Purpose with a passion

2016

Reckitt Benckiser (Bangladesh) Limited
Annual Report and Financial Statements
Our vision is a world where people are healthier and live better.

Our Purpose is to make a difference by giving people innovative solutions for healthier lives and happier homes.

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tk 000's</td>
<td>Tk 000's</td>
<td>%</td>
</tr>
<tr>
<td>Revenue</td>
<td>3,326,615</td>
<td>2,884,380</td>
<td>+ 15.33</td>
</tr>
<tr>
<td>Profit from operation</td>
<td>471,713</td>
<td>405,005</td>
<td>+16.47</td>
</tr>
<tr>
<td>Profit before taxation</td>
<td>458,358</td>
<td>402,709</td>
<td>+13.82</td>
</tr>
<tr>
<td>Profit after taxation (including other comprehensive income/items)</td>
<td>290,798</td>
<td>277,514</td>
<td>+4.79</td>
</tr>
<tr>
<td>Dividend per share</td>
<td>Tk. 77.50</td>
<td>Tk. 65</td>
<td>+19.23</td>
</tr>
</tbody>
</table>

Contents

Corporate profile
Key Operating financial Data
Board of Directors
55th AGM
Notice of Annual General Meeting
Chairman’s Statement
Report of the Directors
Auditors’ Report
Statement of Financial Position
Statement of Profit or Loss and other Comprehensive Income
Statement of Changes in Equity
Statement of Cash Flow
Notes to the Financial Statements
Report of the Audit Committee
Certificate of Compliance to the Shareholders
Status of compliance of Securities and Exchange Commission
Attendance at Board Meetings
Pattern of Shareholding
Proxy form / Attendance Slip
BOARD OF DIRECTORS

Mr. Nitish Kapoor
Mr. Vishal Gupta
Mr. Raghu Krishnan
Mr. Rashidul Hasan
Mr. M. Jahangir Kabir
Mr. C.Q.K. Mustaq Ahmed
Mr. Parag Agarwal
Mr. Nayan Ranjan Mukhopadhyay
Mr. Sourav Mitra
Mr. Mahmud Hasan Khan
Mr. Jamal Abdul Naser Chowdhury
Mr. Sushen Chandra Das
Md. Azizul Islam
Md. Enamul Hoque
Mr. Shahidul Islam

Chairman
Managing Director
Ex-Managing Director
Ex-Independent Director
Independent Director
Independent Director

(Resigned on May 1, 2016)
(Resigned on 28 November 2016)
(Re-appointed on 28 November 2016)
(Joined on 28 November 2016)
(Resigned on 30 October 2016)
(Joined on 30 October 2016)
(Resigned on 28 November 2016)
(Joined on 28 November 2016 and resigned on 30 April 2017)
(Resigned on 31 March 2016)
(Joined on 30 April 2017)

CHIEF FINANCIAL OFFICER

Mr. Sourav Mitra

COMPANY SECRETARY

Mr. Mohammad Nazmul Arefin

AUDIT COMMITTEE

Mr. M. Jahangir Kabir
Mr. Rashidul Hasan
Mr. C.Q.K. Mustaq Ahmed
Mr. Vishal Gupta
Mr. Parag Agarwal
Mr. Sourav Mitra
Mr. Mohammad Nazmul Arefin

Chairman
Ex-Chairman
Member
Member
Member
Member
Secretary

(Independent Director)
(Resigned on 28 November 2016)
(Independent Director)

AUDITORS

A. Qasem & Co.
(Chartered Accountants)

BANKERS

Standard Chartered Bank
Citibank, N.A.
The Hongkong & Shanghai Banking Corporation Ltd.
### Key Operating and Financial Data

#### FINANCIAL RESULTS:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>2,412,369</td>
<td>2,432,087</td>
<td>2,669,969</td>
<td>2,884,380</td>
<td>3,326,615</td>
</tr>
<tr>
<td>Profit before Taxation</td>
<td>208,280</td>
<td>209,601</td>
<td>292,347</td>
<td>402,709</td>
<td>458,358</td>
</tr>
<tr>
<td>Taxation</td>
<td>79,954</td>
<td>80,062</td>
<td>114,811</td>
<td>125,196</td>
<td>162,272</td>
</tr>
<tr>
<td>Profit after Taxation (including other comprehensive income/items)</td>
<td>128,326</td>
<td>129,539</td>
<td>177,535</td>
<td>277,514</td>
<td>290,798</td>
</tr>
<tr>
<td>Dividend</td>
<td>70,875</td>
<td>189,000</td>
<td>259,875</td>
<td>307,125</td>
<td>366,188</td>
</tr>
</tbody>
</table>

