REPORT OF THE DIRECTORS

The Directors of the Company are pleased to present the audited financial statements of the Company for the year ended 31 December 2025 and report that:

PRINCIPAL ACTIVITIES

Our culture is our foundation. Our logo, which reflects our purpose, fight, compass and behavior. Our leadership behaviors are making an impact. Employees are encouraged to own, create, deliver and care. We are inspired by our purposeful brands, and our efforts for a healthier planet and a fairer society.

During 2025, there were no major changes in the principal activity of the Company. Reckitt continued manufacturing and marketing of Household, Toiletries and Pharmaceutical products. Your company also continued to invest behind the major brands to drive business growth.

ECONOMIC HIGHLIGHT

In 2025, the global macroeconomic environment remained challenging, shaped by volatile market conditions, persistent inflationary pressures, currency movements, and ongoing supply chain disruptions. Elevated interest rates and geopolitical tensions continued to weigh on global demand and investment sentiment, leading to cautious consumer behavior across many markets. These dynamics increased cost pressures for businesses, particularly in raw materials, logistics, and financing, while also requiring greater operational discipline and agility.

In Bangladesh, these global headwinds were compounded by domestic factors. Elevated inflation persisted throughout much of the year, posing challenges for monetary policy and exerting pressure on household purchasing power, particularly for essential consumer goods. At the same time, 2025 marked a period of significant political transition, which introduced a degree of uncertainty into the economic environment and temporarily affected business confidence. Despite these challenges, consumer demand for essential household and personal care products remained relatively resilient, underscoring the importance of value positioning, supply continuity, and cost management in navigating the operating landscape.

BUSINESS HIGHLIGHTS

Despite a challenging operating environment marked by political uncertainty and broader macroeconomic pressures, your Company delivered revenue growth of 3.76% in 2025 compared to the previous year. This performance was achieved against the backdrop of political uncertainty, elevated inflation, and broader macroeconomic volatility, which significantly impacted consumer sentiment and demand.

While overall growth remained modest, your Company's ability to maintain revenue stability in such conditions underscores the resilience of its brands, strong market presence, and disciplined execution. Continued focus on portfolio relevance, innovation, and operational agility enabled your Company to navigate a difficult year while protecting its long-term market position.

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Five years' Business Performance

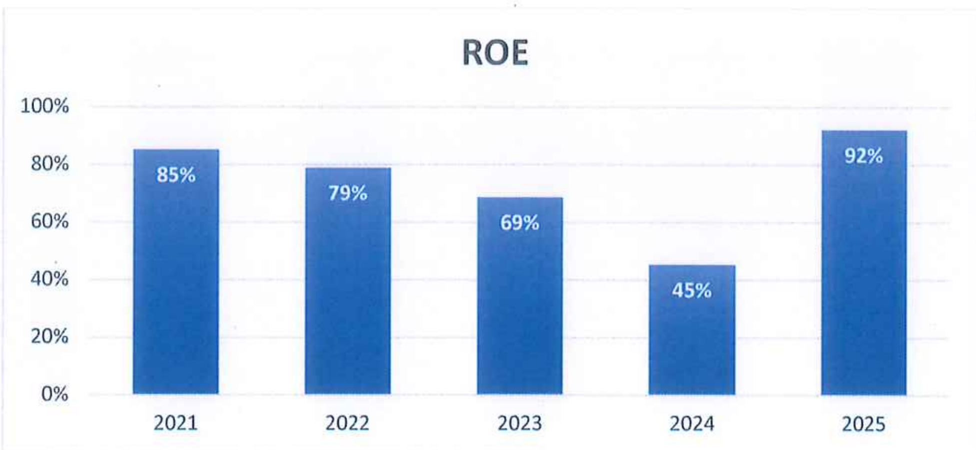
COST OF GOOD SOLD, GROSS PROFIT MARGIN, NET PROFIT MARGIN

Your Company generated a gross profit margin and operating profit margin of 48.39% and 20.38% respectively in 2025, almost similar to previous year. The rise in raw material costs, driven by both global supply chain disruptions and domestic inflationary pressures, . higher transportation and energy expenses, has led to an increase in overall cost.

