



# ANNUAL REPORT

## 2024-2025



**Apex Tannery Limited**



## REMEMBERING

# MR. SYED MANZUR ELAHI

FOUNDING CHAIRMAN, APEX TANNERY LIMITED

The Board Of Directors, Management Committee and all employees of the Company expresses its profound grief and heartfelt sorrow at the passing of

Founding Chairman,

Mr. Syed Manzur Elahi, on March 12, 2025.

Mr. Syed Manzur Elahi was not only a pioneering entrepreneur but also a visionary leader whose values of integrity, respect, and humanity profoundly shaped the culture and ethos of our organization. His contributions extended far beyond the Company – he was a national icon, a mentor to many, and a tireless advocate for ethical leadership and sustainable development in Bangladesh. The void left by his absence is immeasurable, both professionally and personally.

# 48<sup>th</sup> Annual General Meeting of the Company held on December 26, 2024



# CONTENTS

Our Vision, Mission, Values and Objectives	04
Corporate Directory	05
Directors and Management Team	06
Profile of Directors	07
Management Team	10
Report of the Directors	11
Report on Management's Discussion and Analysis	32
Financial Highlights	34
Financial Highlights (Graphical presentation)	35
Value Added Statement	36
Report on Corporate Social Responsibilities (CSR)	37
Report on Corporate Governance	38
Corporate Governance Compliance Report	41
Declaration by CEO and CFO	54
Pattern of Shareholding	55
Audit Committee Report	56
Nomination and Remuneration Committee Report	59
Certificate of Corporate Governance Code	61
Independent Auditors' Report	62
Statement of Financial Position	68
Statement of Profit or Loss and Other Comprehensive Income	69
Statement of Changes in Equity	70
Statement of Cash Flows	71
Notes to the Financial Statements	72
Schedule of Fixed Assets	91
Photo Gallery	95
Certificates	96
Notice of the 49th Annual General Meeting	98
Proxy form	99



Vision

Mission

Values

Objectives

## OUR VISION, MISSION, VALUES AND OBJECTIVES

### Our Vision

Our vision is to attain 100% customer satisfaction worldwide through continual quality improvement of our products.

### Our Mission

To understand and satisfy customer's wants and needs, we always try to add value, reduce costs and provide innovative thinking for improvement of our product quality, with world class compliance and working standards.

### Our Values

#### To our customers we offer

- A commitment to provide best quality product and timely delivery
- Production of world-class quality leather, meet the requirements of customers with competitive price and up to date fashion trends
- Quick response to the expectations of our valued customers in terms of quality and product development

#### To our employees we offer

- A desirable and rewarding place to work
- Provide motivation for team work and career development
- The opportunity to grow to employee's maximum potential
- Sufficient offsite and on the job training

#### To our shareholders we offer

- Attractive return with minimum risk of their investment
- A commitment to continuous improvement and adding value through all activities and managing resources

#### To our suppliers we offer

- Easy terms of trade
- Payment within due time

### Our Objectives

- 100% on time delivery of the services to our valued customers
- 100% accuracy in documentation
- 100% customers acceptance of our services as valid and usable in accordance with their requirements
- Overall reduction of cost by 2% every year
- Reduction of customer complaints by 10% every year.





## CORPORATE DIRECTORY

### BOARD OF DIRECTORS

#### Chairperson

Syed Nasim Manzur

#### Acting Managing Director

Syed Nasim Manzur

#### Directors

Md. Hedayetullah

Niranjan Chandra Debnath, FCMA

Fouzia Haque, FCA

### AUDIT COMMITTEE

#### Chairperson

Fouzia Haque, FCA

#### Members

Md. Hedayetullah

Niranjan Chandra Debnath, FCMA

### NOMINATION AND REMUNERATION COMMITTEE

#### Chairperson

Fouzia Haque, FCA

#### Members

Md. Hedayetullah

Niranjan Chandra Debnath, FCMA

### MANAGEMENT COMMITTEE

#### Chairman

Syed Nasim Manzur

#### Members

Atiqul Islam

Sajeeb Saha, ACA

Quazi Salahuddin Mahmud

Sushanta Kumar Paul FCS

### HUMAN RESOURCES COMMITTEE

#### Chairman

Syed Nasim Manzur

#### Members

Atiqul Islam

Sajeeb Saha, ACA

Sushanta Kumar Paul FCS

### CHIEF FINANCIAL OFFICER

Sajeeb Saha, ACA

### COMPANY SECRETARY

Sushanta Kumar Paul FCS

### STATUTORY AUDITORS

M/s. Shafiq Basak & Co.

Chartered Accountants

### CORPORATE GOVERNANCE AUDITOR

#### ARTISAN

Chartered Accountants

### INDEPENDENT SCRUTINIZER

Jesmin & Associates

Chartered Secretary

### CREDIT RATING COMPANY

Credit Rating Information  
and Servies Limited (CRISL)

### TAX ADVISER

Md. Abu Amzad

### LEGAL ADVISER

Mohsen Rashid

Advocate, Supreme Court of Bangladesh

### BANKERS

Agrani Bank PLC.

State Bank Of India

Uttara Bank PLC.

Mutual Trust Bank PLC.

Dutch Bangla Bank PLC.

### CORPORATE & REGISTERED OFFICE

Plot # XA1, XA2, XA3 and XS8

BSCIC Tannery Industrial Estate

Harindhara, Hemayetpur, Savar, Dhaka-1340

### FACTORY

#### Unit I

Plot # XA1, XA2, XA3 and XS8

BSCIC Tannery Industrial Estate

Harindhara, Hemayetpur, Savar, Dhaka-1340

#### Unit II

Shafipur

Kaliakoir, Gazipur

## DIRECTORS AND MANAGEMENT TEAM



Syed Nasim Manzur  
Chairperson and Acting Managing Director



Md. Hedaytullah  
Director



Niranjan Chandra Debnath, FCMA  
Director



Fouzia Haque, FCA  
Independent Director



Atiqul Islam  
Executive Director



Sajeeb Saha ACA  
Chief Financial Officer



Sushanta Kumar Paul FCS  
Company Secretary



Quazi Salahuddin Mahmud  
Chief Manufacturing Officer



Md. Sayeed Hossain  
Consultant (Commercial)



## PROFILE OF DIRECTORS



**Syed Nasim Manzur**  
Chairperson and Acting Managing Director

Mr. Syed Nasim Manzur graduated in Economics in Entrepreneurial Management from the Wharton School of the University of Pennsylvania in 1990. He is the Chairperson of Apex Tannery Ltd., Blue Ocean Footwear Ltd., Landmark Footwear Ltd., Apex Pharma Ltd., Quantum Consumer Solutions Ltd., Apex Investments Ltd., Sunbeams School Ltd., Grey Advertising Bangladesh Ltd., Apex Enterprises Ltd. and founding Director of Apex Footwear Ltd. He also serves as Director of Mutual Trust Bank PLC, International Publications Ltd., Biman Bangladesh Airlines, Infrastructure Investment Facilitation Company (IIFC) and Progeny Technologies Ltd. Mr. Nasim also serves as the member of Board of Trustees, BRAC University and appointed as a Honorary Senior Fellow of Bangladesh Institute of Development Studies. In addition to that he is the President of the Leathergoods And Footwear Manufacturers & Exporters Association of Bangladesh (LFMEAB). He was the Chairperson of Pioneer Insurance Co. Ltd. and was the Vice President of Bangladesh Association of Publicly Listed Companies (BAPLC).

Mr. Nasim an avid art enthusiast and takes keen interest in promoting art and culture through the Society for Promotion of Bangladesh Art (SPBA). He is also an Executive Member of an internationally acclaimed Non Government Organization called FRIENDSHIP which provides health and educational services in remote and inaccessible chars of the Northern region of the Country through self propelled floating hospitals and riverine ambulances. He is the past President of Metropolitan Chamber of Commerce and Industry (MCCI) and is a regular guest speaker at the National Defence College (NDC), Mirpur, Dhaka.

## PROFILE OF DIRECTORS



**Md. Hedayetullah**  
Director

Mr. Md. Hedayetullah, son of Mr. A. K. M. Rahmatullah—Chairman of FB Footwear Limited, Footbed Footwear Limited, Nuovo Shoes (BD) Limited, and Sponsor Director of Mutual Trust Bank PLC—is widely regarded as an influential leader and distinguished professional within Bangladesh’s corporate landscape. Inspired by the legacy of his father, a visionary entrepreneur and a committed advocate for education and social development, he continues to embody the principles of strategic foresight, ethical leadership, and operational excellence throughout his professional journey.

Mr. Hedayetullah has achieved notable academic success, reflecting a strong international perspective and a commitment to continuous learning. He completed his Bachelor’s degree in Leather Technology from the University of Leicester, United Kingdom, followed by a Master’s degree in International Business from Webster University, Regents College, United Kingdom. Furthermore, he has undertaken various advanced professional courses both domestically and abroad, strengthening his leadership, management, and strategic decision-making capabilities.

His leadership style is characterized by innovation, strategic vision, and a global outlook. He currently holds several esteemed positions across multiple sectors. He is the Chairman of Hedayetullah Securities Ltd. and Managing Director of FB Footwear Ltd., Footbed Footwear Limited, Nuovo Shoes (BD) Limited. He is also Director of Mutual Trust Bank PLC., Apex Property Development Ltd., Leather Goods and Footwear Manufacturers and Exporters Association of Bangladesh (LFMEAB) and Shareholder of Pioneer Insurance Company Ltd.

Beyond his corporate responsibilities, Mr. Hedayetullah is actively engaged in social and community development. He is a member of Dhaka Club Limited, Gulshan Club Limited, Uttara Club, and Gulshan Youth Club, reflecting his dedication to fostering strong social, cultural, and professional networks within the community.



## PROFILE OF DIRECTORS



**Niranjana Chandra Debnath, FCMA**  
Director

Mr. Niranjana Chandra Debnath has joined the Board of Apex Tannery Limited in March, 2025 as the Nominated Director of the Investment Corporation of Bangladesh (ICB) after taking over the charge of ICB as the Managing Director on 20 February 2025. He is a member of Audit Committee and Nomination and Remuneration Committee of Apex Tannery Limited. He is the Chairman of ICB Capital Management Ltd. He is also Director of British American Tobacco Bangladesh Co. Limited. (BATBC), Unilever Consumer Care Ltd., National Tea Company Ltd. (NTC), United Power Generation & Distribution Company Ltd. (UPGDCL), Apex Footwear Ltd., Heidelberg Materials Bangladesh PLC, ACME Laboratories Limited. Prior to joining ICB, he served Rajshahi Krishi Unnayan Bank (RAKUB) as the Managing Director, Sonali Bank PLC as the Deputy Managing Director & Chief Anti-Money Laundering Compliance Officer (CAMLCO) and BASIC Bank Limited as the Deputy Managing Director & Chief Financial Officer (CFO). Mr. Niranjana Chandra Debnath started his banking career as an Assistant Manager at BASIC Bank Limited in 1997 and worked extensively across all key areas of banking in diverse capacities. Mr. Debnath has completed his post-graduation in Accounting from Chittagong University. He achieved CMA degree from the Institute of Cost and Management Accountants of Bangladesh and he is a fellow member (FCMA) of ICMAB. He has also obtained CGMA and CMA qualifications from the Chartered Institute of Management Accountants (CIMA), UK. He is a Diplomaed Associate of IBB. Mr. Niranjana Chandra Debnath participated in various training programs and seminars at home and abroad and travelled widely across different countries of Europe and Asia.



**Fouzia Haque, FCA**  
Independent Director

Ms. Fouzia Haque joined Apex Tannery Limited on 20 November 2024. She is currently working as a partner of FAMES & R, Chartered Accountants. She obtained M.Com degree in Management from the University of Dhaka. She is one of the widely recognized Accounting Specialist in Bangladesh with over 32 years of experience in the field of Finance, Micro-Finance, Organizational Management System development, Taxation and Auditing with leading organization both as a Professional and Consultant. She started her career with BRAC, World's largest NGO and then BRAC University. She gained wide experience in the preparation and maintenance of accounts, devising and introducing accounting systems, examining and recommending improvements in internal control systems, valuation of businesses and investigation of accounts, budgetary control and financial management system. She served as Board Member of renowned organization including Shadaran Bima Corporation, Independent Director of the ACME Laboratories Limited for two terms and Dhaka BRT Company Limited. She is also involved as Board of renowned NGOs. She served as Financial Consultant of the World Bank. She was the Council Member ICAB and was the Vice-President for the year 2022.

## MANAGEMENT TEAM



**Syed Nasim Manzur**  
Chairperson and Acting Managing Director



**Atiqul Islam**  
Executive Director



**Sajeeb Saha ACA**  
Chief Financial Officer



**Sushanta Kumar Paul FCS**  
Company Secretary



**Quazi Salahuddin Mahmud**  
Chief Manufacturing Officer



**Md. Sayeed Hossain**  
Consultant (Commercial)



## পরিচালকমন্ডলীর প্রতিবেদন

সুধী শেয়ারহোল্ডারবন্দ,

পরিচালকমন্ডলীর পক্ষে আমি আপনাদের কোম্পানী এপেক্স ট্যানারী লিমিটেডের এই ৪৯তম বার্ষিক সাধারণ সভায় সকলকে স্বাগত জানাচ্ছি এবং সেই সাথে কোম্পানীর ৩০ জুন ২০২৫ইং সমাপ্ত বছরের বার্ষিক প্রতিবেদন, নিরীক্ষিত আর্থিক বিবরণীসহ নিরীক্ষকের প্রতিবেদন আনন্দের সাথে উপস্থাপন করছি।

### কার্যক্রম পর্যালোচনা

২০২৪-২০২৫ সালে মোট রাজস্ব ছিল ৬১৩.৬৬ মিলিয়ন টাকা (২০২৩-২০২৪: ৮০৪.৩৯ মিলিয়ন টাকা)। পর্যালোচনাধীন সময়ে, আন্তর্জাতিক বাজারে চাহিদা হ্রাস এবং CETP-এর পূর্ণাঙ্গ বাস্তবায়নে বিলম্বের কারণে LWG সার্টিফিকেশন না থাকায় কোম্পানীর রপ্তানি বিক্রয়মূল্য গত বছরের একই সময়ের তুলনায় ২৪% কমে যায়। পাশাপাশি পণ্যের মূল্য হ্রাসও বিক্রয়মূল্য কমে যাওয়ার একটি গুরুত্বপূর্ণ কারণ ছিল।

### তুলনামূলক বার্ষিক ফলাফল

	চলতি বছর	পূর্ববর্তী বছর	+ বৃদ্ধি - হ্রাস %
• বিক্রয় (হাজার টাকায়)	৬১৩,৬৬২	৮০৪,৩৮৮	-২৪%
• মোট মুনাফা	৭৬,৮০৯	১০০,৪৫২	-২৪%
• পরিচালন ব্যয়	(৩৯,৩৬৫)	(৫২,৬৩৯)	-২৫%
• কর পূর্ব মুনাফা	(২১২,৭৭২)	(১১৪,৬২৪)	-৮৬%
• কর পরবর্তী নীট মুনাফা	(২২২,৮৩৭)	(১২৬,৬৩৬)	-৭৬%
• শেয়ার প্রতি আয় (টাকা)	(১৪.৬২)	(৮.৩১)	-৭৬%

### কাঁচামালের মজুদ

বাংলাদেশে কাঁচা চামড়া ও ছাগলের চামড়ার সরবরাহ এখনো মৌসুমভিত্তিকভাবে অনেক বেশি নির্ভরশীল। বিশেষ করে ঈদ-উল-আযহা পরবর্তী সময়ে দেশের সর্বোচ্চ পরিমাণ ও সর্বোত্তম মানের কাঁচা চামড়া পাওয়া যায়। কোম্পানী সারা বছরের নিরবচ্ছিন্ন উৎপাদন নিশ্চিত করার লক্ষ্যে ঈদ-উল-আযহা-পরবর্তী সময়ে উল্লেখযোগ্য পরিমাণে কাঁচামাল সংগ্রহ করে, যাতে ভালো মানের কাঁচামালের সহজলভ্যতা বজায় থাকে।

এ কারণে বছরের এই সময়ে কাঁচামাল ও রাসায়নিক দ্রব্যের মজুদ ব্যাপকভাবে বৃদ্ধি পায়, যা পরবর্তী সময়ে ধীরে ধীরে উৎপাদনে ব্যবহার করা হয়। সাম্প্রতিক বছরগুলোতে বাংলাদেশের কাঁচা চামড়ার, বিশেষ করে গরুর চামড়ার মান ক্রমাগত অবনতি ঘটছে- এর প্রধান কারণ হলো পশুর যত্নের অভাব, জলবায়ুর প্রভাব, দুর্বল পশুপালন ব্যবস্থা এবং অদক্ষ ও অনিয়ন্ত্রিত জবাই প্রক্রিয়া। তবে ঈদ-উল-আযহা পরবর্তী সময়েই তুলনামূলক ভালো মানের চামড়া পাওয়া যায়, ফলে কোম্পানী এই সময়ে উন্নতমানের কাঁচা চামড়া ক্রয় করতে পারে, যা পরবর্তীতে উচ্চ মূল্যে বিক্রি সম্ভব হয়।

উচ্চ মজুদের আরেকটি কারণ হলো ইউরোপ থেকে আমদানিকৃত রাসায়নিক দ্রব্য সংগ্রহে দীর্ঘ সময়ের প্রয়োজন। রাসায়নিক সরবরাহকারীর সংখ্যা হ্রাস, উৎপাদন ও পরিবহন সময় বৃদ্ধি, সমুদ্রপথে অধিক সময় লাগা এবং টাকার অবমূল্যায়ন- সবকিছু মিলিয়ে রাসায়নিক দ্রব্যের মজুদের মূল্য উল্লেখযোগ্যভাবে বেড়ে গেছে।

### মুনাফার বন্টন

	সমাপনী বছর জুন ৩০, ২০২৫ ইং	হাজার টাকায় সমাপনী বছর জুন ৩০, ২০২৪ ইং
কর পরবর্তী নীট মুনাফা	(২২২,৮৩৭)	(১২৬,৬৩৬)
বিগত বছর সমূহের রিটেইনড মুনাফা (লভ্যাংশ পরবর্তী)	৭৩,৭৩৬	২০৭,৫৭৫
(-) ডিভিডেন্ড ইকুয়ালাইজেশন ফান্ড এ স্থানান্তর	-	-
	<u>(১৪৯,১০১)</u>	<u>৮০,৯৩৯</u>
প্রস্তাবিত নগদ লভ্যাংশ	০.০০	৭,২০৩
চলতি বছরের মুনাফা হতে প্রদান	-	-
ডিভিডেন্ড ইকুয়ালাইজেশন/রিটেইনড আর্নিংস ফান্ড হতে প্রদান	০.০০	৭,২০৩





## লভ্যাংশ

পর্যালোচনাধীন অর্থবছরে কোম্পানীর শেয়ার প্রতি আয় (EPS) হয়েছে টাকা (১৪.৬২)। বিস্তারিত আলোচনার পর পরিচালনা পর্ষদ ১৪ অক্টোবর ২০২৫ তারিখে অনুষ্ঠিত সভায় ৩০ জুন ২০২৫ সমাপ্ত অর্থবছরের জন্য কোনো লভ্যাংশ সুপারিশ না করার সিদ্ধান্ত গ্রহণ করে। এর কারণ হলো- কোম্পানীর নীট লোকসান, ঋণাত্মক শেয়ারপ্রতি আয় (EPS) এবং ঋণাত্মক অবশিষ্ট আয় (retained earnings)।

## শ্রম সম্পর্ক

সভার ট্যানারী শিল্পাঞ্চলে পর্যালোচনাধীন বছরে একাধিকবার শ্রমিক অসন্তোষ ও কাজের বিঘ্ন ঘটে, যেহেতু জুলাই-আগস্ট পরবর্তী সময়ে গোটা শিল্পখাতই প্রভাবিত হয়েছিল। কোম্পানী কর্মীদের সঙ্গে নিয়মিত যোগাযোগ ও অংশগ্রহণমূলক উদ্যোগ বজায় রেখে কাজের পরিবেশ, উৎপাদনশীলতা এবং শ্রমিক সম্পৃক্ততা উন্নয়নের চেষ্টা অব্যাহত রাখে, যাতে পরিস্থিতির নেতিবাচক প্রভাব সর্বনিম্ন রাখা যায়। প্রতিষ্ঠানের শ্রম শক্তি নিম্নরূপঃ

	বর্তমান বছরের মোট	পূর্ববর্তী বছরের মোট
শ্রমিক	৪৩৯	৫১৭
কর্মচারী	১২৭	১৬০
ব্যবস্থাপনা	৬	১০

## ঝুঁকি ও উদ্বেগ

ট্যানারী শিল্পের অন্যতম প্রধান উদ্বেগের বিষয় হলো শিল্পাঞ্চলের বর্জ্য পরিশোধনাগারগুলোর (Effluent Treatment Plants - ETP) অকার্যকারিতা। ট্যানারী শিল্পের অধিকাংশ ETP এবং কেন্দ্রীয় বর্জ্য পরিশোধনাগারের অপ্রতুল কার্যকারিতার কারণে পরিবেশগত ও সামাজিক ঝুঁকি বেড়ে চলেছে, যার ফলে নিয়ন্ত্রক সংস্থাগুলোর নজরদারি বৃদ্ধি পেয়েছে এবং বিশেষ করে পরিবেশ সচেতন আন্তর্জাতিক বাজারে ক্রেতাদের আস্থা হ্রাস পেয়েছে।

২০১৪-১৫ থেকে ২০২৪-২৫ অর্থবছর পর্যন্ত সময়ে রপ্তানি উন্নয়ন ব্যুরো (EPB)-এর তথ্য অনুযায়ী বাংলাদেশের ট্যানারী শিল্প সামগ্রিকভাবে উল্লেখযোগ্য চাপের মধ্যে ছিল। ২০১৪-১৫ অর্থবছরে এ খাতের রপ্তানি আয় ছিল প্রায় ৩৯৭ মিলিয়ন মার্কিন ডলার, যা পরবর্তী বছরগুলোতে ক্রমান্বয়ে কমে দাঁড়ায় ২৭৭ মিলিয়ন, ২৩২ মিলিয়ন, ১৮৩ মিলিয়ন, ১৬৪ মিলিয়ন, ৯৮ মিলিয়ন, ১১৯ মিলিয়ন, ১৫১ মিলিয়ন, ১২৩ মিলিয়ন, ১৪৩ মিলিয়ন ও ১২৮ মিলিয়ন মার্কিন ডলার যথাক্রমে ২০১৫-১৬, ২০১৬-১৭, ২০১৭-১৮, ২০১৮-১৯, ২০১৯-২০, ২০২০-২১, ২০২১-২২, ২০২২-২৩, ২০২৩-২৪ এবং ২০২৪-২৫ অর্থবছরে।

একইভাবে, এপেক্স ট্যানারী লিমিটেড এর রপ্তানি আয়ও বছর ধরে ক্রমান্বয়ে হ্রাস পাচ্ছে। পরিবেশগত, সামাজিক এবং বাজারসংক্রান্ত বিভিন্ন চ্যালেঞ্জের সম্মিলিত প্রভাবে এ শিল্পে রপ্তানি বিক্রয়ে দীর্ঘস্থায়ী নিম্নমুখী প্রবণতা দেখা গেছে।

এছাড়া ট্যানারী শিল্পের সামগ্রিক বিক্রয়ও হ্রাস পেয়েছে, যার কারণ হলো- বাজারে কম চাহিদা ও পণ্যের গড় বিক্রয়মূল্য কমে যাওয়া। এই খাতজুড়ে মন্দার সরাসরি প্রভাব পড়েছে এপেক্স ট্যানারী লিমিটেডের ওপর, ফলে বিক্রয় আয় হ্রাস, উৎপাদন সক্ষমতার অপব্যবহার এবং মুনাফার হার কমে গেছে। বিক্রয়মূল্য হ্রাসের পরও কোম্পানীকে ক্রমবর্ধমান উৎপাদন ও পরিচালনা ব্যয়ের মুখোমুখি হতে হচ্ছে।

এই পরিস্থিতিতে চলমান কার্যক্রম ও কার্যকরী মূলধন (working capital) বজায় রাখতে কোম্পানীকে ব্যাংক ঋণ বৃদ্ধি করতে হয়েছে। এর ফলে আর্থিক ব্যয় বেড়ে গেছে, যা মুনাফা আরও সীমিত করেছে এবং তারল্য ও আর্থিক ঝুঁকি বৃদ্ধি করেছে।

ব্যবস্থাপনা নিম্নলিখিত উপায়ে এসব চ্যালেঞ্জ মোকাবিলায় সচেষ্ট রয়েছে:

- LWG (Leather Working Group) সার্টিফিকেশন অর্জনের জন্য কার্যক্রম চালিয়ে যাওয়া;
- উচ্চমূল্যের সমাপ্ত চামড়ার (finished leather) দিকে পণ্যের বৈচিত্র্য আনা;
- নতুন রপ্তানি বাজার অনুসন্ধান করা;
- মান, সরবরাহের স্থিতিশীলতা ও ব্যয় প্রতিযোগিতা নিশ্চিত করতে কাঁচামালের উৎসে বৈচিত্র্য আনা;



- টেকসই ও পরিবেশবান্ধব ব্যবসায়িক অনুশীলন অনুসরণ করে দীর্ঘমেয়াদি প্রবৃদ্ধি, বিধিনিষেধ মেনে চলা এবং বৈশ্বিক বাজারে গ্রহণযোগ্যতা বৃদ্ধি করা।

### বৈশ্বিক চামড়া শিল্পের ভবিষ্যৎ, বাংলাদেশের শিল্প ও সম্ভাবনা

২০২৫ সালে বৈশ্বিক চামড়া ট্যানিং বাজারের আকার আনুমানিক ২৮.৩৬ বিলিয়ন মার্কিন ডলার এবং এটি ২০৩৪ সালে বৃদ্ধি পেয়ে ৩৪.০৩ বিলিয়ন মার্কিন ডলারে পৌঁছাবে বলে ধারণা করা হচ্ছে। ২০২৫ থেকে ২০৩৪ সালের মধ্যে এই খাতের বার্ষিক গড় প্রবৃদ্ধির হার (CAGR) হবে ২.৩১%।

২০২৫ সালে অঞ্চলভিত্তিক ট্যানিং বাজারের আনুমানিক আকারঃ

- যুক্তরাষ্ট্র: ৩.৩৩ বিলিয়ন মার্কিন ডলার
- ইউরোপ: ৬.০৩ বিলিয়ন মার্কিন ডলার
- চীন: ১৬.০২ বিলিয়ন মার্কিন ডলার

চামড়া ট্যানিং শিল্প বৈশ্বিক চামড়া খাতের অন্যতম গুরুত্বপূর্ণ উপখাত, যেখানে কাঁচা চামড়াকে প্রক্রিয়াজাত করে তা টেকসই ও বহুমুখী উপাদানে রূপান্তরিত করা হয়, যা ফ্যাশন, আসবাবপত্র (upholstery) এবং অটোমোবাইল শিল্পে ব্যাপকভাবে ব্যবহৃত হয়।

এই বাজারের প্রবৃদ্ধির মূল চালিকা শক্তি হলো- উচ্চমানের চামড়াজাত পণ্যের বৈশ্বিক চাহিদা বৃদ্ধি, পরিবেশবান্ধব ট্যানিং প্রযুক্তিতে উদ্ভাবন, এবং বিভিন্ন শিল্পক্ষেত্রে চামড়ার ব্যবহার বৃদ্ধি।

