

MANAGEMENT DISCUSSION AND ANALYSIS

On behalf of the Management, it is indeed a great privilege for me to present to you the discussion and analysis for the year ended June 30, 2025.

The Management and Analysis have been prepared in compliance with Code no. 5 (XXV) of BSEC's Corporate Governance Code.

Global Economy

The global economy in FY 2024–25 has seen a mix of cautious optimism and a continued uncertainty. The sharp increase in tariffs and the ensuing uncertainty is contributing to a broad-based growth slowdown and deteriorating prospects in most of the world's economies. Subdued global growth prospects are unlikely to improve materially without policy actions to address increasing trade restrictions, geopolitical tensions, heightened uncertainty, and limited fiscal space. Global financial conditions have been tighter this year, on average, relative to late 2024, principally reflecting trade policy uncertainty. Most U.S. trading partners now face tariff increases ranging from 10 to 50 per cent.

In the first quarter of 2025, global trade growth jumped to 4.5 per cent as firms built up inventories in anticipation of higher tariffs. Growth eased to 3.5 per cent in May and a sharper slowdown is expected over the remainder of the year. A similar trend was apparent with services trade, where growth slowed to 5 per cent year-on-year in the first quarter of 2025 about half the pace seen in 2023 and 2024. Early signs suggest the uncertain international trade environment is beginning to dampen investment. Amid trade tensions and policy unpredictability, many firms have adopted a "wait-and-see" approach, postponing or scaling back capital expenditures. In the second quarter of 2025, private investment stagnated in the United States, while gross fixed capital formation contracted in both France and Germany. Prolonged weakness would likely constrain productivity growth and erode the global economy's long-term potential.

The global disinflationary trend continues, though with notable cross-country divergence. in most other developed economies, including much of Europe, inflation has eased to around 2 per cent, supported by lower energy prices, moderating wage growth and currency appreciation. In developing economies, inflation is generally declining, with sharp reductions in several Asian countries, where rates have fallen below targets. In China, price pressures remain subdued, with consumer prices unchanged from a year ago in July. However, inflationary pressures persist in parts of Africa, Western Asia, and Latin America due to domestic cost factors, climate-related disruptions, and currency volatility.

Product specific tariffs display a similar pattern: by August 2025, the United States had imposed tariffs under Section 232 of the Trade Expansion Act of 1962 on aluminum, copper, steel, automobile and automobile parts. Ongoing section 232 investigations for potential future tariffs (on timber and lumber, semiconductors and semiconductor manufacturing equipment, pharmaceuticals, trucks, processed critical minerals, commercial aircraft, polysilicon, unmanned aircraft systems and wind turbines) add to the uncertainty.

Global supply chains are grappling with unprecedented challenges due to escalating geopolitical tensions and the intensifying impacts

of climate change. Trade conflicts, particularly between major economies, have led to significant disruptions, with new tariffs and protectionist policies forcing companies to diversify their supplier bases and rethink their manufacturing strategies. Regional conflicts, such as the crisis in the Red Sea, have resulted in a 67% decrease in container ship transits compared to the previous year, causing vessels to reroute and increasing transit times and costs. On the other hand, a weakening dollar helps dollar-denominated exports while rising import prices.

In future, the convergence of geopolitical instability and climate change is expected to continue posing significant risks to global supply chains. Businesses that proactively adapt by enhancing flexibility, investing in technology, and prioritizing sustainability will be better positioned to navigate the complexities of the global trade environment.

Bangladesh Economy

Bangladesh's economy showed signs of recovery in the latter part of FY25, with real GDP growth declining only slightly to 4.0 percent in FY25 from 4.2 percent in FY24, despite a FY25 first-quarter slump due to the student-led mass uprising. This was driven by subdued investment, high interest rates, and elevated input costs. Real GDP growth picked up in the second half of FY25, following a deceleration in the first half. Pressures in the external sector have eased, with the current account balance returning to a surplus for the first time in eight years. This improvement in external balance has been underpinned by a substantial increase in remittance inflows, resilient export performance, and budgetary support from development partners. Consequently, foreign exchange reserves—which have been on a declining trajectory in recent years have now stabilized. The exchange rate has also remained steady, notwithstanding the adoption of a more flexible exchange rate regime in May 2025. Furthermore, inflationary pressures have moderated in recent months.

