

Directors' Report

On behalf of the Board of Directors and Management, It is indeed a great privilege for me to welcome you to the 7th Annual General Meeting of the Company and 1st meeting after listing. We are pleased to place herewith the Directors' Report and the Auditors' Report together with the Audited Financial Statements of the Company for the year ended June 30, 2019 for your valued consideration, adoption and approval.

The Directors' Report has been prepared in compliance with the Section 184 of the Companies Act 1994, BSEC's Notification of 2018, the Listing Regulations of Dhaka and Chittagong Stock Exchanges and other applicable rules and regulations. Relevant disclosures and explanations relating to certain issues have been given by the Directors, which they consider important to ensure transparency and good governance practices.

Bangladesh Economy

In FY19, Bangladesh economy maintained a strong growth momentum with stable inflation, amidst subdued global growth emanated mainly from the escalating trade tension, rising geopolitical tension, and the Brexit related uncertainty. Bangladesh Bureau of Statistics (BBS)'s provisional estimate shows that real GDP grew by 8.13 percent in FY19 up from 7.86 percent in FY18, supported largely by the pickup in the investment demand, particularly public investment and robust export growth. On the production side, the growth surge emerged mainly from the industry sector (13.02 percent growth) with 14.76 percent growth in manufacturing activities. At the same time, activities in the service and agriculture sectors remained firm (6.50 percent and 3.51 percent growth, respectively) in FY19.

At the end of Q4FY19, the 12-month average CPI inflation edged down to 5.48 percent, remaining comfortably below the ceiling of 5.6 percent for FY19, aided by the moderation of food inflation with a decline in rice prices. However, the 12-month average non-food inflation steadily increased to 5.42 percent in June 2019 from 3.52 percent in January 2018, warranting close attention as point-to-point non-food inflation continued rising.

Though the waning of import demand led to a sizeable reduction in the trade balance deficit, the current account balance deficit widened marginally in Q4FY19 (USD 1008 million in Q4FY19 compared to USD 948 million in Q3FY19) because of a rise in the outflow of primary income of which remittance income is the major part. Nonetheless, the overall balance witnessed a surplus of USD 338 million due partly to the lowering of statistical discrepancies. During this period, BDT experienced modest depreciation and to avoid excessive volatilities of the exchange rate, Bangladesh Bank continued selling USD. However, in FY19, BoP recorded a small surplus (USD12 million) from a big deficit (USD 857 million) in FY18 due to improvement in CAB throughout the year.

Notwithstanding a strong growth in government borrowings from the banking system and the turnaround of the net foreign asset (NFA), broad money (M2) registered a modest growth of 9.9 percent at the end of FY19 against the programmed ceiling of 12 percent, due mainly to decelerated credit growth in the private sector. The modest growth in private credit helped reduce the stress on the liquidity condition in the banking system Q4FY19 in spite of subdued deposit growth. Nonetheless, interest rates in the interbank money market and yields on various government securities went up during this quarter. Consequently, interest rates on both deposit and lending showed some upward nudge. The weighted average interest rates on deposit and lending increased to 5.43 percent and 9.58 percent in Q4FY19 from 5.35 percent and 9.5 percent respectively, in Q3FY19. Among other indicators, gross non-performing loans (NPL) in the banking system decreased slightly to 11.7 percent in Q4FY19 from 11.9 percent in Q3FY19 with improving asset quality in the foreign banks and state-owned banks.

Given the downturn in equity markets throughout the world, Dhaka Stock Exchange witnessed some dip with volatility in Q4FY19, as reflected in its price indices, market capitalization, and turnover. On the fiscal side, a rise in the government expenditure against a moderate revenue collection led budget deficit to 4.5 percent of GDP in FY19. Though deficit financing mostly relied on non-bank borrowing, borrowing from the banking system by the government went up in Q4FY19.

Looking ahead, economic growth outlook is expected to remain strong at the targeted level (8.2 percent) and inflation remains at below the targeted level (5.5 percent) in FY20. Some external factors like sluggish global growth, disrupting supply chain by the escalating trade war, Brexit-related uncertainty and rising geopolitical tension and some domestic factors like managing high NPL and tight liquidity condition mainly due to slower growth of deposit are the likelihood of downside risk of economic growth prospect. A coordinated monetary and fiscal policy is required ensuring growth momentum and stable inflation.