যদিও পুরনো ট্যানিং পদ্ধতিগুলোর মধ্যে ভেজিটেবল ট্যানিং (vegetable tanning) এখনো বিদ্যমান, তবুও আধুনিক ক্রোম ট্যানিং (chromium-based tanning) দ্রুত ফলপ্রসূ হওয়ায় অধিক জনপ্রিয়। তবে এই প্রক্রিয়া পরিবেশের জন্য সম্ভাব্য ক্ষতিকর হওয়ায় এর ঝুঁকি উপেক্ষা করা যায় না।

বর্তমানে টেকসই উন্নয়ন এবং পরিবেশ সংরক্ষণের উদ্যোগ বৃদ্ধির ফলে বায়ো-ভিত্তিক (bio-based) ও বিকল্প ট্যানিং সমাধানগুলো দ্রুত জনপ্রিয় হয়ে উঠছে এবং বৈশ্বিক বাজারে একটি নতুন ধারা তৈরি করেছে।

### মূল তথ্যসমূহ (Key Findings)

- বাজারের আকার ও প্রবৃদ্ধি:

২০২৫ সালে বৈশ্বিক চামড়া ট্যানিং বাজারের আকার ছিল ২৮.৩৬ বিলিয়ন মার্কিন ডলার, যা ২০৩৪ সালে বৃদ্ধি পেয়ে ৩৪.৮১ বিলিয়ন মার্কিন ডলারে পৌঁছাবে বলে অনুমান করা হচ্ছে।

২০২৫ থেকে ২০৩৪ সাল পর্যন্ত বার্ষিক গড় প্রবৃদ্ধির হার (CAGR) হবে ২.৩১%।

- বাজার বৃদ্ধির প্রধান চালিকা শক্তি:

বৈশ্বিক জুতা উৎপাদন বৃদ্ধির কারণে গত তিন বছরে ট্যানড চামড়ার চাহিদা ৫৬% বৃদ্ধি পেয়েছে।

- বাজারের প্রধান প্রতিবন্ধকতা:

পরিবেশগত উদ্বেগ ও বর্জ্যজল ব্যবস্থাপনা সম্পর্কিত বিধিনিষেধের কারণে ৩৪% প্রচলিত ট্যানিং কার্যক্রম বিশেষ করে উন্নয়নশীল অঞ্চলে বাধাগ্রস্ত হয়েছে।

- উদীয়মান প্রবণতা:

বায়ো-ভিত্তিক ট্যানিং পদ্ধতির ব্যবহার বিশ্বব্যাপী ৪৩% বৃদ্ধি পেয়েছে, আর ক্রোম-মুক্ত বিকল্প ট্যানিং পদ্ধতির ব্যবহার বেড়েছে ৩৮%।

- আঞ্চলিক নেতৃত্ব:

এশিয়া-প্যাসিফিক অঞ্চল ৫১% বাজার অংশীদারিত্ব নিয়ে শীর্ষ অবস্থানে আছে, এর পরেই ইউরোপ রয়েছে ২৫% অংশীদারিত্ব নিয়ে। এই দুই অঞ্চলে শক্তিশালী উৎপাদন ও রপ্তানি চাহিদাই এর মূল কারণ।



- প্রতিযোগিতামূলক চিত্র:  
বৈশ্বিক বাজারে শীর্ষ ১০টি প্রতিষ্ঠান মোট উৎপাদনের ৬৩% দখল করে রেখেছে। সাম্প্রতিক সময়ে টেকসই চামড়া উৎপাদন উদ্যোগ বেড়েছে ৩১%।
- বাজার বিভাজন:  
ক্রোম ট্যানিং: ৬৪%  
ভেজিটেবল ট্যানিং: ২৭%  
অন্যান্য পদ্ধতি: ৯%
- সাম্প্রতিক উন্নয়ন:  
পরিবেশবান্ধব ট্যানিং প্রযুক্তিতে বিনিয়োগ ৩৬% বৃদ্ধি পেয়েছে, যেখানে জোর দেওয়া হচ্ছে পানির পুনঃব্যবহার এবং রাসায়নিক ব্যবহারের পরিমাণ হ্রাসে।

### COVID-19 দ্বারা চামড়া ট্যানিং শিল্পে দীর্ঘস্থায়ী কাঠামোগত ক্ষতি

COVID-19 মহামারীর সময় চামড়া ট্যানিং শিল্প ব্যাপক প্রভাবের মুখোমুখি হয়েছিল।

- মহামারীর সময় অধিকাংশ চামড়া ট্যানিং প্ল্যান্ট বন্ধ ছিল, যা সরবরাহ শৃঙ্খল বিঘ্ন এবং চাহিদা হ্রাসের কারণে উৎপাদন ও বিক্রয়কে কঠোরভাবে প্রভাবিত করেছে।
- কঠোর লকডাউন, কারখানা বন্ধ এবং আন্তর্জাতিক বাণিজ্য বন্ধের কারণে কাঁচামালের ঘাটতি দেখা দিয়েছে।
- চামড়া উৎপাদনের প্রধান অঞ্চলগুলোর রপ্তানি আন্তর্জাতিক বাণিজ্য সীমাবদ্ধতার কারণে প্রভাবিত হয়েছে।
- ফ্যাশন ও অটোমোটিভ শিল্প, যা ট্যানড চামড়ার প্রধান ভোক্তা, বিক্রয়ে বড় ধরনের পতন লক্ষ্য করেছে, যার ফলে অর্ডার বাতিল এবং অতিরিক্ত মজুদ সৃষ্টি হয়েছে।
- স্বাস্থ্য ও হাইজিনজনিত কারণে কিছু প্রাণী-উৎপন্ন পণ্যের চাহিদা কমে যাওয়ায় বাজার আরও সংকুচিত হয়েছে।
- শিল্পে উৎপাদন খরচ বৃদ্ধি এবং শ্রমিক প্রাপ্যতা কমে যাওয়ায় পুনরুদ্ধার ধীর হয়েছে, যার ফলে অধিকাংশ ছোট ইউনিট ট্যানারীর স্থায়ীভাবে বন্ধ হয়ে যাওয়া অনিবার্য হয়েছে।

### ভবিষ্যৎ

টেকসই ট্যানিং পদ্ধতি পরিবেশবান্ধব উদ্ভাবনের মাধ্যমে বাজার বৃদ্ধি করছে।

- চামড়া ট্যানিং শিল্পে ট্যানিং প্রক্রিয়ার পরিবর্তন লক্ষ্য করা যাচ্ছে, যা টেকসই এবং পরিবেশবান্ধব পদ্ধতির দিকে ঝুঁকছে, যেমন ভেজিটেবল ট্যানিং, জলভিত্তিক ট্যানিং এবং বায়ো-ভিত্তিক বিকল্পের বৃদ্ধি।
- আরেকটি ক্রমবর্ধমান প্রবণতা হলো ক্রোম-ফ্রি ট্যানিংয়ের উন্নয়ন, যা পরিবেশ সংক্রান্ত নিয়মাবলী বৃদ্ধি এবং নৈতিক পণ্যের প্রতি গ্রাহক চাহিদার দ্বারা চালিত।
- কোম্পানীগুলি এমন উদ্ভাবনী ট্যানিং সমাধানে বিনিয়োগ করছে যা পানি, রাসায়নিক বর্জ্য এবং কার্বন নির্গমন হ্রাস করবে, একই সাথে মানসম্পন্ন চামড়া নিশ্চিত করবে।
- এছাড়াও, উদ্ভিদ-ভিত্তিক এবং এনজাইম্যাটিক ট্যানিং এজেন্ট ব্যবহারের মাধ্যমে দূষণহীন ট্যানিং করা সম্ভব, যা স্থায়িত্বের দিক থেকে কার্যকর।
- সবুজ ট্যানিং পদ্ধতি গ্রহণের চাপ ক্রমবর্ধমান, যা শিল্পকে পরিবেশবান্ধব ও টেকসই হতে উদ্বুদ্ধ করছে, এবং ব্র্যান্ডগুলো বাজারের পরিবর্তিত চাহিদার সাথে সামঞ্জস্য রেখে টেকসই প্রক্রিয়াকে গুরুত্ব দিচ্ছে।
- ওয়ার্ল্ড ব্যাংক / MIGA পরিবেশগত তথ্য অনুসারে, ১ টন কাঁচা চামড়া প্রক্রিয়াকরণের সময় ২০ থেকে ৮০ ঘনমিটার বর্জ্য পানি উৎপন্ন হয়, যার মধ্যে ক্রোমের মাত্রা ১০০-৪০০ মিলিগ্রাম/লিটার এবং সালফাইডের মাত্রা ২০০-৮০০ মিলিগ্রাম/লিটার।



## বাংলাদেশ চামড়া শিল্প

বাংলাদেশের চামড়া শিল্প দেশের অন্যতম প্রাচীন শিল্প। বিশ্বব্যাপী পরিবেশবান্ধব চামড়া ও চামড়াজাত পণ্যের চাহিদা ক্রমবর্ধমান হওয়ার পরও, বাংলাদেশের চামড়া শিল্প এখনও নানা চ্যালেঞ্জের মুখোমুখি, যা কার্যকরভাবে সমাধান না হলে শিল্পের পূর্ণ সম্ভাবনা উদঘাটন বাধাগ্রস্ত হবে।

- চামড়া, জুতো এবং চামড়াজাত পণ্য শিল্প বাংলাদেশের দ্বিতীয় সর্বোচ্চ রপ্তানি আয়কারী খাত, তৈরি পোশাক (RMG) শিল্পের পরে।
- বাংলাদেশের চামড়া (ট্যানারী) শিল্পের সুবিধা হলো পর্যাপ্ত স্থানীয় কাঁচামাল এবং সস্তা শ্রমের সহজলভ্যতা। গুরুত্বপূর্ণ কাঁচামালে সমৃদ্ধ হওয়ায় এই শিল্প রপ্তানির বৈচিত্র্য আনতে মূল খাত হিসেবে কাজ করতে পারে।
- পূর্বে রপ্তানি মূল্য ওয়েট ব্লু চামড়ার উপর নির্ভরশীল ছিল। তবে প্রক্রিয়াজাত ও চূড়ান্ত চামড়াজাত পণ্য ৯০% পর্যন্ত মান সংযোজন করতে পারে। সাম্প্রতিক বছরগুলোতে কাঁচা চামড়া, চামড়াজাত এবং চামড়া রপ্তানি ধীরে ধীরে কমছে। অন্যদিকে, চামড়াজাত পণ্য রপ্তানি বৃদ্ধি পাচ্ছে, যা উচ্চ-মূল্যমান পণ্যের দিকে ঝুঁকিকে নির্দেশ করছে।

## রপ্তানি ও অবদান:

- এক্সপোর্ট প্রমোশন ব্যুরোর (EPB) তথ্য অনুযায়ী, চামড়া জুতো রপ্তানি উল্লেখযোগ্য সাফল্য দেখিয়েছে। World Footwear 2024 Yearbook অনুযায়ী, বাংলাদেশ গত দশকে বিশ্বের শীর্ষ ১০ জুতো উৎপাদক দেশের মধ্যে উঠে এসেছে।
- ২০২৪-২০২৫ অর্থবছরের প্রথম দশ মাসে চামড়া জুতোর রপ্তানি আয় ৫৪৫.৩৫ মিলিয়ন মার্কিন ডলার, যা ২৬.০৮% বৃদ্ধি নির্দেশ করেছে।
- অন্যদিকে, জুলাই ২০২৪ থেকে মার্চ ২০২৫ পর্যন্ত চামড়াজাত পণ্যের রপ্তানি ৬.১১% কমে ২৫৬.৪৪ মিলিয়ন ডলারে নেমেছে, এবং চূড়ান্ত চামড়া রপ্তানি ৬.২৯% কমে ৯৯.৪০ মিলিয়ন ডলারে দাঁড়িয়েছে।

## শিল্পের সীমাবদ্ধতা:

- বাংলাদেশে বিশ্বে মোট কাঁচা চামড়ার প্রায় ৩.৫% উৎপাদন করে। তবু, পর্যাপ্ত কাঁচামালের উপস্থিতি সত্ত্বেও, চামড়া ও চামড়াজাত শিল্প দেশের মোট রপ্তানির মাত্র ৪% অবদান রাখে।
- তৈরি পোশাক শিল্প, বিপরীতে, ৮০% অবদান রাখে, যদিও এর জন্য অনেকাংশে কাঁচামাল আমদানি করতে হয়।
- চামড়া শিল্পের প্রধান সীমাবদ্ধতা হলো: খাতের ভগ্নাংশ, কাঁচামাল সংগ্রহ ও সংরক্ষণে অদক্ষতা, সাভারে কার্যকর দূষণ নিয়ন্ত্রণ ও চিকিৎসা ব্যবস্থা অভাব, স্বাস্থ্য ও নিরাপত্তা মানদণ্ডের অপ্রতুলতা এবং আর্থিক সীমাবদ্ধতা।

## কাঁচামাল সংগ্রহ ও সংরক্ষণ:

- বাংলাদেশে বছরে প্রায় ২০ মিলিয়ন পিস কাঁচা চামড়া ও চামড়াজাত সরবরাহ হয়, যার প্রায় ৫০% আসে প্রধান ঈদুল আযহার সময়।
- সংরক্ষণ ও সংগ্রহের জন্য কোনো সমন্বিত নেটওয়ার্ক না থাকার কারণে প্রক্রিয়াজাত ব্যবস্থা খণ্ডিত ও অদক্ষ।
- মৌসুমি ব্যবসায়ী, মধ্যস্থত্বভোগী ও পাইকাররা চামড়া গড় আকার অনুযায়ী কিনে।
- চামড়া লবণ ব্যবহার করে সংরক্ষণ করা হয়, তবে লবণ প্রয়োগকারী শ্রমিকদের যথাযথ জ্ঞান নেই, ফলে চামড়ার মান হ্রাস পায় এবং ক্ষতি হয়।
- ছাগল/ভেড়ার চামড়ার প্রতি ইউনিট সংরক্ষণ ব্যয় বিক্রয় মূল্যের চেয়ে বেশি, ফলে ব্যবসায়ীর আর্থিক ক্ষতি হয়।

## পরিবেশ ও স্বাস্থ্য মান:

- বুড়িগঙ্গা নদীর দূষণ রোধ ও শিল্পের নিয়ম মানার জন্য, ২০১৭ সালে সকল ট্যানারী জোরপূর্বক হাজারীবাগ থেকে সাভারের BSCIC Tannery Industrial Estate-এ স্থানান্তরিত করা হয়।



- তবে, কেন্দ্রীয় ইফ্লুয়েন্ট ট্রিটমেন্ট প্ল্যান্ট (CETP) এখনও সম্পূর্ণ কার্যকর নয় এবং স্থায়ী বর্জ্য নিষ্পত্তির স্থান নেই।
- পরিবেশ ও স্বাস্থ্য সংক্রান্ত সমস্যার কারণে চামড়া ও চামড়াজাত পণ্যের রপ্তানিতে নেতিবাচক প্রভাব পড়ছে। LWG সার্টিফিকেশন পাওয়ার জন্য কার্যকর ইফ্লুয়েন্ট সিস্টেম অপরিহার্য, যা CETP-এর অকার্যকারিতার কারণে সম্ভব হচ্ছে না।

#### আন্তর্জাতিক বাজারে প্রবেশ:

- উন্নত দেশগুলো (যেমন যুক্তরাষ্ট্র, জাপান, ইউরোপ) স্বচ্ছ ও টেকসই সরবরাহ চেইন দাবি করে।
- প্রধান ব্র্যান্ডগুলো চামড়া অবশ্যই LWG সার্টিফাইড কোম্পানী থেকে আসা হতে হবে।
- স্থানীয়ভাবে উৎপাদিত চামড়া উচ্চমানের পণ্যে ব্যবহার করা সম্ভব হচ্ছে না, কারণ অধিকাংশ ট্যানারী LWG সার্টিফিকেশন পায়নি।
- স্থানীয় ট্যানারীগুলো চামড়া চীনা ও ভারতীয় ব্যবসায়ীদের বিক্রি করতে বাধ্য হচ্ছে, যা পশ্চিমা বাজারের তুলনায় প্রায় ৫০-৬০% কম দামে বিক্রি হচ্ছে।
- বাংলাদেশি রপ্তানিকারীরা বছরে প্রায় ১০০ মিলিয়ন ডলার খরচ করে LWG সার্টিফাইড চূড়ান্ত চামড়া আমদানি করে, যদিও দেশ প্রাচুর্যপূর্ণ কাঁচা চামড়ার উৎস।

#### উপসংহার:

চ্যালেঞ্জ সত্ত্বেও, বাংলাদেশ চামড়া শিল্প দৃঢ়তা দেখিয়েছে এবং রূপান্তরিত হতে পারে। পূর্ণ সম্ভাবনা উদঘাটনের জন্য:

- ট্যানারীগুলোর সবুজ রূপান্তর দ্রুত করা;
- কাঁচামাল সংগ্রহ ও সংরক্ষণে সমন্বিত নেটওয়ার্ক তৈরি করা;
- দক্ষতা উন্নয়ন ও সবুজ অর্থায়নের জন্য সরকারি-বেসরকারি অংশীদারিত্বে উদ্যোগ গ্রহণ করা জরুরি।

এই পদক্ষেপগুলো গ্রহণ করলে, পোস্ট-LDC যুগে বাংলাদেশে টেকসই রপ্তানি বৃদ্ধি সম্ভব হবে।

#### সাতার ট্যানারী ইন্ডাস্ট্রিয়াল এস্টেট (STIE) : পরিকল্পনা ও বাস্তবায়নে ব্যর্থতা

বাংলাদেশের অর্থনীতিতে চামড়া শিল্প একটি গুরুত্বপূর্ণ খাত, এবং সরকার এটিকে অগ্রাধিকারপূর্ণ খাত হিসেবে নির্ধারণ করেছে। ২০১৭ সালে এই শিল্পটি তার মূল হাজারীবাগ স্থান থেকে সাতার ট্যানারী ইন্ডাস্ট্রিয়াল এস্টেটে (STIE) স্থানান্তরিত করা হয়। স্থানান্তরের কারণ ছিল পরিবেশবান্ধব কার্যক্রমে ত্রুটি, যেমন:

- যথাযথ বর্জ্য ব্যবস্থাপনা ও শিল্পে বর্জ্য পানি পরিশোধন সুবিধার অভাব।
- বিষাক্ত বর্জ্য ফেলা যা আশেপাশের জলসম্পদ দূষিত করছে।
- ক্ষতিকর রাসায়নিক এবং প্রযুক্তির ব্যবহার।

নতুন এস্টেটটি ধলেশ্বরী নদীর তীরে, জাউচর গ্রামে, সাতারের তেঁতুলঝোঁরা ইউনিয়নে অবস্থিত। যদিও এখানে কেন্দ্রীয় ইফ্লুয়েন্ট ট্রিটমেন্ট প্ল্যান্ট (CETP) রয়েছে, তবে এর প্রাথমিক কার্যক্ষমতা ট্যানারীগুলোর উৎপাদিত বর্জ্য পানি মোকাবিলা করতে সক্ষম নয় এবং পরিবেশে ক্ষতিকর কার্যক্রম এখনও চলছে।

- ২০১৮ সালে ট্যানারীগুলো ধলেশ্বরী নদীতে দৈনিক প্রায় ২০,০০০ কিউবিক মিটার অপরিশোধিত বর্জ্য পানি ছেড়েছিল।
- Savar CETP দৈনিক ২৫,০০০ কিউবিক মিটার বর্জ্য প্রক্রিয়াজাত করতে সক্ষম হলেও, দৈনিক ১৫,০০০ কিউবিক মিটার পানি অপরিশোধিত নদীতে প্রবাহিত হয়।

এই ব্যর্থতার ফলে আন্তর্জাতিক পরিবেশ মানদণ্ড পূরণ সম্ভব হয়নি, যার কারণে USA এবং EU-এর ব্র্যান্ড গ্রুপসহ উচ্চমূল্য বাজারে রপ্তানিতে বাধা সৃষ্টি হয়েছে।



### স্থানান্তরের উদ্দেশ্য এবং বাস্তবায়নের ব্যর্থতা:

- ২০১৭ সালে হাজারীবাগ থেকে সাভারে স্থানান্তর করা হয়েছিল বাংলাদেশের চামড়া শিল্পকে গ্লোবাল প্রতিযোগিতামূলক ও পরিবেশগতভাবে টেকসই উৎপাদন কেন্দ্র হিসেবে রূপান্তরিত করার জন্য।
- তবে এই জোরপূর্বক, অ-পরিকল্পিত স্থানান্তর একটি বিপর্যয়জনক পরিস্থিতি তৈরি করেছে।
- অবকাঠামো অসম্পূর্ণ ও অপ্রতুল, এবং সরকারী কর্তৃপক্ষ ও BSCIC ম্যানেজমেন্ট বহুবার পূর্ণ কার্যক্ষম CETP সরবরাহে ব্যর্থ হয়েছে।
- কার্যকর সলিড ওয়েস্ট সংগ্রহ, স্যানিটারি স্লাজ নিষ্পত্তি, নিরবিচ্ছিন্ন বিদ্যুৎ ও গ্যাস সরবরাহ না হওয়ার ফলে সাভারের ট্যানারীগুলোর কার্যক্রম প্রায় স্তব্ধ হয়ে গেছে।

### LWG সার্টিফিকেশন এবং বৈশ্বিক বাজারে প্রবেশ:

- অধিকাংশ বাংলাদেশি ট্যানারী Leather Working Group (LWG) সার্টিফিকেশন অর্জন করতে পারেনি, যা গ্লোবাল মার্কেট ও ন্যায্য মূল্য পাওয়ার জন্য অপরিহার্য।
- সাভারের CETP অকার্যকারিতা LWG সার্টিফিকেশনের প্রধান বাধা।
- LWG সার্টিফিকেশন না পাওয়ার কারণে বাংলাদেশী চামড়া শিল্প নিম্নমূল্য বাজারেই সীমাবদ্ধ রয়েছে, যেখানে ভিয়েতনাম, পাকিস্তান ও ভারত প্রিমিয়াম সেগমেন্টে আধিপত্য বিস্তার করেছে।

### অতীতে রপ্তানি ও খরচ:

- দেশে কাঁচা চামড়ার প্রাচুর্য থাকা সত্ত্বেও, বাংলাদেশী রপ্তানিকারীরা বছরে প্রায় ১০০ মিলিয়ন ডলার খরচ করে LWG সার্টিফাইড চূড়ান্ত চামড়া আমদানি করতে বাধ্য।

### সাম্প্রতিক উদ্যোগসমূহ:

- সরকার BSCIC কে BIDA-এর সঙ্গে একীভূত করার প্রস্তাব করেছে, যা সাভার ট্যানারী ইন্ডাস্ট্রিয়াল এস্টেটের প্রশাসন ও ব্যবস্থাপনা ক্ষমতা উন্নত করবে।
- চামড়া শিল্প ব্যবস্থাপনা ও উন্নয়নের জন্য একটি কর্তৃপক্ষ গঠন করা হয়েছে, যা আন্তর্জাতিক বাজারে বাংলাদেশের অবস্থান উন্নত করবে।
- ধলেশ্বরী নদী এবং আশেপাশের মাটির দূষণ রোধে সাভারে “সেফ ল্যান্ডফিল” নির্মাণ প্রকল্প শুরু হচ্ছে।
- Leather Trace উদ্যোগ: ১৪টি ট্যানারি Sustainable Leather Foundation প্ল্যাটফর্মে নিবন্ধিত হয়েছে। প্রতিটি কারখানার SLF ড্যাশবোর্ড রয়েছে, যা ESG (Environmental, Social, Governance) মানদণ্ডে তাদের অঙ্গীকার প্রদর্শন করেছে।
- Ethical Trading Initiative: SMEP অর্থায়িত প্রকল্পের মাধ্যমে Environmental and Social Management Systems (ESMS) উন্নয়ন, ঝুঁকি হ্রাসে বিনিয়োগ, এবং আন্তর্জাতিক মান অনুসারে স্টেকহোল্ডারদের সমন্বয় করার চেষ্টা করেছে।

বাংলাদেশের চামড়া শিল্পের পরিবেশগত ও আন্তর্জাতিক মান নিশ্চিত করতে এই উদ্যোগগুলো গুরুত্বপূর্ণ, তবে বাস্তবায়নের ক্ষেত্রে এখনো অনেক চ্যালেঞ্জ বিদ্যমান।

### পরিচালক নির্বাচন

জনাব মোঃ হেদায়েতউল্লাহ, জনাব নিরঞ্জন চন্দ্র দেবনাথ এফসিএমএ আর্টিকেলস্ অব এসোসিয়েশনের ধারা অনুযায়ী পরিচালনা পর্ষদ থেকে অবসর গ্রহণ করেছেন এবং যোগ্য বিধায় পুনর্নির্বাচিত হওয়ার প্রস্তাব করেছেন। বার্ষিক প্রতিবেদন এর ৮ নং ও ৯ নং পাতায় অবসরপ্রাপ্ত পরিচালকের সংক্ষিপ্ত জীবন বৃত্তান্তসহ স্বার্থসংশ্লিষ্ট প্রতিষ্ঠানের তথ্য উল্লেখিত আছে।

গভীর দুঃখের সাথে, আমরা ৫ জুলাই, ২০২৫ তারিখে নিরপেক্ষ পরিচালক ডঃ এটিএম শামসুল হুদার মৃত্যুতে শোক প্রকাশ করছি এবং কোম্পানীতে তার অমূল্য অবদান কৃতজ্ঞতার সাথে স্মরণ করছি।



### পরিচালক পর্ষদের সভা ও উপস্থিতি

আলোচ্য বছরে পরিচালক পর্ষদের ছয়টি সভা অনুষ্ঠিত হয়। উক্ত সভাসমূহে পরিচালকগণের উপস্থিতি ছিল নিম্নরূপ:

পরিচালক	মোট মিটিং	উপস্থিতি
এ.কে.এম. রহমতুল্লাহ (বোর্ড থেকে অবসরগ্রহণ করেছেন, ২০ নভেম্বর ২০২৪)	৬	১
সৈয়দ নাসিম মঞ্জুর	৬	৬
মোঃ হেদায়েতউল্লাহ	৬	৪
মোঃ আবুল হোসেন (ICB দ্বারা মনোনয়ন প্রত্যাহার, ৬ মার্চ ২০২৫)	৬	৫
ডঃ এটিএম শামসুল হুদা (মৃত্যুবরণ করেছেন, ৫ জুলাই ২০২৫)	৬	৫
নিরঞ্জন চন্দ্র দেবনাথ,এফসিএমএ (Appointed, ১৭ মার্চ ২০২৫)	৬	১
ফৌজিয়া হক,এফসিএ (Appointed, ২০ নভেম্বর ২০২৪)	৬	২
যারা সভায় উপস্থিত হতে পারেননি, তাদের অনুপস্থিতির জন্য ছুটি মঞ্জুর করা হয়েছে।		

### অডিট কমিটি

অডিট কমিটি, যা BSEC-এর নিয়মাবলীর সাথে সামঞ্জস্য রেখে কার্যক্রম পরিচালনা করে, আর্থিক রিপোর্টিং, আইনগত সম্মতি এবং অডিট প্রক্রিয়া পর্যালোচনা করেছে।

### অডিট কমিটি মিটিং ও উপস্থিতি

বছরের মধ্যে অডিট কমিটি চারটি সভা অনুষ্ঠিত করেছে। কমিটির সদস্যদের উপস্থিতির বিবরণ নিচে দেয়া হলো:

