7)(b) | The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency. | √ | | |
| 2 | Governance of Board of Directors of Subsidiary Company.- | | | |
| 2(a) | Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company; | | | N/A |
| 2(b) | At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company; | | | N/A |
| 2(c) | The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company | | | N/A |
| 2(d) | The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also; | | | N/A |
| 2(e) | The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company | | | N/A |
| 3 | Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS).- | | | |



| Condition No. | Title | Compliance Status | | Remarks |
|---------------|---|-------------------|--------------|--|
| | | Complied | Not Complied | |
| 3(1) | Appointment | | | |
| 3(1)(a) | The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC); | √ | | |
| 3(1)(b) | The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals; | √ | | |
| 3(1)(c) | The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time: Provided that CFO or CS of any listed company may be appointed for the same position in any other listed or non-listed company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission: Provided further that the remuneration and perquisites of the said CFO or CS shall be shared by appointing companies proportionately; | √ | | Approved by Ministry of Commerce for MD (Exemption of U/S 109) |
| 3(1)(d) | The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS; | √ | | |
| 3(1)(e) | The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s). | √ | | |
| 3(2) | Requirement to attend Board of Directors' Meetings | | | |
| | The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: | √ | | |
| 3(3) | Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO) | | | |
| 3(3)(a) | The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief: | | | |
| 3(3)(a)(i) | these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and | √ | | |
| 3(3)(a)(ii) | these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws; | √ | | |
| 3(3)(b) | The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members; | √ | | |
| 3(3)(c) | The certification of the MD or CEO and CFO shall be disclosed in the Annual Report. | √ | | |
| 4 | Board of Directors' Committee.- | | | |
| | For ensuring good governance in the company, the Board shall have at least following sub-committees: | | | |
| 4(i) | Audit Committee; and | √ | | |
| 4(ii) | Nomination and Remuneration Committee. | √ | | |
| 5 | Audit Committee.- | | | |
| 5(1) | Responsibility to the Board of Directors. | | | |
| 5(1)(a) | The company shall have an Audit Committee as a subcommittee of the Board; | √ | | |
| 5(1)(b) | The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business; | √ | | |
| 5(1)(c) | The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing. | √ | | |
| 5(2) | Constitution of the Audit Committee. | | | |
| 5(2)(a) | The Audit Committee shall be composed of at least 3 (three) members; | √ | | |
| 5(2)(b) | The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director; | √ | | |
| 5(2)(c) | All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience; | √ | | |



| Condition No. | Title | Compliance Status | | Remarks |
|----------------|--|-------------------|--------------|---------|
| | | Complied | Not Complied | |
| 5(2)(d) | When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or <i>not later than 60 (sixty) days</i> from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee; | | | N/A |
| 5(2)(e) | The company secretary shall act as the secretary of the Committee; | √ | | |
| 5(2)(f) | The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director. | √ | | |
| 5(3) | Chairperson of the Audit Committee | | | |
| 5(3)(a) | The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director; | √ | | |
| 5(3)(b) | In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes. | √ | | |
| 5(3)(c) | Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM). | √ | | |
| 5(4) | Meeting of the Audit Committee | | | |
| 5(4)(a) | The Audit Committee shall conduct at least its four meetings in a financial year. | √ | | |
| 5(4)(b) | The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must. | √ | | |
| 5(5) | Role of Audit Committee | | | |
| | The Audit Committee shall:- | | | |
| 5(5)(a) | oversee the financial reporting process; | √ | | |
| 5(5)(b) | monitor choice of accounting policies and principles; | √ | | |
| 5(5)(c) | monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report; | √ | | |
| 5(5)(d) | oversee hiring and performance of external auditors; | √ | | |
| 5(5)(e) | hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption; | √ | | |
| 5(5)(f) | review along with the management, the annual financial statements before submission to the Board for approval; | √ | | |
| 5(5)(g) | review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval; | √ | | |
| 5(5)(h) | review the adequacy of internal audit function; | √ | | |
| 5(5)(i) | review the Management's Discussion and Analysis before disclosing in the Annual Report; | √ | | |
| 5(5)(j) | review statement of all related party transactions submitted by the management; | √ | | |
| 5(5)(k) | review Management Letters or Letter of Internal Control weakness issued by statutory auditors; | | | N/A |
| 5(5)(l) | Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance the external auditors ; and | √ | | |
| 5(5)(m) | oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission. | | | N/A |
| 5(6) | Reporting of the Audit Committee | | | |
| 5(6)(a) | Reporting to the Board of Directors | | | |
| 5(6)(a)(i) | The Audit Committee shall report on its activities to the Board. | √ | | |
| 5(6)(a)(ii) | The Audit Committee shall immediately report to the Board on the following findings, if any: | | | |
| 5(6)(a)(ii)(a) | report on conflicts of interests; | | | N/A |



| Condition No. | Title | Compliance Status | | Remarks |
|----------------|---|-------------------|--------------|---------|
| | | Complied | Not Complied | |
| 5(6)(a)(ii)(b) | suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements; | | | N/A |
| 5(6)(a)(ii)(c) | suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and | | | N/A |
| 5(6)(a)(ii)(d) | any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately; | | | N/A |
| 5(6)(b) | Reporting to the Authorities | | | |
| | If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier. | | | N/A |
| 5(7) | Reporting to the Shareholders and General Investors | | | |
| | Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company. | √ | | |
| 6 | Nomination and Remuneration Committee (NRC). | | | |
| 6(1) | Responsibility to the Board of Directors | | | |
| 6(1)(a) | The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board; | √ | | |
| 6(1)(b) | The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive; | √ | | |
| 6(1)(c) | The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No.6(5)(b). | √ | | |
| 6(2) | Constitution of the NRC | | | |
| 6(2)(a) | The Committee shall comprise of at least three members including an independent director; | √ | | |
| 6(2)(b) | “(b) <i>At least 02 (two) members</i> of the Committee shall be non-executive directors;” | √ | | |
| 6(2)(c) | Members of the Committee shall be nominated and appointed by the Board; | √ | | |
| 6(2)(d) | The Board shall have authority to remove and appoint any member of the Committee; | √ | | |
| 6(2)(e) | In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee; | √ | | |
| 6(2)(f) | The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee; | √ | | |
| 6(2)(g) | The company secretary shall act as the secretary of the Committee; | √ | | |
| 6(2)(h) | The quorum of the NRC meeting shall not constitute without attendance of at least an independent director; | √ | | |
| 6(2)(i) | No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company. | √ | | |
| 6(3) | Chairperson of the NRC | | | |
| 6(3)(a) | The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director; | √ | | |
| 6(3)(b) | In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes; | √ | | |
| 6(3)(c) | The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders. | √ | | |



| Condition No. | Title | Compliance Status | | Remarks |
|---------------|---|-------------------|--------------|---------|
| | | Complied | Not Complied | |
| 6(4) | Meeting of the NRC | | | |
| 6(4)(a) | The NRC shall conduct at least one meeting in a financial year; | √ | | |
| 6(4)(b) | The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC; | √ | | |
| 6(4)(c) | The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h); | √ | | |
| 6(4)(d) | The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC | √ | | |
| 6(5) | Role of the NRC | | | |
| 6(5)(a) | NRC shall be independent and responsible or accountable to the Board and to the shareholders; | √ | | |
| 6(5)(b) | NRC shall oversee, among others, the following matters and make report with recommendation to the Board: | | | |
| 6(5)(b)(i) | formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following: | | | |
| 6(5)(b)(i)(a) | the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully; | √ | | |
| 6(5)(b)(i)(b) | the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and | √ | | |
| 6(5)(b)(i)(c) | remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals; | √ | | |
| 6(5)(b)(ii) | devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality; | √ | | |
| 6(5)(b)(iii) | identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board; | √ | | |
| 6(5)(b)(iv) | formulating the criteria for evaluation of performance of independent directors and the Board; | √ | | |
| 6(5)(b)(v) | identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and | √ | | |
| 6(5)(b)(vi) | developing, recommending and reviewing annually the company's human resources and training policies; | √ | | |
| 6(5)(c) | The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report. | √ | | |
| 7 | External or Statutory Auditors. | | | |
| 7(1) | The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:- | | | |
| 7(1)(i) | appraisal or valuation services or fairness opinions; | √ | | |
| 7(1)(ii) | financial information systems design and implementation; | √ | | |
| 7(1)(iii) | book-keeping or other services related to the accounting records or financial statements; | √ | | |
| 7(1)(iv) | broker-dealer services; | √ | | |
| 7(1)(v) | actuarial services; | √ | | |
| 7(1)(vi) | internal audit services or special audit services; | √ | | |
| 7(1)(vii) | any service that the Audit Committee determines; | √ | | |
| 7(1)(viii) | audit or certification services on compliance of corporate governance as required under condition No. 9(1); and | √ | | |
| 7(1)(ix) | any other service that creates conflict of interest. | √ | | |
| 7(2) | No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company: | √ | | |



| Condition No. | Title | Compliance Status | | Remarks |
|---------------|---|-------------------|--------------|---------|
| | | Complied | Not Complied | |
| 7(3) | Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders. | √ | | |
| 8 | Maintaining a website by the Company. | | | |
| 8(1) | The company shall have an official website linked with the website of the stock exchange. | √ | | |
| 8(2) | The company shall keep the website functional from the date of listing. | √ | | |
| 8(3) | The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s). | √ | | |
| 9 | Reporting and Compliance of Corporate Governance:- | | | |
| 9(1) | The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report. | √ | | |
| 9(2) | The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting. | √ | | |
| 9(3) | The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not. | √ | | |



MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

For the year ended 30 June 2025

1. Industry Overview

The packaging and trims sector of Bangladesh remains closely linked to the ready-made garment (RMG) industry. During FY 2024–25, export-oriented garment manufacturers experienced moderate recovery in order flows amid continued cost pressures and competitive pricing.

Within this environment, demand for high-quality and compliant packaging solutions remained stable, driven by buyers' increasing emphasis on sustainability, timely delivery, and product traceability.

2. Company Performance Summary

During FY 2024–25, the Company achieved significant growth in revenue, increasing to Tk. 2,88,81,58,169 from Tk. 2,53,06,78,096 in the previous year — a rise of nearly 14.13%.

Despite increases in operating costs and financial expenses, net profit after tax improved modestly to Tk. 16.37 crore, compared to Tk. 15.38 crore in FY

2023–24, supported by efficient production management and disciplined financial control.

The Company continued to strengthen its position as a reliable supplier to leading RMG exporters by maintaining product quality, delivery consistency, and customer trust.

3. Segment and Product-wise Performance

The Company's core operations comprise two principal segments —

- Packaging products, including cartons, polybags, and paperboard items; and
- Trims and accessories, including labels, tags, and thread items.

Both segments performed steadily, with packaging products contributing the majority of revenue growth. Ongoing modernization in printing and finishing facilities enhanced product precision and client satisfaction.

4. Financial Highlights

| Indicator | FY 2024–25 | FY 2023–24 | Change |
|---------------------------------|------------------|------------------|---|
| Revenue | Tk. 288.82 crore | Tk. 253.07 crore | ↑ +14.13% |
| Gross Profit | Tk. 49.64 crore | Tk. 45.82 crore | ↑ +8.34 % |
| Gross Margin | 17.19 % | 18.11 % | ↓ (0.92 pp) |
| Net Profit After Tax | Tk. 16.37 crore | Tk. 15.38 crore | ↑ +6.50 % |
| Net Profit Margin | 5.67 % | 6.08 % | Slight decline due to cost rise |
| Earnings Per Share (EPS) | Tk. 2.19 | Tk. 2.16 | Stable |
| Net Asset Value (NAV) per Share | Tk. 27.71 | Tk. 27.29 | ↑ +1.54 % |
| NOCFPS | Tk. 2.19 | Tk. 11.38 | ↓ due to higher supplier payments and interest cost |

5. Discussion on Financial Position and Liquidity

Operating cash inflow during FY 2024–25 decreased primarily due to higher payments to suppliers and increased financial expenses from rising lending rates.

Nevertheless, the Company maintained sufficient liquidity to meet all operational and financial commitments on time.

Management continues to practice prudent working-capital management and close coordination with banking partners to ensure sustainable cash-flow stability.

6. Cost and Efficiency Management

Factory overhead, administrative, and selling expenses increased moderately during the year due to inflationary pressure and higher business activity.

However, cost growth remained proportionate to revenue increase, and the Company maintained an efficient cost-to-revenue ratio through strict budgetary control and productivity improvements.

7. Risks and Concerns

Major risks include fluctuations in raw-material prices, foreign exchange exposure, and extended working-capital cycles typical of this industry.

The Company mitigates these risks through effective supplier management, cost discipline, and compliance with internal control and risk-management policies overseen by the Audit Committee.

8. Outlook and Future Direction

The Company remains cautiously optimistic for FY 2025–26.

Management will continue to focus on operational efficiency, automation, and eco-friendly packaging innovation in line with buyer expectations.

Future growth will depend on continued global apparel demand and the Company's ability to enhance value through product quality and responsiveness.

These initiatives are consistent with the year's guiding theme — "Packaging the Future."

9. Related Party Transactions

All related-party transactions were conducted at arm's-length and in compliance with BSEC regulations. Details are disclosed in Note X of the audited financial statements.

10. Extraordinary Items and Seasonality

There were no extraordinary or non-recurring items affecting results during the year. The business is not subject to material seasonal variation.

11. Conclusion

Management acknowledges the continued trust of shareholders, customers, and employees.

The Company will maintain its focus on disciplined execution, innovation, and sustainable operations to enhance shareholder value and uphold its position as a trusted packaging and trims partner for the garment industry.

Signed on behalf of Management



Debasis Daspal
Chief Executive Officer



The **greener** way
forward



KDS Accessories Limited

FINANCIAL HIGHLIGHTS

ANNEXURE - E

| Particulars | Amount in BDT. Million | | | | |
|---|------------------------|-----------------|-----------------|-----------------|-----------------|
| | 2024-2025 | 2023-2024 | 2022-2023 | 2021-2022 | 2020-2021 |
| Assets Employed | | | | | |
| Non Current Assets | 1,041.30 | 1,118.94 | 1,207.47 | 1,291.25 | 1,308.18 |
| Net Current Assets (Current Assets - Current Liabilities) | 1,232.11 | 1,041.94 | 896.24 | 774.30 | 632.90 |
| Total Assets Employed | 2,273.41 | 2,160.88 | 2,103.71 | 2,065.55 | 1,941.08 |
| Financed by | | | | | |
| Share Capital | 747.41 | 711.82 | 711.82 | 711.82 | 711.82 |
| Share Premium | 120.00 | 120.00 | 120.00 | 120.00 | 120.00 |
| Revaluation Reserve | 214.39 | 214.39 | 214.39 | 214.39 | 214.39 |
| Retained Earnings | 989.05 | 896.48 | 813.91 | 774.55 | 715.59 |
| Shareholders' Equity | 2,070.86 | 1,942.70 | 1,860.12 | 1,820.76 | 1,761.81 |
| Long Term Borrowings | 27.76 | 53.77 | 82.56 | 101.68 | 46.31 |
| Lease Finance | - | - | - | - | - |
| Defined benefit obligations - Gratuity | 161.79 | 145.06 | 137.30 | 119.46 | 103.34 |
| Deferred Tax Liabilities | 13.01 | 19.35 | 23.73 | 23.66 | 29.61 |
| Total Capital Employed | 2,273.41 | 2,160.88 | 2,103.71 | 2,065.55 | 1,941.08 |
| Operational Result | | | | | |
| Revenue | 2,888.16 | 2,530.68 | 2,794.57 | 3,199.68 | 2,217.94 |
| Gross Profit | 496.45 | 458.23 | 555.02 | 496.70 | 424.62 |
| Profit from Operations | 217.42 | 211.64 | 318.58 | 243.88 | 213.80 |
| Profit before Interest, Taxes & Depreciation Allowances | 298.73 | 298.90 | 407.94 | 335.04 | 302.41 |
| Profit before Income Tax | 192.80 | 189.51 | 197.23 | 188.59 | 176.58 |
| Profit after Income Tax | 163.75 | 153.76 | 153.25 | 165.73 | 156.95 |
| Ratios | | | | | |
| Gross Profit Ratio - % | 17.19% | 18.11% | 19.86% | 15.52% | 19.14% |
| Net Profit Ratio - % | 5.67% | 6.08% | 5.48% | 5.18% | 7.08% |
| EBITDA Margin to Sales - % | 10.34% | 11.81% | 14.60% | 10.47% | 13.63% |
| Return on Shareholders Equity - % | 7.91% | 7.91% | 8.24% | 9.10% | 8.91% |
| Return on Capital Employed - % | 7.20% | 7.12% | 7.28% | 8.02% | 8.09% |
| Current Ratio - Times | 1.52 | 1.56 | 1.39 | 1.30 | 1.35 |
| Quick Ratio - Times | 1.19 | 1.25 | 1.05 | 0.96 | 0.96 |
| Inventory Turnover Ratio - Times | 3.57 | 3.06 | 2.72 | 3.46 | 2.83 |
| Assets Turnover Ratio - Times | 0.66 | 0.60 | 0.62 | 0.76 | 0.63 |
| Debt Equity Ratio - Times | 1.25 | 1.08 | 1.35 | 1.55 | 1.14 |
| Interest Coverage Ratio - Times | 10.30 | 11.66 | 1.72 | 3.97 | 11.79 |
| Price/Earning (P/E) Ratio - Times | 18.03 | 17.55 | 35.76 | 25.77 | 22.41 |
| Earning Per Share (EPS) - Taka* | 2.19 | 2.16 | 2.15 | 2.33 | 2.20 |
| Net Operating Cash Flow Per Share (NOCFPS) - Taka | 2.19 | 11.38 | (8.97) | 8.97 | 6.58 |
| Dividend Per Share (DPS) - Taka | 1.00 | 1.00 | 1.00 | 1.60 | 1.50 |
| Net Assets Value (NAV) Per Share - Taka | 27.71 | 27.29 | 26.13 | 25.58 | 24.75 |
| Market Price per share as on 30 June - Taka | 39.50 | 37.90 | 77.00 | 60.00 | 49.40 |
| Market Capitalization at 30 June - Taka (mn) | 2,952.29 | 2,697.81 | 5,481.04 | 4,270.94 | 3,516.41 |
| **Weighted Average Number of Share - in mn (to determine EPS) | 74.74 | 71.18 | 71.18 | 71.18 | 71.18 |
| **Number of Share - in mn (to determine NAVPS & NOCFPS) | 74.74 | 71.18 | 71.18 | 71.18 | 71.18 |

RELATED PARTY TRANSACTIONS

ANNEXURE-G

During the period the Company carried out a number of transactions with related parties in the normal course of business on an arms' length basis. The details discloser of related party transactions is presented below:

| SI No | Name of Related Parties | Relationship | Nature of Transactions | Balance as on 01 July 2024 | Transaction during the year (Net) | Balance as on 30 June 2025 |
|-------|--------------------------------|---------------------|--------------------------|----------------------------|-----------------------------------|----------------------------|
| 1. | KDS Fashion Limited | Common Directorship | Receivable Against Sales | 87,975,225 | (7,319,010) | 139,230,767 |
| 2. | KDS Garment Industries Limited | Common Directorship | Receivable Against Sales | 44,890,794 | 17,936,244 | 44,336,859 |
| 3. | KDS IDR Limited | Common Directorship | Receivable Against Sales | 124,151,859 | 11,544,905 | 135,696,764 |
| 4. | KDS Apparels Limited | Common Directorship | Receivable Against Sales | 12,784,239 | (8,837,605) | 3,946,634 |
| 5. | KDS Poly Industries Limited | Common Directorship | Short Term Loan | 46,330,556 | 4,505,061 | 50,835,617 |
| 6. | KDS Thread Limited | Common Directorship | Short Term Loan | 772,047,913 | 172,591,669 | 944,639,582 |

SHAREHOLDING PATTERN AS ON 30 JUNE 2025

ANNEXURE-H

a) Shareholding Pattern of the Company as on 30 June 2025 was as below.

| Name/Particulars of Shareholders | Number of Shares | % of total Shareholding |
|--|-------------------|-------------------------|
| i) Directors & Sponsors | | |
| Mr. Khalilur Rahman | 32,129,198 | 42.99% |
| Mr. Salim Rahman | 10,531,861 | 14.09% |
| Ms. Tahsina Rahman | 2,873,298 | 3.84% |
| KDS Garment Industries Limited Represented by Mr. Kamrul Hasan Siddiqui FCA, ACMA (UK), CGMA | 1,503,512 | 2.01% |
| Ms. Hasina Iqbal | 771,108 | 1.03% |
| Ms. Tahmina Rahman | 454 | 0.001% |
| Total of Directors & Sponsors | 47,809,431 | 63.97% |
| ii) General Public | 15,870,312 | 21.23% |
| iii) Institutions | 11,061,736 | 14.80% |
| Grand Total (i++) | 74,741,479 | 100.00% |

b) Parent Subsidiary/Associated Companies and other related parties:

| Name | Relation | No. of Shares Hold |
|--------------------------------|---------------|--------------------|
| KDS Garment Industries Limited | Group Company | 1,503,512 |
| Total | | 1,503,512 |

c) Directors/Sponsors/CEO/CFO/CS/Head of Internal Audit and their spouses and minor children:

| Name | Relation | No. of Shares Hold |
|--|---------------------------------------|--------------------|
| Mr. Khalilur Rahman | Chairman | 32,129,198 |
| Mr. Salim Rahman | Managing Director | 10,531,861 |
| Ms. Tahsina Rahman | Director | 2,873,298 |
| KDS Garments Industries Limited Represented by Mr. Kamrul Hasan Siddiqui FCA, ACMA (UK), CGMA | Director | 1,503,512 |
| Professor Sarwar Jahan | Independent Director | - |
| Ms. Hasina Iqbal | Sponsor | 771,108 |
| Ms. Tahmina Rahman | Sponsor | 454 |
| Mr. Debasis Daspal | CEO | 357 |
| Mr. Biplob Kanti Banik FCA | CFO | - |
| Mr. Mohammad Ilias | Company Secretary | - |
| Mr. H M Morshed Jahan | Incharge, Internal Audit & Compliance | - |

d) Shareholding status of top 5 employees other than CEO, CFO, CS & HIA:

| Name | Relation | No. of Shares Hold |
|--------------------------|-------------------------------|--------------------|
| Shahab Uddin Mohd Jaffar | COO | - |
| Mr. Anwar-Ul-Azam | VP-HR, Compliance & Operation | - |
| Mr. Abu Taher | GM-Sales | - |
| Mr. Abdur Rouf Mollah | GM-Button | - |
| Mr. A.K.S Parvez | GM-Packaging | - |

e) Shareholders holding 10% or more voting interest in the company.

| Name | Relation | No. of Shares Hold |
|---------------------|-------------------|--------------------|
| Mr. Khalilur Rahman | Chairman | 32,129,198 |
| Mr. Salim Rahman | Managing Director | 10,531,861 |

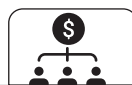
DIRECTORSHIP IN OTHER COMPANIES

As on 30 June, 2025

| Name of Companies | Name of the Directors | | | | |
|--------------------------------------|-----------------------|-------------------|--------------------|---|------------------------|
| | Mr. Khalilur Rahman | Mr. Salim Rahman | Ms. Tahsina Rahman | KDS Garments Industries Limited (Represented by Mr. Kamrul Hasan Siddiqui FCA, ACMA (UK), CGMA) | Professor Sarwar Jahen |
| KDS Garment Industries Limited | Chairman | Managing Director | - | - | - |
| KDS Apparels Limited | Chairman | Managing Director | - | - | - |
| KDS Fashion Limited | Chairman | Managing Director | - | - | - |
| KDS Textile Mills Limited | Chairman & MD | Director | - | - | - |
| KDS Thread Limited | Chairman | Managing Director | - | - | - |
| KDS Poly Industries Limited | Chairman | Managing Director | - | - | - |
| KDS Logistics Limited | Chairman | Managing Director | - | - | - |
| KY Steel Mills Limited | Managing Director | - | Chairman | - | - |
| KYCR Coil Industries Limited | Managing Director | Chairman | Director | - | - |
| Steel Accessories Limited | Chairman | Managing Director | - | - | - |
| Pragati Life Insurance Limited | Chairman | - | - | - | - |
| Pragati Insurance Limited | Director | - | - | - | - |
| National Bank PLC | Director | - | - | - | - |
| AIBL Capital Market Services Limited | Chairman | - | - | - | - |
| Al-Arafah Islami Bank PLC | - | Director | - | - | - |

STAKEHOLDER ENGAGEMENT AND COMMUNICATION

At KDS Accessories Ltd., we recognize that strong relationships with our stakeholders are essential for sustainable growth and success. We are committed to maintaining open, transparent, and regular communication with all our stakeholders, which include shareholders, employees, clients, suppliers, regulatory bodies, and the communities we operate in. Our stakeholder engagement strategies are designed to ensure that we address stakeholder concerns, align with their expectations, and build lasting trust.



SHAREHOLDERS

We prioritize transparency in our communication with shareholders. Through regular updates, annual reports, and the Annual General Meeting (AGM), we provide comprehensive insights into our financial performance, strategic direction, and sustainability initiatives. Our Investor Relations portal is a key resource for shareholders to access timely information and raise queries.



EMPLOYEES

Engagement with employees is fostered through internal communication channels, regular feedback sessions, training programs, and welfare initiatives. We ensure that our workforce is informed about company goals, safety measures, and development opportunities, promoting a sense of ownership and belonging.



CLIENTS AND PARTNERS

We maintain close relationships with our clients and partners, providing consistent quality, timely delivery, and responsive service. Regular meetings, performance reviews, and feedback channels ensure that we continue to meet the expectations of our valued clients, including those like Kantoor and Timberland.



SUPPLIERS

Our suppliers are essential to our supply chain integrity. We work closely with them, establishing long-term partnerships based on trust, quality, and compliance with our ethical standards.



COMMUNITY ENGAGEMENT

As part of our corporate social responsibility, we actively engage with local communities through educational support, health programs, and environmental initiatives. Our community outreach reflects our commitment to creating a positive social impact.

Through these engagement practices, KDS Accessories Ltd. fosters meaningful relationships that contribute to long-term growth and mutual success.

PRODUCT SEGMENT

**WE DELIVER
INNOVATIVE, EFFICIENT &
VALUE DRIVEN SOLUTIONS
FOR OUR ESTEEMED
CUSTOMERS**



THINK STRENGTH & ROBUSTNESS **KDS CARTON**

CORRUGATED CARTON

BDT. 2,369.70 mn

- 100,000 AVERAGE SIZE BOXES/ DAY.
- HIGHEST SINGLE PLANT CAPACITY.
- HIGH SPEED DIE CUTTING MACHINES TO PRODUCE COMPLEX DESIGN.
- AUTOMATIC PRINTING AND GLUING MACHINES.
- IMS (ISO-9001:2015, ISO-14001:2015, BS OHSAS-18001: 2007) CERTIFIED.
- IN HOUSE TESTING LAB.
- OVER 30 YEARS OF PLANT ENGINEERING EXPERIENCE.





BUTTON

BDT. 173.72 mn

- Free from any RSL-substance like lead, cadmium, nickel and chromium or any Azo-Compound and phthalate.
- Using world branded Machineries.
- Full Scale testing laboratories.
- Laser with turning machines. (with color logo/side logo machine).
- All types of plastic button, Specially hom and sheet buttons.
- Button size started from 13L to 60L.