Private sector credit growth fell to a 22-year low, and capital goods imports dropped significantly. Inflation, although recently showing signs of easing, stayed elevated throughout FY25. However, exports especially ready-made garments (RMGs) provided a notable boost to GDP growth. Exports benefited from favorable base effects following a sharp contraction in the previous year, a depreciation of the taka that improved price competitiveness, and resilient external demand despite episodes of domestic political unrest. RMG exports increased by 8.9 percent, while non-RMG exports also strengthened, led by leather and leather products (10.3 percent), plastic products (15.9 percent), agricultural products (2.6 percent), and footwear (25.2 percent). Despite these gains, the share of non-RMG exports in total exports remained relatively unchanged, underscoring the limited progress in export diversification. On the supply side, industrial growth improved slightly but remained below historical averages, while construction activity declined sharply. Agriculture began to recover in later quarters following early setbacks caused by flooding, and services growth was limited by slowdowns in trade, transport, and real estate.

Substantial remittance inflows and sustained export growth resulted in a current account surplus of US$149 million in FY25—the first such surplus in eight years—contrasting sharply with the US$6.6 billion deficit in FY24. Remittances increased significantly by 26.8 percent year-on year (y-o-y), and export earnings grew by 8.8 percent, driven by robust performances in RMG, leather, plastics, agriculture, and footwear. Import activity rebounded by 4.3 percent, primarily due to a pronounced rise in rice and intermediate goods imports, while imports of capital goods and machinery contracted indicating subdued private and public investment. Significant budgetary support from development partners also supported the financial account. Net Foreign Direct Investment (FDI) grew 20.1 percent to US$1.7 billion, though this remained just 0.4 percent of GDP. As a result, the overall balance of payments improved significantly, shifting from a US$4.3 billion deficit in the previous year to a US$3.4 billion surplus in FY25. This positive shift contributed to the stabilization of foreign exchange (FX) reserves. The exchange rate has remained broadly stable following the adoption of a more flexible, market-based regime in May 2025.

The investment climate has shown limited signs of improvement, as both private and public sector activities have remained subdued. Political uncertainty continues, and the law-and-order situation remains a concern, despite some progress since the first quarter of FY25. As a result, new job creation has stalled, leading to a rise in the unemployment rate. The financial sector remains vulnerable, characterized by elevated levels of NPLs and several banks requiring substantial liquidity support from the BB to sustain operations. Revenue collection has also remained weak. After the regime change in summer 2024, BB and scheduled banks started disclosing past mismanagement. To improve banks' balance sheet transparency, BB started aligning regulatory policies on NPLs, loan loss provisions, and

governance with international standards, revealing previously underreported NPLs and significant undercapitalization across the banking sector. Banking sector-wide NPLs reached 24.1 percent by March 2025, far above the average for South Asian banks (excluding Bangladesh's) of 7.9 percent.

Private consumption growth remained robust, despite elevated inflation, buoyed by record remittance inflows. This resilience was reflected in the 15.3 percent increase in imports of consumer goods in FY25, which turned positive after two consecutive years contractions. Despite disruptions in industrial areas during the first half of FY25 and prevailing domestic and global uncertainties, export growth remained strong. The depreciation of the taka, sustained demand from major export markets, and a shift in garment orders to Bangladesh from some of its competitors contributed to strong exports growth. Though imports growth turned positive, the trade deficit narrowed as the exports growth outpaced the imports growth.