সদস্যের নাম	মোট মিটিং	উপস্থিতি
ডঃ এটিএম শামসুল হুদা (মৃত্যুবরণ করেছেন, ৫ জুলাই ২০২৫)	৪	৩
সৈয়দ নাসিম মঞ্জুর (২০ নভেম্বর ২০২৪ থেকে Excluded)	৪	২
মোঃ আবুল হোসেন (৬ মার্চ ২০২৫ থেকে Excluded)	৪	৩
মোঃ হেদায়েতউল্লাহ (২৮ সেপ্টেম্বর ২০২৫ থেকে অন্তর্ভুক্ত)	৪	-
নিরঞ্জন চন্দ্র দেবনাথ,এফসিএমএ (Appointed, ১৭ মার্চ ২০২৫)	৪	১
ফৌজিয়া হক, এফসিএ (Appointed, ২০ নভেম্বর ২০২৪)	৪	২
যারা সভায় উপস্থিত হতে পারেননি, তাদের অনুপস্থিতির জন্য ছুটি মঞ্জুর করা হয়েছে।		

### নমিনেশন এবং রিমিউনর্যাশন কমিটি (NRC)

NRC নিয়োগ, মূল্যায়ন এবং পারিশ্রমিক সংক্রান্ত বিষয়গুলি তদারকি করে, নিশ্চিত করে যে আইনগত প্রয়োজনীয়তা পূরণ হচ্ছে।

### NRC মিটিং ও উপস্থিতি

বছরের মধ্যে NRC পাঁচটি সভা অনুষ্ঠিত করেছে। কমিটির সদস্যদের উপস্থিতির বিবরণ নিচে দেয়া হলো:



সদস্যের নাম	মোট মিটিং	উপস্থিতি
ডঃ এটিএম শামসুল হুদা (মৃত্যুবরণ করেছেন, ৫ জুলাই ২০২৫)	৫	৫
সৈয়দ নাসিম মঞ্জুর (২০ নভেম্বর ২০২৪ থেকে Excluded)	৫	২
মোঃ আবুল হোসেন (৬ মার্চ ২০২৫ থেকে Excluded)	৫	৪
মোঃ হেদায়েতউল্লাহ (২৮ সেপ্টেম্বর ২০২৫ থেকে অন্তর্ভুক্ত)	৫	-
নিরঞ্জন চন্দ্র দেবনাথ, এফসিএমএ (Appointed, ১৭ মার্চ ২০২৫)	৫	-
ফৌজিয়া হক, এফসিএ (Appointed, ২০ নভেম্বর ২০২৪)	৫	২
যারা সভায় উপস্থিত হতে পারেননি, তাদের অনুপস্থিতির জন্য ছুটি মঞ্জুর করা হয়েছে।		

### কোম্পানীর বিষয়াবলী ও আর্থিক প্রতিবেদন

কোম্পানীর কর্পোরেট গভর্নেন্স বাংলাদেশ সিকিউরিটিজ এ্যান্ড এক্সচেঞ্জ কমিশনের প্রয়োজনীয় দিক নির্দেশনার সাথে একাত্ম হয়েছে এবং তদানুযায়ী পরিচালকমন্ডলী আনন্দের সাথে নিশ্চিত করেছেন যে:

- আর্থিক বিবরণী ও তদসংক্রান্ত টীকাসমূহ কোম্পানী আইন ১৯৯৪ এবং বাংলাদেশ সিকিউরিটিজ এ্যান্ড এক্সচেঞ্জ কমিশনের নীতিমালা ২০২০ এর আলোকে প্রস্তুত করা হয়েছে। এই সকল বিবরণীসমূহে কোম্পানী সংক্রান্ত বিষয়াবলী, এর পরিচালনা নীতিমালা, অর্থ প্রবাহ এবং তারল্যের পরিবর্তন সঠিকভাবে উপস্থাপিত হয়েছে।
- আর্থিক বছরে কোন অসাধারণ লাভ বা ক্ষতি হয়নি।
- সাধারণ ব্যবসায়িক কার্যক্রমের লেনদেনের বিস্তারিত তথ্য আর্থিক প্রতিবেদন এর নোট নং ৪৪-এ উপস্থাপন করা হয়েছে।
- কোম্পানীর আইপিও, রাইট শেয়ার যথাক্রমে ১৯৮৫ এবং ১৯৯৩, ১৯৯৬ইং সালে ইস্যু করা হয়েছে। চলতি বছর আর কোন ধরনের শেয়ার ইস্যু করা হয়নি।
- কোম্পানীর হিসাব বহি যথাযথভাবে রক্ষিত হয়েছে।
- আর্থিক বিবরণীসমূহ প্রস্তুতকালে হিসাবসংক্রান্ত নীতিমালা যথাযথভাবে প্রয়োগ করা হয়েছে এবং হিসাব সংক্রান্ত প্রাক্কলনসমূহ যৌক্তিকতা ও বিচক্ষণতার আলোকে করা হয়েছে।
- আর্থিক বিবরণী আইএএস/আইএফআরএস এর আলোকে প্রস্তুত করা হয়েছে এবং এর তথ্য উপাত্ত যথাযথভাবে প্রকাশ করা হয়েছে।
- অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা ছিল যথাযথ এবং এর কার্যকর প্রয়োগ নিশ্চিত করা হয়েছে।
- সংখ্যালঘু শেয়ারহোল্ডারদের অধিকার এবং স্বার্থ সুরক্ষিত হয়েছে।
- চলমান প্রতিষ্ঠান হিসাবে কোম্পানীর সক্ষমতা নিঃসন্দেহে প্রমানিত।
- কোম্পানী পরিচালনার ক্ষেত্রে যে সকল খাতে পূর্ববর্তী বছরের তুলনায় উল্লেখযোগ্য বিচ্যুতি হয়েছে তা উল্লেখ করা হয়েছে এবং এর কারণ আর্থিক বিবরণীতে ব্যাখ্যা করা হয়েছে।
- পূর্ববর্তী পাঁচ বছরের কার্যকারিতা ও আর্থিক ফলাফলসমূহের উপাত্ত বার্ষিক প্রতিবেদন এর ৩৪ নং পৃষ্ঠায় উল্লেখ করা হয়েছে।
- এ বছর অন্তর্ভুক্ত লভ্যাংশ হিসাবে কোন বোনাস বা স্টক লভ্যাংশ ঘোষণা করা হয়নি।
- ব্যবস্থাপনা কর্তৃপক্ষের আলোচনা ও বিশ্লেষণ সম্পর্কিত একটি প্রতিবেদন বার্ষিক প্রতিবেদন এর ৩২ নং পৃষ্ঠায় উপস্থাপন করা হয়েছে।
- কর্পোরেট গভর্নেন্স কোডের অধীনে আর্থিক প্রতিবেদনের উপর চিফ এক্সিকিউটিভ অফিসার এবং প্রধান আর্থিক কর্মকর্তার প্রতিবেদন বার্ষিক প্রতিবেদন এর ৫৪ নং পৃষ্ঠায় উপস্থাপন করা হয়েছে।
- বাংলাদেশ সিকিউরিটিজ এ্যান্ড এক্সচেঞ্জ কমিশনের ৩ জুন ২০১৮ইং তারিখের কর্পোরেট গভর্নেন্স কোড অনুযায়ী সার্টিফিকেট বার্ষিক প্রতিবেদন এর ৬১ নং পৃষ্ঠায় উপস্থাপন করা হয়েছে।



### লভ্যাংশ ঘোষণা নীতি

শুরু থেকেই এপেক্স ট্যানারী লিমিটেড শেয়ারহোল্ডারদের লভ্যাংশ প্রদান করে। তালিকাভুক্তির পর থেকে কোম্পানী সুপারিশযোগ্য এবং আশানুরূপ হারে লভ্যাংশ প্রদান করে। লভ্যাংশ ঘোষণা করা হবে লাভের অংশ থেকে অর্থাৎ চলতি বছরের লাভ এবং বিগত বছরের সংরক্ষিত মুনাফা থেকে।

### লভ্যাংশ বিতরণ সম্পর্কিত প্রকাশনা

এপেক্স ট্যানারী লিমিটেড লভ্যাংশ ঘোষণা বা অনুমোদনের ৩০ দিনের মধ্যে শেয়ারহোল্ডারদের লভ্যাংশ পরিশোধ করে এবং ৭ কার্যদিবসের মধ্যে লভ্যাংশ প্রদানের উপর এক্সচেঞ্জ ও কমিশনে একটি কমপ্লায়েন্স প্রতিবেদন জমা দেয়।

BEFTN এর মাধ্যমে লভ্যাংশ জমা করা হয়েছে এ সংবাদ সকল শেয়ারহোল্ডারদের অবহিত করার লক্ষ্যে ২টি জাতীয় দৈনিক পত্রিকায় বিজ্ঞপ্তি প্রকাশ করা হয়।

### দাবীহীন/অপরিশোধিত/অবন্টনকৃত লভ্যাংশ

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের ১৪/০১/২০২১ ইং তারিখের নির্দেশিকা নং-BSEC/CMRRCD/ ২০২১-৩৮৬/০৩ অনুসারে কোম্পানী সুনির্দিষ্ট একটি ব্যাংক হিসাব পরিচালনা করে, যেখানে লভ্যাংশ ঘোষণা অথবা অনুমোদন অথবা রেকর্ড ডেট থেকে কার্যকরী ৩ বছরের অপরিশোধিত অথবা অদাবীকৃত লভ্যাংশ রাখা হয়। উল্লিখিত সময় অতিবাহিত হবার পর যদি কোন লভ্যাংশ অপরিশোধিত/ অদাবীকৃত/অবন্টনকৃত/ অমীমাংসিত লভ্যাংশ থাকে তাহলে বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন কর্তৃক পরিচালিত তহবিলে স্থানান্তর করা হয়।

### শেয়ারহোল্ডিং

কোম্পানীর পরিচালকদের ৩০শে জুন ২০২৫ইং তারিখে শেয়ারহোল্ডিং বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের দিক নির্দেশনা অনুযায়ী সংযুক্ত করা হল (Annexure - I)।

### পরিচালকগণের পারিতোষিক

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের প্রজ্ঞাপন অনুযায়ী ৩০শে জুন, ২০২৫ইং সমাপ্ত বছরের জন্য পরিচালকগণকে প্রদত্ত পারিতোষিক নোট নং ৪০-এ দেখানো হয়েছে।

### কর্পোরেট গভর্নেন্স কমপ্লায়েন্স রিপোর্ট

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের ৩ জুন ২০১৮ইং তারিখের কর্পোরেট গভর্নেন্স কোড অনুযায়ী “কর্পোরেট গভর্নেন্স কমপ্লায়েন্স রিপোর্ট” বার্ষিক প্রতিবেদন এর ৪১ নং পৃষ্ঠায় উপস্থাপন করা হয়েছে।

### বহিঃনিরীক্ষক নিয়োগ

নিরীক্ষক মেসার্স শফিক বসাক এন্ড কোং, চার্টার্ড এ্যাকাউন্ট্যান্টস এর নিয়োগ মেয়াদ ৪৯তম বার্ষিক সাধারণ সভায় শেষ হয়ে যাবে এবং যোগ্য বিধায় ২০২৫-২০২৬ইং অর্থ বছরের জন্য পরবর্তী বার্ষিক সাধারণ সভা পর্যন্ত তারা নিয়োগ লাভের আশ্রয় প্রকাশ করেছেন। পরিচালক পর্ষদ মেসার্স শফিক বসাক এন্ড কোং, চার্টার্ড এ্যাকাউন্ট্যান্টস এর পুনঃনিয়োগ অনুমোদনের সুপারিশ করেছেন।

### কর্পোরেট গভর্নেন্স নিরীক্ষক নিয়োগ

নিরীক্ষক মেসার্স আর্টিশান, চার্টার্ড এ্যাকাউন্ট্যান্টস, ২০২৫-২০২৬ইং অর্থ বছরের জন্য পুনঃনিয়োগ লাভের আশ্রয় প্রকাশ করেছেন। পরিচালক পর্ষদ মেসার্স আর্টিশান, চার্টার্ড এ্যাকাউন্ট্যান্টস এর পুনঃনিয়োগ অনুমোদনের সুপারিশ করেছেন।

### ইনডিপেন্ডেন্ট স্কুটিনাইজার নিয়োগ

পরিচালক পর্ষদ ৩২০তম পরিচালক পর্ষদ সভায় মেসার্স জেসমিন এন্ড এসোসিয়েটস্, চার্টার্ড সেক্রেটারী ৪৯তম বার্ষিক সাধারণ সভা পর্যবেক্ষণের জন্য স্বাধীন স্কুটিনাইজার হিসেবে নিয়োগ প্রদান করেন। নির্বাচনের যথাযথ প্রক্রিয়া এবং ভোটের বিস্তারিত তথ্য তার দ্বারা প্রমাণিত হবে।

### স্বীকৃতি

পরিচালক পর্ষদ কোম্পানীর সকল সদস্য, গ্রাহক, সরবরাহকারী এবং অন্যান্য সংশ্লিষ্ট ব্যক্তিবর্গের অব্যাহত সমর্থন ও প্রচেষ্টা প্রদানের জন্য আন্তরিকভাবে ধন্যবাদ জানাচ্ছে। তাদের সমর্থন ছাড়া এই সাফল্য অর্জন করা কখনই সম্ভব হতো না।

অক্টোবর ১৪, ২০২৫ইং  
ঢাকা।

পরিচালকমন্ডলীর পক্ষে,

সৈয়দ নাসিম মঞ্জুর  
চেয়ারপারসন



## REPORT OF THE DIRECTORS

### DEAR SHAREHOLDERS,

With great privilege, I present on behalf of the Board of Directors of Apex Tannery Limited, I welcome you all to this 49th Annual General Meeting of your Company and have the pleasure of presenting the Annual Report, Audited Financial Statements and Auditors Reports for the year ended June 30, 2025.

### PERFORMANCE REVIEW

Total revenue reported in 2024-2025 was Tk. 613.66 million (2023-2024: Tk. 804.39 million). In the period under review, the company export sales value decreased by 24% compared to the same period of last year, due to the reducing demand in international markets and absence of LWG certification due to delayed in full phase implementation of CETP. As well as decreasing price was also a concern for decreasing sales value.

### PERFORMANCE SUMMARY YEAR ON YEAR

		This Year	Previous Year	+ Increase - Decrease %
• Sales	(Taka in thousand)	613,662	804,388	-24%
• Gross Profit	"	76,809	100,452	-24%
• Operating expenses	"	(39,365)	(52,639)	-25%
• Profit before Tax	"	(212,772)	(114,624)	-86%
• Net profit after Tax	"	(222,837)	(126,636)	-76%
• Earnings Per Share	(Taka)	(14.62)	(8.31)	-76%

### INVENTORIES

Supply of raw hides and skins in Bangladesh still has a huge seasonality effect and the biggest quantity and highest quality hides and skins become available in Bangladesh after the Eid-ul-Azha period. The company procures significant quantities of raw materials in the period immediately after Eid-ul-Azha to ensure availability of good quality raw materials for uninterrupted production around the year. This requires a significant build up in raw materials and chemicals which is consumed during the rest of the year. As the overall quality of Bangladesh raw materials especially in cow hides continues to deteriorate due to less care of animals, climate effects, poor animal husbandry and the totally unskilled and unregulated slaughter of animals, this is a period when the quality of hides improves significantly, so the company can buy better quality hides and skins to sell at higher prices. Another reason for higher inventory levels is the longer lead times to procure imported chemicals especially from Europe. Shrinking chemical supplier base, longer production lead time, longer transit time by sea, and the Taka devaluation have all caused Taka value of chemical inventories to rise.



## APPROPRIATION OF PROFITS

	Year Ended June 30, 2025	Taka in Thousand Year Ended June 30, 2024
Profit after tax	(222,837)	(126,636)
Prior year's retained earnings (Post dividend)	73,736	207,575
Less : Transferred to dividend equalization fund	-	-
Balance of profit available for Appropriation	<b>(149,101)</b>	<b>80,939</b>
Proposed cash dividend	0.00	7,203
Amount to be used from current year's profit	-	-
Amount to be used from dividend equalization fund/retained earnings	<b>0.00</b>	<b>7,203</b>

## DIVIDENDS

For the year under review, the Company recorded an EPS of Tk.(14.62). After details discussion, the Board in its meeting held on October 14, 2025, recommend no dividend for the year ended June 30, 2025 due to net loss and negative EPS and negative retained earnings; subject to the approval in the forthcoming AGM.

## INDUSTRIAL RELATIONS

Industrial relations in Savar Industrial Tannery Estate suffered from repeated work disruptions during the year as the entire industrial sector was affected post July- August. The company remained engaged with our workforce and industry to minimize the fall out in order to improve working conditions, productivity and employee engagement in the factory. The Breakdown of your Company's human resources are:

	This Year Total	Previous Year Total
Workers	439	517
Staff	127	160
Management	6	10

## RISKS AND CONCERNS

One of the major concerns remains the ineffectiveness of the Effluent Treatment Plants (ETP) across the entire tannery industry. The inadequate functioning of ETPs and the central effluent treatment facilities has resulted in rising environmental and social risks, attracting increased regulatory scrutiny and reduced buyer confidence, particularly from environmentally conscious international markets.





During the period from 2014–15 to 2024–25, the overall performance of Bangladesh’s tannery industry has been under considerable pressure, as reflected in the Export Promotion Bureau (EPB) data. In 2014–15, export earnings from the sector stood at around US\$397 Million, gradually decreasing to US\$277 Million, US\$232 Million, US\$183 Million, US\$164 Million, US\$98 Million, US\$119 Million, US\$151 Million, US\$123 Million, US\$143 Million, US\$128 Million, in 2015–16, 2016–17, 2017–18, 2018–19, 2019–20, 2020–21, 2021–22, 2022–23, 2023–24, 2024–25 respectively. Similarly, the export earnings of Apex Tannery Limited have been gradually declining. The industry has experienced a persistent decline in export sales due to a combination of environmental, social, and market-related challenges.

Source: Export Promotion Bureau (EPB)

Also, the overall sales of the tannery industry have declined, due to lower demand and reduced average selling prices. This sector-wide downturn has directly impacted Apex Tannery Limited, resulting in reduced sales revenue, underutilization of production capacity, and deterioration in profit margins. Despite declining sales prices, the Company continues to face increasing production and operational costs.

As a result, Apex Tannery Limited has been compelled to increase bank borrowings to support ongoing operations and working capital requirements. Rising financial costs have further constrained profitability, posing additional liquidity and financial risks.

Management remains vigilant in addressing these challenges through:

- Working on LWG Certification;
- Efforts to diversify product mix toward higher-value finished leathers;
- Exploring new export markets;
- Focus on raw material diversification to ensure consistent quality, supply stability, and cost competitiveness.
- Pursue sustainable and environmentally responsible business practices to strengthen long-term growth, compliance, and global market acceptance.

## GLOBAL LEATHER INDUSTRY OUTLOOK, BANGLADESH INDUSTRY AND FUTURE

The Global Leather Tanning Market size is projected at USD 28.36 Billion in 2025, is expected to reach USD 34.03 Billion in 2034, growing at a CAGR of 2.31% from 2025 to 2034.

The United States Leather Tanning market size is projected at USD 3.3325 billion in 2025, the Europe Leather Tanning market size is projected at USD 6.0325 billion in 2025, and the China Leather Tanning market size is projected at USD 16.0243 billion in 2025.

The leather tanning market is one of the most important areas of global leather, which converts raw hides into durable, versatile materials that could be used in the fashion, upholstery, and automotive sectors. The market is driven by the increased demand for premium leather-made products regard to the environment-friendly innovations in tanning techniques and increased applications in segments across industries. Some of the older processes of tanning, such as vegetable tanning, continue to coexist with the more modern chromium-based procedures, which are much preferred because they are quick; however, the concern for their potential harm to the environment cannot be overlooked. With the increased sustainability initiatives, bio-based and alternative tanning solutions are becoming more popular.

Source: <https://www.businessresearchinsights.com/market-reports/leather-tanning-market-120699>



## KEY FINDINGS

**Market Size and Growth:** Global Leather Tanning Market size was valued at USD 28.36 billion in 2025, expected to reach USD 34.81 billion by 2034, with a CAGR of 2.31% from 2025 to 2034.

**Key Market Driver:** Rising global footwear production contributed to a 56% increase in demand for tanned leather over the past three years.

**Major Market Restraint:** Environmental concerns and wastewater regulations affected 34% of traditional tanning operations, especially in developing regions.

**Emerging Trends:** Bio-based tanning methods saw a 43% increase in adoption, while chrome-free alternatives rose by 38% globally.

**Regional Leadership:** Asia-Pacific leads with 51% market share, followed by Europe with 25%, due to strong manufacturing and export demand.

**Competitive Landscape:** Top ten players account for 63% of total output, with sustainable leather production initiatives rising by 31% recently.

**Market Segmentation:** Chrome tanning holds 64% share, vegetable tanning accounts for 27%, and other methods make up 9% of the market.

**Recent Development:** Investment in eco-friendly tanning technologies increased by 36%, with emphasis on water reuse and chemical reduction.

## COVID-19 CAUSED LONG STRUCTURAL DAMAGE TO INDUSTRY

Leather Tanning Industry suffered a negative effect due to disruptions and reduced demand during COVID-19 Pandemic

During the COVID-19 outbreak, most of the leather tanning plants closed, drastically affecting production and sales due to supply chain disruptions and lack of consumer demand. Strict lockdowns, factory closures, and international trade cessation led to raw material shortages. The major regions producing leather saw their exports affected in an international dimension regarding trade restrictions. The fashion and automotive industries, which are the major consumers of tanned leather, experienced significant slumps in sales leading to cancellations of orders and excess inventories held. Furthermore, there was decreased demand for certain animal-derived products on health and hygiene grounds, which squeezed the market further. The industry faced high rising costs and reduced labor availability, which has delayed the recovery of the industry, forcing the closure of most smaller unit tanneries permanently.

## FUTURE

Sustainable tanning methods are driving market growth through eco-friendly innovation

The leather tanning market is struck by the change in tanning processes toward sustainable and eco-friendly methods with ever-growing acceptance of vegetable tanning, water-based tanning, and bio-based alternatives.

Another rising trend is the development of chrome-free tanning, which is driven by increasing environmental regulations alongside consumer demand for ethical products. The companies are now investing in innovative tanning solutions that would minimize water, chemical waste, and carbon





emissions while guaranteeing quality leather.

Furthermore, the use of plant-based and enzymatic tanning agents could be an alternative option that does not generate pollution with respect to durability. The growing pressure to embrace green tanning methods is set to convert the tanning industry, with brands becoming concerned about sustainability in response to changing needs of the market.

As per World Bank / MIGA environmental data, processing 1 ton of raw hide produces 20 to 80 m<sup>3</sup> of wastewater with chromium levels ranging 100–400 mg/L and sulfide levels of 200–800 mg/L

Source: <https://www.businessresearchinsights.com/market-reports/leather-tanning-market-120699>

## BANGLADESH TANNERY INDUSTRY

Leather industry is one of the oldest industries in Bangladesh. While the global demand for environmentally friendly leather and leather goods is constantly increasing, the leather industry of Bangladesh is STILL grappling with challenges that, unless addressed effectively, will continue to block the sector to unlock its full potential. Leather, footwear and leather goods industry of Bangladesh is the second highest export-earning sector after the readymade garments (RMG) industry.

The leather (Tannery) industry of Bangladesh has the advantage of abundant availability of domestic raw materials and low-cost labour. As Bangladesh is rich in key raw materials, the leather and leather goods industry has the potential to be the key sector for export diversification.

Previously exports depended mainly on wet blue leather. However, processed leather and finished leather products can add up to 90 per cent value to leather goods. In recent years, total export of raw hides, skins, and leather shows a downward trend. On the other hand, total export of merchandise made of leather is observed to have an increasing trend, signaling a shift toward higher-value products.

According to the Export Promotion Bureau (EPB) data, Leather footwear exports have demonstrated significant success. According to the World Footwear 2024 Yearbook, Bangladesh has emerged as one of the world's top 10 footwear producers over the past decade.

Export receipts from leather footwear stood at 545.35 million US dollars during the first ten months of 2024-2025, showing 26.08 per cent rise. On the contrary leather goods exports between July 2024 and March 2025 fell by 6.11 per cent to 256.44 million US dollars, and finished leather exports fell by 6.29 per cent to 99.40 million US dollars, on a comparable basis to the same months of the previous fiscal year.

Bangladesh accounts for about 3.5 percent of the total rawhide produced globally. However, despite ample supply of domestic raw materials the leather and leather goods industry contributes only 4 percent of the country's total exports. The RMG industry, despite significant reliance on imported raw materials on the other hand, contributes 80 percent to Bangladesh's total export earnings. Main restraints to industry performance of the leather sector include issues such as fragmentation in the sector; inefficient procurement, preservation and processing system of rawhide and animal skins; lack of effective pollution control and treatment in Savar, health safety compliance issues, and inadequate finance.

Bangladesh's total supply of raw hide and skins is around 20 million pieces per year, of which almost 50 percent comes during the main sacrificial festival of Eid-ul-Adha. In absence of an integrated network for collecting and preserving rawhides the procurement, preservation and processing system is fragmented and highly inefficient .





Seasonal traders, brokers and wholesalers buy rawhides on the basis of average size. Rawhide is treated with salt for preservation. Workers involved in applying salt lack proper knowledge about preservation, and so, skin quality declines and skins are often permanently damaged. Moreover, per unit preservation cost of goat/sheep skin is higher than the selling price that the traders get. Local collectors and seasonal traders have been discarding goat/sheep skins along roadsides during Eid-ul-Adha. Such inability to sell bovine hides represents financial loss for the traders and a missed opportunity for the leather industry.

To enable compliance in the leather industry and to prevent pollution of the Buriganga River, all the tanneries were forcefully relocated from Hazaribagh to the BSCIC Tannery Industrial Estate in Savar in 2017. However, the central effluent treatment plant (CETP) has still not been made fully operational and there is no permanent arrangement for a solid waste disposal site or dumping yard.

Issues concerning environmental and health standards leave negative impact on the export of rawhide and leather goods. Having an effluent distribution system is one of the prerequisites for obtaining internationally recognized Leather Working Group (LWG) certification. Tanneries are unable to obtain the LWG certificate due to the lack of fully functional central effluent treatment plant (CETP).

All the developed countries, including the US, Japan and the EU demand transparent and sustainable supply chains. Major global brands stipulate that the products must be made using leather from LWG-certified companies. Using locally produced leather for higher value addition is not possible because majority of the tanneries do not have LWG certificate. Local tanneries are compelled to sell leather to traders in China and India at approximately 50-60 per cent lower prices than that in Western markets and Bangladeshi exporters spend approximately \$100 million annually to import LWG certified finished leather, although the country has abundant supply of rawhide.

Despite the obvious challenges, the leather industry of Bangladesh has shown great resilience and still can transform. To unlock the full potential of the leather industry, Bangladesh needs to accelerate green transformation of tanneries, develop integrated network for raw material collection and preservation and engage in public-private collaboration for skills development and green finance to achieve sustainable export growth in the post-LDC era.

### **Savar Tannery Industrial Estate (STIE) : planning and implementation failure**

The tanneries sector is critical to the Bangladesh economy, with the government categorising it as a priority sector. The industry was relocated in 2017 from its original Hazaribagh location to the Savar Tannery Industrial Estate as a result of rising criticism over environmentally destructive practices, such as a lack of proper waste management and industrial wastewater treatment facilities, the dumping of toxic waste that pollutes nearby water sources as well as the use of harmful chemicals and technologies. The new estate is located on the banks of the Dhaleshwari River at Jhauchar Village, in Tetuljhara Union of Savar. While this Savar Tannery Industrial Estate (STIE) has a central effluent treatment plant (CETP), its operating capacity from day one cannot keep up with the sheer volume of wastewater produced by the tanneries and environmentally destructive practices continue. In 2018, the tanneries were discharging approximately 20,000 cubic meters of untreated effluents per day into the Dhaleshwari River. The central effluent treatment plant located at Savar Tannery Industrial Estate (STIE) only processes 25,000 cubic meters of waste daily, but 15,000 cubic meters of wastewater flows untreated into the Dhaleshwari River. Such failure to meet international environmental standards results in restrictions on export from tanneries in Savar to high value customers like brand groups from USA and EU that use finished leather to produce shoes, bags, leather goods and garments globally, including in Bangladesh.





