

INFORMATION MEMORANDUM

Zero-Coupon Bond of BDT 5,000 Million
for Akij Food and Beverage Limited



Issuer:

Akij Food and Beverage Limited (AFBL)

Corporate Office:

Akij House, 198 Bir Uttam, Mir Shawkat Sarak, Link Road, Dhaka 1212

Name of the Bond: AFBL Zero-Coupon Bond

Type of Bond: Unsecured, Non-convertible, Fully Redeemable Zero-Coupon Bond

***No. of Bonds to be issued:** 5,000

***Total Face Value:** BDT 5,000 million (To be issued at multiple tranches)

Total Issue Price of the Bond: BDT 3,883 million (@10%p.a. discount rate)

Tenor: 1 Year - 5 Years, [i.e., 6 months to 60 months from respective issue date]

Minimum Investment: 1 Lot at Issue Price BDT 7,766,597

**Calculations are based on Discount Rate of 10% p.a.*

Trustee:



Credit Rating Status		
Credit Rating by	CRISL Credit Rating and Service Limited.	
Rating	Entity Rating	
	Long-Term	Short Term
Outlook	AA-	ST-2
Validity	November 04, 2026	
		Bond Rating
		A+ (Indicative)
		March 14, 2027

IM Issue Date: 30 March 2026

Mandated Lead Arranger

North Star Investments (BD) Limited



"IF YOU HAVE ANY QUERY ABOUT THIS DOCUMENT, YOU MAY CONSULT THE ISSUER OR ORIGINATOR AND THE TRUSTEE."


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhter
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Notice & Disclaimer

Akij Food and Beverage Limited (hereinafter referred as "AFBL" or the "Issuer") has authorized North Star Investments (BD) Limited (hereinafter referred as "NSIL" or the "Arrangers") to distribute this Information Memorandum (IM) in connection with the proposed transaction outlined in it (the "Transaction") and the Bond proposed to be issued in the Transaction (the "AFBL Zero-Coupon Bond"). This Information Memorandum is provided to prospective investors on a private and confidential basis for use solely in connection with the issue, offer, sale or invitation to invest or purchase the Zero-Coupon Bond. This Information Memorandum shall not be, in whole or in part, reproduced or used for any other purpose without prior written consent of the Issuer and/or the Arrangers.

The Issuer has prepared this Information Memorandum and is solely responsible for its contents. The Issuer shall comply with all rules, laws and regulations and is responsible for obtaining all regulatory, governmental and corporate approvals for the issuance of the Zero-Coupon Bond. The Issuer, having made all reasonable inquiries, confirms that this Information Memorandum contains all the information with respect to itself and the Zero-Coupon Bond to be issued by it, which is material in the context of the Bond; that the information contained in this Information Memorandum is true and accurate in all material respects and is not misleading; that the opinions and intentions expressed in this Information Memorandum are honestly held and that there are no other facts the omission of which would make any of such information or the expression of any such opinions or intentions misleading. The Issuer accepts responsibility accordingly.

The Arranger has relied on the information provided by the Issuer and such information has not been independently verified by the Issue Arranger. No representation or warranty, expressed or implied, is or will be made, and no responsibility or liability is or will be accepted, by the Arranger or any affiliate of the Arranger for the accuracy, completeness, reliability, correctness or fairness of this Information Memorandum or any of the information or opinions contained therein, and Arranger hereby expressly disclaim, to the fullest extent permitted by law, any responsibility for the contents of this Information Memorandum and any liability, whether arising in tort or contract or otherwise, relating to or resulting from this Information Memorandum or any information or errors contained therein or any omissions therefore. By accepting this Information Memorandum, investors agree that the Arranger will not have any such liability.

Neither this Information Memorandum nor any other information supplied in connection with the Issue is intended to provide the complete basis of any credit or other evaluation, nor should it be considered as a recommendation by the Arranger to the Issue that any recipient of this Information Memorandum (or any other information supplied in connection with the Issue) should purchase or subscribe for any Zero-Coupon Bond. Each investor contemplating purchasing or investing in the proposed bond should make their own independent investigation of the financial condition and affairs, and their own appraisal of the creditworthiness of the Issuer. Investors are advised not to construe the contents of this Information Memorandum as investment, legal, accounting, regulatory or tax advice. Investors are also advised to consult with their own advisors as to all legal, accounting, regulatory, tax, financial and related matters, concerning an investment in the Proposed Bond.

INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IT IS RECOMMENDED THAT PROSPECTIVE INVESTORS CONSULT THEIR FINANCIAL, LEGAL AND OTHER ADVISERS BEFORE PURCHASING OR INVESTING IN AFBL ZERO-COUPON BOND.

Contact Details

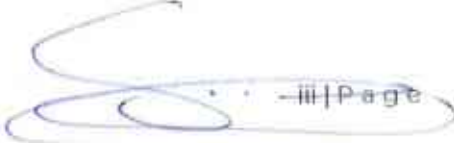
The hard copy and soft copy of the Information Memorandum may be obtained from the following institutions:



Table 1: Contact Details

Name & Address	Telephone & Fax Number, E-mail, Website	Contact Person
ISSUER		
Akij Food and Beverage Limited 	Akij House, 198 Bir Uttam, Mir Shawkat Sarak, Link Road, Dhaka 1212 Phone: +8801777717995 Email: info@akijfood.com Web: https://www.akijfood.com/	Chief Financial Officer
TRUSTEE AND AGENT		
Sena Insurance PLC 	SKS Tower (12th Floor), 7 VIP Road, Mohakhali, Dhaka -1206, Bangladesh. Phone: +88 01911655777 + 88 02 55058455-7 Email: info@senainurance.com	Vice President & Head of Underwriting Department
LEAD ARRANGER		
North Star Investments (BD) Limited 	"Kazi Heritage" (3rd Floor), House # 49 Block # H, Banani-11, Dhaka-1213 Phone + 8801674591646 Email: shibu.saha@northstar-bd.com	Managing Director & CEO



Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.


Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

TRANSACTION ADVISOR		
<p>Lion City Advisory Limited</p> 	<p>Citizen Tower Level-10, 227/B, Bir Uttam Mir Shawkat Sarak, Tejgaon I/A, Dhaka-1208 Cell: + 88 01727222815 Email: lioncityadvisory@gmail.com</p>	<p>Managing Director</p>
BANKERS OF THE COMPANY		
Standard Chartered Bank	67 Gulshan Avenue, Dhaka 1212	
Pubali Bank PLC	28/A VIP Road, Naya Paltan, Dhaka 1000	
The City Bank PLC	City Bank Center Plot: SE (D)- 3,28, Gulshan Avenue, Gulshan-1, Dhaka-1212	
Meghna Bank PLC	Suvastu Imam Square, 65 Gulshan Avenue, Gulshan 01, Dhaka 1212	
Bank Asia PLC	Bay's Galleria, 57 Gulshan Avenue, Dhaka 1212	
IDLC Finance PLC	Bay's Galleria (1st Floor), 57 Gulshan Avenue, Dhaka-1212, Bangladesh	
Eastern Bank PLC	ZN Tower, Block-S, Road-8, Gulshan Avenue, Gulshan, Dhaka 1212.	
Bank Alfalah PLC	Printers Building, 5 Rajuk Avenue, Dhaka 1000	
LEGAL ADVISOR		
LEGALITY Barrister & Advocates	Suite: 143, Navana FH Solaris, 65, Bijoy Nagar, Dhaka-1000	
AUDITOR		
 <p>M. J. ABEDIN & CO An Independent Member Firm Of Moore Global Network Limited</p>	<p>Kamrul Abedin, FCA 3rd Floor, P9XV+82H National Plaza, 109 Sonargaon Road, Dhaka 1205</p>	


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


iv | Page
Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

2. Contents

Section 3: Risk factors and Management Perception About the Risks:..... 6

a) Interest rate risks6

b) Foreign exchange risks6

c) Non-repayment risks6

d) Prepayment, call, or refunding risks7

e) Security risks7

f) Liquidity risks7

g) Management risks8

h) Operational risks8

i) Business risks8

j) Industry risks9

k) Market and technology-related risks9

l) Risk related to potential or existing government regulations;10

m) Risk related to potential changes in global or national policies.....10

Section 4: Detailed Description and Information 11

Section 5: Details Plan of the Utilization of Proceeds..... 15

Section 6: Detailed features of the Bond 15

Section 7: Description of Collateral Security and Type of Charges to be Created Against the Issue..... 18

Section 8: Rights and Obligations of the Issuer 18

Section 9: Rights and obligations of the trustee 21

Section 10: Rights and obligations of the issue manager, underwriter, or any other contractual parties 29

Section 11: Rights and Obligations of the Investors 30

Section 12: Description of the Issuer 31

a) Factory:.....32

b) Human Resource Management36

c) Sales, Marketing, and Distribution36

d) Production Capacity:.....37

e) Capital structure37

f) Management.....38


Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.


Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

g) Organogram:	39
h) Description of encumbered and unencumbered assets with value Thereof	40
i) Brief profile of directors/owners of the Issuer	40
j) Brief description of assets and liabilities	42
k) Brief description of previously issued debt or equity securities or such other securities	43
Section 13: Auditors' report along with the audited financial statements of the issue	44
Section 14: Comparative financial statements of the issuer	46
Section 15: Ratio analysis of the issuer.....	82
Section 16: Rating summary with rating rationale of the issue and the issuer	83
Section 17: Latest default matrix and transition statistics of CRC	84
Section 18: Description of the Trustee.....	86
Section 19: Modus Operandi of the issue	88
Section 20: Details of Fees Structure and Expenses.....	91
3. Additional disclosures for IM under public Issue	92
4. Conditions imposed by the Commission in the consent letter	93
5. Declaration and due Diligence Certificate	97
Annexure - I Declaration about the responsibility of the directors, including the CEO of the issuer or originator in respect of the information memorandum	97
Annexure – II Due Diligence Certificate of the Trustee	98
6. Credit Rating Report of the Issue and Issuer	99
7. Particulars of Underwriters and Amount Underwritten, If Any	132
8. Public Issue Application Procedure	132
9. Rights option/issue application procedure.....	132
10. Private Issue Application Procedure	132


 Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.


 Md. Moklesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.


 vi | Page
 Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

Section 3: Risk factors and Management Perception About the Risks:

a) Interest rate risks

Interest rate risk is the possibility of financial positions of a Company being negatively impacted by shifts in interest rates. This risk affects bonds, loans, mortgages, financial institutions, investment portfolios, and real estate. To manage it, diversification, interest rate hedging, duration management, floating-rate instruments, and active monitoring are used. Interest rate risk highlights the need to adapt to ever-changing interest rate environments in financial decision-making.

Management Perception:

AFBL, a concern of Akij Group, is part of one the largest conglomerates in Bangladesh. As such, AFBL has relationships with most Banks and FIs in the country as well foreign lenders. This access and acceptability among lenders allow the company to manage interest risks better than most companies. Furthermore, they have a strong finance team in the Company skilled in managing interest rate risks. And now, through the issuance of the Zero Coupon Bond, AFBL can fix the discount rate (finance cost of the said amount) for a tenor of 5 (Five) years, which eventually will eliminate the interest rate fluctuation risk.

b) Foreign exchange risks

Foreign exchange risk, also referred to as FX risk or currency risk, is a financial vulnerability that emerges when a monetary transaction is stated in a currency differing from the base currency of the Company. This risk materializes when the value of an investment fluctuates due to shifts in currency exchange rates.

Management Perception:

AFBL acknowledges the inherent foreign exchange risks associated with its dependence on importing raw materials for all its product lines in Bangladesh. The management perceives a strategic and proactive approach to managing these risks through meticulous financial planning and risk mitigation measures. Recognizing the potential impact of currency fluctuations on the cost of imported raw materials, AFBL aims to implement robust hedging strategies to stabilize procurement expenses. By closely monitoring exchange rate trends and collaborating with financial experts, the Company seeks to optimize its currency risk management, ensuring that fluctuations do not unduly affect production costs.

Additionally, the management emphasizes fostering strong relationships with foreign partners to negotiate favorable terms and exploring avenues for local sourcing of key components, reducing exposure to foreign exchange volatility. Furthermore, AFBL places a premium on operational efficiency, minimizing waste and optimizing resource utilization to offset any adverse effects of currency fluctuations. Through a combination of strategic financial planning, effective hedging, supplier collaboration, and operational excellence, AFBL strives to navigate the foreign exchange challenges associated with importing raw materials, thereby safeguarding its position as a premier FMCG companies in Bangladesh.

c) Non-repayment risks

Non-repayment risk refers to the possibility of either not receiving payments or receiving only partial payments from the investment or credit sales. This kind of risk typically emerges when the Company making the payment undergoes sudden alterations in its historical payment patterns, encounters delays or incompleteness in payment processing, confronts adverse conditions within its industry or the market, or deliberately defaults on its obligations.


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Management Perception:

AFBL mitigates non-repayment risk by enforcing strict credit policies, real-time payment monitoring, and customer diversification. Strengthening contractual agreements with penalties, guarantees, and collateral will reduce defaults. Encouraging digital payments, offering early payment incentives, and leveraging trade credit insurance or factoring will enhance cash flow security. Establishing a dedicated debt collection unit and engaging third-party agencies will improve recovery efficiency. Proactive risk assessment and legal measures will ensure sustainable financial stability.

d) Prepayment, call, or refunding risks

Prepayment, call, or refunding risks encompass the potential hazards linked to the premature repayment of high-yield assets. These risks arise when borrowers or issuers decide to repay loans or securities before their scheduled maturity dates, impacting the expected returns and durations of these assets.

Management Perception:

Recognizing that premature repayment by borrowers or issuers can disrupt expected returns and alter asset durations, AFBL management places a strong emphasis on risk avoidance through thorough due diligence. AFBL carefully scrutinize and select investments, avoiding securities or loan agreements where the likelihood of early repayment is high. By utilizing proper due diligence and credit analysis, AFBL aims to sidestep potential issues related to prepayments altogether. This strategy aligns with our commitment to maintaining a portfolio resilient to the challenges posed by premature repayments, ensuring that our high-yield assets contribute positively to our overall financial objectives.

e) Security risks

Security risk refers to the potential threats and vulnerabilities that could compromise the safety and protection of its physical assets, intellectual property, data, personnel, and overall operations. This includes risks such as theft, unauthorized access to facilities or sensitive information, industrial espionage, cyberattacks, natural disasters, fire, and other events that could disrupt the company's ability to function effectively and sustainably. Effective security risk management involves implementing measures to prevent, detect, and respond to these risks, ensuring the company's assets and operations are safeguarded from various potential threats.

Management Perception:

The Company is committed to robust risk mitigation strategies, particularly concerning security-related risks until the sale of the products. The management of the Company proactively manage this by securing comprehensive insurance policies that provide coverage against potential security threats throughout the lifecycle. By investing in insurance coverage, we aim to transfer the financial impact of security risks to the insurance providers, thereby safeguarding our assets and minimizing potential losses. Additionally, the management continually reviews and updates these insurance policies to stay abreast of emerging threats and evolving security landscapes. This proactive stance not only protects our financial interests but also enhances our ability to deliver products with confidence, assuring our customers of a secure and risk-mitigated purchase experience.

f) Liquidity risks

Liquidity risk entails the possibility that a Company might encounter challenges in fulfilling its financial commitments within the expected time frame and without incurring excessive costs. This risk arises due to imbalances between a Company's short-term financial obligations and its available liquid assets. When a Company faces liquidity risk, it might struggle to access the necessary funds to meet its payment obligations, resulting in potential disruptions to its operations and reputation.


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Management Perception:

The Company maintains a proactive management perspective on liquidity risk, recognizing its significance in sustaining operational continuity. A key component of AFBL's liquidity risk management strategy involves a concerted effort to reduce the cash conversion cycle. By optimizing working capital processes and streamlining the time it takes to convert inventory into cash, we aim to enhance our liquidity position. This approach allows AFBL to free cash flow, ensuring that we have the necessary resources to meet short-term obligations, capitalize on strategic opportunities, and navigate unexpected financial challenges. Additionally, the management regularly assesses the efficiency of cash management policies, seeking opportunities to improve cash inflows and outflows. Through a dynamic and forward-looking approach, AFBL strives to maintain a robust liquidity position that aligns with operational needs and provides a solid foundation for sustained growth and resilience in the face of potential liquidity risks.

g) Management risks

Management risk pertains to the possibility that the Issuer's managers might prioritize their personal interests over the Company's interests. This concept encapsulates the risk that arises when decisions made by management are not in the best interest of the company or its stakeholders, leading to potential negative outcomes that could have been avoided. Such circumstances could result in financial losses for Bondholders and other stakeholders.

Management Perception:

AFBL boasts a well-defined management structure led by seasoned professionals. The Board leverages its skills and experience to shape corporate policies and business strategies. Each Director brings ample industry experience, gaining recognition for quality work and steadfast commitment. Their direct involvement in marketing orders, account management, finance, and operational activities enriches AFBL's operations. This diverse knowledge proves invaluable, contributing to the company's smooth functioning. The Managing Director, along with other Directors, aligns strategic decisions with the Board's policies and guidelines, exercising delegated powers for effective governance.

h) Operational risks

Operational risks encompass potential disruptions to The Company's smooth operations, stemming from factors like material, equipment, energy supply, or service unavailability. Furthermore, operational and mechanical failures of equipment could arise due to natural disasters, unforeseen circumstances, insufficient supervision, or negligence, culminating in significant accidents and ensuing losses.

Management Perception:

The Company recognizes that effective allocation of its resources plays a pivotal role in significantly mitigating this particular risk factor. Understanding the importance of managing these risks, the Company not only employs hedging strategies but also proactively implements preventive measures. By ensuring a well-balanced distribution of resources and energy supply, the Company aims to minimize the impact of operational disruptions caused by material or equipment unavailability. Additionally, the Company's proactive stance towards risk management underscores its commitment to maintaining operational resilience and safeguarding against potential losses stemming from operational and mechanical failures.

i) Business risks

Business risk pertains to the potential danger that the Company could fall short of attaining its financial objectives, leading to profits lower than expected or even incurring losses. This risk is subject to the influence of diverse external elements, encompassing factors such as escalating costs of raw materials used in production, intensifying market competition, and alterations or augmentations in prevailing government regulations. The adverse outcome of such business risks could render the company incapable of fulfilling its obligations to bondholders.


Md. Saikat Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.

8 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Management Perception:

AFBL exhibits robust financial resilience ensuring a strong ability to meet debt obligations. The Company's proactive financial management strategy insulates bondholders from potential impacts of rising production costs. Furthermore, AFBL anticipates a stable government policy environment, minimizing regulatory uncertainties.

With a solid ~17% market share in Cola Segment and 68% market share in CSD Alternative, the Company's strong market presence adds a layer of stability, contributing to a favorable risk profile and bolstering confidence among stakeholders.

j) Industry risks

Industry risk encompasses the potential hazard arising from heightened competition both domestically and internationally, culminating in reduced prices, revenues, profit margins, and market share. Such developments have the potential to negatively affect the company's business operations, financial stability, and operational outcomes.

Management Perception:

In managing industry risks, AFBL benefits from unique strengths within the Bangladeshi FMCG landscape. Mojo, Akij Food and Beverages' (AFBL) flagship soft drink, holds the third-most demanded position in Bangladesh, after Coca-Cola and Pepsi.

As a locally created brand, it enjoys strong nationalistic sentiment, with consumers appreciating it as a homegrown alternative. Additionally, a significant portion of Bangladeshi consumers perceive Mojo as an anti-Israel product, further boosting its appeal among those who prefer brands aligned with their values. This perception gives Mojo and AFBL's other products a unique inherent advantage in the industry, differentiating it from global competitors.

This strategic alignment not only insulates the Company from intense price competition but also positions it favorably within a segmented market, mitigating industry risks and contributing to sustained financial stability and operational success.

k) Market and technology-related risks

Market risks encompass the potential for adverse market conditions to impact on the Company's sales and profitability. Typically, this risk stems from a decrease in demand for the product or service, which can negatively affect overall performance. Conversely, effective marketing and brand management have the capacity to expand the customer base. Technology plays a critical role in ensuring superior product quality, enhancing customer service, and minimizing costs for any business. As the Company operates within a technology-driven industry, ongoing technological enhancements are integral. The use of outdated technology or machinery can pose challenges for a company to remain competitive in such a fiercely contested industry.

Management Perception:

AFBL demonstrates astute awareness of technological shifts within the industry. The Company consistently conducts research for new product development, aligning with global standards. With a keen eye on global changes, particularly in Soft Drinks market, AFBL adopts a radical approach to adhere to international standards. Despite an industry-wide decline in sales, due to current challenging economic slow-down conditions, AFBL has not experienced reduced demand, potentially attributed to the prevailing inflationary environment. This resilience suggests that the company may not be significantly affected by the recent dip in overall Soft Drinks sales, showcasing a proactive and adaptable stance in navigating market dynamics.


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.

9 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

l) Risk related to potential or existing government regulations;

The Company operates under Companies Act 1994, Customs Act 1969, and Labor Law 2006, Income Tax Ordinance 1984, Income Tax Rules 1984, Income tax Act 2023, Value Added Tax (VAT) Act 1991, Value Added Tax (VAT) Rules 1991 and other related regulations. Any abrupt changes in the policies made by the regulatory authorities may adversely affect the business of the company.

Management Perception:

AFBL maintains a comprehensive understanding of the regulatory landscape, operating under key acts and laws such as the Companies Act 1994, Customs Act 1969, Labor Law 2006, Income Tax Ordinance 1984, Income Tax Rules 1984, Income tax Act 2023, and Value Added Tax (VAT) Act 1991, among others. Recognizing the potential impact of abrupt regulatory changes, the company actively fosters strong relationships with all stakeholders. The Company maintains appropriate worker profit participation funds in compliance with the laws of the country.

While any regulatory shift can significantly affect business operations, AFBL remains optimistic about the future regulatory environment, particularly with respect to the "Made in Bangladesh" initiative. The Company anticipates favorable regulations over years, driven by its ongoing collaboration and positive engagement with regulatory authorities. This strategic foresight positions AFBL to navigate potential regulatory challenges while maintaining a proactive stance for long-term business sustainability.

m) Risk related to potential changes in global or national policies

Alterations in current global or national policies can yield either advantageous or detrimental effects on the company's profitability. The Company's performance might experience influences from uncontrollable factors within Bangladesh, including potential shifts in the motorcycle industry, occurrences such as war, terrorism, political instability, natural disasters, and human-induced calamities, which could potentially exert adverse consequences on both the industry and the broader economy.

Management Perception:

AFBL management has to maintain a keen awareness of the dynamics of geopolitics and global business phenomena. The Company acknowledges that alterations in global or national policies can introduce both favorable and unfavorable impacts on profitability. Recognizing that certain events, such as geopolitical tensions, war, terrorism, political instability, natural disasters, and other unforeseeable calamities, fall beyond its control, AFBL perceives these as elements of systematic risk.

However, in order to mitigate short-term risks arising from uncontrollable external factors, AFBL has strategically diversified its operations. This diversification allows the Company to navigate and adapt to changes in the soft drink industry and broader economic conditions within Bangladesh. By embracing a diversified approach, AFBL positions itself to withstand and manage unforeseen challenges, demonstrating a proactive stance toward enhancing long-term resilience and sustaining overall business performance.


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.



Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Section 4: Detailed Description and Information

Table 2: Detailed Description and Information

1. Particulars of issuer:	
a) Name:	Akij Food and Beverage Limited
b) Legal status:	Private Limited Company
c) Details of contact information:	Registered Office: Akij House, 198 Bir Uttam, Mir Shawkat Sarak, Link Road, Dhaka 1212 Phone: Short Code: "16609" Email: info@akijfood.com Web: https://www.akijfood.com/
d) Date of incorporation	September 03, 2000
e) Financial Information:	For the year ended June 30,2025
Authorized capital	BDT 2,500,000,000
Paid-up capital	BDT 2,351,200,000
Total equity:	BDT 8,006,395,252
Total liabilities:	BDT 22,346,112,182
Total financial obligations:	BDT 15,980,497,601
Total assets:	BDT 30,352,507,434
Total tangible assets:	BDT 30,335,040,504
Net worth:	BDT 8,006,395,252
2. Particulars of issue manager:	
	N/A
3. Particulars of the issue:	
a) Name of the issue:	AFBL Zero-Coupon Bond
b) Type of instruments to be issued:	Unsecured, Non-convertible, Fully Redeemable Zero-Coupon Bond
c) Purpose of the issue:	Refinancing of Existing Bank Loan
d) Number of securities to be offered:	5000
Total size of the issue to be offered:	Issue Price: BDT 3,883 million (approx.)
e) Face value and Issue Price per Bond:	Face Value: BDT 5,000.0 million Issue Price: BDT 3,883 million (approx.)
f) Discount rate:	10% p.a. (Discount rate to be finalized prior to issuance, considering the then market scenario upon consultation with the issuer)
g) Tenor or maturity:	Series of Zero-Coupon Bonds with tenors ranging from 6 month- 5 Years i.e., 6 months to 60 months from respective issue date


Md. Saadul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.

• 11 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

h)	Details of conversion/exchange option features:	The bonds are non-convertible in nature.																																																
i)	Mode of redemption or conversion:	<p>Will be redeemed in 10 instalments starting from the end of the 6 months from the issue date and every 6 months thereafter, in the following manner: (Considering 10% p.a. Discount Rate):</p> <table border="1" data-bbox="630 526 1388 918"> <thead> <tr> <th>Year</th> <th>No. of Bond Redemption</th> <th>Issue Price In BDT</th> <th>Redemption Value in BDT</th> </tr> </thead> <tbody> <tr> <td>0.50</td> <td>500.0</td> <td>476,731,295</td> <td>500,000,000</td> </tr> <tr> <td>1.00</td> <td>500.0</td> <td>454,545,455</td> <td>500,000,000</td> </tr> <tr> <td>1.50</td> <td>500.0</td> <td>433,392,086</td> <td>500,000,000</td> </tr> <tr> <td>2.00</td> <td>500.0</td> <td>413,223,140</td> <td>500,000,000</td> </tr> <tr> <td>2.50</td> <td>500.0</td> <td>393,992,805</td> <td>500,000,000</td> </tr> <tr> <td>3.00</td> <td>500.0</td> <td>375,657,400</td> <td>500,000,000</td> </tr> <tr> <td>3.50</td> <td>500.0</td> <td>358,175,278</td> <td>500,000,000</td> </tr> <tr> <td>4.00</td> <td>500.0</td> <td>341,506,728</td> <td>500,000,000</td> </tr> <tr> <td>4.50</td> <td>500.0</td> <td>325,613,889</td> <td>500,000,000</td> </tr> <tr> <td>5.00</td> <td>500.0</td> <td>310,460,662</td> <td>500,000,000</td> </tr> <tr> <td>Total</td> <td>5,000.0</td> <td>3,883,298,737</td> <td>5,000,000,000</td> </tr> </tbody> </table>	Year	No. of Bond Redemption	Issue Price In BDT	Redemption Value in BDT	0.50	500.0	476,731,295	500,000,000	1.00	500.0	454,545,455	500,000,000	1.50	500.0	433,392,086	500,000,000	2.00	500.0	413,223,140	500,000,000	2.50	500.0	393,992,805	500,000,000	3.00	500.0	375,657,400	500,000,000	3.50	500.0	358,175,278	500,000,000	4.00	500.0	341,506,728	500,000,000	4.50	500.0	325,613,889	500,000,000	5.00	500.0	310,460,662	500,000,000	Total	5,000.0	3,883,298,737	5,000,000,000
Year	No. of Bond Redemption	Issue Price In BDT	Redemption Value in BDT																																															
0.50	500.0	476,731,295	500,000,000																																															
1.00	500.0	454,545,455	500,000,000																																															
1.50	500.0	433,392,086	500,000,000																																															
2.00	500.0	413,223,140	500,000,000																																															
2.50	500.0	393,992,805	500,000,000																																															
3.00	500.0	375,657,400	500,000,000																																															
3.50	500.0	358,175,278	500,000,000																																															
4.00	500.0	341,506,728	500,000,000																																															
4.50	500.0	325,613,889	500,000,000																																															
5.00	500.0	310,460,662	500,000,000																																															
Total	5,000.0	3,883,298,737	5,000,000,000																																															
ii)	Mode of option (call or put), if any, in case of redemption for conversion/exchange and discount or premium thereof)	<p><u>Pre-Payment:</u> The issuer has the option to redeem all, but not some, of the outstanding bonds of a specific lot by providing at least sixty (60) days' notice to the Trustee, and each of the Bondholders after one year of Issuance of the Respective Bonds; the redemption will occur on the next immediate Redemption Date following the sixty (60) days from the Issuer's Notice of Early Redemption. The Early Redemption amount shall be determined as per Clause VII of the Deed of Trust and a 1% early redemption fee will be charged on the value of outstanding bond (VOB).</p>																																																
k)	Rate of return:	Fixed at Discount Rate																																																
l)	Applicable tax rates:	According to the Laws of Bangladesh.																																																
m)	Default protection mechanism:	If the Issuer fails to meet any payment obligation as mentioned in the terms of this IM and the Deed of Trust, the Trustee shall notify the Commission about such default and take necessary actions as per relevant laws of Bangladesh.																																																
n)	Type of collateral securities being offered:	The Bond is unsecured in nature. Therefore, no charge on assets shall be created.																																																
o)	Status of securities holders in case of priority of payment:	Subordinated to the existing senior lenders.																																																
p)	Period within which securities to be issued:	September, 2026																																																
q)	Nature of tradability or listing in the stock exchange(s):	The bond is transferable as per conditions mentioned in Modus Operandi And may be tradable in the Alternative Trading Board if Required by BSEC via Consent Letter.																																																



Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.



Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.



Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

4 Particulars of the Trustee												
a)	Name of the trustee:	Sena Insurance PLC										
	Legal Status:	Public Limited Company										
	Registered Address:	SKS Tower (12th Floor), 7 VIP Road, Mohakhali, Dhaka -1206, Bangladesh.										
b)	Paid-up capital of the trustee:	BDT 400,000,000 (as of December 2024)										
c)	Net worth of the trustee:	BDT 1,006,384,787 (as of December 2024)										
d)	Name of the issue(s) where performing as trustee:	<p>Received Registration Certificate of the following bonds:</p> <ol style="list-style-type: none"> 1. IFIC Bank PLC 3rd Subordinated Bond BDT. 5000 Million 2. Southeast Bank PLC Subordinated Bond (5th issue) BDT. 5000 Million 3. IFIC Bank PLC 2nd Subordinated Bond BDT. 5000 Million 4. 4th Subordinated Bond of Dutch-Bangla Bank Limited of BDT. 5000.00 Million 5. ONE Bank PLC Subordinated Bond BDT. 5000 Million 6. Trust bank Ltd. Fully Redeemable Non-convertible Un-secured Subordinate Bond-IV BDT 500 Crore 7. Flamingo Fashion Limited Non-convertible Zero Coupon Bond of BDT 2500.00 million 8. Trust bank Ltd. Non-convertible Un-secured Subordinate Bond III BDT 400.00 crore 										
5 Particulars of the credit rating company												
a)	Name of credit rating company	Credit Rating Information and Services Limited (CRISL)										
b)	Credit rating status of the issuer	Long Term: AA- Short Term: ST-2										
c)	Credit rating status of the bond	A+ (Indicative)										
d)	Date and validity of rating along with surveillance rating issuer	Date of Rating: November 05, 2025 Validity: November 04, 2026										
	Date and validity of rating along with surveillance rating issue	Date of Rating: March 15, 2026 Validity: March 14, 2027										
e)	Latest default rate of the credit rating company:	0.0%										
f)	Average time to default of the rated category	N/A										
g)	Rating trigger, if any:	<p>If the credit rating of the issue falls below the minimum investment grade i.e., "BBB" in the long term or "ST-3" in the short term, then the issuer shall pay an additional risk premium on the outstanding issue price as mentioned below:</p> <table border="1"> <thead> <tr> <th>Issue Rating</th> <th>Risk Premium to be Added</th> </tr> </thead> <tbody> <tr> <td>BB</td> <td>0.5%</td> </tr> <tr> <td>B</td> <td>1.0%</td> </tr> <tr> <td>C</td> <td>1.50%</td> </tr> <tr> <td>D</td> <td>2.0%</td> </tr> </tbody> </table>	Issue Rating	Risk Premium to be Added	BB	0.5%	B	1.0%	C	1.50%	D	2.0%
Issue Rating	Risk Premium to be Added											
BB	0.5%											
B	1.0%											
C	1.50%											
D	2.0%											


Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.

13 | Page
Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

Following documents has been attached with the application:

1. Certified copy of Memorandum and Articles of Association
2. Certified copy of Certificate of Incorporation
3. Certified Copy of Particulars of Directors
4. Certified Copy of Return of Allotment of shares and Annual Summary of share capital
5. Latest original Audited Financial Statements for the Year End 30 June, 2025 of AFBL
6. Purpose of issuance of securities and plan to use of proceeds thereof
7. Resolution of the board of directors deciding to issue Zero-Coupon Bond
8. Auditor's Certificate regarding deposit of an amount equivalent to the owners' stake in the issuer
9. Description of business or the issuer
10. Latest Credit rating of the issue
11. Latest Credit rating of the issuer
12. Draft Information Memorandum
13. Draft Trust Deed
14. Declaration relating to covenants for rating trigger
15. Due Diligence Certificate of Trustee as per Schedule D
16. Repayment Schedule of the proposed bond
17. Undertaking of issuer and its directors for obtaining CIB report from Bangladesh Bank along with respective NID, TIN and Enquiry Form

Additional Documents:

18. Previous 5 years Audited Financials
19. Credit Rating Agreement between Issuer and Credit Ratings agency
20. Deferral letter for submitting Trustee Registration Certificate
21. Appointment Letter of Trustee


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Section 5: Details Plan of the Utilization of Proceeds

The Company is planning to refinance part of the existing bank loan from the bond proceeds. The purpose of the management to issue the bond is to fix the interest rate to avoid any volatility in the interest rate scenario. The list of existing banks' loan to be refinanced with the proceed from the bond are as follows:

Amount in BDT million							
Meghna Bank PLC. Loan type: STL	Amount	City Bank PLC. Loan type: Bal-Salam	Amount	Pubali Bank PLC.	Amount	Bank Asia PLC.	Amount
A/C 80900000299	100.00	A/C 1788040001132	136.89	Loan type: Bai - Istisna A/C 5322-329-000406	500.00	Loan type: HPSM A/C 50362000185	154.57
A/C 80900000300	100.00	A/C 1788040001139	111.43	Loan type: Bai - Muajjal A/C 5322-307-000044	218.17	Loan type: HPSM A/C 50362000187	40.47
A/C 80900000301	100.00	A/C 1788040001091	85.00			Loan type: Musharaka A/C 50381000093	1,000.00
A/C 80900000331	30.00	A/C 1788040001129	100.00			Loan type: Continuous Musharaka A/C 50395000014	110.00
A/C 80900000358	100.00	A/C 1788040001136	773.78				
A/C 80900000359	90.00	A/C 1788040001127	130.00				
A/C 80900000381	3.00		-				
Sub-Total	523.00		1,337.09		718.17		1,305.04
Grand Total							3,883.30

Tenor : Within Three months from the receipts fund from AFBL ZCB subscription

Section 6: Detailed features of the Bond

The details feature of the bond is as stated below:

Table 3: Detailed features of the Bond

Issuer:	Akij Food and Beverage Limited
Name of the Issue	AFBL Zero-Coupon Bond
Issue Type	Unsecured, Non-convertible, Fully Redeemable Zero-Coupon Bond
Trustee, Paying Agent, Registrar and Transfer Agent	Sena Insurance PLC
Legal Counsel	Legality
Fund Arranger	North Star Investments (BD) Limited
Transaction Advisor	Lion City Advisory Limited (LCAL)
Arrangement Basis	Best Effort Basis
Purpose	Refinancing of Existing Bank Loan
Investors	Banks, NBFIs, Insurance, Institutional Investors and High net worth individuals.
Currency	Bangladeshi Taka.
Face Value	Face Value: BDT 5000 million
Issue Amount	Issue Price: BDT 3,883 million (approx.)
Face value per unit:	BDT 1,000,000 (Taka One Million Only)
Minimum Investment (Subscription)	BDT 7,766,598 (Taka Seventy-Seven Million Sixty-Six Thousand Five Hundred Ninety-Eight Only)
Denomination	Denomination of each lot of Bond is indicated at BOT 1,000,000 Face Value
Total no. of Lots	5000
Mode of Placement	Private Offer
Tenor:	Series of Zero-Coupon Bonds with tenors ranging from 6 months - 5 Years i.e., 6months to 60 months from respective issue date
Discount Rate	10% p.a.
Rate of Return Type	Fixed


Md. Shaukat Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.

15 | Page
Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Documentation	<ul style="list-style-type: none"> • Bond subscription agreement • Trust deed • Any other instrument(s) relating to such transaction 										
Redemption	Will be redeemed in 10 instalments starting from the end of the 6 months from the issue date and every 6 months thereafter.										
Conversion Option:	The bonds shall be non-convertible in nature.										
Prepayment, Call, Refunding, option	<p><u>Pre-Payment:</u> The issuer has the option to redeem all, but not some, of the outstanding bonds of a specific lot by providing at least sixty (60) days' notice to the Trustee, and each of the Bondholders after one year of Issuance of the Respective Bonds; the redemption will occur on the next immediate Redemption Date following the sixty (60) days from the Issuer's Notice of Early Redemption.</p> <p>The Early Redemption amount shall be determined as per clause VII of the Deed of Trust and an 1% early Redemption Penalty will be charged.</p>										
Governing Law:	The laws of The People's Republic of Bangladesh										
Transferability / Tradability	The bond is transferable as per conditions mentioned in Modus Operandi And may be tradable in the Alternative Trading Board if Required by BSEC via Consent Letter.										
Late Redemption	The Issuer shall pay a late payment penalty of 2%p.a. (two per cent) above the usual rate of return of the debt instrument which will be payable on the amount not paid on the due date up till the date of actual payment.										
Rating Trigger	<p>If the credit rating of the Issue falls below the minimum investment grade i.e., "BBB" in the long term or "ST-3" in the short term, then the Issuer shall pay an additional risk premium on the outstanding issue price as mentioned below:</p> <table border="1"> <thead> <tr> <th>Issue Rating</th> <th>Risk Premium to be Added</th> </tr> </thead> <tbody> <tr> <td>BB</td> <td>0.5%</td> </tr> <tr> <td>B</td> <td>1.0%</td> </tr> <tr> <td>C</td> <td>1.50%</td> </tr> <tr> <td>D</td> <td>2.0%</td> </tr> </tbody> </table>	Issue Rating	Risk Premium to be Added	BB	0.5%	B	1.0%	C	1.50%	D	2.0%
Issue Rating	Risk Premium to be Added										
BB	0.5%										
B	1.0%										
C	1.50%										
D	2.0%										
Tax Features	According to the Laws of Bangladesh.										
Cost Related to the Issue	Total of "Trustee, Paying Agent, Registrar, Transfer Agent fee" (for 5 years), Bond Rating fee, Surveillance fee (for 4 years), and Legal Counsel Fee: BDT 18,00,000/- (approx.) Application Fee to BSEC: BDT 10,000 Consent Fee to BSEC: 0.10% on the total face value										
Credit Enhancement or guarantee, if any	None										
Enforcement of charge over securities	The Bonds are unsecured in nature. Therefore, no charge on assets shall be created.										


Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.

16 | Page

Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

Force Majeure	The Issuer shall not be liable for any failure or delay in the performance of their respective obligations under the Trust Deed or any other bond documentations because of circumstances beyond their control, including, without limitation, Act(s) of God; flood; war (whether declared or undeclared); terrorism; fire; riot; political violence; embargo; labor disputes; pandemic or epidemic leading to lockdown or declaration of public holidays or similar measure by the government or local authorities; any laws, ordinances, regulations or the like which restrict or prohibit the performance of the obligations contemplated by the Trust Deed or any other documentation, and other causes beyond the Issuer's control whether or not of the same class or kind as specifically named above (each a "Force Majeure Event"). However, the Issuer as the case may be, shall use commercially reasonable efforts consistent with accepted practice in its industry to resume performance as soon as practicable under the circumstances
---------------	--

Repayment Schedule

There shall be 10 series of Zero-Coupon bonds with different maturity dates. The maturity of the first series shall be 6 months from the respective Issue Date. For the second series, the maturity shall be 1 year and for the last series, the maturity shall be 5 Years.

Repayment Schedule Considering 10% p.a. Discount Rate is shown below:

Table 4: Assumptions at 10% Discount Rate

Assumptions for Bond	
Issue Size (In BDT mn)	3,883
Face Value (In BDT mn)	5,000 (approx.)
No of Bond to be Issued	5,000
Bond Per Lot	10
Discount Rate	10% p.a.
Minimum Subscription at Face Value (in BDT)	10,000,000
Maturity	0.5 - 5.0 years

Table 5: Draft Repayment Schedule Considering 10% Discount Rate per annum

Years	Face Value Per Bond	Discount Factor	Issue Price Per Bond	Units to be Issued	Discounted Value of Each Series	Redemption Amount (Face Value)
0.00						
0.50	1,000,000	0.95	953,463	500.0	476,731,295	500,000,000
1.00	1,000,000	0.91	909,091	500.0	454,545,455	500,000,000
1.50	1,000,000	0.87	866,784	500.0	433,392,086	500,000,000
2.00	1,000,000	0.83	826,446	500.0	413,223,140	500,000,000
2.50	1,000,000	0.79	787,986	500.0	393,992,805	500,000,000
3.00	1,000,000	0.75	751,315	500.0	375,657,400	500,000,000
3.50	1,000,000	0.72	716,351	500.0	358,175,278	500,000,000
4.00	1,000,000	0.68	683,013	500.0	341,506,728	500,000,000
4.50	1,000,000	0.65	651,228	500.0	325,613,889	500,000,000
5.00	1,000,000	0.62	620,921	500.0	310,460,662	500,000,000
Total	10,000,000			5,000.0	3,883,298,737	5,000,000,000


Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.

17 | Page

Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

Section 7: Description of Collateral Security and Type of Charges to be Created Against the Issue

The Bonds are unsecured in nature. Therefore, no charge on assets shall be created.

Section 8: Rights and Obligations of the Issuer

7.1. Covenant to Repay

The Issuer covenants with the Trustee that it will, as and when the Bonds or any of them become due to be redeemed or any of them becomes due to be repaid, in accordance with the Conditions, unconditionally pay or procure to be paid to or to the order of the Trustee in the relevant currency is immediately available freely transferable funds for redemption on Redemption Date and shall (subject to the provisions of the Conditions) until all such payment (both before and after judgment or other order) are duly made unconditionally pay or procure to be paid to or to the order of the Trustee as aforesaid on the dates provided for in the Conditions, provided that:

7.1.1. Every payment of Redemption Amount in respect of the Bonds or any of them made to the Bondholder directly or through the account of the Agent in the manner provided in the Agency Agreement shall satisfy, to the extent of such payment, the relevant covenant by the Issuer contained in this Clause except to the extent that there is default in the subsequent payment thereof to the Bondholders in accordance with the Conditions;

7.1.2. If any payment of Redemption Amount in respect of the Bonds or any of them is made after the due date, payment shall be deemed not to have been made until either the full amount is paid to the Bondholders directly or, if earlier, the [seventh day] after notice has been given to the Bondholders by the Agent that the full amount has been received by the Agent or the Trustee except, in the case of payment to the Agent, to the extent that there is failure in the subsequent payment to the Bondholders under the Conditions; and

7.1.3. In any case where payment of the whole or any part of the Redemption Amount due in respect of any Bond is improperly withheld or refused, incremental charge shall accrue for the Bond on the whole or such part of such Redemption Amount from the date of such withholding or refusal until the date either on which such Redemption Amount due is paid to the Bondholders or, if earlier, the seventh day after which notice is given to the Bondholders that the full amount payable in respect of the said Redemption Amount is available for collection by the relevant Bondholders provided that on further due presentation thereof such payment is in fact made.

The Trustee will hold the benefit of this covenant and the other covenants including Clause 14.3 (Other Covenants by the Issuer) of the Trust Deed of trust for the Bondholders.

7.2. Following an Event of Default

7.2.1. At any time after any Default or Event of Default has occurred, the Trustee may by notice in writing to the Issuer, require it to make all subsequent payments in respect of Bonds to or to the order of the Trustee and with effect from the issue of any such notice until such notice is withdrawn.

7.2.2. The Issuer hereby covenants with the Trustee to comply with, perform and observe all those provisions of this Trust Deed, the Conditions (including, without limitation, Clause 14.3 (Other Covenants by the Issuer), and the other Schedules which are expressed to be binding on it and to perform and observe the same. The Bonds are subject to the provisions contained in the Trust Deed and the Conditions, all of which shall be binding upon the Issuer and the Bondholders and


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.

18 | Page

SK. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

all persons claiming through or under them respectively. The Bondholders and all persons claiming under or through them respectively will also be entitled to the benefit of, and will be bound by, this Trust Deed and the other Bond Documents and will be deemed to have notice of all of the provisions of the Bond Documents.

- 7.2.3. The Trustee shall itself be entitled to enforce the obligations of the Issuer under the Bonds and the Conditions as if the same were set out and contained in the Trust Deed which shall be read and construed as one document with the Bonds.

7.3. Other Covenants by the Issuer

The Issuer hereby covenants with the Trustee that so long as any of the Bonds remain outstanding, it will:

7.3.1. Comply with Bond Documents:

Comply with, perform and observe all those provisions of this Trust Deed, the Agency Agreement, the Conditions and the other schedules which are expressed to be binding on it and to perform and observe the same. The Bonds are subject to the provisions contained in the Trust Deed, all of which shall be binding upon the Issuer and the Bondholders and all persons claiming through or under them respectively. The Bondholders and all persons claiming under or through them respectively will also be entitled to the benefit of, and will be bound by, this Trust Deed and the other Bond Documents and will be deemed to have notice of all of the provisions of the Bond Documents applicable to them.

7.3.2. Comply with Applicable Laws:

Comply with, perform and observe all those provisions of the applicable laws including, but not limited to, the Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021, terms of consent of Bangladesh Securities and Exchange Commission (BSEC). The Issuer agrees that Bondholders and all persons claiming under or through them respectively will also be entitled to the benefit of, and will be bound by, the applicable laws and will be deemed to have notice of all of the provisions of the applicable laws, as applicable to them.

7.3.3. Execution of further documents:

So far as permitted by applicable law, do all such further acts and things as may be necessary in the reasonable opinion of the Trustee to give effect to the provisions of this Trust Deed;

7.3.4. Notices to the Bondholders:

Send or procure to be sent to the Trustee not less than three (3) Business Days prior to the date of publication one copy of each notice to be given to the Bondholders in accordance with the Conditions and, upon publication, send to the Trustee two copies of such notice.

7.3.5. Evidence of Due Approval by the Board of Directors and Authorized Signatories:

Upon reasonable notice by the Trustee to deliver to the Trustee a copy of the resolution of the Board of Directors of the Settlor authorizing issuance of the Bond, the declaration of the Trust, a list of the Authorized Signatories of the Issuer, together with certified specimen signatures of the same.

7.3.6. Payments:

Moneys payable by it to the Trustee under Clause 7.1 (Expenses) of this Trust Deed without set off, counterclaim, deduction or withholding, unless otherwise compelled by law, and in the event


Md. Shaidur Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.

19 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

of any deduction or withholding compelled by law pay such additional amount as will result in the payment to the Trustee of the amount which would otherwise have been payable by it to the Trustee hereunder.

7.3.7. Payment of Risk Premium

In case where the credit rating of the Issue falls below the minimum investment grade i.e. "BBB" in the long term or "ST-3" in the short term, the Issuer shall pay an additional fee on top of the Discount Rate as a risk premium as mentioned in the below table:

Issue Rating	Risk Premium to be Added
BB	0.5%
B	1.0%
C	1.50%
D	2.0%

It is hereby covenanted by the Issuer that the Bonds will be issued in registered and dematerialized form and the Issuer shall apply to the stock exchange (s) for listing in Alternative Trading Board preferably from the date of availing the facilities under Bangladesh Securities and Exchange commission ATB Rule 2019 and respective regulations of stock exchange in this regard as and when the ATB becomes operational. The Issuer may seek waiver from BSEC of the listing requirement.


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.

20 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Section 9: Rights and obligations of the trustee

8.1. Trustee's Right

8.1.1. Rights under Applicable Law

Notwithstanding anything contained in the Trust Deed, the Trustee shall have all such rights and powers granted to it under the applicable law including, but is not limited to, the Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021 and the Trust Act 1882.

8.1.2. Advice

The Trustee may in relation to this Trust Deed act on the opinion or advice of or a certificate or any information obtained from any lawyer, banker, valuer, surveyor, broker, auctioneer, accountant or other expert and shall not be responsible for any Liability occasioned by so acting;

8.1.3. Certificate of directors or Authorized Signatories

The Trustee, in the exercise of its functions, may call for and shall be at liberty to accept a certificate signed by two Authorized Signatories or other person duly authorized on their behalf as to any fact or matter prima facie within the knowledge of the Issuer, as the case may be, as sufficient evidence thereof and a like certificate to the effect that any particular dealing, transaction or step or thing is, in the opinion of the person so certifying, expedient as sufficient evidence that it is expedient and the Trustee shall not be bound in any such case to call for further evidence or be responsible for any Liability that may be occasioned by its failing so to do.

8.1.4. Resolution or direction of Bondholders

The Trustee shall not be responsible for acting in good faith upon any resolution purporting to be a written resolution or to have been passed at any meeting of the Bondholders in respect whereof minutes have been made and signed or a direction of a specified percentage of Bondholders even though it may subsequently be found that there was some defect in the constitution of the meeting or the passing of the resolution or the making of the directions or that for any reason the resolution purporting to be a written resolution or to have been passed at any meeting or the making of the directions was not valid or binding upon the Bondholders.

8.1.5. No obligation to monitor

The Trustee shall not be under any obligation to monitor or supervise the functions of any other person under the Bonds or any other agreement or document relating to the transactions herein or therein contemplated and shall be entitled, in the absence of actual knowledge of a breach of obligation, to assume that each such person is properly performing and complying with its obligations.

Provided that the Trustee shall monitor timely payment of all dues of the Issuer to the Bondholders as per terms of this Deed, Conditions, Information Memorandum or other terms and conditions of the issue as per Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021.


Md. Saiful Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.

21 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

8.1.6. Events of Default

The Trustee shall not be bound to give notice to any person or to take any steps to ascertain whether any Default or Event of Default has happened and, until it shall have actual knowledge or express notice to the contrary, the Trustee shall be entitled to assume that no such Default or Event of Default has happened and that the Issuer is observing and performing all the obligations on its part contained in the Bonds and the Bond Documents and no event has happened as a consequence of which any of the Bonds may become repayable.

8.1.7. Right to deduct or withhold for taxes

Notwithstanding anything contained in the Trust Deed, to the extent required by any applicable law, if the Trustee is or will be required to make any deduction or withholding from any distribution or payment made by it hereunder or if the Trustee is or will be otherwise charged to, or is or may become liable to, tax as a consequence of performing its duties hereunder whether as principal, agent or otherwise, and whether by reason of any assessment, prospective assessment or other imposition of Liability of whatsoever nature and when so ever made upon the Trustee, and whether in connection with or arising from any sums received or distributed by it or to which it may be entitled under this Trust Deed (other than in connection with its remuneration as provided for herein or any other amounts for its own account) or any investments or deposits from time to time representing the same, including any income or gains arising there from or any action of the Trustee in connection with the trusts of this Trust Deed (other than the remuneration herein specified or any other amounts for its own account) or otherwise, then the Trustee shall be entitled to make such proper deduction or withholding to the extent required by any applicable law or, as the case may be, to retain out of sums received by it an amount sufficient to discharge any Liability to tax (as required by any applicable law) which relates to sums so received or distributed or to discharge any such other Liability of the Trustee (as required by any applicable law) from any funds that may from time to time be held by the Trustee upon the trusts of this Trust Deed.

8.1.8. No responsibility to investigate

The Trustee shall not have any responsibility for or have any duty to investigate except under any applicable laws or regulations:

- a) the execution, delivery, legality, validity, effectiveness, adequacy, genuineness, enforceability or admissibility in evidence of any or all of the Bond Documents;
- b) any recitals, statements, warranties, representations or covenants of any party to any of the Bond Documents;
- c) its ability to exercise the rights, trusts, powers, authorities or discretions purported to be conferred on it by any of the Bond Documents; or
- d) the capacities, powers or credit standing of the Issuer or other party to any of the Bond Documents.

8.1.9. Error of Judgment

The Trustee shall not be liable for any error of judgment made in good faith by any officer or employee of the Trustee assigned by the Trustee to administer its corporate matters.

8.1.10. No responsibility for loss

The Trustee shall not in any circumstances, except under any applicable laws or regulations:

- a) Be liable to account to any Bondholder or any other person for anything except sums actually received by the Trustee which have not been distributed or paid to the persons entitled or at the time of payment believed by the Trustee to be entitled thereto, or


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.

22 | Page.

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

- b) Be liable to any Bondholder or any other person for any costs, charges, losses, damages, liabilities or expenses arising from or connected with any act, default, omission or misconduct of the Trustee, any Appointee or their respective officers, employees or agents in relation to the Bond Documents except to the extent that they shall have been finally judicially determined to have been caused by the Trustee's own gross negligence, willful default or fraud.

8.1.11. Enforcement of Obligations of the Issuer

The Trustee shall itself be entitled to enforce the obligations of the Issuer under the Bonds and the Conditions as if the same were set out and contained in the Trust Deed which shall be read and construed as one document with the Bonds.

8.1.12. Immunities

The Trustee's immunities and protections from liabilities and its right to indemnification in connection with the performance of its duties under this Trust Deed shall extend to the Trustee's officers, directors, employees and consultants. Such immunities and protections and right to indemnification, together with the Trustee's right to compensation, shall survive the Trustee's resignation or removal, the defeasance or discharge of this Trust Deed and final payment of the Bonds, but in any event will be subject to any gross negligence, willful default or fraud of which the Trustee or its officers, directors or employees may be guilty in relation to their duties under this Trust Deed. The Issuer acknowledges that in any proceedings taken in relation to this Trust Deed, the Issuer will not be entitled to claim for itself or any of its asset's immunity from suit, execution, attachment or other legal process.

8.1.13. Professional Charges

Any Trustee being a banker, lawyer, broker or other person engaged in any profession or business shall be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by him on matters arising in connection with the Trust of this Trust Deed and also its properly incurred charges in addition to disbursements for all other work and business done and all time spent by him on matters arising in connection with this Trust Deed.

8.1.14. Expenditure by the Trustee

Nothing contained in the Trust Deed shall require the Trustee to expend or risk its own funds or otherwise incur any financial Liability in the performance of its duties or the exercise of any right, power, authority or discretion hereunder if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or Liability is not reasonably assured to it.

8.1.15. Trustee may enter into financial transaction with the Issuer

No Trustee and no director or officer of any corporation being a Trustee hereof shall by reason of the fiduciary position of such Trustee be in any way precluded from making any contracts or entering into any transaction in the ordinary course of business with the Issuer or any subsidiary, or any person or body corporate directly or indirectly associated with the Issuer or any subsidiary, or from accepting the trusteeship of any other debenture stock, debenture or securities of the Issuer or any subsidiary or any person or body corporate directly or indirectly associated with the Issuer or an event subsidiary, and neither the Trustee nor any such director or officer shall be accountable to the Bondholders or the Issuer or any subsidiary, or any person or body corporate directly or indirectly associated with the Issuer or any subsidiary, for any profit, fees, commissions, interest, discounts or share of brokerage earned, arising or resulting from any such contracts or transactions and the Trustee and any such director or officer shall also be at liberty retain the same for its or his own benefit.


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.

23 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

8.2. Trustee's requirements regarding Agents etc.

8.2.1. At any time after an Event of Default have occurred and for so long as Event of Default is continuing and has not been waived or, in the opinion of the Trustee, has not been remedied or the Bonds shall otherwise have become due and repayable or the Trustee shall have received any money which it proposes to pay under Condition XI-B (Application of Moneys) to the relevant Bondholders, the Trustee may:

8.2.1.1. By notice in writing to the Issuer, the Agents and the Registrar, require the Agent:

- a) To act thereafter as Agents of the Trustee in relation to payments to be made by or on behalf of the Trustee under the terms of this Trust Deed mutatis mutandis on the terms provided in the Agency Agreement (save that the Trustee's Liability under any provisions thereof for the indemnification, remuneration and payment of proper out-of-pocket expenses of the Agents shall be limited to the amounts for the time being held by the Trustee on the trusts of this Trust Deed relating to the Bonds and available for such purpose) and thereafter to hold all Bonds and all sums, documents and records held by them in respect of Bonds on behalf of the Trustee; or
- b) To deliver up all Bonds and all sums, documents and records held by them in respect of Bonds to the Trustee or as the Trustee shall direct in such notice provided that such notice shall be deemed not to apply to any documents or records which the relevant Agent is obliged not to release by any law or regulation; and
- c) By notice in writing to the Issuer require it to make all subsequent payments in respect of the Bonds to or to the order of the Trustee and not to the Agent and with effect from the issue of any such notice and until such notice is withdrawn shall cease to have effect.

8.3. Trustee's Duty and Obligation

8.3.1. Duties and Obligation under Applicable Law

Notwithstanding anything contained in the Trust Deed, the Trustee shall have all such duties and obligations as set out in the applicable laws including but is not limited to the Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021 and the Trust Act 1882.

8.3.2. Administration of Trust

The Trustee shall issue, manage and administer the Bonds in accordance with the terms of this Trust Deed and the Conditions and execute, acknowledge, confirm or endorse any agreements, documents, deeds, instruments and papers in connection therewith and to implement, give effect to and facilitate the terms and conditions of the Bonds and such other documents, deeds and agreements in contemplation thereof.

Act for the Bondholders

Save the provision of all applicable laws of Bangladesh, the Trustee shall act on behalf and for the exclusive interests of the Bondholders and be liable to sue and to be sued on behalf of them.

8.3.3. Monitoring

The Trustee shall ensure that the Issuer is observing the applicable laws including, but not limited to, the requirements of the Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021 and the terms and conditions of the Bond Documents. As soon as the Trustee is aware of any breach by the Issuer it shall immediately inform the Bondholders and the Issuer of such breach. The Issuer hereby covenants with the Trustee to comply with, perform and observe all


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.

24 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

those provisions of this Trust Deed, the Conditions and the other Schedules which are expressed to be binding on it and to perform and observe the same.

8.3.4. Maintaining Account

The Trustee shall open and maintain such accounts as it deems necessary for discharging the functions of Trustee in pursuant to the provision of this Trust Deed, the Conditions, the Trust Act 1882 and Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021.

8.3.5. Holding Trust Property

The Trustee shall hold and keep the money and assets representing the Trust Property and/or Collateral Securities, and to deposit and withdraw such moneys and/or enforcement proceeds of such Collateral Securities and assets as may be required from time to time, as required to save the invest of the Bondholders and Trustee, as protected by law and/or this Trust Deed.

8.3.6. Grievances of the Bondholders

Upon receipt of a complaint from the Bondholders, the Trustee shall take necessary steps for redress of grievances of the Bondholders within one month of the date of receipt of the complaints, and it shall keep the BSEC and the Issuer informed about the number, nature and other particulars of the complaints received and the manner in which such complaints have been redressed;

8.3.7. Call for Meeting of the Bondholders

On the recommendation of the Bondholders in accordance with the provision of the Trust Deed, the Trustee shall call any meetings of the Bondholders and to facilitate the proceedings of such meeting as it deems appropriate in accordance with the terms of this Trust Deed;

8.3.8. Compliance with the Instruction of the Bondholders

Upon instruction by the Bondholders in accordance with this Trust Deed, to sell or otherwise dispose of the Trust Property and/or Collateral Securities, and close any bank accounts that may have been opened in pursuance of this Trust Deed after distribution of amounts standing to their credit;

8.3.9. Duty to Inspect

It is the duty of the Trustee to inspect or call for books of accounts, records, register of the Issuers and the Trust property, if required, to the extent necessary for discharging its obligation.

8.3.10. Collection of Risk Premium

The Trustee may, in case a downgrade of credit rating below the minimum investment grade i.e., "BBB" in the long term or "ST-3" in the short term, collect the risk premium from the Issuer, if required and to the extent necessary for discharging its obligation, to secure the claims of the Bondholders from the higher risk level of the Issuer in accordance with this Trust Deed.

8.3.11. Duty to Ensure the Interest of the Bondholders

The Trustee shall have power to insert any additional terms and conditions for the performance of the obligations under this Trust Deed for the protection of the interest of the Bondholders;

8.3.12. Trustee's determination

The Trustee may determine whether or not a default in the performance or observance by the Issuer of any obligation under the provisions of any Bond Document or contained in the Bonds is capable of remedy and/or materially prejudicial to the interests of the Bondholders, and if the Trustee certifies that any such default is, in its opinion, not capable of remedy and/or


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.

25 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

materially prejudicial to the interests of the Bondholders, such certificate shall be conclusive and binding upon the Issuer and the Bondholders.

8.3.13. Determination of questions

The Trustee as between itself and the Bondholders shall have full power to determine all questions and doubts arising in relation to any of the provisions of this Trust Deed and/or the Conditions and every such determination, whether made upon a question actually raised or implied in the acts or proceedings of the Trustee, shall be conclusive and shall bind the Trustee and the Bondholders.

8.3.14. Trustee's discretion

The Trustee shall (save as expressly otherwise provided herein) as regards all the trusts, powers, authorities and discretions vested in it by this Trust Deed or by operation of law, have absolute and uncontrolled discretion as to the exercise or non-exercise thereof and the Trustee shall not be responsible for any Liability that may result from the exercise or non-exercise thereof but whenever the Trustee is under the provisions of this Trust Deed bound to act at the request or direction of the Bondholders, the Trustee shall nevertheless not be so bound unless first indemnified and/or provided with security to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damages, expenses and liabilities which it may incur by so doing.

8.3.15. Trustee's consent

Any consent given by the Trustee for the purposes of this Trust Deed may be given on such terms and subject to such conditions (if any) as the Trustee may require.

8.3.16. Application of proceeds

The Trustee shall not be responsible for the receipt or application by the Issuer of the proceeds of the issue of the Bonds or the delivery of any Letter of Allotment to the persons entitled to it.

8.3.17. Agents

The Trustee may with the prior consent in writing of the Issuer, instead of acting personally, employ and pay an agent on any terms, whether or not a lawyer or other professional person, to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the Trustee, as the case may (including the receipt and payment of money) and, provided the Trustee shall have exercised reasonable care in the selection of any such agent, the Trustee shall not be responsible for any Liabilities incurred by reason of the misconduct, omission or default on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of any such person.

8.3.18. Delegation

The Trustee may, with the prior consent in writing of the Issuer, in the execution and exercise of all or any of the trusts, powers, authorities and discretions vested in it by this Trust Deed, act by responsible officers or a responsible officer for the time being of the Trustee and the Trustee may also whenever it thinks fit, whether by power of attorney or otherwise, delegate to any person or persons or fluctuating body of persons (whether being a joint trustee of this Trust Deed or not) all or any of the trusts, powers, authorities and discretions vested in it by this Trust Deed and any such delegation may be made upon such terms and conditions and subject to such regulations (including power to sub-delegate with the consent of the Trustee) as the Trustee may think fit in the interests of the Bondholders and, provided the Trustee shall have exercised reasonable care in the selection of any such Appointee and the Trustee shall not be bound to



Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.



Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.

26 | Page



Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

supervise the proceedings or acts of and shall not in any way or to any extent be responsible for any Liabilities incurred by reason of the misconduct, omission or default on the part of such delegate or sub-delegate.

8.3.19. Custodians and nominees

The Trustee may appoint and pay any person to act as a custodian or nominee on any terms in relation to such assets of the trust as the Trustee may determine, including for the purpose of depositing with a custodian this Trust Deed or any document relating to the trust created hereunder and, provided the Trustee shall have exercised reasonable care in the selection of any such Appointee, the Trustee shall not be responsible for any Liability by reason of the misconduct, omission or default on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of any such person.

8.3.20. Confidential information

The Trustee shall not (unless required by law or ordered so to do by a court of competent jurisdiction) be required to disclose to any Bondholder any confidential information (financial or otherwise) made available to the Trustee by the Issuer or any other person in connection with this Trust Deed and no Bondholder shall be entitled to take any action to obtain from the Trustee any such information. The Trustee shall forward to the Bondholders any non-confidential information made available to the Trustee by the Issuer in connection with this Trust Deed.

8.3.21. General Duty

- 8.3.21.1.** If delay in payment of any dues by the Issuer, which is not approved by the Trustee shall be treated as final default, in such a case the Trustee shall enforce its rights over the credit enhancement or collateral securities and other securities or guarantees of the Issuer observing due legal process and thereafter the trustee shall dispose-off the same to pay the proceeds proportionately to the investors after deduction of costs related thereto;
- 8.3.21.2.** In case the delay is approved by the Trustee for a certain period upon any reasonable ground, the Trustee shall ensure repayment of the dues within the approved delay period along with interest for the delay period at a rate of 2% (two percent) per annum above the usual rate of return of the debt instrument;
- 8.3.21.3.** The Trustee shall submit an annual compliance report to the Commission regarding the activities of the Issuer including repayment of dues to the Bondholders;
- 8.3.21.4.** The Trustee shall take adequate steps for redress of grievances of the investors within one month of the date of receipt of the complaints and shall keep the BSEC informed about the number, nature and other particulars of the complaints received and the manner in which such complaints have been redressed;

8.4. Trustee liable for gross negligence

None of the provisions of this Trust Deed shall in any case in which the Trustee has failed to show the degree of care and diligence required by it as trustee, having regard to the provisions of this Trust Deed conferring on the Trustee any powers, authorities or discretions, relieve or indemnify the Trustee against any Liability which by virtue of any rule of law would otherwise attach to it in respect of any gross negligence, willful default or fraud of which it may be guilty in relation to its duties under this Trust Deed.


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


27 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

8.5. Indemnity

The Issuer shall, on demand by the Trustee, indemnify it and any Appointee (a) in respect of all liabilities and expenses incurred by it or by any Appointee or other person appointed by it to whom any trust, power, authority or discretion may be delegated by it in the execution or purported execution of the trusts, powers, authorities or discretions vested in it by this Trust Deed and (b) against all liabilities, actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way relating to this Trust Deed.



Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.



Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.



Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Section 10: Rights and obligations of the issue manager, underwriter, or any other contractual parties

As the Company applied to issue the bond under private placement, no Issue manager or Underwriter is required.


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


29 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Section 11: Rights and Obligations of the Investors

- 11.1 Each of the Bondholders has the right to demand any information relating to the issuance of Bond and/or information relating to the Issuer, as set forth in the Trust Deed or in the Conditions, from the Issuer.
- 11.2 Each of the Bondholders has the right to receive payment of Face Value of the Bond on the respective Redemption Date in accordance with the procedure as set out in the Condition VII (Redemption of Bond) of the Schedule I (Terms and Conditions of the Bonds).
- 11.3 Each of the Bondholders has the right to receive any other payment including incremental charge, whenever such payment becomes due and payable by the Issuer in accordance with the procedure set forth in the Conditions contained hereunder in Schedule I (Terms and Conditions of the Bonds).
- 11.4 Each of Bondholders has the right to attend meeting of the Bondholders and vote therein in accordance with the provisions of the Schedule II (Meeting of Bondholders).
- 11.5 The rights of the Bondholder under the Subscription Agreement are several and any debt or other obligation arising under that agreement at any time from the Issuer to any other Bondholder shall be a separate and independent debt. Each Bondholder will be entitled to protect and enforce its individual rights arising out of this Agreement independently of any other Bondholder and it shall not be necessary for any other Bondholder to be joined as an additional party in proceedings for such purpose.
- 11.6 Notwithstanding anything mentioned in the Trust Deed or the Conditions, the Bondholders shall not be entitled to any of the rights, benefits and privileges available to the members of the Issuer including, the right to receive notices of or to attend and vote at general meetings or to receive annual reports of the Issuer. If, however, any resolution affecting the rights attached to the Bonds is placed before the members of the Issuer, such resolution will first be placed before the Bondholders for their authorization.



Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.



Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.



30 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Section 12: Description of the Issuer

Established in 2000, Akij Food & Beverage Ltd has always tried to reach customers with quality products. AFBL's product range is quite widespread as the Company has products in every segment of the soft drinks industry.

AFBL is the market leader in the carbonated beverage segment with their product "Speed".

Apart from that, AFBL has a strong market share in the Cola and Clear segment with the products "Mojo" and "Clemon".

In the clear segment, AFBL has multiple products such as: "Clemon", "Clear Up", "Clear Lemon" to seize the market share of Clear Segment, which itself is the largest market segment.

Table 6: AFBL Product Portfolio




Currently AFBL exports products to over 47 countries and are committed to delivering highest quality products, innovative solutions, a robust supply chain, sustainability, and a strong focus on consumer needs.

AFBL is the highest "TAXPAYER" in the beverage sector in Bangladesh and have received the "Green Factory Award" for our commitment to sustainable practices.


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


31 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

a) Factory:

The factory of AFBL (Akij Food and Beverage Ltd.) is located at Krishnapura, Dhamrai, approximately 50 kilometres away from the heart of Dhaka city. The facility spans an impressive 80 acres of land, showcasing its significant production capacity and infrastructure in Dhamrai.

The AFBL factory spans a total floor area of 1,352,521 SFT, comprising various specialized units such as CSD lines, aseptic plants, snacks and chips production, recycling, utility buildings, warehouses, and more, supporting its extensive production capacity.

The production facilities of the Company include machinery of reputed brands like Krones, Tetra Pak, AlfaLaval, Sipa, Husky all of which originate from Germany.

The factory has been running with 6 sets of CAT gas generators and 5 backup diesel generators with total 15.4 MW capacity of power supply along with the REB line having a sanction amount of 7.3 MW to avoid losing production time and power fluctuations.


The agro-processing factory of AFBL is situated at Chapai Nawabganj on a land area of around 528 decimals. The production facilities of the Company include fully automated process machine for mango pulp and mango bar. AFBL has been maintaining the compliance of BSTI.

AFBL maintained its workers' safety at the ISO 9001 standard. The Company's Effluent Treatment Plant (ETP) as well as Water Treatment Plant (WTP) have been running constantly to prevent water

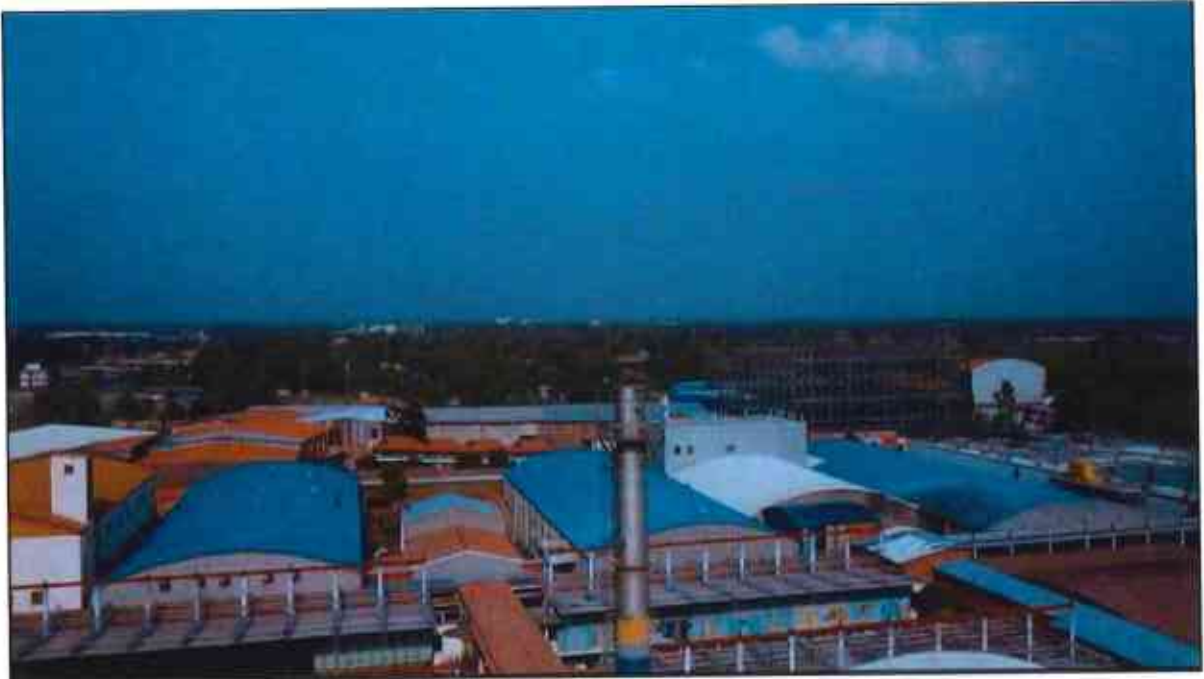



Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


32 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

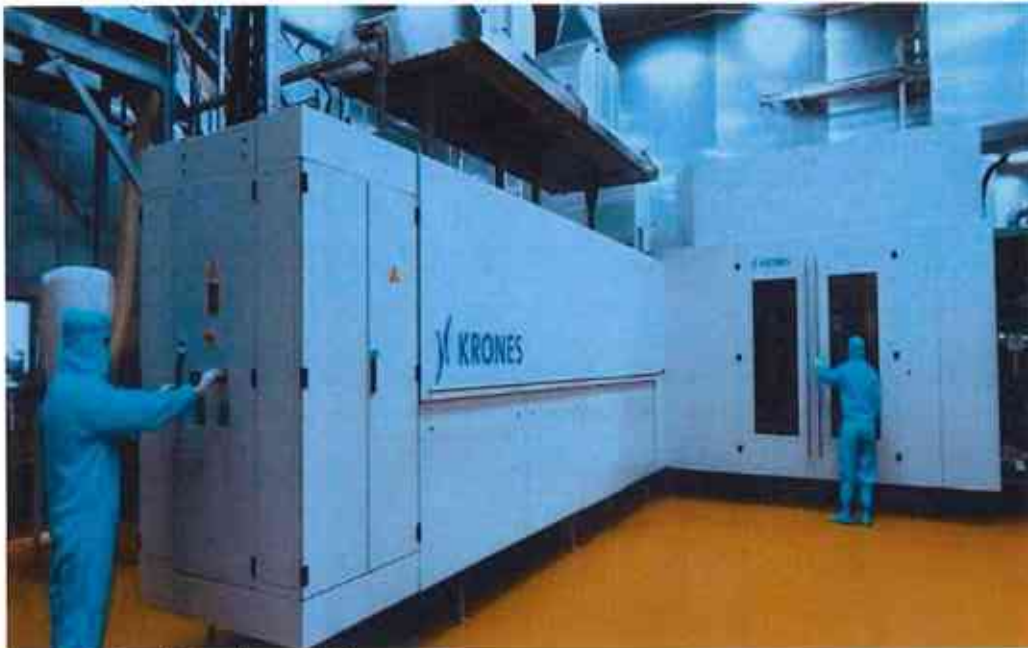



Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


33 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.



contamination during the period.