Capital Market Scenario

Capital Market, overall, 2018-2019 has been a year of weariness. The DSEX, the benchmark index of the main bourse Dhaka Stock Exchange had been on a downward trend since the beginning of 2018 but turned around rapidly after elections. The DSEX reached as high as 6318 in January 2018 and then fell by more than a thousand points to 5262 at the end of July 2018. The index maintained a stable position in the last half of the year until closing for the year at 5,385.64, a 13.75 percent drop year-on-year. Market capitalization plunged by 3.6 percent to BDT 3436.7 billion in Q4FY19. The key indicators of the capital market, DSE broad index (DSEX) and DSE-30 index, declined in Q4FY19. The overall price-earnings (PE) ratio of the DSE edged down in Q4FY19. Sector-wise PE data show that the banking sector's PE score was the lowest position while that of the cement sector was the highest. Total turnover value significantly declined by 50.9 percent in Q4FY19 compared to the previous quarter. Market liquidity as measured by the Turnover Velocity Ratio (TVR) dropped to 26.0 percent in Q4FY19 from 51.07 percent in Q3FY19.

The total turnover and net investment by foreign and non-resident Bangladeshi decreased throughout the year. In last quarter FY19 investment by foreign and non-resident Bangladeshi investors edged down to BDT 8.7 billion from BDT 14.6 billion in earlier quarter. Cross-country data on price-earnings (PE) ratios as of June 2019 show that Bangladesh has moderate PE ratio (14.25) among the South and East Asian countries while dividend yield of Bangladesh is the highest position (4.25) among these countries. Market capitalization in Bangladesh remains low at around 20 percent of GDP.

Despite demutualized status of both the stock exchanges, visible enforcement of policies and corrective measures by the regulators, regulatory reformation initiatives, abortive to regain investor's confidence. Transparency and good governance can go a long way in reassuring the investors and bring back credibility to the market.

Industry Analysis

Global copper demand has continue to rise in 2019. According to the latest analysis from Fitch Solutions the market is under supplied with demand set to increase from 23.6mnt in 2018 to 29.8mnt by 2027 at 2.6% annual growth.

Fitch warns that global consumption, driven by the EV revolution and increasing demand from China's power and infrastructure sectors, will continue to ramp, surging ahead of supply growth.

Global copper mine production will see steady growth over the next few years, supported by markets with low operating costs and improving copper prices. Fitch forecast that global copper production to increase by an average annual rate of 3.6% over 2018-2027 as a number of key new projects and expansions come online. In terms of volume, Fitch expects global copper output to climb from 20.4mnt in 2018 to 28.1mnt by 2027. Rising copper prices in the coming years will incentivize project development, particularly in key countries such as Chile, Peru and Australia.

Copper is very essential metal for economic activity and even more so to the modern society. Infrastructure development in major countries such as China and India and the global trend towards cleaner energy will continue to support growth in copper demand. Copper is one of the most recycled of all the metals. Virtually all products made from copper can be recycled and recycled copper loses none of its physical and chemical properties. Currently 17% of total refined copper production comes from recycling only.

Sub-continent's refined copper production has fallen significantly mainly because of the shutdown of Starlight's Tuticorin plant which used to account for 40 per cent of the India's copper smelting capacity. Domestic industry relies comprehensively on imports of copper concentrate from abroad, particularly from South Africa in a big way. This increases cost of production. The duty on copper concentrate is presently 31 per cent while the finished goods are coming at average 45 to 60 percent duty. There is a situation of upset duty structure. Government has to consider higher duty on importing finished products to discourage import of finished goods and lowering the duty on copper concentrate to help the local industry to get competitive edge. Resultant of this duty structure, the company's margins had contracted and the company had to make timely investment decisions for a long term sustainable model. The company is therefore implementing its vision to transform from a Semi's company to a Precision Component Company for supplying Value Added Items for the Bangladesh Industry.

Despite uneven duty structure and lack of special incentives, the Copper and Copper Alloy products have shown impressive growth in the last couple of years. Coppertech being the largest Copper Pipe, Tube, Bas Bar, Strip, Wire manufacturer in Bangladesh has also bucketed impressive sales volume in FY18-19. Coppertech is the trusted and popular brands in the local market for its quality products, efficient management, effective marketing strategy, competitive price, timely delivery and above all ethical business practice. The company has an integrated manufacturing facility

Copper because of its high electrical conductivity and heat transfer characteristics finds wide application in the form of Tubes, Rods, Strips and Wires. The user industries are Power plants, Power plants manufacturers, Refrigerator and Air Conditioner manufactures, Refineries, Furnace manufacturers, Sugar plants, Automobile, Electrical Equipment industries and Ship building Company. The megatrends such as urbanization, building and construction sector, and energy infrastructure are driving copper demand going forward. The evolving market will have a substantial impact on copper demand.