Real GDP growth is projected to rise to 4.8 percent in FY26, supported by moderating inflation that bolsters private consumption. Investment is expected to improve relative to FY25 but remain subdued, reflecting election-related political uncertainty and ongoing vulnerabilities in the banking sector. Export growth should stay robust despite global tariff uncertainty. From FY27, growth is expected to accelerate with investment rebounds. The current account balance is likely to revert to a deficit as imports normalize; nevertheless, the external balance should remain supportive of a gradual buildup of foreign exchange reserves. The fiscal deficit is anticipated to remain below 5 percent of GDP, underpinned by revenue gains from reform initiatives. However, downside risks have increased materially: further banking sector weakness, heightened political instability around the election, shortfalls in reform implementation, international trade disruptions from policy uncertainty, persistent inflation, and energy supply constraints could all weigh on the economic outlook.

ICT Sector

Bangladesh's ICT sector experienced several significant events in late 2024. From nationwide internet shutdowns to thwart the July Revolution to cyberattacks, data theft, and irregularities in high-tech parks, the ICT sector faced numerous challenges. The disruption of internet connectivity for nearly two weeks caused an estimated loss of Tk17.5 billion in the e-commerce sector, including small and medium enterprises. By the end of the shutdown, the total estimated loss to the e-commerce industry reached Tk 20 billion. The impact extended beyond e-commerce, crippling banks, insurance companies, offices, and airports reliant on internet-based operations. Businesses dependent on digital marketing, content creation, and online transactions faced severe disruptions. Startups and small-scale digital entrepreneurs were particularly affected, many reporting setbacks from which recovery may take years. While the internet has long been heralded as a pillar of modern connectivity and economic growth, the 2024 shutdown highlights the fragility of Bangladesh's digital infrastructure in the face of political crises.

Cybersecurity emerged as a major crisis this year. Important institutions and banks, including Prothom Alo, have been victims of cyber-attacks, exposing the vulnerability of the country's ICT infrastructure. According to the Threat Intelligence Platform report, the number of cyber-attacks increased by 105%. Additionally, the increasing cyber-attacks in the banking sector are challenging the security and confidence of ordinary people.

Despite an allocation of approximately BDT 290 billion to the ICT sector over the past 15 years, a significant portion of this amount has been wasted due to corruption. Some of this was intentional, while some resulted from unplanned projects. Despite the absence of any proper ecosystem, the hi-tech park projects were undertaken upon lobbying by local MPs or ministers without consulting the industry. As a result, most IT companies were not interested in investing and setting up shops in these parks. For the ICT sector, rebuilding trust and ensuring uninterrupted services remain paramount to achieving long-term stability.

Around 87% of Bangladesh's total ICT exports in FY25 came from computer services – including software development, outsourcing, and IT-enabled services – while 13% came from telecommunication services, and less than 1% from information services. Exports from computer services have grown steadily, from $239.9 million in FY19 to $629.5 million in FY25, driven by global demand for digital solutions, remote work, and automation. The segment now dominates Bangladesh's ICT export basket. Currently, Bangladesh hosts more than 4,500 software and IT-enabled service companies, employing over 3,00,000 professionals. About half of these firms are members of the Bangladesh Association of Software and Information Services (BASIS).

Bangladesh currently has around 2,500 ISP licenses. Just before the fall of the Awami League in August 2024, the total had nearly reached 3,000,

contributing to market disorder, fragmented infrastructure and inconsistent service quality. Industry stakeholders estimate Bangladesh has nearly 90 lakh broadband connections serving more than 3 crore users, consuming around 60 percent of the country's nearly 10 Tbps international internet bandwidth and generating annual revenues of Tk 7,000 crore-Tk 8,000 crore. A new report from the Bangladesh Bureau of Statistics (BBS) shows that the number of households with internet connections reached 54.8% in the April–June period of 2025, compared to 43.6% in 2023. According to market intelligence firm Mordor Intelligence, Bangladesh's ICT market reached $8.88 billion in 2025 and is projected to grow to $12.07 billion by 2030. The ICT Division had set targets of $5 billion in exports by 2025 and $20 billion by 2031.