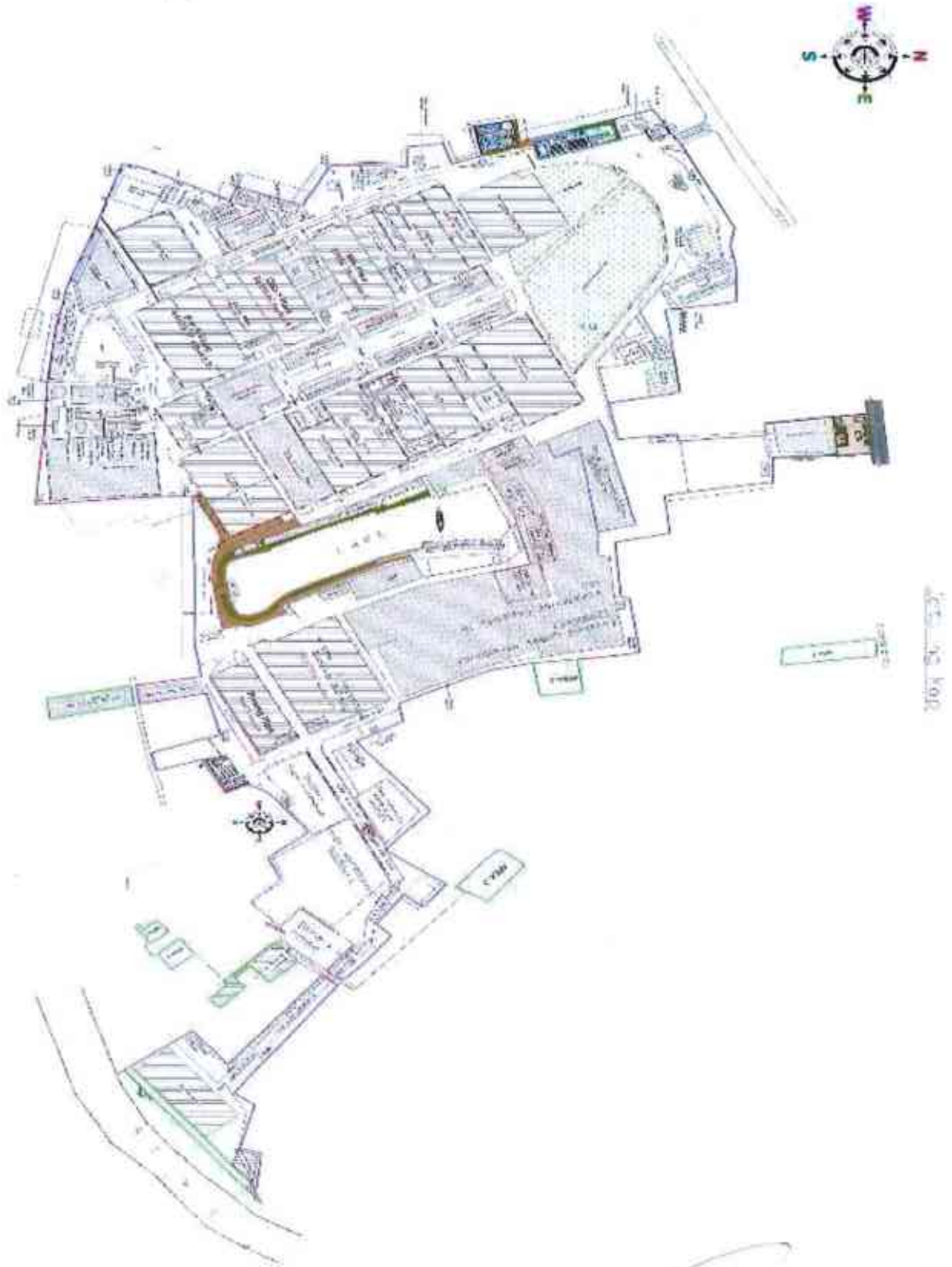

Md. Shauful Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


34 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

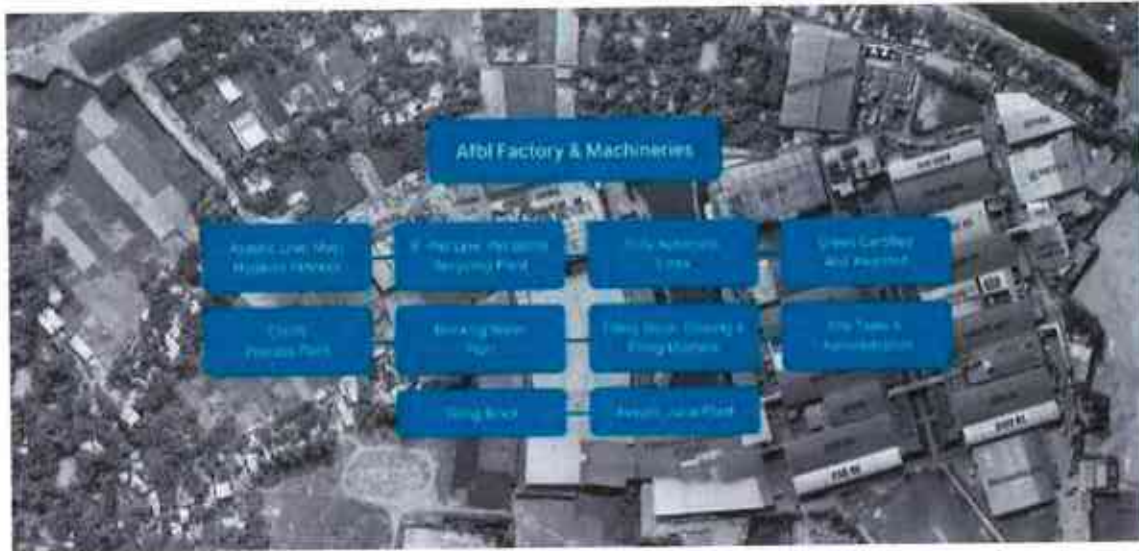
Table 7.1 : Factory Layout




Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Mokslesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


35 | Page
Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.



b) Human Resource Management

The total number of factory employees of the Company stands at 3000+. These employees are supervised by 15 R&D staff and 90 QC staff.

To manage its employee base, the Company has adopted a Board formulated and approved human resource policy and service rule. recruitment, promotion and performance evaluation procedures are well structured. At the factory, the Company has canteen and accommodation facilities (dormitory) for workers. The Company also provides canteen facility for its corporate office employees. AFBL provides contributory Provident Fund and Gratuity as well as Group Insurance for its employees. The Company also provides continuous training facilities to the worker.

c) Sales, Marketing, and Distribution

AFBL's independent sales and marketing department has been dedicatedly working for the development, sales, and promotion of food products. AFBL has 1,416 dealers across the country. Due to the intense level of competition, AFBL has been using different promotional tools to create product awareness through print media, TVC etc. AFBL has 247 trucks to transport its products. Besides, the company also uses third-party transportation services when required.

The countrywide warehouses and distribution channels are located as follows:

Warehouse and Depo	Distribution Region	Number of Distributors
1. Dhaka	Dhaka	301
2. Barishal	Barishal	140
3. Rangpur	Bogra	187
4. Jashore	Chattogram	158
5. Mymensingh	Cumilla	141
6. Chattogram	Jashore	250
7. Cumilla	Mymensingh	162
8. Cox's Bazar	Rangpur	74
9. Habiganj	Sylhet	132


 Md. Saifur Rahman
 Company Secretary
 Akij Food & Beverage Ltd.


 Md. Moklesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.

36 | Page

 Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

d) Production Capacity:

Table 8: Production Capacity

Product	Capacity (Ltr/Year)
Juice	152,942,845
Clemon	152,398,079
Mojo	135,675,784
Speed	401,693,089
Water	211,740,544
Milk	11,378,121
Others	28,807,810

e) Capital structure

Capital structure (as of June 30, 2025) of the company comprises as follows:

Table 9: Capital structure

Particulars	Capital Structure	
	30-June-25	
	BDT Amount	% of Total Capital
Share capital	2,351,200,000	9.80%
Retained earnings	5,655,195,252	23.58%
Total Equity	8,006,395,252	33.38%
Loans and Borrowings	1,074,398,931	4.48%
Short Term Loan	14,141,633,766	58.96%
Long Term Loan (Current Portion)	764,464,904	3.19%
Total Debt	15,980,497,601	66.62%
Total Capital	23,986,892,853	100.00%


Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.


 Md. Moklesur Rahman Akbar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.


 37 | Page
 Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

f) Management

Table 10: Management Team

Name	Designation	Academic Qualification	Experience
Syed Johurul Alam	CEO (Akij Food and Beverage Ltd.)	MBA	Syed Johurul Alam is the Chief Executive Officer of Akij Food and Beverage Ltd. and over 28 years of experience in the food industry, he has been leading AFBL for more than a decade, contributing significantly to its growth and strategic direction.
Md. Moklesur Rahman Akhtar	Group CFO	FCMA	Md. Moklesur Rahman Akhtar serves as the Group Chief Financial Officer of AFBL. A Fellow member of Cost and Management Accountant, he brings 17 years of financial expertise, including 3.5 years at AFBL, where he oversees financial planning and strategy. Before AFBL, He served as the Chief Financial Officer of BSRM Steel Mills Ltd.
Mohammad Maidul Islam	Head of Marketing	MBA	Mohammad Maidul Islam leads the Marketing Division at AFBL. With nearly three decades of professional experience, he has been instrumental in shaping AFBL's brand identity and market presence for over 12 years. His career encompasses big conglomerates of Bangladesh like Transcom Beverage Ltd etc.
Md. Saifullah Sayem	Head of SCM	M.Com.	Md. Saifullah Sayem leads the Supply Chain Management Division at AFBL. With 33 years of professional experience in different concerns of Akij group, he has been contributing to the AFBLs operational efficiency and procurement excellence for the past 4 years.
Sk. Shahed Ahmed	Head of Project & Development	EMBA	Sk. Shahed Ahmed heads the Project and Development Division at AFBL. Holding an EMBA and bringing 29 years of experience, he has been instrumental in driving the company's infrastructure and expansion projects for over 11 years.
Anwarul Alam	Head of Mechanical	B.Sc. in EEE	Anwarul Alam leads the Mechanical Division at AFBL. A graduate in Electrical and Electronic Engineering with 23 years of industry experience, he has been serving the company for the past 20 years with technical expertise and leadership
Shafique Uddin Ahmed	Head of Accounts	FCA	Shafique Uddin Ahmed , a Fellow Chartered Accountant (FCA), heads the Accounts Division at AFBL. With 18 years of professional experience, he recently joined the company to strengthen its financial management and reporting functions. Before AFBL, He served in Accounts and Finance Division of big conglomerates of Bangladesh like Jamuna Group, Meghna Group, BSRM Group etc.

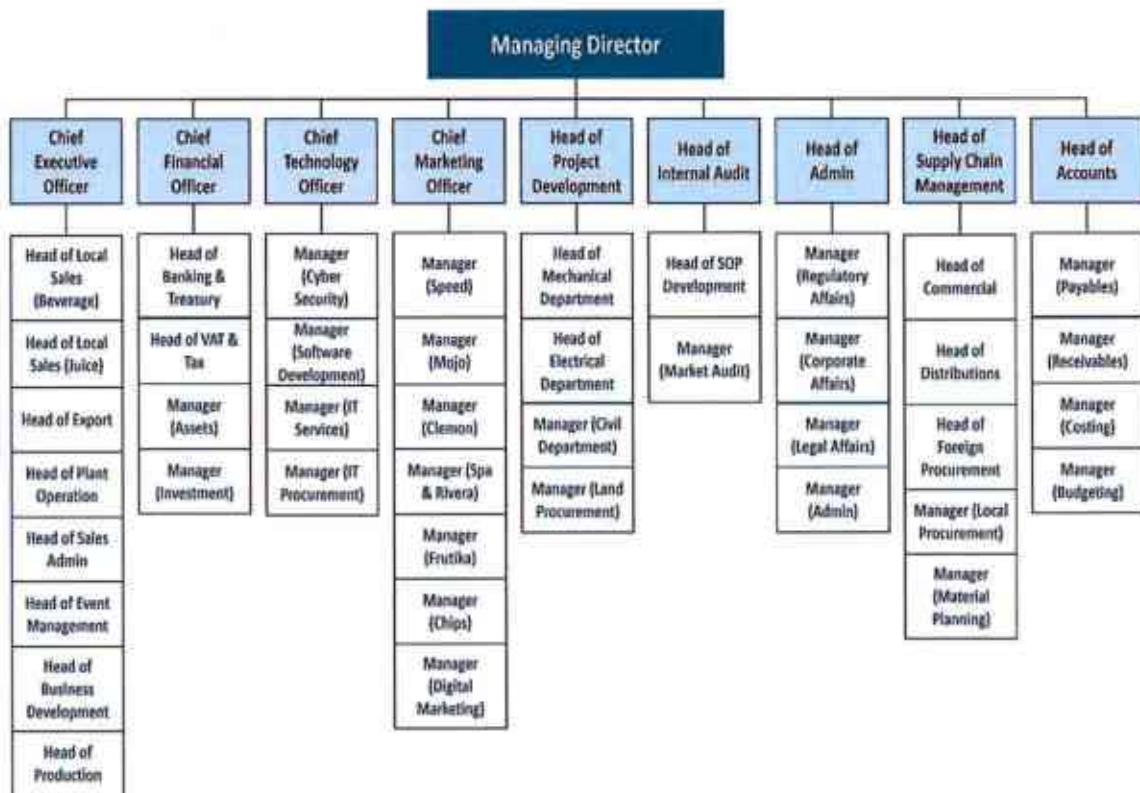

Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.


Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

Name	Designation	Academic Qualification	Experience
Major KMAA Rashed UI Arefin	Head of Admin and Corporate Affairs	MBA	Major KMAA Rashed UI Arefin (Retd.) oversees the Administration and Corporate Affairs Division at AFBL. Having 27 years of professional experience, he has been contributing to the company's governance and administrative affairs for the past 10 months.
Mohammad Emadul Haque	Head of HR	MBA	Mohammad Emadul Haque leads the Human Resources Division at AFBL. Holding an MBA and with 28 years of experience, he has played a key role in shaping the company's HR policies and talent development over the last 10 years.
Tahmid Alam	Group CTO	MS in ECE	Tahmid Alam serves as the Group Chief Technology Officer (CTO) at AFBL. With a Master's degree in Electronics and Communication Engineering and 17 years of professional experience, he has been leading the company's technology initiatives and digital transformation for the past 3 years.

g) Organogram:




Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.


Md. Moklesur Rashid Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.


Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

h) Description of encumbered and unencumbered assets with value thereof

As at 30 June 2025, the Total Assets of AFBL stood at BDT 30,352,507,434. Out of Total Assets, BDT 15,980,497,601 is Encumbered Asset and the Rest of BDT 14,372,009,833 is Unencumbered Assets.

i) Brief profile of directors/owners of the Issuer

Mr. SK. Nasiruddin

Mr. Sk. Nasiruddin is Chairman of Akij Food and Beverage Ltd. and a Commercially Important Person (CIP) in recognition of his contribution towards the economic development of the country. He holds position as Chairman of a number of companies under the Akij Group, a leading business house in Bangladesh, which has diversified sector exposure such as food, cement, particle board, jute and packing industries, etc.

Details of other Business Involvement of Sk. Nasiruddin:

- Chairman, Akij Cement Company Ltd
- Chairman, Akij Jute Mills Ltd
- Chairman, Akij Particle Board Mills Ltd
- Chairman, Akij Printing & Packaging Ltd
- Chairman, Akij Plastics Ltd
- Chairman, Akij Pipes Ltd

Mr. SK. Shamim Uddin

Mr. Sk. Shamim Uddin, is the Managing Director of the Company. He earned a BA Degree in Business and Finance from Oxford Brookes University, England in 2006. Sheikh Shamim Uddin is a Director of Akij Group, one of the oldest and largest manufacturing and trading conglomerates in Bangladesh.

Akij Group operates across 30 manufacturing sectors consisting of Food & Beverage, Ceramics, Jute, Textiles, Cement, Shipping, Poly Fibre, Tea Plantation, Particle Board, Biax Film, Printing/ Packaging, Plastics among others.

Under the leadership of Sk. Shamim Uddin, the Food and Beverage business of the Group has become one of the leading in the country creating well-established brand names. The business is one of the top VAT paying companies in Bangladesh.

Akij Group has achieved immense fame in exporting jute and jute products as well textiles, earning foreign currencies for Bangladesh. The Group created thousands of employment opportunities and has become one of the top taxpayers of Bangladesh.

Details of other Business Involvement of Sk. Shamim Uddin:

- Chairman, Akij Venture Ltd
- Chairman, Akij Paper Mills Ltd
- Chairman, Akij Healthcare & Hygiene Ltd
- Chairman, Akij Dairy Ltd
- Chairman, Akij Takaful Life Insurance Ltd
- Chairman, Akij Bicycle and Engineering Ltd
- Chairman, Akij Bicycle Industries Ltd
- Chairman, Akij Electrics and Electronics Ltd
- Chairman, Akij Fair Value Ltd.
- Chairman, Akij Agro and Livestock Ltd.
- Chairman, Neoscoder Ltd.
- Chairman, Akij Renewable Energy and Automobiles Ltd.

Involvement with Non profitable Organization:

- Akij Monowara Trust


Md. Moklesur Rahman Akhtar
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


40 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Ms. Sazmin Sultana

Ms. Sazmin Sultana, is the Deputy Managing Director of the Company. Being an integral member of the leadership team, she is responsible for business development, concept development, business planning, mapping out the company's growth plans and plan to implement the strategy. Ms. Sazmin Sultana completed BBA from International Islamic University, Chittagong.

Details of other Business Involvement:

- Director, Akij Paper Mills Ltd
- Director, Akij Healthcare & Hygiene Ltd
- Director, Akij Dairy Ltd
- Director, Akij Takaful Life Insurance Ltd
- Director, Akij Bicycle and Engineering Ltd
- Director, Akij Bicycle Industries Ltd
- Director, Akij Electrics and Electronics Ltd
- Director, Akij Fair Value Ltd.
- Director, Akij Agro and Livestock Ltd.
- Director, Neoscoder Ltd
- Director, Akij Renewable Energy and Automobiles Ltd.
- Director, Akij Venture Ltd

Md. Rezaul Karim

Md. Rezaul Karim, representative director of Akij Venture Ltd., is a highly accomplished finance and accounting professional with over 25 years of progressive leadership experience across diversified industries under the Akij Group and other reputed organizations in Bangladesh.

His expertise covers the full spectrum of financial operations, treasury management, compliance, taxation, and strategic planning. He possesses deep expertise in financial reporting under IFRS/IAS, corporate tax and VAT management, budgeting and forecasting, cost optimization, and regulatory affairs under the Companies Act. He has also completed extensive executive management and leadership training from renowned institutions such as IIM Calcutta, Bangladesh Institute of Management (BIM), DCCI Business Institute, and HSPP, covering strategic execution, design thinking, project planning, and decision-making. Recognized for his analytical acumen, integrity, and commitment to excellence, he consistently contributes to strengthening financial discipline and organizational governance.



Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.



Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.



Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

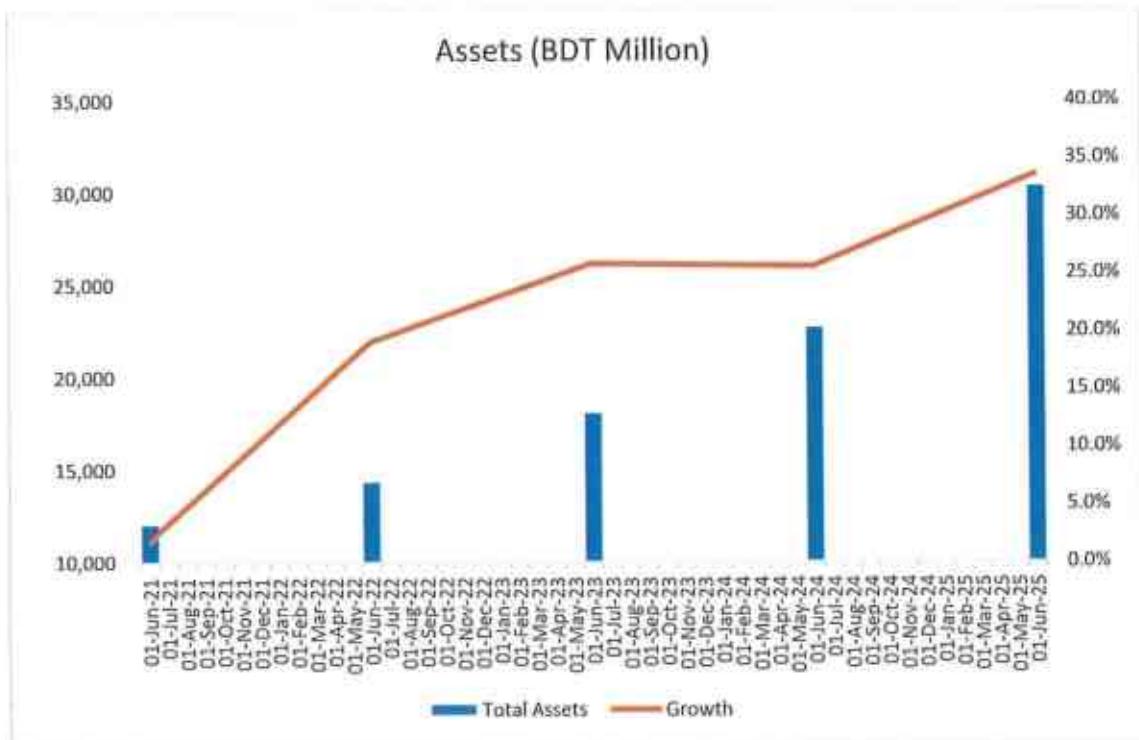
j) Brief description of assets and liabilities

Growth of Total Assets:

AFBL has demonstrated remarkable growth in total assets, increasing from BDT 12,076 million in 2021 to BDT 30,353 million in 30 June, 2025 representing 151% expansion over this period. In the most recent year (FY2024–2025), total assets grew by 33.55%. This consistent upward trend highlights AFBL's strong financial performance and strategic expansion.

Non-current assets, including long-term investments and fixed assets, have seen steady growth, reflecting AFBL's commitment to infrastructure development and long-term projects. Meanwhile, current assets, which include inventory and receivables, have also expanded, supporting the company's operational efficiency.

This balanced growth between non-current and current assets reinforces AFBL's strategy of ensuring both long-term sustainability and short-term financial agility, positioning it for continued success in Bangladesh's competitive FMCG market.



Liability Mix

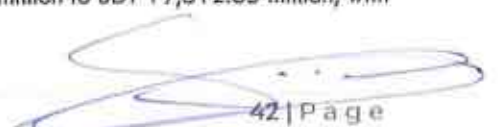
AFBL's liability structure experienced a significant shift between June 2024 and June 2025, reflecting changes in its financial obligations. The company's total liabilities rose from BDT 15,610.38 million to BDT 22,346.11 million, indicating an increased debt burden.

Non-current liabilities increased from BDT 1,738.38 million to BDT 2,733.45 million, representing 12.23% of total liabilities on June 2025, an increase from 57.24% in June 2024. This increase was primarily driven by a new term loan obligation.

On the other hand, current liabilities increased from BDT 13,871.99 million to BDT 19,612.65 million, with short-term loans rising from 56% to 62.28% of total liabilities.


Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.


Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

The shift in AFBL's liability mix reflects a strategic approach to balancing financial stability while enhancing short-term efficiency in response to evolving business conditions.

Table 11: Liability Mix

Particulars	30-June-25		30-Jun-24	
	BDT	% of Total Liability	BDT	% of Total Liability
Deferred Tax Liability	544,795,646	2.44%	1,157,496,950	7%
Employees Provident Fund	1,114,262,489	4.99%	580,884,940	4%
Long term Loan	1,074,398,931	4.81%	-	-
Total Non-Current Liabilities:	2,733,457,066	12.23%	1,738,381,890	11%
Long Term Loan (Current Portion)	764,464,904	3.42%	-	-
Trade and others payable	2,756,396,885	12.34%	2,707,167,382	17%
Short Term Loan	14,141,633,766	63.28%	8,811,260,136	56%
Intercompany Payables	16,279,956	0.07%	497,691,066	3%
Advances Against Sales	641,009,948	2.87%	616,963,473	4%
Liabilities for Expenses	1,292,869,657	5.79%	1,238,914,619	8%
Total Current Liabilities:	19,612,655,116	87.77%	13,871,996,676	89%
Total Liabilities	22,346,112,182	100%	15,610,378,566	100%

k) Brief description of previously issued debt or equity securities or such other securities

Akij Food and Beverages Limited (AFBL) did not issue any debt securities. The description of previously issued equity securities is as follows:

Particulars of Allotment	Date of Allotment	Consideration	Allotment		Paid up Capital (Tk.)
			No. of shares	Face Value	
Issued & fully paid-up capital (Tk.) as per memorandum	28.08.2000	Cash	1,200	1,000	1,200,000
2nd Allotment	30.05.2001	Cash	100,000	1,000	100,000,000
3rd Allotment	13.06.2001	Cash	50,000	1,000	50,000,000
4th Allotment	27.06.2004	Cash	1,500,000	1,000	1,500,000,000
5th Allotment	20.06.2005	Cash	700,000	1,000	700,000,000
Total			2,351,200		2,351,200,000


Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.


Md. Mokiesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.


 43 | Page
Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

Section 13: Auditors' report along with the audited financial statements of the issue



Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.



Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.



44 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Independent Auditors' Report
AND AUDITED FINANCIAL STATEMENTS
of
Akij Food and Beverage Limited
As at and for the year ended 30 June 2025


Md. Maksudul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


45 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Akij Food and Beverage Limited
As at and for the year ended 30 June 2025

Table of Contents


SL	Particulars	Pages
		1-2
A	Independent Auditors' Report	3
B	Statement of Financial Position	4
C	Statement of Profit or Loss and Other Comprehensive Income	5
D	Statement of Changes in Equity	6
E	Statement of Cash Flows	7-32
F	Notes, comprising summary of significant accounting policies and explanatory information	7
	1 Reporting entity	7-9
	2 Basis of preparation	9
	3 Functional and presentation currency	9
	4 Use of judgements and estimates	10
	5 Property, plant and equipment, net	11
	6 Intangible assets	11
	7 Capital work in progress	11
	8 Investment in Shares	11
	9 Inventories	12
	10 Trade and other receivables	12
	11 Advances, deposits and prepayments	12
	12 Inter company receivables	12-13
	13 Assets/(Liability) for Current tax	13
	14 Cash and cash equivalents	13
	15 Issued Share capital	13-14
	16 Deferred Tax Liabilities/(Assets)	14
	17 Long-Term Bank Loan	14
	18 Long term loan - current maturity	14-15
	19 Short term bank loan	16
	20 Inter company Payable	16
	21 Revenue	16
	22 Cost of goods	17-18
	23 Factory Overhead	17-18
	24 Administrative expenses	17-18
	25 Selling, marketing & distribution expenses	17-18
	26 Finance costs	18
	27 Exchange Gain (loss), net	18
	28 Non-Operating Income	19
	29 Contribution to Workers' Profit Participation Fund	19
	30 Income tax expense	19
	31 Earning Per Share (EPS)	19
	32 Net Asset Value (Per Share)	19
	33 Net Operating Cash Flow Per Share	19
	34 Quantative Disclosure	20
	35 Contingencies and commitments	21-22
	36 Financial Instruments - Fair values and risk management	23
	37 Related parties	23
	38 Production Capacity and Actual Production	24
	39 Contingent asset	24
	40 Capital Management	24
	41 Capital Expenditure Commitment	24
	42 Claim not Acknowledged as Debt	24
	43 Credit Facility Not Availed	24
	44 Subsequent events	24
	45 Auditors fees	24
	46 Basis of measurement	24
	47 Going concern	25
	48 Particulars of employees	25
	49 Comparatives	25
	50 Significant accounting policies	25-32



Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.



Md. Mokiesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.



Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.



M. J. ABEDIN & CO
এম. জে. আবেদীন এন্ড কোং
Chartered Accountants

National Plaza, 3rd Floor
109 Bir Uttam C. R. Datta Road
Dhaka - 1205, Bangladesh
T +088 02-9632568, 02223366340
E audit@mjabedin.com
www.mjabedin.com

**Independent Auditors' Report
to the Shareholders of
Akij Food and Beverage Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Akij Food and Beverage Limited which comprise the statement of financial position as at 30 June 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and explanatory notes.

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 International Financial Reporting Standards (IFRSs) and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Directors' Report to the Shareholders other than the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information 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, we conclude that there is a material misstatement of this other information, we are required to report the fact, we have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs), the Company Act 1994 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.



M. J. ABEDIN & CO
Chartered Accountants

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 evidences that is sufficient and appropriate to provide a basis for audit 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 evidences obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidences 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 significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, we also report the following :

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

Date: 30 October 2025

M. J. ABEDIN & CO
Chartered Accountants
Registration: CAF-001-111
Kemrul Abedin FCA, Partner
Enroll. Number : 0527
DVC : 2510300527A5724412

Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.

Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


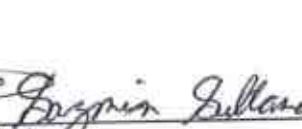

48 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

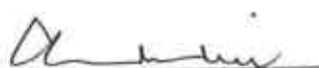
Akij Food and Beverage Limited
Statement of financial position
 as at 30 June 2025

In Taka	Note	As at	
		30-Jun-2025	30-Jun-2024
Assets			
Property, plant and equipment, net	5	14,976,608,867	11,086,985,019
Intangible assets	6	17,466,930	-
Capital work in progress	7	4,118,662,236	2,085,020,775
Investment in Shares	8	40,000,000	40,000,000
Non-current assets		19,152,738,033	13,212,005,794
Inventories	9	3,745,617,070	3,175,339,579
Trade and other receivables	10	470,825,382	477,035,398
Advances, deposits and prepayments	11	1,909,689,919	2,524,524,090
Inter company receivables	12	3,189,743,181	1,505,346,269
Assets/(Liabilities) for Current Tax	13	319,560,759	298,183,248
Cash and cash equivalents	14	1,564,325,089	1,334,606,133
Current assets		11,199,749,401	9,816,034,718
Total assets		30,352,507,434	22,727,040,512
Shareholders' Equity			
Issued share capital	15	2,351,200,000	2,351,200,000
Retained earnings		5,655,195,252	4,745,461,945
Total equity		8,006,395,252	7,116,661,945
Liabilities			
Employees provident fund		544,795,666	580,884,940
Deferred Tax Liabilities/(Assets)	16	1,114,262,489	1,157,496,950
Long-Term Bank Loan	17	1,076,398,931	-
Non-current liabilities		2,735,457,066	1,738,381,890
Long term loan - current maturity	17	764,464,904	-
Short term bank loan	18	14,141,633,766	8,811,260,136
Trade and other payables		2,756,396,885	2,707,167,382
Inter company Payable	19	16,279,956	497,691,066
Advances against sales		641,009,948	616,963,473
Liabilities for expenses		1,292,869,657	1,238,914,419
Current liabilities		19,612,655,116	13,871,994,676
Total liabilities		22,346,112,182	15,610,378,566
Total equity and liabilities		30,352,507,434	22,727,040,512


The notes annexed 1 to 47 are integral part of these financial statements.




 Managing Director Director Chief Financial Officer
 per our report of even date

Date: 30 October 2025


 M. J. ABEDIN & CO
 Chartered Accountants
 DVC : 2510300527A5724612


 Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.



 Md. Moklesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.

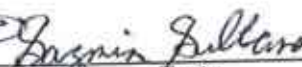

 Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

Akij Food and Beverage Limited
Statement of profit or loss and other comprehensive income
 for the year ended 30 June 2025

In Taka	Note	For the year ended	
		30-Jun-2025	30-Jun-2024
Revenue	20	25,125,574,206	20,631,087,897
Cost of goods	21	(20,911,756,530)	(17,264,260,207)
Gross profit		4,213,817,676	3,366,819,690
Administrative expenses	22	(737,146,154)	(668,083,903)
Selling, marketing & distribution expenses	22	(1,280,171,826)	(1,162,003,283)
Operating profit (loss)		2,196,499,695	1,536,732,504
Finance costs	23	(626,865,077)	(360,204,051)
Exchange Gain (loss), net	24	1,717,232	11,760,532
Non-Operating income	25	56,945,422	59,499,006
Net Profit before contribution to WPPF & Tax		1,626,297,272	1,247,787,991
Contribution to Workers' Profit Participation Fund	26	(81,316,664)	(62,389,400)
Net Profit before Tax		1,544,982,408	1,185,398,591
Deferred tax income/(expenses)	16	43,234,461	103,524,656
Income tax expense	27	(698,683,563)	(602,190,137)
Profit (loss) for the year		889,733,306	686,733,110
Other comprehensive income for the year		889,733,306	686,733,110
Total comprehensive income (loss) for the year			
Earnings per Share (EPS)- Basic		378	292
Weighted average number of Shares used to compute EPS		2,351,200	2,351,200


The notes annexed 1 to 47 are integral part of these financial statements.


 Managing Director


 Director


 Chief Financial Officer
 per our report of even date

Date: 30 October 2025


 M. J. ABEDIN & CO
 Chartered Accountants
 DVC : 2510300527AS724612


 Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.


 Md. Moklesur Rabbani Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.


 50 | Page
 Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

Akij Food and Beverage Limited
Statement of changes in equity
 for the year ended 30 June 2025

<i>In Taka</i>	Attributables to the owners of the company		
	Issued Share capital	Retained earnings	Total equity
Balance at 01 July 2023	2,351,200,000	4,078,728,835	6,429,928,835
Total comprehensive income for the year			
Profit for the year	-	686,733,110	686,733,110
Prior year adjustment (Income Tax for 30 June 2023)	-	-	-
Total comprehensive loss for the year	-	686,733,110	686,733,110
Transactions with owners of the Company			
Contributions and distributions			
Issue of ordinary shares	-	-	-
Dividends	-	-	-
Total transactions with owners of the Company	-	-	-
Balance at 30 June 2024	2,351,200,000	4,765,441,945	7,116,641,945
Balance at 01 July 2024	2,351,200,000	4,765,441,945	7,116,641,945
Total comprehensive income for the year			
Profit for the year	-	889,733,306	889,733,306
Prior year adjustment (Income Tax for 30 June 2024)	-	-	-
Total comprehensive income for the year	-	889,733,306	889,733,306
Transactions with owners of the Company			
Contributions and distributions			
Issue of ordinary shares	-	-	-
Dividends	-	-	-
Total transactions with owners of the Company	-	-	-
Balance at 30 June 2025	2,351,200,000	5,655,195,252	8,006,395,252
Number of Shares			2,351,200
Net Asset Value Per Share			3,405

The notes annexed 1 to 47 are integral part of these financial statements.



Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.



Md. Moklesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.



Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

Akij Food and Beverage Limited
Statement of Cash Flows
for the year ended 30 June 2025

<i>In Taka</i>	For the year ended	
	30-Jun-2025	30-Jun-2024
Cash flows from operating activities		
Receipts from customers and others	25,165,756,691	20,511,785,670
Paid to suppliers and others	(20,233,332,688)	(17,502,756,641)
Paid to employees	(1,469,812,173)	(1,384,672,901)
Cash Generated from Operations	3,462,611,830	1,624,356,128
Income tax paid	(719,869,074)	(518,178,528)
Interest Received	34,350,688	36,491,414
Cash subsidy received	10,957,959	8,527,796
Finance Cost paid	(600,643,330)	(360,204,051)
Net cash Generated from operating activities	2,187,408,073	790,992,759
Cash flows from investing activities		
Paid for Acquisition of Property, Plant & Equipments	(1,140,302,787)	(564,025,701)
Paid for Construction Work in progress	(6,005,369,436)	(2,218,355,179)
Paid for Acquisition of Intangible assets	(19,407,700)	-
Proceed from sales of Property, Plant & Equipments	2,533,348	-
Net cash used in investing activities	(7,162,546,575)	(2,782,380,881)
Cash flows from financing activities		
Net Increase/(Decrease) Long term loan	1,074,398,931	-
Inter-company receivable/payable	(2,165,808,021)	(619,099,912)
Net Increase/(Decrease) Short term loan	6,094,838,535	2,347,438,061
Net cash used in financing activities	5,003,429,444	1,728,338,149
Effect of exchange rate changes	1,428,013	5,500,951
Increase/(Decrease) in cash and cash equivalents	28,290,943	214,751,773
Cash and cash equivalents at beginning of year	1,534,606,133	1,314,353,409
Cash and cash equivalents at end of year	1,564,325,089	1,534,606,133
Net Operating Cash Flow Per Share	930	336

The notes annexed 1 to 47 are integral part of these financial statements.

Akij Food and Beverage Limited
Notes to the financial statements
for the year ended 30 June 2025

1. Reporting entity

1.1 Company profile

Akij Food & Beverage Limited is a private limited company incorporated in Bangladesh under Companies Act, 1994 vide Registration No. C- 4120(5600)/00 dated 30 September 2000.

The registered office of the company is located at 198, Bir Uttam Mir Shawkat Sarak, Gulshan Link Road, Tejgaon, Dhaka.

The project located at Dhamrai, Saver, Dhaka, Argo Processing Factory, Chapainababgonj and PPS Factory chattak, Sylhet.

1.2 Nature of business

The principal activities of the company through the year continued to be manufacturing and Marketing of Food and Beverage Items. Food and Beverage products of the company are sold in domestic and International markets.

1.3 Statement of Share Position

The authorized capital of the Company is Taka 2,500,000,000 divided into 2,500,000 number of ordinary shares of Taka 1,000 each.

Share holding of Akij Food and Beverage Limited is as follows:

Shareholders	Percentage of Holdings		Number of Shares	
	2025	2024	2025	2024
SK. Nasir Uddin	20%	20%	470,240	470,240
Akij Venture Ltd.	0.0011%	0%	25	25
SK. Shamim Uddin	80%	80%	1,880,910	1,880,910
Sazmin Sultana	0.0011%	0.0011%	25	25
	100%	100%	2,351,200	2,351,200

2. Basis of preparation

2.1 Basis of Measurement

The financial statements of the company have been prepared under International Financial Reporting Standards (IFRSs) based on historical cost convention without taking into account the effect of inflation.

Details of the Company's accounting policies are included in note 47

2.2 Statement of compliance

The financial statements have been prepared in compliance with the requirements of the International Financial Reporting Standards (IFRSs), Companies Act 1994 and other relevant and applicable local laws and regulations as applicable and in accordance.

Authorisation for issue

These financial statements have been authorized for issue by the Board of Directors of the company on 30 October 2025.


Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.

53 | Page

Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

The following Bangladesh Financial Reporting Standards were applied for preparation of the financial statements for the year under review.

IAS 01	Presentation of financial statements
IAS 02	Inventories
IAS 07	Cash flow statement
IAS 08	Accounting policies, changes in accounting estimates and errors
IAS 10	Events after the reporting period
IAS 12	Income taxes
IAS 16	Property, plant and equipment
IAS 19	Employee benefits
IAS 21	The effects of changes in foreign exchange rates
IAS 24	Related party disclosures
IAS 33	Earnings per share
IAS 36	Impairment of assets
IAS 37	Provisions, contingent liabilities and contingent assets
IFRS 13	Fair Value Measurement
IFRS 15	Revenue from Contracts with Customers

2.3 Regulatory compliance

The Company is required to comply with amongst others, the following laws and regulations with latest amendments:

- The Companies Act 1994;
- Income Tax Act, 2023 ;
- Income Tax Rules, 2023 and 2024;
- TDS Rules, 2023 and 2024;
- The Value Added Tax and Supplementary Duty Act 2012;
- The Value Added Tax and Supplementary Duty Rule 2016;
- Bangladesh Labour Act, 2006(amended 2013);
- Bangladesh Labour Rule, 2015;
- The Financial Reporting (FRC) Act, 2015;

2.4 Presentation of Financial Statements

The presentation of the financial statements is in accordance with the guidelines prescribed by IAS1: Presentation of Financial Statements.