**ATTACH YOUR
FASHION
WITH OUR FINEST
COLLECTION OF
BUTTON**

*Using imported Raw Materials
from Europe.*



TAG FREE LABELING WITH OUR **HEAT TRANSFER** PRINTING FACILITY

HEAT TRANSFER

BDT. 10.67 mn

- COMPLETE PRE-PRESS CAPABILITIES.
- A RANGE OF MODERN HEAT TRANSFER SYSTEMS.
- ECO-FRIENDLY, AZO, APEO, PVC, DOP FREE
- STICKER TRANSFER (CARCINOGENIC ITEMS).
- SUPER QUALITY PRODUCTION WITH HIGHER PRODUCTION CAPACITY.
- CAN PRODUCE IMAGE TRANSFER, SUBLIMATION PRINTING.
- OVERALL SATISFACTION





*We Weave
Your Dreams
on Our Fine
Woven Label*

WOVEN LABEL

BDT. 04.78 mn

- HIGH SPEED ALIRJET LOOMS-REDUCED LEAD TIME PER BOOKING.
- ULTRASONIC SLITTING-SOFT EDGE WOVEN REQUIREMENTS
- UPDATED TEXTILE CAD SYSTEMS-WEAVING ACCURACY
- HIGH SKILLED TECHNICIANS & PRODUCT DEVELOPMENT TEAM.
- 100% QC SYSTEM FOR ALL PRODUCTIONS & RAW MATERIALS
- NEEDLE LOOMS-WOVEN EDGE LABEL REQUIREMENTS
- HIGH COLOR ACCURACY THROUGH SPECTROPHOTOMETER MEASURING.
- IN-HOUSE COLOR FASTNESS TESTING CAPABILITIES
- OEKO-TEX® STANDARD 100 CERTIFIED FOR HUMAN-ECOLOGICAL REQUIREMENTS/BABY ARTICLES.



COMPLEMENTING THE APPAREL LUXURY AND COMFORT THROUGH OUR **ELASTIC & NARROW FABRIC**

BDT. 151.38 mn

- IN-HOUSE WARPING FACILITIES.
- IN-HOUSE STARCHING AND FINISHING REQUIREMENTS.
- HIGH PRESSURE RIBBON CALENDARING MACHINE.
- ABILITY TO WEAVE JACQUARD DESIGN WOVEN ELASTICS OF BOTH NYLON AND POLYESTER.
- CAN WEAVE COTTON, NYLON AND POLYESTER RIBBONS



HEIGHTEN YOUR BRAND
WITH OUR PRINTING
PROFICIENCY

OFFSET PRINTING

BDT. 65.50 mn

- COMPLETE PRE-PRESS CAPABILITIES.
- USING FSC CERTIFIED PAPER SOURCE.
- IN-HOUSE PRINT QUALITY TESTING EQUIPMENT'S.
- 100% QC SYSTEM FOR ALL PRODUCTION & RAW MATERIALS.
- GRAPHIC DESIGN DEPT. WITH LATEST MAC OS & WINDOWS OS.
- SECURED DATA TRANSFER SYSTEM FOR GRAPHIC DESIGNS/VARIABLE DATA.
- COLOR QUALITY MANAGEMENT BY SPECTROPHOTOMETER AND I-COLOR SOFTWARE.



ENHANCE YOUR BRAND SOPHISTICATION **PRINTED FABRIC LABEL**

BDT. 59.92 mn

- HIGH SPEED FLEXO PRINTING MACHINES-REDUCED LEAD TIME PER BOOKING.
- PRINTED CLINDER AVAILABILITY TO PRINT ANY LENGTH 10MM TO 340MM.
- VERY HIGH PRINT ACCURACY USING DIFFERENT ANILOX
- FULL IN-HOUSE PRE-PRESS CAPABILITIES.
- IN-HOUSE RIBBON PRODUCTION FACILITY.
- ADDITIONAL INK CURING FACILITY TO ASSURE WASH FASTNESS
- OEKO-TEX® STANDARD 100 CERTIFIED FOR HUMAN-ECOLOGICAL REQUIREMENTS/BABY ARTICLES.



GILIGAN & O'MALLEY & Co.
full coverage underwire bra
southern-gorge courtant & intimates



ORIGINAL
Weatherproof
VINTAGE 100
since 1988



FINEST QUALITY
SUPPLY CO. INC.
X DRY GOODS X
F&F



GEBAN
Softly
MADE IN INDIA



GREAT CLOSEURE STRENGTH SINCE PERMANENT BOND

GUM TAPE

BDT. 52.47 mn

- A COMPLETE BARRIER TO EXECUTE DUST AND DIRT
- PRESERVES THE HYGIENIC INTEGRITY OF THE CONTENTS
- TOTAL PROTECTION AGAINST VERMIN SUCH AS RODENTS
- TAMPER EVIDENCE, TAPE BONDS TO CARTON.
- COST EFFECTIVE, SHORTER LENGTHS ARE REQUIRED
- EASILY AND SECURELY PRINTED OR CODED





The livable era prioritizes eco-friendly practices, renewable energy, and responsible consumption to combat climate change. It emphasizes circular economies, green technologies, and reducing waste. This era seeks to balance human development with environmental preservation, ensuring resources are available for future generations while promoting social equity and economic stability. Sustainable living fosters a healthier planet and resilient communities.

sustainable age



The background of the page is a blurred cityscape at night, featuring bokeh lights from buildings and streetlights. In the lower-left foreground, a portion of a white smartphone is visible. Overlaid on the image are several semi-transparent financial graphics: a line graph with an upward trend on the left, and a series of stacked coins with upward-pointing arrows in the lower center. The title text is centered in the upper half of the page.

INDEPENDENT AUDITORS' REPORT & FINANCIALS

INDEPENDENT AUDITORS' REPORT

to the Shareholders of
KDS ACCESSORIES LIMITED

Opinion

We have audited the financial statements of **KDS ACCESSORIES LIMITED** (the Company), which comprise the Statement of Financial Position as at 30 June 2025, 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 material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 30 June 2025 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with the Companies Act, 1994, the Securities and Exchange Rules, 2020 and other applicable laws and regulations.

Basis of opinion

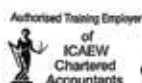
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with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

Key Audit Matters

Key audit matters are those matters that in our professional judgment, were of most significance in the audit of the financial statements for the year ended 30 June 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

| 1. | Inventories | How our audit addressed the key audit matter |
|----|--|---|
| | <p>The Company has closing inventory BDT 769.08 million.</p> <p>Inventory is carried in the financial statements at the lower of cost and net realisable value.</p> <p>The exercise for the assessment of the net realisable value involves the use of judgement and assumptions that may vary depending on technological and socio-economical conditions and is therefore considered a significant key audit matter. Please refer to note 3.05 and 9 to the financial statements.</p> | <ul style="list-style-type: none"> • Verified a sample of inventory items to ensure that costs have been appropriately recorded. • Tested on a sample basis the net realisable value by comparing costs to recent selling prices and assessing the reasonableness of any resulting write down of inventory items. • Performed cut-off tests to determine that the purchases and sales of the inventories have been captured in the correct accounting period. • Confirmed physical existence and completeness by performing annual physical inventory on a sample basis. • Confirmed all necessary disclosures have been made and that the information is appropriately presented. |



Corporate Office:

📍 House # 15, Road # 12, Block # F, Niketon, Gulshan-1 Dhaka-1212, Bangladesh ☎ +88 (02)8836015-7 ☎ +88 01681126120 ✉ hfc@hfc-bd.com



| 2. | Revenue | How our audit addressed the key audit matter |
|----|--|--|
| | <p>Appropriateness of revenue recognition and disclosures has significant and wide influence on financial statements. As described in the accounting policy note 3.15 to the financial statements, the Company recognises revenue upon transfer of control as per IFRS 15: Revenue from Contracts with Customers. The Company has reported total revenue of BDT 2,888.16 million. Refer to note 25 to the financial statements.</p> <p>This material item is subject to considerable inherent risk due to the complexity and identifying revenue and the high number of transactions from which revenue is being recognised. In this regard, the proper application of the accounting standards and assumptions made by management are considered to be complex.</p> | <ul style="list-style-type: none"> Assessed the relevant systems supporting the accounting of revenue. Performed walkthrough test to understand the adequacy and the design of the revenue cycle. Assessed the invoicing and measurement systems up to entries in the general ledger. Examined customer contracts, invoices and receipts of payment on a test basis. Conducted analytical procedures such as trend analysis, ratio analysis, and variance analysis on a sample basis. Obtained and reviewed supporting documents for sales transactions recorded. Tested the timing of revenue recognition as well as cut off checked. Tested the revenue charging model against the regulatory guidelines and accounting standards, on a sample basis. Assessed whether the sufficient disclosure has been given. |
| 3. | Identification and completeness of disclosure of related party transactions | How our audit addressed the key audit matter |
| | <p>We determined the identification and completeness of disclosure of related party transactions as set out in respective notes to the financial statements as a key audit matter due to high volume of business transactions with related parties during the year ended 30 June 2025.</p> <p>Refer to note 13 and 37 to the financial statements.</p> | <ul style="list-style-type: none"> Obtained an understanding of the Company's processes and procedures in respect of identifying related parties; approval and recording of related party transactions including how management determines all transactions/balances with related parties are determined at arm's length and entered into in the normal course of business and disclosed in the financial statement. Tested, on a sample basis, related party transactions with the underlying documents and for authorization and approval for such transactions. Obtained balance confirmation from the related parties. Read minutes of shareholder meetings, board meetings and minutes of meetings of those charged with governance in connection with transaction with related parties effected during the year. Evaluated the completeness of the disclosures through reading of statutory information, books and records and other documents obtained during the course of our audit. |

Reporting on other information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. The draft annual report is expected to be made available to us after the date of this auditor's report but before finalization of the annual report.

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

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

When we read the annual report before finalization, if we conclude that there is a material misstatement therein, we will communicate the matter to those charged with governance of the Company so that the matter is duly addressed in the annual report.



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

Management is responsible for the preparation and fair presentation of these financial statements of the Company in accordance with International Financial Reporting Standards (IFRSs), the Companies 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.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance 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:

- (a) 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.
- (b) 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.
- (c) evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (e) 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.
- (f) obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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

We communicate with 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.

We determine those matters, from the matters communicated with those charged with governance, 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 auditors' 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 and the Securities and Exchange Rules, 2020, we also report the following:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- 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 these 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 returns; and
- iv) the expenditure incurred was for the purposes of the Company's business.

Firm Name : Hussain Farhad & Co., Chartered Accounts

Registration No. : 4//452/ICAB-84

Signature of the Auditor :



Name of the auditor : Sarwar Uddin FCA, Partner/ ICAB Enrollment No: 0779

FRC Enrollment No: CA-001-136

DVC No. : 2510210779AS906685

Place : Chattogram

Date : 21 October 2025

KDS ACCESSORIES LIMITED
Statement of Financial Position
As at 30 June 2025


| Particulars | Notes | Amount in BDT | |
|--|--------------|----------------------|----------------------|
| | | June 30, 2025 | June 30, 2024 |
| ASSETS | | | |
| Non-current Assets | | | |
| Property, plant and equipment | 4 | 1,009,257,830 | 1,086,803,946 |
| Intangible assets | 5 | 128,981 | 283,750 |
| Capital work-in-progress | 6 | - | 31,400 |
| Investment in SKYS Securities Limited | 7 | 30,377,066 | 30,377,066 |
| Other investment | 8 | 1,535,192 | 1,441,455 |
| Total Non-current Assets | | 1,041,299,068 | 1,118,937,617 |
| Current Assets | | | |
| Inventories | 9 | 769,081,260 | 571,558,128 |
| Trade receivables | 10 | 1,698,819,280 | 1,381,908,079 |
| Other receivables | 11 | 475,812 | 438,324 |
| Advances, deposits and prepayments | 12 | 80,626,532 | 76,827,477 |
| Due from affiliated companies | 13 | 995,475,198 | 818,378,469 |
| Short term investment | 14 | 3,970,069 | 3,740,778 |
| Cash and cash equivalents | 15 | 68,313,634 | 60,847,460 |
| Total Current Assets | | 3,616,761,786 | 2,913,698,715 |
| Total Assets | | 4,658,060,854 | 4,032,636,332 |
| EQUITY AND LIABILITIES | | | |
| Shareholders' Equity | | | |
| Share capital | 16 | 747,414,791 | 711,823,610 |
| Share premium | | 120,000,000 | 120,000,000 |
| Revaluation reserve | | 214,391,703 | 214,391,703 |
| Retained earnings | | 989,048,947 | 896,484,823 |
| Total Shareholders' Equity | | 2,070,855,441 | 1,942,700,136 |
| Non-current Liabilities | | | |
| Long term borrowings-non-current portion | 17.01 | 27,758,020 | 53,773,284 |
| Defined benefit obligation- gratuity | 18 | 161,788,569 | 145,062,096 |
| Deferred tax liability | 19 | 13,011,595 | 19,346,450 |
| Total Non-current Liabilities | | 202,558,184 | 218,181,830 |
| Current Liabilities | | | |
| Trade and other payables | 20 | 1,863,561,445 | 1,436,346,441 |
| Long term borrowings-current portion | 17.01 | 36,018,366 | 37,150,404 |
| Unclaimed dividend | 21 | 786,917 | 1,179,379 |
| Provision for Income Tax | 22 | 70,862,072 | 61,953,667 |
| Short term bank loan | 23 | 321,982,438 | 243,441,484 |
| Provision for WPPF and Welfare Fund | 24 | 91,435,990 | 91,682,991 |
| Total Current Liabilities | | 2,384,647,229 | 1,871,754,366 |
| Total Equity and Liabilities | | 4,658,060,854 | 4,032,636,332 |
| Net Assets Value Per Share | 33.04 | 27.71 | 27.29 |

The annexed notes 1 to 43 form an integral part of these financial statements.


Khalilur Rahman
Chairman


Salim Rahman
Managing Director
Signed in terms of our annexed report of same date


Mohammad Ilias
Company Secretary


Sarwar Uddin FCA
ICAB Enrolment No: 0779
Partner
Hussain Farhad & Co.
Chartered Accountants

Place : Chattogram
Dated : 21 OCT 2025
DVC : 2510210779AS906685

KDS ACCESSORIES LIMITED
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2025

| Particulars | Notes | Amount in BDT | |
|---|--------------|---------------------------------|---------------------------------|
| | | 01 July 2024 to 30 June 2025 | 01 July 2023 to 30 June 2024 |
| Revenue | 25 | 2,888,158,169 | 2,530,678,096 |
| Cost of goods sold | 26 | (2,391,709,588) | (2,072,449,960) |
| Gross Profit | | 496,448,581 | 458,228,137 |
| Administrative Expenses | 27 | (203,068,016) | (186,677,993) |
| Selling and distribution expenses | 28 | (75,965,142) | (59,905,285) |
| Operating Profit | | 217,415,423 | 211,644,859 |
| Finance cost | 29 | (110,794,652) | (93,145,092) |
| Finance income | 30 | 92,078,635 | 76,886,283 |
| Profit before other income | | 198,699,406 | 195,386,050 |
| Other Income | 31 | 4,243,617 | 4,100,817 |
| Profit before income tax and distribution of WPPF and Welfare Fund | | 202,943,023 | 199,486,867 |
| Workers' Profit Participation and Welfare Fund | 24 | (10,147,151) | (9,974,343) |
| Profit before income tax | | 192,795,872 | 189,512,524 |
| Provision for income tax: | | | |
| -Current tax | 22 | (35,384,241) | (40,134,779) |
| -Deferred tax | 19 | 6,334,855 | 4,381,941 |
| Profit after Income Tax | | 163,746,486 | 153,759,686 |
| Other Comprehensive Income | | | |
| Items that will never be reclassified to profit or loss | | - | - |
| Items that are or may be reclassified to profit or loss | | - | - |
| Other Comprehensive Income - net of tax | | - | - |
| Total Comprehensive Income | | 163,746,486 | 153,759,686 |
| Earnings Per Share (Basic) | 33.01 | 2.19 | 2.16 |
| Earnings Per Share (Restated) | 33.02 | | 2.06 |


The annexed notes 1 to 43 form an integral part of these financial statements.


Khalilur Rahman
Chairman


Salim Rahman
Managing Director


Mohammad Ilias
Company Secretary

Signed in terms of our annexed report of same date


Sarwar Uddin FCA
ICAB Enrolment No: 0779
Partner
Hussain Farhad & Co.
Chartered Accountants

Place : Chattogram
Dated : 21 OCT 2025
DVC : 2510210779AS906685

KDS ACCESSORIES LIMITED

Statement of Changes in Equity

For the year ended 30 June 2025

| Particulars | Amount in Taka | | | | |
|--------------------------------------|--------------------|--------------------|---------------------|--------------------|----------------------|
| | Share Capital | Share Premium | Revaluation Reserve | Retained Earnings | Total Equity |
| Balance as on 01 July 2023 | 711,823,610 | 120,000,000 | 214,391,703 | 813,907,497 | 1,860,122,810 |
| Cash dividend for the year 2022-2023 | - | - | - | (71,182,361) | (71,182,361) |
| Net Profit after tax for the year | - | - | - | 153,759,686 | 153,759,686 |
| Balance as at 30 June 2024 | 711,823,610 | 120,000,000 | 214,391,703 | 896,484,823 | 1,942,700,136 |
| Balance as on 01 July 2024 | 711,823,610 | 120,000,000 | 214,391,703 | 896,484,823 | 1,942,700,136 |
| Bonus shares for the year 2023-2024 | 35,591,181 | - | - | (35,591,181) | - |
| Cash dividend for the year 2023-2024 | - | - | - | (35,591,181) | (35,591,181) |
| Net Profit after tax for the year | - | - | - | 163,746,486 | 163,746,486 |
| Balance as at 30 June 2025 | 747,414,791 | 120,000,000 | 214,391,703 | 989,048,947 | 2,070,855,441 |



Khalilur Rahman
Chairman



Salim Rahman
Managing Director



Mohammad Ilias
Company Secretary

KDS ACCESSORIES LIMITED

Statement of Cash Flows
For the year ended 30 June 2025

| Particulars | Notes | Amount in BDT | |
|--|--------------|---------------------------------|---------------------------------|
| | | 01 July 2024 to 30 June 2025 | 01 July 2023 to 30 June 2024 |
| A. Operating activities | | | |
| Received from customers | | 2,601,906,544 | 2,672,312,445 |
| Received from other sources | | 3,419,533 | 3,558,829 |
| Paid to suppliers | | (2,190,937,481) | (1,587,694,298) |
| Paid for operating expenses | | (238,571,675) | (244,880,993) |
| Cash provided by/(used in) operations | 32.00 | 175,816,921 | 843,295,984 |
| Interest paid (net) | | 17,349,794 | (8,157,610) |
| Income Tax Paid | | (29,848,669) | (25,111,861) |
| Net cash generated by operating activities | | 163,318,046 | 810,026,513 |
| B. Investing activities | | | |
| Acquisition of property, plant and equipment | | (13,727,979) | (12,282,772) |
| Addition to intangible assets | | - | - |
| Proceed from sale of non-current assets | | 824,100 | 550,889 |
| Increase/(Decrease) in investments | | (323,028) | 2,206,380 |
| Net cash provided by/(used in) investing activities | | (13,226,906) | (9,525,503) |
| C. Financing activities | | | |
| Dividend Paid | | (35,983,643) | (70,823,441) |
| Receipt /(Repayment) of long term loans | | (27,147,302) | (25,055,747) |
| Receipt/(Repayment) of short term borrowings | | 78,540,954 | (714,909,470) |
| Short term loan receipt/(paid) to affiliated companies | | (177,096,729) | 44,540,478 |
| Net cash provided by/(used in) financing activities | | (161,686,720) | (766,248,180) |
| D. Net increase/(decrease) of cash and cash equivalents (A+B+C) | | (11,595,580) | 34,252,830 |
| E. Cash and cash equivalents at the beginning of the year | | 60,847,460 | 18,840,442 |
| F. Effect of foreign exchange rate changes on cash and cash equivalents | | 19,061,754 | 7,754,188 |
| G. Cash and cash equivalents at the end of the year (D+E+F) | | 68,313,634 | 60,847,460 |
| Net operating cash flows per share | 33.05 | 2.19 | 11.38 |



Khalilur Rahman
Chairman



Salim Rahman
Managing Director



Mohammad Ilias
Company Secretary



KDS ACCESSORIES LIMITED
Notes to the Financial Statements
As at and for the year ended 30 June 2025

1.00 REPORTING ENTITY

1.01 Formation and Legal Status

KDS Accessories Limited (formerly KDS Packaging Industries Ltd.) was incorporated on 21 April 1991 as a private limited company by shares (Registration no- C-H-C-862/154 of 1991) under Companies Act 1913 (since replaced and substituted by the Companies Act 1994) with the Registrar of Joint Stock Companies & Firms. The Company was converted from Private Limited Company to Public Limited Company through an Extra-Ordinary General Meeting held on 17 April 2012 and was subsequently approved by RJSC on 26 November 2012. The Company commenced its commercial production on 01 July 1991. Its Head Office is located at 255, Nasirabad I/A, Chattogram and factory is located at 191-192 Baizid Bostami Road, Nasirabad I/A, Chattogram and the Company established its 2nd unit at Mirzapur, Gazipur at Dhaka in the year 2009. The Company is listed with Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE) as a publicly quoted company. Trading of the shares of the company started in two stock exchanges from 15 October 2015.

The name KDS Packaging Industries Ltd. was changed to KDS Accessories Limited pursuant to the Special Resolution in the Extra Ordinary General Meeting held on 22 April 2010. The change of name was certified by the Registrar of Joint Stock Companies and Firms on 11 May 2010 pursuant to the provision of section 11, sub-section (7) of the Companies Act 1994 (Act XVIII of 1994). The company refixed the face value of its shares from Tk. 100 to Tk. 10 each and enhanced its Authorized Share Capital from Tk. 200,000,000 to Tk. 2,000,000,000 with approval of the shareholders through an Extra-Ordinary General Meeting held on 10 August 2010.

1.02 Nature of Business

The principal activities of the Company are producing different types of standard cartons, display cartons, woven labels, smart labels, offset, silk screen, web thermal printing, button, cold peel, hot peel, puff, glitter, hanger, image and sublimation transfers and marketing thereof.

2.00 BASIS OF FINANCIAL STATEMENT PREPARATION AND PRESENTATION

2.01 Statement of Compliance

The financial statements have been prepared in accordance with the International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations in Bangladesh. Cash flows from operating activities are prepared under direct method as prescribed by the Securities and Exchange Rules 2020.

2.02 Basis of Reporting

The financial statements are prepared and presented for external users by the Company in accordance with identified financial reporting framework. Presentation has been made in compliance with the requirements of IAS 1 – “Presentation of Financial Statements”. The financial statements comprise of:

- a) A statement of Financial Position as at 30 June 2025
- b) A statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2025
- c) A statement of Changes in Equity for the year ended 30 June 2025
- d) A statement of Cash Flows for the year ended 30 June 2025
- e) Notes, comprising a summary of significant accounting policies and explanatory information.

2.03 Regulatory Compliances

The company is also required to comply with the following major laws and regulations along with the Companies Act 1994:

- a) The Income Tax Act, 2023 and applicable Income Tax Rules
- b) The Value Added Tax and Supplementary Duty Act, 2012
- c) The Value Added Tax and Supplementary Duty Rule, 2016
- d) The Securities and Exchange Rules, 2020
- e) The Customs Act, 1969 & The Customs Act, 2023
- f) Bangladesh Labour Law, 2006

2.04 Authorization for Issue

The financial statements were authorized for issue by the Board of Directors on 21 October 2025.

2.05 Basis of Measurement

The financial statements have been prepared on going concern basis under the historical cost convention except for land and land development under property, plant and equipment which is measured at revalued amount and inventories which are measured at lower of cost and net realisable value.

2.06 Functional and Presentation Currency

The financial statements are expressed in Bangladesh Taka which is both functional currency and reporting currency of the Company. The figures of financial statements have been rounded off to the nearest Taka.

2.07 Cash Flows Statement

Statement of cash flows is prepared principally in accordance with IAS-7 "Statement of Cash Flows" and the cash flows from operating activities have been presented under direct method. A reconciliation of net income or net profit with cash flows from operating activities making adjustments for non-cash items, for non-operating items and for the net changes in operating accruals as per requirement of Securities and Exchange Rules, 2020.

2.08 Going Concern

The Company has adequate resources to continue its operation for foreseeable future and hence, the financial statements have been prepared on going concern basis. As per management's assessment there are no material uncertainties related to events or conditions which may cast significant doubt upon the company's ability to continue as a going concern.

2.09 Reporting Period

The financial statements of the company covers one year from 01 July to 30 June and is followed consistently.

2.10 Application of Accounting Standards

The financial statements have been prepared in compliance with requirement of IASs (International Accounting Standards) and International Financial Reporting Standards (IFRSs) adopted by the Financial Reporting Council, Bangladesh, the Company Act 1994, the Securities and Exchange Rules 2020, and other applicable laws and regulations in Bangladesh. The following IASs and IFRSs are applied to preparation of the financial statements for the year under report:

Accounting Standards

- IAS-1 Presentation of Financial Statements
- IAS-2 Inventories
- IAS-7 Statement 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 Rate
- IAS-23 Borrowing Costs
- IAS-24 Related Party Disclosures
- IAS-26 Accounting and Reporting by Retirement Benefit Plans
- IAS-33 Earnings Per Share
- IAS-36 Impairment of Assets
- IAS-37 Provisions, Contingent Liabilities and Contingent Assets
- IAS-38 Intangible Assets
- IFRS-7 Financial Instruments: Disclosures
- IFRS-9 Financial Instruments
- IFRS-13 Fair Value Measurement
- IFRS-15 Revenue from Contract with Customers
- IFRS-16 Leases



2.11 Use of Estimates and Judgements

The preparation of financial statements in conformity with IAS & IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and assumptions are reviewed on an ongoing basis.

The estimates and underlying assumptions are based on past experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Note: 4 Property, plant and equipment

Note: 5 Intangible assets

Note: 9 Inventories

Note: 10 Trade receivables

Note: 18 Defined benefit obligation- gratuity

Note: 19 Deferred tax liability

Note: 20 Trade and other payables

Note: 22 Provision for Income Tax

2.12 Preparation and Presentation of Financial Statements of the Company

The Board of Directors of KDS Accessories Limited is responsible for the preparation and presentation of financial statements of the Company.

2.13 Comparative Information

The financial statements provide comparative information in respect of the previous year for all amount reported in the current year's financial statements. Comparative figures have been rearranged wherever considered necessary to ensure better comparability with the current year without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

2.14 Consistency of presentation

Unless otherwise stated, the accounting policies and methods of computation used in preparation of the financial statements as at and for the year ended 30 June 2025 are consistent with those policies and methods applied in preparing the financial statements for the year ended 30 June 2024.

3.00 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Set out below is an index of the significant accounting policies, the details of which are available on the following:

- 3.01 Property, Plant and Equipment
- 3.02 Intangible Assets
- 3.03 Capital Work-in-Progress
- 3.04 Investment
- 3.05 Inventories
- 3.06 Leasehold Assets
- 3.07 Financial Instruments
- 3.08 Impairment
- 3.09 Share Capital
- 3.10 Revaluation Reserve



- 3.11 Employee Benefits
- 3.12 Taxation
- 3.13 Loans and Borrowings
- 3.14 Provisions, Contingent Liabilities and Contingent Assets
- 3.15 Revenue Recognition
- 3.16 Other Income
- 3.17 Finance Income and Cost
- 3.18 Foreign Currency Transaction / Translation
- 3.19 Related Party Transactions
- 3.20 Earnings Per Share (EPS)
- 3.21 Measurement of Fair Values
- 3.22 Events after the Reporting Period

3.01 Property, Plant and Equipment

i) Recognition and Measurement

Property, plant and equipment are stated at cost less accumulated depreciation except land and land development which are carried at revalued amount and subsequent impairment losses, if any.