Outlook

Bangladesh is preparing a massive overhaul of the broadband internet sector in decades, as the government moves to dismantle a complex licensing regime, introduce a reseller model and attract foreign investment. Officials said the planned broadband overhaul is a part of that broader push to raise service standards and modernize the country's digital infrastructure. One of the major changes under consideration is halving the number of ISP licensing categories. Bangladesh currently has four tiers of ISP licenses. Those are national, divisional, district, and upazila-level licenses. Under the proposed framework, the government plans to consolidate these into just two: national and district-level. Existing divisional and upazila operators would be allowed to migrate into the new structure.

Bangladesh ranks near the bottom globally in terms of broadband service quality. Rehan Asad, the prime minister's adviser on telecom and ICT, said the government aims to ensure broadband connectivity with speeds of up to 1 Gbps. Such speeds are usually available in countries, including Singapore, the United Arab Emirates, Hong Kong and France.

The State of Broadband: Advocacy Targets 2025, published by the ITU-UNESCO Broadband Commission for Sustainable Development, established seven targets for 2025: making broadband policy universal, making services affordable, getting everyone online, developing digital skills, expanding the use of digital financial services, connecting micro, small and medium-sized enterprises, and closing the gender digital divide. Bangladesh's digital policies still tend to emphasize infrastructure, subscriber numbers, and bandwidth capacity. The Broadband Commission's framework points to a more demanding standard: the real measure is not how many connections exist, but what people can accomplish with them. Bangladesh has produced several digital and broadband policies. A draft National Broadband Policy has also proposed connecting every village and household to broadband by 2031. But a policy cannot create meaningful change unless its goals, budget, implementing institutions, and public accountability mechanisms are linked.

Operating and Financial Performance of the Company

The financial results of the Company for the year 2025, with a comparison with 2024, are summarized below:

	2025	2024
Revenue	921.47	1,214.11
Gross profit	227.63	484.27
Operating profit	79.93	330.43
Profit before tax	16.17	247.53
Profit after tax	12.07	228.75
Earnings per Share (EPS)	0.13	02.46

The fiscal year 2024–2025 presented a uniquely challenging operating environment for aamra networks limited, leading to an inevitable contraction across our financial benchmarks. Due to unprecedented macroeconomic headwinds, the company experienced a 24.10% decline in top-line revenue. This revenue pressure, coupled with unavoidable operational constraints, resulted in a 53.00% compression in Gross Profit, which stood at BDT 227.63 million compared to BDT 484.27 million in FY 2023–24.

The severe impact of these challenges was further reflected in our bottom-line performance. Profit Before Tax (PBT) from ongoing operations decreased by 93.43% to BDT 16.17 million, down from BDT 247.53 million in the previous year. Consequently, Net Profit After Tax (PAT) from continuing operations closed at BDT 12.07 million, representing a 94.72% year-over-year decline from BDT 228.75 million. The management is actively reviewing its cost structures and strategic initiatives to build resilience and restore profitability in the upcoming periods.

Five years data

In compliance with regulatory disclosure requirements, the key operating and financial data of the preceding 5 (five) years of the Company have been integrated into this report and are summarized on Page [07] of this Annual Report.

Five Years Key Financial Indicators:

(Figures are in BDT)

Particulars	2024-2025	2023-2024	2022-2023	2021-2022	2020-2021
	Taka	Taka	Taka	Taka	Taka
Fixed assets	2,551,026,205	2,418,607,862	1,516,791,924	1,474,318,063	1,346,148,787
Current Assets	1,637,531,658	1,323,481,007	1,147,988,865	1,077,808,272	1,181,266,291
Share Capital	929,799,1120	929,799,120	619,866,080	590,348,650	562,236,810
Retained Earnings	1,279,862,938	1,360,771,137	1,200,207,161	1,033,665,939	980,648,844
Current Liabilities	671,546,049	447,647,891	418,178,936	493,797,999	583,201,017
Revenue	921,471,746	1,214,111,018	1,274,166,545	1,029,242,788	999,450,492
Gross Profit	227,634,760	484,273,095	469,989,115	360,224,603	349,616,515
Profit from Operation	79,931,447	330,432,199	284,523,457	193,683,993	182,063,473
Profit/(Loss) before Tax	16,173,467	247,576,546	234,959,788	119,762,083	131,264,680
Net Profit after Tax	12,071,713	228,749,245	225,668,919	109,294,103	120,392,435
Net cash flows from operating activities	(64,378,156)	252,859,441	382,333,961	502,326,721	291,829,924
Net cash flows from investing activities	94,202,052	(899,221,370)	(266,037,132)	(578,216,260)	(535,616,489)
Net cash flows from financing activities	(38,067,665)	645,233,887	(115,377,234)	78,700,833	239,122,885