Industry Outlook

One recent research shows that, Bangladesh is likely to be the biggest mover in the global gross domestic product rankings in 2030, becoming the 26th largest economy in the world from 42nd present position. This rapid economic growth has increased thrust for urbanization, building up infrastructural facilities like power plants, rail communications, roads, bridges and industries. Both the public and private sectors are involved in this development.

Bangladesh Government's electricity generation projections by 2021- 24000 MW, by 2030-40000 MW, by 2035-132 TWH and 2000 MW renewable generation projection by 2021. In addition, Bangladesh Rural Electrification Board aims to install 2000 solar pumps by end of 2020 to support off-grid solar PV pumping for agricultural irrigation.

Copper is among the best conductors of electricity and heat, so it is hardly surprising that about 60% of total Copper use is for these applications. Copper is also essential to powering solar PV systems and other clean energy technology. Presently, copper is used in power generation and transmission, electronic product manufacturing, earthing and the production of industrial machinery.

The government is aimed to cover 100% population under electricity coverage and also aimed to use electricity for industrial use besides focusing on renewable and clean energy so, being an integral part for producing electricity generating machineries the demand and application of copper will continue.

Additional Product Line

One of the reasons of fund raising by the company through IPO was to import Continuous Casting and rolling production line (CCR) under capital machinery. The CCR machines will have 2400 tons annual production capacity. We are expecting that the machines will be installed by March 2020 and will be commenced operation from April 2020. We are expecting 10% market share in first year. Coppertech is the market leader in Bus Bar, Stripe and Rod and these are used in manufacturing transformers. As the finished products of CCR will be used by the same manufacturers of Coppertech's existing clients so, it will be not tough to capture targeted market share.

Principal Activities

The principal activities of the company is to trade and manufacture copper products. Coppertech commenced operations in 2014 through production of copper bar and pipe later in 2015 introduced copper rod and tube thereafter in 2016 copper wire and in 2017 copper strip. During the year under review there was no change in the nature of the principal business activities.

Copper Busbar

Busbars are robust conductors that function as electrical manifolds to distribute power from a single source to several users. Because of its good conductivity, strength, connectivity, ductility and resistance to oxidation, copper is the most obvious material to specify for the manufacture of busbars. High conductivity copper billets are hot extruded into a regular cross section, followed by drawing down to the necessary finished size.

Coppertech is able to fabricate copper bus bar using the full range of domestic customary units and metric sizes. We carefully select our copper suppliers, and work exclusively with supplier's organizations to get quality copper at competitive rates. At Coppertech, we pride ourselves on quality material selection, timeliness, and our ability to continuously exceed the specifications & expectations of our customers. We focus on process technicalities and work with state-of-the-art equipment to provide efficient, quality bus bar fabrication. We manufacture high-quality copper bus bar that's used in electrical applications for various industries throughout the country. The benefits of our busbar include high electrical and thermal conductivity, high electrical relativity, high electrical modulus, long reliable service, minimal maintenance costs.

Despite sluggish market environment, we managed to book new business at a satisfactory rate and ended the year with net sales in busbar of BDT 275.51 mn marking 35% enhancement compare to last year sales of BDT 202.58 mn.

Busbar is the Coppertech's mainstream product which contributed 41.32 percent of total sales this year and 38.47 percent last year.

Copper Pipe and Tube

Copper pipes are commonly used in the construction industry for water supply lines and refrigerant lines in HVAC (heating, cooling, and air-conditioning) systems. Copper pipes can be manufactured as soft or rigid copper and offer excellent corrosion-resistance and reliable connections. Coppertech has in-house modern facility for manufacturing various copper connecting pipes. We are experienced in producing of copper tube elements in numerous shapes and bending choices. We produce seamless tubes in copper and copper alloys for diverse requirements. Before delivery to assembly line, leaks are tested & cleaned ultrasonically for ensuring high quality copper parts.

During the year, net sales under Copper Pipe and Tube were BDT 88.59 mn and BDT 63.44 mn respectively which was BDT 48.53 mn and 59.67 mn last year. Resultant, enhancement of 82 percent and 6 percent respectively.

Copper Rod, Strip and Wire

Copper rods are widely used in various electric & engineering applications and used mainly as raw material for the manufacturing of electric wire and cables. Maximum cable industries of our country have its own manufacturing plant and thus, the market of this product is very niche. During the year under review, net sales of Copper Rod was only BDT 23.29 mn a significant decrease compare to last year's net sales of 39.79 mn. However, we are specially nurturing this product to ensure year on year steady sales.