The relocation of tanneries from Hazaribagh to the Savar Leather Industrial Park in 2017 was aimed to transform the leather industry in Bangladesh into a globally competitive and environmentally sustainable production hub. However, this forced, mismanaged shifting has been an unmitigated disaster creating flawed and inadequate infrastructure, whilst Government authorities and BSCIC management have failed repeatedly to deliver a fully functional CETP, squandering funding allocations to the tannery estate for decades. This failure to deliver a functional CETP, effective solid waste collection, sanitary sludge disposal and uninterrupted power and gas have almost crippled the tanneries in Savar.

Maximum Bangladeshi tanneries face a major challenge because they have not attained the requisite compliance standards for Leather Working Group (LWG) certification - a must have for tanneries to join both global markets and obtain fair prices. Savar estate's non-functioning central effluent treatment plant is a primary hurdle in confirming Leather Working Group certification. Industry experts recognize that operational waste treatment systems must be fully operational to even request the official audits for this certification.

The absence of (LWG) certification, a vital step for global market access, is a direct consequence of this implementation failure by multiple Government agencies, forcing Bangladesh's leather industry to remain in low-value markets. At the same time, competitors like Vietnam, Pakistan and India dominate premium segments.

A report from The Business Standard highlighted that despite having an abundance of rawhide, Bangladeshi exporters spend approximately \$100 million annually to import finished leather certified by the LWG. This situation arises because domestic tanneries cannot meet global standards.

### Recent initiatives

- Government has proposed to integrate BSCIC into BIDA, thereby improving the governance and management capacity in Savar Tannery Industrial Estate.
- An authority on leather industry management and development has been formed to boost its international standing in the leather markets.
- The government is initiating a project to construct a "safe landfill" in Dhaka's Savar, aimed at preventing the pollution of the Dhaleswari River and surrounding soil caused by solid waste from the local leather industry.
- Leather Trace initiative: 14 tanneries now officially registered on the sustainable leather foundation platform through the Leather Trace initiative. Each factory now has its own SLF dashboard, which highlights their commitment to Environmental, Social, and Governance (ESG) standards to a global audience. This achievement not only reinforces their sustainability credentials but also unlocks new opportunities for ethical and responsible business growth.
- The Ethical Trading Initiative, through a SMEP-funded project, aims to develop Environmental and Social Management Systems (ESMS), incentivizing risk reduction investments, and aligning stakeholders with international standards to mitigate environmental and social impacts.





## DIRECTORS' ELECTION

In accordance with the Articles of Association, Mr. Md. Hedayetullah, Niranjana Chandra Debnath FCMA retires from the Board by rotation and, being eligible, offers himself for re-election. Their brief profile and details of other directorships are provided on page 08 & 09 of this Annual Report.

With deep regret, we note the passing of Dr. ATM Shamsul Huda, Independent Director, on July 5, 2025. His priceless contributions to the Company will be remembered with appreciation.

## BOARD MEETINGS AND ATTENDANCE

The Board held six meetings during the year. Attendance was as follows:

Directors	No. of Meeting Held	No. of Meeting attended
A.K.M. Rahmatullah (Retired from the Board of Directors on November 20, 2024)	6	1
Syed Nasim Manzur	6	6
Md. Hedayetullah	6	4
Md. Abul Hossain (Nomination withdrawn by ICB on March 6, 2025)	6	5
Dr. ATM Shamsul Huda (Died on July 5, 2025)	6	5
Niranjana Chandra Debnath, FCMA (Appointed on March 17, 2025)	6	1
Fouzia Haque, FCA (Appointed on November 20, 2024)	6	2
The Members who could not attend the meetings were granted leave of absence.		

## AUDIT COMMITTEE

The Audit Committee, functioning in line with BSEC regulations, reviewed financial reporting, statutory compliance, and audit processes.

## AUDIT COMMITTEE MEETINGS AND ATTENDANCE

During the year, the Audit Committee held four meetings. The details of attendance of the Audit Committee Members have been shown below:

Name of Members	No. of Meeting Held	No. of Meeting attended
Dr. ATM Shamsul Huda (Died on July 5, 2025)	4	3
Syed Nasim Manzur (Excluded on 20 November 2024)	4	2
Md. Abul Hossain (Excluded on 6 March 2025)	4	3
Md. Hedayetullah (Included on 28 September 2025)	4	-
Niranjana Chandra Debnath FCMA (Appointed on 17 March 2025)	4	1
Fouzia Haque FCA (Appointed on 20 November 2024)	4	2
The Members who could not attend the meetings were granted leave of absence.		





## NOMINATION AND REMUNERATION COMMITTEE

The NRC oversees appointment, evaluation, and remuneration matters, ensuring compliance with statutory requirements.

## NOMINATION AND REMUNERATION COMMITTEE MEETINGS AND ATTENDANCE

During the year, the Nomination and Remuneration Committee held five meetings. The details of attendance of the Nomination and Remuneration Committee Members have been shown below:

Name of Members	No. of Meeting Held	No. of Meeting attended
Dr. ATM Shamsul Huda (Died on July 5, 2025)	5	5
Syed Nasim Manzur (Excluded on 20 November 2024)	5	2
Md. Abul Hossain (Excluded on 6 March 2025)	5	4
Md. Hedayetullah (Included on 28 September 2025)	5	-
Niranjana Chandra Debnath FCMA (Appointed on 17 March 2025)	5	-
Fouzia Haque FCA (Appointed on 20 November 2024)	5	2
The Members who could not attend the meetings were granted leave of absence.		

## CORPORATE & FINANCIAL REPORTING

The Company has complied with all the requirements of Corporate Governance as required by the Bangladesh Securities and Exchange Commission.

Accordingly the Directors are pleased to confirm the following:

- The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act 1994 and Securities and Exchange Rules 2020. These statements present fairly the Company's state of affairs, the results of its operations, cash flows and changes in equity.
- There is no extraordinary gain or loss occurred during the financial year.
- Details of related party transactions has been presented in Note no. 44 in the Notes to the financial statements.
- The Company's IPO and Right share issue were made in 1985 and 1993, 1996 respectively. No further issue of any instrument was made during the year.
- Proper books of accounts of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in the preparation of financial statements and the accounting estimates are based on reasonable and prudent judgment.
- The financial statements were prepared in accordance with IAS/IFRS and any departure thereof has been adequately disclosed.
- The internal control system is sound in design and has been effectively implemented and monitored.
- Right and interest of minority shareholders have been protected.
- There are no significant doubts about the Company's ability to continue as a going concern.



- (k) Significant deviations from the previous year in operating results of the Company have been highlighted and reasons thereof have been explained in the financial statements.
- (l) Key operating and financial data of at least preceding 5 (five) years have been summarized on page No. 34 of this Annual Report.
- (m) No bonus or stock dividend has been declared as interim dividend during the year.
- (n) A report on Management's Discussion and Analysis has been presented on page No. 32 of this Annual Report.
- (o) Declaration under the Corporate Governance Code the Chief Executive Officer and Chief Financial Officer on the financial reporting has been presented on page No. 54 of this Annual Report.
- (p) Certificate regarding compliance condition of BSEC's Corporate Governance Code dated 03 June 2018 has been presented on page No. 61 of this Annual Report.

#### **DIVIDEND DECLARATION POLICY**

Since incorporation, Apex Tannery Limited paying dividend consistently to its shareholders. After listing, the Company provided recommendable and sustainable rate of dividend to its shareholders. Dividend shall be declared out of profit i.e. from current year's profit and from previous years' retained profit.

#### **DISCLOSURE ON DIVIDEND DISTRIBUTION**

Apex Tannery Limited pay off the dividend to the shareholders within 30 (thirty) days of declaration or approval and submit a compliance report to the Exchange and to the Commission in respect of dividend payment within 7 (seven) working days.

With a view to inform all shareholders, we arrange to publish in 2 (two) national dailies regarding dividend credit through BEFTN.

#### **UNCLAIMED/UNPAID/UNDISTRIBUTED DIVIDEND**

Pursuant to the Bangladesh Securities and Exchange Commission's Directive No. BSEC/CMRRCD/2021-386/03 dated 14 January 2021, the Company maintain a dedicated Bank Account for dividend, where unpaid or unclaimed dividend are kept for a period of 3(three) years from the date of declaration or approval date or record date. After elapse of the aforesaid period, if any dividend remains unpaid/unclaimed/undistributed/unsettled, such dividend are transferred to a Fund maintained by Bangladesh Securities and Exchange Commission.

#### **SHAREHOLDING**

In accordance with the requirement of the Bangladesh Securities and Exchange Commission, pattern of shareholdings as of 30<sup>th</sup> June 2025 are given in Annexure- I.

#### **REMUNERATION OF DIRECTORS**

In accordance with the requirement of the Bangladesh Securities and Exchange Commission, remuneration of directors for the year ended 30<sup>th</sup> June 2025 are given in note number 40.

#### **CORPORATE GOVERNANCE COMPLIANCE REPORT**

Status of compliance of conditions of BSEC's Corporate Governance Code dated 3 June 2018 has been presented on page No. 41 of this Annual Report.

#### **STATUTORY AUDITORS APPOINTMENT**

M/s. Shafiq Basak & Co., Chartered Accountants, Auditors retires at this Annual General Meeting and being eligible, offer themselves for re-appointment for the year 2025-2026. The Board of Directors recommends M/s. Shafiq Basak & Co., Chartered Accountants for re-appointment.





### **CORPORATE GOVERNANCE AUDITORS APPOINTMENT**

M/s. ARTISAN, Chartered Accountants, offer themselves for re-appointment for the year 2025-2026. The Board of Directors recommends M/s. ARTISAN, Chartered Accountants for re-appointment.

### **APPOINTMENT OF INDEPENDENT SCRUTINIZER**

The Board of Directors in its 320<sup>th</sup> meeting appointed M/s Jesmin & Associates, Chartered Secretary as an Independent Scrutinizer to observe the 49<sup>th</sup> AGM. The due process of election and detailed information of voting results shall be authenticated by the entity.

### **ACKNOWLEDGEMENT**

The Directors take this opportunity to acknowledge the continued support and efforts of all members of the Company, as well as all customers, suppliers and associates during the past year. Our performance would not have been possible without their support.

October 14, 2025

Dhaka.

On behalf of the Board,

A handwritten signature in black ink, appearing to read 'Syed Nasim Manzur'.

**Syed Nasim Manzur**  
Chairperson



## Report on Management's Discussion and Analysis

Apex Tannery is the biggest tannery in Bangladesh and one of the biggest in South Asia. It has been setting industry standards in Bangladesh leather exports since 1976, using modern machineries from Europe.

### Financial Highlights

Total revenue reported in 2024-2025 was Tk. 613.66 million (2023-2024: Tk. 804.39 million). In the period under review, the company export sales value decreased by 24% compared to the same period of last year, due to the reducing demand in international markets and absence of LWG certification due to delayed in full phase implementation of CETP. As well as decreasing price was also a concern for decreasing sales value.

### Profitability Growth

Our gross profit percentage increased to 12.52% for the year ended 30 June 2025 which was 12.49% compared to same period of last year.

Operating expenses decreased by 22.00% compared with last year same period. As such operating profit percentage increased to 6.10% for the year ended 30 June 2025 which was 5.94% compared to same period of last year.

Financial expenses increased to Taka 30.14 crore for the year ended 30 June 2025 which was Tk. 21.65 crore compared to same period of last year. Financial Expenses carrying 49.12% of revenue of this financial year.

The Company reported Net Loss and negative earnings per share in the current year. Significant increase of financial expenses causes to net loss during the year.

### Net operating cash flow per share

There was variance in net operating cash flow per share. The net operating cash flow per share stood to Tk. 2.58 for the year ended 30 June 2025 which was Tk. 1.87 compared to same period of last year. This has happened due to mainly cash collection from customers and others is more than the cash payment to suppliers, employees and others.

### Balance Sheet

Overall asset base decreased to Tk. 3,163.05 million in 2024-2025 (2023-2024: Tk. 3,165.68 million) mainly due to depreciation of Property, Plant & Equipment. Total liabilities increased due to mainly increased in Bank liability.

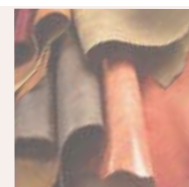
### Accounting policies and estimation for preparation of financial statements

Apex Tannery Limited has prepared its financial statements in accordance with International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 2020, relevant guidelines issued by the Bangladesh Securities and Exchange Commission and other applicable laws in Bangladesh. Detail description of accounting policies and estimation used for preparation of the financial statements of the Company are disclosed in the notes to the financial statements.

### Changes in accounting policies and estimation

The accounting policies applied are consistent with those applied in the previous financial year, except otherwise disclose in the financial statements. Providing reliable and more relevant information about the effects of transactions, other events or conditions on the entity's we have rearrange some information in the Financial Statements.





## Comparative analysis of financial performance, financial position and cash flows

Major areas of financial performance, financial position as well as cash flows for current financial year with immediately preceding five years are as follows:

Taka in Thousand

Particulars	2024-2025	2023-24	2022-23	2021-22	2020-21	2019-20
Sales	613,663	804,388	837,279	1,282,955	1,266,054	1,260,054
Gross profit	76,810	100,452	58,796	241,344	236,042	208,417
Profit before tax	(212,773)	(114,624)	(102,983)	37,856	25,105	10,710
Net profit after tax	(222,837)	(126,636)	(124,468)	12,507	5,222	-18,172
Paid up capital	152,400	152,400	152,400	152,400	152,400	152,400
Shareholders' equity	460,094	692,372	835,944	966,049	962,658	973,756
Total Assets	3,163,050	3,165,678	3,026,995	3,207,820	3,185,264	3,073,789
Current Assets	2,319,588	2,244,471	2,140,005	2,253,476	2,151,106	1,940,747
Current Liabilities	2,582,627	2,358,024	2,071,508	2,116,937	2,061,615	1,937,874
Non-Current Assets	843,461	921,205	886,991	954,345	1,034,158	1,133,042
Non-Current Liabilities	120,329	115,281	119,543	124,834	160,991	162,159
Dividend	-	7,203	7,620	15,240	15,240	18,288
Earnings Per Share (Taka)	(14.62)	(8.31)	(8.17)	0.82	0.34	-1.19
Net Assets Value Per Share (Taka)	30.19	45.43	54.85	63.39	63.17	63.89
Net operating Cash Flows Per Share (Taka)	2.58	1.87	5.38	5.45	7.13	-3.34
Dividend Per Share (Taka)	-	0.50	0.50	1	1	1.2

### Risks and Concerns

The internal key risk is significant amount of Bank borrowing. Doing business with high leverage is very difficult right now.

The external biggest risks and concerns are the non-functioning of the CETP built by BSCIC. The treatment plant is a total failure by BSCIC. We have had several meetings with the Ministry of Industries regarding this matter which is unsettled still now. If the situation does not improve in the near future, the future of entire leather industry of Bangladesh will face severe problems.

However, we are trying to convince the Ministry to give us permission to build our own treatment plant and recently the Ministry give us permission subject to considering some conditions. But have not proceeded as yet.

### Industry outlook and possible future developments

Presently, the industry outlook is not good due mainly to change in fashion from leather shoes/leather goods to synthetic. Also, environmental compliance is an important factor for export-oriented industries. The compliance of the industry is not accepted by the foreign customers due to non-functioning of CETP and LWG Certification.

However, if the long-standing issue of the CETP is resolved and the industry achieves acceptable environmental compliance standards, the export potential and overall sales performance of the sector are expected to improve significantly.

**Syed Nasim Manzur**  
Acting Managing Director

## FINANCIAL HIGHLIGHTS

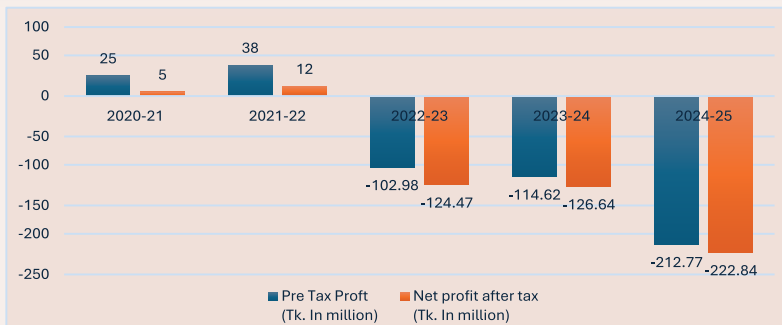
Taka in Thousand

Particulars	2024-25	2023-24	2022-23	2021-22	2020-21
Sales	613,663	804,388	837,279	1,282,955	1,266,054
Gross Profit	76,810	100,452	58,796	241,344	236,042
Pre Tax Profit	(212,773)	(114,624)	(102,983)	37,856	25,105
Net Profit after Tax	(222,837)	(126,636)	(124,468)	12,507	5,222
Property, Plant & Equipment	637,290	712,400	774,207	852,232	938,849
Authorised Capital	500,000	500,000	500,000	500,000	500,000
Issued and Paid up capital	152,400	152,400	152,400	152,400	152,400
Current Assets	2,319,588	2,244,471	2,140,005	2,253,476	2,151,106
Current Liabilities	2,582,627	2,358,024	2,071,508	2,116,937	2,061,615
Non Current Investment	843,461	921,205	886,991	954,345	1,034,158
Dividend	0	7,203	7,620	15,240	15,240
Dividend Per Share-Taka	0	0.50	0.50	1.00	1.00
Earnings Per Share- Taka	(14.62)	(8.31)	(8.17)	0.82	0.34
Market Value per Share at year end-Taka	62.4	90.1	117.80	151.70	108.90
Net Asset Value per Share- Taka	30.19	45.43	54.85	63.39	63.17
Net Operating Cash flow per Share-Taka	2.58	1.87	5.38	6.62	7.13
Price Earning Ratio	(4.27)	(10.84)	(14.42)	184.85	317.83
Dividend Yield Ratio	0	0.55	0.42	0.66	0.92
Current Ratio	0.90	0.95	1.03	1.06	1.04
Quick Ratio	0.21	0.21	0.21	0.20	0.20
Return on shareholders fund %	-51.99%	-18.29%	-15.70%	1.34%	0.56%
Interest Coverage Ratio	-0.12	-0.22	(0.05)	1.02	0.96

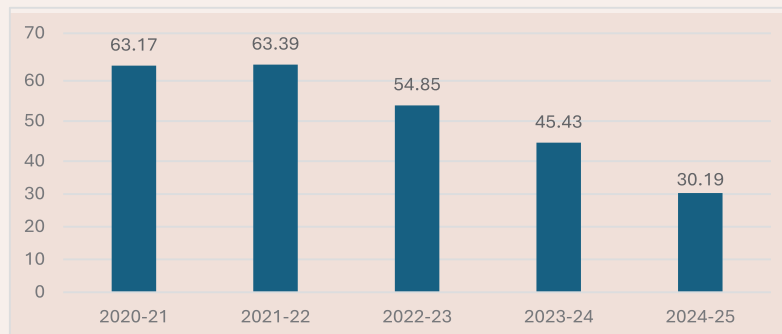
FINANCIAL HIGHLIGHTS



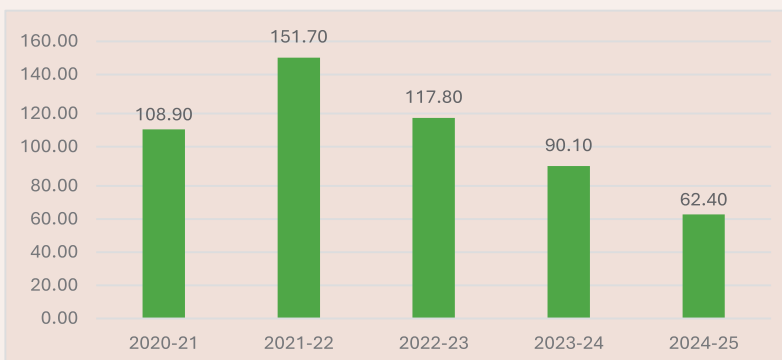
## FINANCIAL HIGHLIGHTS (GRAPHICAL PRESENTATION)



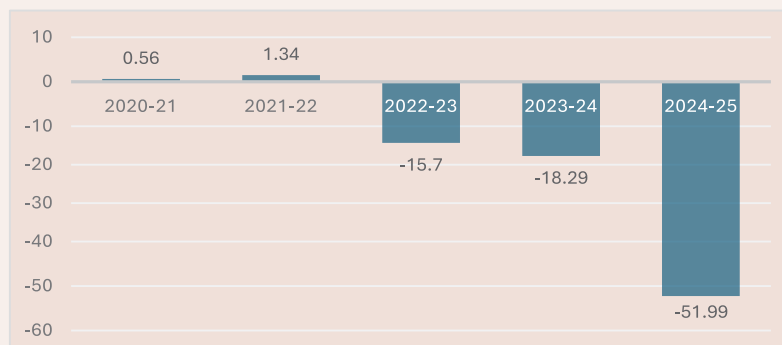
- Pre Tax Profit (Tk. in million)
- Net profit after tax (Tk. in million)



- Net asset value per share (Tk.)



- Market value per share (Tk.) at year end



- Return on shareholder's fund (%)

FINANCIAL HIGHLIGHTS (GRAPHICAL PRESENTATION)



## VALUE ADDED STATEMENT

For the period ended 30 June 2025

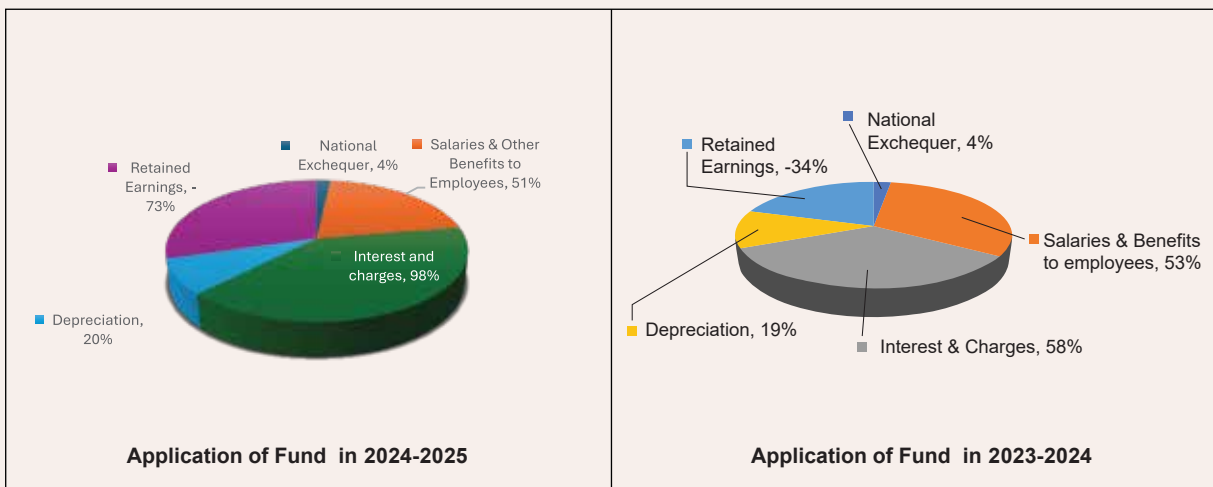
Taka in Thousand

	Year Ended June 30, 2025	Year Ended June 30, 2024
<b>Source of Fund</b>		
Turn-over	613,663	804,388
Bought in materials and services	(357,659)	(483,552)
Other Income	51,240	54,072
	<b>307,244</b>	<b>374,908</b>

### Application of Fund

National Exchequer	12,801	4%	15,398	4%
Salaries & Other Benefits to Employees	155,326	51%	199,483	53%
Interest and charges	301,457	98%	216,509	58%
Depreciation	60,497	20%	70,154	19%
Retained Earnings	(222,837)	-73%	(126,636)	-34%
	<b>307,244</b>	<b>100%</b>	<b>374,908</b>	<b>100%</b>

VALUE ADDED STATEMENT





## REPORT ON CORPORATE SOCIAL RESPONSIBILITIES (CSR)

Apex Tannery Limited believes in commitment to society by achieving sustainable growth, protect interest of stakeholders, continual quality improvement of business, enhance shareholders value and manage risks in an improved way.

Apex Tannery Limited maintain relationship, trust and commitment to stakeholder's interest through:

- Health care assistance to workers and people living in poverty
- Provide training on occupational health and safety for its employees
- Disaster relief to poor community people and slum dwellers
- Assist in education for poor community people and workers
- Donate to needy women for their marriage
- Donate to charitable organizations like mosques, graveyards etc.

# REPORT ON CORPORATE GOVERNANCE

Corporate Governance clearly defines the rights and responsibilities of the Board of Directors, Management, Shareholders and other Stakeholders. The Board supports Management, Internal and External Auditors and other related parties including the Shareholders. A good corporate reputation is the most valuable and competitive asset of a company. Apex Tannery Limited believes in the continued improvement of corporate governance. The Board of Directors and the Management Team of Apex Tannery Limited is committed to maintaining effective corporate governance through a culture of accountability and transparency.

## Board of Directors

The Board of Directors comprises of 05 (Five) members including Independent Directors. All Directors have sound knowledge in the area of tannery, managerial expertise and sound academic and professional knowledge. They are well conversant with corporate governance.

## Appointment of Board Members

The Directors of the Board are appointed by the Shareholders in the Annual General Meeting who are accountable to the Shareholders.

## Appointment of Independent Directors

The Board of Directors appointed Independent Director. The Board of Directors nominated Fouzia Haque, FCA for appointment as an Independent Director w.e.f. November 20, 2024, her appointment approved in the 48<sup>th</sup> AGM according to BSEC Corporate Governance Code Notification. A brief resume of the Independent Director and the names of the Companies where she has interest is mentioned in the Annual Report on page no. 09. Shareholders approved appointment of Independent Director in its 48th Annual General Meeting held on December 26, 2024. In selecting Independent Director, the Company always look for individuals who possess experience; strong inter personal skill and independence. Independent Director is considered by the Board to be independent of the Company and free of any business or other relationship that could interfere with the exercise of their independent judgment. The Board believes that his experience and knowledge assist in providing both effective and constructive contribution to the Board.

## The Role of the Chairperson and Managing Director

There is a clear division of responsibilities between the Chairperson and the Managing Director. The respective responsibilities borne by the Chairperson and the Managing Director are:

### Chairperson's Core Responsibilities

- Determines broad strategic direction;
- Provides leadership of the Board;
- Encouraging a culture of openness to foster a high-performing team of Directors that operates effectively;
- Facilitating the relationship between the Board and the Managing Director;
- Maintains effective communication between the Board, Management of the Company and shareholders generally.

### Managing Director's Core Responsibilities

- Provides leadership for the management;
- Oversees the realization by the Company of the objectives determined by the Board;
- Provides information to the Board as is necessary to enable the Board to monitor the performance of management;
- Leads the management of the Company's relationship with its stakeholders,
- Puts in place programs for Management development and succession;
- Establishes and maintains proper internal controls and risk mitigation;
- Discharges such duties and authorities as may be delegated in writing to him by the Board.