Ratios:

Performance Measure	Indicator Name	FY(2024-2025)	FY(2023-2024)	FY(2022-2023)	FY(2021-2022)	FY(2020-2021)
Liquidity Ratio	Current Ratio	2.44	2.96	2.75	2.18	2.03
	Quick Ratio	2.06	2.30	2.13	1.64	1.39
	Time Interest Earned Ratio	0.26	4.50	4.43	2.75	3.96
	Debt to Equity Ratio	0.14	0.13	0.28	0.35	0.31
Operating Ratios	Account Receivable Turnover Ratio	1.61	2.36	3.15	2.95	2.75
	Inventory Turnover Ratio	(2.53)	2.65	3.05	2.08	1.79
	Assets Turnover Ratio	0.22	0.33	0.40	0.34	0.37
Profitability Ratios	Gross Margin Ratio	24.70%	39.89%	36.89%	35.00%	34.98%
	Operating Profit Ratio	8.67%	27.22%	22.33%	18.82%	18.22%
	Net Profit Ratio	1.31%	18.84%	17.71%	10.62%	12.05%
	Returnon Assets Ratio	0.29%	6.21%	7.10%	3.63%	4.45%
	Returnon Equity Ratio	0.36%	6.65%	9.55%	5.04%	5.77%
	EBITDA Margin	33.58%	41.47%	38.36%	36.28%	36.10%
Coverage Ratios	Debt to Total Assets Ratios	0.21	0.17	0.27	0.31	0.28
Cash Flow Ratios	Net Operating Cash Flow Per Share	(0.69)	2.72	6.17	8.51	5.19
	Net Operating Cash Flow Per Share to EPS Ratio	(5.33)	1.11	1.69	4.60	2.42

Discussion on few ratios:

Current Ratio (Times): While a current ratio above 1.0 confirms our ability to satisfy short-term obligations, an excessively high ratio is inefficient. It indicates that the company is underutilizing its current assets, missing optimal financing opportunities, and failing to manage its working capital effectively.

Debt to Equity Ratio (Times): The Debt-to-Equity (D/E) ratio quantifies the Company's financial leverage by contrasting total liabilities with shareholder equity. Adhering to a conservative and low D/E ratio is central to our risk management strategy, particularly in navigating volatile operating environments. This prudent approach safeguards the Company's financial health, preventing heavy

leverage-related pressures during unforeseen economic downturns.

Accounts Receivable Turnover Ratio: The existing Accounts Receivable Turnover Ratio (ARTR) underscores the necessity of refining our credit risk management and collection efficiencies. Despite a temporary normalization during the 2022–2023 fiscal cycle, the ratio has shown a downward trajectory over the past two years. Management is strongly committed to deploying enhanced credit-control measures to expedite collections. Concurrently, we remain fully assured that our outstanding receivables portfolio is fundamentally sound and will be recovered within the agreed timelines.

Operating Profit Ratio (%): The Operating Profit Ratio serves as a primary benchmark for evaluating the Company's core operational strength and earning efficiency. While an upward trajectory in this ratio indicates enhanced managerial and operational performance, the contraction observed during the period under review reflects the direct impact of unavoidable macroeconomic challenges on our operational margins. Management is actively implementing strategic cost-optimization measures to defend core profitability and restore operational efficiency in the upcoming fiscal periods.