“Cost includes expenditure that is directly attributable to the acquisition of asset. The cost of self constructed asset includes the cost of material and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

ii) Pre-Operating Expenses and Borrowing Costs

Interest and other incurred by the company in respect of borrowing of fund are recognized as expenses in the year in which they incurred unless the activities that are necessary to prepare the qualifying assets for its intended use are in progress. Expenses capitalized also include applicable borrowing cost considering the requirement of IAS-23 “Borrowing Costs”.

iii) Subsequent Costs and Maintenance Activities

The company recognizes in the carrying amount of an item of property, plant and equipment, the cost of replacing part of such an item when the cost is incurred, it is probable that the future economic benefits embodied with the item will flow to the company and the cost of the item can be measured reliably. Expenditure incurred after the assets have been put into operation, such as repair and maintenance is normally charged off as revenue expenditure in the year in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of fixed assets, the expenditure is capitalized as an additional cost of the assets. All other costs are recognized to the profit and loss account as expenses if incurred. All upgradation /enhancement are generally charged off as revenue expenditure unless they bring similar significant additional benefits.

iv) Revaluation of Property, Plant and Equipment

Financial statement of the company has been prepared on historical cost price basis. However, the prices of land have been increased substantially during the last few years due to high inflationary trend. In this circumstance, management of KDS Accessories Limited had decided to determine fair market value of the land through revaluation. Syful Shamsul Alam & Co, Chartered Accountants had revalued the lands of the company as on 31 December 2012, following “current cost method”. Such revaluation resulted in a valuation surplus aggregating Tk. 214,391,703.

v) Depreciation

Land is held on a freehold basis and is not depreciated considering the unlimited life. In respect of all other property, plant and equipment, depreciation is recognized in the statement of profit or loss and other comprehensive income on straight line method over the estimated useful lives of property, plant and equipment.

Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at earlier of the date that the asset is classified as held for sale in accordance with IFRS 5 and the date that the asset is derecognised. The depreciation method used reflects the pattern in which the asset’s economic benefits are consumed by the entity. After considering the useful life of assets as per IAS-16 “Property, plant and equipment”, the annual depreciation have been applied equal allocation of total cost over useful life of assets which is considered reasonable by the management.



Depreciation methods, useful lives and residual values are reassessed at the reporting date and adjusted if appropriate.

Upon retirement of assets, the cost and related accumulated depreciation are eliminated from the accounts and resulting gain or loss is charged or credited to statement of profit or loss and other comprehensive income.

vi) Impairment of Assets

The company reviews the recoverable amount of its assets at each reporting date. If there exists any indication that the carrying amount of assets exceeds the recoverable amount, the company recognizes such impairment loss in accordance with IAS-36 "Impairment of Assets".

vii) Retirement and Disposals

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. On disposal of property, plant & equipment, the cost and accumulated depreciation are eliminated. 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.

3.02 Intangible Assets

i) Recognition and Measurement

Intangible assets are measured at cost less accumulated amortization and accumulated impairment loss, if any. Intangible asset is recognized when all the conditions for recognition as per IAS 38: Intangible assets are met. The cost of an intangible asset comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the asset for its intended use.

ii) Amortization

Amortization is recognized in the statement of profit or loss and other comprehensive income on straight line method at the rate of 20% to 33.33% per annum. Amortization is charged on an asset when the asset is available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Amortization of an asset ceases at earlier of the date that the asset is classified as held for sale in accordance with IFRS 5 and the date that the asset is derecognised.

iii) Subsequent Cost

Subsequent cost is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in profit or loss and other comprehensive income as incurred.

3.03 Capital Work-in-Progress

Capital work-in-progress represents the cost incurred for acquisition and/or construction of property, plant and equipment that were not ready for use at the end of 30 June 2025 and these are stated at cost.

3.04 Investment

SKYS Securities Limited is a common directorship company having 23,405 no. of shares @ Tk. 1,000 per share ie. 46.69% holding in paid up capital. It was incorporated on 17 June 1997, vide the certificate CH-2675 of 1997 and commenced operation on 01 January 2006. Paid up capital at the reporting date stands at Tk. 150,132,000 (150,132 shares @ Tk. 1,000 each). From 29 October 2020 KDS Accessories Limited's share holding percentage is reduced to 15.59%.

As criteria for considering an investment as "Investment in Associate" is no longer exists, Investment in SKYS Securities Limited is no longer required to report as Investment in Associate under IAS-28. Hence, as stipulated in IAS-28, recognition of Investment under Equity Method is discontinued and the fair value of the investment in SKYS Securities Limited is recognized on initial recognition as a financial asset in accordance with IFRS 9.

3.05 Inventories

i) Nature of Inventories

Inventories comprise of raw materials, work-in-process, finished goods, stores & spares and goods in transit.

ii) Valuation of Inventories

Inventories are measured at lower of cost or net realizable value in accordance with IAS-2 "Inventories" after making due allowance for any obsolete or slow moving item and details of valuation are as follows:

| <u>Category</u> | <u>Valuation method</u> |
|--------------------|--|
| i) Raw materials | Valued at Cost or Net Realisable Value whichever is lower. |
| ii) Finished goods | Valued at Cost or Net Realisable Value whichever is lower. |

| | |
|-----------------------|--|
| iii) Goods-in-transit | Valued at Cost. |
| iv) Stores and spares | Based on weighted average method. |
| v) Work in process | Valued at Cost or Net Realisable Value whichever is lower. |

3.06 Leasehold Assets

The objective of IFRS 16 is to report information that (a) faithfully represents lease transactions and (b) Provides a basis for users of financial statements to assess the amount, timing and uncertainty of cash flows arising from leases. To meet that objective, a lessee should recognise assets and liabilities arising from a lease.

IFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.

During the year the Company (KDS Accessories Limited) has no lease obligation.

3.07 Financial Instruments

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

3.07.01 Financial Assets

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

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

Financial assets include Trade Receivables, Others Receivables, Advances, Deposits and Prepayments and Cash and cash equivalents.

a) Trade and Other Receivables

Trade receivable consists of due proceeds against sales through L/C with a tenure of 30 days to 180 days and realizable at the maturity date. Trade receivable is initially recognized at cost which is the fair value of the consideration given in return. After initial recognition these are carried at cost less impairment losses due to un-collectability of any amount so recognized.

Other receivables is initially recognized at cost which is the fair value of the consideration given in return. After initial recognition, these are carried at cost less impairment losses, if any, due to un-collectability of any amount so recognized.

b) 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 Property, Plant and Equipment, Inventory or Expenses.

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to profit or loss.

c) Cash and Cash Equivalents

According to IAS-7 "Statement of Cash Flows" cash comprises cash in hand and bank deposit and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. IAS-1 "Presentation of Financial Statements" provides that cash and cash equivalent are not restricted in use. Considering the provision of IAS 7 and IAS 1, cash in hand and bank balances have been considered as cash and cash equivalents.

3.07.02 Financial Liabilities

The company initially recognizes all financial liabilities on the trade date which is the date the company becomes a party to the contractual provisions of the instrument.

The company derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

The company classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognized initially at fair value less directly attributable transaction cost. Subsequent to initial recognition, these financial liabilities are measured at amortized cost.



Other financial liabilities comprise loans and borrowings, bank overdrafts and trade and other payables.

a) Trade and Other Payables

The company recognizes a financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the company of resources embodying economic benefits.

b) Interest-bearing borrowings

Interest-bearing borrowings comprise loans and operational overdraft.

3.08 Impairment

i) Financial Assets

Financial assets are not carried at fair value through profit or loss are assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

ii) Non-financial Assets

The carrying amounts of the company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the recoverable amount of the asset is estimated. An impairment loss is recognized if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

3.09 Share Capital

Paid-up-capital represents total amount contributed by the shareholders and bonus shares issued by the company to the ordinary shareholders. Incremental costs directly attributable to the issue of ordinary shares are recognized as expenses as and when incurred. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the company, ordinary shareholders will be ranked after all other shareholders. Creditors are fully entitled to obtain any proceeds of liquidation before all shareholders.

3.10 Revaluation Reserve

Revaluation reserve relates to the revaluation of land and land development.

3.11 Employee Benefits

i) Short Term Employee Benefits

Salaries, bonuses and allowances are accrued in the financial year in which the associated services are rendered by the employees of the Company.

ii) Workers' Profit Participation and Welfare Fund

The Company maintains a Worker's profit participation and welfare fund at 5% of net profit before tax as per the requirement of The Companies Profit (worker's participation) (amendment) ordinance 1985 & Labour Act 2006.

iii) Defined Contribution Plan

The company maintains an unrecognized provident fund for its officers only. Both the employees and company contribute 10% of basic salary to the fund.

iv) Defined Benefit Plan - Gratuity

The company maintains a Gratuity scheme for its officers only. Officers are entitled to gratuity when their length of service reaches five years. Provision has been made in the books on monthly basis based on the rules of the scheme.

3.12 Taxation

i) Current Tax

Income Tax is calculated and provision is made in accordance with IAS 12 'Income taxes'. As per SRO 44-ACT/IT-25/2024 of dated 4 March 2024, KDS Accessories Limited Pays 12% tax on Business Income for being export oriented company. Besides this, the company charged tax at a rate of 20% on other income of this company.

ii) Deferred Tax

Deferred tax liabilities are the amount of income taxes payable in the future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective

tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the Statement of Financial Position date. The impact of changes on the account in the deferred tax assets and liabilities has also been recognized in the statement of profit or loss and other comprehensive income as per IAS-12 "Income Taxes".

The deferred tax asset/income or liability/expenses does not create a legal liability/recoverability to and from the income tax authority.

Deferred tax on revaluation surplus of lands has not been recognized in the financial statements on the ground that entity will continue for foreseeable period and entity has no intention to sale the land. Hence, possibility of having any income tax implications on land is remote.

3.13 Loans and Borrowings

Principal amount of the loans and borrowings are stated at their outstanding amount. Borrowings repayable within twelve months from the balance sheet date are classified as current liabilities whereas borrowings repayable after twelve months from the balance sheet date are classified as non-current liabilities. Accrued interest and other charges are classified as current liabilities.

3.14 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized in the statement of financial position when the company has a legal or contractual obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Contingencies arising from claims, litigations, assessments, fine, penalties etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. In accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", contingent liabilities and commitments are disclosed in the financial statements.

3.15 Revenue Recognition

Revenue is recognized as per IFRS-15: Revenue from Contracts with Customers, when invoice for products are made and the control is transferred to the customers, recovery of the consideration is probable, associated costs and possible return of goods can be estimated reliably. There is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. The five step model has been complied in case of revenue recognition.

Specific policies regarding the recognition of revenue are as follows:

Revenue from sales of goods

Revenue from the sale of goods shall be recognized when all the following conditions have been satisfied:

- a) the entity has transferred to the buyer the significant risks and rewards of ownership of the goods and customer obtains control of the goods;
- b) it is probable that a significant reversal in the amount of cumulative revenue recognised will not occur;
- c) the amount of revenue can be measured reliably;
- d) it is probable that the economic benefits associated with the transaction will flow to the entity.

3.16 Other Income

Other income includes gain /(loss) on sale of property, plant and equipment and rental income, wastage sales and forfeiture of Provident fund.

3.17 Finance Income and Cost

3.17.01 Finance Income

Interest income on Fixed Deposit Receipts (FDR), Short Term Deposits (STD) and amounts due from affiliated companies is accrued on a time proportion basis by reference to the principal outstanding at the effective rate of interest applicable.

3.17.02 Finance Cost

Interest expenses comprise interest expense on operational overdraft, term loan, short term borrowings except expenses related to acquisition/construction of assets, incurred during the period are charged to Statement of Profit or Loss and Other Comprehensive Income on accrual basis.

3.18 Foreign Currency Transaction / Translation

Transactions in foreign currencies are translated into Bangladesh Taka at the Exchange rate prevailing on the date of transactions in accordance with IAS - 21 "The Effects of Changes in Foreign Exchange Rate." Monetary assets and liabilities in foreign currencies at the Statement of Financial Position date are translated into Bangladesh Taka at the rate of exchange prevailing at the Statement of Financial Position date. All exchange differences are recognized in the Statement of Profit or Loss and Other Comprehensive Income.



3.19 Related Party Transactions

The objective of IAS-24 "Related Party Disclosure" is to ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

Parties are considered to be related if one party has the ability to control the other party or to exercise significant influence or joint control over the other party in making financial and operating decisions.

Interest income/expenses on amount due to/due from affiliated companies has been recognized periodically.

3.20 Earnings Per Share (EPS)

The company calculates its earnings per share in accordance with International Accounting Standard IAS-33 "Earnings Per Share" which has been reported on the face of Statement of Profit or Loss and Other Comprehensive Income.

i) Basic Earnings Per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

ii) Diluted Earnings Per Share:

No diluted earnings per share was required to be calculated for the year under review as there was no scope for dilution of Earnings Per Share for the year.

3.21 Measurement of Fair Values

When measuring the fair value of an asset or liability, the entity uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data.

If the inputs used to measure the fair value of an asset or liability might be categorized in different levels of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

3.22 Events after the Reporting Period

Events after the reporting period that provide additional information about the company's position at the date of Statement of Financial Position or those that indicate the going concern assumption is not appropriate are reflected in the Financial Statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

4.00 Property, plant and equipment

| | Amount in Taka | | | | | | | | | |
|---|--|------------------------|----------------------------|---------------------|---------------------|--------------------------|------------------------|-----------------------|-------------------|----------------------|
| | At revaluation Land and Land development | At cost | | | | | | | | Total |
| | | Plant and Machinery | Administrative Building | Factory Building | Office Equipment | Electric Installation | Furniture & Fixture | Computer Equipment | Motor Vehicle | |
| At cost/revaluation | | | | | | | | | | |
| Balance as on 01 July 2023 | 431,214,704 | 1,056,815,801 | 50,817,030 | 508,457,824 | 32,488,428 | 101,956,142 | 16,817,107 | 33,543,748 | 70,686,180 | 2,302,796,964 |
| Addition during the year | - | 6,910,151 | 212,000 | 2,553,203 | 517,695 | 1,268,276 | 155,009 | 1,740,209 | - | 13,356,543 |
| Disposal/Adjustment during the year | - | - | - | - | (70,000) | (20,084) | (15,420) | (168,705) | (2,147,591) | (2,421,800) |
| Balance as at 30 June 2024 | 431,214,704 | 1,063,725,952 | 51,029,030 | 511,011,027 | 32,936,123 | 103,204,334 | 16,956,696 | 35,115,252 | 68,538,589 | 2,313,731,707 |
| Balance as on 01 July 2024 | 431,214,704 | 1,063,725,952 | 51,029,030 | 511,011,027 | 32,936,123 | 103,204,334 | 16,956,696 | 35,115,252 | 68,538,589 | 2,313,731,707 |
| Addition during the year | - | 6,002,431 | - | - | 1,057,896 | 1,519,174 | 224,358 | 2,381,520 | 2,574,000 | 13,759,379 |
| Disposal/Adjustment during the year | - | (716,200) | - | - | (58,500) | - | - | (162,930) | (2,012,500) | (2,950,130) |
| Balance as at 30 June 2025 | 431,214,704 | 1,069,012,183 | 51,029,030 | 511,011,027 | 33,935,519 | 104,723,508 | 17,181,054 | 37,333,842 | 69,100,089 | 2,324,540,956 |
| Accumulated depreciation | | | | | | | | | | |
| Balance as on 01 July 2023 | - | 633,501,195 | 25,011,953 | 259,253,347 | 28,511,294 | 76,995,608 | 15,427,681 | 30,121,148 | 63,439,722 | 1,132,261,948 |
| Charged for the year | - | 57,910,971 | 1,675,004 | 24,091,285 | 1,532,214 | 7,115,979 | 729,933 | 1,751,781 | 2,271,545 | 97,078,712 |
| Adjustment for disposal during the year | - | - | - | - | (61,109) | (20,083) | (15,415) | (168,702) | (2,147,590) | (2,412,899) |
| Balance as at 30 June 2024 | - | 691,412,166 | 26,686,957 | 283,344,632 | 29,982,399 | 84,091,504 | 16,142,199 | 31,704,227 | 63,563,677 | 1,226,927,761 |
| Balance as on 01 July 2024 | - | 691,412,166 | 26,686,957 | 283,344,632 | 29,982,399 | 84,091,504 | 16,142,199 | 31,704,227 | 63,563,677 | 1,226,927,761 |
| Charged for the year | - | 57,116,729 | 1,678,537 | 24,005,563 | 1,352,591 | 3,626,906 | 369,913 | 1,806,112 | 1,349,128 | 91,305,479 |
| Adjustment for disposal during the year | - | (716,188) | - | - | (58,497) | - | - | (162,929) | (2,012,500) | (2,950,114) |
| Balance as at 30 June 2025 | - | 747,812,707 | 28,365,494 | 307,350,195 | 31,276,493 | 87,718,410 | 16,512,112 | 33,347,410 | 62,900,305 | 1,315,283,126 |
| Carrying amount | | | | | | | | | | |
| As at 30 June 2024 | 431,214,704 | 372,313,786 | 24,342,073 | 227,666,395 | 2,953,724 | 19,112,830 | 814,497 | 3,411,025 | 4,974,912 | 1,086,803,946 |
| As at 30 June 2025 | 431,214,704 | 321,199,476 | 22,663,536 | 203,660,832 | 2,659,026 | 17,005,098 | 668,942 | 3,986,432 | 6,199,784 | 1,009,257,830 |

| Depreciation allocated to: | Note(s) | Allocation Basis | 01 Jul 2024 to 30 Jun 2025 | 01 Jul 2023 to 30 Jun 2024 |
|----------------------------|---------|---------------------|-------------------------------|-------------------------------|
| Factory Overhead | 26.02 | 80% | 73,044,383 | 77,662,970 |
| Administrative Expenses | 27.00 | 20% | 18,261,096 | 19,415,742 |
| | | | 91,305,479 | 97,078,712 |



4.01 Property, plant and equipment - at cost model

| Amount in Taka | | | | | | | | | |
|---|---------------------|-------------------------|------------------|------------------|-----------------------|---------------------|--------------------|---------------|-------------|
| Land and Land development | Plant and Machinery | Administrative Building | Factory Building | Office Equipment | Electric Installation | Furniture & Fixture | Computer Equipment | Motor Vehicle | Total |
| At cost | | | | | | | | | |
| Balance as on 01 July 2023 | 216,823,001 | 1,056,815,801 | 50,817,030 | 508,457,824 | 32,488,428 | 101,956,142 | 16,817,107 | 33,543,748 | 70,686,180 |
| Addition during the year | - | 6,910,151 | 212,000 | 2,553,203 | 517,695 | 1,268,276 | 155,009 | 1,740,209 | - |
| Disposal/Adjustment during the year | - | - | - | - | (70,000) | (20,084) | (15,420) | (168,705) | (2,147,591) |
| Balance as at 30 June 2024 | 216,823,001 | 1,063,725,952 | 51,029,030 | 511,011,027 | 32,936,123 | 103,204,334 | 16,956,696 | 35,115,252 | 68,538,589 |
| Balance as on 01 July 2024 | 216,823,001 | 1,063,725,952 | 51,029,030 | 511,011,027 | 32,936,123 | 103,204,334 | 16,956,696 | 35,115,252 | 68,538,589 |
| Addition during the year | - | 6,002,431 | - | - | 1,057,896 | 1,519,174 | 224,358 | 2,381,520 | 2,574,000 |
| Disposal/Adjustment during the year | - | (716,200) | - | - | (58,500) | - | - | (162,930) | (2,012,500) |
| Balance as at 30 June 2025 | 216,823,001 | 1,069,012,183 | 51,029,030 | 511,011,027 | 33,935,519 | 104,723,508 | 17,181,054 | 37,333,842 | 69,100,089 |
| Accumulated depreciation | | | | | | | | | |
| Balance as on 01 July 2023 | - | 633,501,195 | 25,011,953 | 259,253,347 | 28,511,295 | 76,995,608 | 15,427,681 | 30,121,148 | 63,439,722 |
| Charged for the year | - | 57,910,971 | 1,675,004 | 24,091,285 | 1,532,214 | 7,115,979 | 729,933 | 1,751,781 | 2,271,545 |
| Adjustment for disposal during the year | - | - | - | - | (61,109) | (20,083) | (15,415) | (168,702) | (2,147,590) |
| Balance as at 30 June 2024 | - | 691,412,166 | 26,686,957 | 283,344,632 | 29,982,400 | 84,091,504 | 16,142,199 | 31,704,227 | 63,563,677 |
| Balance as on 01 July 2024 | - | 691,412,166 | 26,686,957 | 283,344,632 | 29,982,400 | 84,091,504 | 16,142,199 | 31,704,227 | 63,563,677 |
| Charged for the year | - | 57,116,729 | 1,678,537 | 24,005,563 | 1,352,591 | 3,626,906 | 369,913 | 1,806,112 | 1,349,128 |
| Adjustment for disposal during the year | - | (716,188) | - | - | (58,497) | - | - | (162,929) | (2,012,500) |
| Balance as at 30 June 2025 | - | 747,812,707 | 28,365,494 | 307,350,195 | 31,276,494 | 87,718,410 | 16,512,112 | 33,347,410 | 62,900,305 |
| Carrying amount | | | | | | | | | |
| As at 30 June 2024 | 216,823,001 | 372,313,786 | 24,342,073 | 227,666,395 | 2,953,723 | 19,112,830 | 814,497 | 3,411,025 | 4,974,912 |
| As at 30 June 2025 | 216,823,001 | 321,199,476 | 22,663,536 | 203,660,832 | 2,659,025 | 17,005,098 | 668,942 | 3,986,432 | 6,199,784 |



| Particulars | | Notes | Amount in BDT | |
|-------------|--------------------------|-------|----------------|----------------|
| | | | 30 June 2025 | 30 June 2024 |
| 5.00 | Intangible assets | | | |
| | Software | 5.01 | 128,981 | 283,750 |
| | | | 128,981 | 283,750 |

5.01 Intangible assets schedule

Cost

| | | |
|-------------------------------|------------------|------------------|
| Opening balance | 7,199,703 | 7,199,703 |
| Add: Addition during the year | - | - |
| Closing balance | 7,199,703 | 7,199,703 |

Accumulated amortization

| | | |
|------------------------------|----------------|----------------|
| Opening balance | 6,915,953 | 6,761,183 |
| Add: Charged during the year | 154,769 | 154,770 |
| Closing balance | 7,070,722 | 6,915,953 |
| Carrying amount | 128,981 | 283,750 |

6.00 Capital work-in-progress

| | | |
|---|---------------|---------------|
| Opening balance | 31,400 | 1,105,171 |
| Add: Expenditure incurred during the year | 6.01 - | 1,340,119 |
| | 31,400 | 2,445,290 |
| Less: Capitalized during the year | 6.01 (31,400) | (2,413,890) |
| Closing balance | - | 31,400 |

6.01 Details of capital work-in -progress

| Particulars | Opening Balance | Additions during the year | Capitalized during the Year | Balance as on 30 June 2025 | Balance as on 30 June 2024 |
|-------------------------|-----------------|---------------------------|-----------------------------|----------------------------|----------------------------|
| Factory Building | - | - | - | - | - |
| Administrative building | - | - | - | - | - |
| Plant & machinery | 31,400 | - | (31,400) | - | 31,400 |
| | 31,400 | - | (31,400) | - | 31,400 |

| Particulars | | Amount in BDT | |
|-------------|--|-------------------|-------------------|
| | | 30 June 2025 | 30 June 2024 |
| 7.00 | Investment in SKYS Securities Limited | | |
| | SKYS Securities Limited | 30,377,066 | 30,377,066 |
| | | 30,377,066 | 30,377,066 |
| 8.00 | Other investment* | | |
| | Investment in Fixed Deposit Receipts | 1,535,192 | 1,441,455 |
| | | 1,535,192 | 1,441,455 |

| <u>Name of Banks</u> | <u>Purpose</u> | <u>Period</u> | <u>Interest rate</u> | | |
|----------------------|----------------|---------------|----------------------|------------------|------------------|
| Exim Bank PLC | Bank Guarantee | 3 years | 6.5%-12% | 1,535,192 | 1,441,455 |
| | | | | 1,535,192 | 1,441,455 |

* Other investment shown in FY 2023-24 was amounting to Tk. 5,182,233 which inter-alia included Investment in Fixed Deposit Receipts (for one year term) amounting to Tk. 3,740,778. Considering the nature of these investments, it has been rearranged under current assets-short term investment.



| Particulars | | Amount in BDT | |
|-------------|--------------------|--------------------|--------------------|
| | | 30 June 2025 | 30 June 2024 |
| 9.00 | Inventories | | |
| | Raw materials | 542,268,716 | 365,350,950 |
| | Work-in-process | 16,662,719 | 13,777,608 |
| | Finished goods | 12,376,701 | 7,649,654 |
| | Stores & spares | 92,173,725 | 89,610,577 |
| | Goods in transit | 105,599,399 | 95,169,339 |
| | | 769,081,260 | 571,558,128 |

9.01 Quantitative movement of raw materials and finished goods

A. Raw Materials

| Product name | Unit | Opening balance | Procurement | Available for consumption | Consumption | Closing balance |
|-----------------|------|------------------|-------------------|---------------------------|-------------------|------------------|
| Liner Paper | Kg | 2,079,320 | 11,197,037 | 13,276,357 | 11,184,576 | 2,091,781 |
| Medium Paper | Kg | 1,311,673 | 10,241,842 | 11,553,515 | 8,943,470 | 2,610,045 |
| Duplex Board | Kg | 39,750 | 196,900 | 236,650 | 171,718 | 64,932 |
| Art Card | Kg | 23,582 | 845,500 | 869,082 | 849,092 | 19,990 |
| Yarn | Kg | 134,999 | 168,285 | 303,284 | 196,028 | 107,256 |
| Starch | Kg | 16,666 | 396,000 | 412,666 | 401,876 | 10,790 |
| Styrene Monomer | Kg | 8,555 | 13,140 | 21,695 | 19,814 | 1,881 |
| Corrugel | Kg | 50,043 | 210,000 | 260,043 | 207,573 | 52,470 |
| Chemical | Ltr | 656 | | 656 | 202 | 454 |
| Resin | Kg | 26,360 | 318,910 | 345,270 | 289,284 | 55,986 |
| Rubber Thread | Kg | 22,065 | 76,199 | 98,264 | 60,404 | 37,860 |
| Cobalt PT-121 | Kg | 128 | 864 | 992 | 760 | 232 |
| Printing Ink | Kg | 4,300 | 12,155 | 16,455 | 6,318 | 10,137 |
| Pigment | Kg | 1,620 | 1,470 | 3,090 | 1,052 | 2,038 |
| Ribbon | Kg | 1,379 | 1,466,099 | 1,467,478 | 687,490 | 779,988 |
| OPP Gum Tape | Kg | 46,383 | 87,829 | 134,212 | 97,861 | 36,351 |
| GPPS/PP/HIPS | Kg | 33,454 | - | 33,454 | - | 33,454 |
| | | 3,800,933 | 25,232,230 | 29,033,163 | 23,117,518 | 5,915,645 |