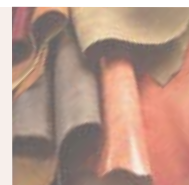
## Audit Committee

The Audit Committee was established as a sub-committee of the Board and has jurisdiction over Apex Tannery Limited. The Audit Committee is comprised of three members of the Board including an Independent Director who is the Chairman of the Committee. The Audit Committee assists the Board.

## Nomination And Remuneration Committee

The Nomination and Remuneration Committee was established as a sub-committee of the Board of Apex Tannery Limited. The Nomination and Remuneration Committee is comprised of three members of the board including an Independent Director who is the Chairman of the Committee. The Nomination and Remuneration Committee assists the Board.





### **Company Secretary**

Sushanta Kumar Paul has been appointed as the Company Secretary of the Company. He provides legal matters to the Board. Among other functions, the Company Secretary:

- Bridges between the Board of Directors and Shareholders on strategic and statutory decision.
- Acts as a quality assurance agent in all information towards the Shareholders and the Board.
- Is responsible for ensuring that the appropriate Board procedures are followed.
- Acts as the “Disclosure Officer” of the Company and monitors the compliance of the Acts, rules, regulations, notifications, guidelines, orders/directives etc. issued by the Bangladesh Securities and Exchange Commission, Stock Exchange (s) applicable to the conduct of the business activities of the Company.

The Company Secretary keeps the records of the Company’s compliance / noncompliance status of the conditions imposed by BSEC which has been shown in the compliance report on BSEC Notification.

### **Chief Financial Officer**

Sajeeb Saha has been appointed as the Chief Financial Officer of the Company. He looks after the overall financial affairs of the Company. Among other functions, the Chief Financial Officer:

- Prepares quarterly and annual financial statements.
- Financial reporting procedures in line with the requirement of International Financial Reporting Standards.
- Reports financial position of the Company in its Board meeting.

### **Financial Reporting and Transparency**

Financial Statements have been prepared in line with the International Financial Reporting Standards and other legislations as applicable in Bangladesh. Timely publication of quarterly and annual financial statements with comprehensive details beyond the statutory requirement.

### **Compliance with Applicable Rules and Regulations**

The Company’s business activities are guided and supervised by local laws and regulations:

- The Companies Act 1994.
- The Bangladesh Securities and Exchange Commission.
- Listing rules of Dhaka and Chittagong Stock Exchange PLC.
- International Financial Reporting Standards.

### **Purchase Committee**

A purchase committee is functioning with a group of executives, headed by a senior most executive to examine the purchase proposal of goods. Among others, the followings are the main responsibilities of the Committee:

- To evaluate the received proposal and find out the effectiveness of each proposal.
- To prepare a report on the basis of evaluation of the purchase proposal with recommendation and sent to concerned departments for obtaining approval from the competent authority.
- To supervise the entire activities against procurement.

### **Statutory Audit**

Statutory Audit of the Company is governed by the Companies Act 1994. The Company Act provides guidelines for the appointment, scope of work and retirement of auditors. Shareholders appoint auditors and fix their remuneration in the Annual General Meeting.

### **Internal Audit**

Internal Audit support the Company to achieve its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of its risk management and control. Internal Audit activity is governed by the Internal Team, which is approved by the Board.



### Internal Control

The Company has an Internal Audit department consisting of five members and headed by the Head of Internal Auditor. The Internal control system is maintained and reviewed by an internal audit function that reports to Management and the Audit Committee.

Internal Control mechanism is built by the Company's systems and procedures to reduce the risk of error and fraud. It may be able to reduce the risk that financial statements contains. The Board of Directors ensures sound internal control to provide reasonable assurance regarding the achievement of the Company's objectives in the areas of:

- Effectiveness and efficiency of operations.
- Reliability of financial reporting.
- Compliance with laws and regulations.

### Code of Conduct

Apex Tannery Limited has adopted Codes of Conduct for securing good business ethics and conduct in all aspects of the Company's activities. The Code of Conduct is properly communicated to and with all employees and other activities and is strictly required to abide by it.

### Management Committee

The day-to-day Management of the Company is entrusted with the Managing Director and the Management Committee. The Management Committee serves the interest of the Company and achieves sustainable growth. The members of the Management Committee are jointly accountable for the entire management of the Company and decide on the basic issues of business policy and corporate strategies.

### Restrictions on dealing in the Company's share by insiders

The Company has established policy relating to trading shares by Directors, Employees and other insiders. The securities laws also impose restrictions on similar sort of transaction.

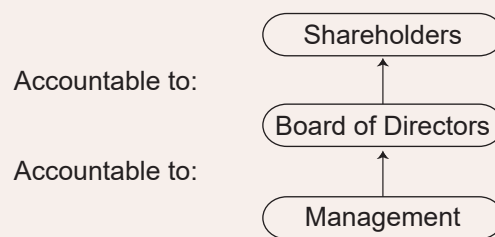
### Group Term Life Insurance Policy

The Board of Directors has approved for group term life insurance policy for employees of Apex Tannery Limited with Guardian Life Insurance Limited.

### Going Concern

The Company has adequate resources to continue operational existence for the future. For this reason, the Company continues to adopt the going concern basis in preparing the financial statements.

### Communication with Shareholders



The Company encourages communication with shareholders throughout the year and welcomes their participation at shareholders meeting. The Company is transparent with the stakeholders, including the owners of the Company. Four times each year, Apex Tannery Limited reports to its shareholders regarding its business, financial position and earnings. These include:

- Quarterly and annual financial statements
- Annual General Meeting
- Price sensitive disclosure and other disclosure to the BSEC and Stock Exchanges

In additional information, the Company is under a legal and regulatory requirement to publish via the newspaper. Apex Tannery Limited believes in transparency and accountability to the society as a whole through establishment of an efficient and effective Corporate Governance procedure.



# CORPORATE GOVERNANCE COMPLIANCE REPORT

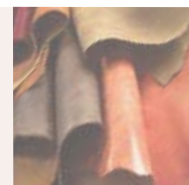
Status of compliance with the conditions imposed by the Commission's Notification on Corporate governance code No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969 (Report under Condition No. 9.00):

Condition No.	Title	Compliance status	Remarks (If any)
<b>1</b>	<b>Board of Directors:</b>		
<b>1.1</b>	<b>Board's Size:</b> The number of the Board members shall not be less than 5 (five) and more than 20 (twenty);	Complied	The Apex Tannery Limited Board is comprised of 5(Five) Directors.
<b>1.2</b>	<b>Independent Directors:</b>		
(a)	At least 2 (two) or one fifth (1/5) of total number of directors whichever is higher shall be Independent Director;  The Board shall appoint at least 1 (one) female Independent Director in the Board of Directors of the Company;	Complied  Complied	There are two Independent Directors in the Board of Apex Tannery Limited, namely: Dr. ATM Shamsul Huda and Fouzia Haque, FCA.
(b)	Independent Director means a Director:		
(i)	Does not hold any share or holds less than 1% shares of the total paid-up shares of the Company;	Complied	The Independent Directors has declared their compliances.
(ii)	Not a sponsor of the company or not connected with the company's any sponsor / director / nominated director / shareholder / 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/her family members also shall not hold above mentioned shares in the company;	Complied	Do
(iii)	Not been an executive of the company in immediately preceding 2 (two) financial years;	Complied	Do
(iv)	Does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies;	Complied	Do
(v)	Not a member or TREC holder, director or officer of any stock exchange;	Complied	Do
(vi)	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;	Complied	Do
(vii)	Not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or conducting special audit or professional certifying compliance of this code;	Complied	Do
(viii)	Not independent director in more than 5 (Five) listed companies;	Complied	Do



Condition No.	Title	Compliance status	Remarks (If any)
(ix)	Not been as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for non- payment of any loan or advance or obligation to a bank or a Financial Institution;	Complied	The Independent Directors has declared their compliances.
(x)	Not been convicted for a criminal offence involving moral turpitude;	Complied	Do
(c)	Appointed by the Board of Directors subject to prior consent of the Commission, after due consideration of Nomination and Remuneration Committee (NRC) and approved by the shareholders in the AGM;	Complied	In practice
(d)	The post of Independent Director can not remain vacant for more than 90 (ninety) days;	Complied	There was no vacancy in the position of Independent Director.
(e)	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;	Complied	
<b>1.3</b>	<b>Qualification of Independent Director (ID)</b>		
(a)	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;	Complied	The qualification and background of Independent Directors justify their ability as such.
(b)	Independent director shall have following qualifications:		
(i)	Business Leader: Promoter or director of an unlisted company having minimum paid-up capital of Tk.100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	Not applicable	
(ii)	Corporate Leader: Top level executive not lower than Chief Executive Officer / Managing Director / Deputy Managing Director / Chief Financial Officer / Head of Finance or Accounts / Company Secretary / Head of Internal Audit and Compliance / Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk.100.00 million or of a listed company; or	Not applicable	
(iii)	Former Govt. Official: Government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, having at least educational background of bachelor degree in economics or commerce or business or law; or In case of appointment of existing official as Independent Director, it requires clearance from the organization where he or she is in service; or	Complied	





Condition No.	Title	Compliance status	Remarks (If any)
(iv)	University Teacher: Having educational background in economics or commerce or business studies or law; or	Not applicable	
(v)	Professional: 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;	Complied	
(c)	Shall have at least 10 (ten) years of experiences in any field mentioned in clause 1(3)(b)(i) to (v);	Complied	
(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission;	Not applicable	
<b>1.4</b>	<b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer :</b>		
(a)	Chairperson of the Board and the Managing Director (MD) and /or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	Complied	
(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;	Complied	
(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the Company;	Complied	
(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and /or Chief Executive Officer;	Complied	
(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;	Complied	No such case occurred in the year
<b>1.5</b>	<b>The Directors' Report to Shareholders</b>		
(i)	Industry outlook & possible future developments in the industry;	Complied	The Directors' report complies with the guidelines.
(ii)	Segment- wise or product- wise performance;	Complied	Do
(iii)	Risks and Concerns;	Complied	Do
(iv)	Discussion on cost of goods sold, Gross Profit Margin and Net profit Margin;	Complied	Do





Condition No.	Title	Compliance status	Remarks (If any)
(v)	Discussion on continuity of any Extra-ordinary gain or loss;	Not applicable	The Directors' report complies with the guidelines.
(vi)	Disclosure for related party transactions;	Complied	Do
(vii)	Utilization of proceeds from public issues, rights issues and/or through any others;	Not applicable	Do
(viii)	Explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Offer and Direct Listing;	Not applicable	Do
(ix)	Explanation about significant variance occurs between Quarterly Financial performance and Annual Financial Statements;	Complied	Do
(x)	Remuneration to directors including independent directors;	Complied	Do
(xi)	Fairness of financial statements;	Complied	Do
(xii)	Maintenance of proper books of account;	Complied	Do
(xiii)	Application of appropriate accounting policies and estimates;	Complied	Do
(xiv)	Followed IAS or IFRS as applicable in preparation of the financial statements;	Complied	Do
(xv)	Soundness of internal control system;	Complied	Do
(xvi)	The interest of the minority shareholders have been duly protected;	Complied	Do
(xvii)	Ability to continue as a going concern;	Complied	Do
(xviii)	Significant deviations from the last year;	Complied	Do
(xix)	Key operating and financial data of at least preceding 5(five) years;	Complied	Do
(xx)	Reasons for not declared dividend;	Complied	Due to net loss and Negative EPS and negative retained earnings
(xxi)	No bonus share or stock dividend has been declared as interim dividend during the year;	Complied	As confirmed in the Directors' Report.
(xxii)	Number of Board meetings held during the year and attendance;	Complied	Disclosed in the Directors' Report.
<b>(xxiii)</b>	<b>Pattern of shareholding and name wise details disclosing aggregate number of shares:</b>		
(a)	Parent/Subsidiary/Associated Companies and other related parties (Name wise Details);	Complied	Attached in Annexure-I
(b)	Directors, CEO, CS, CFO, HIAC and their spouses and minor children (Name wise details);	Complied	Attached in Annexure-I
(c)	Executives (name wise details);	Complied	Attached in Annexure-I
(d)	Shareholders holding ten percent (10%) or more voting interest (Name wise details);	Complied	Attached in Annexure-I



Condition No.	Title	Compliance status	Remarks (If any)
<b>(xxiv)</b>	<b>In case of appointment/re-appointment of a Director, disclose:</b>		
	(a) A brief resume of the Director;	Complied	Disclosed in the Annual Report
	(b) Expertise in specific functional areas;	Complied	Do
	(c) Holding the directorship and the membership of committees of the board other than this company;	Complied	Do
<b>(xxv)</b>	<b>Management's Discussion and Analysis</b>		
	(a) Accounting policies and estimation for preparation of financial statements;	Complied	
	(b) Changes in accounting policies and estimation, if any, disclose the effect on financial performance or results and financial position as well as cash flows;	Complied	
	(c) Comparative analysis 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;	Complied	
	(d) Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	Complied	
	(e) Briefly explain the financial and economic scenario of the country and the globe;	Complied	
	(f) Risks and concerns issues related to the financial statements;	Complied	
	(g) Future plan or projection or forecast for company's operation, performance and financial position;	Complied	
(xxvi)	Declaration or certification by the CEO and the CFO to the Board on Financial Statements for the year ended 30th June 2025;	Complied	CEO and CFO certified to the Board regarding financial statements.
(xxvii)	The report as well as certificate regarding compliance of conditions of Corporate Governance Code;	Complied	Certified by ARTISAN, Chartered Accountants.
(xxviii)	The report does not require to include the business strategy or technical specification related to product or service, which have business confidentiality;	Complied	
<b>1.6</b>	<b>Meetings of the Board of Directors</b>		
	Meeting of the Board of Directors 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);	Complied	
<b>1.7</b>	<b>Code of Conduct for the Chairperson, other Board Members and Chief Executive Officer</b>		
(a)	The Board shall lay down a Code of Conduct for the Chairperson of the Board, other Board Members and Chief Executive Officer of the Company;	Complied	



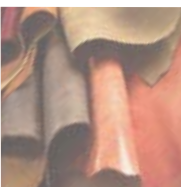


Condition No.	Title	Compliance status	Remarks (If any)
(b)	The Code of Conduct as determined by the NRC shall be posted on the website of the Company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency;	Complied	Posted on the website of the Company.
<b>2</b>	<b>Governance of Board of Directors of Subsidiary Company</b>		
(a)	Composition of the Board of Directors;	Not applicable	Apex Tannery Limited does not have any subsidiary company.
(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;	Not applicable	
(c)	Submission of minutes to the holding company;	Not applicable	
(d)	Review of minutes by the holding company;	Not applicable	
(e)	Review of Financial Statements by holding company;	Not applicable	
<b>3</b>	<b>Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)</b>		
<b>3.1</b>	<b>Appointment</b>		
(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);	Complied	
(b)	The positions of the MD or CEO, CS, CFO and HIAC shall be filled by different individuals;	Complied	
(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 of 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, with prior approval of the Commission;	Complied	No such case occurred in the year
(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	Complied	
(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);	Complied	No such case occurred in the year
<b>3.2</b>	<b>Requirement to attend Board of Directors' Meetings</b>		
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board except such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters;	Complied	In practice

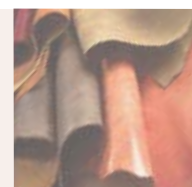


Condition No.	Title	Compliance status	Remarks (If any)
<b>3.3</b>	<b>Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)</b>		
(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:		
(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	Complied	
(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;	Complied	
(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;	Complied	
(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report;	Complied	
<b>4</b>	<b>Board of Directors' Committee</b>		
(i)	Audit Committee;	Complied	
(ii)	Nomination and Remuneration Committee;	Complied	The Board in its 287th Board Meeting held on 13 November, 2018 constituted the NRC.
<b>5</b>	<b>Audit Committee</b>		
<b>5.1</b>	<b>Responsibility to the Board of Directors</b>		
(a)	The Company shall have an Audit Committee as a sub-committee of the Board;	Complied	Already in place
(b)	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;	Complied	In practice
(c)	Responsible to the Board and the duties of the Audit Committee shall be clearly set forth in writing;	Complied	Do
<b>5.2</b>	<b>Constitution of the Audit Committee</b>		
(a)	Shall be composed of at least 3 (three) members;	Complied	The Audit Committee is composed of 3 (Three) members.
(b)	The Board shall appoint members of the Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	Complied	The members of the Audit Committee are appointed by the Board who are non-executive directors and which includes 1 (One) Independent Director.

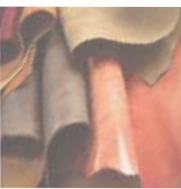




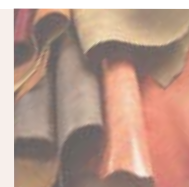
Condition No.	Title	Compliance status	Remarks (If any)
(c)	All members of the audit committee should be “financially literate” and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	Complied	Based on the academic qualification and professional experiences, the Board reviewed and considered that all the existing members of the Audit Committee are “Financially Literate” and they have “Related Financial Management experience” as per BSEC notification.
(d)	Casual vacancy in Audit Committee shall be filled by the Board immediately or not later than 60 (sixty) days;	Complied	The Board appointed Audit Committee member in due time.
(e)	The Company Secretary shall act as the Secretary of the committee;	Complied	In practice
(f)	The quorum of the Audit Committee (AC) meeting shall not constitute without at least 1 (one) Independent Director;	Complied	Do
<b>5.3</b>	<b>Chairperson of the Audit Committee</b>		
(a)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an Independent Director;	Complied	Dr. ATM Shamsul Huda has been appointed as Independent Director who is also Chairperson of Audit Committee.
(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 and the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	Complied	No such case in the year
(c)	Chairman of the Audit Committee shall remain present in the Annual General Meeting (AGM);	Complied	In practice
<b>5.4</b>	<b>Meeting of the Audit Committee</b>		
(a)	The Audit Committee shall conduct at least its four meetings in a financial year;	Complied	In practice
(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;	Complied	In practice



Condition No.	Title	Compliance status	Remarks (If any)
<b>5.5</b>	<b>Role of Audit Committee</b>		
(a)	Oversee the financial reporting process;	Complied	In practice
(b)	Monitor choice of accounting policies and principles;	Complied	Do
(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;	Complied	Do
(d)	Oversee hiring and performance of external auditors;	Complied	Do
(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval;	Complied	Do
(f)	Review along with the management, the annual financial statements before submission to the Board for approval;	Complied	Do
(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	Complied	Do
(h)	Review the adequacy of internal audit function;	Complied	Do
(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	Complied	Do
(j)	Review all related party transactions;	Complied	Do
(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	Complied	Do
(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;	Complied	Do
(m)	Oversee whether IPO proceeds utilized as per the published Prospectus;	Not applicable	
<b>5.6</b>	<b>Reporting of the Audit Committee</b>		
<b>5.6(a)</b>	<b>Reporting to the Board of Directors</b>		
(i)	The Audit Committee shall report on its activities to the Board;	Complied	
(ii)	The Audit Committee shall immediately report on the following findings to the Board:		
(ii)(a)	Report on conflicts of interest to the Board of Directors;	Not applicable	There was no reportable case of conflict of interest in the year 2024 - 2025.
(ii)(b)	Will report any suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements to the Board;	Not applicable	Do

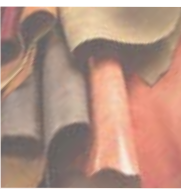


Condition No.	Title	Compliance status	Remarks (If any)
(ii)(c)	Will report any suspected infringement of laws, including securities related laws, rules and regulations to the Board;	Not applicable	There was no reportable case of conflict of interest in the year 2024 - 2025.
(ii)(d)	Will report any other matter which deems necessary shall be disclosed to the Board of Directors immediately;	Not applicable	Do
<b>5.6(b)</b>	<b>Reporting to the Authorities (BSEC):</b> If any materials impact on the financial condition & results of operation, unreasonably ignored by the Board of Directors;	Not applicable	Do
<b>5.7</b>	<b>Reporting to the Shareholders and General Investors:</b> Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 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;	Complied	The Audit Committee report is disclosed in the Annual Report and signed by the Chairperson of the Audit Committee.
<b>6</b>	<b>Nomination and Remuneration Committee (NRC)</b>		
<b>6.1</b>	<b>Responsibility to the Board of Directors</b>		
(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	Complied	The Board in its 287th Board Meeting held on 13 November 2018 constituted the NRC.
(b)	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;	Complied	
(c)	The Terms of Reference (TOR) of the NRC shall be clearly set forth in writing;	Complied	In practice
<b>6.2</b>	<b>Constitution of the NRC</b>		
(a)	The Committee shall comprise of at least three members including an independent director;	Complied	The NRC is composed of 3 (Three) members.
(b)	At least 2(two) members of the Committee shall be non- executive directors;	Complied	
(c)	Members of the Committee shall be nominated and appointed by the Board;	Complied	
(d)	The Board shall have authority to remove and appoint any member of the Committee;	Complied	
(e)	Casual vacancy in NRC shall be filled by the Board;	Complied	The Board appointed NRC member in due time.

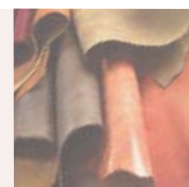


Condition No.	Title	Compliance status	Remarks (If any)
(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	Complied	No such case in the year
(g)	The Company Secretary shall act as the Secretary of the committee;	Complied	In practice
(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an Independent Director;	Complied	Do
(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;	Complied	
<b>6.3</b>	<b>Chairperson of the NRC</b>		
(a)	The Board of Directors shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an Independent Director;	Complied	Dr. ATM Shamsul Huda has been appointed as Independent Director who is also Chairperson of NRC.
(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting and the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	Complied	No such case in the year
(c)	The Chairperson of the NRC shall attend the Annual General Meeting (AGM) to answer the queries of the shareholders;	Complied	In practice
<b>6.4</b>	<b>Meeting of the NRC</b>		
(a)	The NRC shall conduct at least one meeting in a financial year;	Complied	In practice
(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	Complied	No such case in the year
(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;	Complied	In practice
(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;	Complied	Do





Condition No.	Title	Compliance status	Remarks (If any)
<b>6.5</b>	<b>Role of the NRC</b>		
(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	Complied	
(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:		
(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:		
(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	Complied	
(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks;	Complied	
(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;	Complied	
(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	Complied	
(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;	Complied	
(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	Complied	
(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	Complied	
(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	Complied	
(c)	Disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report;	Complied	The NRC report is disclosed in the Annual Report and signed by the Chairperson of the NRC.
<b>7.</b>	<b>External or Statutory Auditors:</b>		
7.1	(i) Non-engagement in Appraisal or valuation services or fairness opinions;	Complied	In practice
	(ii) Non-engagement in designing Financial information systems and implementation;	Complied	Do



Condition No.	Title	Compliance status	Remarks (If any)
	(iii) Non-engagement in Book-keeping;	Complied	In practice
	(iv) Non-engagement in Broker-dealer services;	Complied	Do
	(v) Non-engagement in Actuarial services;	Complied	Do
	(vi) Non-engagement in Internal Audit or Special Audit services;	Complied	Do
	(vii) Non-engagement in services that the Audit Committee determines;	Complied	Do
	(viii) Non-engagement in Audit or certification services on compliance of Corporate Governance as required under condition No. 9(1);	Complied	Do
	(ix) Non-engagement of any other service that creates conflict of interest;	Complied	Do
7.2	No partner or employees of the external audit firms shall possess any share of the company during the tenure of their audit assignment; his or her family members also shall not hold any shares in the said company;	Complied	Do
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;	Complied	Do
<b>8.</b>	<b>Maintaining a website by the Company</b>		
8.1	The company shall have an official website linked with the website of the stock exchange;	Complied	
8.2	The company shall keep the website functional from the date of listing;	Complied	
8.3	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s);	Complied	
<b>9.</b>	<b>Reporting and Compliance of Corporate Governance</b>		
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;	Complied	Certified by ARTISAN, Chartered Accountants
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;	Complied	A separate agenda to be provided in the ensuing 49 <sup>th</sup> AGM.
9.3	The directors of the company shall attach the compliance status in the directors' report whether the company has complied with these conditions or not;	Complied	





## **APEX TANNERY LIMITED**

### **DECLARATION BY CEO AND CFO'S TO THE BOARD**

Dated: 14 October, 2025

The Board of Directors  
Apex Tannery Limited  
Plot # XA1, XA2, XA3 and XS8  
BSCIC Tannery Industrial Estate  
Harindhara, Hemayetpur  
Savar, Dhaka - 1340

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

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRC/2006-158/207/Admin/80 dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

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

In this regard, we also certify that:

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

Sincerely yours,

**Syed Nasim Manzur**  
Acting Managing Director

**Sajeeb Saha, ACA**  
Chief Financial Officer



## PATTERN OF SHAREHOLDING

As of June 30, 2025

Annexure – I

(a) Parent/Subsidiary/Associated companies and other related parties (name wise details): N/A

(b) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and compliance their spouses and minor children (name wise details):

SL. No.	Name	Number of Shareholding	Name of Spouse/ Children	Shares held by the Spouse/ Children
<b>01</b>	<b>Directors</b>			
i	Syed Nasim Manzur	5,16,875	Mrs. Samia Huq	-
ii	Md. Hedayetullah	3,04,950	Mrs. Afia Hedayetullah	-
iii	Niranjan Chandra Debnath,FCMA, MD of ICB	40,36,748	Mrs. Tapoti Rani Nath	-
iv	Ms. Fouzia Haque, FCA (Independent Director)	-		-
<b>02</b>	<b>Acting Managing Director</b> Syed Nasim Manzur	5,16,875	Mrs. Samia Huq	-
<b>03</b>	<b>Chief Financial Officer</b> Sajeeb Saha, ACA	-	Mrs. Sejuti Rani Dey	-
<b>04</b>	<b>Company Secretary</b> Sushanta Kumar Paul FCS	-	Mrs. Munni Paul	-
<b>05</b>	<b>Head of Internal Audit and Compliance</b> Md. Golam Mostafa Bhuiya	-	Mrs. Dilruba Akter	-

(c) Executives (Top five salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit and Compliance):

Name	Designation	Shares held
Md. Sayeed Hossain	Consultant (Commercial)	-
Md. Abul Kalam Azad	Senior Leather Technologist	-
Md. Monirul Islam	Leather Technologist	-
Md. Asif Saleheen	Deputy Manager (Admin)	-
Ahmed Hossain Bhuiyan	Assistant Manager (Export)	-

(d) Shareholders who are holding 10% or above shares: Nil

PATTERN OF SHAREHOLDING

## AUDIT COMMITTEE REPORT

### Background

In accordance to the best practices of Corporate Governance, the Board of Directors of Apex Tannery Limited established an Audit Committee on April 24, 2006 in its 19th Board Meeting as per Circulation of BSEC vide order no. SEC/CMRRCD/2006-158/Admin/02-06 dated 9th January, 2006 and status of compliance with the conditions imposed by the Commission's Notification on Corporate Governance Code No. SEC/CMRRCD/2006-158/207/Admin/80 dated 03 June, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

The Audit Committee supports the Board in fulfilling its responsibilities more efficiently.

### Composition of the Audit Committee

The Audit Committee is now composed of the following members:

Fouzia Haque FCA	Independent Director	Chairperson
Md. Hedayetullah	Director	Member
Niranjan Chandra Debnath FCMA	Director	Member
Sushanta Kumar Paul FCS	Company Secretary	Secretary

The Chief Financial Officer attends the meeting by invitation only as and when necessary. The Company Secretary functions as the Secretary of the Audit Committee.