Copper is a metal which is not highly reactive. Due to high thermal and electrical conductivity copper is the ideal material to use in the electrical field. These properties of copper are incorporated in many ways, two amongst them are, namely, bare copper strips and bunched copper wire. Bare copper strip is used in earthing, defense, hydro power projects, ship building, electrical conductors etc. In industrial applications, it is used in automatic machines which reduces the production costs. As the replacement rate is very low so it is more feasible and reliable. Copper strips is easily fabricated, welded or soldered.

Copper Strips is the second largest mainstream products of Coppertech's that contributed 23 percent of total sales during the year under review. In 2019, net sales of Copper Strips was BDT 152.67 mn which was BDT 93.61 mn in 2018. This registered 63 percent enhancement compare to last year sales.

Copper wires, whether solid or bunched, are accommodated in a wide range of products. They are literally everywhere i.e. in your earphones, fans, coolers, juicers, circuit boards etc. Bunched copper wires provide flexibility. Copper in bunched wire form is extensively exploited in areas of where motion is explicitly required. It is a metal filled with paradoxes as it is soft yet ductile and strong.

As the maximum cable industries of our country have its own manufacturing plant thus, the market of this product is not very optimistic. During the year under review, net sales of Copper Wire was BDT 63.39 mn a significant decrease compare to last year's net sales of 82.47 mn.

Operating and Financial Performance of the Company

Coppertech's commitment to simplification, capital discipline and culture laid the groundwork for a solid performance in FY2019. From these strong foundations, we are confident in the long-term outlook, with significant opportunities ahead to further transform our business and deliver value and returns for our shareholders.

During 2018-19, the turnover of the Company was BDT 666.90 mn as against BDT 526.65 mn during FY 2017-18 registering an increase of 26.62%. The turnover of the FY 2018-19 was highest since inception of the Company. The Company posted a Profit Before Tax from continuing operation of BDT 103.83 mn during the year as against BDT 63.10 mn recorded during the previous year registering an increase of 64.55%. The Profit After Tax from continuing operation during FY 2018-19 is BDT 48.25 mn as against BDT 41.01 mn in FY 2017-18 registering an increase of around 17.65%.

During FY19, the gross profit is BDT 188.26 mn which was BDT 136.23 mn in FY 18 registering an increase of 38.18%.

FY19, COGS was BDT 478.64 mn and BDT 390.41 mn in FY 18 an increase of 23%. Higher production has impacted the increase in COGS. During the year the company paid BDT 55.58 mn during the year under review which

was BDT 22.08 mn in 2018 an increase of 151.65%. Higher raw materials import cost, BDT depreciation against USD, lower sales price and significant increase in tax liability payment especially for deferred tax liability collectively impacted on the overall profitability of the Company.

The financial results of the Company for the year 2019 with a comparison of 2018 are summarized below:

(BDT in million except per share data)	2019	2018
Revenue	666.91	526.65
Gross profit	188.26	136.24
Operating profit	163.25	117.21
Profit before tax	103.84	63.10
Tax	55.58	22.09
Profit after tax	48.26	41.02
Earnings per Share (EPS)	1.11	2.60

Significant Deviation in Operating Results

There was no significant deviation in operating results of the company.

Significant Variance Between Quarterly and Annual Results:

There was no significant variance between quarterly and annual results.

Five Years Data

Key operating and financial data of preceding 5 (five) years of the Company are the part of this report and have been summarized on 11 page of this Annual Report.

Related Party Transaction

Compliant steps have been taken by the Board to avoid any conflict of interests that may arise, in transacting with related parties as per the definition of IAS. A statement of related party transactions has been presented in note no. 30.01 on 75 page of the Annual Report.

Capital Expenditure

The Total Capital Expenditure on acquisition of Property, plant, computer applications, software and equipment, of the Company amounted to BDT 7.75million. The detailed note on acquisition of Property, Plant and Equipment is given under the note no. 3 of the Financial statements in the page no. 65

Material Changes After Balance Sheet Date (June 30, 2019)

There have been no material changes and commitments between the end of FY19 and the date of this report, affecting the financial position of the Company.