The Board of Directors is responsible for the preparation and presentation of Financial Statements under Section 183 of the Companies Act, 1994.

The Financial Statements Comprise of below statement as at and for the year ended 30 June 2024:

- (a) Statement of Financial Position
- (b) Statement of Profit or Loss and Other Comprehensive Income
- (c) Statement of Changes in Equity
- (d) Statement of Cash Flows
- (e) Notes to the financial statement

2.5 Classification of current and non-current

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

- (a) An asset is current when it is:
- Expected to be realised or intended to be sold or consumed in the normal operating cycle
 - Held primarily for the purpose of trading
 - Expected to be realised within twelve months after the reporting period OR
 - 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.


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


54 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

(b) A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period OR
- 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.

2.4 Comparative and reclassification

Comparative information has been disclosed for all numerical, narrative and descriptive information where it is relevant for understanding of the current year financial statements. Comparative figures have been rearranged/reclassified wherever considered necessary, to ensure better comparability with the current year financial statements and to comply with relevant IFRSs.

3 Functional and presentation currency

These financial statements are presented in Bangladesh Taka (Taka/Tk/BDT), which is the Company's functional currency. All amounts have been rounded to the nearest integer, unless otherwise indicated.

4 Use of judgements and estimates

In preparing these financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

A. Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements.

B. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at 30-Jun-2025 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- Note 5 Property, plant and equipment
- Note 9 Inventories
- Note 13 Current tax asset or liabilities
- Note 32 Contingent Liabilities


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akbar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Refers to the financial statements (continued).

\$ Property, plant and equipment, net
See accounting policies in notes 47 (D)
Reconciliation of carrying amount

At July	Building and other constructions (Factory)	Building and other constructions (Admin)	Plant and machinery	Electric equipment & installation	Furniture and fixtures	Factory & Office equipment	Transport and vehicles	Computer, laptop, etc.	Water & gas installation	Advertisement equipment	Tools & meters	Air House, separate office	Total
Balance at 01 July 2023	1,048,838,339	2,121,370,423	14,073,275,128	255,562,453	82,840,801	207,258,877	1,439,264,335	12,882,772	130,494,631	995,084,154	1,222,200	121,023,744	26,571,675,478
Additions	93,802,220	25,540,895	-	7,740,288	1,498,673	-	2,842,000	35,703,297	2,000,000	385,473,518	-	-	584,025,701
Transferred from CWP	-	180,978,958	478,314,689	-	-	-	155,724,801	-	-	802,275	-	-	758,716,742
Adjustments/Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at 30 June 2024 and 01 July 2024	1,142,640,559	2,304,447,401	14,551,589,817	263,302,741	84,339,474	207,258,877	1,595,989,135	12,882,772	132,494,631	1,380,359,947	1,222,200	121,023,744	27,498,407,719
Additions	254,889,825	679,654,190	4,741,972,231	8,328,255	5,433,280	17,685,208	10,073,078	18,948,442	1,250,000	151,092,578	-	-	1,142,382,787
Transferred from CWP	3,647,719	-	2,408,938,223	285,857,044	1,843,503	239,202,275	6,272,657	-	-	249,022,987	-	-	3,371,273,974
Disposals / Adjustments	-	-	295,247,715	-	1,843,503	97,684,142	56,748,940	164,278	-	1,431,781	-	-	454,454,818
Balance at 30 June 2025	1,399,178,099	3,004,101,591	17,254,279,325	352,162,989	86,186,277	404,846,099	1,712,270,222	12,882,772	133,744,631	1,531,752,512	1,222,200	121,023,744	29,048,712,442
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at 01 July 2023	1,080,531,072	43,903,498	1,172,843,904	166,646,817	39,680,432	134,492,698	878,804,597	41,718,458	52,122,334	119,271,589	808,779	90,299,268	9,304,940,180
Depreciation	66,872,245	8,344,771	708,897,333	72,442,269	4,782,771	18,225,843	94,881,201	5,002,489	7,331,220	64,872,445	41,232	2,332,490	1,096,672,209
Adjustment/Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at 30 June 2024 and 01 July 2024	1,147,403,317	52,248,269	1,881,741,237	239,089,086	44,463,203	152,718,541	973,685,800	46,720,947	59,453,554	184,144,034	850,011	92,631,768	10,401,612,389
Depreciation	153,844,922	5,942,250	1,041,427,148	30,524,077	3,784,476	18,591,584	99,458,237	10,098,428	1,359,007	97,401,375	27,190	2,054,035	1,218,871,545
Adjustment/Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at 30 June 2025	1,301,248,239	58,190,519	2,923,168,385	269,613,163	48,247,679	171,310,125	1,073,144,037	56,819,375	60,812,561	281,545,409	877,201	94,685,803	11,620,483,934
Carrying amounts	-	-	-	-	-	-	-	-	-	-	-	-	-
At 30 June 2023	1,321,971,292	1,711,646,292	14,432,487,423	430,919,264	124,524,274	284,807,888	1,439,264,335	12,882,772	130,494,631	995,084,154	1,222,200	121,023,744	26,571,675,478
At 30 June 2024	1,342,640,559	1,984,101,591	14,551,589,817	263,302,741	84,339,474	207,258,877	1,595,989,135	12,882,772	132,494,631	1,380,359,947	1,222,200	121,023,744	27,498,407,719
At 30 June 2025	1,399,178,099	3,004,101,591	17,254,279,325	352,162,989	86,186,277	404,846,099	1,712,270,222	12,882,772	133,744,631	1,531,752,512	1,222,200	121,023,744	29,048,712,442

Particulars	Cost	Accumulated Depreciation	Written-down Value	Disposal Value	Made of disposal	Remarks
Plant and machinery	245,247,715	295,247,715	-	-	9	Transferred to Abj Dairy Ltd
Factory & Office equipment	97,044,342	96,874,282	170,170	170,170	9	Transferred to Abj Dairy Ltd
Transport and vehicles	50,746,540	50,432,995	313,545	313,545	9	Transferred to Abj Dairy Ltd
Computer & Computer equipment	164,270	164,270	-	-	9	Transferred to Abj Dairy Ltd
Advertisement Equipment	3,411,751	9,443,544	1,448,187	1,448,187	9	Transferred to Abj Dairy Ltd
TOTAL	854,864,818	854,864,818	2,333,249	2,333,249		


Md. Shgidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Mokhammad Rezaan Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Notes to the financial statements (continued)

4 Intangible assets

See accounting policies in notes 47 (E)
Reconciliation of carrying amount

	As At
In Taka	
Cost	
Balance as on 01 July 2024	19,407,700
Addition during the year	19,407,700
Balance as on 30 June 2025	38,815,400
Amortization	
Balance as on 01 July 2025	1,940,770
Addition during the year	1,940,770
Balance as on 30 June 2026	3,881,540
Carrying amount:	34,933,860
Balance as on 30 June 2025	34,933,860
Balance as on 30 June 2024	19,407,700

7 Capital work in progress

See accounting policies in notes 47 (F)

	As At	
<i>In Taka</i>	30-Jun-2025	30-Jun-2024
Land & land development	1,368,311,793	877,835,244
Building and other constructions (Factory)	55,392,827	43,429,540
Building and other constructions (Admin)	2,197,392,394	1,035,982,240
Plant and machineries	165,600,184	-
Electric Equipment & Electric installation	153,877,399	-
Factory & Office equipment	928,344	163,144
Furniture and Fixture	2,919,304	-
Transport and vehicles	174,239,985	407,610,567
Advertisement Equipment	4,118,442,234	2,085,020,775

A. Movement of Capital Work in progress:

<i>In Taka</i>	Balance as on 30 Jun 2024	Addition	Capitalized	Balance as on 30 Jun 2025
Land & land development	-	3,667,119	3,667,119	-
Building and other constructions (Factory)	577,835,244	1,620,132,739	629,454,190	1,368,311,793
Building and other constructions (Admin)	43,429,540	58,266,511	66,203,224	55,392,827
Plant and machineries	1,035,982,240	3,570,338,259	2,408,926,123	2,197,392,394
Electric Equipment & Electric installation	-	481,457,232	288,857,046	165,600,184
Factory & Office equipment	-	393,089,524	239,212,125	153,877,399
Furniture and Fixture	163,144	2,628,703	1,863,503	928,344
Transport and vehicles	-	70,134,963	47,217,637	2,919,304
Advertisement Equipment	407,610,567	35,452,385	249,022,987	174,239,985
	2,085,020,775	4,005,349,434	3,971,227,974	4,118,442,234

8 Investment in Shares

See accounting policies in notes 47 (H)

	As At			
<i>Name of the company</i>	Number Of Shares	Value per Share	30-Jun-2025	30-Jun-2024
Akij Economic Zone Limited	200,000	100	20,000,000	20,000,000
Akij Takaful Life Insurance Plc.	1,800,000	10	18,000,000	18,000,000
Akij Industrial Economic Zone Limited	200,000	10	2,000,000	2,000,000
			40,000,000	40,000,000

9 Inventories

See accounting policies in notes 47 (I)

	As At	
<i>In Taka</i>	30-Jun-2025	30-Jun-2024
Raw materials	2,909,628,342	2,441,523,371
Finished goods	318,047,239	377,849,494
Stores and spares	577,921,489	155,946,716
	3,795,597,070	3,175,319,571

Inventories have been classified according to their major class and hence detailed break-up is not given as it is difficult to quantify each item in a separate and distinct category due to large variety of items.


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.

57 | Page
Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Notes to the financial statements (continued)

10 Trade and other receivables

See accounting policies in notes 47 (D)

In Taka	Note	As At	
		30-Jun-2025	30-Jun-2024
Trade Receivable against Local Sales	A	281,537,334	401,017,320
Trade Receivables against Export		189,288,048	75,018,078
Total trade receivable		470,825,382	477,035,398

A. Trade receivable against local sales

In Taka	30-Jun-2025	30-Jun-2024
Receivable against local sales	184,712,084	395,273,025
Receivable against institute sales	96,825,248	5,744,315
	281,537,334	401,017,320

B. Trade receivables against export

In Taka	30-Jun-2025	30-Jun-2024
Receivable against export	189,288,048	75,018,078
	189,288,048	75,018,078

11 Advances, deposits and prepayments

See accounting policies in notes 47 (J)

In Taka	As At	
	30-Jun-2025	30-Jun-2024
Advances		
Against Land	17,559,375	32,784,125
Loan to Director	4,400,000	4,795,910
Against purchases	150,687,811	44,766,437
Against advertisement	5,184,078	25,283,198
Against Salary	21,212,051	24,335,358
Against L/C's	516,137,809	457,344,031
Against VAT & SD	966,025,422	1,526,544,041
	1,683,849,745	2,127,474,862
Deposits		
Bank guarantee margin	-	140,000,000
Security deposits & others	222,949,749	246,889,229
	222,949,749	386,889,229
Prepayments		
Prepaid insurance	3,177,925	-
	3,177,925	-
	1,909,889,919	2,024,524,090

12 Inter company receivables

See accounting policies in notes 47 (I)

In Taka	As At	
	30-Jun-2025	30-Jun-2024
Akij Healthcare & Hygiene Limited	417,473,117	54,934,921
Akij Electric & Electronics Limited	102,184,440	8,910,084
Akij Venture Ltd.	193,170,042	-
Sazmin Traders Limited	8,025,080	8,025,080
Akij Dairy Limited	1,411,650,459	1,100,878,422
Akij-Fair Value Limited	2,783,230	92,730
Akij Takahul Life Insurance PLC	-	8,094,826
Akij Agro & Livestock Limited	168,840,242	119,920,040
Akij Paper Mills Limited	40,781,044	49,174,734
Akij Bicycle And Engineering Limited	291,219,275	82,453,878
Akij Bicycle Industries Limited	222,488,954	51,500,000
Umme Al Monowara Flour Mills Limited	289,343,036	744,385
Akij Furniture Limited	34,706	590,947
Akij Renewable Energy & Automation Ltd	600,000	-
Neoscolor Ltd	4,788,495	-
Akij Monowara Trust	4,948,619	-
	3,189,743,181	1,505,344,247

13 Assets/(Liabilities) for Current Tax

See accounting policies in notes 47 (C)

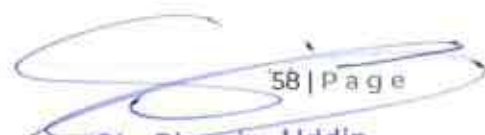
In Taka	Note	As At	
		30-Jun-2025	30-Jun-2024
Advance Income Tax	A	2,102,174,318	2,121,344,452
Provision for income tax	B	1,782,407,557	1,823,165,604
		319,766,761	298,182,348



Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.



Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.



Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Notes to the financial statements (continued)

A. Advance Income Tax			
<i>In Taka</i>			
Balance at the beginning of the year		2,121,348,652	1,603,170,124
Tax paid during the year:			
For current year		719,869,074	518,176,528
For prior year		-	-
		2,841,217,726	2,121,348,652
Adjustment on completion of assessment and appeal order		(739,041,408)	-
Balance at the end of the year		2,102,176,318	2,121,348,652
B. Provision for Income tax			
<i>In Taka</i>			
Balance at the beginning of the year		1,823,165,404	1,220,975,247
Provision made during the year:			
For 2023 (A.Y. 2023-2024)		498,483,563	-
For 2024 (A.Y. 2024-2025)		-	602,190,137
		2,321,648,967	1,823,165,404
Adjustment made during the year		(235,041,408)	-
Adjustment on completion of assessment and appeal order		1,782,407,557	1,823,165,404
Balance at the end of the year		1,782,407,557	1,823,165,404
14. Cash and cash equivalents			
See accounting policies in notes 47 (K)			
		As At	
<i>In Taka</i>		30-Jun-2023	30-Jun-2024
Cash in Hand		72,604,430	54,584,027
Investment in Fixed Deposits		1,187,522,537	1,016,354,435
Cash at Bank in different Current A/C		303,194,123	461,645,470
Cash and cash equivalent in statements of financial position		1,563,321,090	1,532,583,932
15. Issued share capital			
See accounting policies in notes 47 (M)			
		As At	
<i>In Taka</i>		30-Jun-2023	30-Jun-2024
A. Authorised			
2,500,000 Ordinary Shares of Tk. 1,000 each		2,500,000,000	2,500,000,000
		2,500,000,000	2,500,000,000
B. Issued, Subscribed and fully paid			
2,351,200 Ordinary Shares of Tk. 1,000 each		2,351,200,000	2,351,200,000
		2,351,200,000	2,351,200,000
C. Particulars of shareholdings			
		30-Jun-2023	
		30-Jun-2024	
Name of shareholder		No. of shares	Value in BDT
SK. Nasir Uddin		470,240	470,240,000
Akij Venture Ltd.		25	25,000
SK. Shamim Uddin		1,880,910	1,880,910,000
Sazmin Sultana		25	25,000
		2,351,200	2,351,200,000
		2,351,200,000	2,351,200,000
D. Percentage of shareholdings			
<i>In Taka</i>		30-Jun-2023	30-Jun-2024
SK. Nasir Uddin		20.00%	20.00%
Akij Venture Ltd.		0.001%	0.001%
SK. Shamim Uddin		80.00%	80.00%
Sazmin Sultana		0.001%	0.001%
		100.00%	100.00%
16. Deferred Tax Liabilities/(Assets)			
See accounting policies in notes 47 (C)			
			(Taxable)/ deductible temporary differences
<i>In Taka</i>	<i>Note</i>	Carrying amount on 30-Jun-23	Tax base
Property, plant and equipment (excluding Land)	3	13,453,411,074	9,602,547,478
			4,051,863,596
Tax rate			27.5%
Deferred tax asset / (liability) as at 30 June 2023			1,114,362,487


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhter
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


59 | Page
Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Notes to the financial statements (continued)

In Taka	Note	Carrying amount on 30-Jun-24	Tax base	(Taxable)/ deductible temporary differences
Property, plant and equipment (excluding Land)	5	1,924,344,170	5,719,264,353	4,209,079,817
				4,209,079,817
				27.5%
Tax rate				1,197,494,950
Deferred tax asset / (liability) as at 30 June 2024				

A. Deferred tax expenses/ (income)

In Taka	Note	30-Jun-2023	30-Jun-2024
Deferred tax asset/(liability) at the beginning of the year		1,197,494,950	1,241,021,005
Deferred tax expenses/ (income)		(63,739,441)	(103,324,555)
Deferred tax liability at the end of the year		1,133,755,509	1,137,696,450

17 Long-Term Bank Loan
See accounting policies in notes 47 (L.)

In Taka	As At	
	30-Jun-2023	30-Jun-2024
Standard Chartered Bank PLC	1,403,463,835	-
IDLC Finance PLC	235,200,000	-
	1,638,663,835	-
A - Current and Non Current Maturity	744,464,904	-
Current Maturity	1,074,398,931	-
Non Current Maturity	1,638,663,835	-

Standard Chartered Bank

Facility : Hermes supported Islamic Facility
 Facility limit : Taka 4,707,680,000 or 32.47 million Euro
 Purpose : To finance goods and services under the commercial contract approved by Hermes.
 Tenor : 10 years
 Security : a. Confirmation from Obligor/Purchaser.
 b. The facility documentation will contain security customary for financings of this nature and as required by the ECA.

IDLC Finance PLC

Facility : (Jarrah Montaha Bil Tamteek (IMBT)
 Facility limit : Taka 294,000,000
 Purpose : Civil Construction of Green Building
 Tenor : 5 Years
 Security : a. Personal guarantee of,
 i. Sk. Shamimuddin
 ii. Sazmin Sultana
 b. 034.25 decimal land out of the total land measuring 2010.15 decimals located at District: Haliganj, Upazila & P.S.: Bahubal.

18 Short Term Bank Loan
See accounting policies in notes 47 (L.)

In Taka	Note	As At	
		30-Jun-2023	30-Jun-2024
Deferred Payment Credit Facility-Non Funded	A	8,552,982,577	5,842,413,157
Short Term Bank Loan-Funded Facility	B	3,588,451,189	2,948,846,177
		14,141,433,766	8,811,240,134

A. Deferred payment Credit Facility - Non Funded

In Taka	30-Jun-2023	30-Jun-2024
City Bank PLC	1,173,585,630	1,252,210,147
Bank Alfalah PLC	-	890,030,000
Bank Asia PLC	1,033,811,779	3,370,209,434
Standard Chartered Bank	5,822,008,049	17,427,538
Meghna Bank PLC	523,574,900	312,488,000
Puhall Bank PLC	8,552,982,577	8,842,413,157



Md. Shaidul Islam
Company Secretary
Aki Food & Beverage Ltd.


Md. Mokles Rabbun Akhtar
Chief Financial Officer,
Accounts & Finance
Aki Food & Beverage Ltd.



Sk. Shamim Uddin
Managing Director
Aki Food & Beverage Ltd.

Notes to the financial statements (continued)

B. Short Term Bank Loan-Funded Facility
In Taka

Pubali Bank PLC	431,635,507	1,014,812,477
Pubali Bank LTR	1,247,481,374	-
The City Bank PLC	1,337,334,304	350,000,000
Meghna Bank PLC	-	764,034,500
Bank Asia PLC	1,200,000,000	490,000,000
Bank Alfalah	750,000,000	-
Eastern Bank Ltd	400,000,000	160,000,000
IDL Finance PLC	-	-
	6,888,451,187	2,748,846,977

Pubali Bank PLC
Facility : Bai-Muajjal Islamic Banking
Facility limit : Taka 1,800,000,000
Purpose : For settlement of L/C obligations to be opened under facility-B including payment of import related customs duty and other cost.
Security : a. Personal guarantee of,
i. Sk. Shamimuddin
ii. Sazmin Sultana
b. Hypothecation of stocks, book debts, receivables and machinery equipment of the company.
c. 213.42 decimal land located at Bero Aulia, Chhatogram.

Meghna Bank PLC
Facility : Islamic Banking
Facility limit : Taka 3,350,000,000
Purpose : To settle the import documents opened under deferred/Issuance LC of Line - A.
Tenor : 180 to 360 days
Security : a. Personal guarantee of,
i. Sk. Shamimuddin
ii. Sazmin Sultana
b. Corporate guarantee of Akij Venture Limited supported by MOA & board resolution
c. Lien on FDR/MTDR @10% of proposed credit limit for availing regular limit of BDT 335 crore
d. 1st charge registered hypothecation over all floating assets.

Bank Alfalah PLC
Facility : Islamic Banking
Facility limit : Taka 800,000,000
Purpose : For local procurement of raw materials, LC, LC acceptance and spare parts
Tenor : 180 to 360 days
Security : a. Personal guarantee of,
i. Sk. Shamimuddin
ii. Sazmin Sultana
b. Trust receipt
c. Lien on import documents
d. 3rd ranking charge of BDT 800M over stocks, book debts and plant & machinery.

Eastern Bank PLC
Facility : Islamic Banking
Facility limit : Taka 2,500,000,000
Purpose : For supplier's payment against purchase of goods including duty, VAT etc. related to purchase.
Repayment nature : 180 to 360 days.
Security : a. Personal guarantee of,
i. Sk. Shamimuddin
ii. Sazmin Sultana
b. Registered Hypothecation (Fixed and floating assets) of the company.
c. Corporate Guarantee of Akij Venture Limited.

Bank Asia PLC
Facility : Islamic Banking
Facility limit : Taka 7,000,000,000
Purpose : For local procurement of raw materials, LC, Spare parts and packing materials
Repayment nature : 180 to 360 days.
Security : a. Personal guarantee of,
i. Sk. Shamimuddin
ii. Sazmin Sultana
b. Continuation of existing registered mortgage of Land.
c. Hypothecation of stock, book debts and receivables of the client.


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Mokles Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


6 | Page
Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Notes to the financial statements (continued)

19 Inter company Payable
See accounting policies in notes AT (T)

In Taka	As At	
	30-Jun-2025	30-Jun-2024
Akij Venture Limited	-	47,691,066
Akij Exim Ltd	299,406	-
Akij Monowara Medical College & Hospital Ltd	15,980,550	-
SK Akij Uddin Limited	-	459,000,000
	16,279,956	497,691,066

20 Revenue
See accounting policies in notes AT (A)

In Taka	For the year ended	
	30-Jun-2025	30-Jun-2024
A. Sales including VAT	25,382,982,538	27,348,751,551
Less: VAT & SD	(1,098,058,381)	(7,733,721,228)
Net Sales	24,284,924,157	19,615,030,323
B. Non-volatile	57,643,367	184,031,677
C. Export	793,205,081	937,025,898
Net Revenue	25,135,872,605	20,431,087,997

21 Cost of goods

In Taka	Note	For the year ended	
		30-Jun-2025	30-Jun-2024
Raw materials consumed	4	16,941,759,997	16,097,440,569
Factory Overhead	22	3,910,294,278	3,350,101,527
Cost of goods manufactured		20,851,954,275	17,437,542,096
Opening finished goods		377,869,494	204,575,415
Closing finished goods		(318,047,239)	(377,869,494)
		20,911,766,530	17,244,248,207

In Taka	Note	For the year ended	
		30-Jun-2025	30-Jun-2024
Opening raw materials		2,641,523,371	1,643,455,394
Purchase during the year	#	17,209,864,948	15,285,520,536
Closing raw materials		(7,909,470,342)	(7,441,323,371)
		16,941,759,997	14,887,660,559


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Notes to the financial statements (continued)

22 Factory Overhead, Administrative, Selling and Distribution Expenses

In Taka	Note	For the year ended				
		Factory Overhead	Administrative expenses	Selling & Distribution expenses	30-Jun-2025	30-Jun-2024
		-	19,500,000	-	19,500,000	29,450,000
Director remuneration		710,485,599	197,771,629	561,854,945	1,450,312,173	1,355,222,901
Salary and Allowances		15,777,332	22,068,545	25,244,052	63,110,129	67,067,915
Travelling and Conveyance		5,217,231	-	12,378,017	17,995,247	7,435,403
Loading, Unloading & Labour expenses		418,971	3,741,826	1,285,339	5,446,136	3,515,636
Stationeries and others		82,626,731	11,506,202	4,956,371	99,085,304	23,204,940
Repairs and maintenance		3,791,913	5,137,855	5,123,871	14,053,639	14,154,828
Vehicle Repairs and maintenance		1,796,408	2,516,773	5,345,291	9,678,472	10,754,525
Telephone & Mobile		119,168	251,576	463,430	834,174	779,602
Papers and Periodicals		566,248,791	21,673,921	-	567,922,712	344,456,898
Fuel and lubricant		127,769,358	-	-	127,769,359	168,856,535
Gas bill		10,832,479	31,867,875	17,116,229	59,014,582	10,227,371
License and Renewal		12,747,332	7,164,916	17,867,930	37,280,179	34,694,230
Damaged Goods		2,616,392	13,022,263	10,822,612	26,460,938	27,217,737
Entertainment		388,908	287,488	179,634	654,032	1,407,491
Dress and Liveries		-	4,157,871	2,321,478	6,479,349	12,587,347
Rent, Rates & Taxes		2,597,574	6,753,693	13,703,248	23,054,516	6,422,445
Documentation Fees		26,342,253	18,173,921	8,290,705	52,706,879	36,417,891
Diesel, Lubricant & others		1,964,488	7,680,394	63,271,309	72,916,192	43,528,454
Free sample		-	1,656,000	-	1,656,000	690,000
Audit fees		1,715,897	4,481,330	-	6,197,227	5,604,492
Insurance Premium		-	-	19,160,607	19,160,607	16,941,018
Export Expenses		1,752,584	7,016,337	40,610,129	49,379,050	20,389,863
Foreign Business Tour Expenses		160,403	4,706,029	2,921,227	7,787,659	8,512,466
Training Expenses		354,315	786,274	-	1,040,590	1,816,861
Testing Fees		2,315,643	1,758,475	3,627,088	7,701,187	8,808,678
Service Benefit		-	-	15,312,255	15,312,255	12,187,498
Market Promotional Expenses		-	-	310,574,779	310,574,779	320,659,515
Advertisement Expenses of Media Channel		-	-	35,007,862	35,007,862	42,917,447
Advertisement Materials & Display Expense		-	16,376,302	28,869,262	53,245,565	49,990,982
Market development & Seasonal programming expenses		-	42,944,979	21,473,489	64,420,468	138,386,797
Research, Development, Gift, Donation & Others expenses		-	-	50,446,244	50,446,244	40,475,815
Truck & higher expenses		482,133,137	-	-	482,133,237	647,424,463
Spare Parts consumption		2,237,235	3,387,811	767,052	6,392,099	8,322,170
Medical Expenses		811,746,568	2,666,683	900,894	815,134,145	804,003,546
Electric Bill		-	287,600	-	287,600	541,987
Mango tree Maintenance		-	16,338,610	1,246,936	15,585,444	17,283,242
Warehouse Expense		-	10,376,053	-	10,376,053	8,844,711
Head Office or Intra-group expenses		599,498	6,784,161	576,018	7,959,677	15,985,679
Miscellaneous expenses		-	13,420,643	-	13,420,643	5,322,653
Bank charges and commission		4,735,742	1,781,341	448,745	6,965,829	-
Internet bill		4,677,199	1,991,173	1,119,300	7,807,671	-
Fooding		-	4,056,058	-	4,056,058	-
Legal & Profession		-	107,896	2,966,791	3,074,687	-
Meeting expenses		-	1,941,000	-	1,941,000	-
Consultancy		-	1,693,026	-	1,693,026	-
Recruitment Expense		-	620,011	20,182	640,193	-
Postage & Courier Expenses		-	344,450	-	344,450	-
Security service		-	6,008,039	-	6,008,039	-
IT Support Service		-	-	3,480,625	3,480,625	-
Bad debts		-	31,772,296	-	31,772,296	-
Zakat and Sadaka expenses		6,736,817	-	-	6,736,817	-
Cleaning expenses		3,757,191	-	-	3,757,191	-
Laboratory Expenses		-	1,940,770	-	1,940,770	-
Amortization	4	1,036,892,530	182,981,035	-	1,219,873,565	1,800,477,219
Depreciation	5	-	-	-	-	-
		3,910,194,278	737,166,184	1,280,171,826	5,927,512,240	5,180,188,712


Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.

63 | Page

Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

Notes to the financial statements (continued)

Details expenses of Factory Overhead, Administrative and Selling,marketing and distribution expenses

In Taka	Factory Overhead	Administrative expenses	Selling & Distribution expenses	30-Jun-2024
	-	29,450,000	-	29,450,000
Director remuneration	448,992,201	169,448,925	516,754,775	1,355,222,901
Salary and Allowances	1,745,753	27,654,312	37,647,850	47,047,915
Travelling and Conveyance	2,393,225	1,729,435	3,312,545	7,435,403
Loading, Unloading & Labour expenses	1,214,574	1,424,517	874,343	3,513,434
Stationeries and others	11,228,999	8,432,679	3,543,212	23,204,890
Repairs and maintenance	2,567,812	5,130,304	4,456,712	14,154,828
Vehicle Repairs and maintenance	1,284,121	3,825,193	5,642,211	10,751,525
Telephone & Mobile	24,470	93,491	441,234	779,602
Papers and Periodicals	345,594,312	3,042,596	-	348,636,908
Fuel and Lubricant	168,856,535	-	-	168,856,535
Gas Bill	745,421	745,421	16,495,329	18,227,371
License and Renewal	1,244,512	19,088,484	14,341,232	34,674,230
Damaged Goods	1,132,145	11,724,340	14,341,232	27,217,737
Entertainment	445,897	941,594	-	1,407,491
Dress and Liveries	-	12,587,347	-	12,587,347
Rent, Rates & Taxes	1,287,452	5,134,993	-	6,422,445
Documentation Fees	36,417,891	-	-	36,417,891
Vehicle running expenses (Diesel, Lubricant & others)	1,234,521	-	42,294,135	43,528,656
Free sample	-	490,000	-	490,000
Audit Fees	-	5,604,492	-	5,604,492
Insurance Premium	-	-	16,941,018	16,941,018
Export Expenses	1,742,311	2,114,620	14,912,912	20,399,843
Foreign Business Tour Expenses	-	8,512,444	-	8,512,444
Training Expenses	518,118	1,298,723	-	1,816,841
Testing Fees	1,047,541	2,082,022	4,358,315	8,008,478
Service Benefit	-	-	12,187,498	12,187,498
Market Promotional Expenses	-	-	320,459,515	320,459,515
Advertisement Expenses of Media Channel	-	-	42,917,447	42,917,447
Advertisement Material & Display Expense	-	17,436,809	32,554,123	49,990,922
Market development & Seasonal programming expenses	-	125,401,345	12,785,432	138,186,777
Research, Development, gift, Donation & Others expenses	-	-	40,475,815	40,475,815
Carriage Outward Expenses	432,881,710	14,422,733	-	447,304,443
Spare Parts consumption	4,322,170	-	-	4,322,170
Medical Expenses	804,197,904	1,845,642	-	806,043,546
Electric Bill	-	541,987	-	541,987
Mango tree Maintenance	-	17,282,242	-	17,282,242
Warehouse Expense	-	8,444,711	-	8,444,711
Head Office or Intra-group expenses	4,509,093	3,040,148	-	7,549,241
Miscellaneous expenses	-	5,322,453	-	5,322,453
Bank charges and commission	2,404,640	647,349	-	3,051,989
Internet bill	1,349,204	817,103	-	2,166,307
Funding	-	490,000	-	490,000
Legal & Profession	999,095	104,935	-	1,104,030
Meeting expenses	-	575,000	-	575,000
Consultancy	774,512	-	-	774,512
Laboratory Expenses	850,401,384	150,070,823	-	1,000,472,207
Depreciation	3,350,191,637	448,083,963	1,142,003,383	5,189,185,712

23 Finance costs


In Taka	For the year ended	
	30-Jun-23	30-Jun-24
Interest on Bank Loan	426,845,077	340,204,051
	426,845,077	340,204,051

24 Exchange Gain/(Loss), net

In Taka	For the year ended	
	30-Jun-23	30-Jun-24
Foreign currency translation gain/(loss)-unrealised (Export)	1,543,422	8,181,283
Foreign currency transaction gain-Realised (Export)	(1,254,203)	(4,090,032)
Foreign currency translation gain/(loss)-Realised	1,628,013	7,444,281
	1,717,232	11,740,532

This represents exchange gain/ (loss) arising from recurring transactions and conversion of foreign currency balances as at financial position date.


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


64 | Page
Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Notes to the financial statements (continued)

25 Non-Operating Income	For the year ended	
	30-Jun-2025	30-Jun-2024
<i>In Taka</i>		
Interest at fixed deposit and others	34,350,488	36,691,616
Income from cash subsidy	30,957,959	8,527,794
Wastage sales	3,636,375	16,479,797
	68,944,822	61,699,207

24 Workers' Profit Participation Fund

This represents Workers Profit Participation Fund and Welfare Fund arising from Bangladesh Labour Act, 2006(amended 2013); Section 234(h) on profit before tax @ 5%.

	For the year ended	
	30-Jun-2025	30-Jun-2024
<i>In Taka</i>		
Net Profit before contribution to WPPF & Tax	1,626,297,272	1,267,787,371
Contribution to Workers' Profit Participation Fund @ 5%	81,314,863.40	63,389,368.55

27 Income tax expense

See accounting policies in notes 47 (C)

This represents tax on business income and other income at applicable rates of Finance Act 2024 and provision of relevant Income Tax Law.

	As At	
	30-Jun-2025	30-Jun-2024
<i>In Taka</i>		
Current tax expense	498,483,543	-
For FY: 2024-2025 : AY 2025-2026	-	402,190,137
For FY: 2023-2024 : AY 2024-2025	498,483,543	402,190,137

28 Earning Per Share (EPS)

See accounting policies in notes 47 (U)

	As At	
	30-Jun-2025	30-Jun-2024
<i>In Taka</i>		
Net profit attributable to ordinary share holders	889,733,306	686,733,110
Weighted average number of Shares used to compute EPS	2,351,200	2,351,200
Earning Per Share	378	292

29 Net Asset Value (Per Share)

	As At	
	30-Jun-2025	30-Jun-2024
<i>In Taka</i>		
Total Asset	30,352,507,434	27,727,040,512
Less: Total Liabilities and Provisions	27,346,112,182	15,610,378,565
Net asset/ Shareholders equity	3,006,395,252	12,116,661,947
Number of Shares used to compute NAV	2,351,200	2,351,200
NAV- per share on share at balance sheet date	1,280	5,153

30 Net Operating Cash Flow Per Share

	As At	
	30-Jun-2025	30-Jun-2024
<i>In Taka</i>		
Net Cash generated from operating activities	2,187,406,073	110,992,759
Number of Shares	2,351,200	2,351,200
Net Operating Cash Flow Per Share	930	472

31 Quantitative Disclosure

Disclosure as per requirement of Schedule XI, part A, para 3 of Companies Act 1994.

The quantities of sales, production & closing inventories are presented below :

Particulars in respect of quantity of each raw material are not presented, as number of items as well as classes of items are large.

Notes to the financial statements (continued)

32 Contingencies and commitments

<i>In Taka</i>	Note	As At	
		30-Jun-2023	30-Jun-2024
Letter of credit	A	2,044,674,420	3,520,844,112
A. Letter of credit		30-Jun-2023	30-Jun-2024
<i>In Taka</i>			Contingent liability
Bank Asia PLC		494,079,378	869,420,000
Standard Chartered		499,511,840	2,158,945,080
Neghna Bank PLC		782,449,572	500,451,024
City Bank		87,855,830	-
		2,044,674,420	3,520,844,112

B. There are claims by val and customs authority for an aggregate sum of Tk. 333.35 crore. The company has disclaimed liability and defending the action to the court. The directors are of the view that no material losses will arise in respect of the claim at the date of these financial statements


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


SK. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Notes to the financial statements (continued)

33 Financial instruments – Fair values and risk management

A. Accounting classifications and fair values

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

30 June 2025	In Taka	Note	Carrying amount		Total
			Financial assets at amortised cost	Other financial liabilities	
Financial assets not measured at fair value					
	Trade and other receivables	10	470,825,382	-	470,825,382
	Cash and cash equivalents	14	1,564,325,089	-	1,564,325,089
			2,035,150,471	-	2,035,150,471
Financial liabilities measured at fair value					
			-	-	-
Financial liabilities not measured at fair value					
	Trade and other payables		2,756,396,885	-	2,756,396,885
			2,756,396,885	-	2,756,396,885
30 June 2024					
	In Taka	Note	Financial assets at amortised cost	Other financial liabilities	Total
Financial assets not measured at fair value					
	Trade and other receivables	10	477,035,398	-	477,035,398
	Cash and cash equivalents	14	1,534,606,133	-	1,534,606,133
			2,011,641,531	-	2,011,641,531
Financial liabilities not measured at fair value					
	Trade and other payables		2,707,167,382	-	2,707,167,382
			2,707,167,382	-	2,707,167,382

The Company has not disclosed the fair values for financial instruments such as trade and other receivables and trade and other payables, because their carrying amounts are a reasonable approximation of fair values.

B. Financial risk management

Management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

1. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is mainly attributable to trade receivables. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

a) Exposure to credit risk

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

In Taka	30-Jun-2025	30-Jun-2024
Trade receivables	470,825,382	477,035,398
Cash and cash equivalents	1,564,325,089	1,534,606,133
	2,035,150,471	2,011,641,531


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Notes to the financial statements (continued)

b) Impairment losses

Expected credit loss on trade receivables has been recognised as impairment loss for such instruments for the year.

C. Financial risk management

ii. Liquidity risk

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

a) Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

iii. Market risk

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

a) Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which reimbursements, purchases and expenses are denominated and the functional currency of the Company. The currency in which these transactions are primarily denominated is US Dollars. The functional currency of the Company is Bangladesh Taka (Tk/BDT).

b) Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. The Company is not significantly exposed to fluctuations in interest rates. At the reporting date, the Company had interest-bearing financial instruments (i.e. Overdraft).