#### BALANCE SHEET SUMMARY:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Property, Plant &amp; equipment (Including CWIP)</td>
<td>186,870</td>
<td>210,493</td>
<td>183,593</td>
<td>169,966</td>
<td>258,755</td>
</tr>
<tr>
<td>Long Term Deposits &amp; Prepayments</td>
<td>5,756</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Deferred Tax</td>
<td>1,644</td>
<td>5,958</td>
<td>7,966</td>
<td>13,605</td>
<td>26,333</td>
</tr>
<tr>
<td>Net Current Assets</td>
<td>213,647</td>
<td>260,382</td>
<td>70,603</td>
<td>84,749</td>
<td>28,321</td>
</tr>
<tr>
<td>Provision for Employees' Gratuity</td>
<td>(35,175)</td>
<td>(45,427)</td>
<td>(50,740)</td>
<td>(62,884)</td>
<td>(77,050)</td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td>372,742</td>
<td>431,406</td>
<td>211,422</td>
<td>205,436</td>
<td>236,359</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Share Capital</td>
<td>47,250</td>
<td>47,250</td>
<td>47,250</td>
<td>47,250</td>
<td>47,250</td>
</tr>
<tr>
<td>General Reserves &amp; Retained earnings</td>
<td>325,492</td>
<td>384,156</td>
<td>164,172</td>
<td>158,186</td>
<td>189,109</td>
</tr>
<tr>
<td><strong>Shareholders’ Funds</strong></td>
<td>372,742</td>
<td>431,406</td>
<td>211,422</td>
<td>205,436</td>
<td>236,359</td>
</tr>
</tbody>
</table>

#### STATISTICS:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net assets per share (Taka)</td>
<td>78.88</td>
<td>91.30</td>
<td>44.75</td>
<td>43.48</td>
<td>50.02</td>
</tr>
<tr>
<td>Earning per share (Taka)</td>
<td>27.16</td>
<td>27.42</td>
<td>37.57</td>
<td>58.73</td>
<td>62.66</td>
</tr>
<tr>
<td>Dividend per share (Taka)</td>
<td>15.00</td>
<td>40.00</td>
<td>55.00</td>
<td>65.00</td>
<td>77.50</td>
</tr>
<tr>
<td>Profit before Taxation as % of sales</td>
<td>8.63</td>
<td>8.62</td>
<td>10.95</td>
<td>13.96</td>
<td>13.78</td>
</tr>
<tr>
<td>Return on Capital Employed (%)</td>
<td>34.42</td>
<td>30.03</td>
<td>83.97</td>
<td>135.09</td>
<td>123.03</td>
</tr>
<tr>
<td>Current Ratio (Times)</td>
<td>1.31</td>
<td>1.35</td>
<td>1.09</td>
<td>1.12</td>
<td>1.02</td>
</tr>
</tbody>
</table>
Key Operating and Financial Data continued

**Net Turnover (Taka In Million)**
- 2014: 2670
- 2015: 2884
- 2016: 3327

**Net Profit (Taka In Million)**
- 2014: 177
- 2015: 278
- 2016: 290

**Earnings Per Share (Taka)**
- 2014: 37.57
- 2015: 58.73
- 2016: 62.66

**Net Assets Per Share (Taka)**
- 2014: 44.75
- 2015: 43.48
- 2016: 50.02

**Dividend Per Share (Taka)**
- 2014: 40
- 2015: 55
- 2016: 65

**Split of Revenue**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing Expenses</td>
<td>23.4%</td>
<td>21.6%</td>
</tr>
<tr>
<td>Depreciation and impairment</td>
<td>1.3%</td>
<td>1.6%</td>
</tr>
<tr>
<td>Other expenses</td>
<td>7.8%</td>
<td>7.3%</td>
</tr>
<tr>
<td>Taxation</td>
<td>4.9%</td>
<td>4.3%</td>
</tr>
<tr>
<td>Salaries, wages and benefits</td>
<td>13.1%</td>
<td>13.4%</td>
</tr>
<tr>
<td>Profit after tax</td>
<td>8.9%</td>
<td>9.6%</td>
</tr>
<tr>
<td>Cost of Materials</td>
<td>40.6%</td>
<td>42.2%</td>
</tr>
</tbody>
</table>
Nithish Kapoor (Indian) - Chairman of the Board