B. Finished goods

| Product name | Unit | Opening balance | Production | Available for sale | Sales | Closing balance |
|-----------------------------|-------|-----------------|--------------------|--------------------|----------------------|-----------------|
| Carton | Pcs | 83,874 | 24,323,902 | 24,407,776 | (24,302,976) | 104,800 |
| Label | Pcs | 311,017 | 59,069,823 | 59,380,840 | (59,064,663) | 316,177 |
| Elastics and Narrow Fabrics | Yards | - | 20,426,405 | 20,426,405 | (20,273,581) | 152,824 |
| Offset Printing | Pcs | 6,400 | 33,449,163 | 33,455,563 | (33,180,174) | 275,389 |
| Heat Transfer Printing | Pcs | - | 2,352,936 | 2,352,936 | (2,349,803) | 3,133 |
| Button | GG | - | 222,759 | 222,759 | (222,402) | 357 |
| Gum Tape | Rolls | - | 707,587 | 707,587 | (707,587) | - |
| | | 401,291 | 140,552,575 | 140,953,866 | (140,101,186) | 852,680 |

| Particulars | | Notes | Amount in BDT | |
|--------------|--|-------|----------------------|----------------------|
| | | | 30 June 2025 | 30 June 2024 |
| 10.00 | Trade receivables | | | |
| | Opening balance | | 1,381,908,079 | 1,417,250,223 |
| | Add: Addition during the year | 25.00 | 2,888,158,169 | 2,530,678,096 |
| | Add: Adjustment for foreign currency translation gain | 10.02 | 30,659,577 | 106,292,204 |
| | | | 4,300,725,825 | 4,054,220,524 |
| | Less: Realized during the year | | (2,601,906,545) | (2,672,312,445) |
| | Closing Balance | | 1,698,819,280 | 1,381,908,079 |
| 10.01 | Trade receivables have been stated at their nominal value. Trade receivables are accrued in the ordinary course of business. These are carried at invoice amount. All receivables are secured by Letter of Credit (L/C) and have been considered as good and realizable. Therefore, no amount was written off as bad debt and no debt was considered as doubtful to provide for. | | | |
| 10.02 | Foreign currency translation gain arises due to translation of foreign currency denominated trade receivables at the reporting date. | | | |



| Particulars | | Notes | Amount in BDT | |
|-----------------|--|----------|----------------------|----------------------|
| | | | 30 June 2025 | 30 June 2024 |
| 10.03 | Trade receivables include affiliated companies | | | |
| | KDS Fashion Limited | | 139,230,767 | 87,975,225 |
| | KDS Garment Industries Limited | | 44,336,859 | 44,890,794 |
| | KDS IDR Limited | | 135,696,764 | 124,151,859 |
| | KDS Apparels Limited | | 3,946,634 | 12,784,239 |
| | | | 323,211,024 | 269,802,117 |
| 10.04 | Ageing of trade receivables | | | |
| | Dues within 3 Months | | 592,819,883 | 586,176,363 |
| | Dues over 3 Months | | 1,105,999,397 | 795,731,716 |
| | | | 1,698,819,280 | 1,381,908,079 |
| 10.05 | Trade receivables - classification by security and related party: | | | |
| | Receivable considered good and secured | | 1,698,819,280 | 1,381,908,079 |
| | Receivable considered good without security | | - | - |
| | Receivable considered doubtful or bad debt | | - | - |
| | Receivable due by directors or other officers | | - | - |
| | Receivable due from companies under same management | | 323,211,024 | 269,802,117 |
| | Maximum receivable due by directors or officers at any time | | - | - |
| 11.00 | Other receivables | | | |
| | Accrued interest income on FDR | | 475,812 | 438,324 |
| | | | 475,812 | 438,324 |
| 12.00 | Advances, deposits and prepayments | | | |
| | Advances | 12.01 | 63,700,847 | 59,533,237 |
| | Security deposits | 12.02 | 14,367,554 | 14,757,554 |
| | Prepayments | 12.03 | 2,558,131 | 2,536,686 |
| | | | 80,626,532 | 76,827,477 |
| 12.01 | Advances | | | |
| | Against salary and allowances | | 4,207,171 | 3,038,536 |
| | Against income tax | 12.01.01 | 31,697,013 | 28,324,180 |
| | Advance against Land | | 12,847,598 | 12,847,598 |
| | Others | | 14,949,065 | 15,322,923 |
| | | | 63,700,847 | 59,533,237 |
| 12.01.01 | Advance income tax | | | |
| | Opening balance | | 28,324,180 | 35,674,976 |
| | Add: Paid/deducted during the year | | 28,484,694 | 25,111,861 |
| | Less: Adjusted during the year | | (25,111,861) | (32,462,657) |
| | Closing balance | | 31,697,013 | 28,324,180 |
| 12.02 | Security deposits | | | |
| | T & T | | 20,000 | 20,000 |
| | Titas Gas Transmission & Distribution Company Limited | | 2,429,000 | 2,429,000 |
| | Gazipur Palli Bidyut Samity | | 9,065,088 | 9,065,088 |
| | Karnaphuli Gas Transmission Limited | | 1,462,983 | 1,462,983 |
| | Central Depository Bangladesh Limited (CDBL) | | 500,000 | 500,000 |
| | Chattogram Port Authority & Shipping Agent | | 590,483 | 980,483 |
| | Gulshan Club Limited | | 300,000 | 300,000 |
| | | | 14,367,554 | 14,757,554 |
| 12.03 | Prepayments | | | |
| | Insurance premium | | 2,558,131 | 2,536,686 |
| | | | 2,558,131 | 2,536,686 |
| 12.04 | The management consider that all the above advances, deposits and prepayments are either adjustable or recoverable in cash or in kind and for that no provision against them are required at this stage. | | | |
| 13.00 | Due from affiliated companies | | | |
| | KDS Poly Industries Limited | | 50,835,617 | 46,330,556 |
| | KDS Thread Limited | | 944,639,582 | 772,047,913 |
| | | | 995,475,198 | 818,378,469 |

The above amounts represent transactions with KDS Poly Industries Limited and KDS Thread Limited during the period and all the transactions were made through banking channel.



| Particulars | | | | Amount in BDT | |
|--------------|--------------------------------------|----------------|---------------|----------------------|------------------|
| | | | | 30 June 2025 | 30 June 2024 |
| 14.00 | Short term investment | | | | |
| | Investment in Fixed Deposit Receipts | | | 3,970,069 | 3,740,778 |
| | | | | 3,970,069 | 3,740,778 |
| | Name of Banks | Purpose | Period | Interest rate | |
| | Bank Asia PLC | Bank Guarantee | 1 year | 6.75% | |
| | | | | 3,970,069 | 3,740,778 |
| | | | | 3,970,069 | 3,740,778 |

* Other investment (under note #8) shown in FY 2023-24 was amounting to Tk. 5,182,233 which inter-alia included Investment in Fixed Deposit Receipts (for one year term) amounting to Tk. 3,740,778. Considering the nature of these investments, it has been rearranged under current assets-short term investment.

| Particulars | | Notes | Amount in BDT | |
|--------------|----------------------------------|-------|-------------------|-------------------|
| | | | 30 June 2025 | 30 June 2024 |
| 15.00 | Cash and cash equivalents | | | |
| | Cash in hand | 15.01 | 1,204,835 | 986,009 |
| | Cash at bank | 15.02 | 67,108,799 | 59,861,451 |
| | | | 68,313,634 | 60,847,460 |
| 15.01 | Cash in hand | | | |
| | Head office | | 572,094 | 291,169 |
| | Dhaka office | | 296,339 | 331,772 |
| | Gazipur factory office | | 336,402 | 363,068 |
| | | | 1,204,835 | 986,009 |

| Particulars | | | | | Amount in BDT | |
|--------------|-------------------------|-------------------|---------------|---------------------|-------------------|-------------------|
| | | | | | 30 June 2025 | 30 June 2024 |
| 15.02 | Cash at Bank | | | | | |
| | Name of Banks | Account No | Branch | Account Type | | |
| | Bank Asia PLC | 01236050518 | MCB Banani | SND | - | 1,361 |
| | Bank Asia PLC | 00542000114 | Agrabad | Retention Quota | 24,380 | - |
| | Bank Asia PLC | 00547000033 | Agrabad | USD | 21,449,576 | 705,649 |
| | Bank Asia PLC | 00547000053 | Agrabad | USD | 5,897,598 | - |
| | Bank Asia PLC | 00533007874 | Agrabad | Current Deposit | 46,926 | 19,269 |
| | Bank Asia PLC | 01242000049 | MCB Banani | Retention Quota | 2,846,610 | 3,849,993 |
| | Bank Asia PLC | 01247000009 | MCB Banani | USD | 1,069 | 1,026 |
| | Bank Asia PLC | 00542000136 | Agrabad | USD | 2,349 | 2,255 |
| | Bank Asia PLC | 01247000030 | MCB Banani | RAD | 28,306,468 | 44,804,101 |
| | Bank Asia PLC | 01236050569 | MCB Banani | SND | 334,735 | 80,946 |
| | Bank Asia PLC | 01233054918 | MCB Banani | Current Deposit | 57,662 | 4,808 |
| | Bank Asia PLC | 0533008175 | MCB Banani | Current Deposit | 301,987 | - |
| | Dutch Bangla Bank PLC | 1421100015883 | Jubilee Road | Current Deposit | 2,143,843 | 663,504 |
| | Eastern Bank PLC | 0011060000176 | Agrabad | Current Deposit | 194,428 | 43,277 |
| | HSBC | 004-046140-011 | Agrabad | Current Deposit | 105,279 | 22,337 |
| | Mutual Trust Bank PLC | 0002-0320003052 | Motijheel | Escrow | 101,633 | 102,054 |
| | Eastern Bank PLC | 220600014 | Agrabad | Marging Account | 575,617 | - |
| | NCC Bank PLC | 0107-0210001284 | Baridhara | Current Deposit | 2,019 | 2,306 |
| | NRB Bank PLC | 2012010105606 | Agrabad | Current Deposit | 64,927 | 64,004 |
| | Standard Chartered Bank | 01 3979660 01 | Agrabad | Current Deposit | 323,059 | 64,882 |
| | Standard Chartered Bank | 013979660-02 | Agrabad | Current Deposit | 790,713 | 1,173,520 |
| | Standard Chartered Bank | 01 3979660 03 | Agrabad | Current Deposit | 195,752 | 95,355 |
| | Standard Chartered Bank | 46397966002 | Agrabad | USD | 3,145,147 | 4,666,278 |
| | Southeast Bank PLC | 15400000112 | Agrabad | USD | 127,801 | 3,491,434 |
| | Southeast Bank PLC | 11100026308 | Agrabad | Current Deposit | 69,145 | 3,015 |
| | Trust Bank PLC | 0210002272 | Dewan Bazar | Current Deposit | 77 | 77 |
| | | | | | 67,108,799 | 59,861,451 |



| Particulars | | Amount in BDT | |
|--------------|---|----------------------|----------------------|
| | | 30 June 2025 | 30 June 2024 |
| 16.00 | Share capital | | |
| | Authorized Capital | | |
| | 200,000,000 Ordinary Shares of Tk. 10 each | 2,000,000,000 | 2,000,000,000 |
| | | 2,000,000,000 | 2,000,000,000 |
| | Issued, subscribed and paid-up Capital | | |
| | 1,000 Ordinary Shares of Tk. 10 each as at 21 April 1991 | 10,000 | 10,000 |
| | 2,100,000 Ordinary Shares of Tk. 10 each as at 17 June 2004 | 21,000,000 | 21,000,000 |
| | 10,505,000 Ordinary Shares of Tk. 10 each as at 30 June 2010 | 105,050,000 | 105,050,000 |
| | 17,522,340 Ordinary Shares of Tk. 10 each as at 6 March 2012 | 175,223,400 | 175,223,400 |
| | 9,871,660 Ordinary Shares of Tk. 10 each as at 8 June 2013 | 98,716,600 | 98,716,600 |
| | 12,000,000 Ordinary Shares of Tk.10 each issued through IPO | 120,000,000 | 120,000,000 |
| | 5,200,000 Ordinary Shares of Tk. 10 each as at 29 March 2016 (Bonus share) | 52,000,000 | 52,000,000 |
| | 2,860,000 Ordinary Shares of Tk. 10 each as at 18 September 2017 (Bonus shares) | 28,600,000 | 28,600,000 |
| | 3,003,000 Ordinary Shares of Tk. 10 each as at 04 November 2018 (Bonus shares) | 30,030,000 | 30,030,000 |
| | 3,153,150 Ordinary Shares of Tk. 10 each as at 13 November 2019 (Bonus shares) | 31,531,500 | 31,531,500 |
| | 4,966,211 Ordinary Shares of Tk. 10 each as at 30 November 2020 (Bonus shares) | 49,662,110 | 49,662,110 |
| | 3,559,118 Ordinary Shares of Tk. 10 each as at 23 October 2024 (Bonus shares) | 35,591,181 | - |
| | 74,741,479 Ordinary Shares of Tk. 10 each | 747,414,791 | 711,823,610 |

| Particulars | | 30 June 2025 | | 30 June 2024 | |
|----------------------------|------------------------------|-----------------------|-------------------|-----------------------|-------------------|
| 16.01 | Shareholding position | | | | |
| Name of the shareholders | | Percentage of holding | Number of shares | Percentage of holding | Number of shares |
| Mr. Khalilur Rahman | | 42.99% | 32,129,198 | 42.99% | 30,599,237 |
| Mr. Salim Rahman | | 14.09% | 10,531,861 | 14.09% | 10,030,344 |
| Ms. Hasina Iqbal | | 1.03% | 771,108 | 1.03% | 734,389 |
| Ms. Tahsina Rahman | | 3.84% | 2,873,298 | 3.84% | 2,736,475 |
| Ms. Tahmina Rahman | | 0.001% | 454 | 0.001% | 433 |
| KDS Garments Inds. Limited | | 2.01% | 1,503,512 | 2.01% | 1,431,917 |
| General Public (IPO) | | 36.03% | 26,932,048 | 36.03% | 25,649,566 |
| | | 100% | 74,741,479 | 100% | 71,182,361 |

| Slab by number of shares | | No. of Shareholders | No. of Shares | Holding (%) |
|---------------------------|--|---------------------|-------------------|-------------|
| 16.02 | Classification of shares by holding | | | |
| Less than 500 | | 2,558 | 386,506 | 0.52% |
| From 500 to 5,000 | | 1,947 | 3,435,346 | 4.60% |
| From 5,001 to 10,000 | | 300 | 2,147,222 | 2.87% |
| From 10,001 to 20,000 | | 165 | 2,368,943 | 3.17% |
| From 20,001 to 30,000 | | 81 | 1,946,523 | 2.60% |
| From 30,001 to 40,000 | | 38 | 1,321,456 | 1.77% |
| From 40,001 to 50,000 | | 22 | 1,010,069 | 1.35% |
| From 50,001 to 100,000 | | 31 | 2,254,179 | 3.02% |
| From 100,001 to 1,000,000 | | 33 | 9,014,764 | 12.06% |
| Above 1,000,000 | | 8 | 50,856,471 | 68.04% |
| | | 5,183 | 74,741,479 | 100% |



| Particulars | | Notes | Amount in BDT | |
|--------------|--|---|-------------------|--------------------|
| | | | 30 June 2025 | 30 June 2024 |
| 17.00 | Long term borrowings | | | |
| | Opening balance | | 90,923,688 | 115,979,435 |
| | Add: Interest applied | | 6,763,893 | 8,598,141 |
| | Add: Bank charges | | 20,000 | 21,000 |
| | Add: Adjustment for foreign currency translation | | (4,346,967) | 1,377,958 |
| | | | 93,360,614 | 125,976,534 |
| | Less: Paid during the year | | (29,584,228) | (35,052,846) |
| | Closing balance | | 63,776,386 | 90,923,688 |
| 17.01 | Current/non-current classification | | | |
| | Due within one year | | 36,018,366 | 37,150,404 |
| | Due after one year | | 27,758,020 | 53,773,284 |
| | | | 63,776,386 | 90,923,688 |
| 17.02 | Details of long term borrowings | | | |
| | Bank Asia PLC - Agrabad | 17.03 | 63,776,386 | 90,923,688 |
| | | | 63,776,386 | 90,923,688 |
| 17.03 | A. Bank Asia PLC, Agrabad, Chattogram. | | | |
| | Total sanctioned amount | Tk. 3.50 Crore | | |
| | Year | 2021 | | |
| | Purpose | Construction of two storied shed | | |
| | Interest rate | 9%-13.55% (Revised from time to time) | | |
| | Tenure | Seven years | | |
| | Payment method | The loan is repayable in equal monthly installment (EMI). | | |
| | Securities | i) Hypothecation on movable assets. | | |
| 17.03 | B. Bank Asia PLC, Agrabad, Chattogram. | | | |
| | Total sanctioned amount | Tk. 8 Crore | | |
| | Year | 2022 | | |
| | Purpose | Import of Plant & Machinery | | |
| | Interest rate | 6%-10% (Revised from time to time) | | |
| | Tenure | Five Years Six Months | | |
| | Payment method | The loan is repayable in equal monthly installment (EMI). | | |
| | Securities | i) Personal Guarantee of directors. ii) Hypothecation on movable assets. | | |

| Particulars | | Notes | Amount in BDT | |
|--------------|--|------------|--------------------|--------------------|
| | | | 30 June 2025 | 30 June 2024 |
| 18.00 | Defined benefit obligation- gratuity | | | |
| | Opening balance | | 145,062,096 | 137,297,430 |
| | Add: Provision made during the year | 26.02 & 27 | 20,984,467 | 12,755,541 |
| | | | 166,046,563 | 150,052,971 |
| | Less: Paid during the year | | (4,257,994) | (4,990,875) |
| | Closing balance | | 161,788,569 | 145,062,096 |
| 19.00 | Deferred tax liability | | | |
| | Opening balance | | 19,346,450 | 23,728,391 |
| | Provided during the year | | | |
| | Taxable/(deductible) temporary difference of PPE and intangible asset (excluding land) | | (4,327,679) | (3,450,181) |
| | Provision for Gratuity | | (2,007,176) | (931,760) |
| | Investment | | - | - |
| | | | (6,334,855) | (4,381,941) |
| | Closing balance | | 13,011,595 | 19,346,450 |



Reconciliation of deferred tax liabilities /(assets) are as follows :

| | Carrying Amount | Tax Base | Tax Rate | Taxable / (Deductible) Temporary Difference | Deferred tax liabilities/ (assets) |
|--|-----------------|-------------|------------|---|------------------------------------|
| As on 30 June 2025 | Taka | Taka | Percentage | Taka | Taka |
| Property, plant & equipment (Excluding Land) | 578,172,107 | 317,110,788 | 12.00% | 261,061,319 | 31,327,358 |
| Gratuity | (161,788,569) | - | 12.00% | (161,788,569) | (19,414,628) |
| Investment | 30,377,066 | 23,405,000 | 15% - 20% | 6,972,066 | 1,098,865 |
| Net taxable temporary difference | | | | 106,244,816 | 13,011,595 |

| | Carrying Amount | Tax Base | Tax Rate | Taxable / (Deductible) Temporary Difference | Deferred tax liabilities/ (assets) |
|--|-----------------|-------------|-----------|---|------------------------------------|
| As on 30 June 2024 | | | | | |
| Property, plant & equipment (Excluding Land) | 655,872,992 | 358,747,682 | 12.00% | 297,125,310 | 35,655,037 |
| Gratuity | (145,062,096) | - | 12.00% | (145,062,096) | (17,407,452) |
| Investment | 30,377,066 | 23,405,000 | 15% - 20% | 6,972,066 | 1,098,865 |
| Net taxable temporary difference | | | | 159,035,280 | 19,346,450 |

| Particulars | | Notes | Amount in BDT | |
|--|---|----------|----------------------|----------------------|
| | | | 30 June 2025 | 30 June 2024 |
| 20.00 | Trade and other payables | | | |
| | Trade payable | 20.01 | 1,648,897,269 | 1,237,821,783 |
| | For revenue expenses | 20.02 | 213,903,517 | 197,195,152 |
| | For other finance | 20.03 | 760,659 | 1,329,506 |
| | | | <u>1,863,561,445</u> | <u>1,436,346,441</u> |
| 20.01 | Trade payable | | | |
| | Liability for imported goods | | 1,621,298,972 | 1,209,477,496 |
| | Liability for local goods & Expenses | | 27,598,298 | 28,344,287 |
| | | | <u>1,648,897,269</u> | <u>1,237,821,783</u> |
| Liability for imported goods includes foreign currency translation loss of Tk. 45,214,963 (foreign currency translation loss for the corresponding year 2023-2024 was of Tk. 95,920,282) arising due to translation of trade payables in foreign currency at the reporting date. | | | | |
| 20.02 | For revenue expenses | | | |
| | Audit fees | 20.02.01 | 590,413 | 625,500 |
| | C & F charges | | 5,950,369 | 9,270,427 |
| | Commission on sales | | 3,034,548 | 2,002,150 |
| | Electricity bill | | 1,675,338 | 2,675,180 |
| | Employee salaries and director's remuneration | | 37,164,616 | 34,238,944 |
| | Gas charges | | 2,705,418 | 4,344,849 |
| | Insurance expenses | | 4,669,328 | 3,550,058 |
| | Provident fund | | 153,942,999 | 138,752,836 |
| | Rent expenses | | 3,854,382 | 1,443,266 |
| | Telephone & mobile bill | | 316,106 | 291,942 |
| | | | <u>213,903,517</u> | <u>197,195,152</u> |
| 20.02.01 | Audit fees | | | |
| | Statutory audit fees (External audit) | | 510,000 | 480,000 |
| | Other audit fees | | 80,413 | 145,500 |
| | | | <u>590,413</u> | <u>625,500</u> |
| 20.03 | For other Finance | | | |
| | Staff income tax | | - | 351,617 |
| | Supplier income tax | | 308,823 | 816,027 |
| | VAT on audit fee | | 88,500 | 93,825 |
| | VAT payable-others | | 363,336 | 68,037 |
| | | | <u>760,659</u> | <u>1,329,506</u> |



| Particulars | | Amount in BDT | |
|---|--|----------------|------------------|
| | | 30 June 2025 | 30 June 2024 |
| 21.00 Unclaimed Dividend | | | |
| Opening Balance | | 1,179,379 | 820,459 |
| Add: Cash dividend declared during the year | | 35,591,181 | 71,182,361 |
| Less: Paid/adjusted during the year | | (35,983,643) | (70,823,441) |
| | | 786,917 | 1,179,379 |
| 21.01 Dividend unclaimed for the years | | | |
| For year ended on | | | |
| 30 June 2024 (Final) | | 154,988 | - |
| 30 June 2023 (Final) | | 459,735 | 475,694 |
| 30 June 2022 (Final) | | 172,194 | 173,872 |
| 30 June 2021 (Final) | | - | 529,813 |
| | | 786,917 | 1,179,379 |

An Amount Tk. 529,813 was transferred to Capital Market Stabilization Fund, on 10 December 2024 through CQ No 2092360, Standard Chartered Bank as per Letter No: KDSA/CTG/F&A/2050/24.

| | | | |
|---------------------------------------|--|-------------------|-------------------|
| 22.00 Provision for Income Tax | | | |
| Opening balance | | 61,953,667 | 54,281,545 |
| Add: Provision during the year | | 46,093,461 | 40,134,779 |
| Add/(Less): Prior Year's Adjustment | | (10,709,220) | |
| | | 35,384,241 | 40,134,779 |
| Less: Paid/adjusted during the year | | (26,475,836) | (32,462,657) |
| | | 70,862,072 | 61,953,667 |

| Particulars | | 30 June 2025 | | 30 June 2024 | |
|---|---------------|---------------|-------------------|---------------|-------------------|
| | | Rate | Taka | Rate | Taka |
| 22.01 Reconciliation of effective tax rate | | | | | |
| Profit before Tax | | | 192,795,872 | | 189,512,524 |
| Total Income Tax Expenses | | 15.07% | 29,049,386 | 18.87% | 35,752,838 |
| Factors affecting the tax charge: | | | | | |
| Tax using the applicable rate | 20.00% | | 38,559,174 | 20.00% | 37,902,505 |
| Difference between accounting & fiscal Depreciation | 3.74% | | 7,212,798 | 3.03% | 5,750,301 |
| Inadmissible Expenses | -2.14% | | (4,131,793) | 0.64% | 1,207,143 |
| Difference Between WPPF & WF Provision & Payment | 3.40% | | 6,547,576 | 3.56% | 6,738,781 |
| Difference Between Gratuity Provision & Payment | 2.62% | | 5,048,492 | 1.87% | 3,549,283 |
| Rebate on export sales | -12.55% | | (24,186,861) | -10.23% | (19,395,175) |
| | 15.07% | | 29,049,386 | 18.87% | 35,752,838 |

| Particulars | | Notes | Amount in BDT | |
|--|-------|-------|--------------------|--------------------|
| | | | 30 June 2025 | 30 June 2024 |
| 23.00 Short term bank loan | | | | |
| Bank Overdraft | 23.01 | | 76,355,835 | 67,261,086 |
| Demand Loan and Time Loan | 23.02 | | 245,626,603 | 176,180,398 |
| | | | 321,982,438 | 243,441,484 |
| 23.01 Bank Overdraft | | | | |
| Bank Asia PLC | | | 75,860,184 | 41,770,770 |
| Southeast Bank PLC | | | 495,651 | 25,490,316 |
| | | | 76,355,835 | 67,261,086 |
| 23.02 Demand Loan and Time Loan | | | | |
| Bank Asia PLC | | | 87,307,650 | 89,689,797 |
| Southeast Bank PLC | | | - | 17,171,181 |
| Standard Chartered Bank | | | 85,595,346 | 50,313,542 |
| NRB Bank PLC | | | 72,723,607 | 19,005,878 |
| | | | 245,626,603 | 176,180,398 |



| Particulars | Notes | Amount in BDT | |
|--|-------|-------------------|-------------------|
| | | 30 June 2025 | 30 June 2024 |
| 24.00 Provision for WPPF and Welfare Fund | | | |
| Opening balance | | 91,682,991 | 90,882,496 |
| Add: Provision made during the year | | 10,147,151 | 9,974,343 |
| Add: Interest during the year | 27.00 | 6,098,288 | 7,272,857 |
| Less: Paid during the year | | (16,492,440) | (16,446,705) |
| | | 91,435,990 | 91,682,991 |

As per provision of Workers' Profit Participation Fund (WPPF) and Welfare Fund (WF) of Labor Act 2006, the company has been maintaining provision of WPPF & WF since 2010. Meantime, the company has credited interest on the non-distributed WPPF & WF fund till 30 June 2025 with a view to protecting the interest of the workers.