Management Discussion and Analysis:

A management discussion and analysis signed by Managing Director regarding the Companies operation and position along with a brief discussion of changes in the financial statements has attached in the page no. 20

Dividend

The Company will be paying 7% cash and 5% stock dividend for the year ended 2019. The Board of Directors in its meeting held on 28 October 2019 recommended "7% cash and 5% stock" dividend for the year 2019. As per article-89, Schedule-1 of the Companies Act 1994, dividend shall be declared out of profit i.e. from current year's profit and from previous years' retained profit. During the year ended the company has registered profit of BDT48.25mn.

The Board of Directors affirms that no bonus share or stock dividend has been or shall be declared as interim dividend.

Status of utilization of IPO proceeds

Coppertech went into public offering vide consent of Bangladesh Securities and Exchange Commission in the month of April 2019 and made allotment to shareholders on April 30 2019 against the amount of BDT 200 mn raised through IPO. The company got listed and started trading of the shares in both the bourses of Dhaka and Chittagong Stock Exchanges. The reasons for raising capital were mainly to repayment of loan, import of capital machinery and expansion of factory. Status of utilization of IPO proceeds till September 2019 is presented below:

Utilization of IPO Proceeds For the Month of September' 2019

Name of the Company : Coppertech Industries Ltd.
 Amount of (BDT) of Capital Rased Through IPO : 200,000,000
 Subscription Period : 31 March 2019 to 09 April 2019
 IPO Proceeds Receiving Date : 14 July 2019
 Last Date of Full Utilization of Fund as per Prosepectus : Within 12 Months of receiving IPO fund

SL No.	Purpose of Issue as per Prospectus	Head wise amount of IPO Proceed BDT (As per Prospectus)	Time line as per Prospectus	Status of Utilization			IPO proceed Yet to be utilized	
				Fund utilization up to the month of August 2019	Fund utilized during the month of September 2019	Total Utilization up to this Month	Amount	%
1	Plant & Machinery with installation	65,000,000	12 months			-	65,000,000	100%
2	Building and other civil Work	55,000,000	12 months			-	55,000,000	100%
3	Bank loan repayment	65,000,000	Immediately after availability of IPO Fund	65,000,000		65,000,000	-	0%
4	IPO Expenses	15,000,000		15,017,237		15,017,237	-	-
		200,000,000		80,017,237		80,017,237	120,000,000	-

Note:

- 1) The company has received total amount of IPO proceeds BDT 200,000,000 on 14 July 2019
- 2) The company not utilized any amount from the IPO Fund during the month of September, 2019.




Coppertech Industries Ltd.


 Managing Director


 Director


 Company Secretary


 Chief Financial Officer


 Mahfel Huq & Co.
 Chartered Accountants

The financial performance of the company has been shown stable and there is no deterioration on the performance of the company after IPO.

Contribution to GDP

As a law-abiding and responsible company of Bangladesh, Coppertech is firmly committed to the state and society. Coppertech contributes to the national exchequer in the form of income tax, VAT & excise duty. During the year 2018-19 company's contribution to the national exchequer is given below.

Particulars	(Figures in Million BDT)	(Figures in Million BDT)
	Jul'18- June'19	Jul'17 – June'18
Income Tax	22.50	13
Value Added Tax (VAT)	100	79
Excise duty	18.03	8.84
Total	140.53	100.84

Directors' Responsibilities for Financial Statements

The Board is responsible to present a fair, balanced and understandable assessment of the Company's position and prospect as part of good corporate governance and to that end the directors confirm to the best of their knowledge that-

- the Financial Statements, prepared by the Management of the Company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity;
- proper books of account as required by the law have been maintained;
- appropriate accounting policies have been consistently applied in preparation of the Financial Statements and that the accounting estimates are based on reasonable and prudent judgments;
- the Financial Statements prepared in accordance with IAS//IFRS;
- the Financial Statements prepared on going concern basis;
- the minority shareholders have been protected from abusive action by or in the interest of controlling shareholders acting either directly or indirectly and have effective means of redress;

Directors' Responsibility to Internal Control System

The Board of Directors are responsible to ensure that the system of internal control is sound in design and has been effectively implemented and monitored. In this regard, the board has taken proper steps and sufficient care in building a system of internal control, which is reviewed, evaluated and updated regularly. The internal audit department of the Company conducts periodic audit to provide reasonable assurance that the established policies and procedures of the Company are consistently followed. The Audit Committee consists of three members from the Board of Directors. The Chairman of the Audit Committee is an Independent Director.

Going Concern

The Board of Directors has reviewed the Company's overall business plans, strategies and is satisfied that the Company has adequate resources to continue its operations in the foreseeable future. Accordingly, the financial statements of the Company are prepared based on the going concern concept.