Reckitt Benckiser Bangladesh

Nithish Kapoor is the Regional Director for RB South Asia. In his current role, he is responsible for the business and operations of RB in India, Bangladesh and Sri Lanka. He brings with him more than two decades of extensive experience, numerous success stories across diverse markets and international geographies of RB. Nithish joined RB India as a Business Development Executive from Faculty of Management Studies, TISS, Mumbai in 1993. After a series of roles in sales and marketing, he moved to Singapore as the Global Brand Marketing Manager Pest Control & Shoe Care in 2002. Later in 2006, he took over the role of Marketing Director for RB South Africa before moving to Portugal as General Manager in 2010. In his most recent assignment, he took over as the Managing Director for RB India in January, 2014.

Nithish holds a Bachelor's degree in Economics from Delhi University and an MBA from the Faculty of Management Studies, Delhi.

Vishal Gupta (Indian) - Managing Director, Reckitt Benckiser (Bangladesh) Limited

Vishal Gupta is a Master of Business Administration in Management from the University of Delhi and is a Graduate with Bachelor of Mechanical Engineering from the Institute of Technology Delhi, India. He began his career with Reckitt Benckiser India in 1995. He has worked in various assignments across India, Indonesia, United Kingdom and Philippines. He brings with him a wide range of experience at Reckitt Benckiser from June 1995 to April 2016 in different roles holding in various positions like General Manager, Marketing Director, Sales Director, Marketing/Brand Manager, Regional Sales Manager and so on in different country like Philippines, United Kingdom, Indonesia and India. During his career with Reckitt, he had forged strong partnership with customers and changed the GTO model, created a robust product portfolio and drove digital marketing initiatives that grew the business significantly which was much faster than the market.

Parag Agarwal (Indian) - Director

Reckitt Benckiser Bangladesh

Parag is a Chartered Accountant and Company Secretary from India, and has over 22 years of experience in industry. He started his career with SRF Limited in 1996 and moved to Lipton India in 1993. He did stints in Corporate Accounts, and Branch Commercial in Lipton and Brooke Bond India before moving to Unilever Masheeh in Egypt as Financial Controller in 2000. Parag returned to Unilever India in 2002 as Senior Manager - Control Assurance and worked upto 2006 and was the General Manager Corporate Accounts at the point of leaving Unilever in 2006.

Parag's last assignment has been with GSK Consumer Healthcare as General Manager - Commercial Finance. He joined Reckitt Benckiser India as Regional Finance Director in 2010 and in 2010, he has been assigned the role of Asia Finance Director (Latin America and Asia Pacific) in Reckitt Benckiser. In the course of his career, Parag has worked in diverse facets of the Finance functions. Most of his experience of has been in the multinational FMCG sector. He brings strong process, control and commercial skills and a mix of operational and strategic acumen.

Mahmud Hasan Khan (Bangladeshi) - Director

Mahmud Hasan Khan holds B.Sc, in Mechanical Engg, From" Bangladesh University of Engg. And Technology in 1996. He began his career with a 'Global Buyers' as research & Development officer in 1996. After some progression he moved to BATA Shoe Company Bangladesh Limited in 1998 for two and half years. He was with Unilever Bangladesh for more than six years and effectively discharged couple of roles in Project Management. He worked as Head of supply in Reckitt Benckiser Lanka Limited before moving to Reckitt Benckiser Bangladesh Limited as Supply Director in 2011. He has undergone several training from domestic and abroad at various specialisations and brings with him enriched experience and success stories in many facets of supply chain.

Rashidul Hasan (Bangladeshi) - Ex-Independent Director


M. Jahangir Kabir (Bangladeshi) - Independent Director

M. Jahangir Kabir Graduated with honors (In Economics) and an MBA majoring in Marketing. He has decades of experience in reputed national and multinational organizations and has set up ventures, specializing in Strategic Planning, Executive Search, Market Research. Currently he is managing his own business, Endeavor. He has held several important positions home and abroad with BAT and BOSCH, as Regional Liaison Representative-Bosch Limited (2011-2013), International Group Brand Manager/Head of Brands-West Africa (11 Countries), Asst. Manager International Brands (BAT HQ), Marketing. He worked as Chief Facilitator, Bangladesh Bank for developing Strategic Plan 2010-2014 & 2016-19 and Bangladesh Myanmar Business Promotion council (in 2002-2004). He is also the founder President of Bangladesh Marketing & Social Research Society- BMSRS (from 2013 to 2016). A successful mentor and international moderator, takes pride in mentoring young executives who want to build themselves as professional managers.