| Particulars | Notes | 01 July 2024 to 30 June 2025 | | 01 July 2023 to 30 June 2024 | |
|----------------------|-------|------------------------------|----------------------|------------------------------|----------------------|
| | | USD | Taka | USD | Taka |
| 25.00 Revenue | | | | | |
| Export sales | 25.01 | 24,403,715 | 2,888,158,169 | 23,537,671 | 2,530,678,096 |
| | | 24,403,715 | 2,888,158,169 | 23,537,671 | 2,530,678,096 |

| Particulars | | 01 July 2024 to 30 June 2025 | | 01 July 2023 to 30 June 2024 | |
|---|-------------|------------------------------|-------------|------------------------------|------|
| | | (%) | Taka | (%) | Taka |
| 25.01 Details of export sales during the year are as follows : | | | | | |
| Product name | | | | | |
| Carton | 82.05% | 2,369,700,007 | 80.72% | 2,042,641,821 | |
| Label | 2.24% | 64,707,877 | 2.40% | 60,854,372 | |
| Elastics and Narrow Fabrics | 5.24% | 151,383,043 | 5.71% | 144,624,139 | |
| Offset Printing | 2.27% | 65,502,992 | 2.88% | 72,885,700 | |
| Heat Transfer Printing | 0.37% | 10,671,292 | 0.16% | 4,082,078 | |
| Button | 6.01% | 173,719,327 | 6.03% | 152,649,678 | |
| Gum Tape | 1.82% | 52,473,631 | 1.84% | 46,642,648 | |
| Hanger | 0.00% | - | 0.25% | 6,297,662 | |
| | 100% | 2,888,158,169 | 100% | 2,530,678,096 | |

| Particulars | Notes | Amount in BDT | |
|-------------------------------------|-------|------------------------------|------------------------------|
| | | 01 July 2024 to 30 June 2025 | 01 July 2023 to 30 June 2024 |
| 26.00 Cost of goods sold | | | |
| Raw materials consumed | 26.01 | 1,908,362,989 | 1,605,458,639 |
| Factory overhead | 26.02 | 491,408,908 | 462,602,973 |
| Cost of Production | | 2,399,771,897 | 2,068,061,612 |
| Add: Opening work-in-process | | 13,777,608 | 18,870,386 |
| Less: Closing work-in-process | 9.00 | (16,662,719) | (13,777,608) |
| Cost of goods manufactured | | 2,396,886,786 | 2,073,154,390 |
| Goods used for sample making | 28.00 | (450,151) | (509,142) |
| | | 2,396,436,635 | 2,072,645,248 |
| Opening finished goods | | 7,649,654 | 7,454,366 |
| Cost of goods available for sale | | 2,404,086,289 | 2,080,099,614 |
| Closing finished goods | 9.00 | (12,376,701) | (7,649,654) |
| | | 2,391,709,588 | 2,072,449,960 |
| 26.01 Raw materials consumed | | | |
| Opening inventory | | 365,350,950 | 664,794,182 |
| Add: Purchases during the year | | 2,085,280,755 | 1,306,015,407 |
| Total materials available | | 2,450,631,705 | 1,970,809,589 |
| Less: Closing inventory | 9.00 | (542,268,716) | (365,350,950) |
| | | 1,908,362,989 | 1,605,458,639 |



| Particulars | Notes | Amount in BDT | |
|--|-------|---------------------------------|---------------------------------|
| | | 01 July 2024 to 30 June 2025 | 01 July 2023 to 30 June 2024 |
| 26.02 Factory overhead | | | |
| Salaries, wages and others | | 243,275,353 | 232,176,647 |
| Ansar/security cost | | 3,611,900 | 3,859,322 |
| Depreciation | 4.00 | 73,044,383 | 77,662,970 |
| Electricity expenses | | 19,947,418 | 15,462,968 |
| Fuel expenses | | 14,128,642 | 17,363,509 |
| Gas Expenses | | 45,724,108 | 49,733,785 |
| Generator running expenses | | 1,699,492 | 1,791,849 |
| Gratuity | 18.00 | 4,196,893 | 2,551,108 |
| Insurance premium | | 3,465,048 | 3,531,411 |
| Labour charges | | 2,330,633 | 1,964,513 |
| Printing and processing charges | | 3,886,317 | 3,561,822 |
| Repair and maintenance | | 11,863,407 | 9,143,747 |
| Stores and spares consumption | 26.03 | 44,011,199 | 28,877,591 |
| Telephone expenses | | 1,596,714 | 1,544,007 |
| Testing fee | | 9,149,566 | 6,382,528 |
| Uniform and liveries | | 265,076 | 687,613 |
| Vehicle maintenance expenses | | 8,764,660 | 5,958,356 |
| Water and sanitation expenses | | 448,099 | 349,227 |
| | | 491,408,908 | 462,602,973 |
| 26.03 Stores and spares consumption | | | |
| Opening inventory | | 89,610,577 | 84,944,671 |
| Add: Purchases during the year | | 46,574,347 | 33,543,497 |
| Total spare parts available | | 136,184,924 | 118,488,168 |
| Less: Closing inventory | 9.00 | (92,173,725) | (89,610,577) |
| | | 44,011,199 | 28,877,591 |
| 27.00 Administrative Expenses | | | |
| Salaries and Allowances | | 102,398,600 | 97,425,330 |
| Director's remuneration | | 6,100,000 | 6,100,000 |
| Audit fees | 27.01 | 704,500 | 677,850 |
| AGM expenses | | 987,304 | 795,299 |
| Amortization | 5.00 | 154,769 | 154,770 |
| Depreciation | 4.00 | 18,261,096 | 19,415,742 |
| Electricity expenses | | 4,644,092 | 2,728,759 |
| Entertainment | | 1,585,738 | 1,169,677 |
| Fuel expenses | | 2,838,980 | 2,110,642 |
| Gratuity | 18.00 | 16,787,574 | 10,204,433 |
| Group insurance | | 604,893 | 614,407 |
| Guest house expenses | | 374,544 | 457,342 |
| Insurance expenses | | 1,485,026 | 1,513,462 |
| Interest on WPPF | 24.00 | 6,098,288 | 7,272,857 |
| Internet expenses | | 1,894,825 | 1,849,195 |
| Medical expenses | | 275,024 | 203,823 |
| Miscellaneous expenses | | 7,012,575 | 6,072,200 |
| Periodicals expenses | | 28,397 | 32,347 |
| Office maintenance | | 415,785 | 423,142 |
| Postage and parcel expenses | | 848,033 | 1,200,343 |
| Printing and stationeries | | 2,688,028 | 2,463,586 |
| Professional fees | | 53,750 | 67,033 |
| Rent expenses - Dhaka office | | 11,660,071 | 11,307,861 |
| Rent, rates, license, renewal and others fee | | 4,495,342 | 2,750,343 |
| Repair and maintenance | | 1,755,578 | 1,201,233 |
| Security cost - Ansar cost | | 990,335 | 681,057 |
| Fooding expenses | | 3,560,525 | 3,427,046 |
| Training expenses | | - | 22,796 |
| Telephone | | 1,847,237 | 1,887,119 |
| Travelling and conveyance | | 1,539,765 | 1,786,259 |
| Vehicle maintenance expenses | | 977,342 | 662,040 |
| | | 203,068,016 | 186,677,993 |



| Particulars | | Notes | Amount in BDT | |
|--------------|---|-------|---------------------------------|---------------------------------|
| | | | 01 July 2024 to 30 June 2025 | 01 July 2023 to 30 June 2024 |
| 27.01 | Audit fees | | | |
| | Statutory audit fees (External audit) | | 586,500 | 552,000 |
| | Other audit fees | | 118,000 | 125,850 |
| | | | 704,500 | 677,850 |
| 28.00 | Selling and distribution expenses | | | |
| | Salaries and allowances | | 27,932,539 | 26,460,944 |
| | Advertisement expenses | | 1,020,326 | 1,044,090 |
| | Carriage outward | | 23,435,644 | 20,982,603 |
| | Sales promotion and commission expenses | | 23,126,482 | 10,908,506 |
| | Sample expenses | 26.00 | 450,151 | 509,142 |
| | | | 75,965,142 | 59,905,285 |
| 29.00 | Finance cost | | | |
| | Interest on bank loan and others | | 61,460,315 | 73,398,495 |
| | Bank charges and commission | | 13,231,038 | 11,582,307 |
| | (Gain)/Loss on currency fluctuation | | 36,103,299 | 8,164,290 |
| | | | 110,794,652 | 93,145,092 |
| 30.00 | Finance income | | | |
| | Interest earned from FDR | | 493,288 | 326,719 |
| | Interest earned from STD | | 49,486 | 31,809 |
| | Interest income from inter-company receivable | | 91,535,861 | 76,527,755 |
| | | | 92,078,635 | 76,886,283 |
| 31.00 | Other Income | | | |
| | Rental income | | 1,560,000 | 1,560,000 |
| | Gain/(Loss) on sale of assets | | 824,084 | 541,988 |
| | Forfeiture of Provident Fund | | 1,019,533 | 1,076,455 |
| | Wastage Sales | | 840,000 | 922,374 |
| | | | 4,243,617 | 4,100,817 |
| 32.00 | Reconciliation of cash generated by operations | | | |
| | Profit before income tax | | 192,795,872 | 189,512,524 |
| | Depreciation charged | | 91,305,479 | 97,078,712 |
| | Amortization charged | | 154,769 | 154,770 |
| | (Gain)/loss on sale of property, plant and equipment | | (824,084) | (541,988) |
| | Finance Income | | (92,078,635) | (76,886,283) |
| | Finance Cost | | 110,794,652 | 93,145,092 |
| | (Increase)/Decrease in Inventory | | (197,523,132) | 210,665,220 |
| | (Increase)/Decrease in Trade Receivables (after adj. foreign currency fluctuation gain) | | (286,251,625) | 141,634,349 |
| | (Increase) / Decrease in Advances, Deposits and Pre-payments | | (426,222) | 3,628,141 |
| | Increase/(Decrease) in Trade and Other payables | | 341,390,374 | 176,340,286 |
| | Increase in provision of WPPF and WF | | (247,001) | 800,495 |
| | Increase in the provision of gratuity | | 16,726,473 | 7,764,666 |
| | Cash generated by operations | | 175,816,921 | 843,295,984 |
| | Interest paid (net) | | 17,349,794 | (8,157,610) |
| | Income Tax Paid | | (29,848,669) | (25,111,861) |
| | Net cash flows from operating activities | | 163,318,046 | 810,026,513 |
| 33.00 | Earnings Per Share (EPS) | | | |
| 33.01 | Basic Earnings Per Share | | | |
| | The computation of EPS is given below: | | | |
| | Total earnings attributable to the ordinary shareholders | | 163,746,486 | 153,759,686 |
| | Number of ordinary shares outstanding during the year | | 74,741,479 | 71,182,361 |
| | Weighted average number of ordinary shares outstanding during the year | | 74,741,479 | 71,182,361 |
| | Basic Earnings Per Share | | 2.19 | 2.16 |



| | Particulars | Notes | Amount in BDT | |
|--------------|--|-------|---------------------------------|---------------------------------|
| | | | 01 July 2024 to 30 June 2025 | 01 July 2023 to 30 June 2024 |
| 33.02 | Earnings Per Share (Restated) | | | |
| | Total earnings attributable to the ordinary shareholders | | | 153,759,686 |
| | Number of ordinary shares outstanding | | | 74,741,479 |
| | Weighted average number of ordinary shares | | | 74,741,479 |
| | Earnings Per Share (Restated) | | | 2.06 |
| | *EPS for the year 01 July 2023 to 30 June 2024 has been restated based on the new weighted average number of ordinary shares in accordance with para 64 of IAS 33 due to issuance of 3,559,118 bonus shares for the income year 2023-2024. | | | |
| 33.03 | Diluted EPS | | | |
| | No diluted EPS was required to be calculated for the year since there was no scope for dilution of share during the year under review. | | | |
| 33.04 | Net Asset Value Per Share (NAV) | | | |
| | Total Assets | | 4,658,060,854 | 4,032,636,332 |
| | Less: Liabilities | | 2,587,205,413 | 2,089,936,196 |
| | Net Asset Value (NAV) | | 2,070,855,442 | 1,942,700,136 |
| | Number of ordinary shares outstanding during the year | | 74,741,479 | 71,182,361 |
| | Net Assets Value (NAV) per share | | 27.71 | 27.29 |
| 33.05 | Net operating cash flow per share | | | |
| | Net operating cash flows (from statement of cash flows) | | 163,318,046 | 810,026,513 |
| | Number of ordinary shares outstanding during the year | | 74,741,479 | 71,182,361 |
| | Net operating cash flow per share | | 2.19 | 11.38 |
| 34.00 | Contingent liabilities and commitment | | | |
| | Contingent liabilities and commitment at the reporting date are as follows: | | | |
| 34.01 | Bank guarantee | | | |
| | Bank Asia PLC | | 11,197,208 | 11,197,208 |
| | | | 11,197,208 | 11,197,208 |
| 34.02 | L/C liabilities | | | |
| | Bank Asia PLC | | 234,375,742 | 235,563,840 |
| | Standard Chartered Bank | | 71,052,036 | 110,786,296 |
| | Southeast Bank PLC | | - | 17,195,600 |
| | Eastern Bank PLC | | 342,082 | - |
| | | | 305,769,860 | 363,545,736 |
| 34.03 | Capital expenditure commitment | | | |
| | There is no capital expenditure commitment as at 30 June 2025. | | | |
| 35.00 | Directors' interest in contracts with the company | | | |
| | There was no transaction resulting in Directors' interest with the company. | | | |
| 36.00 | Credit facility not availed | | | |
| | There was no credit facility available to the company under any contract, but not availed as on 30 June 2025 other than trade credit available in the ordinary course of business. | | | |
| 37.00 | Related Party Transactions | | | |
| | In accordance with IAS-24 : Related Party Disclosures, Key Management Personnel of the company are those persons having the authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly. | | | |
| 37.01 | Key Management Personnel Compensation | | | |
| | Short term employee Benefits | | 6,100,000 | 6,100,000 |
| | | | 6,100,000 | 6,100,000 |
| | Key Management Personnel compensation includes benefits for employees of the rank of director and above. | | | |
| | Director's Remuneration and festival bonus is given to the managing director only. Board Meeting attendance fees are given to all the directors. During the year 2024-2025, managing director's remuneration is BDT 60,00,000 and festival bonus is BDT 1,00,000. In the year 2023-2024 managing director remuneration was BDT 60,00,000 and festival bonus was BDT 1,00,000. Attendance fees in connection with Board of Directors Meeting is BDT 1,00,000 during the year 2024-2025, It was 125,000 in the year 2023-2024. | | | |
| 37.02 | Related party transactions | | | |
| | During the year the Company carried out a number of transactions with related parties in the normal course of business on an arms' length basis. Names of those related parties, nature of those transactions and their total value have been set out in accordance with the provisions of IAS-24: Related Party Disclosures. | | | |

37.02 Related party transactions

| SL No. | Name of the Related Parties | Relationship | Nature of Transactions | Balance as on 01 July 2024 | Transaction during the year (Net) | Balance as on 30 June 2025 |
|--------|-----------------------------|---------------------|--------------------------|----------------------------|-----------------------------------|----------------------------|
| 1 | KDS Fashion Limited | Common directorship | Receivable against Sales | 87,975,225 | (7,319,010) | 139,230,767 |
| 2 | KDS Garment Inds. Ltd. | Common directorship | Receivable against Sales | 44,890,794 | 17,936,244 | 44,336,859 |
| 3 | KDS IDR Limited | Common directorship | Receivable against Sales | 124,151,859 | 11,544,905 | 135,696,764 |
| 4 | KDS Apparels Limited | Common directorship | Receivable against Sales | 12,784,239 | (8,837,605) | 3,946,634 |
| 5 | KDS Poly Ind. Limited | Common directorship | Short Term Loan | 46,330,556 | 4,505,061 | 50,835,617 |
| 6 | KDS Thread Limited | Common directorship | Short Term Loan | 772,047,913 | 172,591,669 | 944,639,582 |

38.00 Board of Directors (BOD) meetings & attendance:

| Name of the Directors | Designation | Number of Meetings Held | Attendance |
|--|----------------------|-------------------------|------------|
| Mr. Khalilur Rahman | Chairman | 4 | 4 |
| Mr. Salim Rahman | Managing Director | 4 | 4 |
| Ms. Tahsina Rahman | Director | 4 | 4 |
| KDS Garment Industries Limited (Represented by Mr. Kamrul Hasan, FCA) | Director | 4 | 4 |
| Professor Sarwar Jahan | Independent Director | 4 | 4 |

| Particulars | Amount in BDT | |
|-------------|---------------|--------------|
| | 30 June 2025 | 30 June 2024 |

39.00 Events after the reporting period

39.01 Proposed Dividend:

The Board of Directors of KDS Accessories Limited at its 157th meeting held on 21 October 2025 recommended a final cash dividend amounting to BDT. 74,741,479 being 10% of the paid-up capital (i.e. BDT. 1.00 per share) for the year 30 June 2025. These dividends are subject to final approval by the shareholders at the forthcoming annual general meeting of the company.

39.02 Minimum amount to be distributed as dividend

As per Section 22 of ITA 2023, as a listed company, KDS Accessories Limited shall declare and distribute at least 30% of its net profit after tax as dividend to its shareholders otherwise 10% tax shall be imposed on the amount of retained earnings, fund, reserve or surplus transferred during the period.

| | | |
|---|-------------------|-------------------|
| Distributable Income | 163,746,486 | 153,759,686 |
| Minimum Dividend Percentage as per Section 22 | 30% | 30% |
| Amount to be Distributed as Dividend | 49,123,946 | 46,127,906 |

| | | |
|-----------------------------|--------------------|--------------------|
| Net Profit Before Tax | 192,795,872 | 189,512,524 |
| Less: Income Tax | (29,049,386) | (35,752,838) |
| Distributable Income | 163,746,486 | 153,759,686 |

40.00 Employee position of KDS Accessories Limited

Number of employees whose monthly salary was below Tk. 3,000

| | | |
|--|--------------|--------------|
| | - | - |
| Number of employees whose monthly salary was above Tk. 3,000 | 1,293 | 1,303 |
| | 1,293 | 1,303 |



41.00 Quantitative information of production capacity for the year ended 30 June 2025

| Particulars | Unit | 1 July 2024 to 30 June 2025 | | | 1 July 2023 to 30 June 2024 | | |
|-----------------------------|------|------------------------------|----------------------------|-----------------------------|------------------------------|----------------------------|-----------------------------|
| | | Production Capacity (Pcs/GG) | Actual Production (Pcs/GG) | Capacity Utilization in (%) | Production Capacity (Pcs/GG) | Actual Production (Pcs/GG) | Capacity Utilization in (%) |
| Carton | Pcs | 31,750,000 | 24,323,902 | 76.61% | 31,750,000 | 21,184,985 | 66.72% |
| Label | Pcs | 175,964,208 | 59,069,823 | 33.57% | 175,964,208 | 66,336,043 | 37.70% |
| Elastics and Narrow Fabrics | Yard | 35,376,000 | 20,426,405 | 57.74% | 35,376,000 | 18,301,498 | 51.73% |
| Offset Printing | Pcs | 150,009,600 | 33,449,163 | 22.30% | 150,009,600 | 38,618,859 | 25.74% |
| Heat Transfer Printing | Pcs | 24,960,000 | 2,352,936 | 9.43% | 24,960,000 | 2,019,136 | 8.09% |
| Button | GG | 360,000 | 222,759 | 61.88% | 360,000 | 211,782 | 58.83% |
| Gum Tape | Pcs | 4,290,000 | 707,587 | 16.49% | 4,290,000 | 559,850 | 13.05% |
| Hanger | Pcs | 45,000,000 | - | 0.00% | 45,000,000 | 4,200,711 | 9.33% |

42.00 Financial instruments- Financial risk management

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

The management has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. This note presents information about the company's exposure to each of the following risks, the company's objectives, policies and processes for measuring and managing risk, and the company's management of capital. The company has exposure to the following risks from its use of financial instruments.

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

| Particulars | Amount in BDT | |
|-------------|---------------|--------------|
| | 30 June 2025 | 30 June 2024 |

42.01 Credit risk

Credit risk is risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations which arises principally from the Company's receivables and investments.

(a) Exposure to credit risk

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

| | | |
|--|----------------------|----------------------|
| Investments in FDRs (Short term & long term) | 5,505,261 | 5,182,233 |
| Advances, deposits and prepayments | 80,626,532 | 76,827,477 |
| Trade and other receivables | 1,699,295,092 | 1,382,346,403 |
| Due from affiliated companies | 995,475,198 | 818,378,469 |
| Cash at bank | 67,108,799 | 59,861,451 |
| | 2,848,010,882 | 2,342,596,033 |

(I) Trade and other receivables

The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry in which customers operate. However, based on the company's operations there is no concentration of credit risk.

Ageing of trade receivables

The ageing of gross value at the reporting date that was not impaired was as follows:

| | | |
|----------------------|----------------------|----------------------|
| Dues within 3 Months | 592,819,883 | 586,176,363 |
| Dues over 3 Months | 1,105,999,397 | 795,731,716 |
| | 1,698,819,280 | 1,381,908,079 |

The management believes that the amounts are collectible in full, based on historic payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

(ii) Due from affiliated companies

The carrying amount represents amount paid to two of the inter companies to meet its operational finance from time to time. The outstanding balance is redeemable including 9.5% (30 June 2024: 9-9.5%) interest per annum and has no prescribed repayment schedule.

| Particulars | Amount in BDT | |
|-------------|---------------|--------------|
| | 30 June 2025 | 30 June 2024 |

(iii) Cash and cash equivalents

The company held cash at bank of Tk. 67,108,799 at 30 June 2025 (2024: Tk. 59,861,451), which represents its maximum credit exposure on these assets. The balance with banks are maintained with both local branch of International banks and domestic scheduled banks.

(b) Credit exposure by credit rating

| | As at 30 June 2025 | |
|-------------------------------------|--------------------|--------------|
| | Amount in Taka | (%) |
| Trade receivables | 1,698,819,280 | 92.24% |
| Other receivables | 475,812 | 0.03% |
| Advances, deposits and prepayments | 80,626,532 | 4.38% |
| Cash and cash equivalents | | |
| Cash in hand | 1,204,835 | 0.07% |
| Cash at Banks | 60,635,585 | 3.29% |
| Bank Asia PLC | 53,371,763 | 88.02% |
| Dutch Bangla Bank PLC | 2,143,843 | 3.54% |
| Eastern Bank PLC | 194,428 | 0.32% |
| HSBC | 105,279 | 0.17% |
| Mutual Trust Bank PLC | 101,633 | 0.17% |
| National Credit & Commerce Bank PLC | 2,019 | 0.00% |
| NRB Bank PLC | 64,927 | 0.11% |
| Standard Chartered Bank | 4,454,670 | 7.35% |
| Trust Bank PLC | 77 | 0.00% |
| Southeast Bank PLC | 196,946 | 0.32% |

42.02 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash. The Company's approach to manage liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to Liquidity risk

The following are the contractual maturities of financial liabilities:

| Non-derivative financial liabilities | Carrying amount | Interest rate | Contractual cash flows | | | |
|--------------------------------------|----------------------|---------------|------------------------|-------------------|-------------------|----------------------|
| | | | Within 12 months | 1 to 5 years | More than 5 years | Total |
| As at 30 June 2025 | Taka | Percentage | Taka | Taka | Taka | Taka |
| Long term borrowings | 63,776,386 | 6.07%-13.55% | 36,018,366 | 27,758,020 | - | 63,776,386 |
| Trade and other payable | 1,863,561,445 | N/A | 1,863,561,445 | - | - | 1,863,561,445 |
| Unclaimed Dividend | 786,917 | N/A | 786,917 | - | - | 786,917 |
| Short term bank loan | 321,982,438 | 8.5%-15% | 321,982,438 | - | - | 321,982,438 |
| Provision for WPPF and Welfare Fund | 91,435,990 | 7.50% | 91,435,990 | - | - | 91,435,990 |
| | 2,341,543,177 | | 2,313,785,157 | 27,758,020 | - | 2,341,543,177 |
| As at 30 June 2024 | | | | | | |
| Long term borrowings | 90,923,688 | 6.07%-13.55% | 37,150,404 | 53,773,284 | - | 90,923,688 |
| Trade and other payable | 1,436,346,441 | N/A | 1,436,346,441 | - | - | 1,436,346,441 |
| Unclaimed Dividend | 1,179,379 | N/A | 1,179,379 | - | - | 1,179,379 |
| Short term bank loan | 243,441,484 | 9%-10% | 243,441,484 | - | - | 243,441,484 |
| Provision for WPPF and Welfare Fund | 91,682,991 | 7.50%-12% | 91,682,991 | - | - | 91,682,991 |
| | 1,863,573,983 | | 1,809,800,699 | 53,773,284 | - | 1,863,573,983 |



42.03 Market risk

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

(a) Currency risk exposure and its management

The company is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the functional currencies of the company.

As at 30 June 2025, the Company was exposed to foreign currency risk in respect of financial liabilities denominated in the following currencies:

(i) Exposure to currency risk

| As at 30 June 2025 | USD | Taka |
|---|-------------------|----------------------|
| Foreign currency denominated assets | | |
| Cash and cash equivalents | 511,703 | 62,376,615 |
| Trade receivables | 13,936,171 | 1,698,819,280 |
| | 14,447,874 | 1,761,195,895 |
| Foreign currency denominated liabilities | | |
| Liability for Accepted Bills for Payment (ABP) | 13,192,018 | 1,621,298,972 |
| | 13,192,018 | 1,621,298,972 |
| Net exposure | 1,255,857 | 139,896,924 |
| As at 30 June 2024 | USD | Taka |
| Foreign currency denominated assets | | |
| Cash and cash equivalents | 491,630 | 57,520,736 |
| Trade receivables | 11,811,180 | 1,381,908,079 |
| | 12,302,810 | 1,439,428,815 |
| Foreign currency denominated liabilities | | |
| Liability for Accepted Bills for Payment (ABP) | 10,249,809 | 1,209,477,496 |
| | 10,249,809 | 1,209,477,496 |
| Net exposure | 2,053,001 | 229,951,319 |

The company has translated all of its monetary items in foreign currency at the end of its accounting period by using two different rates since the bank offering two different rates for settling its assets and liabilities in foreign currency. The following significant exchange rate is applied during the year:

| US Dollar | 30 June 2025 | 30 June 2024 |
|--|--------------|--------------|
| For denoting asset in foreign currency | 121.90 | 117.00 |
| For denoting liabilities in foreign currency | 122.90 | 118.00 |

Being a 100% export oriented company, the company can directly mitigate foreign currency risk exposure by tradeoff between import and export.

(ii) Sensitivity analysis

A reasonably possible strengthening (weakening) of the US Dollar against BD Taka at the reporting date would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. The analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

| | 30 June 2025 | | 30 June 2024 | |
|-------------------|----------------|-------------|----------------|-------------|
| | Profit or loss | | Profit or loss | |
| | Strengthening | Weakening | Strengthening | Weakening |
| | Taka | Taka | Taka | Taka |
| USD (2% movement) | 3,074,337 | (3,074,337) | 4,824,553 | (4,824,553) |

(b) Transaction risk

Transaction risk is the risk that the company will incur exchange losses when the accounting results are translated into the home currency.



(c) Economic risk

Economic risk refers to the effect of exchange rate movements on the international competitiveness of the company.

(d) Interest risk

Interest rate risk arises from movement in interest rates. The company needs to manage interest rate risk so as to be able to repay debts as they fall due and to minimize the risks surrounding interest payments and receipts.

Exposure to interest rate risk

The interest rate profile of the company's interest-bearing financial instruments as reported to the management of the company is as follows.

| Particulars | Amount in BDT | |
|--------------------------------|--------------------|--------------------|
| | 30 June 2025 | 30 June 2024 |
| Fixed- rate instruments | | |
| Financial assets | 1,000,980,459 | 823,560,702 |
| Financial liabilities | (385,758,824) | (334,365,172) |
| | 615,221,635 | 489,195,530 |

(e) Other market price risk

The company is exposed to equity price risk, which arises from available for sale equity and debt securities. Management of the company monitors its investment portfolio based on market indices and all buy and sell decisions are approved by the Directors.