Amid the increased country inflation, however, we arrested the operating expenses by cost optimisation strategies which has contributed to the increase in operating margin of 0.08%, compared to previous year.

NET ASSET, LIABILITY AND EQUITY AND NET OPERATING CASHFLOW

We maintained 92% Return on Equity (ROE) for the year 2025, our Net Operating Cash flow per share stood at Tk 170.67 per share from Tk. 22.55 of last year.



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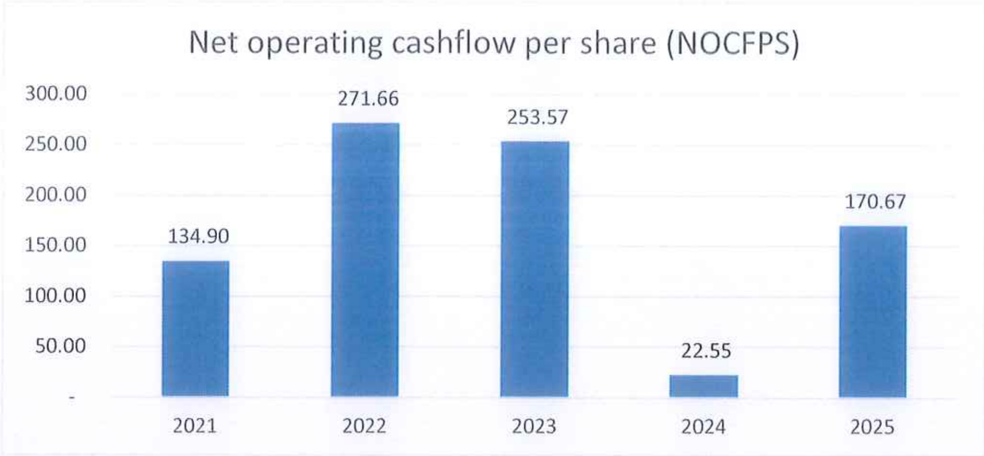

SEGMENT WISE PERFORMANCE

The company has two operating segments based on two strategic business divisions "household and toiletries" and "pharmaceuticals". These are:

Reportable segments	Operations
Household and toiletries	Manufacturing and trading of hygiene and home care products.
Pharmaceuticals	Manufacturing of Dettol anti-septic

These two operating segments are the strategic business units of the company and are managed separately based on the Company's management and internal reporting structure. For the year 2025, 96.04% of the total turnover came from Household and toiletries products and 3.96% from Pharmaceutical products.

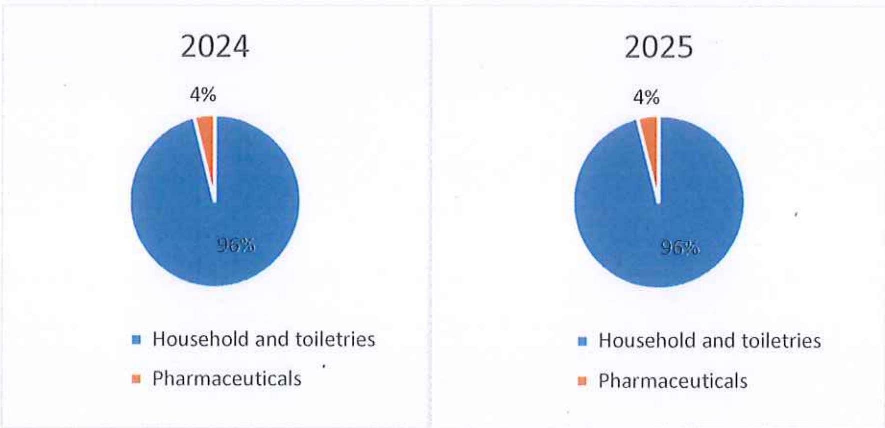

Figure: Composition of Household & toiletries and Pharmaceuticals on revenue

RELATED PARTY TRANSACTIONS

During the year the company made transactions with related parties which include key management personnel, parent's entity and inter group entities. These are for salaries & benefits, royalties and import of finished goods.

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The detailed statement on transactions, nature and amount is presented in note no. 26 of the Notes to the Financial Statements.