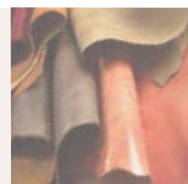
### Meeting

During the year ended 30th June 2025, the Audit Committee held four meetings. Proceedings of the Audit Committee Meetings were reported regularly to the Board of Directors. The details of attendance of the Audit Committee Members have been shown below:

Audit committee meeting and attendance during the year ended 30th June 2025

Name of Members	No. of meeting held	No. of meeting attended
Dr. ATM Shamsul Huda	4	3
Syed Nasim Manzur (Excluded on 20 November 2024)	4	2
Md. Abul Hossain (Excluded on 6 March 2025)	4	3
Md. Hedayetullah ( Included on 28 September 2025)	4	-
Niranjan Chandra Debnath FCMA (Appointed on 17 March 2025)	4	1
Fouzia Haque FCA (Appointed on 20 November 2024)	4	2

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



## Role of the Audit Committee

The Audit Committee assisted the Board of Directors in fulfilling its responsibilities regarding the Company's accounting and financial reporting process by monitoring the following:

- The fairness and reliability of the Company's financial statements
- The independence, qualifications and performance quality of its external auditors
- The Company's system of internal controls
- The performance of the Company's internal audit process
- The Company's compliance with laws, regulations and codes of conduct with a view to safeguard the interest of all stakeholders of the Company

## Summary of Activities

The Audit Committee carried out the following activities during the financial year ended June 30, 2025

### Regulatory Compliance

The Committee examined whether the Company's procedures rules and regulations are in place to ensure compliance with

- The laws and regulations framed by the Regulatory Authorities (BSEC, DSE, CSE and RJSC).
- Internal regulations approved by the Board of Directors.

The Committee is satisfied that the Company is duly following the rules and regulations of the Regulatory bodies and is also strictly follows laws and regulations related to issues involving conflict of interest. The Committee was satisfied that the Company has diligently complied with these Regulatory requirements.

## Financial Reporting

The Committee assisted the Board of Directors and the management to carryout their responsibilities of preparing true and fair financial statements in accordance with the books of accounts and Bangladesh Accounting Standards by:

- Reviewing the adequacy and effectiveness of the internal control system and procedures in order to provide reasonable assurance that all transactions are accurately and completely recorded in the books of accounts.
- Reviewing the integrity of the process by which financial statements are prepared from the books of accounts.
- Reviewing the process by which provisions of International Accounting Standards as adopted in Bangladesh are complied.

### The Committee also reviewed:

- The quarterly and annual financial statements of the Company prior to recommending them for the approval by the Board.
- The annual audited financial statements of the Company with external auditors prior to submission to the Board for approval. The review focused particularly on changes of accounting policy and compliance with applicable accounting standards as adopted in Bangladesh and other legal & regulatory requirements.

## Internal Control

The Committee examined whether the Management has set up and created an appropriate compliance culture across the Company in order to ensure that all employees have a clear understanding of their roles and responsibilities. The Committee reviewed the arrangements made by the management for building up a suitable Management Information System (MIS) including computerized systems and its applications thereof.





### Internal Audit

The Committee reviewed and discussed the relevant reports of the special investigating Audit Team which were submitted. They are as follows:

- The annual audit plan for adequacy of scope and comprehensive coverage of these activities of the Company.
- The audit programs, along with the resources requirements for the year. It also assessed the performance of the internal audit functions.
- The internal audit reports, audit recommendations and management responses linked to these recommendations and actions taken to improve the system of internal control and procedures.
- Reviewed the internal audit system of Apex Tannery Limited focusing on its effectiveness in influencing performance and compliance with professional standards. Examined audit findings and its weakness or shortcomings indicated there, along with the plans for monitor implementation of audit action plans.

The Committee advised the management to take effective steps for rectification of all the lapses and weaknesses identified by internal audit and to take utmost care, so that such weaknesses and lapses shall not be repeated in future. Department heads attended the meetings when their reports were discussed.

### External Audit

The Committee met with the external auditors at the conclusion of the annual audit and exchanged views on their Audit Report. The Committee reviewed the findings and recommendations made by the external auditors for resolving and to remove the weaknesses as detected in the external auditing process.

The Committee reviewed the performance of the External Auditors and recommended to the Board for their appointment and payment of their fees.

### Approval of Financial Statements

The Audit Committee reviewed and examined the Annual Financial Statements for the year ended 30th June, 2025 prepared by the Management and audited by the External Auditors M/s. Shafiq Basak & Co., Chartered Accountants and recommended to place the same before the Board for consideration.

The Board approved the same at its 320th Meeting held on 14th October 2025.

### Acknowledgement

The Audit Committee expressed of sincere thanks to the Chairman and Members of the Board, Management and the Auditors for their support in carrying out its duties and responsibilities effectively.

On behalf of the Audit Committee,

**Fouzia Haque FCA**

Independent Director

Chairperson of the Audit Committee

October 14, 2025, Dhaka





## REPORT OF NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of Apex Tannery Limited has duly constituted the Nomination and Remuneration Committee (NRC) as per Bangladesh Securities and Exchange Commission's Notification on Corporate Governance Code No. BSEC/CMRRCD/2006-158/207/Admin/88 dated June 3, 2018. The NRC is a sub-committee of the Board of Directors of Apex Tannery Limited. The NRC assists the Board in formulating the nomination criteria/policy for determining the qualification, positive attributes, experiences and independence of directors and senior-level executives as well as a policy for a formal process of considering the remuneration of directors and senior level executives.

### Terms of Reference:

The Nomination and Remuneration Committee has performed its duties as assigned by the Board of Directors, and as defined in the Charter of the NRC formulated in accordance with the Notification of the Bangladesh Securities and Exchange Commission's Corporate Governance Code-2018.

### Policy:

There is a detailed policy formulated by the Nomination and Remuneration Committee based on Corporate Governance Code which, inter alia, includes all the guidelines as recommended by the regulator.

### Composition:

The Nomination and Remuneration Committee of Apex Tannery Limited is comprised of three non-executive Directors of the Board including an Independent Director. The composition of the present NRC is as follows:

Ms. Fouzia Haque FCA	Independent Director	Chairperson
Mr. Md. Hedayetullah	Non-Executive Director	Member
Mr. Niranjana Chandra Debnath FCMA	Non-Executive Director	Member

### Qualification:

The members of Nomination and Remuneration Committee of Apex Tannery Limited possess adequate knowledge on business management & corporate governance matters. The detailed qualifications of the existing members of the Committee are set out on profile of directors of this Annual Report.

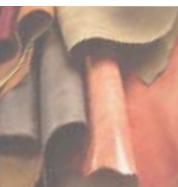
### Authority:

The Nomination and Remuneration Committee is authorized by the Board to review any activity as per its terms of reference. The Committee is authorized to seek any information it requires from, and requires the attendance at any of its meetings of, any Director or Member of Management, and all employees are expected to cooperate with any request made by the Committee. Members of the Senior Management team will also attend the meetings by invitation only as and when necessary. The Chief Financial Officer attends the meetings, as and when invited. The Company Secretary functions as the Secretary of the Nomination and Remuneration Committee.

### Roles and responsibilities:

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

- The Committee shall be independent, responsible, and accountable to the Board and the shareholders.
- Formulating the criteria/policy for fixing up fair remuneration for directors and senior management which need to be vetted and accepted by the Board of Directors.
- Obtaining the Board's approval for recruiting suitable candidates to fill the vacancies or to add more competent people



from time to time in the Company's Board and in the senior management position to remain compliant and to strengthen the senior management team.

- Establish the criteria for Board membership and to formulate the standard and transparent process for selection of Directors.
- To ensure that there is diversity in the Board structure.
- Developing the succession plans of Board members and senior-level executives.
- Review major changes and developments in the Committee's activities and findings.

#### Meeting and Attendance

During the year ended 30th June 2025, the Nomination and Remuneration Committee held Five meetings. Proceeding of the Nomination and Remuneration Committee meetings were reported to the Board of Directors. The details of attendance of the Nomination and Remuneration Committee members have been shown below:

NAME OF THE MEMBER	POSITION	NO. OF MEETINGS HELD DURING HIS/HER TENURE	MEETING ATTENDED	% OF ATTENDANCE	REMARKS
DR. ATM SHAMSUL HUDA INDEPENDENT DIRECTOR	CHAIRPERSON OF NRC	5	5	100%	DIED ON 5 TH JULY, 2025
MR. SYED NASIM MANZUR DIRECTOR & CHAIRMAN	MEMBER OF NRC	5	2	40%	EXPIRED THE OFFICE TENURE ON 20 NOVEMBER 2024
MR. MD. ABUL HOSSAIN NON - EXECUTIVE DIRECTOR	MEMBER OF NRC	5	4	80%	EXPIRED THE OFFICE TENURE ON 6 MARCH 2025
MD. HEDAYETULLAH DIRECTOR	MEMBER OF NRC	5	-	-	APPOINTED AS A MEMBER OF THE COMMITTEE ON 28 SEPTEMBER 2025
NIRANJAN CHANDRA DEBNATH FCMA NON-EXECUTIVE DIRECTOR	MEMBER OF NRC	5	-	-	APPOINTED AS A MEMBER OF THE COMMITTEE ON 17 MARCH 2025
MS. FOUZIA HAQUE FCA INDEPENDENT DIRECTOR	MEMBER OF NRC	5	2	40%	APPOINTED AS A MEMBER OF THE COMMITTEE ON 17 NOVEMBER 2024
MR. SUSHANTA KUMAR PAUL FCS	SECRETARY OF NRC	5	5	100%	CONTINUING

#### Activities carried out during Financial Year 2024-2025:

In accordance with the 'Terms of Reference' of Nomination and Remuneration Committee carried out following activities during the financial year 2024-2025:

- Reviewed the report of Nomination and Remuneration Committee.
- Reviewed the recommendation of director who was retired by rotation and eligible for re-election as per the provisions of the Articles of Association of the Company.
- Reviewed the recommendation of Independent Director who was appointed as per the Corporate Governance Code-2018.
- Reviewed the appointment of Director nominated by Investment Corporation of Bangladesh (ICB).
- Overseen other issues within the Terms of Reference of the NRC.

#### Governance Status with Corporate Governance (CG) Code

- The Nomination and Remuneration Committee (NRC) is a sub-committee of the Board.
- The Committee assisted and reported to the Board.
- The Committee was constituted with required members along with Independent Directors.
- The Independent Director serves as the Chairperson of the Committee.
- The Company Secretary performed as the Secretary of the Committee.
- The Chairperson of the Committee attended the AGM of the Company.
- The Committee met five time in 2024-2025.
- The Terms of Reference (ToR) were approved the Board as per CG code.

On behalf of the Nomination and Remuneration Committee

**Fouzia Haque FCA**  
Independent Director  
Chairperson of the Nomination and Remuneration Committee  
October 14, 2025, Dhaka



---

**REPORT TO THE SHAREHOLDERS OF  
APEX TANNERY LIMITED  
ON COMPLIANCE ON THE CORPORATE GOVERNANCE CODE**

We have examined the compliance status to the Corporate Governance Code by APEX TANNERY LIMITED for the year ended on June 30, 2025. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof 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:

- a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- b) 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;
- c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- d) The Governance of the company is satisfactory.

Dhaka, 04 November 2025



**Md. Selim Reza FCA FCS**  
Partner  
**ARTISAN**  
Chartered Accountants



## Independent Auditor's Report

To the Shareholders of

# Apex Tannery Limited

Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Apex Tannery Limited (the "Company"), which comprise the statement of financial position as at 30 June 2025 and the statement of 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 give a true and fair view of the financial position of the Company as at 30 June 2025, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

### Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the financial statements of public interest entities in Bangladesh. We have also 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 of the current year. These matters were addressed in the context of the audit of the financial statements, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters. We have identified 'Revenue, Inventory and banks' borrowing as key audit matters and our response to these items is as follows.

Independent Auditor's Report

Risk	Our response
<b>Revenue Recognition</b>	
Revenue of Tk. 613,662,753 is recognized in the statement of profit or loss and other comprehensive income for the year ended June 30, 2025 by the Company.	We have tested the design and operating effectiveness of key controls focusing on the following: <ul style="list-style-type: none"> <li>● Policy of revenue recognition.</li> </ul>





<p>This material item is subject to considerable inherent risk due to the complexity of the system necessary for proper recognition, measurement, and recording considering the application of revenue recognition, International Financial Reporting Standard 15 “Revenue from Contracts with Customers”.</p> <p>There is also a risk that revenue may be overstated due to wrong recognition or may be understated due to fraudulent financial reporting.</p>	<ul style="list-style-type: none"> <li>● Issuance of VAT challan returns.</li> <li>● Segregation of duties (SoD) in generating invoices and revenue recognition.</li> </ul> <p>Our substantive procedures in relation to revenue recognition comprise the following</p> <ul style="list-style-type: none"> <li>● Vouch the transaction to obtain the source documents in support of revenue recognition.</li> <li>● Reconciliation with VAT returns of the revenue so recognized.</li> <li>● Cut off test to ascertain the completeness of the revenue so recognized.</li> <li>● Finally assessed the appropriateness and presentation of revenue.</li> </ul>
---	---

Please see note # 26 to the financial statements.

### Inventory

<p>Inventory is valued a lower of cost and net realizable value (NRV). There is a chance of applying judgement in determining value of inventory and overstatement. Inventory disclosed at Tk. 1,775,394,934 for the year ended June 30, 2025, and Tk. 1,754,793,897 for the year ended June 30, 2024.</p>	<p>We challenged the appropriateness of management’s assumptions applied in calculating the value of the inventory provisions by:</p> <ul style="list-style-type: none"> <li>● Evaluating the design and implementation of key inventory controls operating across the company</li> <li>● Attending inventory counts and reconciling the count results to the inventory listings to test the completeness of data.</li> <li>● Comparing the net realizable value, obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories and comparison to the associated provision to assess whether inventory provisions are complete;</li> <li>● Challenging the completeness of inventory provisions through assessing actual and forecast sales of inventory lines to assess whether provisions for slow-moving/obsolete inventories are valid and complete.</li> </ul>
--	--





	<ul style="list-style-type: none"><li>• Checking the cost of Raw materials purchase and valuation method applied for raw materials and work in process.</li><li>• Finally, we were satisfied with the outcome of our audit procedures.</li></ul>
--	--

Please see note # 7 to the financial statements

### **Banks' Borrowing**

<p>As at 30 June 2025, the reported amount of total borrowing from various banks is Tk. 1,992,744,054</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"><li>• Obtaining an understanding of and assessing the design and operating effectiveness of controls designed to ensure the proper use of the loan.</li><li>• We verified the sanction letter, loan schedule, and bank statements to confirm the loan outstanding and found that the balance had been reported in the financial statements accurately. We also received balance confirmation from the respective banks.</li><li>• We also checked the financial expenses and classification of the loan and repayment schedule as well.</li><li>• We had checked the recording date of transactions and found the recording date is in line with the loan disbursement date. We also confirmed that the company had paid for its installments within due time.</li></ul>
---	--

Please see note # 15, 16, 17 and 18 to the financial statements





## **Other Information included in the Company's June 30, 2025, Annual Report**

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditor's 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 of the Company, 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. If, based on the work we have performed on the other information obtained prior to the date of the auditor's report, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with the IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Company's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current






period and are therefore the key audit matters. We describe these matters in our 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, the Securities and Exchange Rules 2020, we also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) the statement of financial position and statement of profit or loss and other comprehensive income together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and
- d) the expenditures incurred were for the purpose of the Company's business for the year.

Dated, Dhaka  
October 20, 2025

  
**Md. Shafiqul Islam, FCA**  
Partner  
Enrolment # 595  
**Shafiq Basak & Co.**  
Chartered Accountants  
DVC: 2510200595AS865458  
FRC Enlistment No.: CAF-001-118



# Apex Tannery Limited

## Statement of Financial Position

### As at June 30, 2025

Amount in Taka

Particulars	Notes	As at	
		30 June 2025	30 June 2024
<b>Assets</b>			
<b>Non Current Assets</b>			
Property, Plant and Equipment	4	637,289,596	712,400,296
Advance for Land at Savar Factory	5	161,601,893	161,601,893
Investments	6	44,569,956	47,203,006
		<b>843,461,445</b>	<b>921,205,195</b>
<b>Current Assets</b>			
Inventories	7	1,775,394,934	1,754,793,897
Trade and Other Receivables	8	119,012,075	39,908,922
Advances, Deposits and Prepayments	9	399,627,635	397,834,330
Cash & Cash Equivalents	10	25,553,445	51,934,235
		<b>2,319,588,089</b>	<b>2,244,471,384</b>
<b>Total Assets</b>		<b>3,163,049,534</b>	<b>3,165,676,579</b>
<b>Equity and Liabilities</b>			
<b>Shareholders' equity</b>			
Share Capital	11	152,400,000	152,400,000
Share Premium		425,332,695	425,332,695
Retained Earnings		(149,101,145)	80,938,987
Fair Valuation Surplus of Investment	12	31,461,954	33,700,046
		<b>460,093,504</b>	<b>692,371,728</b>
<b>Non current liabilities</b>			
Retirement Benefit Obligation	13	87,798,249	94,619,011
Deferred Tax Liabilities	14	17,530,629	20,662,172
Director Loan	15	15,000,000	-
		<b>120,328,878</b>	<b>115,281,183</b>
<b>Current Liabilities</b>			
Short Term Borrowings	16	477,219,872	293,905,385
Short-term borrowings from Stimulus Fund	17	206,793,515	190,044,519
Working Capital Borrowings	18	1,293,730,667	1,289,054,938
Time Borrowings	19	377,054,205	370,132,249
Trade Payables	20	67,701,508	61,998,414
Other Payables	21	23,075,428	28,410,980
Unclaimed Dividend	22	1,413,937	1,639,827
Provision for Income Tax	23	135,638,020	122,837,356
		<b>2,582,627,152</b>	<b>2,358,023,668</b>
<b>Total Equity and Liabilities</b>		<b>3,163,049,534</b>	<b>3,165,676,579</b>
<b>Net Asset Value Per Share (NAVPS)</b>	24	<b>30.19</b>	<b>45.43</b>

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



**Syed Nasim Manzur**  
Managing Director (C.C)



**Niranjana Chandra Debnath FCMA**  
Director



**Sushanta Kumar Paul FCS**  
Company Secretary

Signed in terms of our report of even date

Place: Dhaka  
Date: October 14, 2025



**Md. Shafiqul Islam, FCA**

Enrolment # 595

Partner

Shafiq Basak & Co.

Chartered Accountants

FRC. Reg. #CAF-001-118

DVC:2510200595AS865458





# Apex Tannery Limited

## Statement of Profit or Loss and Other Comprehensive Income

### For the year ended 30 June 2025

Amount in Taka

Particulars	Notes	For the Year ended	
		30 June 2025	30 June 2024
<b>Revenue</b>	26	613,662,753	804,387,753
Cost of Sales	27	(536,853,149)	(703,936,222)
<b>Gross Profit</b>		<b>76,809,604</b>	<b>100,451,531</b>
Operating Expenses	28	(39,365,362)	(52,638,582)
<b>Operating Profit</b>		<b>37,444,242</b>	<b>47,812,949</b>
Financial Expenses	30	(301,457,591)	(216,508,799)
<b>Non Operating Income</b>			
Other Income	31	51,240,371	54,071,726
<b>Profit Before Tax</b>		<b>(212,772,978)</b>	<b>(114,624,124)</b>
<b>Provision for Tax</b>		<b>(10,064,079)</b>	<b>(12,012,149)</b>
Current Tax	32	(12,800,664)	(15,398,368)
Deferred Tax		2,736,585	3,386,219
<b>Net Profit after Tax</b>		<b>(222,837,057)</b>	<b>(126,636,273)</b>
<b>Other Comprehensive Income</b>			
Fair Valuation Surplus of Investments, Net of tax	12	(2,238,092)	(9,316,268)
<b>Total Comprehensive Income</b>		<b>(225,075,149)</b>	<b>(135,952,541)</b>
<b>Earnings Per Share:</b>			
Basic and diluted earnings per share (Per value Taka 10)	33	<b>(14.62)</b>	<b>(8.31)</b>

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


  
**Syed Nasim Manzur**  
 Managing Director (C.C)

  
**Niranjana Chandra Debnath FCMA**  
 Director

  
**Sushanta Kumar Paul FCS**  
 Company Secretary

Signed in terms of our report of even date

Dated, Dhaka  
 October 14, 2025

  
**Md. Shafiqul Islam, FCA**  
 Enrolment # 595  
 Partner  
 Shafiq Basak & Co.  
 Chartered Accountants  
 FRC. Reg. #CAF-001-118  
 DVC:2510200595AS865458

Statement of Profit or Loss and Other Comprehensive Income



## Apex Tannery Limited Statement of Changes in Equity

For the year ended 30 June 2025

Amount in Taka

Particulars	Share Capital	Share Premium	Retained Earnings	Fair Valuation Surplus	Total
Balance as on 01 July 2024	152,400,000	425,332,695	80,938,987	33,700,046	692,371,728
Net profit during the year	-	-	(222,837,057)	-	(222,837,057)
Cash dividend (2023-2024)	-	-	(7,203,075)	-	(7,203,075)
Fair valuation surplus	-	-	-	(2,238,092)	(2,238,092)
<b>Balance as at 30 June 2025</b>	<b>152,400,000</b>	<b>425,332,695</b>	<b>(149,101,145)</b>	<b>31,461,954</b>	<b>460,093,504</b>

For the year ended 30 June 2024

Amount in Taka

Particulars	Share Capital	Share Premium	Retained Earnings	Fair Valuation Surplus	Total
Balance as on 01 July 2023	152,400,000	425,332,695	215,195,260	43,016,314	835,944,269
Net profit during the year	-	-	(126,636,273)	-	(126,636,273)
Cash dividend (2022-2023)	-	-	(7,620,000)	-	(7,620,000)
Fair valuation surplus	-	-	-	(9,316,268)	(9,316,268)
<b>Balance as at 30 June 2024</b>	<b>152,400,000</b>	<b>425,332,695</b>	<b>80,938,987</b>	<b>33,700,046</b>	<b>692,371,728</b>

The annexed Notes form an integral part of these financial statements  
For and on behalf of the Board of Directors

**Syed Nasim Manzur**  
Managing Director (C.C)

**Niranjana Chandra Debnath FCMA**  
Director

**Sushanta Kumar Paul FCS**  
Company Secretary



# Apex Tannery Limited

## Statement of Cash Flows

### For the year ended 30 June 2025



Particulars	Note	Amount in Taka	
		For the year ended	
		30 June 2025	30 June 2024
<b>A. Cash Flow from Operating Activities:</b>			
Cash received from customers and others		584,049,623	890,778,528
Cash paid to suppliers, employees and others		(535,462,307)	(844,596,900)
Other income from operational foreign exchange gain/ (loss)		1,743,575	2,872,878
<b>Cash generated from operations</b>		<b>50,330,891</b>	<b>49,054,506</b>
Income tax paid		(10,996,222)	(20,570,645)
<b>Net cash generated from/(used in) operating activities</b>		<b>39,334,669</b>	<b>28,483,861</b>
<b>B. Cash Flow from Investing Activities:</b>			
Acquisition of property, plant and equipment		-	(14,994,492)
Capital work-in-progress		-	(35,810,316)
Dividend received		1,750,348	1,695,175
Advance Payment for Land at Savar Factory		-	(104,170,492)
Proceeds from disposal of assets		14,613,692	9,578,304
<b>Net cash used in investing activities</b>		<b>16,364,040</b>	<b>(143,701,821)</b>
<b>C. Cash Flow from Financing Activities :</b>			
Loans received/ (paid)		226,661,168	346,753,495
Interest paid		(301,457,591)	(216,508,799)
Dividend paid		(7,428,965)	(7,968,848)
<b>Net cash generated from financing activities</b>		<b>(82,225,388)</b>	<b>122,275,848</b>
<b>Increase / (decrease) in cash and cash equivalents (A+B+C)</b>		<b>(26,526,679)</b>	<b>7,057,888</b>
Opening cash and cash equivalents		51,934,235	44,876,347
Effects of exchange rate fluctuations on cash held		145,889	-
<b>Closing Cash and Cash Equivalents</b>		<b>25,553,445</b>	<b>51,934,235</b>
<b>Net Operating Cash Flows Per Share (NOCFPS) Tk.</b>	<b>34</b>	<b>2.58</b>	<b>1.87</b>

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

For and on behalf of The Board of Directors

  
**Syed Nasim Manzur**  
 Managing Director (C.C)

  
**Niranjana Chandra Debnath FCMA**  
 Director

  
**Sushanta Kumar Paul FCS**  
 Company Secretary



# Apex Tannery Limited

## Notes to the Financial Statements

### As at and for the year ended 30 June 2025

#### 1.0 Reporting entity

##### a) Company profile

Apex Tannery Limited is the biggest tannery in Bangladesh and one of the biggest in South Asia. It is a 100% export oriented company. The Company is using modern machineries from Europe. The company was incorporated as a private limited company on 26th day of July 1976 under Companies Act 1913 and was converted into a public limited company in 1981. The shares of the Company are publicly traded at Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. The address of the registered office is Plot No.: XA1, XA2, XA3 & XS8, BSCIC Tannery Industrial Estate, Harindhara, Hemayetpur, Savar, Dhaka-1340.

##### b) Nature of business

The principal activities of Apex Tannery Limited are to produce high quality leather, by using Italian chemicals, technology, complying with world fashion standards and specifications. Its annual capacity is about 32 million Sft. of finished goat and cow leather. Apex exports to Europe, China, South America and all major leather market of the world. It has two manufacturing facilities; Unit I situated at BSCIC Tannery Industrial Estate, Harindhara, Hemayetpur, Savar and Unit II situated at Shafipur, Gazipur, both engaged in processing and finishing cow and goat leather for 100% export. Unit II has been leased out to Apex Footwear Ltd. with effect from 01.10.2021.

#### 2.0 Basis of preparation of financial statements

##### a) Statement of compliance

The financial statements have been prepared in accordance with International Accounting Standards (IAS), International Financial Reporting Standards (IFRS) as adopted in Bangladesh, the Companies Act 1994, Bangladesh Securities and Exchange Ordinance 1969, Bangladesh Securities and Exchange Rules 2020, Listing regulations of Dhaka and Chittagong Stock Exchanges and other applicable laws and regulations.

##### b) Basis of measurement

The financial statements have been prepared on historical cost basis except

- i. Note- 06: Investment in Marketable Securities which is measured at fair value.
- ii. Note- 13 : Retirement benefit obligation.

##### c) Date of authorization

The Board of Directors has authorized these financial statements on October 14, 2025

##### d) Functional and presentation currency

These financial statements are presented in Bangladeshi Taka which is the company's functional currency.

##### e) Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an on going basis. Revisions of accounting estimates are recognized in the period in which the estimates are revised or any future periods affected.

In particular, information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amount recognized in the financial statements are described in the following notes:





Note	4	Property, plant and equipment
Note	7	Inventory valuation
Note	8	Accounts receivable
Note	14	Deferred tax liabilities / (assets)
Note	21	Provisions
Note	23	Provision for income tax

**f) Reporting period**

The reporting period of the company covers one year from July 1, 2024 to June 30, 2025.

**g) Going concern**

The Company has adequate resources to continue in operation for foreseeable future and hence, the financial statements have been prepared on going concern basis. As per management 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.

**3.0 Significant accounting policies**

The accounting policies set out below have been applied consistently to all period presented in these financial statements.

**a) Current versus non-current classification**

The company presents assets and liabilities in statement of financial position based on current/non-current classification.

**An asset is current when it is:**

- i) expected to be settled in normal operating cycle, or
- ii) expected to be realised within twelve months after the reporting period, or
- iii) held primarily for the purpose of trading, or
- iv) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

**A liability is current when it is:**

- i) expected to be settled in normal operating cycle, or
- ii) due to be settled within twelve months after the reporting period, or
- iii) held primarily for the purpose of trading, or
- iv) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**b) Offsetting**

The company reports separately both assets and liabilities, and income and expenses, unless required by an applicable accounting standard or offsetting reflects the substance of the transaction and such offsetting is permitted by applicable accounting standard.