43.00

Financial Instruments- Accounting classifications and fair values

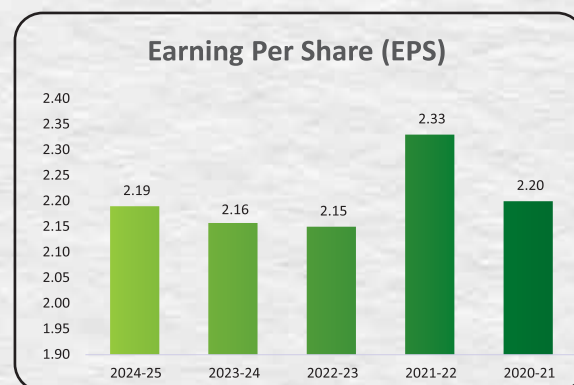
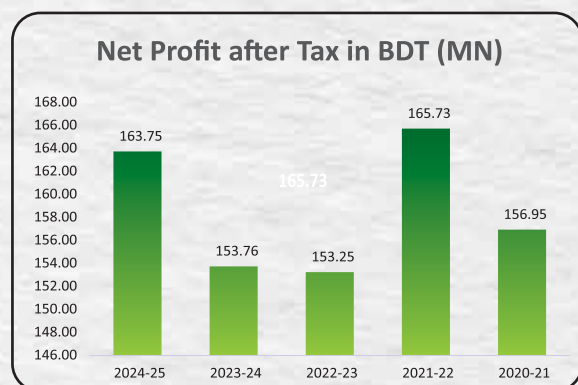
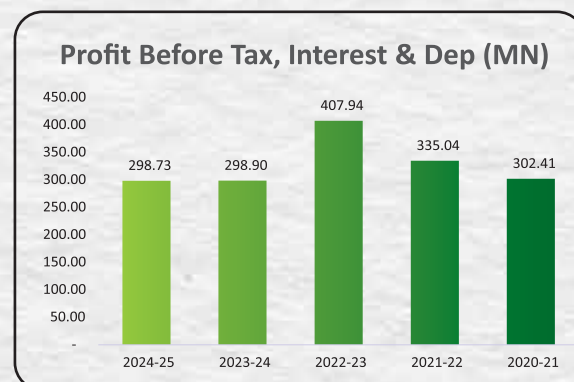
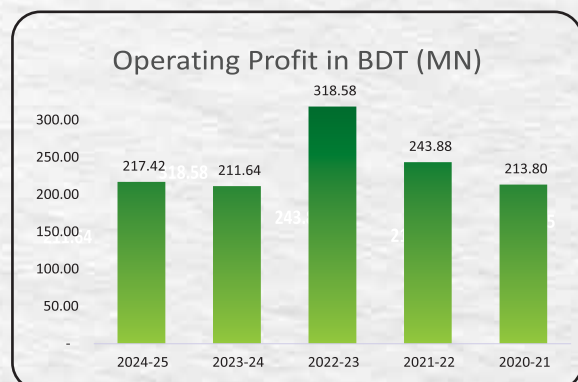
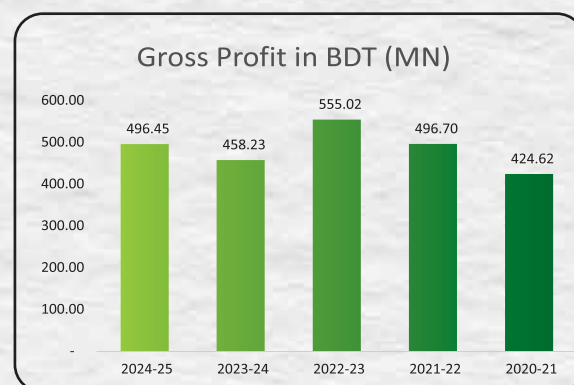
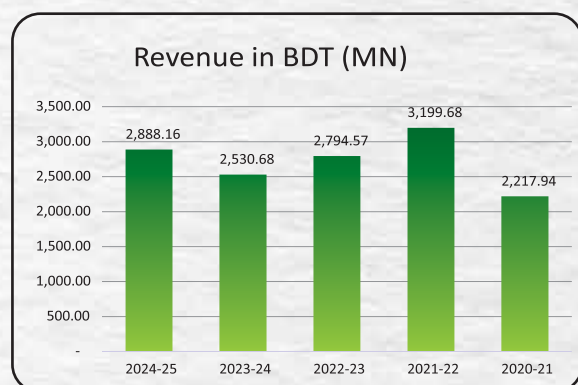
The following table shows the carrying amounts of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

| | | Carrying amount | | | | | |
|--|-----------|-----------------------------------|------------------|-----------------------|--------------------|-----------------------------|-----------------|
| 30 June 2025 | Note ref. | Fair value through profit or loss | Held to maturity | Loans and receivables | Available for sale | Other financial liabilities | Total |
| Financial assets not measured at fair value | | | | | | | |
| | 10 & 11 | - | - | 1,699,295,092 | - | - | 1,699,295,092 |
| | 13 | - | - | 995,475,198 | - | - | 995,475,198 |
| | 8 & 14 | - | - | - | 5,505,261 | - | 5,505,261 |
| | 15.02 | - | - | 67,108,799 | - | - | 67,108,799 |
| | | - | - | 2,761,879,090 | 5,505,261 | - | 2,767,384,350 |
| Financial liabilities not measured at fair value | | | | | | | |
| | 17 | - | - | - | - | (63,776,386) | (63,776,386) |
| | 20 | - | - | - | - | (1,863,561,445) | (1,863,561,445) |
| | 21 | - | - | - | - | (786,917) | (786,917) |
| | 23 | - | - | - | - | (321,982,438) | (321,982,438) |
| | | - | - | - | - | (2,250,107,187) | (2,250,107,187) |
| 30 June 2024 | | | | | | | |
| Financial assets not measured at fair value | | | | | | | |
| | 10 & 11 | - | - | 1,382,346,403 | - | - | 1,382,346,403 |
| | 13 | - | - | 818,378,469 | - | - | 818,378,469 |
| | 8 & 14 | - | - | - | 5,182,233 | - | 5,182,233 |
| | 15.02 | - | - | 59,861,451 | - | - | 59,861,451 |
| | | - | - | 2,260,586,323 | 5,182,233 | - | 2,265,768,556 |
| Financial liabilities not measured at fair value | | | | | | | |
| | 17 | - | - | - | - | (90,923,688) | (90,923,688) |
| | 20 | - | - | - | - | (1,436,346,441) | (1,436,346,441) |
| | 21 | - | - | - | - | (1,179,379) | (1,179,379) |
| | 23 | - | - | - | - | (243,441,484) | (243,441,484) |
| | | - | - | - | - | (1,771,890,992) | (1,771,890,992) |



PERFORMANCE INDICATOR

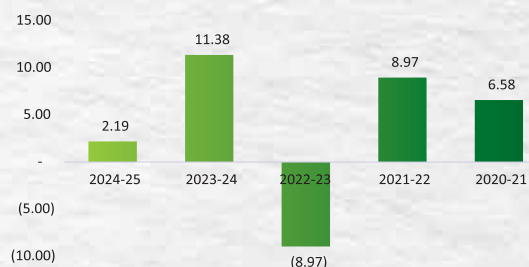
ANNEXURE - F



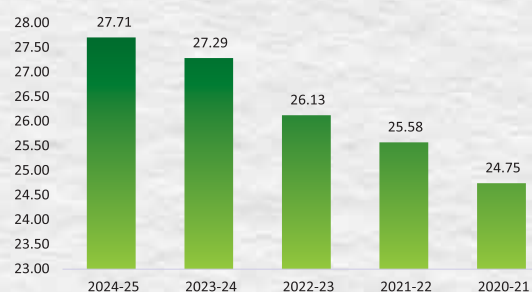
PERFORMANCE INDICATOR

ANNEXURE - F

Net operating Cash Flow per share (NOCFPS)



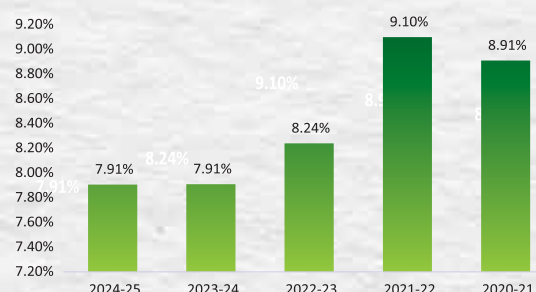
Net Assets Value (NAV) per Share



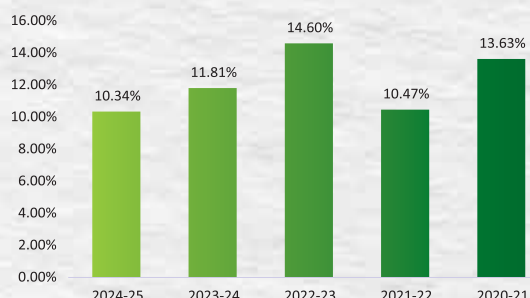
Shareholders Equity in BDT (MN)



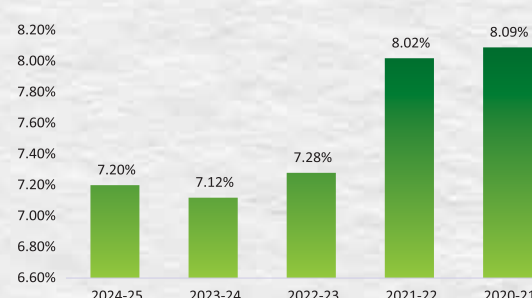
Return on Shareholders Equity



EBITDA Margin to Sales



Return on Capital Employed

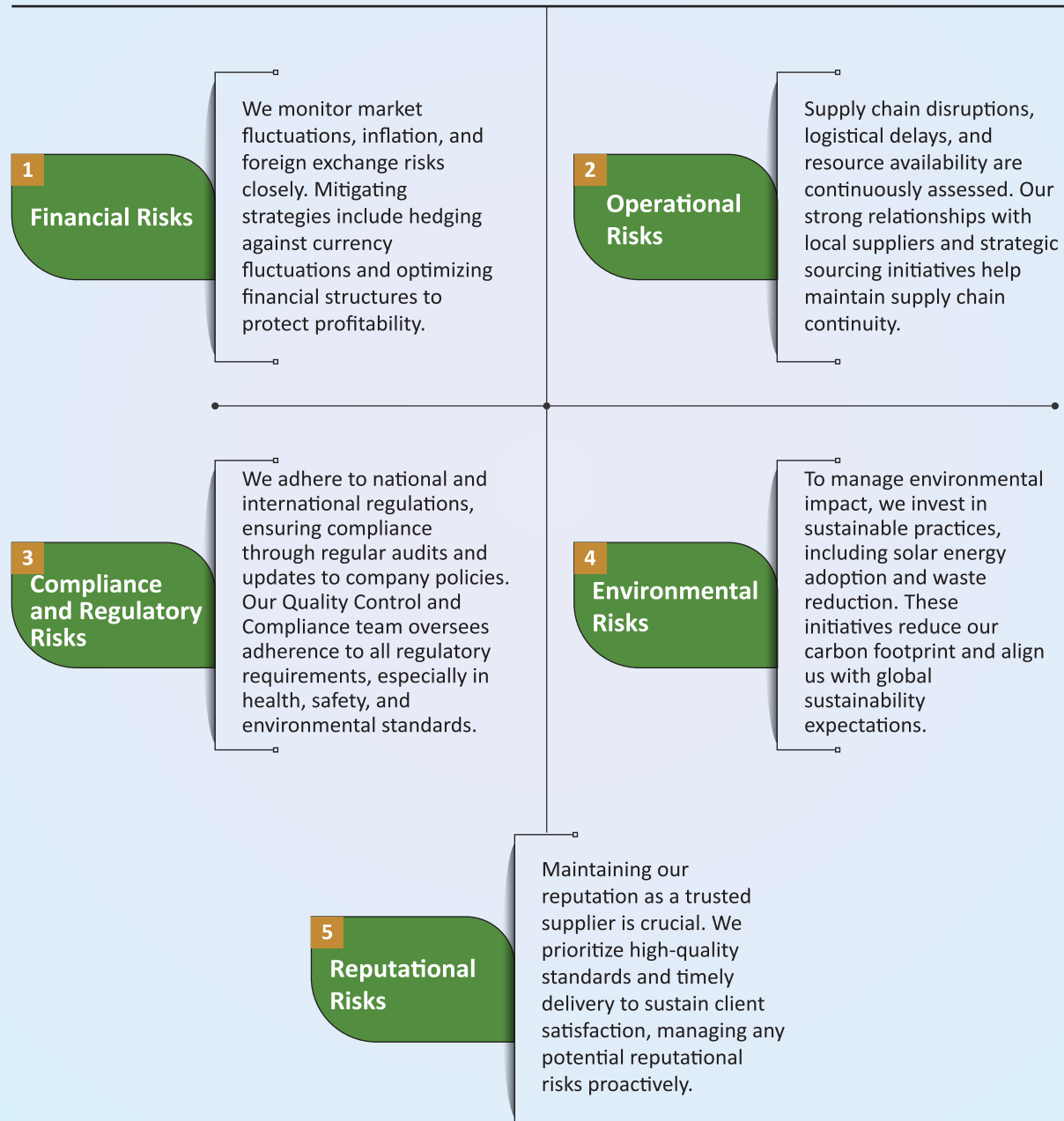




**RISK MANAGEMENT &
INTERNAL CONTROLS**

RISK MANAGEMENT FRAMEWORK

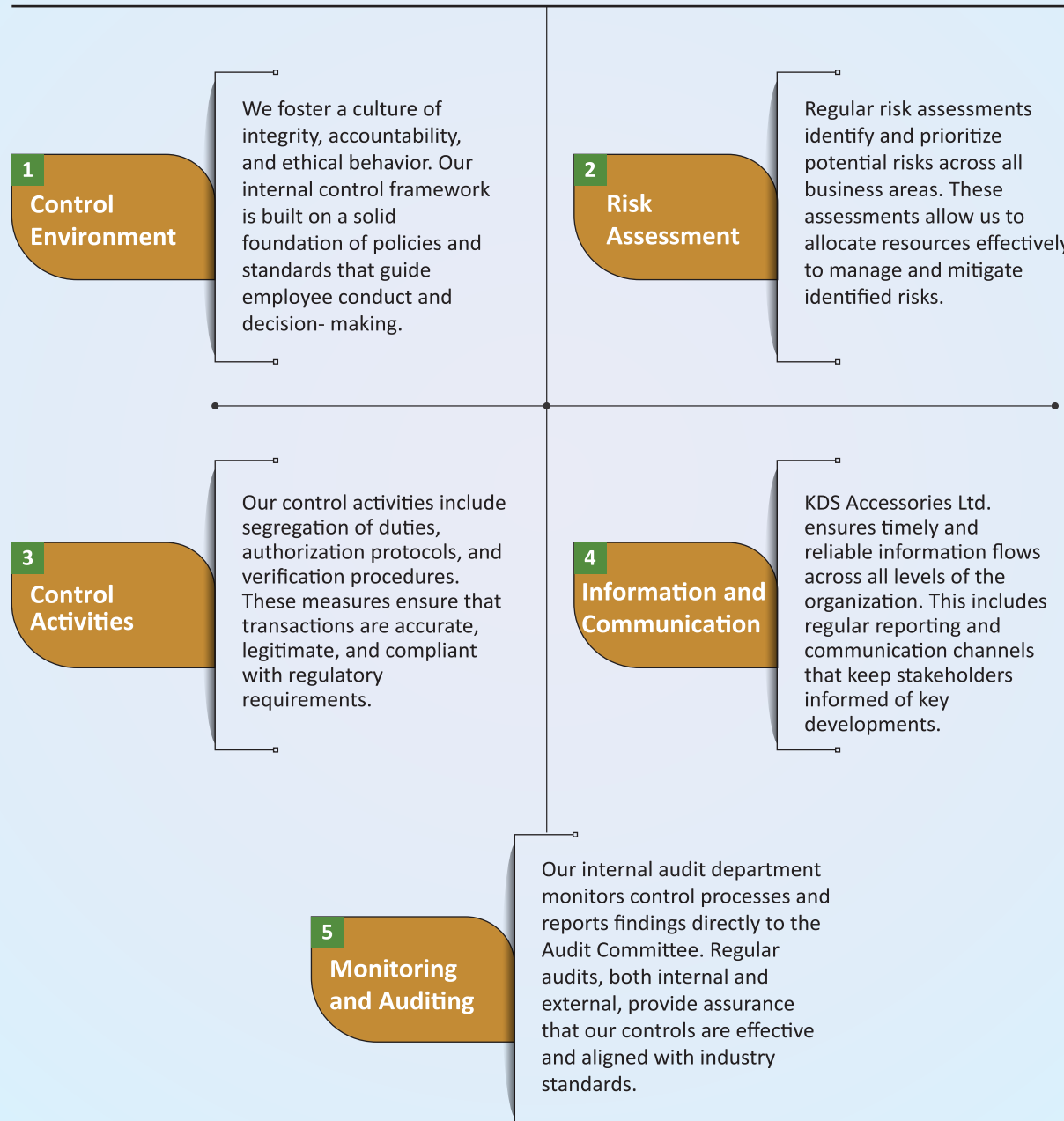
Operating in a dynamic industry, KDS Accessories Ltd. has developed a robust risk management framework to proactively identify, assess, and mitigate risks that could impact our business. Our risk management approach is integrated into every aspect of our operations, ensuring resilience and adaptability in the face of challenges.



Our risk management framework is regularly reviewed by the Audit Committee to ensure it remains effective and responsive to emerging risks.

INTERNAL CONTROL SYSTEM AND PROCESSES

KDS Accessories Ltd. upholds a strong internal control system designed to safeguard assets, enhance operational efficiency, and ensure the accuracy of our financial reporting. Our internal control processes are fundamental to maintaining trust with stakeholders, supporting compliance, and protecting the integrity of our operations.



This internal control system enables KDS Accessories Ltd. to operate transparently and responsibly, building stakeholder confidence and ensuring that our operational and financial processes remain robust.

RISK AND CONCERNS

An investment in equity carries risks. Investors should carefully consider all the information in this Annual Report including the risks and uncertainties described below, before making an investment in equity shares of KDS Accessories Limited. Any of the following risks as well as other risks and uncertainties discussed in the Annual Report could have a material adverse effect on business, financial condition and results of operations of KDSAL and could cause the trading price of Equity Shares to decline, which could result in the loss of all or part of one's investment. In addition, the risks set out may not be exhaustive and additional risks and uncertainties, not presently known to us, or which we currently deem immaterial, may arise or become material in the future. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein:



A. Interest Rate Risk

Change in interest rates and banking policies resulting in an increase in financial expenses may have an adverse effect in Company's profitability. The company is dependent on bank (s) for working capital requirements. Therefore any change in the existing banking policies or increase in the interest rates may reduce profit of the company.

Management Perception

The Management of the Company is always aware of the interest rates at which the debts of the company are being financed. Management finances both long-term & short-term funds at competitive rates. The company has been repaying borrowed funds on a continuous basis to reduce such interest risk.



Management Perception

The risk of foreign exchange cannot be eliminated fully as we would have to import raw materials.

However the management is always alert in minimizing the negative impact of currency fluctuation cost by identifying new sources of raw materials and constantly negotiating with suppliers for reducing price. Furthermore as a natural hedge, this 100% export oriented company enjoys the benefits of any further devaluation of BDT in against foreign currency.



B. Exchange Rate Risk

The company carries foreign exchange rate fluctuation risk as it imports raw materials against payment of foreign currency. Unfavorable volatility or currency fluctuation of foreign currency to BDT exchange rate may have negative impact on the cost structure and profitability of the company.

C. Industry Risks

Due to lower barriers to entry in this sector, competition may increase with too many new players. If economic growths as well as development activities of the country are not up to the mark, market will be more competitive due to excess capacity in the industry.

Management Perception

KDS Accessories Limited is the largest export oriented carton box producing company in Bangladesh. Since inception, the company has tried and accomplishes to provide the best quality

of its products to its valuable clients without any topsy-turvy state of affairs as being a partner of this fraternity. These made the company pioneer in accessories sector. Moreover at the end of the third quarter of 2013 the company has introduced three more products in their product line i.e. Label, Narrow Fabrics, Elastics etc.



D. Market And Technology-related Risks

Change/up gradation in technology is one of the key factors for the sustainable growth of business operations. Inability to adapt required changes/ up gradation in technology may place the competitors at an advantage in terms of costs, efficiency and delivery of products and consequently would have an adverse impact on business operations and financial condition of the company.

Management Perception

KDSAL owns modern technology with R & D infrastructure and able to adapt any new Inventions with moderate investments as it had been doing in the past. As part of this philosophy KDSAL is the first who has comprehensive Heat Transfer, Label printing facility in Bangladesh with the most advanced line of equipment & material meeting global standards & safety compliances.

The Company is aware of technological changes and has adopted new technology according to its needs. Furthermore, routine and proper maintenance of equipment carried out by the company ensures longer service life for the existing equipment and facilities.



E. Labor Unrest

Smooth production is dependent on good relationship of the management with the factory workers and their ability to provide high-quality services. In the event of disagreements with the workers, the company may experience adverse impact.



Management Perception

KDSAL maintains good atmosphere at the work place and provides all sort of facilities to the workers as per law of the land as well as Service Rules. Moreover the company has satisfactory compensation and welfare policies for its human resources, which reduces the risk of labor unrest.

F. Operational Risks

Rise in Input Costs may affect profitability Costs of the products of the company may increase due to various reasons, such as increased cost of raw materials and other variable costs that adversely affect the input costs. In case the company is unable to pass on such increase to the consumers because of competition or otherwise, it may affect the profitability of the Company.

Management Perception

The company constantly endeavors to procure raw materials at competitive prices using its long association with the suppliers and constant development of new sources for the same. Moreover it follows prudent pricing policy to keep the costs under check. Usually the burden of price fluctuation is reduced by increasing the prices of finished products. Profitability will depend upon the company's ability to pass on the burden of rise in the price of raw material to the consumers.



G. Currency Fluctuation Risks

The company is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the functional currencies of the company.

Management Perception

Being a 100% export oriented company, the company can directly mitigate foreign currency risk exposure by tradeoff between import and export.

34TH ANNUAL GENERAL MEETING



KDS Accessories Limited

৩৪^{তম} বার্ষিক সাধারণ সভা

34TH ANNUAL GENERAL MEETING

Wednesday, 10 December 2025 11:00 AM

Virtual Platform

<http://kdsaccessories.bdvirtualagm.com>



NOTICE OF THE 34TH ANNUAL GENERAL MEETING

Notice is hereby given that the 34th Annual General Meeting of the Shareholders of **KDS Accessories Limited** will be held on **Wednesday, 10 December 2025** at **11:00 AM** by using **Digital Platform** as per BSEC's directive to transact the following business and adopt necessary resolutions.

Agenda

1. To receive, consider and adopt the Audited Financial Statements, report of the Board of Directors and Auditors Report on Financial Statements for the year ended 30 June 2025.
2. To approve dividend for the year ended 30 June 2025.
3. To elect/re-elect the Director(s) of the company.
4. To appoint Statutory Auditor and fix their remuneration.
5. To appoint professional Accountant to certify compliance status of Corporate Governance code.
6. To approve the Inter Company Loan/business transactions for the year ended June 30, 2025 as per notification No-SEC/CMMRRCD/2006-159/Admin/02-10, dated: September 10, 2006.

By order of the Board



Mohammad Ilias
Company Secretary

Chattogram, November 18, 2025

Notes:

- Shareholders, whose name appears in the Depository Register as on the "Record Date" i.e. November 13, 2025, are entitled to attend/participate and vote in the Annual General Meeting (AGM) and receive the dividend.
- The shareholders will join the virtual AGM through the link **<http://kdsaccessories.bdvirtualagm.com>**. The shareholders will be able to submit the questions/comments electronically before 24 hours of commencement of the AGM through this link and also during the Annual General Meeting. Please contact at 01777 775389 for any queries in accessing the virtual meeting.
- A shareholder entitled to attend and vote at the meeting may appoint a proxy or proxies in his/her stead and scanned copy of the proxy form, duly stamped must be mailed to the email at **kdsaccessories@kdsgroup.net** not later than 72 hours before the AGM.
- The annual Report 2024-25 and Proxy Form will be available at the Company's Website **www.kdsaccessories.com**.
- Soft copy of the Annual Report will be sent to the individual email address of the shareholder's mentioned in their respective BO account.



LETTER OF TRANSMITTAL

Date: 24 November 2025

To
Valued Shareholders of KDS Accessories Limited
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange PLC
Chittagong Stock Exchange PLC

Annual Report for the year ended 30 June 2025

Dear Sir (s),
The undersigned on behalf of the Board of Directors and Management of KDS Accessories Limited is pleased to enclose the notice of the 34th Annual General Meeting, a copy of the Annual Report together with the Audited Financial Statements, Report of the Board of Directors and Auditors' Report thereon for the year ended 30 June 2025 for your information and record.
Thank You.

Yours Sincerely,



Mohammad Ilias
Company Secretary

DIVIDEND DISTRIBUTION POLICY

BACKGROUND AND APPLICABILITY

KDS Accessories Limited maintains a dividend distribution policy for its own purpose. After Bangladesh Securities and Exchange Commission (BSEC) directive dated BSEC/CMRRCD/2021-386/03 dated January 14, 2021, it becomes mandatory for the listed companies to have a Dividend Distribution Policy and also to disclose in the Company's website and in the Annual Report.

The Board of Directors (the Board) of KDS Accessories Limited (the Company) has adopted this Dividend Distribution Policy to comply with the requirements. The Policy shall apply to the ordinary equity shares issued and outstanding since the Company has issued only one class of equity shares.

Definition Dividend

Dividend means distribution of profits, earned in the current year or earlier years, by the Company, to its shareholders in proportion to the amount paid-up on shares held by them. Dividend can be cash or stock in types and can also be final or interim. Dividend to be declared on the basis of audited financial statements regardless of interim or final.

Final Dividend

The Company can declare dividend after the end of financial year, which is called final dividend. Final dividend shall be declared on the basis of recommendations of the Board and shareholders shall

approved at the Annual General Meeting (AGM) of the Company.

Interim Dividend

The Company can also declare dividend from current year profits, which will be called interim dividend and the Board may, at the discretion, declare an interim dividend out of current profit.

Objectives

The Policy in line with the Company's medium and long-term strategies, investment and financial plans, the state of the Country's economy and the industry and keeping the balance between the expectations of our company into consideration in accordance with the provisions of the relevant legal laws and regulations, is determined with the proposal of the Board of Directors and the decision taken in the annual general meeting.

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

PARAMETERS FOR DECLARATION OF DIVIDEND

The Policy depends on the financial position of the company, other funding needs related to the investments to be made, conditions in the sector,

conditions in the economic environment, Company's present and future performance for declaration and payment of dividend. The Board of Directors shall consider the factors affecting the dividend proposal while arriving at the dividend amount:

• **Financial Parameters**

- Availability of profits;
- Financial feasibility of the Company;
- Favorable debt equity ratio;
- Company's liquidity position and future cash flow requirements for operations;
- Profits earned during the financial year,
- Profit growth.

• **Internal Factors**

- Growth rate of past earnings;
- Growth rate of predicted profits;
- Earnings stability;
- Accumulated reserves;
- History of dividends distributed by the Company;
- Working capital requirements;
- Mergers and acquisitions.

• **External Factors**

- Shareholders' expectations;
- Macroeconomic and business conditions;
- Sectorial performance;
- Cost and availability of alternative sources of financing;
- Industry outlook for the future years;
- Changes in the government policies or changes in regulatory provisions;
- Other relevant factors that the Board may deem fit.

• **Utilisation of retained earnings**

- The Company may utilize its retained earnings in the manner which is beneficial to the interest of the Company and its stakeholders. Retained earnings helps in maintaining a healthy capital adequacy ratio and supports the future growth.
- Acquisition/diversification of business;
- Capital expenditure requirements;
- Investment in new business and/or additional investment in existing business;

- Market of Product development/expansion plan;
- Increase in production capacity;
- Expansion and modernization of existing business;
- High cost of debt.

Apart from the above, the Board may consider not declaring dividend of may recommend a lower payout for a given financial year, after analyzing the prospective opportunities and threats or in the event of challenging circumstances such as financial environment.

The portion of profits not distributed among the shareholders as dividends will be used for the business activities of the Company.

• **Entitlement of Dividend**

The Company shall determine the record date or date of closure of the register of members. The Company shall give notice in advance of at least 14 working days (excluding the date of intimation and the record date) to stock exchange(S) of record date specifying the purpose of the record date.

Members whose names shall appear in the Members/Depository Register on the Record Date will be eligible to receive dividend.

Disclosures

The Dividend Distribution Policy shall be disclosed in the Annual Report and on the website of the Company.

Modification of this policy

The Board is authorized to change or modify this Policy from time to time at its sole discretion and/or in pursuance of any amendments made by any relevant law for the time being in force.