Sushen Chandra Das (Bangladeshi) - Government nominated Director

Sushen Chandra Das holds a post graduation degree from University of Chittagong. He has joined government service as a member of BCS (Admin.) in 1986. As Joint Secretary to the Govt. he worked as Managing Director of Bangladesh Hi-Tech Park Authority. Now he is working as Additional Secretary in the Ministry of Industries, Dhaka. He is also holding a key position on the Board of Directors of UFL. He is also a council member of IMCB. He has taken part in several trainings and has also undergone offshore trainings on Managing at the top.

Nayan Ranjan Mukhopadhyay (Indian) - Ex-Director

Nayan is a Chartered Accountant from India and has 33 years of experience in professional environment as well as Industry across a few countries in RB group. He started his career with Price Waterhouse India in 1983 and gathered wide experience in Audits, Taxation and special projects in big multinationals across range of industries like engineering, cement, tea, paints, coal, machinery manufacturing , food and particularly fast moving consumer goods.

From 1991 onwards he has held various responsibilities and positions in RB India till 2003 and worked across range of finance functions in Commercial, Supply, banking, treasury, taxation and accounting with many success stories and projects. He was instrumental in first introduction of ERP in RB called BPCS and later on JD Edwards.

He has been holding the position of Finance Director in RB Sri Lanka, RB Indonesia , RB Bangladesh and the RB Cluster of Bangladesh and Sri Lanka from 2004 till now. All these assignments were enriched with newer challenges and finance partnership into the business growth and developments. Restructuring, Controls and compliance were some of other attributes demonstrated by him during his ongoing career with RB.

C. Q. K. Mustaq Ahmed (Bangladeshi) - Independent Director

Graduated with Honours in economics from Dhaka University in 1975 and M.A in 1976. He has joined government service as a member of BCS (Admin.) in 1981. He has held several important positions like Assistant Commissioner, Joint secretary, Deputy Secretary, Additional Secretary, Secretary and lastly retired from Senior Secretary, Ministry of Home Affairs in 2015. During his service period he worked under several assignments on Banks and NGO. He has taken part in various training & conference both in local and abroad, lastly he attended Bangladesh-Nepal conference on promotion of trade and investment organised by the Embassy of Bangladesh in Nepal in collaboration with FBCCI, FNCCI and the Nepalese Ministry of Commerce. At present he is holding the position of Directorships in Golden Son Limited and playing senior advisory role in GIZ.

Shahidul Islam (Bangladeshi) - Government Nominated Director

Md. Shahidul Islam holds MBA degree on HRM. He has joined government service as a member of BCS in 1988. He has held several important positions like UNO, ADC, DC, Deputy Secretary, Joint Secretary and Additional Secretary. Now he is working as Additional Secretary in the Ministry of Industries, Dhaka. He has attended in several trainings namely BCS orientation course (11th), foundation training (7th), survey and settlement training, law & administration (10th), managing at the top-2 (batch-14), special acad course, etc.

Sourav Mitra (Indian) - Director

Sourav Mitra is a qualified Chartered Accountant and member of Institute of Chartered Accountants of India. He has almost 18 years of finance management experience in various multinational and in various industries such as consumer durables, engineering, FMCG etc. He also has rich global experience of working with diverse teams in various geographies such as Africa, South East Asia, India etc. He has made significant improvement to different key business units for a long period of time in association with the group. His vision is to step change the capability of the finance function to become able partners in the organization’s growth.

Mohammad Nazmul Arefin (Bangladeshi) - Company Secretary

Mohammad Nazmul Arefin is a Graduate in management and an MBA major in finance and has more than 18 years of experience in professional environment as well as Industry. He started his career in 1999 in Monico Limited and then to Bangladesh edible oils and then in 2002 he joined in Reckitt Benckiser (Bangladesh) Limited. From 2002 onwards he has held various responsibilities including management consultant, Finance controller, Supply controller and company secretary. All these assignment were enriched with newer challenges and experience in finance partnership into business growth, compliance, controls were some of other attributes demonstrated by him during his ongoing career with RB.
Notice Of Annual General Meeting

Our Vision is a world where people are healthier and live better.
Our Purpose is to make a difference by giving people innovative
solutions for healthier lives and happier homes.