**c) Property, plant & equipment**

- i) **Recognition and measurement:** Property, plant & equipment (PPE) are initially measured at cost. After initial recognition an item of PPE carried at cost less accumulated depreciation in accordance with IAS 16 "Property plant & equipment". Cost of PPE represents cost of purchase price, import duties and non refundable purchase taxes after deducting trade discounts and rebates and any cost directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management.



ii) **Subsequent cost:** The costs of the day-to-day servicing of PPE are recognized in the Statement of Profit or Loss and other Comprehensive Income. The costs of replacing of PPE are recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably.

iii) **Depreciation:** The Company uses reducing balance method to depreciate property, plant & equipment. No depreciation is charged on Land and Land development. Full month depreciation is charged on assets 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 the earlier of the date that the asset is classified as held for sale ( or included in a disposal group that is classified as held for sale) in accordance with IFRS 5 and no depreciation is charged in the month of disposal. The rates of depreciation and category of property, plant and equipment are as follows:

Building	10%
Plant & machinery	15%
Furniture & fittings	10%
Vehicles	20%

Depreciation has been charged to cost of goods sold & administrative expenses consistently.

iv) The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised as non-operating income or loss and reflected in the statement of profit or loss and other comprehensive income.

#### d) Financial instruments

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

Under IFRS 9, on initial recognition, a financial asset is classified three principal categories as measured at: amortised cost; Fair Value through Other Comprehensive Income (FVOCI); or Fair Value Through Profit or Loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

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.

##### Financial assets

The Company initially recognises receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the date at which the Company becomes a party to the contractual provisions of the transaction.

The Company derecognises a financial asset when the contractual rights or probabilities of receiving the cash flows from the asset expire, 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 asset are transferred.

##### Financial liability

The Company initially recognises financial liabilities on the transaction date at which the Company becomes a party to the contractual provisions of the liability.

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

#### e) Inventories

Inventories comprise of raw materials, work-in-process and finished goods, chemicals and





spare-parts. They are stated at a lower of cost and net realizable value, in accordance with IAS 2 "Inventories". The cost of inventories is measured by using the weighted average cost formula. The cost of inventories represents all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and selling expenses.

**f) Trade and other receivables**

These are carried at original invoice value considered good and collectible.

**g) Cash and cash equivalents**

Cash and cash equivalents comprises cash in hand, cash at Bank and FDR which is readily convertible to a known amount of cash and be subject to an insignificant risk of changes in value.

**h) Trade and other payables**

These are recognized for amounts to be paid in the future for goods and services.

**i) Income Taxes**

**i) Current Tax**

The company is a Public Limited and 100% export oriented leather manufacturing company, the applicable tax rate is 12.00% on business/operating profit (as per SRO no. 158-Law/Income Tax/2022 dated 01 June, 2022). The tax expense has been made on dividend income, capital gain and all other income as per provision of the Income Tax Act 2023 and all other applicable provisions have been made accordingly. The tax expense has been made based on the highest of 12.00% on business/operating profit or TDS on export proceeds realized U/S 163 (2) or tax on gross receipts during the period U/S 163 (4) and provision has been made accordingly.

**ii) Deferred Tax**

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities for financial reporting purpose and the corresponding tax bases used for taxation purpose. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which those deductible temporary differences can be utilized.

**j) Employee Benefits**

The Company maintains both defined contribution plan and defined benefit plan for its eligible permanent employees.

**i) Defined contribution plan (Provident fund)**

The Company operates a contributory Provident fund for its eligible permanent employees. The fund is approved by the National Board of Revenue (NBR). The fund is administered by a Board of Trustee and is funded by contribution partly from the employee and partly from the Company at predetermined rates. The contribution is invested separately from the Company's assets.

**ii) Defined benefit plan (Gratuity)**

The Company maintains an unfunded gratuity scheme for its permanent employees, under which an employee is entitled to the benefits depending on the length of services and last drawn basic salary.

**iii) Contribution to workers' profit participation/ welfare funds**

The Company provides 5% of its profit before tax as a contribution to workers profit participation/ welfare funds in accordance with the Bangladesh Labour Act 2006 (as amendment in 2018).

**iv) Other employees benefit obligation**

Employees of the Company are covered under group insurance scheme.

**k) Statement of Cash Flows**

Statement of Cash flow is prepared in accordance with IAS-7 under direct method and as outlined in the Bangladesh Securities and Exchange Rule, 1987.

In accordance with the gazette notification dated 08 August 2018 by Bangladesh Securities and Exchange Commission, an additional disclosure on reconciliation of net profit with cash flows from operating activities making adjustments for non-cash items, non-operating and net changes in operating accruals has been provided under note-41 in the notes to the accompanying financial statements.

**l) Leases**

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

**m) Foreign currency transaction**

Transactions in foreign currencies are converted into Bangladeshi Taka at the exchange rate prevailing on the date of transaction in accordance with provisions of IAS 21 "The effects of changes in foreign exchange rates".

**n) Financial Risk Management****i) Market risk**

Market risk refers to the risk adverse market conditions affecting the sales and profitability of the Company. Mostly, the risk arises from falling demand for the product or service which would harm the performance of the Company. Apex Tannery Ltd. is an export oriented company and market of those products are various countries of EU, China, South America, India, Japan and all other major leather markets in the World. As there are very few suppliers from Bangladesh (in terms of exporting in large quantity) ATL is less exposed to Market risk.

**ii) Credit risk**

Credit risk represents the risk that counterparty will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. Credit risk arises mainly from trade debtors, advances and prepayments. The management of ATL carefully manages its exposure to credit risk. Credit risks are managed through the credit policies of the Company.

**iii) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to settle or meet its financial obligations as they fall due. The management of ATL carefully manages its exposure to liquidity risk. The management of the Company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses and its financial obligations.

**o) Revenue recognition**

Revenue from the sale of goods in the course of ordinary activities is measured at fair value of the consideration received or receivable from export, incentive net of any direct cost. The Company recognizes revenue when a contractual performance obligation is fulfilled by transferring control over the promised goods to a customer provided that collectability of the consideration is probable.

The following is a description of the principal activities from which the company generates its revenue:

**i) Sales of Goods**

Company revenue is only recognised when it meets the following five steps model framework.

- a) identify the contract(s) with a customers;
- b) identify the performance obligations in the contract;
- c) determine the transaction price;
- d) allocate the transaction price to the performance obligations in the contract;
- e) recognise revenue when (or as) the entity satisfies a performance obligation.





- ii) Dividend income is recognized when the right to received payment is established.
- iii) Interest income is recognized when accrued on a time proportion basis.
- iv) Rental income recognition when accrued on the tenancy agreement basis.

**p) Earnings per share (EPS)**

The Company calculates Earnings Per Share (EPS) in accordance with IAS 33 "Earnings per share" which has been shown on the face of Statement of Profit or Loss and Other Comprehensive Income.

**Basic Earnings**

This represents earnings for the period attributable to ordinary shareholders. As there was no preference dividend, minority or extra ordinary items, the profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

**Weighted average number of ordinary shares outstanding during the period**

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of shares issued during the period multiplied by a time-weighting factor. The time-weighting factor is the numbers of days the specific shares are outstanding as a proportion of the total number of days in the period.

**Basic earnings per share**

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding for the period.

**Diluted Earnings Per Share**

No diluted EPS is required to be calculated for the period, as there was no scope for dilution during the period under review.

**q) Components of the Financial Statements**

According to the International Accounting Standard (IAS) 1 "Presentation of Financial Statements", the complete set of Financial Statements includes the following components:

- i) Statement of Financial Position as at June 30, 2025.
- ii) Statement of Profit or Loss & Other Comprehensive Income for the year ended June 30, 2025.
- iii) Statement of Changes in Equity for the year ended June 30, 2025.
- iv) Statement of Cash Flows for the year ended June 30, 2025.
- v) Accounting policies and explanatory notes.

**r) Impairment**

The carrying amount of assets other than inventories and deferred tax assets are reviewed at each financial position date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount is estimated. An impairment loss is recognized in the Statement of Profit or Loss and Other Comprehensive Income when the carrying amount of the asset exceeds its recoverable amount.

**s) Provisions**

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of past event and it is probable that an outflow of economic benefits will be required to settle the obligation and the amount of the provision can be measured reliably in accordance with IAS 37- "Provisions, Contingent Liabilities and Contingent Assets". The amount recognised is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation at the date. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is determined based on the present value of those cash flows.

**t) Segment Reporting**

As there is a single business and geographic segment within which the company operates as such no segment reporting is felt necessary.



Amount in Taka	
30 June 2025	30 June 2024

#### 4.0 Property, Plant & Equipment

##### A. Cost

Opening Balance  
Add: Addition during the period  
Less: Disposal during the period

1,992,957,402	2,032,030,147
-	14,994,492
(17,036,842)	(54,067,237)
<b>1,975,920,560</b>	<b>1,992,957,402</b>

**Closing balance at cost**

##### B. Depreciation:

Opening balance  
Add: Addition during the period  
Less: Adjustment on disposal

1,280,557,106	1,257,822,795
60,497,008	70,154,164
(2,423,150)	(47,419,853)

**Accumulated Depreciation**

<b>1,338,630,964</b>	<b>1,280,557,106</b>
----------------------	----------------------

**Written Down Value (A-B)**

<b>637,289,596</b>	<b>712,400,296</b>
--------------------	--------------------

Details of Property, Plant and Equipment and depreciation as of June 30, 2025 are shown in the annexed "Schedule -A"

#### 5.0 Advance for Land at Savar Factory

<b>161,601,893</b>	<b>161,601,893</b>
--------------------	--------------------

The amount paid to Bangladesh Small and Cottage Industries Corporation (BSCIC) against 300,000 SFT Land at BSCIC Leather Industrial Park, Savar, Dhaka.

#### 6.0 Investments

Apex Footwear Limited (191,043 shares @ 203.4)  
Central Depository Bangladesh Limited (571,181 shares @ 10.00)

38,858,146	41,491,196
5,711,810	5,711,810
<b>44,569,956</b>	<b>47,203,006</b>

Investment in shares of Apex Footwear Limited has been recorded at fair value as per IFRS-9. The quoted price was Taka 203.4 per Taka 10 each share as at June 30, 2025 and company's cost price for 191,043 shares was Taka 9.65 per Taka 10 each share. Investment in shares of Central Depository Bangladesh Limited has been recorded at cost price as the security is not traded in stock exchanges. In this case impairment test has been carried out at the end of the reporting period and there is no indication of impairment loss.

#### 7.0 Inventories

##### Goatskins

	Taka	Taka
Raw Leather	-	777,504
Wetblue Leather	6,854,556	6,249,300
Work in Process Leather	3,002,380	-
Crust / Finished Leather	88,302,500	123,591,750

##### Cowhides

Raw Leather	10,492,500	30,741,000
Wetblue Leather	142,904,000	54,171,000
Work in Process Leather	2,194,500	48,288,000
Crust / Finished Leather	1,254,181,032	1,154,414,181
Chemicals	247,452,494	314,134,547
Spare-parts	20,010,972	22,426,615

<b>1,775,394,934</b>	<b>1,754,793,897</b>
----------------------	----------------------





- Inventories are valued at lower of cost price and net realizable value.
- Inventories increased due to increase in wet blue leather compared to last year.
- A team, consisting of Auditors and Management staff, carried out physical verification of the inventories as of June 30, 2025.
- Inventories were hypothecated to Agrani Bank Ltd., Amin Court Corporate branch as security of working capital loan.

## 8.0 Trade and other Receivables

	Amount in Taka	
	30 June 2025	30 June 2024
Export bills receivable	113,268,086	36,958,268
Rental income receivable	5,500,000	2,750,000
Interest on FDR	243,989	200,654
	<b>119,012,075</b>	<b>39,908,922</b>

- Most of the above bills receivable remained from the sales of June 2025 and were considered good which will be collected within 90 days.
- Rental income receivable from Apex Footwear Limited.

### Age of receivable:

Particulars	Amount in Taka 2024-2025	Amount in Taka 2023-2024
Age of receivable within 90 days	114,777,989	37,829,338
Age of receivable over 90 days	4,234,086	2,079,584

## 9.0 Advance, Deposit & Prepayments

Advance income-tax	173,217,396	162,221,174
Advance to staff and workers	8,840,000	-
Advance to suppliers & contractors	34,551,485	24,454,670
Bank guarantee margin	7,721,702	9,765,687
Insurance premium	5,584,622	6,289,584
L/C accounts (Goods in transit)	114,017,656	139,408,441
Capital Work in Process	40,997,251	40,997,251
Security deposit	14,697,523	14,697,523
	<b>399,627,635.00</b>	<b>397,834,330</b>

- L/C accounts (goods-in-transit) represent cost incurred on import of chemicals and spare parts which will be adjusted against respective inventory items and property, plant & equipment.
- Advance income taxes are made to statutory authorities.
- In the opinion of the Directors, all current assets, investments, loans and advances have, on realization in the ordinary course of business, a value at least equal to the amounts at which they are stated in the Statement of Financial Position.
- There are no claims against the company, which can be acknowledged as bad debt.



## 10.0 Cash and Cash Equivalents

### Cash in hand

Head Office

Factory

### Cash at Banks

Agrani Bank Ltd.

Mutual Trust Bank Ltd.

Dutch Bangla bank Ltd.

Uttara Bank Ltd.

State Bank of India

### FDR

Amount in Taka	
30 June 2025	30 June 2024
679,912	600,745
408,633	662,299
7,735,666	29,054,094
1,166,882	6,496,808
492,354	97,353
48,681	226,211
499,769	1,238,511
14,521,548	13,558,214
<b>25,553,445</b>	<b>51,934,235</b>

- Cash balances were physically verified and bank balances were reconciled.

## 11.0 Share Capital

### Authorized Capital

(50,000,000 ordinary share of Tk. 10 each)

### Issued, subscribed & fully paid-up capital

(15,240,000 ordinary share of Tk. 10 each)

Amount in Taka	
30 June 2025	30 June 2024
<b>500,000,000</b>	<b>500,000,000</b>
<b>152,400,000</b>	<b>152,400,000</b>

Distribution schedule showing the number of shareholders and their share holdings in percentage has been disclosed below:

Number of share holders	Range of holdings	Total holdings	%
5,637	Less than 500 shares	649,315	4.26%
1,739	500 shares to 5,000 shares	1,955,132	12.83%
76	5,001 shares to 10,000 shares	542,604	3.56%
42	10,001 shares to 20,000 shares	592,842	3.89%
17	20,001 shares to 30,000 shares	441,845	2.90%
6	30,001 shares to 40,000 shares	196,176	1.29%
3	40,001 shares to 50,000 shares	140,437	0.92%
14	50,001 shares to 100,000 shares	1,019,098	6.69%
21	100,001 shares to 1000,000 shares	7,306,871	47.95%
1	Over 1000,000 shares	2,395,680	15.72%
<b>7,556</b>		<b>15,240,000</b>	<b>100.00%</b>

## Composition of Shareholding

Particulars	30-Jun-25		30-Jun-24	
	No. of shares	%	No. of shares	%
Sponsors and Directors	5,306,873	34.82%	4,632,648	30.40%
Institutions	4,470,372	29.33%	5,697,312	37.38%
General Public	5,462,755	35.84%	4,910,040	32.22%
<b>Total</b>	<b>15,240,000</b>	<b>100.00%</b>	<b>15,240,000</b>	<b>100.00%</b>





**Amount in Taka**

**12.0 Fair valuation surplus of investments**

Investment in Apex Footwear Limited:

<b>Fair valuation surplus as of 30-06-2024</b>		<b>33,700,046</b>
Fair value of 191,043 shares @ 203.40 as of 30-06-2025	38,858,146	
Fair value of 173,676 shares @ 238.90 as of 30-06-2024	(41,491,196)	
	(2,633,050)	
Less. Deferred tax income/(expenses) on available for sale investments	394,958	(2,238,092)
<b>Fair valuation surplus as of 30-06-2025</b>		<b>31,461,954</b>

Fair market value of Apex Footwear Ltd share price based on 30 June 2025 decreased compared to last audited period ended on 30 June 2024 which effects on fair valuation surplus of investment.

**13.0 Retirement benefit obligations**

**Amount in Taka**

**30 June 2025      30 June 2024**

Opening balance	94,619,011	96,661,662
Provision for the year (Note-13a)	4,500,000	7,333,028
Payments during the year	(11,320,762)	(9,375,679)
<b>Closing balance</b>	<b>87,798,249</b>	<b>94,619,011</b>

**13a. Provision for the year**

Factory Overhead	286,300	1,578,954
Direct Labour	3,300,450	5,261,874
Administrative Expenses	913,250	492,200
	<b>4,500,000</b>	<b>7,333,028</b>

**14. Deferred tax liabilities/ (Assets)**

Property, plant and equipment excluding land (Note#14a)	22,514,310	26,069,386
Provision for gratuity (Note#14a)	(10,535,790)	(11,354,281)
Valuation surplus of investment (Note#14b)	5,552,109	5,947,067
	<b>17,530,629</b>	<b>20,662,172</b>

Deferred tax assets and liabilities have been recognised and measured in accordance with the provisions of IAS 12 Income Taxes. Related deferred tax expenses/(income) have been disclosed below:

**14a. Deferred tax expenses / (income) for the period ended 30 June 2025**

	<u>Carrying amount</u>	<u>Tax base</u>	<u>Taxable/ (deductable)</u>
Property, plant and equipment excluding land	467,794,345	280,175,094	187,619,251
Provision for gratuity	87,798,249	-	(87,798,249)
<b>Net temporary difference</b>			<b>99,821,002</b>
Applicable tax rate			12.00%
Deferred tax liabilities/ (Assets) as at 30 June 2025			11,978,520
Deferred tax liabilities/ (Assets) as at 30 June 2024			14,715,105
<b>Deferred tax expenses/(income) for the period ended 30 June 2025</b>			<b>(2,736,585)</b>



#### Deferred tax expenses / (income) for the year ended 30 June 2024

	Carrying amount	Tax base	Taxable/ (deductible)
Property, plant and equipment excluding land	542,905,045	325,660,162	217,244,883
Provision for gratuity	94,619,011	-	(94,619,011)
<b>Net temporary difference</b>			<b>122,625,872</b>
Applicable tax rate			12%
Deferred tax liabilities/ (Assets) as at 30 June 2024			14,715,105
Deferred tax liabilities/ (Assets) as at 30 June 2023			18,101,324
<b>Deferred tax expenses/(income) for the year ended 30 June 2024</b>			<b>(3,386,219)</b>

#### 14b. Deferred tax expenses / (income) related with OCI for the period ended 30 June 2025

	Carrying amount	Tax base	Taxable/ (deductible)
Valuation surplus of investment	38,858,146	1,844,083	37,014,063
<b>Net temporary difference</b>			<b>37,014,063</b>
Applicable tax rate on available for sale investments			15%
Deferred tax liabilities/ (Assets) as at 30 June 2025			5,552,109
Deferred tax liabilities/ (Assets) as at 30 June 2024			5,947,067
<b>Deferred tax expenses/(income) for the period ended 30 June 2025</b>			<b>(394,958)</b>

#### Deferred tax expenses / (income) related with OCI for the year ended 30 June 2024

	Carrying amount	Tax base	Taxable/ (deductible)
Valuation surplus of investment	41,491,196	1,844,083	39,647,113
<b>Net temporary difference</b>			<b>39,647,113</b>
Applicable tax rate on available for sale investments			15%
Deferred tax liabilities/ (Assets) as at 30 June 2024			5,947,067
Deferred tax liabilities/ (Assets) as at 30 June 2023			4,779,590
<b>Deferred tax expenses/(income) for the year ended 30 June 2024</b>			<b>1,167,477</b>

#### 15.0 Director Loan

Loan From Syed Nasim Manzur

Amount in Taka	
30 June 2025	30 June 2024
15,000,000	-
<b>15,000,000</b>	<b>-</b>

Loan taken from the Chairman of the Company Mr. Syed Nasim Manzur to meet working capital requirement which is interest free and transacted through banking channel.

#### 16.0 Short Term Borrowings

Agrani Bank Limited

Loan From Apex Investment Ltd.

Loan From Apex Pharma Ltd.

452,219,872	293,905,385
10,000,000	-
15,000,000	-
<b>477,219,872</b>	<b>293,905,385</b>





The amount represents short-term loan taken from Agrani Bank Ltd., Amin Court Corporate Branch, Motijheel C/A, Dhaka-1000 as KORBANI ADVANCE for procurement of raw hides and skins. This loan was sanctioned by Agrani Bank Ltd. against existing fixed assets and inventory as securities.

Also Loan taken from other related party namely Apex Investment Ltd. and Apex Pharma Ltd. to meet working capital requirement which is interest free and transacted through banking channel.

	Amount in Taka	
	30 June 2025	30 June 2024
<b>17.0 Short-term borrowings from Stimulus Fund</b>		
Agrani Bank Ltd.	<b>206,793,515</b>	<b>190,044,519</b>

The amount represents loan taken from Agrani Bank Ltd., Amin Court Corporate Branch, Motijheel C/A, Dhaka-1000 for working capital under stimulus package. This loan was sanctioned by Agrani Bank Ltd. as per terms and conditions imposed by Bangladesh Bank.

<b>18.0 Working Capital Borrowings</b>		
Agrani Bank Ltd.	<b>1,293,730,667</b>	<b>1,289,054,938</b>

The company has taken cash-credit (hypothecation) facilities from Agrani Bank Ltd., Amin Court Corp. Branch, Motijheel C/A, Dhaka-1000 against existing fixed assets and inventories as securities.

<b>19.0 Time borrowings</b>		
Uttara Bank Ltd.	<b>377,054,205</b>	<b>370,132,249</b>

In order to meet further cost of capital, work-in progress at Savar factory, the Company has taken Time Loan from Uttara Bank Ltd. Corporate Branch, Dhaka, against existing inventories as securities.

<b>20.0 Trade payables</b>		
Suppliers, Contractors & Others	<b>67,701,508</b>	<b>61,998,414</b>

This represents the amount payable for raw skins & hides and bills payable.

	Amount in Taka	
	30 June 2025	30 June 2024
<b>21.0 Other payables</b>		
Audit fees	293,250	235,750
Liabilities for freights, spare parts & other expenses	22,782,178	28,175,230
	<b>23,075,428</b>	<b>28,410,980</b>

Payment against outstanding expenses were made subsequently in due time. For other credits, payments are generally made by due date.

In the opinion of the Directors, no liabilities in the Statement of Financial Position are at a value less than the amount at which it is repayable at the date of the Statement of Financial Position.

<b>22.0 Unclaimed Dividend</b>	<b>1,413,937</b>	<b>1,639,827</b>
--------------------------------	------------------	------------------

Year wise breakup of unclaimed dividend is as follows:

2021-2022	839,198	470,233
2022-2023	327,040	840,473
2023-2024	247,700	329,122
	<b>1,413,937</b>	<b>1,639,827</b>

- As per Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2021-391/20/Admin/121 dated 01 June 2021 the Company has transferred unclaimed dividend to Capital Market Stabilization Fund.



Amount in Taka	
30 June 2025	30 June 2024

### 23.0 Provision for Income Tax

Opening Balance	122,837,356	129,783,826
Addition during the period	12,800,664	15,398,368
Adjustment of income tax	-	(22,344,838)
<b>Closing Balance</b>	<b>135,638,020</b>	<b>122,837,356</b>

### 24.0 Net asset value per share

Net Asset	460,093,504	692,371,728
Weighted average number of ordinary share outstanding during the period	15,240,000	15,240,000
<b>Net asset value per share (Tk.)</b>	<b>30.19</b>	<b>45.43</b>

Number of ordinary share of Taka 10 each at Balance Sheet Date

### 25.0 Proposed dividend

-	<b>7,203,075</b>
---	------------------

The Board of Directors has recommended No Dividend for the year 2024-2025, at the Board Meeting held on 14 October 2025.

Amount in Taka	
Year ended 30 June 2025	Year ended 30 June 2024

### 26.0 Revenue

Finished Cow Leather	515,723,194	716,307,530
Finished Goat Leather	68,773,859	71,823,055
Cash Incentive	29,165,700	16,257,168
	<b>613,662,753</b>	<b>804,387,753</b>

### 27.0 Cost of Sales

Opening stock	1,278,005,931	1,392,758,090
<b>Add:</b> Cost of production	601,330,750	589,184,063
<b>Less:</b> Closing stock	1,342,483,532	1,278,005,931
<b>Cost of Sales</b>	<b>536,853,149</b>	<b>703,936,222</b>

#### Cost of production

	Notes	30 June 2025	30 June 2024
Goatskins consumed	35	2,912,742	4,897,874
Cowhides consumed	36	75,665,335	76,625,885
Chemicals	37	279,034,039	191,565,367
Spare parts	38	5,104,369	6,178,239
Packing materials		52,700	75,690
Direct labour		87,393,684	109,078,068
Factory overhead	39	151,167,881	200,762,940
		<b>601,330,750</b>	<b>589,184,063</b>

### 28.0 Operating Expenses

28a. Administrative expenses	27,975,295	39,326,438
28b. Marketing and Selling expenses	11,390,067	13,312,144
	<b>39,365,362</b>	<b>52,638,582</b>





Amount in Taka	
Year ended 30 June 2025	Year ended 30 June 2024

### 28a. Administrative Expenses

Salary & allowances	14,534,228	15,095,285
Gratuity	913,250	492,200
Staff welfare	853,237	1,433,113
Telephone, telex & fax	63,935	82,200
Internet Expenses	335,036	-
Repairs & maintenance	-	19,100
Printing & stationery	123,995	123,777
Postage	2,944	36,775
Conveyance	139,905	192,775
Vehicles maintenance	72,200	303,779
Fuel & lubricant	1,251,427	1,557,016
Vehicles Fitness, Insurance & Others	267,291	1,439,106
Electricity & water	602,340	1,532,749
Social responsibilities (CSR)	24,196	59,402
Renewal & registration	928,341	978,531
Advertisement	594,743	291,344
Medical Expenses	-	4,000
Entertainment	156,830	297,146
AGM expenses	843,750	740,278
Forms & fees	251,000	164,855
Membership subscription	500,132	377,720
Board meeting fees	371,650	364,000
Directors remuneration	3,600,000	10,800,000
Legal & audit fees (Note-29)	638,250	734,500
Depreciation (Schedule-A-01)	906,615	2,206,787
	<b>27,975,295</b>	<b>39,326,438</b>

- Salary & allowance decreased as compare to previous year due mainly to normal retirements.
- Gratuity increases because of incremental effects.
- Depreciation expenses decrease due mainly to decrease in assets written down value.

### 28b. Marketing and Selling Expenses

Sales commission	2,941,916	3,804,541
Sales promotion	4,169,973	4,145,591
Freight & forwarding expenses	4,278,178	5,362,013
	<b>11,390,067</b>	<b>13,312,144</b>

- Sales commission decreased due to increase direct sales.
- Sales promotion cost slightly increased compare to last year on account of promotional activities during this period.
- Freight & forwarding expenses decreased due to increase sales under deemed export.