Disclaimer

The Policy shall not be construed as a solicitation for investments in the Company's securities/shares and shall neither act as an assurance of guaranteed returns (in any form), on investment in the Company's securities.

Unclaimed Dividend

| Particulars | Amount in Taka |
|--------------------------------------|----------------|
| Cash Dividend for the year 2023-2024 | 154,988 |
| Cash Dividend for the year 2022-2023 | 459,735 |
| Cash Dividend for the year 2021-2022 | 172,194 |
| Total at 30 June 2025 | 786,917 |

HUMAN RESOURCE ACCOUNTING

At KDS Accessories Ltd., our employees are invaluable assets who drive our growth and innovation. Human Resource Accounting (HRA) reflects our commitment to investing in our workforce by recognizing the value they bring to the organization. Our HRA approach includes tracking investments in recruitment, training, development, and employee welfare, ensuring that our human capital is aligned with the company's long-term strategic goals.



By recognizing the value of our human resources, KDS Accessories Ltd. emphasizes the importance of a well-trained, healthy, and motivated workforce, which is critical to our sustainable growth and competitive advantage.

MAJOR EVENTS

**April 21, 1991
Incorporation**

**July 01, 1991
Commencement
of Business**

**April 17, 2012
Private to Public**

**July 08, 2015
Approval for IPO**

**August 09-20, 2015
IPO Subscription**

**October 07, 2015
Listing with Stock
Exchanges**

**September 10, 2015
IPO Lottery**

**October 15, 2015
Trade Opening**

**August 10, 2017
Expansion of Button
& Addition of
Hanger Project**

**September 22, 2016
Implementation of
Packaging Line-3**

**October 24, 2021
Corrugated Packaging
Finishing Line
Automation**

AWARD & RECOGNITION



Bureau Veritas Certification



KDS ACCESSORIES

(Represented by KDS Accessories Limited, KDS Thread Limited & KDS Poly Industries Limited)



Bureau Veritas Certification Holding SAS – UK Branch certify that the Management System of the above organisation has been audited and found to be in accordance with the requirements of the Management System Standards detailed below

Standards

ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018

The following site is part of the Management System of the above organisation:

KDS ACCESSORIES LIMITED

191-192 BAZID BOSTAMI ROAD, NASIRABAD I/A; CHATTOGRAM - 4210, BANGLADESH.

Scope of certification

MANUFACTURE OF CORRUGATED CARTON BOXES, OFFSET PRINTING AND ELASTICS, TWILL TAPES, DROWCORD

Certificate No. **IND.24.1282/IM/U 1 of 3** Version: **1** Issue date: **09 October 2024**

The validity of this certificate depends on the validity of the main certificate, which valid until: **25 August 2027**

Jagdheesh N. Manian

Signed on behalf of BVCH SAS UK Branch
Jagdheesh N. MANIAN
Director – CERTIFICATION, South Asia
Commodities, Industry & Facilities Division



Certification body address: 5th Floor, 100 Lower Thames Street, London, EC3R 6DL, United Kingdom.

Local office: Bureau Veritas (Bangladesh) Pvt. Ltd.
Symphony (5th Floor), Plot- SE(F)9, Road-142
South Avenue, Gulshan-1, Dhaka-1212, Bangladesh.

Further clarifications regarding the scope of this certificate and the applicability of the management system requirements may be obtained by consulting the organisation.
To check this certificate validity please call +88 (02) 8836765. OR E-mail: cert.india@bureauveritas.com

AWARD & RECOGNITION

SCS Global Services does hereby certify that an independent audit has been completed and conformity to the applicable standard(s) has been confirmed for:

KDS ACCESSORIES LIMITED

191-192 Baizid Bostami Road, Nasirabad I/A, Chattogram, 4210, Bangladesh

This Multi-Site certificate covers the production of printed and packaging materials using the percentage system.

The facility(s) are hereby Chain of Custody certified to sell products as:

FSC Mix, FSC Recycled

The assessment has been conducted by SCS Global Services in accordance with the protocols of the Forest Stewardship Council® A.C. (FSC®).

FSC Standard: FSC-STD-40-004, FSC-STD-50-001, FSC-STD-40-003

Certificate Code: SCS-COC-700293

Trademark License Code: FSC-C200284

Valid from: 2024-03-18 Expiry date: 2029-03-17

This certificate itself does not constitute evidence that a particular product supplied to the certificate holder is FSC-certified or FSC Labeled Wood where applicable. Products offered, shipped or sold to the certificate holder can only be considered covered by the scope of this certificate when the relevant FSC chain of custody record is valid and follows the requirements. The scope of this certificate is conditioned according to the size of products, the current validity and scope, including the full list of products, shall be verified on the certificate. The certificate shall remain the property of SCS, and the certificate and all copies or reproductions of the certificate shall be returned to SCS immediately upon request. Where a certificate could cover more than one site, the covered products and processes activities are performed by the holders of participating sites, and not necessarily by each of them.

SCSglobal
SERVICES



The mark of responsible forestry



Maggie Schwartz, Vice President, Program Development
SCS Global Services
2000 Powell Street, Ste. 600, Emeryville, CA 94608 USA

Page 1 of 2

Certification Addendum

KDS ACCESSORIES LIMITED

This addendum contains the additionally certified locations, approved by SCS Global Services, to participate in the use of the FSC® Chain of Custody Certification.

Certificate Number: (SCS-COC-700293)

Additional Locations

KDS ACCESSORIES LIMITED: 191-192 Baizid Bostami Road, Nasirabad I/A Chattogram, 4210, Bangladesh, (SCS-COC-700293-A)

KDS Accessories Limited_Unit 2: 6 No. West Dogory, Mirzapur, Gazipur Sadar Gazipur, 1700, Bangladesh, (SCS-COC-700293-B)

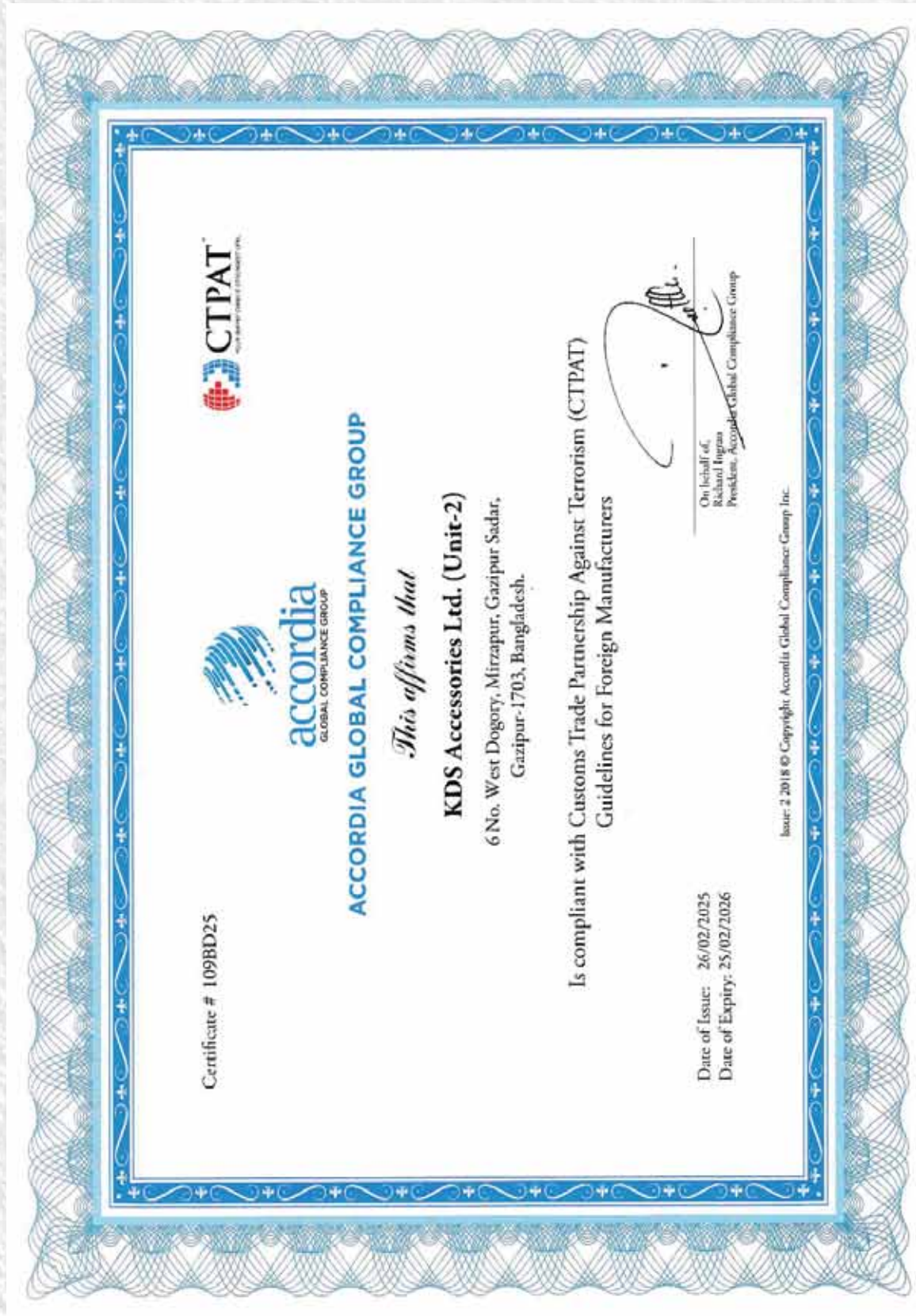
SCSglobal
SERVICES

Addendum Page 2

AWARD & RECOGNITION



AWARD & RECOGNITION



AWARD & RECOGNITION

KDS Accessories Ltd. (Unit 2)
O6 No. West Dagory, Mirzapur Bazar
Gazipur Sadar
Gazipur - 1703, BANGLADESH



Hohenstein Laboratories
GmbH & Co. KG
74357 Bönningheim
Germany

Certificate

OEKO-TEX® STANDARD 100

KDS Accessories Ltd. (Unit 2)

is granted the OEKO-TEX® STANDARD 100 certification
and the right to use the trademark.

SCOPE

Narrow fabrics (twill tape and drawstring) made of 100 % cotton and 100 % polyester, white, reactive and disperse yarn-dyed as well as elastic tape made of 100 % polyester, white and disperse yarn-dyed in mixture with rubber thread made of elastodiene (in white and black); exclusively produced using components pre-certified according to OEKO-TEX® STANDARD 100.

PRODUCT CLASS

I (baby articles) - Annex 6



This certificate 14.HBD.44773 is valid until
31.08.2026.

SUPPORTING DOCUMENTS

- ✓ Test report : 25.1225030
- ✓ Declaration of conformity in accordance with EN ISO 17050-1 as required by OEKO-TEX®
- ✓ OEKO-TEX® Terms of Use (ToU)

Ivonne Schramm

Dipl.-Ing. (FH) Ivonne Schramm
Global Head of OEKO-TEX® Certification

Further compliance information (REACH, SVHC, POP, GB18401 etc.) can be found on oeko-tex.com/en/faq.

The certificate is based on the test methods and requirements of the OEKO-TEX® STANDARD 100 that were in force at the time of evaluation.

Bönningheim, 2025-10-08

OEKO-TEX Service GmbH, Genferstrasse 23, CH-8003 Zürich



AWARD & RECOGNITION

| | | |
|--|--|---|
| <p>KDS Accessories Ltd. (Unit 2) D6 No. West Dogary, Mirzapur Bazar Gazipur Sadar, Gazipur - 1703 BANGLADESH</p> |  | <p>Hohenstein Laboratories GmbH & Co. KG 74357 Bönnigheim Germany</p> |
| <h1>Certificate</h1> <h2>OEKO-TEX® STANDARD 100</h2> <h3>KDS Accessories Ltd. (Unit 2)</h3> <p>is granted the OEKO-TEX® STANDARD 100 certification and the right to use the trademark.</p> | | |
| <p>SCOPE Buttons made of 100 % polyester in white and pigment mass dyed (pearl, chalk and horn).</p> <p>PRODUCT CLASS I (baby articles) - Annex 6</p> |  STANDARD 100 |  13.HBD.34906 Hohenstein |
| <p>This certificate 13.HBD.34906 is valid until 31.01.2026.</p> <p>SUPPORTING DOCUMENTS ✓ Test report : 25.1171636 ✓ Declaration of conformity in accordance with EN ISO 17050-1 as required by OEKO-TEX® ✓ OEKO-TEX® Terms of Use (ToU)</p> <p> Dipl.-Ing. (FH) Ivonne Schramm Global Head of OEKO-TEX® Certification</p> | | |
| <p>Further compliance information (REACH, SVHC, POP, GB18401 etc.) can be found on oeko-tex.com/en/faq. The certificate is based on the test methods and requirements of the OEKO-TEX® STANDARD 100 that were in force at the time of evaluation.</p> <p>Boennigheim, 2025-06-24</p> | | |
| <p>OEKO-TEX Service GmbH, Genferstrasse 23, CH-8002 Zurich</p>  | | |

AWARD & RECOGNITION

KDS Accessories Ltd. (Unit 2)
D6 No. West Dogory, Mirzapur Bazar
Gazipur Sadar
Gazipur - 1703, BANGLADESH



Hohenstein Laboratories
GmbH & Co. KG
74357 Bönnigheim
Germany

Certificate

OEKO-TEX® STANDARD 100

KDS Accessories Ltd. (Unit 2)

is granted the OEKO-TEX® STANDARD 100 certification
and the right to use the trademark.

SCOPE

Woven labels made of 100 % polyester, white and yarn-dyed as well as pigment printed labels on white 100 % polyester satin ribbon and off-white 100 % cotton ribbon as well as heat transfer labels pigment printed on PET foil for application on garments; produced using components partly pre-certified according to OEKO-TEX® STANDARD 100 and ECO PASSPORT.

PRODUCT CLASS

I (baby articles) - Annex 6



This certificate 08.KA.58544 is valid until
31.05.2026.

SUPPORTING DOCUMENTS

- ✓ Test report : 25.1204797
- ✓ Declaration of conformity in accordance with
EN ISO 17050-1 as required by OEKO-TEX®
- ✓ OEKO-TEX® Terms of Use (ToU)

Ivonne Schramm

Dipl.-Ing. (FH) Ivonne Schramm
Global Head of OEKO-TEX® Certification

Further compliance information (REACH, SVHC, POP, GB18401 etc.) can be found on oeko-tex.com/en/faq.

The certificate is based on the test methods and requirements of the OEKO-TEX® STANDARD 100 that were in force at the time of evaluation.

Bönnigheim, 2025-07-22

OEKO-TEX Service GmbH · Genferstrasse 23, CH-8002 Zürich



AWARD & RECOGNITION

USB Certification Denetim, Gözetim ve Belgelendirme Hizmetleri A.Ş.
İsmet Kaptan Mah. Hurriyet Bulv. No: 4/1 Kavala Plaza
K: 2 D: 23 Cankaya – Konak - İzmir / Türkiye
www.usbcertification.com Tel: 0090 232 446 4416

SCOPE CERTIFICATE

Scope Certificate Number USB-00015913-GRS-2504
Scope Certificate Version Number USB-00015913-GRS-2504

USB Certification Denetim, Gözetim ve Belgelendirme Hizmetleri A.Ş.
certifies that

KDS Accessories Ltd. (Unit-2)

Textile Exchange-ID (TE-ID):TE-00015913

USB Certification Client Number: USB 009409

6 No. West Dogory, Mirzapur, Gazipur Sadar
Gazipur, 1703

Dhaka - Bangladesh

has been audited and found to be in conformity with the

Global Recycled Standard (GRS) V4.0

Product categories mentioned below (and further specified in the product appendix) conform with the standard(s):

Functional Accessories (PC0017)

Process categories carried out under responsibility of the above mentioned organization for the certified products cover:

Finishing (PR0012), Manufacturing (PR0016), Molding (PR0018), Preparatory (PR0022),
Printing (PR0023), Washing, laundering (PR0032), Weaving (PR0033)

*The processes marked with an asterisk may be carried out by subcontractors.

This certificate is valid until: 2026-04-12

Audit criteria: Global Recycled Standard (GRS) V4.0 ; Content Claim Standard V3.1 ; Textile Exchange Standards Claims Policy V1.3

Place and Date of Issue (YYYY-MM-DD)

Certification Body

Standard

İzmir, 2025-04-13

Last Updated : 2025-04-13

Nadir GOKTAS

Electronically
Signed



Certification Body Licensed by: Trade Exchange ; Licensing Code: CB-USB
 Certification Body Accredited by: IAS ; Accreditation Number: 112
 Inspection Body: USB Certification Denetim ; Gözetim ve Belgelendirme Hizmetleri A.Ş.

This scope certificate provides no proof that any goods delivered by its holder are GRS certified. Proof of GRS certification of goods delivered is provided by a valid transaction certificate (TC) or equivalent covering them. The issuing body may withdraw this certificate before it expires if the declared conformity is no longer guaranteed. To authenticate this certificate, please visit www.TextileExchange.org/Certificates.

Click to verify your certificate



The electromechanically coupled element is the input signal, whereas the output is the displacement.

doi:10.1017/S0022292410000507 Printed in the United Kingdom

www.usbcertification.com

...and so on.

AWARD & RECOGNITION

USB Certification Denetim, Gözetim ve Belgelendirme Hizmetleri A.Ş.
İsmet Kaptan Mah. Hurriyet Bulv. No: 4/1 Kavala Plaza
K: 2 D: 23 Cankaya – Konak - İzmir / Türkiye
www.usbcertification.com Tel: 0090 232 446 4416

Scope Certificate Number USB-00015913-GRS-2504 Version USB-00015913-GRS-2504 (continued)
KDS Accessories Ltd. (Unit-2)
Global Recycled Standard (GRS) V4.0

Under the scope of this certificate, the following products are covered.

Products Appendix

| Product Number | Product Category | Product Details | Material Composition (%) | Standard (Label Grade) | Facility Number |
|----------------|---------------------------------|-----------------------------|---|------------------------|-----------------|
| P250001 | Functional Accessories (PC0017) | Labels, tags (PD0038) | 100% recycled pre-consumer polyester (RM0188) | GRS | TE-00015913 |
| P253937 | Functional Accessories (PC0017) | Other [Twill Tape] (PD0100) | 100% recycled post-consumer polyester (RM0189) | GRS | TE-00015913 |
| P299648 | Functional Accessories (PC0017) | Other [Waist Band] (PD0100) | 75% recycled pre-consumer polyester (RM0188) + 25% elastane (spandex) (RM0160) | GRS | TE-00015913 |
| P339771 | Functional Accessories (PC0017) | Labels, tags (PD0038) | 70% recycled post-consumer polyester (RM0189) + 30% elastane (spandex) (RM0160) | GRS | TE-00015913 |

Note: * Quantification (percentages) of material composition is optional. [] Square brackets refer to certified components of a product.

percentages) of material composition is optional. [Square brackets refer to certified components of a product.

USB
CERTIFICATION
UPGRADE • SUSTAIN • BENEFIT

Place and Date of Issue (YYYY-MM-DD)

Izmir, 2025-04-13
Last Updated : 2025-04-13
Nadir GOKTAS

Certification Body



Standard




The electronically signed document is the legal original version.
Tel: +967 06 555 8888

— www.usbcertification.com

Page 11 of 11

AWARD & RECOGNITION



Supplier
to Zero

by ZDHC



Acknowledgement of Completion

Based on supplier self-evaluation,
this document acknowledges

KDS Accessories Limited (Unit-2)

A237SF52


has successfully completed Supplier to Zero (Level 1) on 25.06.2024*



Frank Michel
ZDHC
Executive Director


6758-6676-7EA

Document Control Number

Powered by IMPLEMENTATION 

*Acknowledgement valid
for 1 year of the date of issuance

142



KDS Accessories Limited

AWARD & RECOGNITION

USB Certification Denetim, Gözetim ve Belgelendirme Hizmetleri A.Ş.
İsmet Kaplan Mah. Hurriyet Bulv. No: 4/1 Kavala Plaza
K: 2 D: 23 Cankaya – Konak - İzmir / Türkiye
www.usbcertification.com Tel: 0090 232 446 4416

SCOPE CERTIFICATE

Scope Certificate Number USB-00015913-RCS-2504
Scope Certificate Version Number USB-00015913-RCS-2504

USB Certification Denetim, Gözetim ve Belgelendirme Hizmetleri A.Ş.
certifies that

KDS Accessories Ltd. (Unit-2)
Textile Exchange-ID (TE-ID):TE-00015913
USB Certification Client Number: USB 009409
6 No. West Dogory, Mirzapur, Gazipur Sadar
Gazipur, 1703
Dhaka - Bangladesh

has been audited and found to be in conformity with the
Recycled Claim Standard (RCS) V2.0

Product categories mentioned below (and further specified in the product appendix) conform with the standard(s):

Functional Accessories (PC0017)

Process categories carried out under responsibility of the above mentioned organization for the certified products cover:

Finishing (PR0012), Manufacturing (PR0016), Molding (PR0018), Preparatory (PR0022), Printing (PR0023), Washing, laundering (PR0032), Weaving (PR0033)

*The processes marked with an asterisk may be carried out by subcontractors.

This certificate is valid until: **2026-04-12**
Audit criteria: Recycled Claim Standard (RCS) V2.0 ; Content Claim Standard V3.1 ; Textile Exchange Standards Claims Policy V1.3

| Place and Date of Issue (YYYY-MM-DD) | Certification Body | Standard |
|--|---|---|
| İzmir, 2025-04-13 Last Updated : 2025-04-13 Nadir GOKTAS <small>Electronically Signed</small> |  |   |

Certification Body Licensed by: Textile Exchange ; Licensing Code: CB-USB
Certification Body Accredited by: IQAS ; Accreditation Number: 112
Inspection Body: USB Certification Denetim, Gözetim ve Belgelendirme Hizmetleri A.Ş.

This scope certificate provides no proof that any goods delivered by its holder are RCS-certified.
Proof of RCS certification of goods delivered is provided by a valid transaction certificate (TC) or equivalent covering them.
The issuing body may withdraw this certificate before it expires if the declared conformity is no longer guaranteed.
To authenticate this certificate, please visit www.TextileExchange.org/Certificates.
[Click to verify your certificate](#)



The electronically signed document is the valid original version.
For use: the information
Rev: 1.0.0 / 11.07.2024 / USB Certification Denetim, Gözetim ve Belgelendirme Hizmetleri A.Ş. / 11.07.2024

www.usbcertification.com
Page 1 of 1

AWARD & RECOGNITION

USB Certification Denetim, Gözetim ve Belgelendirme Hizmetleri A.Ş.
 İsmet Kaptan Mah. Hurriyet Bulv. No: 4/1 Kavalı Plaza
 K: 2 D: 23 Cankaya – Konak - İzmir / Türkiye
 www.usbcertification.com Tel: 0090 232 446 4416

Scope Certificate Number USB-00015913-RCS-2504 Version USB-00015913-RCS-2504 (continued)
KDS Accessories Ltd. (Unit-2)
Recycled Claim Standard (RCS) V2.0

Under the scope of this certificate, the following products are covered.

Products Appendix

| Product Number | Product Category | Product Details | Material Composition (*) | Standard (Label Grade) | Facility Number |
|----------------|---------------------------------|-----------------------------|---|------------------------|-----------------|
| P248536 | Functional Accessories (PC0017) | Buttons (PD0038) | 50% recycled post-consumer polyester (RM0189) + 50% polyester (RM0189) | RCS (RCS Blended) | TE-00015913 |
| P250001 | Functional Accessories (PC0017) | Labels, tags (PD0038) | 100% recycled pre-consumer polyester (RM0188) | RCS (RCS 100) | TE-00015913 |
| P253937 | Functional Accessories (PC0017) | Other (Twill Tape) (PD0100) | 100% recycled post-consumer polyester (RM0189) | RCS (RCS 100) | TE-00015913 |
| P299848 | Functional Accessories (PC0017) | Other (Waist Band) (PD0100) | 75% recycled pre-consumer polyester (RM0188) + 25% elastane (spandex) (RM0180) | RCS (RCS Blended) | TE-00015913 |
| P339771 | Functional Accessories (PC0017) | Labels, tags (PD0038) | 70% recycled post-consumer polyester (RM0189) + 30% elastane (spandex) (RM0180) | RCS (RCS Blended) | TE-00015913 |

Note: * Quantification (percentages) of material composition is optional. | Square brackets refer to certified components of a product.



Place and Date of Issue (YYYY-MM-DD)

İzmir, 2025-04-13

Last Updated : 2025-04-13

Nadir GOKTAS

Certification Body



Standard




The information provided documents is the USB Certification's property. It is not to be reproduced.

www.usbcertification.com

Page 6 of 6

AWARD & RECOGNITION

USB Certification Denetim, Gözetim ve Belgelendirme Hizmetleri A.Ş.
 İsmet Kaptan Mah. Hurriyet Bulv. No: 4/1 Kavala Plaza
 K: 2 D: 23 Cankaya – Konak - İzmir / Türkiye
 www.usbcertification.com Tel: 0090 232 446 4416

Scope Certificate Number USB-00015913-RCS-2504 Version USB-00015913-RCS-2504 (continued)
KDS Accessories Ltd. (Unit-2)
Recycled Claim Standard (RCS) V2.0

Under the scope of this certificate, the following facilities have been audited and found to be in conformity.

Site Appendix

| Facility Name – TE-ID / Facility Number | Address | Process Categories | Standards |
|--|--|--|-----------|
| KDS Accessories Ltd. (Unit-2) (Main Facility) - TE-00015913 | 6 No. West Dogory, Mirzapur, Gazipur Sadar Gazipur 1703, Dhaka - Bangladesh | Finishing (PR0012); Manufacturing (PR0016); Molding (PR0016); Preparatory (PR0022); Printing (PR0023); Washing, Laundering (PR0032); Weaving (PR0033) | RCS |

Associated Subcontractor Appendix

| Subcontractor Name – TE-ID / Facility Number | Address | Process Categories | Standards |
|--|---------|--------------------|-----------|
| None | None | None | None |

Independently Certified Subcontractor Appendix

| Subcontractor Name - TE-ID / Facility Number | Certification Body | Expiry Date | Address | Process Categories | Standards |
|--|--------------------|-------------|---------|--------------------|-----------|
| None | None | None | None | None | None |

CERTIFICATION
 UPGRADE • SUSTAIN • BENEFIT

Place and Date of Issue (YYYY-MM-DD)
 İzmir, 2025-04-13
 Last Updated : 2025-04-13
 Nadir GOKTAS

Certification Body



Standard




The electronically signed document is the valid original version.
 TE-ID: 000015913
 Rev: 001 / 0000000000 / 0000000000 / 0000000000 / 0000000000 / 0000000000 / 0000000000 / 0000000000 / 0000000000 / 0000000000

www.usbcertification.com

Page 0 of 0

KDS Annual Report 2024-2025 | 145

AWARD & RECOGNITION



SMETA Corrective Action Plan Report (CAPR)

Version 7



AWARD & RECOGNITION



Credit Rating Information and Services PLC

Nasir's Homes (1st, 4th & 5th Floor), 6/1/A, Sogon Bagicha, Dhaka-1000, Bangladesh

Tel : 88-02-225 6430/448, Fax : 88-02-226 843088, E-mail : info@crisltd.com, Web : www.crisltd.com

First ISO 9001 : 2015 Certified Credit Rating Company in Bangladesh Operating Since 1995

Setting global standard at national level

November 13, 2025

CRISL/Com/ 5501 /25

Managing Director
KDS Accessories Limited
255 Nasirabad I/A, Chattogram.
Email: mahmudul.hasan@kdsgroup.net

Sub: Announcement of Credit Rating for Public Listed Companies

Sir,
Pursuant to the Credit Rating Companies Rules, 2022, this is to inform you that the Rating Committee of Credit Rating Information and Services Limited (CRISL) has assigned the following rating to **"KDS Accessories Limited"** on 13.11.2025 in consideration of its audited financials up to 30th June, 2025 and other relevant quantitative as well as qualitative information up to the date of rating declaration:

| Long Term | Short Term | Outlook | Rating Date |
|-----------|------------|---------|-------------|
| AA- | ST-2 | Stable | 13.11.2025 |

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

Thanking you,

With best regards

Md. Asiful Haq
Chief Rating Officer



KDS Accessories Ltd. (PKG) FFC ID 9441
191-192 Baizid Bostami Road, Nasirabad 1/A, Chittagong
Chittagong, Bangladesh 4210

27 December 2017

Subject: CAP Closure Verification Visit (CCVV) Results

Dear Mr. Salim Rahman, Managing Director

Congratulations! On behalf of the Alliance for Bangladesh Worker Safety, I am writing regarding the results of the CAP Closure Verification Visit of **KDS Accessories Ltd. (PKG) FFC ID 9441** conducted by Alliance on 31 October 2017. A second onsite visit was conducted on 26 December to verify completion of remediation non-compliances noted during the first inspection. Your CAP Closure Verification Visit Final Training Assessment was completed on 25 September 2017. Based on the findings of that visit, your factory's status has been rated as "Substantial Completion". This means that your factory has substantially completed the initial Corrective Action Plan (CAP) and currently is in good standing with respect to required training. This also represents the starting point for creating a sustainable culture of safety within your factory.