Md. Moklesur Rauman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


68 Page
Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Notes to the financial statements (continued)

34 Related Party Disclosures

See accounting policies in notes 47 (T)

A Other related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party, or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

Transactions with related parties:

In Taka	Relationship	Nature of Transactions	Balance outstanding as at	
			30-Jun-2025	30-Jun-2024
Intercompany Receivables				
Akij Healthcare & Hygiene Limited	Group entity	Purchase	417,673,117	54,934,921
Akij Electric & Electronics Limited	Group entity	Current Accounts	102,195,660	8,910,084
Akij Venture Ltd.	Group entity	Current Accounts	193,170,042	-
Sazmin Traders Limited	Group entity	Current Accounts	8,025,080	8,025,080
Akij Dairy Limited	Group entity	Current Accounts	1,411,650,459	1,100,876,622
Akij Dairy Limited	Group entity	Assets Disposal	2,533,349	-
Akij-Fair Value Limited	Group entity	Current Accounts	3,783,230	92,730
Akij Takatul Life Insurance PLC	Group entity	Current Accounts	-	8,094,826
Akij Agro & Livestock Limited	Group entity	Current Accounts	168,840,262	119,920,060
Akij Paper Mills Limited	Group entity	Current Accounts	60,781,046	69,176,736
Akij Bicycle And Engineering Limited	Group entity	Current Accounts	291,219,275	82,653,878
Akij Bicycle Industries Limited	Group entity	Current Accounts	222,688,954	51,500,000
Umme Al Monowara Flour Mills Ltd.	Group entity	Current Accounts	299,343,036	766,385
Akij Furniture Limited	Group entity	Current Accounts	34,706	390,947
Akij Renewable Energy & Automation Ltd	Group entity	Current Accounts	600,000	-
Neoscoder Ltd	Group entity	Current Accounts	4,788,695	-
Akij Monowara Trust	Group entity	Current Accounts	4,948,619	-
Intercompany Payables				
Akij Venture Limited	Related party	Current Accounts	-	47,691,066
Akij Exim Ltd	Related party	Current Accounts	299,406	-
Akij Monowara Medical College & Hospital Ltd	Related party	Current Accounts	15,980,550	-
SK Akij Uddin Limited	Related party	Current Accounts	-	450,000,000
			6,400,000	6,795,910
Loan to Directors				
Investment in Share				
Akij Economic Zone Limited	Related party		20,000,000	20,000,000
Akij Takatul Life Insurance PLC	Group entity		18,000,000	18,000,000
Akij Industrial Economic Zone Limited	Related party		2,000,000	2,000,000

35 Production Capacity and Actual Production

Disclosure as per requirement of Schedule XI, part II, para 7 of Companies Act 1996.

The production status (business wise) for the period ended 30 June 2025 is as follows:

Business Segment	Units	Capacity @100%	Actual	% of Utilization
Juice	Ltr.	152,942,845	99,104,963	65%
Clernon	Ltr.	152,398,079	112,492,284	74%
Mojo	Ltr.	135,675,784	107,308,691	79%
Speed	Ltr.	401,693,089	288,614,326	72%
Water	Ltr.	211,740,544	125,835,794	59%
Milk	Ltr.	11,378,121	7,382,351	65%
Others	Ltr.	28,807,610	18,412,800	64%


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


69 | Page
Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Notes to the financial statements (continued)

36 Contingent asset

Contingencies arising from claims, litigations, assessments, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Contingent asset is a possible asset that arises from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

37 Capital Management

For the purpose of the company's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

To maintain or adjust capital structure, the Company may adjust the amount of dividend, return on capital, issue new share or obtain long term-debt. All major investment and financing decisions, as a part of its capital management, are evaluated and approved by its Board of Directors.

No changes were made in the objectives, policies or processes for managing capital during the year ended 30 June 2025.

38 Capital Expenditure Commitment

There was no capital expenditure contracted but not incurred or provided for on 30 June 2025.

39 Claim not Acknowledged as Debt

There was no claim against the company not acknowledged as debt as on 30 June 2025.

40 Credit Facility Not Availed

There was no credit facility available to the company under any contract but not availed of as on 30-Jun-2025 other than trade credit available in the ordinary course of business.

41 Subsequent events

Disclosure as per requirement of para 3, part II, Schedule XI of Companies Act 1994

Events after the reporting period that provide additional information about the company's position at the date of statement of financial position or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes wherever material.

There is no significant events after balance sheet date that may affect financial statements of the Company for the year ended 30 Jun 2025.

42 Auditors fees

Disclosure under Para 6 of Schedule XI, Para II of the Companies Act 1994

	30-Jun-2025	30-Jun-2024
M J Ahedin & Co - Chartered Accountants (annual)	600,000	600,000

43 Basis of measurement

The financial statements have been prepared on the historical cost basis except for inventories which are measured at lower of net realisable value and cost at each reporting date.

44 Going concern

The accompanying financial statements have been prepared on a going concern assumption that the Company will continue its operation over the foreseeable future. The Company has neither any intention nor any legal or regulatory compulsion to liquidate or curtail materially the scale of any of its operations. The Company has adequate resources to continue in operation for the foreseeable future and the current resources of the Company provide sufficient funds and attributable credit facilities to meet the present requirements of its existing business.



Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.



Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.



Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Notes to the financial statements (continued)

45 Particulars of employees

Disclosure under Para 3 of Schedule XI, Para II of the Companies Act 1994

The number of employees engaged by the Company for the whole year or part thereof who received a total salary of BDT 36,000 or above was 2,924 permanent employees.

46 Comparatives

Comparative information have been disclosed in respect of the year ended 30 June 2024 for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current financial statements for the year ended 30 June 2025. The amounts presented in the financial statements are entirely comparable.

To facilitate comparison, certain relevant balances pertaining to the previous year have been rearranged/restated/reclassified whenever considered necessary to conform to the current year's presentation.

47 Significant accounting policies and other information.

The Company has consistently applied the following accounting policies to all years presented in these financial statements.

Set out below is an index of the significant accounting policies, the details of which are available on the pages that follow.

- A Revenue from customers
- B Foreign currency
- C Income tax
- D Property, plant and equipment
- E Intangible assets
- F Capital Work in Progress
- G Inventories
- H Investment in Shares
- I Trade Receivables
- J Advance, Deposit and Prepayments
- K Cash and Cash Equivalents
- L Financial Instruments
- M Share capital
- N Provisions and Accruals
- O Contingencies
- P Statement of cash flows
- Q Reporting period
- R Value Added Tax (VAT)
- S Employee Benefits
- T Related Party
- U Finance income and finance cost
- V Earning per Share (EPS)
- W Financial Risk Management

A Revenue from customers

The Company recognizes as revenue the amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services when (or as) it transfers control to the customer. To achieve that core principle, IFRS 15 establishes a five-step model as follows:

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognize revenue when (or as) the entity satisfies a performance obligation.

Considering the five steps model, the Company recognizes revenue when (or as) the Company satisfies a performance obligation by transferring a promised good to a customer. Goods are considered as transferred when (or as) the customer or its agent (forwarder/CFS) obtains control of that goods. Revenue from sale of goods is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts, rebates and Value Added Tax (VAT).

Notes to the financial statements (continued)

B Foreign currency*Foreign currency transactions*

Transactions in foreign currencies are translated into Taka at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into Taka at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into Taka at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

C Income tax

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

I. Current tax

Current tax expenses has been recognized on the basis of the Finance Act 2024 and income tax Act 2023. Current Tax rate is 27.5%.

II. Deferred tax*(a) Deferred tax assets*

Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible differences.

(b) Deferred tax liabilities

Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary differences.

Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. The deferred tax asset/income or liability/expense does not create a legal liability/recoverability to and from the income tax authority. Deferred tax assets and liabilities are measured using tax rates and tax laws enacted or substantially enacted at the statement of financial position date. The impact of changes on the account in deferred tax assets and liabilities has also been recognized in the profit and loss account as per IAS-12 "Income taxes".

D Property, plant and equipment*I. Recognition and measurement*

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the assets.

Parts of an item of property, plant and equipment having different useful lives, are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment so disposed and is recognized with other income/general and administrative expenses in statement of profit or loss and other comprehensive income.

II. Pre-Operating Expenses and Borrowing Costs

In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalized.


Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.


Md. Mokibul Hossain Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.


Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

Notes to the financial statements (continued)*III. Subsequent expenditure*

The cost of replacing component of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the company and its cost can be measured reliably. The costs of the day to day servicing of property, plant and equipment are recognized in profit or loss as incurred.

IV. Depreciation

All items of property, plant and equipment except land have been depreciated on reducing balance method and 6 months depreciation is charged on current year addition. Depreciation begins when an asset becomes available for use. Depreciation is charged at rates varying from 5% to 10% depending on the estimated useful lives of assets.

The rates at which the assets are depreciated per annum are as follows:

Category of asset	Rate of Depreciation 30-Jun	
	2025	2024
Land & land development	0%	0%
Building and other constructions (Factory)	10%	10%
Building and other constructions (Admin)	5%	10%
Plant and machineries	10%	10%
Electric Equipment & Electric installation	10%	15%
Furniture and fixture fittings	10%	10%
Factory & Office equipment	10%	10%
Transport and vehicles	10%	15%
Computer, Telephone, Fax, Internet etc.	10%	10%
Water & Gas line installation	10%	10%
Advertisement Equipment	10%	10%
Tools & Motors	10%	10%
Akij House, Corporate Office (15%)	5%	15%

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

IV. Derecognition

An asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset and is included in profit or loss.

E Intangible assets*I. Recognition and measurement*

Intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

II. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

III. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, from the date of purchase to the date prior to disposal, and is generally recognised in profit or loss. Goodwill is not amortised.


Md. Shaiful Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


73 | Page
Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Notes to the financial statements (continued)

The estimated useful lives for current and comparative years are as follows:

Category of fixed assets	Rate of Depreciation	
	30-Jun	
	2025	2024
Software	10%	0%

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

F Capital Work in Progress

This represents cost incurred and payment made there against. Construction-in-progress is stated at cost less any impairment losses and is not depreciated.

G Inventories

Inventories have been valued at cost being lower than net realizable value per IAS 2.

The cost of inventories is based on weighted average method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in process, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

H Investment in Shares

Investment in Shares is carried in the statement of financial position at cost.

I Trade Receivables

Trade receivables represents amount due against local sale, export sale, institute sale and depot sale. These are stated at original invoice amount without making any provision for doubtful debts are made as and when it is applicable.

J Advances, Deposits and Prepayments

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads.

Deposits are measured at the amount which is actually paid.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less any adjustments or charges to the statement of profit and loss and other comprehensive income.

K Cash and cash equivalents

Cash and cash equivalents include cash in hand and at banks. Cash and cash equivalents are short-term and highly liquid investments that are readily convertible to known amounts of cash and that are subject to insignificant risk of changes in value.

L Financial Instruments

L Recognition and initial measurement

The Company initially recognises trade receivables on the date when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument

A financial asset (unless it is a trade receivable with a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.


Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.


Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

Notes to the financial statements (continued)

II. Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI) – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the reporting period following the change in the business model.

- A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to Cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

III. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

IV. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

M Share capital

i. Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with IAS.12.

Notes to the financial statements (continued)

Paid up capital represents total amount contributed by the shareholders and bonus shares, if any, issued by the Company to the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

N Provisions and Accruals

Provisions are recognised at the reporting date if, as a result of past events, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

A provision should be recognised in the year in which the recognition criteria of the provision have been met. Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amongst due to employees. Accruals are reported as part of trade and other payables.

O Contingencies

Contingencies arising from claims, litigation, assessments, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can reasonably be measured.

i. Contingent liability

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A contingent liability should not be recognised in the financial statements, but may require disclosure.

ii. Contingent asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A contingent asset should not be recognised. Only when the realisation of the related economic benefits is virtually certain should recognition take place provided that it can be measured reliably because, at that point, the asset is no longer contingent.

P Statement of cash flows

The statement of cash flows has been prepared in accordance with IAS 7 *Statement of cash flows* under the direct method.

Q Reporting period

According to Income Tax Act 2023, section 2(15) (Cha) (previously section 2(35) of Income Tax Ordinance 1984) Financial statements of companies other than Bank, Insurance and Financial Institutions must cover the year from July to June consistently.

R Value Added Tax (VAT)

The company is registered under The Value Added Tax and Supplementary Duty Act, 2012 for Manufacturing & Export Category of business vide BIN : 000000045-0005.

S Employee Benefits

The company has accounted for and disclosed employee benefits in compliance with the provisions of IAS 19: Employee Benefits.

The cost of employee benefits is charged off as revenue expenditure in the year to which the contributions relate.


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


76 | Page
Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Notes to the financial statements (continued)

The company's employee benefits include the following:

(a) Defined Contribution Plan (Provident Fund)

The company operates a recognized provident fund scheme where employees contribute 10% of their basic salary to the provident along with the company that makes an equal contribution. The company recognizes contribution plan as an expense when an employee has rendered service in exchange for such contribution.

(b) Workers' profit participation fund

The company has created funds for workers as "Workers' profit participation fund" and 5% of the profit before charging such expenses have been transferred to this fund in accordance with Bangladesh Labor Act 2006 (amended in 2013).

(c) Insurance Scheme

Employees of the company are covered under insurance schemes.

T Related Party

Parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. In this case, all the companies disclosed as related parties do not have any influence or control over operational decision making process whatsoever of the reporting entity. The company carried out transactions in the ordinary course of business on an arm's length basis with related parties / Inter companies.

U Finance Income and finance cost

The company's finance income and finance cost include:

- (i) Interest Income
- (ii) Interest expense

Interest income is recognized on accrual basis.

Interest expenses comprise interest expense on loans, bank charges and other finance related costs. All borrowing costs are recognized in the statement of profit or loss and other comprehensive income using effective interest method except to the extent of amounts that are capitalized during construction period of the project in accordance with IAS 23: Borrowing cost.

V Earning per Share (EPS)

This has been calculated in compliance with the requirement of IAS-33: Earnings per Share - dividing the basic earnings by the weighted average number of ordinary shares outstanding during the period.

Basic Earnings (Numerator)

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net 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 year

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

Diluted Earnings per Share

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


Md. Shaiful Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


77 | Page
Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Section 14: Comparative financial statements of the issuer

Table 12: Comparative Statement of Financial Position

Particulars in BDT	30-Jun-25	30-Jun-24	30-Jun-23	30-Jun-22	30-Jun-21
Property, Plant & Equipment	14,976,608,867	11,086,985,019	10,766,714,794	10,163,916,223	9,377,099,820
Intangible assets	17,466,930	-	-	-	-
Capital Work in Progress (CWIP)	4,118,662,236	2,085,020,775	1,101,184,085	229,752,002	285,816,480
Investment in Shares	40,000,000	40,000,000	40,000,000	40,000,000	40,000,000
Non-Current Assets	19,152,738,033	13,212,005,794	11,907,898,879	10,433,668,225	9,702,916,300
Inventories	3,745,617,070	3,175,339,579	1,766,965,355	920,077,078	546,725,495
Trade and Other Receivables	470,825,382	477,035,398	322,548,120	183,877,385	199,162,320
Advances, Deposits & Prepayments	1,909,689,919	2,524,524,090	2,015,438,469	622,538,635	333,306,769
Inter-Company Receivables	3,189,743,181	1,505,346,269	388,555,291	433,795,246	19,837,670
Current Tax Assets	319,568,759	298,183,248	382,194,857	309,545,423	309,545,423
Cash & Cash Equivalents	1,564,325,089	1,534,606,133	1,314,353,409	1,477,899,328	964,244,210
Current Assets	11,199,769,401	9,515,034,717	6,190,055,501	3,947,733,095	2,372,821,887
Total Assets	30,352,507,434	22,727,040,511	18,097,954,380	14,381,401,319	12,075,738,188
Share Capital	2,351,200,000	2,351,200,000	2,351,200,000	2,351,200,000	2,351,200,000
Retained Earnings	5,655,195,252	4,765,461,945	4,078,728,835	3,358,470,459	2,422,548,065
Shareholder's Equity	8,006,395,252	7,116,661,945	6,429,928,835	5,709,670,459	4,773,748,065
Deferred Tax Liability/(Assets)	1,114,262,489	1,157,496,950	1,261,021,605	1,150,555,031	1,288,861,820
Employees Provident Fund	544,795,646	580,884,940	253,506,649	294,806,823	359,121,460
Long Term Loan	1,074,398,931	-	-	-	-
Non-Current Liabilities	2,733,457,066	1,738,381,890	1,514,528,254	1,445,361,854	1,647,983,280
Long term loan - current maturity	764,464,904				
Short Term Bank Loan	14,141,633,766	8,811,260,136	6,463,822,075	4,303,399,464	2,775,369,308
Liabilities for Other Finance		-	-	-	-
Trade and Other Payable	2,756,396,885	2,707,167,382	2,157,468,729	1,287,637,622	1,718,309,192
Inter-company payable	16,279,956	497,691,066			
Advances Against Sales	641,009,948	616,963,473	602,517,800	886,020,465	447,453,258
Liabilities for Expenses	1,292,869,657	1,238,914,619	929,688,687	749,311,455	712,875,086
Current Liabilities	19,612,655,116	13,871,996,676	10,153,497,291	7,226,369,006	5,654,006,844
Total Liabilities	22,346,112,182	15,610,378,566	11,668,025,545	8,671,730,860	7,301,990,124
Total Equity and Liabilities	30,352,507,434	22,727,040,511	18,097,954,380	14,381,401,319	12,075,738,188



Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.



Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.



Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Table 13: Comparative Statement of Profit or Loss and Other Comprehensive Income

Particulars in BDT	30-Jun-25	30-Jun-24	30-Jun-23	30-Jun-22	30-Jun-21
Revenue	25,125,574,206	20,631,087,897	18,908,394,587	17,196,160,556	14,850,407,882
Cost of Goods Sold	20,911,756,530	17,264,268,207	15,915,253,897	14,511,624,075	12,680,959,033
Gross Profit	4,213,817,676	3,366,819,690	2,993,140,690	2,684,536,481	2,169,448,849
Administrative Expenses	737,146,156	668,083,903	542,323,593	1,536,638,733	1,511,832,057
Selling, Marketing & Distribution Expenses	1,280,171,826	1,162,003,283	1,044,370,879	-	-
Operating Profit	2,196,499,695	1,536,732,504	1,406,446,218	1,147,897,748	657,616,792
Finance Costs	626,865,077	360,204,051	92,778,468	59,730,661	45,740,617
Exchange Gain (Loss), Net	1,717,232	11,760,532	16,301,343	-00	-00
Non-Operating Income	54,945,422	59,499,006	77,976,914	155,592,853	61,775,473
Export Subsidy	-	-	-	-	-
Net Profit before Contribution to WPPF & Tax	1,626,297,272	1,247,787,991	1,407,946,007	1,243,759,940	673,651,648
Contribution to Workers' Profit Participation Fund	81,314,864	62,389,400	70,397,300	62,187,997	33,682,582
Net Profit before Tax	1,544,982,408	1,185,398,591	1,337,548,707	1,181,571,943	639,969,066
Deferred Tax Income/(Expense)	43,234,461	103,524,656	(110,466,574)	138,306,789	104,809,295
Income Tax Expense	698,483,563	(602,190,137)	(506,823,757)	(383,956,337)	(203,445,219)
Profit (Loss) for the Year	889,733,306	686,733,110	720,258,376	935,922,395	541,333,142
Other Comprehensive Income for the Year	-	-	-	-	-
Total Comprehensive Income for the Year	889,733,306	686,733,110	720,258,376	935,922,394	541,333,141
Earnings per Share (EPS) - Basic	378.42	292.08	306.34	398.06	230.24


Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.


 80 | Page
Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

Table 14 : Comparative Statements of Cash Flow

Particulars in BDT	30-Jun-25	30-Jun-24	30-Jun-23	30-Jun-22	30-Jun-21
Receipts from customers and others	25,165,756,691	20,511,785,669	18,512,191,838	17,347,083,125	14,859,185,942
Paid to suppliers and others	20,233,332,688	17,502,756,641	17,034,707,749	15,858,515,410	13,585,065,878
Paid to employees	1,469,812,173	1,384,672,901	749,170,093	-	-
Cash Generated from Operations	3,462,611,830	1,624,356,127	728,313,996	1,488,567,715	1,274,120,064
Income tax paid	719,869,074	518,178,528	579,473,192	383,956,337	214,660,817
Interest Received	34,350,688	36,491,414	23,917,200	-	-
Cash subsidy received	10,957,959	8,527,796	44,390,406	-	-
Finance Cost paid	600,643,330	360,204,051	92,778,468	59,730,661	45,740,617
Net cash Generated from operating activities	2,187,408,073	790,992,758	124,369,942	1,044,880,717	1,013,718,630
Paid for Acquisition of Property, Plant & Equipment's	1,140,302,787	564,025,701	403,052,385	1,689,791,480	772,629,186
Paid for Capital Work in progress	6,005,369,436	1,740,553,433	2,218,355,179	-	-
Paid for Acquisition of Intangible assets	19,407,700	-	-	-	-
Investment in Akij Takaful	-	-	-	-	(18,000,000)
Proceed from Sales of Property, Plant & Equipment's	2,533,348	-	127,829,139	-	-
Net decrease/(increase) in Intercompany receivables	-	(1,116,790,978)	45,239,954	(389,419,496)	(5,619,986)
Net decrease/(increase) in Intercompany payables	-	497,691,066	-	-	-
Net cash used in investing activities	(7,162,546,575)	(2,923,679,046)	(2,448,338,471)	(2,079,210,976)	(796,249,172)
Net Increase/(Decrease) in Intercompany balance	(2,165,808,021)	-	-	-	-
Net Increase/(Decrease) Short term loan	6,094,838,535	2,347,438,061	2,160,422,611	1,528,030,157	(6,894,827)
Net Increase/(Decrease) long term loan	1,074,398,931	-	-	-	-
Net cash used in financing activities	5,003,429,444	2,347,438,061	2,160,422,611	1,528,030,157	(6,894,827)
Effect of exchange rate changes	1,428,013	5,500,951	-	19,955,218	1,237,950
Increase/(Decrease) in cash and cash equivalents	28,280,943	21,475,1773	(163,545,918)	493,699,899	210,574,631
Cash and cash equivalents at beginning of year	1,534,606,133	1,314,353,409	1,477,899,328	964,244,210	752,431,629
Cash and cash equivalents at end of year	1,564,325,089	1,534,606,133	1,314,353,410	1,477,899,327	964,244,210
Net Operating Cash Flow Per Share	930.34	336.42	52.90	444.40	431.15


Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.


Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

Section 15: Ratio analysis of the issuer

Table 15: Ratio Analysis

Particulars	30-Jun-25	30-Jun-24	30-Jun-23	30-Jun-22	30-Jun-21
I. Liquidity Ratios:					
(i) Current Ratio	0.57	0.69	0.61	0.55	0.42
(ii) Quick Ratio	0.28	0.28	0.24	0.33	0.26
II. Operating Efficiency Ratios:					
(i) Accounts Receivable Turnover Ratio	53.02	51.60	74.67	89.79	85.70
(ii) Inventory Turnover Ratio	6.04	6.99	11.85	19.79	25.18
(iii) Asset Turnover Ratio	0.95	1.01	1.16	1.30	1.24
III. Profitability Ratios:					
(i) Gross Margin Ratio	16.77%	16.32%	15.83%	15.61%	14.61%
(ii) Operating Profit Ratio	8.74%	7.45%	7.44%	6.68%	4.43%
(iii) Net Profit Ratio	3.54%	3.33%	3.81%	5.44%	3.65%
(iv) Return on Assets	3.35%	3.36%	4.44%	7.08%	4.52%
(v) Return on Equity	11.77%	10.14%	11.87%	17.86%	10.41%
(vi) Earnings Per Share (EPS)	378.42	292.08	306.34	398.06	230.24
(vii) EBITDA margin	13.60%	12.30%	12.83%	12.25%	11.07%
IV. Solvency Ratios:					
(i) Debt to Total Assets Ratio	0.53x	0.39x	0.36x	0.30x	0.23x
(ii) Debt to Equity Ratio	2.65x	2.03x	1.62x	1.32x	1.26x
(iii) Times Interest Earned Ratio	3.50x	4.27x	15.16x	19.22	14.38
(iv) Debt Service Coverage Ratio	0.16x	0.21x	0.29x	0.39x	0.51x
V. Cash Flow Ratios:					
(i) Diluted Net Operating Cash Flow per Share (NOCFPS)	930.34	336.42	52.90	444.40	431.15
(ii) NOCFPS to EPS Ratio	2.46	1.15	0.17	1.12	1.87


Md. Shaidur Islam
 Company Secretary
 Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.


Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

Section 16: Rating summary with rating rationale of the issue and the issuer

a) Rating Summary of the Bond

Table 16: Rating Summary of the Bond

Rating Agency	Credit Rating Information and Services Limited (CRISL)
Long-term	A+ (Indicative)
Outlook	Stable
Validity	14 March, 2027

b) Rating Summary of AFBL

Table 17: Rating Summary of AFBL

Rating Agency	Credit Rating Information and Services Limited (CRISL)
Long-term	Long Term: AA-
Short-term	Short Term: ST-2
Outlook	Stable
Expiry Date	November 05, 2025 – November 04, 2026


Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhter
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.


 83 | Page
Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

Section 17: Latest default matrix and transition statistics of CRC

- a) Latest Default Matrix of Credit Rating Information and Services Limited (CRISL)

Calculation of Weighted Average MDR (wMDR) for 2014, 2015, 2016			
	wMDR for year 1	wMDR for Year 2	wMDR for Year 3
AAA	0.00%	0.00%	0.00%
AA	0.00%	0.00%	0.00%
A	0.35%	0.23%	0.12%
BBB	0.80%	0.88%	0.57%
Investment Grade (AAA-BBB)	0.55%	0.56%	0.34%
BB	2.99%	4.69%	1.59%
B	0.00%	0.00%	0.00%
CCC	0.00%	0.00%	0.00%
CC	0.00%	0.00%	0.00%
C	0.00%	0.00%	100.00%

	CDR3		
AAA	0.00%		
AA	0.00%		
A	0.69%		
BBB	2.23%		
Investment Grade (AAA-BBB)	1.444%		
BB	9.01%		
B	0.00%		
CCC	0.00%		
CC	0.00%		
C	100.00%		


Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.


Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

b) Transaction Statistics of Credit Rating Information and Services Limited
(CRISL)

CRISL Corporate Rating Transition Matrix (2016-2022)

	AAA	AA	A	BBB	BB	B	CCC	CC	C	D
AAA	100%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
AA	2.33%	91.86%	4.65%	1.16%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
A	0.00%	14.07%	79.85%	4.49%	1.50%	0.00%	0.00%	0.00%	0.00%	0.00%
BBB	0.00%	0.00%	17.49%	79.85%	2.28%	0.38%	0.00%	0.00%	0.00%	0.00%
BB	0.00%	0.00%	0.00%	19.05%	76.19%	0.00%	4.76%	0.00%	0.00%	0.00%
B	0.00%	0.00%	0.00%	0.00%	0.00%	80%	20.00%	0.00%	0.00%	0.00%
CCC	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CC	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
C	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
D	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


85 | Page
Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Section 18: Description of the Trustee

Name of Appointed Trustee: Sena Insurance PLC

Sena Insurance PLC ('the company') was incorporated as a Public Limited Company by shares under the Companies Act, 1994 on 3rd September, 2013 and the name of the company has been changed from Sena Kalyan Insurance Company Limited to Sena Insurance PLC on 18th August 2024, obtained permission for commencement of insurance business from the Registrar of Joint Stock Companies & Firms (RJSC) and Insurance Development & Regulatory Authority (IDRA), Government of the Peoples Republic of Bangladesh, with effect from 10th September, 2013 for carrying out non-life insurance business. The company went for public issue on 07th November 2021 and shares of the company is listed on both Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE).

Sena Insurance PLC is a subsidiary Company of Sena Kalyan Sangstha (SKS) that holds 24,000,000 shares out of 40,000,000 shares of the Company and the balance 16,000,000 shares are held by Public and Institution of taka 10 each fully paid up.

The company's principal activity includes the following:

- Fire Insurance;
- Marine Insurance;
- Engineering Insurance;
- Motor Insurance (Comprehensive & Act Only Liability Insurance);
- Aviation Insurance;
- Miscellaneous/ Accident/ Liability Insurance;
- Engineering Insurance;
- Travel Insurance

(as on 31st December 2024)

Table 18: Equity Position

Authorized Capital	BDT 1,000,000,000
Paid-up-Capital	BDT 400,000,000
Net worth	BDT 1,006,384,787

Shareholding Position of the Trustee:

(as on 31st December 2024)

Table 19 : Shareholding Position of the SIPLC

Sl.	Name of Shareholder's	Nos. of Shares	%
1.	Sena Kalyan Sangstha	24,000,000	60.00%
2.	Institution	4,880,948	12.20%
3.	General Public	11,119,052	27.80%
Total		40,000,000	100.00%


Md. Shaiful Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.

Board of Directors of the Trustee:**Table 20 : Board of Directors of the Trustee**

Sl.	Name of the Director	Position
1	Major General Md Sajjad Hossain, SUP, ndc, afwc, psc	Chairman & Nominated Director by SKS
2	Air Cdre Md Abu Rayhan, GUP, BUP, ndc, M Phil	Vice Chairman & Nominated Director by SKS
3	Brig Gen Md Zubayer Hasnat, SGP, psc, BN	Nominated Director by SKS
4	Brig Gen Mohammad Azizur Rouf, BGBM, psc	Nominated Director by SKS
5	Brig Gen Mohammad Khaled Kamal, BSP, ndc, psc	Nominated Director by SKS
6	Brig Gen Md Mahbub Hasan, BPM	Nominated Director by SKS
7	Brig Gen Mohammad Mustafizur Rahman	Nominated Director by SKS
8	Mr. Kazi Ahmad Pervez	Independent Director
9	Dr. Shakila Yasmin	Independent Director
10	Brig Gen Md Shafique Shamim, psc (Retd), CII (Cert) ABIA	Managing Director & CEO


Md. Shaidat Islam
 Company Secretary
 Akij Food & Beverage Ltd.


Md. Moklesur Rahman Abtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.


 87 | Page
Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

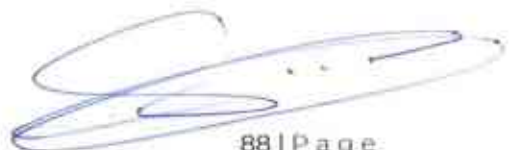
Section 19: Modus Operandi of the issue



Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.



Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.



88 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

19.1 Application Procedure

The Arranger shall procure that the prospective investors shall have been provided with a copy of the Information Memorandum and an invitation letter to subscribe. Based on the Information Memorandum and subsequent clarification of queries (if any), the investors shall submit a letter of commitment to the Arranger with the amount of intended subscription specified. Subject to Conditions Precedent, the closing of the issue and subscription of the Bonds shall take place on the Closing Date.

19.1.1 Subscription Agreement and Payment of net issue proceeds:

Head The Issuer, Subscriber, Agent shall execute Subscription Agreement for the purpose of subscription of Bonds. On the Closing Date, the investor shall pay the purchase price of the Bonds set forth in the Subscription Agreement to the Issuer in Bangladesh Taka for same day value to the account prescribed in the same.

19.2 Allotment:

The Issuer shall issue Allotment Letter(s) in the name of all allottees of the Bonds in electronic form with digital signatures and credit the allotted Bonds to the respective BO accounts on the basis of allotment data via their CDBL VeDAS Terminal upon receipt of the final allotment list from the Registrar. Each of the Issuer, the Trustee and any Agent may deem and treat the registered holder of a Bond as the absolute owner of such Bond, free of any equity, set-off or counterclaim on the part of the Issuer against the original or any intermediate holder of such Bond for all purposes.

On the Closing Date or any other day as the Exchange or CDBL Bye laws allow, the Issuer shall procure that the principal amount of Bonds subscribed for by the investor for which payment has been received in accordance with *Payment of net issue proceeds* are registered in name of the investor in accordance with the Subscription Agreement, the Trust Deed, the Conditions and the Agency Agreement.

19.3 Refund:

If any payment for subscription of Bonds have been made, but not allotted for whatever reason, the subscription amount to be refunded in accordance with applicable law and practice.

19.4 Transfer

Transfer of Bonds listed with the Alternative Trading Board of Exchange(s) shall be made through the trading system of the Exchange(s).

Provided that in case of transfer of Bond by the Bondholders, in any of the following circumstances, may be made outside the trading system of Alternative Trading Board:

- a) Transfer of Bond by way of gift among the family members i. e. spouse, son, daughter, father, mother, brother and sister;
- b) Transfer of Bond for execution of a Court order;
- c) Transfer of Bond for Charitable Trusts;
- d) Acquisition of Bond in consideration of other than cash;
- e) Transfer of Bond in case of confiscation/loan default; and
- f) Any other exceptional circumstances the Exchange feels appropriate.


Md. Shaiful Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

19.5 Listing with the Stock Exchange(s)

Subject to the approval of BSEC, the Bonds be listed with the Alternative Trading Board of Exchange(s). The Exchange(s) as applicable will complete the listing procedure and start of trading of the Bonds in accordance with the listing regulations and other applicable laws in force. If any waiver has been issued by BSEC to the Issuer excluding the listing requirement, the Bonds will not be listed with the Alternative Trading Board of Exchange(s). Any such waiver shall not affect all other clauses of the Trust Deed and other related agreements.

19.6 Redemption upon payment

Each Series of Bonds within a Lot shall be redeemed at Face Value ("**Redemption Amount**") on the respective Redemption Date ("**Scheduled Redemption Date**") calculated from the Closing Date.

19.7 Coupon payment

No Coupon payment shall be made in separate, as the issue is Zero-Coupon Bond.

19.8 Conversion

The Bonds are non-convertible in nature.

19.9 Conditions Precedent


The Investor shall only be under obligation to subscribe and pay for the Bonds if:

19.9.1 Closing documents: the investor receives on the Closing Date :

- a) **Closing certificate:** a closing certificate, dated the Closing Date and addressed to the investor, signed by a director or duly authorized signatory on behalf of the Issuer and substantially in the form set out in the Subscription Agreement;
- b) **Bond Documents:** the Bond Documents are executed on or before the Closing Date by or on behalf of all parties thereto, each in a form acceptable to the investor;
- c) **No material adverse change:** there has, since the date of the Subscription Agreement up to and including the Closing Date, in the judgment of the investor, been no adverse change, or any development reasonably likely to involve an adverse change, in the financial or trading position, condition (financial or otherwise), general affairs, management or prospects of the Issuer that is material in the context of the issue of the Bonds; and
- d) **Accuracy of representations:** the representations and warranties by the Issuer in the Subscription Agreement are true and correct on the dates on which they are first made and on each date on which they are deemed to be repeated and would be true and correct if they were repeated on the Closing Date with reference to the facts and circumstances then subsisting;
- e) **Authorization:** the BSEC have granted their consent and no objection to issue Bond as per Bangladesh Securities and Exchange Commission (Debt Securities) Rule 2021, and prevailing laws of Bangladesh.

Provided, however, that the Investor may, at its discretion, waive satisfaction of any of the conditions specified in this *Conditions precedent*.


Md. Shauhidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Section 20: Details of Fees Structure and Expenses

Table 21 : Details of estimated Fees Structure and Expenses

Particulars	Basis of Fees	BDT in Amount
Issue Size		3,883,298,737
Face Value		5,000,000,000
BSEC Fees:		5,010,000
Application Fee	One Time	10,000
Consent Fee	One Time	5,000,000
Trustee Fees		600,000
Trustee Fee	Annual	400,000
Trustee Application Fee	One Time	50,000
Trustee Registration Consent fee	One Time	100,000
Trustee Annual Fee to BSEC	Annual	50,000
Trust Deed Registration Fee	One Time	1,300,000
Legal Advisor Fee		200,000
Legal Advisor Fee	One Time	200,000
Credit Rating Fee		50,000
Credit Rating Fee of the Bond	Annual	50,000
Arrangement Fee:	0.2% of issue size	7,766,597
Total Estimated Cost		14,926,597

*Listing fees may be added if BSEC instructs to be listed in the Alternative Trading Board


Md. Shaiful Islam
 Company Secretary
 Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.


 91 | Page
Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

3. Additional disclosures for IM under public Issue

Not Applicable as the bond will be issued through private placement.



Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.



Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.



Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

4. Conditions imposed by the Commission in the consent letter



Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.



Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.



93 | Page
Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Bangladesh Securities and Exchange Commission
Corporate Finance Division
Capital Restructuring Department
Bond and Debt Issue Section
www.sec.gov.bd

BSEC/CFD/CRD/DS-278/2025/707
Dated March 30, 2026

✓ Managing Director
Akij Food & Beverage Limited
Akij House, 198 Bir Uttam Mir Shawkat Sarak,
Link Road, Dhaka 1212

Subject: Consent for issuance of "AFBL Zero-Coupon Bond" amounting up to BDT 3,883 million (approx.) at issue Price (face value BDT 5,000 million).

Dear Sir,

This refers to your application reference no. AFBL/A&F/110 dated June 29, 2025 and subsequent correspondences concerning regarding issuance of "AFBL Zero-Coupon Bond" amounting up to BDT 3,883 million only (approx.) at issue Price (face value BDT 5,000 million only).

The undersigned is directed to convey the Bangladesh Securities and Exchange Commission's consent under the provisions of the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 to Akij Food & Beverage Limited for raising capital/fund through issuance of Unsecured, Non-convertible, Fully Redeemable Zero-Coupon Bond amounting up to BDT 3,883 million (approx.) at issue Price (face value BDT 5,000 million) through Private Offer in cash consideration.

The Commission does not take any responsibility, in giving this consent, for the issue of securities through private offer and the financial soundness of the issuer company, or for the correctness of any of the statements made or opinion expressed thereon. Such responsibility lies with the Issuer, its Directors, Chief Executive Officer/Managing Director, Chief Financial Officer, Company Secretary, Trustee and Auditor.

The consent has been accorded subject to the condition that the issuer company shall comply with the relevant laws and regulatory requirements, and also shall adhere to the following conditions imposed under Section-2CC of the Securities and Exchange Ordinance, 1969:

1. The Issuer company shall ensure the compliance of Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 as well as other rules, regulation, notification and directive of the Commission;
2. The proceeds or fund of the bond shall be placed in an escrow or specified bank account, and utilization of such proceeds or fund shall also be made from the escrow or specified bank account;

Page 1 of 3

Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.

Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.