### 29.0 Legal and audit fees

Legal fees (Professional fees)	345,000	412,500
Audit fees	293,250	322,000
	<b>638,250</b>	<b>734,500</b>



### 30.0 Financial Expenses

Bank interest	300,588,539	216,729,512
Bank charges	2,758,515	2,101,912
Exchange Loss / (Gain)	(1,889,464)	(2,322,625)
	<b>301,457,591</b>	<b>216,508,799</b>

### 31.0 Other Income

		Amount in Taka	
		Year ended 30 June 2025	Year ended 30 June 2024
Dividend income-Cash		1,750,348	1,695,175
Profit on sale of PPE		-	2,930,920
Interest on FDR		1,199,975	1,857,023
Rental income		48,290,048	47,588,608
	49,744,040		
<b>Less: Depreciation (Schedule-A-02)</b>	1,014,927		
Rent, rates & taxes	290,500		
Insurance premium	148,565	1,453,992	
		<b>51,240,371</b>	<b>54,071,726</b>

- Cash dividend amounting Taka 1,750,384 included cash dividend received from Apex Footwear Limited Tk. 607,986 and Tk. 1,142,362 from Central Depository Bangladesh Limited.
- Rental income included rental income from Apex Footwear Limited , Star Tech & Engineering Ltd. and Computer City Technologies Ltd. as monthly rental basis.

### 32.0 Income tax expenses

Current tax expenses	12,800,664	15,398,368
Deferred tax expenses / (income) (Note # 14a)	(2,736,585)	(3,386,219)
	<b>10,064,079</b>	<b>12,012,149</b>

#### 32a. Current tax expenses

Tax on dividend income	350,070	339,035
Tax on other income	7,076,237	7,711,459
Tax on business income	5,374,357	10,942,648
Tax on previous year assessment	-	(3,594,774)
	<b>12,800,664</b>	<b>15,398,368</b>

### 33.0 Earnings per share

Earnings attributable to the ordinary shareholders	(222,837,057)	(126,636,273)
Weighted average number of ordinary share outstanding during the period	15,240,000	15,240,000
<b>Basic Earnings per share (Tk.)</b>	<b>(14.62)</b>	<b>(8.31)</b>

No diluted EPS is required to be calculated for the period as there was no scope for dilution of shares.

The Company reported net loss and negative EPS in the current period due to mainly reduction of sales volume. In addition, significant increase of finance expenses causes to net loss.



### 34.0 Net operating cash flow per share

Net operating cash flow	39,334,669	28,483,861
Weighted average number of ordinary share outstanding during the period	15,240,000	15,240,000
<b>Net operating cash flow per share (Tk.)</b>	<b>2.58</b>	<b>1.87</b>

Number of ordinary share of Taka 10 each at Balance Sheet Date

There was variance in net operating cash flow per share. The net operating cash flow per share stood to Tk. 2.58 during the year which was due mainly cash collection from customers and others is more than the cash payment to suppliers, employees and others.

### 35.0 Goatskins consumed (Raw & Wetblue Leather)

Opening stock (Raw leather)	777,504	-
<b>Add:</b> Purchase this year	5,742,874	6,697,317
<b>Less:</b> Closing stock	-	777,504
	<b>6,520,378</b>	<b>5,919,813</b>
<b>Add:</b> Opening stock (Wet blue leather)	6,249,300	798,761
<b>Less:</b> Closing stock	6,854,556	6,249,300
	<b>5,915,122</b>	<b>469,274</b>
<b>Add:</b> Opening WIP Leather	-	4,428,600
<b>Less:</b> Closing WIP Leather	3,002,380	-
	<b>2,912,742</b>	<b>4,897,874</b>

Amount in Taka	
Year ended 30 June 2025	Year ended 30 June 2024

### 36.0 Cowhides Consumed (Raw & Wetblue Leather)

Opening stock (Raw Leather)	30,741,000	1,096,524
<b>Add:</b> Purchase this year	71,036,395	132,288,213
<b>Less:</b> Closing stock	10,492,500	30,741,000
	<b>91,284,895</b>	<b>102,643,737</b>
<b>Add:</b> Opening stock (Wet blue Leather)	54,171,000	38,265,864
<b>Add:</b> Purchase this year	27,019,940	907,284
<b>Less:</b> Closing stock	142,904,000	54,171,000
	<b>29,571,835</b>	<b>87,645,885</b>
<b>Add:</b> Opening WIP Leather	48,288,000	37,268,000
<b>Less:</b> Closing WIP Leather	2,194,500	48,288,000
	<b>75,665,335</b>	<b>76,625,885</b>

### 37.0 Chemical consumed

Opening Stock	314,134,547	200,969,509
<b>Add:</b> Purchase this year	212,351,986	304,730,405
<b>Less:</b> Closing stock	247,452,494	314,134,547
	<b>279,034,039</b>	<b>191,565,367</b>



### Chemical purchase during the year:

	MT	US\$	Euro		
Imported	817	1,001,300	404,714	211,897,986	301,977,178
Local	7	-	-	454,000	2,753,227
	<u>824</u>	<u>1,001,300</u>	<u>404,714</u>	<u>212,351,986</u>	<u>304,730,405</u>

### 38.0 Spare parts consumed

Opening stock	22,426,615	20,639,438
<b>Add:</b> Purchase this year	2,688,726	7,965,416
<b>Less:</b> Closing stock	20,010,972	22,426,615
	<u>5,104,369</u>	<u>6,178,239</u>

### 39.0 Factory Overhead

Salary & allowances	48,712,658	62,126,394
Gratuity	286,300	1,578,954
Staff welfare	232,120	949,845
Entertainment	8,535	45,623
Postage	5,045	12,175
Printing & stationery	26,050	99,289
Repair & maintenance	110,620	1,907,282
Insurance premium	6,552,426	10,123,564
Telephone & fax	1,700	40,296
Vehicle Maintenance	17,765	202,420
Fuel & Lubricants	190,289	1,453,609
Car Fitness, Insurance & Others	19,022	134,209
Power, gas & water	36,274,445	54,170,697
Consumable store	32,904	119,333
Rent, rates & taxes	-	288,750
Conveyance	122,536	705,730
Depreciation (Schedule A-01)	58,575,466	66,804,770
	<u>151,167,881</u>	<u>200,762,940</u>

- Expenses reduced as per company's strategic decision for increasing cost efficiency.
- Depreciation expenses decreased due mainly to decrease in assets written down value.

### 40.0 Aggregate amount paid to Directors and Key management personnel

#### Directors

Meeting Fees	371,650	364,000
Remuneration of Managing Director	1,600,000	4,800,000
Remuneration of other Directors	2,000,000	6,000,000

#### Key Management Personnel

Short term employee benefits	10,153,348	10,903,272
Post employee benefits	372,686	983,014
Other long term benefits	-	-
	<u>10,526,034</u>	<u>11,886,286</u>



Amount in Taka	
30 June 2025	30 June 2024

#### 41.0 Reconciliation of net operating cash flow

Profit after tax	(222,837,057)	(126,636,273)
<b>Adjustment for non-cash items and others:</b>		
Depreciation & Amortization	60,497,008	70,154,164
Gain on sale of fixed assets	-	(2,930,920)
Dividend received	(1,750,348)	(1,695,175)
Provisions	4,500,000	7,333,028
Financial Expenses	301,457,591	216,508,799
Tax expenses	10,064,079	12,012,149
<b>Changes in:</b>		
Inventories	(20,601,037)	(58,569,111)
Trade and other receivables	(79,103,153)	36,945,144
Advances, deposits and prepayments	(1,793,305)	(75,784,745)
Trade and other payables, Employment benefits	(11,099,109)	(48,853,200)
Net cash from operating activities	<b>39,334,669</b>	<b>28,483,861</b>

#### 42.0 Disclosure as per schedule XI part II of the Companies Act 1994

##### 42a. Employee Position

Total number of employees of the Company was 572 as on June 30, 2025.

Total number of employees of the Company was 687 as on June 30, 2024.

##### 42b. Production capacity and utilization

Category	Capacity (Yearly)	Production (Yearly)	Utilization (%)
Wet Blue	14,500,000	4,064,171	28%
Crust	16,240,000	3,762,476	23%
Finish	8,700,000	727,154	8%

#### 43.0 Quantity Analysis for the year ended June 30, 2025

	Cow Sft.	Goat Sft.	Total Sft.
Opening Raw Leather	768,525	27,768	796,293
<b>Add:</b> Purchase Raw Leather during this year	4,974,973	816,037	5,791,010
<b>Less:</b> Closing Raw Leather	174,875	-	174,875
	<b>5,568,623</b>	<b>843,805</b>	<b>6,412,428</b>
<b>Add:</b> Opening Wet Blue Leather	902,850	208,310	1,111,160
<b>Add:</b> Purchase during this year	258,193	-	258,193
<b>Less:</b> Closing Wet Blue Leather	1,786,300	236,364	2,022,664
	<b>4,943,366</b>	<b>815,751</b>	<b>5,759,117</b>
<b>Add:</b> Opening WIP Leather	603,600	-	603,600
<b>Less:</b> Closing WIP Leather	20,900	79,010	99,910
	<b>5,526,066</b>	<b>736,741</b>	<b>6,262,807</b>
<b>Add:</b> Opening Crust/Finished Leather	9,119,316	1,647,890	10,767,206
<b>Less:</b> Sales	3,925,886	1,026,131	4,952,017
<b>Closing Crust/Finished Leather</b>	<b>10,719,496</b>	<b>1,358,500</b>	<b>12,077,996</b>

#### 44.0 Related party disclosures

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

Name of the Related Parties	Relationship	Nature of Transactions	Value In Taka			
			Opening June 01, 2024	Transaction during the year		Closing June 30, 2025
			DR	CR		
Apex Footwear Ltd.	Common Director	Lease Rental	2,750,000	83,000,000	80,250,000	5,500,000
Pioneer Insurance Company Ltd.		Fixed Assets & L/C Related	-	11,900,274	-	-
Mutual Trust Bank Ltd.		Current Deposit	6,496,809	933,833,149	939,162,076	1,167,882
FB Footwear Limited		Supply of products	23,306,539	194,577,574	191,094,074	26,790,039
Footbed Footwear Limited		Supply of products	10,100,863	180,822,841	126,170,104	64,753,601
Nuovo Shoes (BD)		Supply of products	704401	2,714,145	3,277,675	140,872
Guardian Life Insurance Ltd.		Group Insurance	-	89,711	-	-
Loan From Syed Nasim Manzur		Director Loan	-	10,000,000	25,000,000	15,000,000
Loan From Apex Investment Ltd.		Intercompany Loan	-	10,000,000	20,000,000	10,000,000
Loan From Apex Pharma Ltd.		Intercompany Loan	-	-	15,000,000	15,000,000





#### 45.0 Foreign currency transaction

During the year foreign currency transaction was as follows:

	2024-2025		2023-2024	
	Euro	USD	Euro	USD
Material and Others	404,714	1,001,300	1,216,838	1,692,614
Export Earnings	-	4,763,779	-	6,904,695

#### 46.0 Meeting Status

Name of the Meeting	Number of Meeting Held during the year
Board Meeting	6
Audit Committee Meeting	4
Nomination and Remuneration Committee (NRC) Meeting	5

Name of the Directors	Position in the Board	Number of Meeting Attended		
		Board Meeting	Audit Committee	NRC
Mr. A.K.M. Rahmatullah	Director	1	N/A	N/A
Mr. Syed Nasim Manzur	Chairman and Acting Managing Director	6	2	2
Mr. Md. Hedayetullah	Director	4	2	3
Mr. Md. Abul Hossain	Director (Representative of ICB) & Member of the Audit Committee & NRC	5	3	4
Dr. ATM Shamsul Huda	Independent Director	5	3	5
Mr. Niranjana Chandra Debnath	Director (Representative of ICB) & Member of the Audit Committee & NRC	1	1	N/A
Ms. Fouzia Haque FCA	Independent Director	2	2	2

\*\*Mr. A.K.M. Rahmatullah , Ex Chairman resigned from the Board of Directors as well as from the position of Chairman of the Company due to his ongoing health challenges and advanced age. Accordingly, the Board of Directors accepted his resignation on its 316th Board meeting dated November 20, 2024.

\*\*Mr. Md. Hedayetullah , Ex Managing Director resigned from the position of Managing Director of the Company due to his personal and family reason. Accordingly, the Board of Directors accepted his resignation on its 316th Board meeting dated November 20, 2024. Now he is continuing as Director.

\*\*Mr. Syed Nasim Manzur ,Director, appointed as Chairman of the Company w.e.f. 20th November 2024 on its 316th Board meeting dated November 20, 2024 which is subsequently approved in company's 48th AGM dated December 26, 2024.

Also noted , on request of other Board member and the shareholder's Mr Syed Nasim Manzur appointed as Acting Managing Director of the Company w.e.f. 20th November 2024 on its 316th Board meeting dated November 20, 2024 which is subsequently approved in company's 48th AGM dated December 26, 2024.

\*\*Ms. Fouzia Haque FCA appointed as Independent Director w.e.f. 20th November 2024 on its 316th Board meeting dated November 20, 2024.

\*\*Mr. Niranjana Chandra Debnath , Managing Director of Investment Corporation of Bangladesh (ICB) appointed as nominated director from ICB in place of Mr. Md. Abul Hossain vide its Letter No. ICB/SADE/14.73/2124/2714 dated 6 March 2025.

\*\*Dr. ATM Shamsul Huda expired on 5 July 2025. The Board of Directors recorded the sad demise of Late Dr. ATM Shamsul Huda, Independent director of the company.

#### 47.0 General

47a. All financial information presented in Taka have been rounded off to the nearest Taka.

47b. Figures of the previous year have been rearranged/reclassified whenever considered necessary to ensure comparability with the current period presentation.

47c. Providing reliable and more relevant information about the effects of transactions, other events or conditions on the entity's we have rearranged some information in the statement of cash flows of this financial statements.

#### 48.0 Event after the reporting period

The Board of Directors of the company has approved the Financial Statements on October 14, 2025 and recommended no dividend for the financial year ended June 30, 2025.

#### 49.0 Contingent liabilities

There is Tk. 11.98 million as bank guarantee for which the company is contingently liable as on June 30, 2025.



**Apex Tannery Limited**  
**Schedule of Fixed Assets**  
**As at 30 June, 2024-2025**  
**Property, Plant and Equipment**

**Schedule -A**  
Amount in Taka

Particulars	Cost			Rate (%)	Depreciation			Written Down Value as on 30 June 2025	
	Balance as on 01 July 2024	During the period			Balance as on 01 July 2024	During the period			Balance as on 30 June 2025
		Addition	Adjustment /Disposal			Charged	Adjustment /Disposal		
Land	169,495,251	-	-	-	-	-	-	169,495,251	
Building	914,415,606	-	-	10	37,481,134	-	577,085,400	337,330,206	
Plant and Machinery	837,623,038	-	-	15	21,965,216	-	713,153,480	124,469,558	
Furniture and Fixture	30,109,665	-	-	10	358,390	-	26,884,157	3,225,508	
Vehicles	41,313,842	-	17,036,842	20	692,268	2,423,150	21,507,927	2,769,073	
<b>Total</b>	<b>1,992,957,402</b>	<b>-</b>	<b>17,036,842</b>	<b>-</b>	<b>60,497,008</b>	<b>2,423,150</b>	<b>1,338,630,964</b>	<b>637,289,596</b>	

**Property, plant & equipment-Unit I**

**Schedule -A-01**  
Amount in Taka

Particulars	Cost			Rate (%)	Depreciation			Written Down Value as on 30 June 2025	
	Balance as on 01 July 2024	During the period			Balance as on 01 July 2024	During the period			Balance as on 30 June 2025
		Addition	Adjustment /Disposal			Charged	Adjustment /Disposal		
Land	156,726,005	-	-	-	-	-	-	156,726,005	
Building	793,219,265	-	-	10	36,699,911	-	462,920,067	330,299,198	
Plant and Machinery	723,682,626	-	-	15	21,737,101	-	600,505,721	123,176,905	
Furniture and Fixture	29,226,624	-	-	10	352,801	-	26,051,412	3,175,212	
Vehicles	41,313,842	-	17,036,842	20	692,268	2,423,150	21,507,927	2,769,073	
<b>Total</b>	<b>1,744,168,362</b>	<b>-</b>	<b>17,036,842</b>	<b>-</b>	<b>59,482,081</b>	<b>2,423,150</b>	<b>1,110,985,127</b>	<b>616,146,393</b>	

**Charged to:**

Cost of Production  
Profit & Loss Account

**2024-2025**  
58,575,466  
906,615  
**59,482,081**





## Schedule of Fixed Assets

- 1 Addition of plant & machinery represents purchase of transformer equipments and other imported machineries parts etc.
- 2 Addition of furniture & fittings represents purchase of computer, printer and ancillaries.
- 3 There are no intangible assets.
- 4 Depreciation has been charged on reducing balance method.

### Schedule -A-02 Amount in Taka

#### Property, plant & equipment-Unit II

Particulars	Cost			Rate (%)	Depreciation			Written Down Value as on 30 June 2025	
	Balance as on 01 July 2024	During the period			Balance as on 01 July 2024	During the period			Balance as on 30 June 2025
		Addition	Adjustment /Disposal			Charged	Adjustment /Disposal		
Land	12,769,246	-	-	-	-	-	-	12,769,246	
Building	121,196,341	-	-	10	113,384,110	781,223	-	114,165,333	
Plant and Machinery	113,940,412	-	-	15	112,419,644	228,115	-	112,647,759	
Furniture and Fixture	883,041	-	-	10	827,156	5,589	-	832,745	
Vehicles	-	-	-	20	-	-	-	-	
<b>Total</b>	<b>248,789,040</b>	<b>-</b>	<b>-</b>		<b>226,630,910</b>	<b>1,014,927</b>	<b>-</b>	<b>227,645,837</b>	

Depreciation of Unit-II Tk. 1,014,927 charged against rental income.

**Schedule of Fixed Assets  
As at 30 June, 2023-2024  
Property, Plant and Equipment**

**Schedule -A**  
Amount in Taka

Particulars	Cost			Rate (%)	Depreciation			Written Down Value as on 30 June 2024	
	Balance as on 01 July 2023	During the period			Balance as on 01 July 2023	During the period			Balance as on 30 June 2024
		Addition	Adjustment /Disposal			Charged	Adjustment /Disposal		
Land	169,495,251	-	-	-	-	-	-	169,495,251	
Building	914,415,606	-	-	10	497,958,561	41,645,705	539,604,266	374,811,340	
Plant and Machinery	837,623,038	-	-	15	665,346,833	25,841,431	691,188,264	146,434,774	
Furniture and Fixture	30,047,015	62,650	-	10	26,128,895	396,872	26,525,767	3,583,898	
Vehicles	80,449,237	14,931,842	54,067,237	20	68,388,506	2,270,156	23,238,809	18,075,033	
<b>Total</b>	<b>2,032,030,147</b>	<b>14,994,492</b>	<b>54,067,237</b>	-	<b>1,257,822,795</b>	<b>70,154,164</b>	<b>1,280,557,106</b>	<b>712,400,296</b>	

**Schedule -A-01**  
Amount in Taka

**Property, plant & equipment-Unit I**

Particulars	Cost			Rate (%)	Depreciation			Written Down Value as on 30 June 2024	
	Balance as on 01 July 2023	During the period			Balance as on 01 July 2023	During the period			Balance as on 30 June 2024
		Addition	Adjustment /Disposal			Charged	Adjustment /Disposal		
Land	156,726,005	-	-	-	-	-	-	156,726,005	
Building	793,219,265	-	-	10	385,442,477	40,777,679	426,220,156	366,999,109	
Plant and Machinery	723,682,626	-	-	15	553,195,560	25,573,060	578,768,620	144,914,006	
Furniture and Fixture	29,163,974	62,650	-	10	25,307,949	390,662	25,698,611	3,528,013	
Vehicles	80,449,237	14,931,842	54,067,237	20	68,388,506	2,270,156	23,238,809	18,075,033	
<b>Total</b>	<b>1,783,241,107</b>	<b>14,994,492</b>	<b>54,067,237</b>	-	<b>1,032,334,492</b>	<b>69,011,557</b>	<b>1,053,926,196</b>	<b>690,242,166</b>	

**Charged to:**

Cost of Production  
Profit & Loss Account

**2023-2024**  
66,804,770  
2,206,787  
**69,011,557**





### Schedule of Fixed Assets

- 1 Addition of plant & machinery represents purchase of 1 Nos. Grinding Wheel , 3 Nos Shaving Blade and other imported machineries parts etc.
- 2 Addition of furniture & fittings represent purchase of computer, printer and ancillaries
- 3 There are no intangible assets.
- 4 Depreciation has been charged on reducing balance method.

### Schedule -A-02

Amount in Taka

#### Property, plant & equipment-Unit II

Particulars	Cost			Rate (%)	Depreciation			Written Down Value as on 30 June 2024	
	Balance as on 01 July 2023	During the period			Balance as on 01 July 2023	Charged	Adjustment /Disposal		Balance as on 30 June 2024
		Additon	Adjustment /Disposal						
Land	12,769,246	-	-	-	-	-	-	12,769,246	
Building	121,196,341	-	-	10	868,026	-	113,384,110	7,812,231	
Plant and Machinery	113,940,412	-	-	15	268,371	-	112,419,644	1,520,768	
Furniture and Fixture	883,041	-	-	10	6,210	-	827,156	55,885	
Vehicles	-	-	-	20	-	-	-	-	
<b>Total</b>	<b>248,789,040</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,142,607</b>	<b>-</b>	<b>226,630,910</b>	<b>22,158,130</b>	

Depreciation of Unit-II Tk. 1,142,607 charged against rental income.



# PHOTO GALLERY



Photo was taken at the time of SLF Representative visit



Photo was taken at the time of ISO 9001 Training

PHOTO GALLERY





This is to certify that the organisation named below has demonstrated their commitment to the improvement of sustainability practices in the leather industry and is a partner of the Sustainable Leather Foundation.

# Apex Tannery Limited

## Certificate of Partnership

Partnership Year:  
15<sup>th</sup> October 2025 – 14<sup>th</sup> October 2026

Date Joined: 15<sup>th</sup> October 2025

**Sustainable Leather Foundation CIC**

Park Lodge,  
1 The Ridgeway,  
Northampton,  
England,  
NN11 2LQ  
Registered No: 12739406

Authorised by:

Deborah Taylor, PCQI, FSLTC

CERTIFICATE





# CERTIFICATE OF REGISTRATION

Certificate Number : **SCSL-ISO-118-250918**

This is to certify that the management system of

## **APEX TANNERY LIMITED**

Plot No: XA1, XA2, XA3 & XS8  
BSCIC Tannery Industrial Estate  
Harindhara, Hemayetpur, Savar, Dhaka - 1340, Bangladesh

has been audited and found to conform to the requirements of

## **ISO 9001:2015**

QUALITY MANAGEMENT SYSTEMS

### **FOR THE SCOPE:**

Processing and Export of Crust and Finished Leather

Issue Number	: 01
Initial Certification Date	: <b>October 25, 2025</b>
First Surveillance Date	: <b>October 24, 2026</b>
Second Surveillance Date	: <b>October 24, 2027</b>
Exclusion	: N/A
Expiration	: <b>October 24, 2028</b>

Certification Manager

# **SCSL**

Sustainable Certification Services Ltd.

**Sustainable Certification Services Ltd.**  
Dhaka, Bangladesh,  
+8801838125189, certifications@scs-aicv.com,  
www.scs-aicv.com



The certificate will be invalid if the respective surveillance audit does not take place in a timely manner. Further scope extension or applicability might be obtained with the concern of Sustainable Certification Services Ltd. To validate the certificate please visit:

[scs-aicv.com/check-certificate](http://scs-aicv.com/check-certificate) or [asib.co.uk/verifycertificate.php](http://asib.co.uk/verifycertificate.php)

**CERTIFICATE**





## NOTICE OF THE 49<sup>th</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 49th Annual General Meeting of Apex Tannery Limited will be held on Tuesday, December 30, 2025 at 11:00 a.m. (Dhaka Time) by Hybrid System (both Physical and Digital Platform) in compliance with the BSEC's Order through the link: <https://apextanneryltd.bdvirtualagm.com> or attend in the venue at Apex Tannery Limited, Plot # XA1, XA2, XA3 and XS8, BSCIC Tannery Industrial Estate, Harindhara, Hemayetpur, Savar, Dhaka - 1340 to transact the following business:

1. To receive, Consider and adopt the Audited Financial Statements for the year ended June 30, 2025 and the Reports of the Auditors and Directors thereon.
2. To declare dividend for the year ended June 30, 2025.
3. To elect Director.
4. To appoint Statutory Auditors for the year 2025-2026 and fix their remuneration.
5. To appoint Corporate Governance Auditors for the year 2025-2026 and fix their remuneration.

### Special Resolution:

1. To consider and approve the proposal and contract of FB Footwear Ltd., Footbed Footwear Ltd. and Nuovo Shoes (BD) Ltd. to purchase crust and finished leather from the company and to pass the following resolution:

"Resolved that the decision of the Board to enter into a contract to sell its crust and finished leather with FB Footwear Ltd., Footbed Footwear Ltd. and Nuovo Shoes (BD) Ltd. an exporter of footwear, as some directors of the company are also directors of FB Footwear Ltd., Footbed Footwear Ltd. and Nuovo Shoes (BD) Ltd. for greater interest of the Company and its stakeholders.

The contract is for sale of crust and finished leather by the Company in its usual course of business at market prices of various grades and quality as mentioned in the contract. It is estimated that the annual sale to FB Footwear Ltd., Footbed Footwear Ltd. and Nuovo Shoes (BD) Ltd. by the Company will be more or less Tk.15,00,00,000/-, Tk.10,00,00,000/- and Tk.1,00,00,000/- (it may exceed or may be below the contracted amount depending on the market demand) respectively be and are hereby unanimously approved and passed by the shareholders."

December 03, 2025  
Plot # XA1, XA2, XA3 and XS8  
BSCIC Tannery Industrial Estate  
Harindhara, Hemayetpur  
Savar, Dhaka - 1340

By Order of the Board

Sushanta Kumar Paul FCS  
Company Secretary

### Notes:

1. November 10, 2025 is the record date. Shareholders whose names will appear in the Members register of the Company or in the Depository Register on that date will be eligible to attend at the Annual General Meeting.
2. A member entitled to attend and vote at the Annual General Meeting may appoint a proxy in his stead. The proxy form, duly stamped must be deposited at the Corporate Office of the Company not later than 48 (forty eight) hours before the time fixed for the meeting. Annual report and proxy form can be available on the website [www.apextannery.com](http://www.apextannery.com).
3. In compliance with the Bangladesh Securities and Exchange Commission Circular No. BSEC/ CMRRCD/2009-193/154 dated 24 October, 2013 no Gift/Gift Coupon/Food Box/Biscuit Box/Cash or Cash kinds shall be distributed at the Annual General Meeting.
4. In compliance with the BSEC Notification No. BSEC/ CMRRCD/2006-158/208/Admin/81 dated 20 June 2018, **Annual Report 2024-2025 will be duly sent in soft form to the Members/shareholders e-mail addresses** available in their Beneficial Owner (BO) accounts maintained with the Depository. In case of non-receipt of Annual Report 2024-2025 through e-mail, shareholders may collect the same from the registered office of the Company or Investor's Relation Department.
5. The shareholders will be able to submit their questions / comments electronically 24 hours before the AGM and shareholders may submit their questions in advance by email to [ird@apextannery.com](mailto:ird@apextannery.com)
6. Members are requested to notify e-mail address, through their respective depository Participants well in time.







## **Apex Tannery Limited**

Factory And Registered Office :

Plot # XA1, XA2, XA3 & XS8, BSCIC Chamra Shilpa Nagari, Harindhara,  
Hemayetpur, Savar, Dhaka-1340

Phone # 01711686592, E-mail : [info@apextannery.com](mailto:info@apextannery.com), [apex@accesstel.net](mailto:apex@accesstel.net)

Website : [www.apextannery.com](http://www.apextannery.com)