Net Profit Ratio (%): As a definitive metric for our absolute profitability and liquidity management, the Net Profit Ratio demonstrates that the Company's strategic agility successfully secured positive earnings despite an intensely competitive and rapidly changing marketplace. However, this marginal profitability represents a notable compression when contrasted with the robust net profits realized in the immediate preceding two fiscal years. This variance underscores the severe macroeconomic headwinds faced during the year, which management is actively countering through diversified revenue streams and stringent financial controls.

Return on Equity Ratio (%): Following a long and historically stable track record of delivering consistent returns to our shareholders, the Return on Equity (ROE) achieved during the fiscal year under review experienced an unprecedented compression. While this temporary contraction deviates from our established financial benchmarks, management views it as an exceptional consequence of the year's severe macroeconomic disruptions. We remain firmly committed to taking decisive operational actions to restore capital efficiency and rebuild sustainable value for our equity partners in the upcoming periods.

Net Operating Cash Flows per Share (NOCFPS): The five-year financial trend analysis reveals that the Company transitioned into a negative cash flow per share position during the review period. This trajectory serves as an essential metric highlighting areas requiring heightened focus within our working capital management and credit frameworks. Management is fully engaged in deploying comprehensive operational adjustments to resolve these cash flow challenges and protect our long-term liquidity position

Comparison of Financial Performance in peer industry scenario: (For the year end 2024)

Particulars	aamranet	Adntel	agnisysl	genexil	Bdcom
	Taka	Taka	Taka	Taka	Taka
Fixed assets	2,418,607,862	1,627,099,590	585,299,556	2,090,905,578	360,080,742
Current Assets	1,323,481,007	1,169,727,852	804,298,175	1,8439,602,528	790,603,491
Share Capital	929,799,120	646,516,660	725,561,920	1,204,500,211	570,864,990
Retained Earnings	1,360,771,137	961,781,562	248,011,418	1,462,243,210	225,924,781
Current Liabilities	447,647,891	565,995,277	193,942,025	2,754,248,079	360,599,895
Revenue	1,214,111,018	1,429,585,594	678,279,808	1,696,199,194	778,858,685
Gross Profit	484,273,095	541,570,142	215,741,522	797,256,046	417,135,500
Profit from Operation	330,432,199	230,575,223	102,513,452	411,735,442	81,639,696
Profit/(Loss) before Tax	247,576,546	208,194,491	91,414,160	321,719,858	103,188,139
Net Profit after Tax	228,749,245	144,301,074	83,309,511	314,471,930	50,898,827
Net cash flows from operating activities	252,859,441	333,127,748	94,881,666	253,058,335	77,373,111
Net cash flows from investing activities	(899,221,370)	(532,259,119)	(82,728,007)	(1,596,483,211)	(47,769,562)
Net cash flows from financing activities	645,233,887	135,647,294	(36,155,737)	1,321,272,591	(36,119,082)
Net Asset Value (NAV) per share	37.01	31.28	16.62	19.50	15.95
Earnings Per Share (EPS)	2.46	2.23	1.15	2.61	0.89
Net Operating Cash Flow Per Share	2.72	5.15	1.31	2.10	1.36

Accounting Policies and Estimation for preparation of Financial Statements

In alignment with governance best practices, aamra networks limited has adopted International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS), alongside relevant local regulatory frameworks, for the preparation of its financial statements. For a granular understanding of the financial data, a detailed description of the accounting policies and management estimates applied throughout the period is comprehensively disclosed in the accompanying Notes to the Financial Statements.

Changes in Accounting Policies and Estimation

The accounting policies adopted in the preparation of these financial statements are consistent with those applied in the preceding fiscal year, ensuring comparability across periods. Furthermore, all critical accounting estimates and underlying judgments have been formulated in strict compliance with the applicable International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS), reflecting a true and fair view of the Company's financial position.

Risk and concerns

The Board and management recognize that mitigating risk is inherent to the sustainable pursuit and achievement of the Company's strategic and operational objectives. The Board of Directors maintains ultimate oversight responsibility for the Company's risk management framework, which is strategically structured to identify, assess, prioritize, manage, and communicate corporate risks while fostering a culture of organizational integrity. In alignment with this governance model, the Board engages in regular consultations and strategic reviews with executive management to rigorously evaluate market challenges, risk exposure, corporate direction, and periodic financial performance.