Reckitt Benckiser (Bangladesh) Limited
Corporate Office: Plot-2(B), Block-SEC, Road-138, Gulshan-1, Dhaka-1212
Registered Office: 58/39, Nasirabad 1/A, Chittagong-4209

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 56th Annual General Meeting of Reckitt Benckiser (Bangladesh) Limited will be
held at Hotel Agrabad, Ichamati Hall, Sabder Ali Road, Agrabad, C/A, G.P.O Box-147, Chittagong-4000 on Monday,
19th June, 2017 at 11.00 a.m. to transact the following business:

AGENDA

1. To confirm the Minutes of the 55th Annual General Meeting held on 8th September 2016.
2. To receive and adopt the Financial Statements as on and for the year ended 31 December 2016 together with the
Auditors’ and Directors’ Report thereon.
3. To approve Dividend as recommended by the Board.
4. To elect Directors.*
5. To appoint Auditors for the year 2017 and to fix their remuneration.

By order of the Board

[Signature]

Mohammad Nazmul Arefin
Company Secretary

Dhaka, Dated: 29 May, 2017

Notes:

1. 24th May 2017 is the RECORD DATE. Shareholders whose name will appear in the Shares Register of the
Company or in the Depository Register on that date will be eligible to attend the AGM.

2. A Member entitled to attend and vote at the Annual General Meeting may appoint another Member of the
company as Proxy to attend and vote instead of him/her. A Form of Proxy must be stamped and submitted at the
Company’s Corporate Office not less than 72 hours before the time fixed for the meeting.

[Bangladesh Share Register Stamps and Details]
2016 was a good year for RB (Bangladesh) being able to deliver double digit growth and further consolidating the key brands despite considerable competitive and other challenges in the domestic market.

Nitish Kapoor
Chairman

Dear Shareholders

It gives me great pleasure to welcome you all to this 56th Annual General Meeting of your Company. Firstly, I would like to thank the Board of Directors for electing me as the Chairman.

THE MARKET AND COMPETITIVE ENVIRONMENT
In 2016, your Company faced significant competition in all major segments and categories that it operates in. However despite all these challenges, the Company was able to compete effectively with established local, regional and international companies and outperform by following smart marketing and distribution strategies. I am also very happy to apprise you that our Harpic brand was awarded the best brand in the toilet cleaner category and overall 7th best brand in the country by Bangladesh Brand Forum.

BUSINESS PERFORMANCE
This year, your Company achieved 15.33% year on year growth in the topline (growth in 2015: 8.03%) delivering a turnover of Tk.3,327 Million. This growth was driven mainly by key brands continuing to grow handsomely. The operating profit improved by 15.47% year on year not only due to turnover growth but also due to margin expansion achieved through continuous procurement and manufacturing cost rationalization and due to softening of the global commodities market.

DIVIDEND
The Board is pleased to recommend final cash dividend of Tk.37.50/- per share amounting to Tk.177 million for the year 2016. Earlier in October 2016, the Company has already paid an Interim cash dividend of Tk.40/- per share. Thus full year dividend is aggregating to Tk.77.50/- (775%) per share for the year 2016 amounting to a total payout of Tk.366 million. A portion of this is being paid out of un-appropriated profit carried forward from 31 December 2015. This is a significant improvement from 2015 when the company paid a dividend of Tk.65 per share i.e. amounting to Tk.307 million.

FUTURE OUTLOOK
Your company would continue to invest strongly behind some key brands in Hygiene and Healthcare categories so that these brands can outperform the market and the competition. Innovation and new product launches under key power brands would be a key priority in the coming years. Your company would also be investing heavily in manufacturing and sourcing capabilities to continue to be a world class manufacturer in Bangladesh aligned with the highest global standards. The Board of Directors are following this focused strategy to continue to outperform with pride, passion and responsibility

THANKS
Finally, I would like to take this opportunity to thank all our esteemed shareholders and also all our business partners and other stakeholders for their continued support and all our employees for their hard work and commitment. I would also like to record my appreciation for my colleagues on the Board for their advice and guidance and the various Regulatory Bodies of Bangladesh Government for the co-operation extended to us.

Nitish Kapoor
Chairman
REPORT OF THE DIRECTORS

The Directors of the Company are pleased to submit the Audited Financial Statements of the Company for the year ended 31 December 2016 and report that:

PRINCIPAL ACTIVITIES

There was no major change in the principal activity of the Company. The Company remained engaged in the manufacturing and marketing of Household, Toiletries, Pharmaceuticals and food products. It started driving exponential growth by investing behind its major brands like Dettol, Harpic, Lizol and Veet.