Risk and Concerns

The Board of Directors are responsible for formulating risk policies, determining methods to measure and manage risk, setting commensurate risk limits and monitoring their performance. Risk management policies require establishing standard procedures to identify and analyze the main risks to which the Company is exposed and continually deploying and managing risk management systems designed to eliminate or reduce the probability that risks will arise and to limit their impact. The Company is exposed to credit risk, liquidity risk and market risk.

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 and other current assets. The management will establish a credit policy under which each new customer will analyze individually for creditworthiness. Therefore, credit limits will be established for each customer and will be reviewed on a regular basis. Any sales exceeding those limits will require approval from the management.

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.

Market risk

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

Report on the Compliance of the Conditions of BSEC's Notification

In accordance with the BSEC's Notification dated 3 June 2018, the Board of Directors are required to report on the compliance of certain conditions. The notification was issued for the purpose of establishing a framework for ensuring good governance practices in the listed companies for the interest of the investors and the capital market. The overall shareholding pattern and a statement on the compliance with the BSEC's conditions is given on Annexure-II and Annexure-III on page no. 10 respectively of this annual report.

Directors' Meeting, Attendance & Remuneration

During the year ended June 30, 2019 total 5(five) board meetings, 4 (four) audit committee meetings and 1 (one) nomination and remuneration committee meeting were held. The attendance in the board and committee meetings by each Director is given in Annexure-IV on page 37 of this Annual Report. The amount of total remuneration which has paid to the Directors including Independent Directors is given in Note 30.01 on page 75 of this Annual Report.

Directors to Retire, Re-appointment and Biographies of the Directors-

As per Article 115 of the Articles of Association of the Company, one-third of the Directors of the Company are required to retire by rotation at each Annual General Meeting (AGM). The retiring Directors are eligible to stand for re-election. In this connection the following Directors will retire in the 7th Annual General Meeting and being eligible offered themselves for re-election as per Article 116 of the Articles of Association of the Company:

- i) Mr. Shoeb Adam Ali
- ii) Mr. Mustafa Shoeb
- iii) Mr. Dr. Abul Basher

Biographies of the Directors (including retiring Directors) and the names of the Company where they have interest are mentioned in this annual report on 7, 8 & 9 page.

Shareholding Pattern

Disclosed in page no 10 of this report.

Corporate Governance

Fundamentally, the conduct of the Company is guided by our core values, our code of ethics and a commitment to openness and transparency. Coppertech's Board of Directors endeavors always to provide learned and strategic direction for the Company through applying the highest standards of corporate governance practice. To this end, we comply with all reporting regulations and requirements as defined in the Code of Corporate Governance issued by the Bangladesh Securities and Exchange Commission. We are in process of establishing necessary policies and procedures to protect the Company from risk and to provide it with clear strategic direction. We work to ensure all governance matters are transparent to stakeholders as well as shareholders through channels such as the Annual General Meeting (AGM), quarterly financial statements and this annual report.

Auditors

The board filled casual vacancy occurred in the position of statutory auditor and appointed Shafiq Basak & Co., Chartered Accountants on July 18, 2019 to conduct audit for the year ended June 30, 2019. Shafiq Basak & Co., Chartered Accountants expressed their willingness to be appointed as statutory auditor of the company for the year 2019-2020. The Audit Committee reviewed their expression of interest and recommended to the Board. The Board in its meeting held on 28 October 2019 recommended to the shareholders regarding appointment of Shafiq Basak & Co., Chartered Accountants at a remuneration of BDT2,87,500 including VAT. Now in exercise of the power conferred upon Section 210(10) of the Companies Act, 1994 the shareholders of the company will approve the appointment and to fix the Auditor's remuneration in the general meeting.

Signing of Report

The Board in its meeting held on October 28, 2019 authorized the Chairman, Mr. Zulfikar Ali to sign Directors report and any addendum thereto.

Acknowledgement

We would like to acknowledge and place on record our gratitude to our valued clients, depositors and shareholders for the confidence in Coppertech. Our sincere appreciation to the Bangladesh Securities and Exchange Commission, Dhaka and Chittagong Sock Exchanges, NBR, Banks and Financial Institutions, Other government bodies and statutory auditors and compliance auditor for their constructive suggestions and cooperation. We also express our appreciation for the dedication and efforts put in by the employees at all levels of the Company.

For and on behalf of the Board,



Md. Zulfikar Ali
Chairman
Dhaka, October 28, 2019