94 | Page
Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Bangladesh Securities and Exchange Commission
Corporate Finance Division
Capital Restructuring Department
Bond and Debt Issue Section
www.sec.gov.bd

3. The report on utilization of proceeds as well as implementation status shall be submitted to the Commission, the trustee, the issue manager(s)(if any) and to the stock exchange(s) in which its securities are listed, on half-yearly basis within 10 (ten) days of close of the half year, till full utilization of proceeds;
4. The issuer company shall not change or modify the submitted approved Draft Information Memorandum (IM), Trust Deed & Subscription Agreement after consent to issue the debt securities without prior approval of the Commission in this regard;
5. The issuer company, the arranger and the trustee shall publish the approved Information Memorandum (IM) in their own official websites, within 03 (three) working days upon receipt of this consent of the Commission to the issuance of the bond;
6. Approved Information Memorandum (IM) shall be made available in the websites of the issuer or the trustee or the exchange(s), as applicable, till the closure of the subscription list;
7. The issue is rated by a credit rating company and its Periodical Surveillance Rating shall be done by the said rating company in line with the provisions of the Credit Rating Companies Rules, 1996 up to the full and final redemption or conversion of the issued securities;
8. The issue shall not be rated below the minimum investment grade of triple 'BBB' or equivalent rating in the long term and "ST-3" or equivalent rating in the short term;
9. The issuer company shall execute the Deed of Trust as approved by the Commission in favor of the Trustee and register the same under the Registration Act, 1908 (XVI of 1908) and shall submit a copy of the registered trust deed attested by the Chief Executive Officers of the bank and the trustee to the Commission;
10. This consent for issuance of debt securities shall remain valid for 06 (six) months from the date of consent failing which the permission will stand cancelled to the extent of unsubscribed portion. Provided that the Commission may extend the validity of consent if required further;
11. The issuer company shall issue the aforesaid debt securities in dematerialized form and apply to the Stock Exchange(s) for listing in the Alternative Trading Board (ATB) under respective rules and regulations in this regard;
12. The issuer company shall submit a status report, containing the name and address of the bondholders along with number of bonds purchased and bank statements for the issue, to the Commission, within 10 (ten) days of closing of the subscription list or issue of the securities or expiry of the period mentioned above, whichever comes earlier;
13. The issuer company shall submit List of Subscribers, Bank Statement and Banker's Certificate for the amount of capital/debt to be issued to the Commission upon completion of the subscription;
14. All transactions excluding petty cash expenditures shall be effected through the issuer's Bank Accounts;
15. Financial Statements shall be prepared in accordance with International Accounting Standards (IAS) and Audit thereof shall be conducted in accordance with the International Standards on Auditing (ISA), as adopted in Bangladesh. The financial statements shall be audited within 120 days from the date of ending of the financial year;
16. Annual General Meeting (AGM) of the company shall be held in each year of the Gregorian Calendar;

Page 2 of 3

Md. Shafiqul Islam
Company Secretary
Akij Food & Beverage Ltd.

Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.

95 | Page
Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

Bangladesh Securities and Exchange Commission
Corporate Finance Division
Capital Restructuring Department
Bond and Debt Issue Section
www.sec.gov.bd

17. A copy of audited financial statements and a copy of annual report and the minutes of Annual General Meeting shall be submitted to the Commission within fourteen days (14) of the completion of the audit or, as the case may be, holding of the Annual General Meeting;
18. The issuer company shall inform the Commission along with supporting documents and evidence about any change of its registered address, directors, managing director, business or any other material change that affects the affairs of the company;
19. If there is any FDI or External Debt, the bank shall report it to Bangladesh Bank; and
20. The Commission may impose/change/modify conditions/restrictions from time to time as and when required.

If the issuer company fails to comply with any of the conditions as stated above, the Company would be penalized under penal provisions the Securities and Exchange Ordinance, 1969 or any other related securities laws.

By the order of Bangladesh Securities and Exchange Commission,

Asif Iqbal 30.03.2026

Mohammad Asif Iqbal
Deputy Director
Phone: 55007131-32
Email: asif@sec.gov.bd

Copy to:

1. Registrar of Joint Stock Companies and Firms
2. Managing Director, Dhaka Stock Exchange PLC
3. Managing Director, Chittagong Stock Exchange PLC
4. Managing Director, CDBL
5. Managing Director, Sena Insurance PLC (Trustee to the Issue)
6. Head of all Departments, BSEC
7. Office of the Chairman, BSEC
8. Office of the Commissioners, BSEC.

5. Declaration and due Diligence Certificate

Annexure - I Declaration about the responsibility of the directors, including the CEO of the issuer or originator in respect of the information memorandum

This information memorandum has been prepared, seen and approved by us, and we, individually and collectively, accept full responsibility for the authenticity, accuracy and adequacy of the statements made, information given in the prospectus, documents, financial statements, exhibits, annexes, papers submitted to the Commission in support thereof, and confirm, after making all reasonable inquiries that all conditions concerning this public issue and prospectus have been met and that there are no other information or documents, the omission of which make any information or statements therein misleading for which the Commission may take any civil, criminal or administrative actions against any or all of us as it may deem fit.

We also confirm that full and fair disclosures have been made in this information memorandum to enable the investors to make a well-informed decision for investment.

Yours Faithfully,

Sd/-
Sk. Shamim Uddin
Managing director


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


97 | Page

Annexure – II Due Diligence Certificate of the Trustee

To

The Bangladesh Securities and Exchange Commission

Subject: Issuance of Unsecured, Non-convertible, Fully Redeemable Zero-Coupon Bond up to BDT 5,000 million at Face Value for AKIJ FOOD & BEVARAGES LIMITED

We, the under-noted trustee to the above-mentioned forthcoming issue, state as follows:

1. We, while act as trustee to the above-mentioned issue on behalf of the investors, have examined the draft Information Memorandum, legal and other documents and materials as relevant to our decision; and
2. On the basis of such examination and the discussions with the issuer, its directors and officers, and other agencies; independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer.

WE CONFIRM THAT:

(a) all information and documents as are relevant to the issue have been received and examined by us and the draft IM, draft deed of trust and draft subscription agreement forwarded to the Commission has been approved by us;

(b) we have also examined all documents of the assets to be charged with the trust and are satisfied that the assets bear the value, title and charge status as disclosed in the IM;

(c) while examining the above documents, we find that all the requirements of the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 have been complied with;

(d) we shall act as trustee to the issue as mentioned above as per provisions of the deed of trust to be executed with the issuer or the originator, as applicable and shall assume the duties and responsibilities as described in the deed of trust and in the IM;

(e) we shall also abide by the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 and conditions imposed by the Commission as regards of the issue; and

(f) the above declarations are unequivocal and irrevocable.

For Trustee

Sd/-

Md. Belal Hossain
Vice President, Head of Underwriting Department
Sena Insurance PLC


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Mokiesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


98 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.


6. Credit Rating Report of the Issue and Issuer



Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.



Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.



99 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.



Credit Rating Information and Services PLC
First ISO 9001:2015 Certified Credit Rating Company in Bangladesh Operating Since 1996

CREDIT RATING REPORT
On
AKIJ FOOD AND BEVERAGE LIMITED

RR/097966/25

This is a credit rating report as per the provisions of the Credit Rating Companies Rules, 2022. CRISL's entity rating is valid one year for long-term rating and 6 months for short-term rating. CRISL's Bank Loan rating (BLR) is valid one year for long-term facilities and up to 365 days (according to tenure of short term facilities) for short term facilities. After the above periods, the rating will not carry any validity unless the enterprise goes for rating surveillance. CRISL followed Corporate Rating Methodology published in CRISL website www.crislbd.com

Address:
CRISL
Nasirul Hossain
(4th & 5th Floor)
6/7A, Segunbagicha,
Dhaka-1000
Tel: 9530991-4
Fax: 88-02-953-0995
Email:
crisltd@crislbd.com

Rating Contact:
Md. Aaiful Huz
Chief Rating Officer
aaif@crislbd.com

Analysts:
Reaz Uddin Ahmed
reaz@crislbd.com

Md. Sayful Islam
sayful@crislbd.com

Entity Rating
Long Term: AA-
Short Term: ST-2

Outlook: Stable

AKIJ FOOD & BEVERAGE LIMITED

ACTIVITY
Manufacturing food and beverage

DATE OF INCORPORATION
September 03, 2006

CHAIRMAN
Mr. Sk. Nasiruddin

MANAGING DIRECTOR
Mr. Sk. Shamimuddin

EQUITY
Tk. 8,006.40 million

TOTAL ASSETS
Tk. 30,352.51 million

Date of Rating: November 05, 2025		Valid up to: November 04, 2026	
		Long Term	Short Term
Entity Rating		AA-	ST-2
Outlook		Stable	
Bank Facilities Rating			
Bank/FI	Mode of Exposures (Figure in million)	Bank Loan Rating	
Pubali Bank PLC.	Working Capital limit of Tk. 5,800.00	by AA-	
The City Bank PLC.	Working Capital limit of Tk. 6,500.00		
Bank Alfalah Limited	Working Capital limit of Tk. 800.00		
Bank Asia PLC	Working Capital limit of Tk. 3,000.00		
	Working Capital Loan Outstanding of Tk. 1050.62		
	Term Loan Outstanding of Tk. 161.10		
Meghna Bank PLC.	Working Capital limit of Tk. 4,650.00		
Standard Chartered Bank	Working Capital limit of Tk. 5,100.00.00		
IOL Finance PLC	Term Loan Outstanding of Tk. 235.30		

1.0 RATIONALE

CRISL has reaffirmed 'AA-' (pronounced as double A minus) rating in the Long Term and 'ST-2' in the Short Term to Akij Food and Beverage Limited (AFBL) based on both relevant qualitative and quantitative information up-to the date of rating. The above ratings have been reassigned based on some fundamentals of the company such as profitable business performance, good production facilities, good client based, experienced management team, strong Group support, good brand image and market goodwill, etc. However, the above are constrained, to some extent by factors such as debt based capital structure, price fluctuation, quality control and significant competition in the market, etc.

The Long Term rating indicates that entities rated in this category are adjudged to be of high quality, offer higher safety and have high credit quality. This level of rating indicates a corporate entity with a sound credit profile and without significant problems. Risks are modest and may vary slightly from time to time because of economic conditions. The Short Term rating indicates high certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors with small risk factors.

CRISL also views the company with 'Stable Outlook' for its steady business growth and consistent fundamentals and believes that the company will be able to maintain its fundamentals with the same trend in foreseeable future.

2.0 CORPORATE PROFILE

2.1 The Genesis

Akij Food and Beverage Limited (AFBL), a sister concern of Akij Group, is a food and beverage based manufacturing company, which engaged in producing different fruit-flavored drinks, CSD, energy drinks, dairy, etc. AFBL was incorporated on September 03, 2006 as a private limited company under the Companies Act (1994). AFBL was founded by the late Mr. Sk. Akijuddin, a visionary businessman with dynamic leadership. The company came to operation in 2006 with three products. At present, the company has been operating under the keen leadership of Mr. Sk. Nasiruddin, son of Mr. Sk. Akijuddin. Total paid-up capital of the company stood at Tk. 2,351.20 million against the authorized capital of Tk. 2,500.00 million as on June 30, 2025. The company reported a turnover of Tk. 25,125.57 million against which it made a net profit of Tk. 869.73 million in FY 2024-25. The registered Head Office of the company is located at Akij House, 198 Bir Uttam Mir Shawkat Sarak, (Gulshan Link Road) Tejgaon, Dhaka-1708. The factory is located at Krishnapura, Barabara, Dhamrai, Dhaka.

Md. Asaduzzaman Khan
Chief Executive Officer
Credit Rating Information and Services Limited

Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.

Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.

100 | Page

CREDIT RATING REPORT On AKIJ FOOD AND BEVERAGE LIMITED

2.2 Ownership Pattern

The ownership pattern of AFBL has been few changed during the surveillance year. Total number of outstanding shares stood at 2,351,200 as on June 30, 2025. A summary of the ownership pattern is outlined below:

Name of the Shareholders	Designation	Number of Shares	Extent of Shares (%)
Mr. Sk. Nasir Uddin	Chairman	4,70,240	20%
Mr. Sk. Shamim Uddin	Managing Director	18,80,910	79.998%
Mr. Sazmin Sultana	Deputy Managing Director	25	0.001%
Mr. Akij Ventures Ltd.	Nominee Director	25	0.001%

2.3 Product and Market Position

AFBL continues its operations with the manufacturing and distributing of varieties of drinks and beverages namely Clemon, Mojo, Fruitika, Speed, Farm Fresh, etc. Major players of this market include Coca-Cola Bangladesh, Transcom Beverage Limited (Pepsi), AMCL, Partex Beverage Limited, PRAN, Globe Beverage, etc. Mojo and Speed are two of the brands of AFBL that are expanding at a rapid rate due to its popularity among the youth. Export of beverage products in Bangladesh is growing year on year. AFBL attained export sales of Tk.756.05 million during FY2022-23. Global presence of the company has been established with an entrance in the market of South-East Asia, East Asia, Middle East and Africa.

Good production facilities

3.0 INFRASTRUCTURAL FACILITIES

The factory is situated at Krishnapura, Dhamrai, Dhaka on a land area of around 65 acres. The premises are about 50 km away from Dhaka. The production facilities of the company include machinery of reputed brands like Krones, Tetra Pak, Allalaval, Sipa, Husky. The annual production capacity of the company stood at 511.73 million liter beverage in 2022-23 with an actual production of 379.62 million liter. The factory has been running with 6 sets of CAT gas generators and 5 backup diesel generators with total 15.4 MW capacity of power supply along with the REB line having a sanction amount of 7.3 MW to avoid losing production time and power fluctuations. The agro-processing factory of AFBL is situated at Chapai Nawabganj on a land area of around 528 decimals. The production facilities of the company include fully automated process machine for mango pulp and mango bar. The PPS factory of AFBL is situated at Chattak, Sylhet on a land area of around 56 acres. The production facilities of the company include fully automated plastic processing machine. AFBL has been maintaining the compliance of BSTI. AFBL maintained its workers' safety at the ISO 9001 standard. The company's Effluent Treatment Plant (ETP) as well as Water Treatment Plant (WTP) have been running constantly to prevent water contamination during the period.

4.0 INDUSTRY OVERVIEW

The food and beverage industry has a unique role in expanding economic opportunity because it is universal to human life and health. The industry operates at multiple levels of society: families grow crops for their own consumption and community trade fresh produced and processed goods, local companies transform domestic crops for local markets and multinational companies export crops and processed foods globally to deliver across geographies. One of the most prominent promising sectors in Bangladesh is the agro and food processing industry. Due to economic and environmental changes, the need for food in Bangladesh is shifting towards high-value consumer commodities. These include agricultural commodities such as processed fruits and vegetables, fish, livestock and other derivatives. The demand for these commodities in Bangladesh is expected to rise in value to an additional amount of \$8 billion within 20 years. Recently many domestic companies involved in this sector have started focusing on the export of these items abroad.

Page 2 of 10

In the history of the beverage market in Bangladesh, Pepsi was first introduced to Bangladesh in


 Md. Asaduzzaman Khan
 Chief Executive Officer
 Credit Rating Information and Services Limited


 Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.


 Md. Moklesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.


 SK. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

CREDIT RATING REPORT
On
AKIJ FOOD AND BEVERAGE LIMITED

1976 with the cola-flavoured Pepsi, the clear-flavoured 7up, the orange-flavoured Mirinda and later introduced the mango-flavoured Slice by Transcom Beverage Limited. PRAN, on the other hand, started with jam, jelly, and pickles and later diversified to juice and various other beverage items. From the exhaustive list of small, medium and large companies a few noteworthy companies such as PRAN-RFL, Transcom Beverage Limited, Abdul Monem Beverages Limited, Partex Beverage Limited, Akij Beverage Limited, and Globe Beverage Limited can be mentioned. The country's drinks and beverage market is estimated at Tk.12.0 billion and it is growing on an average 14% a year depending on the environmental climate.

Besides beverages, there are snack items like chanachur, and puffed rice; bakery items like biscuits, cookies, toast, dry cake and even spices that are also exported under the processed food category from Bangladesh. Starting with the motive to capture the market segment for Non-Residential Bangladeshis, these export items are now drawing noticeable attention in the Middle-East, African and even Indian markets. Experts believe that in the near future, this industry will contribute a remarkable portion of foreign remittance earnings for Bangladesh. Being a necessity product, beverage and processed food industry spends approximately Tk. 750 million on advertisement annually to promote its sales. The industry also supports the sugar industry, local farmers, cold storage facilities and other food-related sectors as well as their economic and social growth. Govt. is also concerned with the development of this sector by providing cash incentives to encourage the export of processed food items under the Revenue Fiscal Package for the present global economic meltdown.

5.0 CORPORATE GOVERNANCE

5.1 Board of Directors

Sl. No	Name	Designation
1	Mr. Sk. Nasiruddin	Chairman
2	Mr. Sk. Shamimuddin	Managing Director
3	Akij Venture Ltd. Represented by Md. Rezaul Karim	Names Director
4	Mrs. Saizmit Sultana	Deputy Managing Director

The Board of AFBL consists of four members including the Chairman and the Managing Director. The Board is led by Mr. Sk. Nasiruddin as the Chairman with his prudence in the business arena. The Board mainly reviews the overall activities of the business and gives necessary strategic guidelines for onward policy implementation. The Board conducted 6 meetings during 2024-25.

5.2 Corporate Management

The Corporate management of the company is headed by Mr. Sk. Shamimuddin who supervises all the major activities with the assistance of experienced and prudent employees. A brief position of top level management is given below:

Name	Age	Designation	Education	Number of Years with the Company	Total Experience in Years
Syed Johurul Alam	48	CEO	MBA	10.5	28.5
Md. Moklesur Rahman Akhtar	45	Group CFO	FCMA	3.5	17
Mohammad Haidul Islam	42	Head of Marketing	MBA	12.5	29
Md. Saifullah Sayem	55	Head of SCM	M.Com.	4	33
Sk. Shahed Ahmed	59	Head of Project & Development	EMBA	11.5	29
Shafique Uddin Ahmed	39	Head of Accounts	FCA	0.25	18
Mr. Anwarul Alam	43	Head of Mechanical	B.Sc. in EEE	19	22

Experienced management team

Page 3 of 10

48
Md. Asaduzzaman Khan
 Chief Executive Officer
 Credit Rating Information and Services Limited


Md. Shaiful Islam
 Company Secretary
 Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.


Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

CREDIT RATING REPORT
On
AKIJ FOOD AND BEVERAGE LIMITED

5.3 Human Resource Management

Total number of factory employees of the company stood at 3000. These employees are supervised by 15 R&D staff and 90 QC Staff. To manage its employee base, the company has adopted a Board formulated and approved human resource policy and service rule. HR recruitment, promotion and performance evaluation procedures are well structured. At the factory, the company has canteen and accommodation facilities (dormitory) for workers. The company also provides canteen facility for its corporate office employees. AFBL provides contributory Provident Fund and Gratuity as well as Group Insurance for its employees. The company also provides training facilities to the worker.

5.4 Sales, Marketing, and Distribution

AFBL's independent sales & marketing department has been dedicatedly working for the development, sales, and promotion of food products. AFBL has 1,416 dealers across the country. Due to the intense level of competition, AFBL has been using different promotional tools to create product awareness through print media, TVC etc. AFBL has 247 trucks to transport its products. Besides, the company also uses third-party transportation services when required.

5.5 Internal Control System (ICS)

A standardized internal control system has been maintained within AFBL with the aid of its well-developed MIS. The ICS of the company mainly operated under Group ICS operations. The internal audit team of the AFBL is headed by Zaid Al Mahmudul Hasan. The team reviewed and checked the financial as well as production-related aspects of the business from time to time. Two notified visits and one surprise visit have been done on two-three months interval by the internal audit team. Total manpower in internal audit team stood at 33.

5.6 Management Information System (MIS)

AFBL has been operating with a sound Management Information System and IT Infrastructure. Like ICS, the MIS of the company mainly operated under the Group MIS operations. The company has been using its Advanced ERP system of automated integration from order collection to order processing and product delivery. The ERP system of the company has been developed internally. The company also kept using general accounting software for fulfilling accounting tasks of the organizations effectively and efficiently. Data preservation is always a matter of challenge for AFBL and therefore extensive security procedures have been adopted by the company for the preservation of the confidential data.

6.0 ANALYTICAL FRAMEWORK

The report has been prepared based on quantitative and qualitative factors. Quantitative factors include Profitability, Liquidity, and Solvency of the entity. Qualitative factors include management efficiency regarding the intention to discharge the liability with the capacity to maintain the stability of the business, Bank relationship and security analysis, production or service-related information, Industry and business risk analysis, and other factors. To place the rating opinion, CRISL has reviewed the audited report for quantitative analysis and also reviewed the afore-mentioned information for qualitative indicators that have been collected from the concerned persons of the entity and concerned banks. In absence of any structured financial information, CRISL applies its techniques, the judgment of the rating team and assumptions to cross-check the data supplied to draw a meaningful conclusion. Additionally, a physical visit (visit to the client's factory, office, business premises, directors, officers, etc.) has been conducted to verify the documents and viability of the business.

CREDIT RATING REPORT On AKIJ FOOD AND BEVERAGE LIMITED

7.0 BUSINESS AND FINANCIAL PERFORMANCE

Key Indicators	2024-25	2023-24	2022-23	2021-22
	July to June	July to June	July to June	July to June
Turnover (Tk. in million)	25,125.57	20,631.09	18,908.39	17,156.16
Turnover -Export (Tk. in million)	783.21	832.03	756.05	494.03
Cost of Goods Sold (Tk. in million)	20,911.76	17,264.77	15,915.25	14,511.62
Gross profit (Tk. in million)	4,213.82	3,366.82	2,993.14	2,644.54
Operating profit (Tk. in million)	2,253.16	1,607.99	1,410.76	1,303.49
Net profit (Tk. in million)	889.73	686.73	720.26	935.92
Cost to Revenue Ratio (%)	83.23	83.68	84.17	84.39
Admin. & Selling Exp. to Revenue Ratio (%)	2.93	3.24	8.27	6.94
Finance Cost to Revenue Ratio (%)	2.49	1.75	0.51	0.35
Gross Profit Margin (%)	16.77	16.32	15.63	15.61
Operating Profit Margin (%)	8.97	7.79	7.46	7.58
Net Profit Margin (%)	3.54	3.33	3.81	5.44
Return on Average Asset (ROAA)%	3.35	3.36	4.44	7.08
Return on Average Equity (ROAE)%	11.77	10.14	11.87	17.86
Return on Average Capital Employed (ROACE)%	9.08	8.18	9.54	13.79

Profitable business performance

The financial performance of the company has been found satisfactory in last few years of analysis with variance in different profitability parameters. The turnover increased to Tk.25,125.57 million in FY2024-25 from Tk.20,631.09 million in FY2023-24 registering 21.78% growth due to better performance in regards to resource utilization. The revenue consisted of 96.88% from local sales and 3.12% from export sales in FY2024-25. While analyzing the cost-efficiency CRISL has found that the cost to revenue ratio slightly improved to 83.23% from 83.68%. The gross profit subsequently improved and stood at Tk.4,213.82 million from Tk.3,366.82 million.

The gross margin has been found to be upward trend in last four years of analysis. The gross margin increased to 16.77% in FY2024-25 which is the highest in last four years GP margin due to an increase in selling unit and controlled overhead cost during the period. The administrative expenses to revenue ratio slightly decreased due to a decrease in Admin. & Selling Expenses compare to turnover. However, the finance cost to revenue ratio slightly increased due to the increase in finance cost compared to turnover. The net profit margin stood at 3.54 % in 2024-25 against 3.33 % in 2023-24.

The profitability of a company can also be measured in terms of Return on Average Asset (ROAA), Return on Average Equity (ROAE) and Return on Average Capital Employed (ROACE). The above indicators of the company have also found to be satisfactory during the year.

8.0 CAPITAL STRUCTURE AND SOLVENCY


Particulars	2024-25	2023-24	2022-23	2021-22
	as of June 30	as of June 30	as of June 30	as of June 30
Current Assets (Tk. in million)	11,199.77	9,515.03	6,190.06	3,947.73
Current Liability (Tk. in million)	19,612.66	13,872.00	10,153.50	7,226.27
Net Current Asset (Tk. in million)	(8412.89)	(4356.96)	(3,963.44)	(3,278.64)
Non-current Assets (Tk. in million)	19,152.74	13,212.01	1,1907.90	10,432.67
Capital Employed (Tk. in million)	10,739.85	8,855.04	7,944.46	7,155.03
Financed By:				
Shareholders' Equity (Tk. in million)	8,006.40	7,116.66	6,429.93	5,709.67
Total Non Current Liability (Tk. in million)	2,733.46	1,738.38	1,514.53	1,445.36
Total Equity and Long-term Liabilities	10,739.85	8,855.04	7,944.46	7,155.03
Leverage Ratio (X)	2.79	2.19	1.81	1.52
Bank Borrowing to Equity (X)	1.86	1.24	1.01	0.75

Debt based capital structure

Page 5 of 10


 Md. Asaduzzaman Khan
 Chief Executive Officer
 Credit Rating Information and Services Limited


 Md. Shauddul Islam
 Company Secretary
 Akij Food & Beverage Ltd.


 Md. Moklesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.


 Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

104 | Page

CREDIT RATING REPORT

On

AKIJ FOOD AND BEVERAGE LIMITED

Debt Service Coverage Ratio (X)	3.76	4.71	24.51	37.89
Interest Coverage Ratio (X)	3.46	4.28	14.78	25.10

AFBL has been operating with a highly debt based capital structure, which revealed that, the company had 73.62% of debt and 26.38% equity. Total liabilities of the company stood at Tk.22,346.11 million against total equity of Tk.8,896.40 million as on June 30, 2025. Total equity of AFBL consisted of share capital 29.37% and retained earnings 70.63% in FY2024-25. Leverage ratio stood at 2.79 times (long term gearing 0.34 times and short term gearing 2.45 times) in FY2024-25, which was 2.19 times in FY2024-25. Bank borrowing to equity ratio stood at 1.86 times in FY2024-25. While analyzing the history of loan payment, it has been revealed that AFBL was regular in paying bank loan in due time. The Company has been maintaining a satisfactory relationship with its banker. Analysis of financial performance reveals that the operating profit of the company is average to discharge its interest and principal obligation which is evident from its debt coverage ratio and interest coverage ratio. In addition to the above, CRISL also considers some qualitative factor like Group support and inter-company funding flexibility, capital base, market value of the plant, properties, market image, and other assets to measure financial strength of the company.

9.0 LIQUIDITY AND FUND FLOW ANALYSIS

Key Indicators	2024-25	2023-24	2022-23	2021-22
	ended on June 30	ended on June 30	ended on June 30	ended on June 30
Current Ratio (X)	0.57	0.69	0.51	0.55
Quick Ratio (X)	0.30	0.48	0.44	0.42
Receivable collection periods (Days)	6	6	04	04
Net working capital (Tk. in millions)	(6412.39)	(4255.06)	(3,663.44)	(3,279.64)
Operating Cash Flow (Tk. in millions)	2,187.41	798.99	198.07	1,069.28

Moderate liquidity

Overall, AFBL has been continuing its operations with moderate liquidity. Due to the nature of the business, AFBL has fast access to cash from sales while the company enjoys prolonged credit facilities. The operating cash flow of the company stood at Tk.2,187.41 million as on June 30, 2025. The company does not hold any long term bank loan as it availed inter-company loan through strong Group support. Analysis of cash flow of the company revealed that, the cash flow from operation was average in FY2024-25 due to high inventory, high branding expense and high selling cost. However, the company can easily manage its liquidity through own finance and Group support in case of necessity.

10.0 CREDIBILITY AND BANKING RELATIONSHIP

10.1 Liability Position

Bank Name	Mode	Limit/Sanctioned		Outstanding as on 1910.3023		Tk. in million Classification Status
		Funded	Non-funded	Funded	Non-funded	
Pubali Bank PLC.	LC		3,000.00		0.00	Regular
	B/L Musjal	1,000.00		1,040.80		
	MFI-TB	1,800.00		1,516.20		
	Sub-Total	3,000.00	3,000.00	2,831.00	0.00	
The City Bank PLC.	LC		4600.00		512.56	
	Acceptance		(4600.00)		1,280.30	
	B/L		400.00		231.25	
	Sub-Total	1,500.00		553.07		
Bank Afjalah Limited	LC		800.00		0.00	
	Acceptance		(800.00)		0.00	
	STL	(800.00)		600.00		
	Sub-Total	(800.00)	800.00	800.00	0.00	

Page 6 of 10


 Md. Asaduzzaman Khan
 Chief Executive Officer
 Credit Rating Information and Services Limited


 Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.


 Md. Moklesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.


 Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

105 | Page

CREDIT RATING REPORT
On
AKIJ FOOD AND BEVERAGE LIMITED

Bank Asia PLC	LC		2,000.00		118.42
	Acceptance		(2,000.00)		1230.24
	Specific LC		1000.00		17.50
	Acceptance		(1000.00)		1033.02
	Musharaka	(1,000.00)		597.17	
	Musharaka	1,000.00		1,000.00	
	HPSM	(300.00)		141.10	
Sub-Total	1,000.00	3,000.00	1,758.27	2,399.38	
Meghna Bank PLC	LC		3,350.00		213.00
	Acceptance		(3,350.00)		70.60
	Short Term Loan	1,300.00		982.70	
	Sub-Total	1,300.00	3,350.00	982.70	283.60
Standard Chartered Bank	LC		4600.00		1948.95
	Acceptance		(4600.00)		2956.09
	STL	500.00		500.00	
	Shipping Guarantee		(2,400.00)		35.68
Sub-Total	500.00	4,600.00	500.00	4,940.73	
IOLF Finance PLC	Term Loan	294.00		235.20	
	Sub-Total	294.00	-	235.20	-

10.2 Security Arrangement against Bank Exposure

Name of the Bank	Security Arrangement
Pubali Bank PLC.	<ul style="list-style-type: none"> Registered mortgage on 213.42 decimals land at Chattogram Personal guarantee of Sk. Shamim Uddin & Saamin Sultana Charge on all fixed & floating assets of the company A post dated cheque covering the limit
The City Bank Limited	<ul style="list-style-type: none"> Demand Promissory Note and Letter of Continuation Registered 1st charge over stock and book debts on pari-passu Personal guarantee of all directors of the company
Bank Alfalah Limited	<ul style="list-style-type: none"> Lien on Import documents Personal guarantee of all directors of the company
Bank Asia Limited	<ul style="list-style-type: none"> Documents of title of goods Registered mortgage of 96.33 decimal land at Habiganj. Lien of FDR/MTDR of BDT 10.00 million Personal guarantee of all directors of the company
Meghna Bank Limited	<ul style="list-style-type: none"> Title of shipping documents for LC Lien of FDR/MTDR@10% of proposed credit limit for availing regular limit of BDT 3350.00 million A post dated cheque covering the limit Personal guarantee of all directors of the company
Standard Chartered Bank Limited	<ul style="list-style-type: none"> Demand Promissory Note and Letter of Continuation BDT 2,350.00 million Registered 1st charge over stock and book debts on pari-passu Registered 1st charge over plant and machinery on pari-passu

11.0 RISK ANALYSIS
11.1 Quality Control Risk

AFBL exports products to many countries in the world where the respective country has its own regulations, which differ from country to country. Besides, AFBL also has to follow the quality standard of BSTI for marketing its product in the native market. Any deviations from the quality standards set by BSTI and other respective exporting countries' regulations may expose AFBL to

Md. Asaduzzaman Khan
 Chief Executive Officer
 Credit Rating Information and Services Limited

Md. Shaiful Islam
 Company Secretary
 Akij Food & Beverage Ltd.

Md. Moklesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.

106 | Page
 Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

CREDIT RATING REPORT
On
AKIJ FOOD AND BEVERAGE LIMITED

quality control risk.

11.2 Market Competition Risk

Due to advancement in technology and ease of getting information, it is possible that other non-branded companies can market their products with similar "Taste" and at a subliminal perception level. Thus, other non-branded companies can deceive a portion of customers of AFBL. On the other hand, the development of super-store business in Bangladesh is also changing the buying habit of people. At those super-stores, various foreign branded juices, beverages, snacks are now available and a portion of AFBL's customers may divert to those foreign brands, which will expose the company to market risk.

11.3 Brand Risk

It takes a long time to create a good brand image. Any negative publicity in newspapers or magazines regarding not maintaining the compliance issues may damage the good brand image of the company. Stringent control over operations, quality maintenance, and public-relation should be present to ensure maintaining a good corporate image.

11.4 Price Fluctuation Risk

As AFBL procures raw materials from both local and foreign market, any price fluctuation due to abnormal demand and supply gap may create price fluctuation risk for AFBL.


12.0 OBSERVATION SUMMARY

<p>Rating Comforts:</p> <ul style="list-style-type: none"> • Profitable business performance • Good brand image and market goodwill • Good infrastructural facility • Strong Group support • Increasing demand in export market 	<p>Rating Concerns:</p> <ul style="list-style-type: none"> • Debt based capital structure • Exposed to quality control risk • Moderate liquidity • Exposed to price fluctuation risk • Exposed to brand risk
<p>Business Prospects:</p> <ul style="list-style-type: none"> • Establishing backward linkage • Further expansion to foreign markets • Introducing more product lines 	<p>Business Challenges:</p> <ul style="list-style-type: none"> • Coping with changes in consumer taste • Increasing competition in the market • Dealing with food adulteration issues

END OF THE REPORT

(Information used herein was obtained from sources believed to be accurate and reliable. However, CRISL does not guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. The rating is an opinion on credit quality only and is not a recommendation to buy or sell any securities or to finance in a project. All rights of this report are observed by CRISL. The contents may be used by the news media and researchers with due acknowledgement.)

[We have examined, prepared, finalized and issued this report without compromising with the matters of any conflict of interest. We have also complied with all the requirements, policy and procedures of the BSEC rules as prescribed by the Bangladesh Securities and Exchange Commission.]


Md. Asaduzzaman Khan
Chief Executive Officer
Credit Rating Information and Services Limited


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Mokshur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.



CREDIT RATING REPORT
On
AKIJ FOOD AND BEVERAGE LIMITED

CRISL RATING SCALES AND DEFINITIONS
LONG-TERM RATINGS OF CORPORATE

RATING	DEFINITION
AAA Triple A (Highest Safety)	Investment Grade Entity rated in this category is adjudged to be of best quality, offer highest safety and have highest credit quality. Risk factors are negligible and risk free, nearest to risk free Government bonds and securities. Changing economic circumstances are unlikely to have any serious impact on this category of companies.
AA+, AA, AA- (Double A) (High Safety)	Entity rated in this category is adjudged to be of high quality, offer higher safety and have high credit quality. This level of rating indicates a corporate entity with a sound credit profile and without significant problems. Risks are modest and may vary slightly from time to time because of economic conditions.
A+, A, A- Single A (Adequate Safety)	Entity rated in this category is adjudged to offer adequate safety for timely repayment of financial obligations. This level of rating indicates a corporate entity with an adequate credit profile. Risk factors are more variable and greater in periods of economic stress than those rated in the higher categories.
BBB+, BBB, BBB- Triple B (Moderate Safety)	Entity rated in this category is adjudged to offer moderate degree of safety for timely repayment of financial obligations. This level of rating indicates that a company is under-performing in some areas. Risk factors are more variable in periods of economic stress than those rated in the higher categories. These entities are however considered to have the capability to overcome the above-mentioned limitations.
BB+, BB, BB- Double B (Inadequate Safety)	Speculative Grade Entity rated in this category is adjudged to lack key protection factors, which results in an inadequate safety. This level of rating indicates a company as below investment grade but deemed likely to meet obligations when due. Overall quality may move up or down frequently within this category.
B+, B, B- Single B (Risky)	Entity rated in this category is adjudged to be with high risk. Timely repayment of financial obligations is impaired by various problems which the entity is faced with. Whilst an entity rated in this category might be currently meeting obligations in time through creating external facilities.
CCC+, CCC, CCC- Triple C (Vulnerable)	Entity rated in this category is adjudged to be vulnerable and might fail to meet its repayments frequently or it may currently meeting obligations in time through creating external facilities. Continuance of this would depend upon favorable economic conditions or some degree of external support.
CC+, CC, CC- Double C (High Vulnerable)	Entity rated in this category is adjudged to be very highly vulnerable. Entity might not have required financial flexibility to continue meeting obligations; however, continuance of timely repayment is subject to external support.
C+, C, C- Single C (Extremely Speculative)	Entity rated in this category is adjudged to be with extremely speculative in timely repayment of financial obligations. This level of rating indicates entities with very serious problems and unless external support is provided, they would be unable to meet financial obligations.
D (Default)	Default Grade Entity rated in this category is adjudged to be either already in default or expected to be in default.

Note: For long-term ratings, CRISL assigns a (plus) sign to indicate that the score is ranked at the upper end of its generic rating category and a (minus) sign to indicate that the score is ranked at the bottom end of its generic rating category. Long-term ratings without the sign denote mid-level of each group.

SHORT-TERM RATINGS OF CORPORATE

ST-1	Highest Grade Highest certainty of timely payment. Short-term liquidity including internal fund generation is very strong and access to alternative sources of funds is outstanding. Safety is almost like risk free Government short-term obligations.
ST-2	High Grade High certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.
ST-3	Good Grade Good certainty of timely payment. Liquidity factors and company fundamentals are sound. Although ongoing funding needs may enlarge total financing requirements, access to capital markets is good. Risk factors are small.
ST-4	Moderate Grade Moderate liquidity and other protection factors qualify an entity to be in investment grade. Risk factors are larger and subject to more variation.
ST-5	Non-Investment/Speculative Grade Speculative investment characteristics. Liquidity is not sufficient to ensure discharging debt obligations. Operating factors and market access may be subject to a high degree of variation.
ST-6	Default Entity is in default or is likely to default in discharging its short-term obligations. Market access for liquidity and external support is uncertain.

Md. Asaduzzaman Khan
Chief Executive Officer
Credit Rating Information and Services Limited

Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.

Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.

108 | Page
Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.