EXTRAORDINARY GAIN OR LOSS

During the year 2025, there was no extraordinary gain or losses incurred to the business.

SIGNIFICANT VARIANCE BETWEEN QUARTERLY AND ANNUAL FINANCIAL PERFOMANCE

The Company demonstrated consistent revenue generation, disciplined cost management, and strengthening profitability over the course of the year. The improved performance in the second half, particularly in Q4, positions the Company well for sustained growth in the coming periods.

SUMMARY OF FINANCIALS

Amount in Thousand Taka	Total	Q4	Q3	Q2	Q1
Revenue	5,664,352	1,368,609	1,487,193	1,335,172	1,473,378
Cost of sales	-2,923,434	-664,856	-761,560	-714,004	-783,014
Operating and other expenses	-1,597,482	-334,725	-371,974	-416,228	-474,454
Tax expenses	-270,552	-79,101	-87,630	-47,259	-56,562
Profit for the year	817,086	276,619	246,745	140,376	153,347
Basic earnings per share (Taka)	172.93	58.55	52.22	29.71	32.45

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

Particulars	2025	2024
	Taka	Taka
Profit before taxation (including other comprehensive income/items)	**1,073,537,749**	**997,971,529**
Less: Taxation	(270,551,619)	(275,279,079)
Profit after taxation (including other comprehensive income/items)	**802,986,130**	**722,692,450**
Add: Un-appropriated profit from previous year	1,609,525,709	1,146,708,259
Profit available for appropriation	**2,412,511,839**	**1,869,400,709**
Less: Final cash dividend paid Tk.333 (i.e. 3330%) per share for 2024	(1,573,425,000)	(259,875,000)
Total profit available for appropriation	839,086,839	1,609,525,709
Appropriation:		
Proposed Final Cash Dividend Tk.173 (i.e. 1,730%) per share for 2025	(817,425,000)	(1,573,425,000)
Un-appropriated profit *	21,661,839	36,100,709

*After recognition of dividend in the period of appropriation

DIVIDEND

The Board is pleased to recommend final cash dividend of Tk 173 (1,730%) per share amounting to Tk 81.74 crore for the year 2025, (2024: Tk 333 per share i.e amounting to Tk 157.34 crore), which is out of the accumulated profit as stated in the Financial Statements of 2025.

The above recommendation of dividend is as per the Board approved dividend policy which is disclosed in the "Dividend Distribution Policy" section of the Annual Report 2025 on page ----------

EARNINGS PER SHARE

The earnings per share numbers are provided on pages ____, ____ & ____.

GOING CONCERN

The financial statements of the Company have been prepared on a going concern basis. As per management assessment there are no uncertainties related to events or conditions which may cast significant doubt upon Company's ability to continue as a going concern.

Management has also considered the impact of the ongoing geopolitical tensions in the Middle East and the conflict involving the USA and alliance in its going concern assessment. Based on the information currently available, these developments have not caused any disruption to the Company's supply chain, nor have they affected selling prices or cost structures. Accordingly, management believes that the use of the going concern basis of accounting remains appropriate.

INDUSTRY OUTLOOK

Bangladesh's FMCG industry continues to face a cautious near-term outlook, influenced by ongoing macroeconomic headwinds. Reduced consumer purchasing power, heightened price sensitivity, and increased down-trading continue to affect demand growth across categories. Inflation has significantly shaped consumer priorities and buying behaviour. Nevertheless, the industry remains resilient, with continued innovation and product offerings tailored to evolving consumer needs, ensuring a competitive and consumer-centric marketplace.

RISKS AND CONCERNS

Periodic social unrest and geopolitical tensions created short-term volatility in consumer sentiment and disrupted supply chains, including higher imported raw material costs. Despite these challenges, the stabilising impact of the newly elected government and its reform agenda is expected to strengthen business confidence. Reckitt Benckiser (Bangladesh) PLC remains committed to navigating these conditions while advancing its purpose of creating a cleaner and healthier world through accessible hygiene, wellness, and nourishment solutions.