INDUSTRY OUTLOOK

The improvement and recovery in the industry outlook was quite stable. Our appropriate investment strategies and activities behind hygiene categories, the Company was able to hold the business on stable growth as well.

BUSINESS HIGHLIGHTS

The Company achieved 15.33 % growth as compared to 2015 (growth in 2015: 8.03%) with a turnover of Tk.3,327 M. This growth was mainly driven by Antiseptics and Lavatory care while there was significant de-growth in pest control due to severe competition and consequential dilution of brand equity.

This year, operating profit improved by 16.47%, mainly due to supply initiatives.

Cash and cash equivalents (including fixed deposits investment with bank) at the end of 2016 was to Tk.769M as compared to Tk.435M at the end of 2015.

COST OF SALES & GROSS PROFIT MARGIN

Due to supply initiatives and growth in profitable brands gross profit ratio was increased to 53.46% against 51.88% of 2015. Stability in foreign exchange also played a role in profitability.

NET PROFIT MARGIN

Due to improvement in profit from operations by 16.47%, resulting from improved gross margin, profit after tax or net profit during the year increased to Tk. 296.1m from Tk. 277.5m. However, there has been some reduction in finance income from interest on investments due to lower bank rates.

RISK AND CONCERNS

Exchange rates was quite stable in full year 2016 but from 2017 onwards it shows upward trend which may impact in our profitability in coming year. Pest Control category used to be one of the major contributors to the net turnover of the company. Due to major competition in the market and consequential price war in the trade for a few years, the margin of this category is going down steadily thereby pulling down the overall profitability. The company is concerned in this area and has been initiating alternative steps to maintain the required level of profit by introduction of new products to cover the de-growth of pest controls.

EXTRA-ORDINARY GAIN OR LOSS

In 2016 there was no significant extra ordinary gain or losses in the business.

SIGNIFICANT VARIANCE BETWEEN QUARTERLY AND ANNUAL FINANCIAL PERFORMANCE

Annual Earning per share in 2016 is Tk. 62.66 (2015: Tk.58.73 ) resulting from improved profitability and extra credit on account of non-repatriable technical service fees during 2016. Average Earning per share per quarter is Tk. 15.67.
SUMMARY OF FINANCIALS

We are pleased to present the following summarized financials of the Company before you:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>2016 Taka</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit before taxation (including other comprehensive income/items)</td>
<td>453,070,328</td>
</tr>
<tr>
<td>Less : Taxation</td>
<td>(162,721,906)</td>
</tr>
<tr>
<td><strong>Profit after taxation (including other comprehensive income/items)</strong></td>
<td><strong>290,798,422</strong></td>
</tr>
<tr>
<td>Add: Un-appropriated profit from previous year (2015)</td>
<td>158,186,243</td>
</tr>
<tr>
<td>Profit available for appropriation</td>
<td>448,984,665</td>
</tr>
<tr>
<td>Less : Second Interim cash dividend paid @ Tk.15/= (i.e. 150%) per share for 2015</td>
<td>(70,875,000)</td>
</tr>
<tr>
<td>Less : Final cash dividend paid @ Tk.0/= (i.e.0%) per share for 2016</td>
<td></td>
</tr>
<tr>
<td>Less: Interim cash dividend paid @ Tk.40/= (i.e.400%) per share for 2016</td>
<td>(189,000,000)</td>
</tr>
<tr>
<td>Total profit available for appropriation (after dividend payout)</td>
<td><strong>189,109,665</strong></td>
</tr>
</tbody>
</table>

**Appropriation:**

- Proposed Final dividend @ Tk.37.50/- (i.e. 375%) per share for 2016  | (177,187,500)
- Un-appropriated profit *                                              | **11,922,165**

*after recognition of dividend in the period of appropriation

DIVIDEND

The Board is pleased to recommend final cash dividend of Tk.37.50/= per share amounting to Tk.177 million for the year 2016. During the year of 2016, the Company paid Interim cash dividend of Tk.40/= per share in October, full year dividend is aggregating to Tk.77.50/= (775%) per share for the year 2016 i.e. full year amounting to Tk.366M, (2015: Tk.65 per share i.e. amounting to Tk.307M ), a portion of which is appropriated out of carried forward un-appropriated profit as on 31 December 2015.

EARNINGS PER SHARE

The earnings per share numbers are provided on pages 9, 15 & 26.

CORPORATE GOVERNANCE

We would like to confirm that:

(a) The financial statements prepared by the management of the Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.

(b) Proper books of account of the company have been maintained.

(c) Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.

(d) International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure therefrom has been adequately disclosed.