CREDIT RATING REPORT
On
AKIJ FOOD AND BEVERAGE LIMITED

CRISL RATING SCALES AND DEFINITIONS
BANK LOAN/ FACILITY RATING SCALES AND DEFINITIONS- LONG-TERM

RATING	DEFINITION
AAA (or Triple A) (Highest Safety)	Investment Grade Bank Loan/ Facilities enjoyed by banking clients rated in this category are adjudged to have highest credit quality, offer highest safety and carry almost no risk. Risk factors are negligible and almost nearest to risk free Government bonds and securities. Changing economic circumstances are unlikely to have any serious impact on this category of loans/ facilities.
AA+ , AA , AA- (Double A) (High Safety)	Bank Loan/ Facilities enjoyed by banking clients rated in this category are adjudged to have high credit quality, offer higher safety and have high credit quality. This level of rating indicates that the loan / facilities enjoyed by an entity has sound credit profile and without any significant problem. Risks are modest and may vary slightly from time to time because of economic conditions.
A+ , A , A- Single A (Adequate Safety)	Bank Loan/ Facilities rated in this category are adjudged to carry adequate safety for timely repayment/ settlement. This level of rating indicates that the loan / facilities enjoyed by an entity have adequate and reliable credit profile. Risk factors are more variable and greater in periods of economic stress than those rated in the higher categories.
BBB+ , BBB , BBB- Triple B (Moderate Safety)	Bank Loan/ Facilities rated in this category are adjudged to offer moderate degree of safety for timely repayment/fulfilling commitments. This level of rating indicates that the client enjoying loans/ facilities under-performing in some areas. However, these clients are considered to have the capacity to overcome the above-mentioned limitations. Cash flows are irregular but the same is sufficient to service the loan/ fulfil commitments. Risk factors are more variable in periods of economic stress than those rated in the higher categories.
BB+ , BB , BB- Double B (Inadequate Safety)	Speculative/ Non Investment Grade Bank Loan/ Facilities rated in this category are adjudged to lack key protection factors, which results in an inadequate safety. This level of rating indicates loans/ facilities enjoyed by a client are below investment grade. However, clients may discharge the obligation irregularly within reasonable time although they are in financial/ cash problem. These loans / facilities need strong monitoring from bankers side. There is possibility of worsening the business situation with the support from group concerns/ owners. Overall quality may move up or down frequently within this category.
B+ , B , B- Single B (Somewhat Risk)	Bank Loan/ Facilities rated in this category are adjudged to have weak protection factors. Timely repayment of financial obligations may be impaired by problems. Whilst a Bank loan rated in this category might be currently meeting obligations in time, continuance of this would depend upon favorable economic conditions or on some degree of external support. Special monitoring is needed from the financial institutions to recover the installments.
CCC+ , CCC , CCC- Triple C (Risky)	Risky Grade Bank Loan/ Facilities rated in this category are adjudged to be in vulnerable status and the clients enjoying these loans/ facilities might fail to meet its repayments frequently or it may currently meeting obligations through creating external support/facilities. Continuance of this would depend upon favorable economic conditions or on some degree of external support. These loans / facilities need strong monitoring from bankers side for recovery.
CC+ , CC , CC- Double C (High Risky)	Bank Loan/ Facilities rated in this category are adjudged to carry high risk. Client enjoying the loan/ facility might not have required financial flexibility to continue meeting obligations; however, continuance of timely repayment is subject to external support. These loans / facilities need strong monitoring from bankers side for recovery.
C+ , C , C- (Extremely Speculative)	Bank Loan/ Facilities rated in this category are adjudged to be extremely risky in timely repayment/ fulfilling commitments. This level of rating indicates that the clients enjoying these loans/ facilities are with very serious problems and unless external support is provided, they would be unable to meet financial obligations.
D (Default)	Default Grade Entities rated in this category are adjudged to be either already in default or expected to be in default.
SHORT-TERM RATINGS	
ST-1	Highest Grade Highest certainty of timely payment. Short-term liquidity including internal fund generation is very strong and access to alternative sources of funds is outstanding. Safety is almost like risk free Government short-term obligations.
ST-2	High Grade High certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.
ST-3	Good Grade Good certainty of timely payment. Liquidity factors and company fundamentals are sound. Although ongoing funding needs may enlarge total financing requirements, access to capital markets is good. Risk factors are small.
ST-4	Satisfactory Grade Satisfactory liquidity and other protection factors qualify issues as to meet grade. Risk factors are larger and subject to more variation.
ST-5	Non-Investment Grade Speculative investment characteristics. Liquidity is not sufficient to insure against disruption in debt service. Operating factors and market access may be subject to a high degree of variation.
ST-6	Default Institution failed to meet financial obligations

Md. Asaduzzaman Khan
Chief Executive Officer
Credit Rating Information and Services Limited

Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.

Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.

109 | Page
Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.



Setting global standard at national level

Credit Rating Information and Services PLC

First ISO 9001 : 2013 Certified Credit Rating Company in Bangladesh Operating Since 1995

CREDIT RATING REPORT
On
AFBL ZERO COUPON BOND of TK 5000 million

RR/104775/26

This is a credit rating report as per the provisions of the Credit Rating Companies Rules 2022. The rating will be valid for one year from the date of declaration. After the above period, the rating will not carry any validity unless the instrument gives for rating surveillance. CRISL followed Debt Instrument Rating Methodology published in CRISL website www.crislbd.com

Address:
CRISL
Ahsan Miries
(4th & 5th Floor)
B/1A, Sepuhbagicha,
Dhaka-1000
Tel: 9920991-4
Fax: 99-02-953-8995
Email:
crislr@crislbd.com

Rating Contact:

Md. Asifur Muj
Chief Rating Officer
asif@crislbd.com

Analysts:

Jubair Md. Hasan
jubair@crislbd.com

Md. Shahedul Islam
shahedul@crislbd.com

Issue Rating:
Long Term: A+
(Indicative)

	Long Term
Issue Rating (Unsecured Subordinated Bond)	A+ (Indicative)
Date of Rating Declaration	March 15, 2026
Rating Validity	1 (One) Year

1.0 RATIONALE

CRISL has reaffirmed the issue rating at "A+" (Indicative) (pronounced as "single A plus Indicative") to "AFBL Zero Coupon Bond of Tk. 5,000 million". The above rating has been assigned in consideration of the inherent fundamentals of the issue that include an attractive coupon rate, a trustee-administered payment mechanism for the bonds etc. CRISL also gives due weightage to the Issuer's profile while assigning the rating as other than the sole commitment of the issuer. The instrument is not backed by any security or counter-guarantee by any third party. While assigning the rating CRISL duly factored issuer's strength as a sister concern of Akij Group, which is a food and beverage based manufacturing company. It encompasses good credit profile, good financial performance, strong brand image, good market share and sound financial flexibility along with experienced management team etc. However, the above factors are constrained, to some extent, by the feature of the bond which inter alia includes the nature of the bond being an unsecured and non-convertible debt instrument, subordination to the existing senior lenders, and other liabilities, absence of recourse to the trustee in managing event of default, etc.

Bonds rated in this category are adjudged to be of good credit quality and offer adequate safety for timely repayment of financial obligations. Protection factors are considered variable and more susceptible to changes in circumstances than securities in higher-rated categories.

The indicative rating means the instrument has been rated based on draft legal documents and projections. However, after the completion of the full subscription of the bond and finalization of legal documentation final rating will be assigned.

2.0 ISSUE FEATURE

Akij Food and Beverage Limited (AFBL), a sister concern of Akij Group- a food and beverage manufacturing company, will issue a Zero-Coupon Bond (hereinafter referred to as "Bond" or "the issue") of Tk. 5,000 million. AFBL will issue the above bond through a private offer to Bank, NBFIs, Insurance, Institutional Investors & high Net worth Individuals on best effort basis to refinancing the existing bank loans. The Bond is unsecured, fully redeemable, and non-convertible in nature. The Discount Rate is 10% p.a. The tenor of the bond is 1 year to 5 years (i.e; 6 months to 60 months from respective issue date). The issuer has the option to redeem all, but not some, of the outstanding bonds of a specific lot by providing at least sixty (60) days' notice to the Trustee, and each of the Bondholders after one year of issuance of the Respective Bonds; the redemption will occur on the next immediate Redemption Date following the sixty (60) days from the Issuer's Notice of Early Redemption. The Early Redemption amount shall be determined as per clause VII of the Deed of Trust and a 1% early Redemption Penalty will be charged. If the Issuer fails to meet any payment obligation as mentioned in the terms of this IM and the Deed of Trust, the Trustee shall notify the Commission about such default and take necessary actions as per relevant laws of Bangladesh. The Bond is unsecured in nature. Therefore, no charge on assets shall be created. It is subordinated to the existing senior lenders. The bond is transferable as per conditions mentioned in Modus Operandi and may be tradable in the Alternative Trading Board if Required by BSEC via Consent Letter. The Issuer shall pay a late payment penalty of 2% p.a. (two per cent) which will be payable on the amount not paid on the due date up till the date of actual payment. North Star Investments (BD) Limited is the fund arranger of this issue and Sena Insurance PLC is the trustee.

AFBL Zero Coupon Bond

Face Value:
Tk. 5,000 million

Issue Amount:
Tk. 3,683 million

Discount Rate: 10%


Issue Type:
Unsecured and Non-Convertible

TRUSTEE:
Sena Insurance PLC

Placement Process:
Private

Listing:
Delisted

Page 1 of 22


Md. Asaduzzaman Khan
Chief Executive Officer
Credit Rating Information and Services PLC


Md. Shahedul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.

110 | Page

SK. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

CREDIT RATING REPORT

On

AFBL ZERO COUPON BOND of TK 5000 million

3.0 ISSUER PROFILE

Akij Food and Beverage Limited (AFBL), a sister concern of Akij Group, is a food and beverage based manufacturing company, which engaged in producing different fruit-flavored drinks, CSD, energy drinks, dairy, etc. AFBL was incorporated on September 30, 2000 as a private limited company under the Companies Act (1994). AFBL was founded by the late Mr. Sk. Akijuddin, a visionary businessman with dynamic leadership. The company came to operation in 2006 with three products. At present, the company has been operating under the keen leadership of Mr. Sk. Nasiruddin, son of Mr. Sk. Akijuddin. As on June 30, 2025 total paid-up capital of the company stood at Tk. 2,351.20 million against the authorized capital of Tk. 2,500.00 million. The company reported a turnover of Tk. 25,125.57 million against which it made a net profit of Tk. 889.73 million in FY 2024-25. The registered Head Office of the company is located at Akij House, 198 Bir Uttam Mir Shawkat Sarak, (Gulshan Link Road) Tejgaon, Dhaka-1208. The factory is located at Krishnapura, Barobarfa, Dhamrai, Dhaka.

4.0 TRANSACTION STRUCTURE AND PAYMENT CAPACITY

Akij Food and Beverage Limited will issue a non-convertible unsecured zero-coupon fully redeemable Bond of Tk. 5,000.00 million having a denomination of Tk. 1.00 million each. The final maturity of the Bonds will be at the end of the fifth year of the Bonds from the Issue Date. The Bond will be redeemed in 10 instalments starting from the end of the 6 months from the issue date and every 6 months thereafter, in the following manner considering 10% p.a. Discount Rate:

Year	No. of Bond Redemption	Issue Price In Taka	Redemption Value in Taka
0.50	500.0		500,000,000
1.00	500.0	202,702,703	500,000,000
1.50	500.0	192,396,893	500,000,000
2.00	500.0	182,615,047	500,000,000
2.50	500.0	173,330,532	500,000,000
3.00	500.0	164,518,061	500,000,000
3.50	500.0	156,153,633	500,000,000
4.00	500.0	148,214,469	500,000,000
4.50	500.0	140,670,949	500,000,000
5.00	500.0	133,526,549	500,000,000
Total	5,000.0	3,883,298,737	5,000,000,000

The Company is planning to refinance part of the existing bank loan from the bond proceeds. The purpose of the management to issue the bond is to fix the interest rate to avoid any volatility in the interest rate scenario. CRISL observed that AFBL's future earnings prospects is quite good and has continuous business growth. Moreover, it has strong Group financial flexibility to support any sister concern in case of any stress situation. Hence, CRISL opines that considering its current business fundamentals and prospective future business growth, AFBL will be able to pay off bond liability on due date.

5.0 ISSUER CREDIT RATING

CRISL has assigned "AA-" (pronounced as double A minus) rating in the Long Term and "ST-2" in the Short Term to Akij Food and Beverage Limited (AFBL) based on both relevant qualitative and quantitative information up to the date of rating. The above ratings have been assigned based on some fundamentals of the company such as profitable business performance, good production facilities, good client base, experienced management team, strong Group support, good brand image and market goodwill, etc. However, the above are constrained, to some extent by factors such as debt based capital structure, price fluctuation risk, quality control and significant competition in the market, etc.

The Long Term rating indicates that entities rated in this category are adjudged to be of high quality, offer higher safety and have high credit quality. This level of rating indicates a corporate entity with a sound credit profile and without significant problems. Risks are modest and may vary slightly from time to time because of economic conditions.

Unsecured non-convertible fully redeemable Bond

Issuer Rating AA-

Page 2 of 22


 Md. Asaduzzaman Khan
 Chief Executive Officer
 Credit Rating Information and Services PLC.

III | Page


 Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.


 Md. Mokibur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.


 Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

CREDIT RATING REPORT
On
AFBL ZERO COUPON BOND of TK 5000 million

The Short Term rating indicates high certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors with small risk factors.

CRISL also views the company with "Stable Outlook" for its steady business growth and consistent fundamentals and believes that the company will be able to maintain its fundamentals with the same trend in foreseeable future.

6.0 TRUSTEE

6.1 Background of the Trustee

Sena Insurance PLC is acting as the Trustee of the "AFBL Zero Coupon Bond of Tk. 5,000 million" in accordance with regulatory approval. Incorporated in September 2013 under the sponsorship of Sena Kalyan Sangtha, the company is a private sector non-life insurance provider headquartered in Dhaka. It offers a diversified range of general insurance products, including motor, fire, marine, engineering, aviation, travel, and other miscellaneous insurance services to both corporate and individual clients. The company is listed on the Dhaka Stock Exchange and Chittagong Stock Exchange and benefits from strong institutional sponsorship and structured governance. The office of Sena Insurance PLC is located at SK5 Tower (12th Floor), 7 VIP Road, Mohakhali, Dhaka-1206. The Trust Deed governing the bond outlines the rights of the bondholders and defines the roles, responsibilities, and authority of the Trustee in safeguarding their interests.

6.2 RIGHTS AND OBLIGATIONS OF THE TRUSTEE:

A. Trustee's Right

• **Rights under Applicable Law**

Notwithstanding anything contained in the Trust Deed, the Trustee shall have all such rights and powers granted to it under the applicable law including, but is not limited to, the Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021 and the Trust Act 1882.

• **Advice**

The Trustee may in relation to this Trust Deed act on the opinion or advice of or a certificate or any information obtained from any lawyer, banker, valuer, surveyor, broker, auctioneer, accountant or other expert and shall not be responsible for any Liability occasioned by so acting;

• **Certificate of directors or Authorized Signatories**

The Trustee, in the exercise of its functions, may call for and shall be at liberty to accept a certificate signed by two Authorized Signatories or other person duly authorized on their behalf as to any fact or matter prima facie within the knowledge of the Issuer, as the case may be, as sufficient evidence thereof and a like certificate to the effect that any particular dealing, transaction or step or thing is, in the opinion of the person so certifying, expedient as sufficient evidence that it is expedient and the Trustee shall not be bound in any such case to call for further evidence or be responsible for any Liability that may be occasioned by its failing so to do.

• **Resolution or direction of Bondholders**

The Trustee shall not be responsible for acting in good faith upon any resolution purporting to be a written resolution or to have been passed at any meeting of the Bondholders in respect whereof minutes have been made and signed or a direction of a specified percentage of Bondholders even though it may subsequently be found that there was some defect in the constitution of the meeting or the passing of the resolution or the making of the directions or that for any reason the resolution purporting to be a written resolution or to have been passed at any meeting or the making of the directions was not valid or binding upon the Bondholders.

Page 3 of 22

Md. Asaduzzaman Khan
Chief Executive Officer
Credit Rating Information and Services PLC.


Md. Shauhidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.

112 | Page


Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

CREDIT RATING REPORT
On
AFBL ZERO COUPON BOND of TK 5000 million

- **No obligation to monitor**
The Trustee shall not be under any obligation to monitor or supervise the functions of any other person under the Bonds or any other agreement or document relating to the transactions herein or therein contemplated and shall be entitled, in the absence of actual knowledge of a breach of obligation, to assume that each such person is properly performing and complying with its obligations.

Provided that the Trustee shall monitor timely payment of all dues of the Issuer to the Bondholders as per terms of this Deed, Conditions, Information Memorandum or other terms and conditions of the issue as per Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021.
- **Bonds held by the Issuer**
In the absence of actual knowledge or express notice to the contrary, the Trustee may assume without enquiry that no Bonds are for the time being held by or for the benefit of the Issuer or any of its Affiliates.
- **Events of Default**
The Trustee shall not be bound to give notice to any person or to take any steps to ascertain whether any Default or Event of Default has happened and, until it shall have actual knowledge or express notice to the contrary, the Trustee shall be entitled to assume that no such Default or Event of Default has happened and that the Issuer is observing and performing all the obligations on its part contained in the Bonds and the Bond Documents and no event has happened as a consequence of which any of the Bonds may become repayable.
- **Right to deduct or withhold for taxes**
Notwithstanding anything contained in the Trust Deed, to the extent required by any applicable law, if the Trustee is or will be required to make any deduction or withholding from any distribution or payment made by it hereunder or if the Trustee is or will be otherwise charged to, or is or may become liable to, tax as a consequence of performing its duties hereunder whether as principal, agent or otherwise, and whether by reason of any assessment, prospective assessment or other imposition of liability of whatsoever nature and when so ever made upon the Trustee, and whether in connection with or arising from any sums received or distributed by it or to which it may be entitled under this Trust Deed (other than in connection with its remuneration as provided for herein or any other amounts for its own account) or any investments or deposits from time to time representing the same, including any income or gains arising there from or any action of the Trustee in connection with the trusts of this Trust Deed (other than the remuneration herein specified or any other amounts for its own account) or otherwise, then the Trustee shall be entitled to make such proper deduction or withholding to the extent required by any applicable law or, as the case may be, to retain out of sums received by it an amount sufficient to discharge any liability to tax (as required by any applicable law) which relates to sums so received or distributed or to discharge any such other liability of the Trustee (as required by any applicable law) from any funds that may from time to time be held by the Trustee upon the trusts of this Trust Deed.
- **No responsibility to investigate**
The Trustee shall not have any responsibility for or have any duty to investigate except under any applicable laws or regulations:
 - a) the execution, delivery, legality, validity, effectiveness, adequacy, genuineness, enforceability or admissibility in evidence of any or all of the Bond Documents;

Page 4 of 22


Md. Asaduzzaman Khan
Chief Executive Officer
Credit Rating Information and Services PLC.


Md. Shajidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.

113 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

CREDIT RATING REPORT
On
AFBL ZERO COUPON BOND of TK 5000 million

- b) any recitals, statements, warranties, representations or covenants of any party to any of the Bond Documents;
- c) its ability to exercise the rights, trusts, powers, authorities or discretions purported to be conferred on it by any of the Bond Documents; or
- d) the capacities, powers or credit standing of the Issuer or other party to any of the Bond Documents.

- **Error of judgment**

The Trustee shall not be liable for any error of judgment made in good faith by any officer or employee of the Trustee assigned by the Trustee to administer its corporate matters.

- **No responsibility for loss**

The Trustee shall not in any circumstances, except under any applicable laws or regulations:

- a) be liable to account to any Bondholder or any other person for anything except sums actually received by the Trustee which have not been distributed or paid to the persons entitled or at the time of payment believed by the Trustee to be entitled thereto, or
- b) be liable to any Bondholder or any other person for any costs, charges, losses, damages, liabilities or expenses arising from or connected with any act, default, omission or misconduct of the Trustee, any Appointee or their respective officers, employees or agents in relation to the Bond Documents except to the extent that they shall have been finally judicially determined to have been caused by the Trustee's own gross negligence, willful default or fraud.

- **Enforcement of Obligations of the Issuer**

The Trustee shall itself be entitled to enforce the obligations of the Issuer under the Bonds and the Conditions as if the same were set out and contained in the Trust Deed which shall be read and construed as one document with the Bonds.


- **Immunities**

The Trustee's immunities and protections from liabilities and its right to indemnification in connection with the performance of its duties under this Trust Deed shall extend to the Trustee's officers, directors, employees and consultants. Such immunities and protections and right to indemnification, together with the Trustee's right to compensation, shall survive the Trustee's resignation or removal, the defeasance or discharge of this Trust Deed and final payment of the Bonds, but in any event will be subject to any gross negligence, willful default or fraud of which the Trustee or its officers, directors or employees may be guilty in relation to their duties under this Trust Deed. The Issuer acknowledges that in any proceedings taken in relation to this Trust Deed, the Issuer will not be entitled to claim for itself or any of its assets immunity from suit, execution, attachment or other legal process.

- **Professional Charges**

Any Trustee being a banker, lawyer, broker or other person engaged in any profession or business shall be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by him on matters arising in connection with the Trust of this Trust Deed and also its properly incurred charges in addition to disbursements for all other work and business done and all time spent by him on matters arising in connection with this Trust Deed.

Page 5 of 22


Md. Asaduzzaman Khan
Chief Executive Officer
Credit Rating Information and Services PLC.


Md. Shaukul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

CREDIT RATING REPORT
On
AFBL ZERO COUPON BOND of TK 5000 million

- **Expenditure by the Trustee**
Nothing contained in the Trust Deed shall require the Trustee to expend or risk its own funds or otherwise incur any financial Liability in the performance of its duties or the exercise of any right, power, authority or discretion hereunder if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or Liability is not reasonably assured to it.
- **Trustee may enter into financial transaction with the Issuer**
No Trustee and no director or officer of any corporation being a Trustee hereof shall by reason of the fiduciary position of such Trustee be in any way precluded from making any contracts or entering into any transaction in the ordinary course of business with the Issuer or any subsidiary, or any person or body corporate directly or indirectly associated with the Issuer or any subsidiary, or from accepting the trusteeship of any other debenture stock, debenture or securities of the Issuer or any subsidiary or any person or body corporate directly or indirectly associated with the Issuer or an event subsidiary, and neither the Trustee nor any such director or officer shall be accountable to the Bondholders or the Issuer or any subsidiary, or any person or body corporate directly or indirectly associated with the Issuer or any subsidiary, for any profit, fees, commissions, interest, discounts or share of brokerage earned, arising or resulting from any such contracts or transactions and the Trustee and any such director or officer shall also be at liberty retain the same for its or his own benefit.
- **Trustee's requirements regarding Agents etc.**
At any time after an Event of Default have occurred and for so long as Event of Default is continuing and has not been waived or, in the opinion of the Trustee, has not been remedied or the Bonds shall otherwise have become due and repayable or the Trustee shall have received any money which it proposes to pay under Condition XI-B (Application of Moneys) to the relevant Bondholders, the Trustee may:

by notice in writing to the Issuer, the Agents and the Registrar, require the Agent:

- a) to act thereafter as Agents of the Trustee in relation to payments to be made by or on behalf of the Trustee under the terms of this Trust Deed mutatis mutandis on the terms provided in the Agency Agreement (save that the Trustee's Liability under any provisions thereof for the indemnification, remuneration and payment of proper out-of-pocket expenses of the Agents shall be limited to the amounts for the time being held by the Trustee on the trusts of this Trust Deed relating to the Bonds and available for such purpose) and thereafter to hold all Bonds and all sums, documents and records held by them in respect of Bonds on behalf of the Trustee; or
- b) to deliver up all Bonds and all sums, documents and records held by them in respect of Bonds to the Trustee or as the Trustee shall direct in such notice provided that such notice shall be deemed not to apply to any documents or records which the relevant Agent is obliged not to release by any law or regulation; and
- c) by notice in writing to the Issuer require it to make all subsequent payments in respect of the Bonds to or to the order of the Trustee and not to the Agent and with effect from the issue of any such notice and until such notice is withdrawn shall cease to have effect.

Page 6 of 22


Md. Asaduzzaman Khan
Chief Executive Officer
Credit Rating Information and Services PLC.

115 | Page


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

CREDIT RATING REPORT
On
AFBL ZERO COUPON BOND of TK 5000 million

B. Trustee's Duty and Obligation

• Duties and Obligation under Applicable Law.

Notwithstanding anything contained in the Trust Deed, the Trustee shall have all such duties and obligations as set out in the applicable laws including but is not limited to the Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021 and the Trust Act 1882.

• Administration of Trust

The Trustee shall issue, manage and administer the Bonds in accordance with the terms of this Trust Deed and the Conditions and execute, acknowledge, confirm or endorse any agreements, documents, deeds, instruments and papers in connection therewith and to implement, give effect to and facilitate the terms and conditions of the Bonds and such other documents, deeds and agreements in contemplation thereof.

• Act for the Bondholders

Save the provision of all applicable laws of Bangladesh, the Trustee shall act on behalf and for the exclusive interests of the Bondholders and be liable to sue and to be sued on behalf of them.

• Monitoring

The Trustee shall ensure that the Issuer is observing the applicable laws including, but not limited to, the requirements of the Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021 and the terms and conditions of the Bond Documents. As soon as the Trustee is aware of any breach by the Issuer it shall immediately inform the Bondholders and the Issuer of such breach. The Issuer hereby covenants with the Trustee to comply with, perform and observe all those provisions of this Trust Deed, the Conditions and the other Schedules which are expressed to be binding on it and to perform and observe the same.

• Maintaining Account

The Trustee shall open and maintain such accounts as it deems necessary for discharging the functions of Trustee in pursuant to the provision of this Trust Deed, the Conditions, the Trust Act 1882 and Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021.

• Holding Trust Property

The Trustee shall hold and keep the money and assets representing the Trust Property and/or Collateral Securities, and to deposit and withdraw such moneys and/or enforcement proceeds of such Collateral Securities and assets as may be required from time to time, as required to save the invest of the Bondholders and Trustee, as protected by law and/or this Trust Deed.

• Grievances of the Bondholders

Upon receipt of a complaint from the Bondholders, the Trustee shall take necessary steps for redress of grievances of the Bondholders within one month of the date of receipt of the complaints, and it shall keep the BSEC and the Issuer informed about the number, nature and other particulars of the complaints received and the manner in which such complaints have been redressed;

• Call for Meeting of the Bondholders

On the recommendation of the Bondholders in accordance with the provision of the Trust Deed, the Trustee shall call any meetings of the Bondholders and to facilitate the proceedings of such meeting as it deems appropriate in accordance with the terms of this Trust Deed;

Page 7 of 22


Md. Asaduzzaman Khan
Chief Executive Officer
Credit Rating Information and Services PLC

16 | Page


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

CREDIT RATING REPORT
On
AFBL ZERO COUPON BOND of TK 5000 million

- **Compliance with the Instruction of the Bondholders**
Upon instruction by the Bondholders in accordance with this Trust Deed, to sell or otherwise dispose of the Trust Property and/or Collateral Securities, and close any bank accounts that may have been opened in pursuance of this Trust Deed after distribution of amounts standing to their credit;
- **Duty to Inspect**
It is the duty of the Trustee to inspect or call for books of accounts, records, register of the Issuers and the Trust property, if required, to the extent necessary for discharging its obligation.
- **Collection of Risk Premium**
The Trustee may, in case a downgrade of credit rating below the minimum investment grade i.e., "BBB" in the long term or "ST-3" in the short term, collect the risk premium from the Issuer, if required, and to the extent necessary for discharging its obligation, to secure the claims of the Bondholders from the higher risk level of the Issuer in accordance with this Trust Deed.
- **Duty to Ensure the Interest of the Bondholders**
The Trustee shall have power to insert any additional terms and conditions for the performance of the obligations under this Trust Deed for the protection of the interest of the Bondholders;
- **Trustee's determination**
The Trustee may determine whether or not a default in the performance or observance by the Issuer of any obligation under the provisions of any Bond Document or contained in the Bonds is capable of remedy and/or materially prejudicial to the interests of the Bondholders, and if the Trustee certifies that any such default is, in its opinion, not capable of remedy and/or materially prejudicial to the interests of the Bondholders, such certificate shall be conclusive and binding upon the Issuer and the Bondholders.
- **Determination of questions**
The Trustee as between itself and the Bondholders shall have full power to determine all questions and doubts arising in relation to any of the provisions of this Trust Deed and/or the Conditions and every such determination, whether made upon a question actually raised or implied in the acts or proceedings of the Trustee, shall be conclusive and shall bind the Trustee and the Bondholders.
- **Trustee's discretion**
The Trustee shall (save as expressly otherwise provided herein) as regards all the trusts, powers, authorities and discretions vested in it by this Trust Deed or by operation of law, have absolute and uncontrolled discretion as to the exercise or non exercise thereof and the Trustee shall not be responsible for any Liability that may result from the exercise or non-exercise thereof but whenever the Trustee is under the provisions of this Trust Deed bound to act at the request or direction of the Bondholders, the Trustee shall nevertheless not be so bound unless first indemnified and/or provided with security to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damages, expenses and liabilities which it may incur by so doing.
- **Trustee's consent**
Any consent given by the Trustee for the purposes of this Trust Deed may be given on such terms and subject to such conditions (if any) as the Trustee may require.

Page 8 of 22


Md. Asaduzzaman Khan
Chief Executive Officer
Credit Rating Information and Services PLC.


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.

117 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

CREDIT RATING REPORT
On
AFBL ZERO COUPON BOND of TK 5000 million

- **Application of proceeds**
The Trustee shall not be responsible for the receipt or application by the Issuer of the proceeds of the issue of the Bonds or the delivery of any Letter of Allotment to the persons entitled to it.
- **Agents**
The Trustee may with the prior consent in writing of the Issuer, instead of acting personally, employ and pay an agent on any terms, whether or not a lawyer or other professional person, to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the Trustee, as the case may (including the receipt and payment of money) and, provided the Trustee shall have exercised reasonable care in the selection of any such agent, the Trustee shall not be responsible for any Liabilities incurred by reason of the misconduct, omission or default on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of any such person.
- **Delegation**
The Trustee may, with the prior consent in writing of the Issuer, in the execution and exercise of all or any of the trusts, powers, authorities and discretions vested in it by this Trust Deed, act by responsible officers or a responsible officer for the time being of the Trustee and the Trustee may also whenever it thinks fit, whether by power of attorney or otherwise, delegate to any person or persons or fluctuating body of persons (whether being a joint trustee of this Trust Deed or not) all or any of the trusts, powers, authorities and discretions vested in it by this Trust Deed and any such delegation may be made upon such terms and conditions and subject to such regulations (including power to sub-delegate with the consent of the Trustee) as the Trustee may think fit in the interests of the Bondholders and, provided the Trustee shall have exercised reasonable care in the selection of any such Appointee and the Trustee shall not be bound to supervise the proceedings or acts of and shall not in any way or to any extent be responsible for any Liabilities incurred by reason of the misconduct, omission or default on the part of such delegate or sub-delegate.
- **Custodians and nominees**
The Trustee may appoint and pay any person to act as a custodian or nominee on any terms in relation to such assets of the trust as the Trustee may determine, including for the purpose of depositing with a custodian this Trust Deed or any document relating to the trust created hereunder and, provided the Trustee shall have exercised reasonable care in the selection of any such Appointee, the Trustee shall not be responsible for any Liability by reason of the misconduct, omission or default on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of any such person.
- **Confidential information**
The Trustee shall not (unless required by law or ordered so to do by a court of competent jurisdiction) be required to disclose to any Bondholder any confidential information (financial or otherwise) made available to the Trustee by the Issuer or any other person in connection with this Trust Deed and no Bondholder shall be entitled to take any action to obtain from the Trustee any such information. The Trustee shall forward to the Bondholders any non-confidential information made available to the Trustee by the Issuer in connection with this Trust Deed.
- **General Duty**
 1. If delay in payment of any dues by the Issuer, which is not approved by the Trustee shall be treated as final default, in such a case the Trustee shall enforce its rights over the credit enhancement or collateral securities and other securities or guarantees of the Issuer observing due legal process and thereafter the trustee shall dispose-off the same to pay the

CREDIT RATING REPORT
On
AFBL ZERO COUPON BOND of TK 5000 million

proceeds proportionately to the investors after deduction of costs related thereto;

2. In case the delay is approved by the Trustee for a certain period upon any reasonable ground, the Trustee shall ensure repayment of the dues within the approved delay period along with interest for the delay period at a rate of 2% (two percent) per annum above the usual rate of return of the debt instrument;
3. The Trustee shall submit an annual compliance report to the Commission regarding the activities of the Issuer including repayment of dues to the Bondholders;
4. The Trustee shall take adequate steps for redress of grievances of the investors within one month of the date of receipt of the complaints and shall keep the BSEC informed about the number, nature and other particulars of the complaints received and the manner in which such complaints have been redressed;

• **Trustee liable for gross negligence**

None of the provisions of this Trust Deed shall in any case in which the Trustee has failed to show the degree of care and diligence required by it as trustee, having regard to the provisions of this Trust Deed conferring on the Trustee any powers, authorities or discretions, relieve or indemnify the Trustee against any Liability which by virtue of any rule of law would otherwise attach to it in respect of any gross negligence, willful default or fraud of which it may be guilty in relation to its duties under this Trust Deed.

• **Indemnity**

The Issuer shall, on demand by the Trustee, indemnify it and any Appointee (a) in respect of all liabilities and expenses incurred by it or by any Appointee or other person appointed by it to whom any trust, power, authority or discretion may be delegated by it in the execution or purported execution of the trusts, powers, authorities or discretions vested in it by this Trust Deed and (b) against all liabilities, actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way relating to this Trust Deed.

7.0 MARKET ASPECT OF THE ISSUING BOND

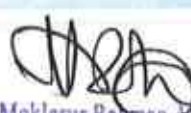
The bond market in Bangladesh remains at a nascent stage and has yet to develop into a significant source of long-term financing for the economy. A well-functioning bond market typically provides an alternative avenue for mobilizing long-term funds for businesses and infrastructure projects while offering investors relatively stable returns compared to the volatility of the equity market. However, the capital market infrastructure in Bangladesh has not yet matured sufficiently to support a deep and liquid bond market. Investor behavior is still largely oriented toward short-term capital gains rather than long-term fixed-income investments, which continues to constrain the growth of the corporate bond segment.

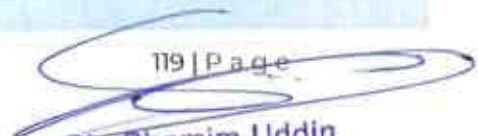
Regulatory developments—particularly the implementation of the Basel III framework by Bangladesh Bank—have nonetheless created opportunities for banks to strengthen their capital base through the issuance of subordinated and perpetual bonds under Tier-II and Additional Tier-I capital requirements. These instruments allow banks to enhance regulatory capital adequacy and support balance-sheet expansion. In recent years, a number of banks in Bangladesh have issued subordinated bonds primarily to meet regulatory capital requirements and maintain capital buffers. Despite these developments, Bangladesh's bond market remains considerably smaller than those of many Asian economies. The country's financial system continues to be highly bank-dependent, with nearly 80% of total debt financing sourced from banks.

Page 10 of 22


Md. Asaduzzaman Khan
Chief Executive Officer
Credit Rating Information and Services PLC.


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.

119 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

CREDIT RATING REPORT
On
AFBL ZERO COUPON BOND of TK 5000 million

As of early 2026, the total size of the corporate bond market is estimated at around Tk 3,300-3,500 crore, representing only about 0.06% of GDP, while government securities account for roughly 5-6% of GDP. In total, only around 15-16 corporate bonds are listed in the market, most of which have been issued by banks to meet Basel III capital requirements rather than by non-financial corporates seeking long-term financing. These figures highlight the limited depth of the corporate bond segment in Bangladesh. (Source: The Business Standard; Bangladesh Bank)

In contrast, several Asian economies—including South Korea, Malaysia, China, Thailand, and Singapore—have developed deep and diversified bond markets supported by strong institutional investors and active secondary trading platforms. Overall, Bangladesh's bond market—including both government and corporate instruments—accounts for only about 11-12% of GDP, which is significantly lower than most emerging Asian markets.

A number of structural challenges continue to impede the development of the bond market in Bangladesh. These include relatively high issuance costs, lengthy regulatory approval procedures, limited tax incentives for issuers, and weak investor confidence in private sector debt instruments. Moreover, the absence of an active secondary market and a reliable benchmark yield curve significantly reduces liquidity and discourages investor participation. Institutional investors—including banks, insurance companies, and mutual funds—often prefer government securities due to their comparatively higher yields and lower credit risk, which further limits demand for corporate bonds.

Investor confidence has also been affected by past instances of delayed or defaulted coupon and principal payments by certain issuers, along with limited transparency and enforcement mechanisms. Policymakers and market participants increasingly emphasize that strengthening regulatory oversight and improving corporate governance standards are essential for restoring investor confidence and ensuring sustainable development of the bond market.

Another factor constraining the expansion of the corporate bond market is the relatively attractive return offered by government savings instruments and treasury securities. These instruments typically provide higher yields with minimal credit risk, making them more appealing to both institutional and retail investors. Additionally, the bond issuance approval process—often involving multiple regulatory bodies such as Bangladesh Securities and Exchange Commission—can take several months, discouraging potential issuers seeking timely access to financing.

Despite these constraints, the bond market holds significant potential to support Bangladesh's long-term economic development. The country requires substantial investment in infrastructure sectors such as power, telecommunications, transport, ports, water management, and urban development over the coming decades. Developing a structured framework for long-term infrastructure bonds could help bridge the financing gap while creating a new asset class capable of attracting domestic institutional investors as well as foreign portfolio investment.

In this context, strengthening the regulatory framework, streamlining the bond issuance process, improving market transparency, and promoting the development of an active secondary trading market are critical for deepening Bangladesh's bond market. A more developed bond market would diversify the country's financial system, reduce excessive dependence on bank financing, and provide companies with a sustainable avenue for raising long-term capital while offering investors a broader range of fixed-income investment opportunities.


Md. Asaduzzaman Khan
Chief Executive Officer
Credit Rating Information and Services PLC.


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.

120 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

CREDIT RATING REPORT

On

AFBL ZERO COUPON BOND of TK 5000 million

8.0 ISSUER CONSIDERATIONS

8.1 Infrastructural Facilities

The factory is situated at Krishnapura, Dhamrai, Dhaka on a land area of around 65 acres. The premises are about 50 km away from Dhaka. The production facilities of the company include machinery of reputed brands like Krones, Tetra Pak, Alfalaval, Sipa, Husky. The factory has been running with 6 sets of CAT gas generators and 5 backup diesel generators with total 15.4 MW capacity of power supply along with the REB line having a sanction amount of 7.3 MW to avoid losing production time and power fluctuations. The agro-processing factory of AFBL is situated at Chapai Nawabganj on a land area of around 528 decimals. The production facilities of the company include fully automated process machine for mango pulp and mango bar. The PPS factory of AFBL is situated at Chattak, Sylhet on a land area of around 56 acres.

The production facilities of the company include fully automated plastic processing machine. AFBL has been maintaining the compliance of BSTI. AFBL maintained its workers' safety at the ISO 9001 standard. The company's Effluent Treatment Plant (ETP) as well as Water Treatment Plant (WTP) has been running constantly to prevent water contamination during the period.