Concurrently, management holds direct operational accountability for the day-to-day oversight of strategic, operational, compliance, and financial risks. Management is charged with executing the Company's formal Enterprise Risk Management (ERM) program, embedding a proactive approach to risk identification and mitigation across all business units. High-priority and critical enterprise risks are addressed through institutionalized cross-functional collaboration and robust participation among the senior leadership team.

Risk Management

Operating within the highly dynamic technology sector, aamra networks limited recognizes that risk is inherently embedded within the IT business ecosystem. Our core objective is to deliver superior, sustainable value to our shareholders by maintaining an optimal equilibrium between risk and return. We understand that robust risk governance and a well-calibrated risk-reward framework are critical cornerstones for the Company's long-term success. Consequently, our strategic business expansion and revenue-generation initiatives are continuously appraised against the risk tolerances defined within our broader corporate framework.

Among the operational variables the Company navigates, the most critical dimensions include Credit Risk, Market Risk, Operational Risk, and Technology Transformation Risk. The proactive identification, precise measurement, continuous monitoring, and structured mitigation of these specific exposures remain a primary strategic focus for the Company.

To safeguard organizational assets, our risk management architecture is engineered to anticipate vulnerabilities at both the individual transaction and macro-portfolio levels through rigorous quantitative metrics and qualitative assessments. Ultimately, our risk management strategy is anchored upon an evolving understanding of market risks, disciplined assessment methodologies, standardized measurement protocols, and continuous executive oversight to ensure timely and effective mitigation.

Principal Risks	Mitigation Action
Competition Risk	Our ambition is clear: to be the leading converged solutions provider in Bangladesh by architecting top-tier network infrastructure and uninterrupted connectivity. aamra networks limited is dedicated to accelerating operational efficiency and institutional innovation. Through the deployment of advanced technology platforms, innovative product portfolios, streamlined operational processes, and adaptable business structures, we ensure the delivery of a superior and customized customer journey.
Economic Risk	To safeguard long-term financial resilience, the respective business units at aamra networks limited deploy continuous revenue-enhancement and cost-optimization programs engineered to systematically refine our operational cost structures. Our comprehensive business planning and management review architectures leverage rigorous monitoring of rolling forecasts alongside actual expenditures. This disciplined approach enables the Company to proactively mitigate financial risks, enforce strict cost governance, and eliminate potential capital leakage.