SUSTAINABILITY

We continued to advance our sustainability efforts for the benefit of both the environment and society. Trust in our business is built on our safe and effective brands and strengthened by our commitment to addressing broader issues that matter to consumers and society. Our sustainability priorities—spanning climate action, plastics reduction, economic responsibility, and human rights—resonate strongly with our consumers and customers. However, our sustainability agenda extends beyond meeting consumer expectations. It is shaped by wider considerations, including the growing interdependence between a healthy planet and healthy lives. Through these commitments, we aim to drive sustainable business growth by creating a positive and lasting impact on the world. Our progress rests on three main pillars: purpose-led brands, combating climate change for a healthier world and enabling a fairer, more diverse and inclusive society.

We strive to help people feel better every day, believing that access to wellness and nourishment is a right that everyone deserves.

2025 witnessed significant amplification in our Sustainability efforts. We continued hygiene curriculum for children aging 5 to 10 years, health cards for underprivileged sanitation workers, Kurbani campaign with the households of municipality workers, Lizol Mosque Cleaning activity during Ramadan, iftar for underprivilidged people together with Mastul Foundation, partnering with Amar Ekushey Boimela as hygiene partner to provide hygiene support to people amongst others. We have taken further initiatives to bring joy and hygiene awareness to Mojar School- A Harpic Eid initiative.

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ENVIRONMENT, HEALTH, AND SAFETY

Our strategy is anchored in creating positive and lasting impact. We aspire to be a regenerative business that delivers value to society and the environment. To address climate change, we have set ambitious plans to reduce our carbon footprint through lower energy consumption (GHG emission reduced by 124.95MT) and water consumption and reduced waste generation. We are also enhancing the environmental performance of our products, manufacturing operations, and supplier base.

These actions collectively support the health of our planet. By responsibly sourcing raw materials, ingredients, and packaging, we help protect communities and the ecosystems in which they operate. By respecting and empowering our colleagues, contractors, and suppliers, we promote fairness and integrity across the value chain. Through the development of safer, more sustainable products, waste reduction, and the maximization of recycling and reuse, we actively advance the principles of a circular economy.

EXTERNAL RECOGNITION AND ACCOMPLISHMENTS

During the year 2025, your company received several external recognitions on different grounds from various national and international institutions. It is the recognition to our high performing, driven and inspired employees. During the year the following accolades were achieved:

1. Gold Award from ICSB for Best Presented Annual Report 2024 in Pharmaceuticals and Chemical Category;
2. Silver Award from ICMAB for Best Corporate Award in MNC Manufacturing;
3. BBF - Best Brand Award - No. 1 Toiler Cleaner Brand in toilet cleaner category;
4. BBF - Best Brand Award - Most loved brand in Antiseptic category;
5. Hygiene partner at the National Bookfair 2025

CREDIT RATING

Pursuant to the notification no. BSEC/CMRRC/2009-193/37/Admin/132 dated 12th May 2022 of Bangladesh Securities and Exchange Commission, based on Audited Financial Statements for the year ended 31st December 2024 also un-audited Financial up to 30th June 2025 and other relevant quantitative as well as qualitative information up to date, your Company received credit rating report as below, which was rated by Credit Rating Information and Services Limited.

Date of Rating	28.09.2025
Rating Validity	27.09.2026
Outlook	Stable
Short term	ST-1
Long Term	AAA

CORPORATE GOVERNANCE

We would like to confirm that:

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

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

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

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d) International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS) as applicable in Bangladesh have been followed in preparation of the financial statements and any departure there from has been adequately disclosed.

e) The system of internal control is sound in design and has been effectively implemented and monitored.

f) Minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress.

g) There are no significant doubts upon the Company's ability to continue as a going concern.

h) Significant deviations from last year's operating results of the Company have been highlighted in the report and reasons thereof have been explained.

i) Key operating and financial data of preceding five years have been provided on page______

j) During the year Seven Board meetings were held and the attendance by each director is given on page______

k) The pattern of shareholding is provided on pages ______ & ______

l) A management discussion and analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with brief discussion of changes in the financial statements, is provided on page ______

m) Declaration or certification by the CEO and the CFO to the Board as required under condition no. 3(3) of Corporate Governance Code; is provided on page ______

n) In accordance with the requirement of the Bangladesh Securities and Exchange Commission, "Compliance of conditions of Corporate Governance Code as required under condition no. 9" is provided on page ______

o) During the year the company did not pay any remuneration to its non-whole time Directors including Independent Director. Only meeting attendance fees, however, at approved scales were paid to selective non-whole-time directors.