The CAP Closure Verification Visit was conducted to confirm the completion of corrective actions to remediate non-compliance with the Alliance Standard in each of three critical areas: structural integrity, electrical safety and fire safety that were identified during initial inspections; the structural integrity inspection was conducted on 26 March 2014, the fire and electrical safety inspections were conducted on 24 May 2014 by Bureau Veritas. Additionally, during this visit an assessment of implementation and impact of Basic Fire Safety and Helpline training to all workers was performed. This was documented in the Corrective Action Plan (CAP) for your factory approved by the Alliance on 01 March 2015.

Remediation Verification Visits (RVV) to assess your progress addressing items in the CAP were conducted by the Alliance on the following dates:

| Visit Type | Date |
|------------|-------------------|
| RVV 1 | 20 May 2015 |
| RVV 2 | 24 December 2015 |
| RVV 3 | 07 August 2016 |
| PCCVV | 20 September 2017 |
| CCVV-1 | 31 October 2017 |
| CCVV-2 | 26 December 2017 |

Training:

Total Employees trained on the date of Final Training Assessment (CCVV):

| Training Type | Number of Employees received training | Completion Date |
|---------------|---------------------------------------|------------------|
| Initial | 464 | 28 December 2014 |
| Refresher | 320 | 24 November 2016 |

| Visit Type | Date |
|----------------------------------|-------------------|
| Final Training Assessment (CCVV) | 25 September 2017 |

The CAP Closure verification visit results apply to of **KDS Accessories Ltd. (PKG) FFC ID 9441** as it currently exists with the following details:

| | |
|-------------------------|--|
| Building Area (sq. ft.) | 1. Building-01 (Office Building): 22,498 sq. ft. 2. Building-02 (Packaging Warehouse Building): 31,360 sq. ft. 3. Building-03 & Building-04 (Packaging Building): 12,716 sq. ft. 4. Building-05 (HR Building): 6,345 sq. ft. 5. Building-06 & Building-07 (Thread & Store Building): 19,500 sq. ft. 6. Shed-01A (Packaging Store): 3,800 sq. ft. 7. Shed-01B (Packaging Store): 3,900 sq. ft. 8. Shed-02A (Boiler Shed): 2,240 sq. ft. 9. Shed-02B (Warehouse Shed): 4,800 sq. ft. 10. Shed-03 (Packaging Shed): 27,710 sq. ft. 11. Shed-04 (Utility Shed): 4,480 sq. ft. 12. Shed-06 (Thread Production Shed): 12,960 sq. ft. 13. Shed-07 (Storage Shed): 2,250 sq. ft. |
| Building Height (ft.) | 1. Building-01 (Office Building): 57'-0" 2. Building-02 (Packaging Warehouse Building): 56'-0" 3. Building-03 & Building-04 (Packaging Building): 51'-10" 4. Building-05 (HR Building): 30'-0" 5. Building-06 & Building-07 (Thread & Store Building): 33'-6" 6. Shed-01A (Packaging Store): 17'-1" 7. Shed-01B (Packaging Store): 15'-6" 8. Shed-02A (Boiler Shed): 16'-6" 9. Shed-02B (Warehouse Shed): 16'-3" 10. Shed-03 (Packaging Shed): 35'-0" 11. Shed-04 (Utility Shed): 16'-0" 12. Shed-06 (Thread Production Shed): 18'-10" 13. Shed-07 (Storage Shed): 25'-5" |

| | |
|------------------------------|--|
| Construction Type (Material) | 1. Building-01 (Office Building): 5-Storeyed RCC building 2. Building-02 (Packaging Warehouse Building): 3-Storeyed RCC building 3. Building-03 & Building-04 (Packaging Building): 4-Storeyed RCC building 4. Building-05 (HR Building): 2-Storeyed RCC building 5. Building-06 & Building-07 (Thread & Store Building): 2-Storeyed RCC building 6. Shed-01A (Packaging Store): Single Storeyed Shed 7. Shed-01B (Packaging Store): Single Storeyed Shed 8. Shed-02A (Boiler Shed): Single Storeyed Shed 9. Shed-02B (Warehouse Shed): Single Storeyed Shed 10. Shed-03 (Packaging Shed): Single Storeyed Shed 11. Shed-04 (Utility Shed): Single Storeyed Shed 12. Shed-06 (Thread Production Shed): Single Storeyed Shed 13. Shed-07 (Storage Shed): Single Storeyed Shed |
| Occupancy Description | Industrial building (G2) |

The CAP Closure Verification Visit of **KDS Accessories Ltd. (PKG) FFC ID 9441** revealed that all NC's listed in the CAP have been remediated.

For details of the Alliance Follow-up Spot Check (after CCVV report) refer to Appendix B.

This remediation assessment does not establish the extent to which the factory complies with all relevant provisions of the Ready-made Garment Industry Guidelines and Harmonized Standard, the Bangladesh National Building Code, Fire Service Rules, labor law, or other regulatory mandates. Your factory remains responsible for compliance with all relevant laws and regulations adopted and enforced by the Government of Bangladesh.

The Alliance is focused on systemic and sustainable improvements in fire, structural and electrical safety along with the maintenance of worker training within Bangladesh's garment factories. The Alliance commends you on completing all critical items listed in your approved CAP. This completion required a great deal of effort and you should be proud of your accomplishment.

Your investments have helped create a safer workplace for your employees. These efforts also help build a positive image of the Bangladesh apparel industry that benefits your business.

CAP completion is only the first step in building a sustainable culture of continuous improvement of workplace safety.

The Alliance expects all factories to sustain their commitment to safety through ongoing efforts to maintain the investments already made. Appendix C, ALLIANCE FACTORY MAINTENANCE EXPECTATIONS outline these expectations.

Please note that if your factory undergoes either a vertical or horizontal expansion, all documentation must be updated with accurate information and a new inspection must be conducted. Our team is here to assist you with any questions you may have about the CAP Closure verification visit results or requirements for continued compliance.

- Remediation Coordinator Name: Mehdi Hasan Khan
- Remediation Coordinator E-mail: mhkhan@afbw.org
- Remediation Coordinator Phone Number: 01938886910

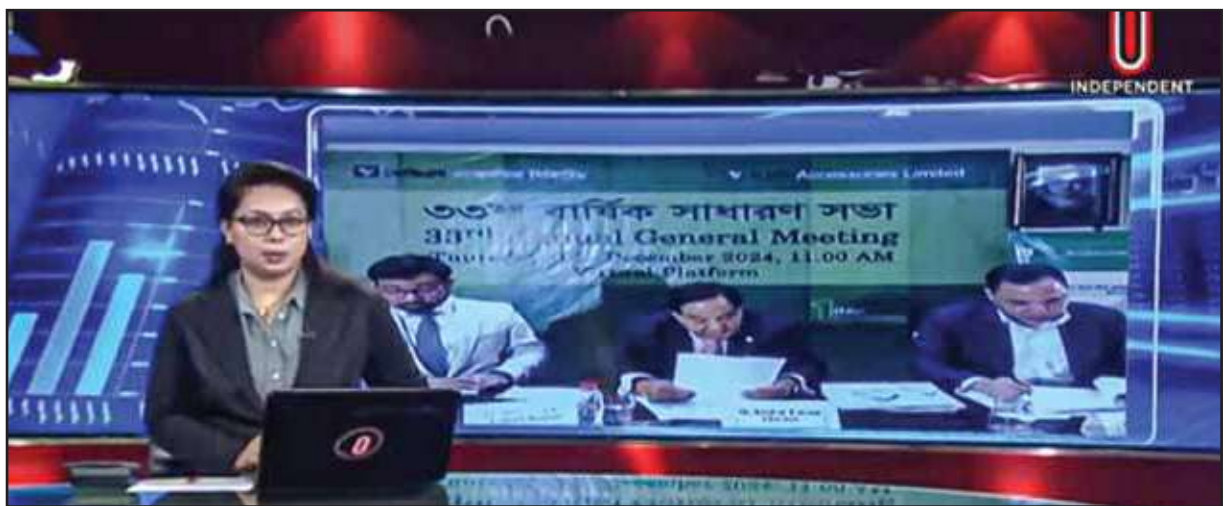
Again, thank you for your commitment to the Alliance mission and your efforts to complete remediation.

Sincerely,

Paul Rigby
Deputy Director & CSO
Alliance for Bangladesh Worker Safety

Some Snapshot of 33rd AGM Proceedings





CERTIFICATE OF BAPLC



THE 34th ANNUAL GENERAL MEETING

Date : 10 December 2025, Time 11: 00 AM
Venue : The AGM will be held virtually by using digital platform through
the following link : <https://kdsaccessories.bdvirtualagm.com>

FINANCIAL RESULTS

Reporting period of 12 months from 01 July 2024 to 30 June 2025. During the period operational result of the company were announced as below:

| Particulars | 1st Quarter Jul 2024 to Sep 2024 | 2nd Quarter Oct 2024 to Dec 2024 | 3rd Quarter Jan 2025 to Mar 2025 | Period ended Jul 2024 to Jun 2025 |
|-------------------------|--|--|--|---|
| Reporting Date | 12 November 2024 | 29 January 2025 | 29 April 2025 | 21 October 2025 |
| Turnover in BDT (mn) | 727.71 | 773.13 | 738.15 | 2,888.16 |
| Net Profit in BDT (mn) | 41.57 | 36.92 | 38.13 | 163.75 |
| EPS in BDT | 0.56 | 0.49 | 0.51 | 2.19 |
| NAV per share in BDT | 27.88 | 26.57 | 27.08 | 27.71 |
| NOCFPS per share in BDT | 0.12 | 2.32 | 3.30 | 2.19 |

RECORD DATE

The record date was 13 November 2025.

DIVIDEND

10% Cash has been recommended on 21 October 2025 in the 157th BOD Meeting and after having approval of the shareholders at the 34th AGM, dividend will be distributed within 30 days from the date of AGM.

LISTING

The company's shares are listed at the Dhaka Stock Exchange PLC and the Chittagong Stock Exchange PLC.

FACE VALUE PER SHARE: TK. 10.00

INVESTOR CORRESPONDENCE

191-192 Baizid Bostami Road, Nasirabad I/A, Chattogram, Bangladesh.

Tel : 880 31 681701-3, 685207-9, Ext : 154, F : +880 31 682137, W : www.kdsaccessories.com

PRESS & MEDIA COVERAGE



PRESS & MEDIA COVERAGE



PRESS & MEDIA COVERAGE

অয়োজন কর্তৃপক্ষ বিশেষ সংখ্যা
বাণীবাজার
মঙ্গলবার, অক্টোবর ২২, ২০২৪ ৯ ভার্শিক ৩, ১৪৩৩

জৈব সুতায় পোশাক তৈরি হয় কেডিএসের কারখানায়



খালিদুর রহমান
প্রতিষ্ঠাতা চেয়ারম্যান
কেডিএস গ্রুপ



পরিচালিত বায়ু ও শব্দের যখন পরস্পরকে শব্দে নিয়ে পরিণত করে হয় তখনই অসুখ হয়ে যায়। ত্রিধর্মবিশিষ্ট বায়ু ও শব্দকে স্বাস্থ্যকরী পদার্থে রূপান্তর ও পরিমার্জনের মাধ্যমেও পরিবেশের ভাঙ্গর কমানোর চেষ্টা করা যায়। আর এজন্য কেডিএস গ্রুপ বিশ্বের প্রায় সব পাটাকটিকেই অর্জন করেছে।



FE The Financial Express
Thursday | October 24, 2024 Page 3

KDS Accessories Limited

Price Sensitive Information

This is for information of all concerned that the Board of Directors of KDS Accessories Limited, in its 131st meeting held on 23 October 2024 at 4:00 PM through digital platform (present to the Notification No. SEC/1746/C/99-131/25 dated 8th July 2020 issued by the Bangladesh Securities and Exchange Commission (BSEC), has approved the Audited Financial Statements of the Company for the year ended 30 June 2024 for adoption in the next Annual General Meeting (AGM) and took the following decisions:

A. Dividend, Record Date and AGM

- 1. Recommended Dividend: 3% Cash and 3% Stock Dividend
- 2. Record Date: 14 November 2024
- 3. Date & Time of 32nd AGM: 12 December 2024 at 11:30 AM
- 4. Venue of the 32nd AGM: The AGM will be held virtually by using digital platform as per BSEC's order.

B. Financial Disclosure:

| | 31 July 2023 (FY 2023) | 30 June 2024 (FY 2024) |
|---|------------------------|------------------------|
| Net Profit after Tax (Earnings Per Share (EPS)) | ৳ 2.16 | ৳ 2.33 |
| Net Operating Cash Flow Per Share (NOCFPS) | ৳ 11.19 | ৳ 16.91 |
| Net Asset Value (NAV) | ৳ 1,341,700.126 | ৳ 1,840,112.830 |
| Net Asset Value (NAV) Per Share | ৳ 27.29 | ৳ 29.11 |

C. Disclosure on recommendation of Stock Dividend (Bonus Share)

- 1. Stock dividend has been recommended in view to utilize its retained amount as capital for increasing the capital adequacy of the company.
- 2. Stock dividend has been declared out of the accumulated profit.
- 3. Stock dividend has not been declared from capital reserve or revaluation reserve or any unrealized gain or loss of profit earned prior to incorporation of the company or through reducing profit or capital or through doing anything so that the past dividend retained earnings become negative or a debt because:

By order of the Board
Mahmudur Raza
Managing Secretary

Dated: 23 October 2024
Chairman

191-192 Baitul Usseel Plaza, Foyatullah PA, Chittagong - 4210, Bangladesh. Tel: 880 31 987701-3, 989302-8
Corporate Email: [Emails] & [Emails] | Website: [Website] | Share Price: [Share Price] | Share Transfer: [Share Transfer] | Share Location: [Share Location]

held over aya's ouse

see has been filed against a union. The union is demanding a 10% increase in wages and a 5% increase in the number of workers. The union is also demanding a 10% increase in the number of workers. The union is also demanding a 10% increase in the number of workers.

Ar's APS held

Business Affairs and Finance, KDS Accessories Limited, has held its 131st Annual General Meeting (AGM) on 23 October 2024 at 4:00 PM through digital platform. The AGM was held virtually by using digital platform as per BSEC's order.

ORT LTD.

ORT LTD. is a public company incorporated in Bangladesh. The company is engaged in the business of manufacturing and selling of various types of garments. The company is also engaged in the business of manufacturing and selling of various types of garments.

Notice of the 32nd Annual General Meeting

Notice is hereby given that the 32nd Annual General Meeting of KDS Accessories Limited will be held on Wednesday, 12 December 2024 at 11:30 AM by using digital platform as per BSEC's order. The meeting will be held virtually by using digital platform as per BSEC's order.

Agenda

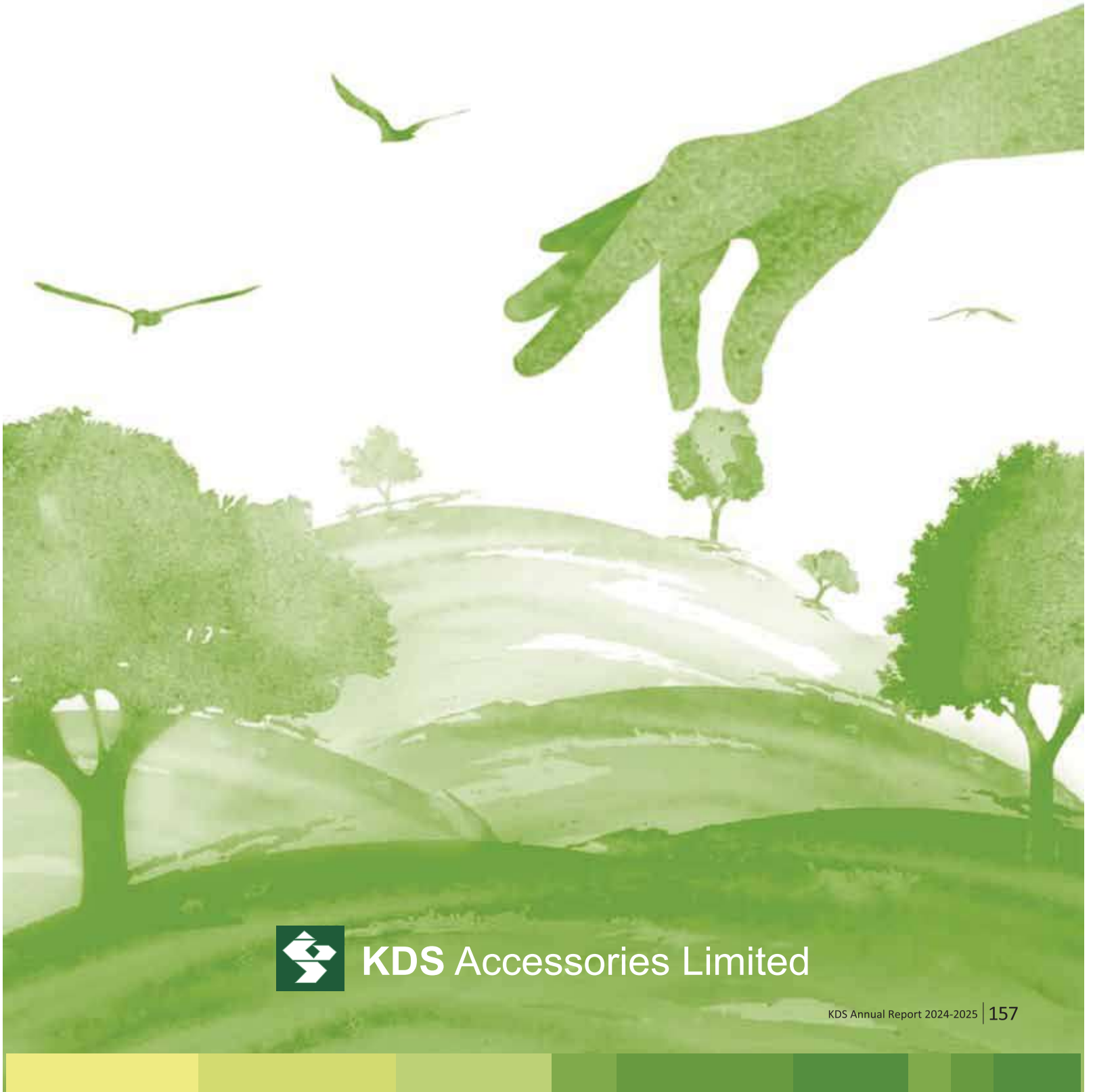
- To receive, consider and adopt the Audited Financial Statements, report of the Board of Directors and Auditors Report on Financial Statements for the year ended 30 June 2024.
- To approve dividend for the year ended 30 June 2024.
- To confirm the recommendation of Independent Director.
- To reappoint the members of the company.
- To appoint the members of the company.
- To appoint the members of the company.
- To appoint the members of the company.
- To appoint the members of the company.

By order of the Board
Mahmudur Raza
Managing Secretary

Dated: 23 October 2024
Chairman

191-192 Baitul Usseel Plaza, Foyatullah PA, Chittagong - 4210, Bangladesh. Tel: 880 31 987701-3, 989302-8
Corporate Email: [Emails] & [Emails] | Website: [Website] | Share Price: [Share Price] | Share Transfer: [Share Transfer] | Share Location: [Share Location]

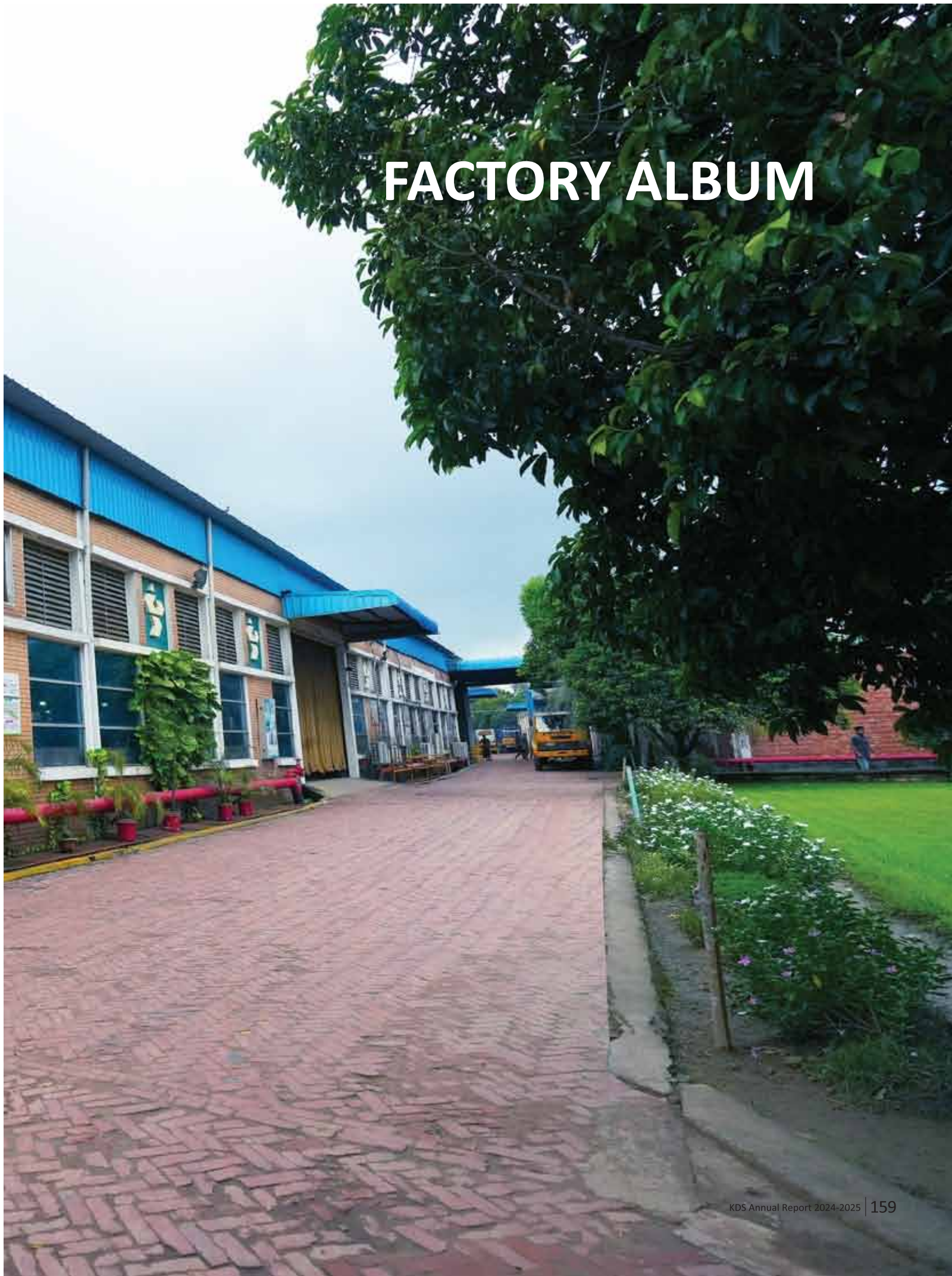
**GREEN IS NOT
A COLOR**
It's our commitment to life



KDS Accessories Limited



FACTORY ALBUM



YARN



CARTON



WOVEN LABEL



ELASTIC & NARROW FABRIC



BUTTON





we package with
purpose—
to preserve the
planet



KDS Accessories Limited

CORPORATE INFORMATION

Company Name : **KDS Accessories Limited**
 Company Registration No : C-H-C-862/154 of 1991
 Status of the Company : Public Limited Company
 Date of Incorporation : 21 April 1991

Offices : Registered Office- 255, Nasirabad I/A, Chattogram, Bangladesh.

Corporate Head Office
 191-192, Baizid Bostami Road
 Nasirabad I/A, Chattogram-4210
 Bangladesh.

Dhaka Office
 Road 4, House 63, Block C,
 Banani Dhaka-1213,
 Bangladesh

Plant Location : Unit-01
 191-192, Baizid Bostami Road
 Nasirabad I/A, Chattogram-4210
 Bangladesh

Unit-02
 6, West Dogory, Mirzapur
 Gazipur Sadar, Dhaka
 Bangladesh.

Phone No : +880 31 681701-3

+880 2 9821665

Fax : +880 31 682137

+880 2 9821682

E-mail : accessories@kdsgroup.net

Website : www.kdsaccessories.com

Bankers : Bank Asia PLC
 HSBC
 Mutual Trust Bank PLC
 Trust Bank PLC
 NRB Bank PLC

Standard Chartered Bank
 Southeast Bank PLC
 Dutch Bangla Bank Limited
 Eastern Bank PLC
 NCC Bank PLC

Insurers : Pragati Insurance Limited
 Northern General Insurance Company Limited

Auditors : **Statutory Auditor**
 Hussain Farhad & Co.
 Chartered Accountants
 Yunusco City Center (9th Floor),
 807, CDA Avenue, Nasirabad,
 Chattogram, Bangladesh.

Auditor For Corporate Governance
 Shafiq Basak & Co.
 Chartered Accountants
 National House (1st Floor) 109
 Agrabad Commercial Area
 Chattogram-4100, Bangladesh.

Internal Auditor
 Rahman Rahman Huq
 Chartered Accountants
 78 Agrabad Commercial Area
 Makkah Madina Trade Centre (13th floor)
 Sabadar Ali Road, Chattogram- 4100.

Credit Rating Agency : Credit Rating Information and Services Limited (CRISL)

Listing with : Dhaka Stock Exchange PLC
 Chittagong Stock Exchange PLC

Note

This image shows a single sheet of white paper with horizontal blue ruling lines. The lines are evenly spaced and run across the width of the page. There is no text or other markings on the paper.



PROXY FORM

Affix Revenue
Stamp of Tk. 20.00

(Signature Verified)



SHAREHOLDERS' ATTENDANCE SLIP

(Signature Verified)



Our
Journey
Stays
Green



KDS Accessories Limited



KDS Accessories Limited

Corporate Office

Chattogram:

191-192, Baizid Bostami Road,
Nasirabad I/A, Chattogram 4210
Bangladesh.

Tel: 88 031 681701-3

Dhaka :

Road 4, House 63, Block C,
Banani, Dhaka 1213,
Bangladesh.

Tel: 88 02 9821665, 9821667

Registered Office

255, Nasirabad I/A,
Chattogram 4211,
Bangladesh.

Tel: 88 02 41380454-62



www.kdsaccessories.com



accessories@kdsgroup.net