

Message from the Chairman

For the period from 1st October 2015 to 30th June 2016

“Bismillah Hir Rahmanir Rahim”

Distinguished Shareholders

Assalamu Alaikum

Alhamdu Lillah. My heartfelt gratitude to Allah Almighty, who allowed us to meet again in this Annual General Meeting. We lost some of our shareholders last year. Hence, let us pray to Almighty Allah for the salvation of their departed souls.

I would like to apprise you that the garment industry in Bangladesh has been passing through a challenging situation for the last few years. Although the political unrest has been arrested to a great extent, the compliance requirements are becoming more stringent day by day. The compliance requirements imposed by the buyers

through ACCORD and ALLIANCE have been playing a vital role in getting orders, as well as its execution. Stringent compliance requirements, declining selling price, euro devaluation against dollar, are making the desired revenue very difficult to achieve. We also could not arrest the declining trend in the revenue. The ACCORD and ALLIANCE required several rectifications on Fire & Electrical Safety and Building Integrity issues. We are working towards making our factory totally compliant, which may require some more time to complete. Among the recent events, Brexit and its impact on Euro, along with the recent US Election's impact on the US Dollar, may also play an important role in the coming years.

The positive sign is that Bangladesh Garments has a long future to graduate itself and enter into a new horizon of products that carry higher prices with innovative and fashion products by exploring the existing advantages. We are constantly monitoring various exhibitions organized in Europe and other parts of the world in order to upgrade our products, with the support and technical assistance of foreign consultants.

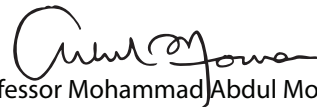
As per the Provision of the Articles of the company, I have the pleasure to present before you the Directors Report, the Audited Accounts of the company for the year ended 30th June 2016, along with the report of the auditors for your consideration.

Conclusion

The Board of Directors of the company takes the opportunity to express its sincere thanks and appreciation to its valued shareholders, the Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange, Chittagong Stock Exchange, Government Agencies, Banks, Financial Institutions, Insurance company, Contractors, Suppliers and Auditors for their cooperation and support. We offer our heartfelt thanks to our valued international buyers and local buying houses who have contributed significantly as our strategic partners.

In conclusion, the Board offers its sincere thanks to the workers, professionals, whom the management considers as the most valuable asset of the company, and hopes that they will continue to keep the spirit of teamwork in the coming years for the smooth growth of the company.

With best wishes for the time ahead



Professor Mohammad Abdul Momen
Chairman

Dated: October 26, 2016