8.2 Ownership Pattern

Name	Position	Number of Share	Extent of Shares (%)
Mr. Sk. Nasir Uddin	Chairman	4,70,240	20%
Mr. Sk. Shamim Uddin	Managing Director	18,60,910	79.998%
Mr. Saizmin Sultana	Director	25	0.001%
Mr. Akij Venture Ltd.	Nominee Director	25	0.001%

The ownership pattern of AFBL was unchanged during the surveillance year. As on June 30, 2025, total number of outstanding shares stood at 2,351,200.

8.3 Product and Market Position

AFBL continues its operations with the manufacturing and distributing of varieties of drinks and beverages namely Clemon, Mojo, Frutika, Speed, Farm Fresh, etc. The annual production capacity of the company increased to 759.15 million liter in FY2024-25 from 706.44 million liter beverage in FY2023-24. Major players of this market include Coca-Cola Bangladesh, Transcom Beverage Limited (Pepsi), AMCL, Partex Beverage Limited, PRAN, Globe Beverage, etc. Mojo and Speed are two of the brands of AFBL that are expanding at a rapid rate due to its popularity among the youth. Export of beverage products in Bangladesh is growing year on year. Global presence of the company has been established with an entrance in the market of South-East Asia, East Asia, Middle East and Africa.

9.0 ISSUER CORPORATE GOVERNANCE

9.1 Board of Directors

Sl.	Name	Position
1	Mr. Sk. Nasir Uddin	Chairman
2	Mr. Sk. Shamim Uddin	Managing Director
3	Akij Venture Ltd. Represented by Mr. Md. Rezaul Karim	Nominee Director
4	Ms. Saizmin Sultana	Director

The Board of AFBL consists of four members including the Chairman and the Managing Director. The Board is led by Mr. Sk. Nasir Uddin as the Chairman with his prudence in the business arena. The Board mainly reviews the overall activities of the business and gives necessary strategic guidelines for onward policy implementation.


 Md. Asaduzzaman Khan
 Chief Executive Officer
 Credit Rating Information and Services PLC.

Page 12 of 22


 Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.


 Md. Moklesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.


 Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

12 | Page

CREDIT RATING REPORT
On
AFBL ZERO COUPON BOND of TK 5000 million

9.2 Corporate Management

Name	Age	Designation	Education	Number of Years with the Company	Total Experience In Years
Mr. Md. Moklesur Rahman Akhtar	44	Group CFO	FCMA	3.5	16
Mr. Mohammad Maidul Islam	48	Head of Marketing	MBA	10	19
Mr. Md. Saifulah Sayem	59	Head of SCM	M. Com.	4	33
Mr. Sk. Shahed Ahmed	51	Head of Project & Development	ENBA	19	27
Mr. Anwarul Alam	43	Head of Mechanical	B.Sc. in EEE	19	22

Experienced Management team

The Corporate management of the company is headed by Mr. Sk. Shamim Uddin who supervises all the major activities with the assistance of experienced and prudent employees.

9.3 Human Resource Management

Total number of permanent employees of the company stood at 2,924. These employees are supervised by 15 R&D staff and 90 QC Staff. To manage its employee base, the company has adopted a Board formulated and approved human resource policy and service rule. HR recruitment, promotion and performance evaluation procedures are well structured. At the factory, the company has canteen and accommodation facilities (dormitory) for workers. The company also provides canteen facility for its corporate office employees. AFBL provides contributory Provident Fund and Gratuity as well as Group Insurance for its employees. The company also provides training facilities to the worker.

9.4 Sales, Marketing, and Distribution

AFBL's independent sales & marketing department has been dedicatedly working for the development, sales, and promotion of food products. AFBL has 1,416 dealers across the country. Due to the intense level of competition, AFBL has been using different promotional tools to create product awareness through print media, TVC etc. AFBL has 247 trucks to transport its products. Besides, the company also uses third-party transportation services when required.

9.5 Internal Control System (ICS)

A standardized internal control system has been maintained within AFBL with the aid of its well-developed MIS. The ICS of the company mainly operated under Group ICS operations. The internal audit team of the AFBL is headed by Zaid Al Mahmudul Hasan. The team reviewed and checked the financial as well as production-related aspects of the business from time to time. Two notified visits and one surprise visit have been done on two-three months interval by the internal audit team. Total manpower in internal audit team stood at 33.

9.6 Management Information System (MIS)

AFBL has been operating with a sound Management Information System and IT Infrastructure. Like ICS, the MIS of the company mainly operated under the Group MIS operations. The company has been using its Advanced ERP system of automated integration from order collection to order processing and product delivery. The ERP system of the company has been developed internally. The company also kept using general accounting software for fulfilling accounting tasks of the organizations effectively and efficiently. Data preservation is always a matter of challenge for AFBL, and therefore extensive security procedures have been adopted by the company for the preservation of the confidential data.



Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


122 | Page . .
Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

CREDIT RATING REPORT
 On
AFBL ZERO COUPON BOND of TK 5000 million


10.0 ISSUER BUSINESS AND FINANCIAL PERFORMANCE

Particulars	30-Jun-25	30-Jun-24	30-Jun-23	30-Jun-22	30-Jun-21
Turnover (Tk. in Million)	25,125.57	20,631.09	18,908.39	17,196.16	14,850.41
Gross Profit (Tk. in Million)	4,213.82	3,366.82	2,993.14	2,684.54	2,169.45
Profit After Tax (Tk. in Million)	889.73	686.73	720.26	935.92	541.33
Cost to Revenue Ratio (%)	83.23	83.68	84.17	84.39	85.39
Administrative Expense to Revenue Ratio %	2.93	3.24	2.87	8.94	10.18
Selling & Distribution Exp. to Revenue Ratio %	5.10	5.63	5.52	-	-
Finance Cost to Revenue Ratio %	2.49	1.75	0.49	0.35	0.31
Gross Profit Margin (%)	16.77	16.32	15.83	15.61	14.61
Net Profit Margin (%)	3.54	3.33	3.81	5.44	3.65
EBITDA Margin (%)	13.50	12.34	12.56	11.16	11.97
Return on Average Assets After Tax (%)	3.35	3.36	-4.44	-7.08	4.52
Return on Average Equity After Tax (%)	13.77	10.14	11.87	17.86	12.02
Return on Average Capital Employed (%)	9.08	8.18	9.54	13.79	8.78

Good financial performance

Akij Food and Beverage Limited demonstrates a stable but gradually moderating profitability profile in FY2025 underpinned by continued revenue expansion alongside rising financing pressure. Turnover increased to Tk. 25,125.57 million in FY2025 from Tk. 20,631.09 million in FY2024, extending the upward trajectory from Tk. 18,908.39 million in FY2023, Tk. 17,196.16 million in FY2022 and Tk. 14,850.41 million in FY2021, and this uninterrupted increase signals strengthening market penetration and sustained demand growth which supports operating cash-flow generation and revenue predictability, although the sharp expansion between FY2024 and FY2025 also heightens operational scale risk that requires disciplined capacity planning; therefore, the company should align production capacity, distribution coverage, and inventory planning with the accelerating sales trajectory to preserve operating efficiency and avoid cost escalation. Gross profit increased to Tk. 4,213.82 million in FY2025 from Tk. 3,366.82 million in FY2024, continuing the rising trend from Tk. 2,993.14 million in FY2023, Tk. 2,684.54 million in FY2022 and Tk. 2,169.45 million in FY2021, and the corresponding Gross Profit Margin increased to 16.77% in FY2025 from 16.32% in FY2024, 15.83% in FY2023, 15.61% in FY2022 and 14.61% in FY2021, indicating consistent improvement in production efficiency and pricing realization, a factor that strengthens earnings stability and internal cash-flow resilience; nevertheless, maintaining this margin trajectory requires tight cost governance, so it would be prudent for management to continuously optimize procurement and production efficiency to sustain the improving margin profile. Cost to Revenue Ratio decreased to 83.23% in FY2025 from 83.68% in FY2024, continuing the downward movement from 84.17% in FY2023, 84.39% in FY2022 and 85.39% in FY2021, which reflects gradually improving cost absorption and operating leverage and therefore supports profitability durability, although the still-elevated cost share implies sensitivity to raw-material or production cost-shocks, suggesting that the company can take the steps of reinforcing supply-chain cost control and long-term procurement planning to mitigate cost volatility risk. Administrative Expense to Revenue Ratio declined to 2.93% in FY2025 from 3.24% in FY2024 after increasing from 2.87% in FY2023, and this ratio had been significantly higher at 8.94% in FY2022 and 10.18% in FY2021, showing substantial structural reduction in overhead intensity which strengthens operational efficiency and indicates improved management execution; however, preserving this efficiency is critical as scale expands, therefore management should maintain strict overhead discipline and technology-driven process optimization to prevent administrative cost creep. Selling and Distribution Expense to Revenue Ratio decreased to 5.10% in FY2025 from 5.63% in FY2024 and 5.52% in FY2023, suggesting improving distribution efficiency and stronger sales productivity per unit of marketing spend, which enhances operating margin resilience and indicates better cost absorption through higher sales volumes, though continued brand expansion may require controlled promotional spending, and accordingly the company should balance marketing efficiency with revenue growth initiatives to sustain demand while protecting margins.

Page 14 of 22


 Md. Asaduzzaman Khan
 Chief Executive Officer
 Credit Rating Information and Services PLC.


 Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.


 Md. Moklesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.


 Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

123 | Page

CREDIT RATING REPORT
 On
AFBL ZERO COUPON BOND of TK 5000 million

Profit After Tax increased to Tk. 889.73 million in FY2025 from Tk. 686.23 million in FY2024 but remains below Tk. 720.26 million in FY2023 and significantly below Tk. 935.92 million in FY2022, while Net Profit Margin rose slightly to 3.54% in FY2025 from 3.33% in FY2024 but remains below 3.81% in FY2023 and far below 5.44% in FY2022, demonstrating that although earnings have recovered year-on-year from FY2024 the longer-term margin compression indicates growing cost and financing pressure which introduces earnings volatility risk; therefore management should prioritize cost discipline and margin preservation strategies to ensure sustainable bottom-line expansion. EBITDA Margin increased to 13.50% in FY2025 from 12.34% in FY2024 after declining from 12.56% in FY2023 and 13.16% in FY2022, indicating a recovery in operating profitability supported by revenue growth and improving cost absorption, which strengthens operating cash generation and debt-servicing capacity; however, the margin remains close to historical levels rather than materially higher, implying limited buffer against cost shocks, so operational efficiency initiatives should be sustained to reinforce cash-flow coverage. Finance Cost to Revenue Ratio increased materially to 2.49% in FY2025 from 1.75% in FY2024, 0.49% in FY2023, 0.35% in FY2022 and 0.31% in FY2021, representing the most significant negative structural shift within the table and implying growing reliance on interest-bearing funding to support expansion, which raises leverage sensitivity and could pressure future earnings stability if the upward trend continues; accordingly the company should moderate incremental borrowing and improve internal funding through stronger operating cash flows to limit financing risk. Return on Average Assets After Tax remained broadly stable at 3.35% in FY2025 compared with 3.36% in FY2024 but declined from 4.44% in FY2023 and 7.08% in FY2022, indicating that asset base expansion has outpaced profit growth and suggesting declining asset productivity, which may weaken long-term capital efficiency and operating return sustainability; therefore management should enhance asset utilization and production efficiency so that incremental assets generate proportionately higher earnings. Return on Average Equity After Tax increased to 11.77% in FY2025 from 10.14% in FY2024 but remains below 11.87% in FY2023 and significantly below 17.86% in FY2022, implying that shareholder return has partially recovered with earnings improvement but remains structurally lower than earlier periods, reflecting pressure from financing costs and asset expansion; consequently the company should strengthen profit generation and manage leverage prudently to restore equity return stability. Return on Average Capital Employed increased to 9.08% in FY2025 from 8.18% in FY2024 but remains below 9.54% in FY2023 and 13.79% in FY2022, which indicates moderate recovery in capital efficiency yet still reflects weaker returns relative to earlier years, suggesting that expansion has diluted capital productivity and may expose the firm to lower long-term investment efficiency unless earnings growth accelerates; therefore management should prioritize capital allocation discipline so that new investments translate into proportionate operating profit growth. Overall, the table indicates strengthening revenue scale, improving gross margin, declining overhead intensity, and recovering operating margin which support operational stability, while the key emerging credit risk is the rapid escalation in finance cost intensity combined with declining long-term asset and capital productivity that could pressure future earnings resilience and liquidity if expansion continues to rely heavily on external funding; hence management should emphasize internally generated cash flows, disciplined capital investment, and sustained cost optimization to preserve debt-servicing capacity and financial resilience, particularly as industry-wide demand, pricing, and input cost fluctuations may transmit directly through revenue growth, cost ratios, and margin indicators observed in the table, requiring the company to maintain cost flexibility, efficient distribution, and prudent financing structures to safeguard profitability stability and liquidity strength.


 Md. Asaduzzaman Khan
 Chief Executive Officer
 Credit Rating Information and Services PLC.

Page 15 of 22


 Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.


 Md. Moklesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.


 Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

24 | Page

CREDIT RATING REPORT

On

AFBL ZERO COUPON BOND of TK 5000 million

11.0 ISSUER CAPITAL STRUCTURE AND SOLVENCY

Particulars	Tk. in Million				
	30-Jun-25	30-Jun-24	30-Jun-23	30-Jun-22	30-Jun-21
Current Assets	11,199.77	9,515.03	6,190.06	3,947.73	2,372.82
Less: Current Liabilities	19,612.66	13,872.00	10,153.50	7,226.37	5,654.01
Net Current Assets	(8,412.89)	(4,356.96)	(3,963.44)	(3,278.64)	(3,281.18)
Fixed Assets- Net	14,976.61	11,086.99	10,766.71	10,163.92	9,377.10
Net Capital Employed	10,739.85	8,855.04	7,944.46	7,155.03	6,421.73
Financed by:					
Long Term Liabilities	1,074.40	-	-	-	-
Deferred Liabilities	1,114.26	1,157.50	1,261.02	-	-
Total Non Current Liability	2,733.46	1,738.39	1,514.52	1,445.26	1,647.99
Shareholders' Equity:					
Share Capital	2,351.20	2,351.20	2,351.20	2,351.20	2,351.20
Retained Earnings	5,655.20	4,795.46	4,076.73	3,158.47	2,422.55
Total Shareholders' Equity	8,006.40	7,118.66	6,429.93	5,709.67	4,773.75
Leverage Ratio (X)	2.79	2.19	1.81	1.52	1.53
Debt Service Coverage Ratio (X)	5.41	7.07	25.61	37.89	38.85
Interest Coverage Ratio (Y)	3.46	4.29	15.42	23.10	17.28

Akij Food and Beverage Limited exhibits a liquidity-constrained but operationally expanding credit profile in the latest fiscal year. In FY2025, Current Assets increased to Tk. 11,199.77 million from Tk. 9,515.03 million in FY2024, continuing the consistent rise from Tk. 6,190.06 million in FY2023, Tk. 3,947.73 million in FY2022 and Tk. 2,372.82 million in FY2021, and this sustained increase indicates strengthening working-capital scale aligned with operational growth, supporting revenue-generating capacity and inventory availability; however, because Current Liabilities increased more sharply to Tk. 19,612.66 million in FY2025 from Tk. 13,872.00 million in FY2024, and had already risen from Tk. 10,153.50 million in FY2023, Tk. 7,226.37 million in FY2022 and Tk. 5,654.01 million in FY2021, the faster growth of short-term obligations has materially weakened liquidity coverage, implying heavy reliance on short-term funding to sustain operations, therefore the company should rebalance the maturity structure of its obligations by gradually converting part of the short-term liabilities into longer-tenor funding so that liquidity pressure does not intensify as operations expand. As a direct consequence of this imbalance, Net Current Assets remained negative and deteriorated further to Tk. (8,412.89) million in FY2025 from Tk. (4,356.96) million in FY2024, while the deficit had already stood at Tk. (3,963.44) million in FY2023, Tk. (3,278.64) million in FY2022 and Tk. (3,281.18) million in FY2021, demonstrating a clear structural increase in working-capital intensity that weakens liquidity resilience and heightens refinancing sensitivity because a larger share of operational activity is being financed by current liabilities rather than liquid resources; it would therefore be prudent for management to strengthen working-capital discipline through tighter receivable collection, inventory optimization, and stronger operating cash retention in order to gradually narrow the negative working-capital gap. Fixed Assets-Net increased to Tk. 14,976.61 million in FY2025 from Tk. 11,086.99 million in FY2024 after smaller increases from Tk. 10,766.71 million in FY2023, Tk. 10,163.92 million in FY2022 and Tk. 9,377.10 million in FY2021, reflecting a significant capital investment expansion in the latest year which suggests capacity enhancement to support higher production and distribution scale; while this strengthens long-term operational capability and revenue sustainability, the rapid asset expansion also raises capital recovery risk if asset productivity does not rise proportionately, so the company should ensure that newly installed capacity is fully utilized to generate sufficient incremental earnings and operating cash flows. Net Capital Employed increased to Tk. 10,739.85 million in FY2025 from Tk. 8,855.04 million in FY2024, continuing the upward movement from Tk. 7,944.46 million in FY2023, Tk. 7,155.03 million in FY2022 and Tk. 6,421.73 million in FY2021, indicating expanding operational scale and investment base which enhances long-term production capability but simultaneously requires stable profitability to maintain capital efficiency; therefore management should carefully align future capital expenditure with internally generated cash flow capacity to prevent excessive balance-sheet pressure. Within the financing structure,

Debt based capital structure

Page 16 of 22



 Md. Asaduzzaman Khan
 Chief Executive Officer
 Credit Rating Information and Services PLC



 Md. Shaidul Islam
 Company Secretary
 Akij Food & Beverage Ltd.



 Md. Mokiesur Rahman Akhtar
 Chief Financial Officer
 Accounts & Finance
 Akij Food & Beverage Ltd.



 125 | Page
 Sk. Shamim Uddin
 Managing Director
 Akij Food & Beverage Ltd.

CREDIT RATING REPORT
On
AFBL ZERO COUPON BOND of TK 5000 million

Long-Term Liabilities increased to Tk. 1,074.40 million in FY2025 from no balance in FY2024 and earlier years, demonstrating the introduction of long-tenor obligations to support expansion which improves funding diversification relative to pure short-term reliance but simultaneously introduces additional fixed servicing commitments, implying the need for consistent cash-flow generation; accordingly the company should maintain strict cash-flow monitoring to ensure that long-term debt servicing remains comfortably manageable. Deferred Liabilities decreased to Tk. 1,114.26 million in FY2025 from Tk. 1,157.50 million in FY2024 and Tk. 1,261.02 million in FY2023 after no balance in FY2022 and FY2021, indicating a gradual reduction in deferred obligations which moderately strengthens balance-sheet clarity and reduces future contingent funding pressure. Total Non-Current Liability increased to Tk. 2,733.46 million in FY2025 from Tk. 1,738.38 million in FY2024 and had already risen from Tk. 1,514.53 million in FY2023 and Tk. 1,445.36 million in FY2022 though still below Tk. 1,647.98 million in FY2021, reflecting renewed long-term borrowing to finance asset expansion, which supports capital investment but simultaneously elevates leverage exposure; the company can take the steps of ensuring that incremental borrowing remains proportionate to sustainable earnings and operating cash generation. Share Capital remained unchanged at Tk. 2,351.20 million throughout FY2021-FY2025, indicating stable ownership funding without new equity injection, which places greater reliance on retained earnings and liabilities to finance growth; consequently it would be advisable for the firm to consider maintaining strong earnings retention so that internal equity continues to strengthen the balance sheet. Retained Earnings increased steadily to Tk. 5,655.20 million in FY2025 from Tk. 4,765.46 million in FY2024, Tk. 4,078.73 million in FY2023, Tk. 3,358.47 million in FY2022 and Tk. 2,422.55 million in FY2021, demonstrating consistent profit accumulation which enhances financial resilience, strengthens the internal capital base, and improves loss-absorption capacity. Reflecting this trend, Total Shareholders' Equity increased to Tk. 8,006.40 million in FY2025 from Tk. 7,116.66 million in FY2024 and from Tk. 6,429.93 million, Tk. 5,709.67 million and Tk. 4,773.75 million in FY2023, FY2022 and FY2021 respectively, showing continuous capital strengthening that partially offsets the impact of rising liabilities and improves balance-sheet stability. Nevertheless, the Leverage Ratio increased to 2.79 times in FY2025 from 2.19 times in FY2024, continuing the upward trajectory from 1.81 times in FY2023 and 1.52 times in FY2022 and slightly above 1.53 times in FY2021, indicating a clear structural increase in debt relative to equity which heightens financial risk and increases vulnerability to interest-rate or cash-flow volatility; it should therefore pursue a balanced capital structure by limiting incremental borrowing and strengthening equity through sustained profit retention. Debt Service Coverage Ratio decreased significantly to 5.41 times in FY2025 from 7.07 times in FY2024 and had already declined sharply from 25.61 times in FY2023, 37.89 times in FY2022 and 38.85 times in FY2021, showing a pronounced contraction in debt-servicing headroom as financing obligations increase relative to operating cash flow, which materially reduces the margin of safety against financial stress; therefore the company should reinforce operating cash generation and moderate additional borrowing to maintain strong debt-repayment capacity. Similarly, Interest Coverage Ratio declined to 3.46 times in FY2025 from 4.29 times in FY2024 and from significantly higher levels of 15.42 times in FY2023, 23.10 times in FY2022 and 17.28 times in FY2021, reflecting a rapid rise in interest burden relative to operating earnings which increases earnings sensitivity to financing costs and indicates tightening coverage flexibility; accordingly management should control financing costs and improve operating profitability to rebuild interest coverage strength. Overall, the table indicates expanding asset base, strengthening equity through retained earnings, and improving production capacity, but simultaneously highlights rising leverage, persistent negative working capital, and weakening debt-servicing coverage as the principal emerging credit risks, implying that future liquidity stability and refinancing resilience will depend heavily on disciplined capital expenditure, stronger operating cash flow generation, and prudent debt management; as industry demand or cost fluctuations could transmit directly through working-capital requirements, asset utilization, and financing ratios observed in the table, the company should sustain efficient capacity utilization, maintain strict liquidity management, and preserve conservative leverage levels to ensure long-term balance-sheet resilience and predictable debt-servicing capability.

CREDIT RATING REPORT
On
AFBL ZERO COUPON BOND of TK 500 million

12.0 ISSUER LIQUIDITY AND FUND FLOW ANALYSIS

Particulars	30-Jun-25	30-Jun-24	30-Jun-23	30-Jun-22	30-Jun-21
Current Ratio (X)	0.57	0.69	0.61	0.55	0.42
Quick Ratio (X)	0.38	0.46	0.44	0.42	0.32
Operating Cash Flow (Tks. in million)	2,187.41	790.99	124.37	-	-
Cash Conversion Cycle (Days)	19.34	7.79	(3.75)	(14.87)	(13.37)

Moderate liquidity


Akij Food and Beverage Limited reflects a liquidity profile characterized by structurally tight short-term coverage but significantly strengthened operating cash generation in the latest fiscal year. In FY2025, the Current Ratio decreased to 0.57 times from 0.69 times in FY2024, reversing the earlier increase from 0.61 times in FY2023 and remaining above the levels of 0.55 times in FY2022 and 0.42 times in FY2021, and this decline in the latest year indicates that short-term liabilities expanded faster than liquid resources, which weakens immediate liquidity coverage and increases reliance on continuous operating cash inflows and short-term refinancing to sustain working-capital operations; therefore the company should strengthen liquidity buffers by improving the balance between current assets and current obligations through tighter receivable collection and disciplined inventory management so that short-term liabilities remain adequately supported by liquid resources. The Quick Ratio decreased to 0.38 times in FY2025 from 0.46 times in FY2024 and from 0.44 times in FY2023, although it remains slightly below the earlier levels of 0.42 times in FY2022 and above 0.32 times in FY2021, demonstrating that the coverage of current liabilities by highly liquid assets weakened in the most recent year after a previous improving phase, implying that inventories constitute a substantial portion of current assets and that the company's immediate liquidity resilience has reduced relative to FY2024; accordingly it should prioritize strengthening liquid asset availability and accelerate conversion of receivables into cash in order to reduce dependence on inventory liquidation for meeting short-term obligations. Operating Cash Flow increased sharply to Tk. 2,187.41 million in FY2025 from Tk. 790.99 million in FY2024 and from Tk. 124.37 million in FY2023, while no operating cash flow figures are presented for FY2022 and FY2021, and this substantial increase demonstrates a strong improvement in internal cash generation capacity likely driven by higher operational throughput and more effective cash realization from sales, which significantly strengthens debt-servicing capability, enhances liquidity resilience, and reduces reliance on external financing to support working-capital requirements; however, because liquidity ratios remain structurally low despite stronger operating cash inflows, the company can take the steps of maintaining disciplined cash-flow management and retaining a larger portion of internally generated cash to gradually reinforce short-term liquidity coverage. The Cash Conversion Cycle increased markedly to 19.34 days in FY2025 from 7.79 days in FY2024 and from negative 3.75 days in FY2023, while it had been negative 14.87 days in FY2022 and negative 13.37 days in FY2021, indicating a continuous shift from a negative to a positive cycle over the five-year period, which means that working-capital funds are now tied up in operations for a longer period before being converted back into cash, reflecting rising working-capital intensity as operational scale expands; this structural increase reduces liquidity efficiency and raises the risk that additional short-term funding may be required to sustain higher production and distribution volumes, therefore the company should streamline inventory turnover and collection efficiency so that the cash conversion period shortens and operational cash flows remain predictable. The simultaneous presence of rising operating cash flow and a lengthening cash conversion cycle suggests that although operational scale and revenue realization have strengthened cash generation, working-capital absorption has also increased, which introduces a forward-looking liquidity management challenge because continued expansion without proportional improvement in working-capital efficiency could increase refinancing dependence; consequently it would be prudent for management to ensure that incremental production capacity and distribution expansion are supported by efficient receivable and inventory control mechanisms to maintain stable cash-flow predictability and protect debt-servicing capacity. From a broader risk-transmission perspective, any industry-level fluctuations affecting demand cycles or input procurement timing would primarily influence the company through changes in the cash conversion cycle and liquidity ratios observed in the table; therefore the company should maintain strong operational cash-flow discipline and working-capital efficiency so that even under sector-driven volatility the firm can sustain stable liquidity coverage, predictable cash generation, and resilient short-term debt-servicing capability.

Page 18 of 22

10
Md. Asaduzzaman Khan
Chief Executive Officer
Credit Rating Information and Services PLC.

127 | Page


Md. Shaidur Islam
Company Secretary
Akij Food & Beverage Ltd


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.


Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

CREDIT RATING REPORT
On
AFBL ZERO COUPON BOND of TK 5000 million


13.0 CREDIBILITY AND BANKING RELATIONSHIP

13.1 Liability Position

Akj Food and Beverage Limited maintains diversified banking relationships for working capital and trade finance. As of 28 February 2026, sanctioned facilities totaled Tk. 15,031.15 million (funded) and Tk. 20,320.00 million (non-funded), with outstanding amounts of Tk. 14,274.33 million and Tk. 10,380.48 million, respectively. Funded facilities include Bai Muqajal, Bai Istisna, Musharaka, Murabahah, MPI-TR, short-term and term loans; while non-funded exposures mainly comprise LCs, acceptances, and guarantees. Major exposure is with Standard Chartered Bank (including the London ECA term loan), Pubali Bank PLC., Bank Asia PLC., Eastern Bank PLC., The City Bank PLC., and Meghna Bank PLC., along with smaller limits from Bank Alfalah Limited and IDLC Finance PLC. The structure indicates reliance on trade-related short-term financing, supported by long-tenor ECA funding, with active limit utilization and some headroom in non-funded facilities.

Tk. in million

Bank Name	Mode	Limit/Sanctioned		Outstanding as on 28.02.2026		Classification Status
		Funded	Non-funded	Funded	Non-funded	
Pubali Bank PLC.	LC	-	3,000.00	-	-	
	Bai Muqajal	1,000.00	-	388.83	-	
	Bai Istisna	500.00	-	500.00	-	
	MPI-TR	1,800.00	-	1,870.00	-	
	Sub-Total	3,300.00	3,000.00	2,808.83	-	
The City Bank PLC.	LC	-	4,600.00	-	812.00	
	Acceptance	-	(4,600.00)	-	1,528.68	
	BG	-	400.00	-	239.60	
	Bai Solam	2,000.00	-	1,884.60	-	
Sub-Total	2,000.00	5,000.00	1,884.60	2,580.28		
Bank Alfalah Limited	LC	-	800.00	-	-	
	Acceptance	-	(800.00)	-	-	
	STL	(800.00)	-	800.00	-	
	Sub-Total	(800.00)	800.00	800.00	-	
Bank Asia PLC.	LC	-	2,000.00	-	118.42	SD
	Acceptance	-	(2,000.00)	-	1,230.24	
	Specific LC	-	1,000.00	-	17.60	
	Acceptance	-	(1,000.00)	-	1,033.04	
	Musharaka	(1,000.00)	-	552.17	-	
	Musharaka	1,000.00	-	1,000.00	-	
	HFSM	(300.00)	-	161.10	-	
Sub-Total	1,000.00	3,000.00	1,758.27	2,399.28		
Meghna Bank PLC.	LC	-	3,350.00	-	260.71	
	Acceptance	-	(3,350.00)	-	10.61	
	Short Term Loan	1,300.00	-	678.00	-	
	Sub-Total	1,300.00	3,350.00	678.00	271.32	
Standard Chartered Bank	LC	-	5,170.00	-	2,025.21	
	Acceptance	-	(5,170.00)	-	3,058.71	
	STL	500.00	-	500.00	-	
	Shipping Guarantee	-	(2,400.00)	-	35.68	
Sub-Total	500.00	5,170.00	500.00	5,129.60		
Standard Chartered Bank-London	ECA Term Loan Facility	4,737.15	-	4,109.43	-	
	Sub-Total	4,737.15	-	4,109.43	-	
IDLC Finance PLC.	Term Loan	294.00	-	235.20	-	
	Sub-Total	294.00	-	235.20	-	
Eastern Bank PLC.	Musharaka	1,300.00	-	1,300.00	-	
	Murabahah	600.00	-	400.00	-	
	Sub-Total	1,900.00	-	1,700.00	-	
Grand Total		15,031.15	20,320.00	14,274.33	10,380.48	


Md. Asaduzzaman Khan
Chief Executive Officer
Credit Rating Information and Services PLC.


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.

128 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

CREDIT RATING REPORT
On
AFBL ZERO COUPON BOND of TK 5000 million

14.0 RISK ANALYSIS: Issue Perspective

14.1 Subscription Risk

Subscription risk of the bond will arise due to a lack of demand in the market to buy the instrument. The bond will be offered to potential investors such as banks, NBFIs, insurance companies, Institutional Investors and High net worth Individual etc.. Currently income from treasury bills and bonds are more attractive and as its return is risk free banks are heavily investing its fund on treasury bills and bonds. Hence, banks and other financial institutions and institutional investors may be reluctant to put their fund in such instrument which in turn may have low subscription and thus create subscription risk.

14.2 Redemption Risk

Redemption risk arises from the failure of the issuer to redeem the bond when it becomes due. AFBL has to pay off the bond subscribers within five years. A significant amount of cash outflow from at one time may create pressure on its cash flow as well as liquidity. However, it has been estimated that the Company may be able to manage the situation with its regular inflow of cash. Hence, the redemption risk has been observed to be low.

14.3 Transferability Risk

Transferability risk arises when the bondholder is unable to sell the bond in the market in case of necessity and is required to wait till maturity. As the bond is issued under private placement and is not proposed to be listed, the bondholders are exposed to easy transferability risk.

15.0 RISK ANALYSIS: Issuer perspective

15.1 Quality Control Risk

AFBL exports products to many countries in the world where the respective country has its own regulations, which differ from country to country. Besides, AFBL also has to follow the quality standard of BSTI for marketing its product in the native market. Any deviations from the quality standards set by BSTI and other respective exporting countries' regulations may expose AFBL to quality control risk.

15.2 Market Competition Risk

Due to advancement in technology and ease of getting information, it is possible that other non-branded companies can market their products with similar "Taste" and at a subliminal perception level. Thus, other non-branded companies can deceive a portion of customers of AFBL. On the other hand, the development of super-store business in Bangladesh is also changing the buying habit of people.

At those super-stores, various foreign branded juices, beverages, snacks are now available and a portion of AFBL's customers may divert to those foreign brands, which will expose the company to market risk.

15.3 Brand Risk

It takes a long time to create a good brand image. Any negative publicity in newspapers or magazines regarding not maintaining the compliance issues may damage the good brand image of the company. Stringent control over operations, quality maintenance, and public-relation should be present to ensure maintaining a good corporate image.

15.4 Price Fluctuation Risk

As AFBL procures raw materials from both local and foreign market, any price fluctuation due to abnormal demand and supply gap may create price fluctuation risk for AFBL.



Setting global standards at national level

Credit Rating Information and Services PLC

Reg ID 9001 | 2015 Certified Credit Rating Company in Bangladesh Operating Since 1995

CREDIT RATING REPORT
On
AFBL ZERO COUPON BOND of TK 5000 million


16.0 OBSERVATION SUMMARY

Rating Comforts:	Rating Concerns:
<p>Issuer:</p> <ul style="list-style-type: none"> • Attractive yield • The issuer has a sound credit profile • Issuer cash flow supports regular coupon payments as well as principal <p>Issuer:</p> <ul style="list-style-type: none"> • Profitable business performance • Good brand image and market goodwill • Good infrastructural facility • Strong Group support • Increasing demand in export market 	<p>Issuer:</p> <ul style="list-style-type: none"> • Unsecured debt instrument • Non-Convertible Bond • Absence of recourse to the trustee in managing the event of default <p>Issuer:</p> <ul style="list-style-type: none"> • Debt based capital structure • Exposed to quality control risk • Moderate liquidity • Exposed to price fluctuation risk • Exposed to brand risk
Business Opportunities:	Business Challenges:
<p>Issuer:</p> <ul style="list-style-type: none"> • Development of the bond market in Bangladesh • Stock exchange listing <p>Issuer:</p> <ul style="list-style-type: none"> • Establishing backward linkage • Further expansion to foreign markets • Introducing more product lines 	<p>Issuer:</p> <ul style="list-style-type: none"> • Lower market depth of Bangladesh capital market • Mostly dependent on issuer concern for subscription <p>Issuer:</p> <ul style="list-style-type: none"> • Coping with changes in consumer taste • Increasing competition in the market • Dealing with food adulteration issues

END OF THE REPORT

(Information used herein was obtained from sources believed to be accurate and reliable. However, CRISL does not guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. The rating is an opinion on credit quality only and is not a recommendation to buy or sell any securities or to finance a project. All rights of this report are reserved by CRISL. The contents may be used by the news media and researchers with due acknowledgement.)

(We have examined, prepared, finalized and issued this report without compromising with the matters of any conflict of interest. We have also complied with all the requirements, policy and procedures of the BSFC rules as prescribed by the Bangladesh Securities and Exchange Commission.)


Md. Asaduzzaman Khan
Chief Executive Officer
Credit Rating Information and Services PLC


Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd


Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.

130 | Page

Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.

CREDIT RATING REPORT
On
AFBL ZERO COUPON BOND of TK 5000 million

RATING SCALES
LONG-TERM RATING OF DEBT INSTRUMENTS

RATING	DEFINITION
AAA Triple A (Highest Safety)	Investment Grade Securities rated in this category are adjudged to be of highest credit quality. This level of rating indicates highest level of safety for timely payment of interest and principal. Risk factors are negligible and nearest to risk free government securities.
AA+, AA, AA- (Double A) (High Safety)	Securities rated in this category are adjudged to be of high credit quality and offer higher safety. This level of rating indicates a security with sound credit profile and without significant problems. Protection factors are strong. Risk is modest but may vary slightly from time to time because of economic conditions.
A+, A, A- Single A (Adequate Safety)	Securities rated in this category are adjudged to be of good credit quality and offer adequate safety for timely repayment of financial obligations. Protection factors are considered variable and more susceptible to changes in circumstances than securities in higher-rated categories.
BBB+, BBB, BBB- Triple B (Moderate Safety)	Securities rated in this category are adjudged to offer moderate safety for timely repayment of financial obligations. This level of rating indicates deficiencies in certain protective elements but still considered sufficient for prudent investment. Risk factors are more variable in periods of economic stress than those rated in the higher categories.
BB+, BB, BB- Double B (Inadequate Safety)	Speculative Grade Securities rated in this category are considered to be of speculative grade but deemed likely to meet obligations when due. Present or prospective financial protection factors fluctuate according to industry conditions or company fortunes. Overall quality may move up or down frequently within this category.
B+, B, B- Single B (High Risk)	Securities rated in this category are considered to be of highly speculative grade. This level of rating indicates high risk associated with timely repayment of interest and principal. Financial protection factors will fluctuate widely according to economic cycles, industry conditions and/or company fortunes. Potential exists for frequent changes in the rating within this category or into a higher or lower rating grade.
CCC+, CCC, CCC- (Vulnerable)	Securities rated in this category are currently vulnerable to non-repayment, and is dependent upon favorable business conditions for the obligor to meet its financial commitments on the obligation.
CC+, CC, CC- (High Vulnerable)	Securities rated in this category is currently high vulnerable to non-repayment.
C+, C, C- (Near to Default)	Securities rated in this category are considered to be near to default. Protection factors are scarce. Timely repayment of interest and principal is possible only if favorable circumstances continue.
D (Default)	Default Grade Defaulted debt obligations. Issuer failed to meet scheduled principal and/or interest payments.


Md. Asaduzzaman Khan
Chief Executive Officer
Credit Rating Information and Services PLC.

7. Particulars of Underwriters and Amount Underwritten, If Any

Not Applicable as the bond will be issued through private placement.

8. Public Issue Application Procedure

Not Applicable as the bond will be issued through private placement.

9. Rights option/issue application procedure

Not Applicable as the bond will be issued through private placement.

10. Private Issue Application Procedure

The Bond shall be offered through Private Offer to the eligible investors. Issuer and/or Arranger shall ensure that the prospective investors shall have been provided with a copy of the Information Memorandum either in hard copy or soft copy and an invitation letter to subscribe. Based on the Information Memorandum and subsequent clarification of queries (if any), the investors shall submit a letter of commitment to the Arrangers and/or Issuer with the amount of intended subscription specified.



Md. Shaidul Islam
Company Secretary
Akij Food & Beverage Ltd.



Md. Moklesur Rahman Akhtar
Chief Financial Officer
Accounts & Finance
Akij Food & Beverage Ltd.



Sk. Shamim Uddin
Managing Director
Akij Food & Beverage Ltd.