DIRECTORS

Following were members of the Board of Directors of the company during 2025.

1	**Ms. Asha Gopalakrishnan**	**Chairperson**
2	Mr. Vishal Gupta	Managing Director
3	Mr. Rajesh Kumar Jha	Director
4	Mr. Pradeep Krishnamurthi	Director
5	Mr. Jamal Yusuff Zuberi	Director
6	Mr. Sourav Mitra	Director
7	Mr. Istiaque Ahmad	Independent Director
8	Ms. Shayema Akter	Female Independent Director
9	Mr. Md. Jakir Hossan	Government Nominated Director

There were several changes in the Board as recommended by the Nomination and Remuneration Committee:

Mr. Aritra Banerjee resigned from the Board of Directors as Nominee Director of Reckitt Benckiser Limited, Uk. with effect from 20th August 2025.

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Mr. Jamal Yusuff Zuberi has been appointed as Nominee Director of Reckitt Benckiser Limited, UK on the Board with effect from 15th October 2025 and require approval at the 65th Annual General Meeting.

Mr. Md. Firoz Uddin has been appointed as Government Nominee Director on the Board in place of Md. Jakir Hossan with effect from 30 April 2026 and requires approval at the 65th Annual General Meeting.

Re-appointment of Independent Director:

As recommended by the Nomination and Remuneration Committee, Mr. Istiaque Ahmad has been re-appointed as Independent Director on the Board for second tenure with effect from 29 October 2025, which has been accorded by the Bangladesh Securities and Exchange Commission (BSEC) on 08 January 2026 and require approval at the 65th Annual General Meeting.

Re-appointment of Managing Director:

Mr. Vishal Gupta has been proposed by the NRC and Board for his re-appointment as Managing Director for a period of five (5) years with effect from 1st May 2026 and requires approval at the 65th Annual General Meeting (AGM)

The brief resume of directors, expertise, and directorship to another Company (If any) provided on page

ELECTION OF DIRECTORS

As per Article 118A of the Articles of Association of the Company, Ms. Asha Gopalakrishnan, and Mr. Rajesh Kumar Jha will retire from the Board of Directors and being eligible offer themselves for re-election.

The elections of new Directors are subject to approval in the 65th Annual General Meeting.

AUDITORS

As per Section 210 of the Companies Act 1994, the company's statutory auditors Rahman Rahman Huq, Chartered Accountants (Member firm of KPMG) retires at the 65th Annual General Meeting as Auditors of the Company. Rahman Rahman Huq, Chartered Accountants have expressed their willingness to continue in office and being eligible, offer themselves for re-appointment for the year 2026. As recommended by the Audit Committee, the Board recommends Rahman Rahman Huq, Chartered Accountants (Member firm of KPMG), to re-appoint as Auditors for the year 2026 at a fee of Tk 2,200,000/-, excluding VAT.

COMPLIANCE AUDITOR

Pursuant to The Bangladesh Securities and Exchange Commission (BSEC), the retiring Auditors Mohammad Sanaullah & Associates are eligible for re-appointment as Corporate Governance Compliance Auditors. As recommended by the Audit Committee, the Board recommended M/S Mohammad Sanaullah & Associates, Chartered Secretaries, to re-appoint as Corporate Governance Compliance Auditors for the year 2026 at a fee of Tk. 90,000/-, excluding Tax & VAT.

ACKNOWLEDGEMENT

The Board of Directors reiterate their sincere appreciation and gratitude to all honorable shareholders, business partners, customers, suppliers and other stakeholders in the Company for their confidence and support.

The Directors also take this opportunity to acknowledge with great appreciation the dedication and hard work of the employees which has been the driving force behind the sustained results of the Company.

Istiaque Ahmad Independent Director	Jamal Yusuff Zuberi Director	Vishal Gupta Managing Director

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