Principal Risks	Mitigation Action
Operation Risk	Our market growth strategy is driven by continuous investments in strategic network infrastructure to widen our addressable customer base. aamra networks limited effectively captures high-growth market segments by establishing itself as the premium, high-value alternative to legacy carriers that struggle with optimal routing, versatility, and TCO efficiency. To protect our recurring revenue streams, we meticulously monitor client-specific service metrics, allowing us to maintain a highly favorable customer retention rate. Concurrently, we prioritize the acquisition and cultivation of elite professional talent to sustain our competitive edge and operational excellence.
People Risk	Our human resource strategy focuses on unleashing the potential of our existing workforce while injecting fresh perspectives through the selective hiring of experienced talent and high-potential graduates. To safeguard our talent pipeline, we implement rigorous and regular skills audits across the organization. These evaluations form the baseline for structured training initiatives and career development roadmaps, specifically designed to eliminate modern skill gaps and prepare our workforce for future technological advancements.
Technology Risk	At aamra networks limited, technological advancement is a core driver of our commercial strategy. We continuously capitalize on system modernization to deliver cutting-edge, high-value infrastructure solutions. Our leadership team maintains sharp operational focus on transformative macro trends driving connectivity demand—specifically IoT, cloud integration, AI-native frameworks, big data, and advanced video distribution systems. To safeguard our market share, we evaluate routing and competitor matrices on an ongoing basis, ensuring our core bandwidth portfolio remains a premium, uniquely differentiated alternative in the sector. Furthermore, our strategic procurement framework leverages close vendor alignment to systematically refine our cost bases. This ongoing optimization preserves the pricing agility and operational headroom necessary to successfully navigate volatile market variables.
Vendor/ Supply Chain Risk	Our operational frameworks are supported by close collaboration with key vendors to align external service standards with our customers' performance expectations. To enhance business continuity and mitigate risk vectors, aamra networks limited pursues a strategy of infrastructure autonomy, building our own network footprint wherever feasible to reduce reliance on third parties. Supporting these capital-intensive expansions is the Company's strong capital adequacy and access to credit lines, ensuring uninterrupted funding and the punctual rollout of all pipeline development projects.
New Business Risk	To adapt seamlessly to evolving market dynamics, we maintain a continuous focus on modernizing our organizational framework, refining our talent management strategies, and upgrading our workforce development programs. Management strictly reviews corporate policies and operational processes to ensure maximum efficiency and compliance. Together with these internal improvements, we continue to invest strategically in next-generation technologies to deliver superior solutions to our stakeholders.
Network Failure Risk	We maintain an unwavering commitment to strengthening our network infrastructure and systematically auditing our operations to prevent service downtime. In the event of an unforeseen incident, our communication protocols are structured to ensure the delivery of transparent, real-time insights to our stakeholders. Additionally, the Company's formalized crisis management and escalation frameworks provide senior leadership with the clarity required to respond swiftly and decisively to large-scale disruptions. These operational safeguards are fully integrated with our enterprise-grade Business Continuity Plans (BCP) and backed by extensive corporate insurance policies to guarantee long-term business stability.

SWOT analysis

Strengths	Weaknesses
• Over 20+ years of pioneering experience in delivering robust, high-performance IT and connectivity solutions across Bangladesh. • Supported by a resilient, secure, and widespread infrastructure that guarantees seamless nationwide coverage. • An elite portfolio comprising 1,600+ blue-chip customers spanning critical sectors in both public and private domains. • A highly flexible, diverse, and adaptive suite of products and services engineered to meet multifaceted business needs. • Future-ready, cloud-driven solutions coupled with an agile, deeply customer-centric implementation approach. • Driven by a highly skilled workforce, recruiting and retaining some of the finest technical and management talents in the country. • Proven operational resilience with the distinct ability to adapt, innovate, and thrive within dynamic and constantly changing market environments. • Superior brand value and dominant market positioning, making the company the top-of-mind choice for enterprise converged solutions. • Elite, high-level partnerships with top global OEMs, including AWS, Cisco, HP, Honeywell, Schneider Electric, Poly, and HikVision, ensuring world-class technological deployment. • Strategic expansion into the residential market with the launch of Home Connectivity as a major new product line, catering to the growing demand for high-speed, reliable home internet. Offering tailored, high-bandwidth internet and smart home solutions designed to power remote work, online education, entertainment, and smart home automation systems.	• Navigating operational and infrastructural dependencies on third-party providers, specifically NTTNs (Nationwide Telecommunication Transmission Network) and LSPs (Local Service Providers), for end-to-end service delivery. • Capitalizing on high operational costs required to sustain and deliver an unmatched, premium enterprise-grade customer experience • and service level agreements (SLAs). • Ensuring that future network expansions and capital equipment purchases remain strictly contingent upon bottom-line profits and sustainable cash flows. • Requiring regular and continuous capital deployment to keep pace with rapid technological advancements and evolving market transitions. • Facing high retention costs as retaining top-tier talents and skilled employees continues to be increasingly expensive in a highly competitive IT talent market. • Navigating a period of tempered and slow growth due to intense market saturation within our core business segments. • Managing a defined scope for market penetration, driven by our strategic commitment to maintain absolute excellence as a premium provider for both B2B and B2C segments.
Opportunities	**Threats**
• Focus on cloud-based software and application market • Untapped market of 'Private Leased Circuit' business • Explore retail internet market • Innovate and explore in video/audio communication and collaboration space • Increase businesses in data center, colocation, and other infrastructure products • Collaborate and partner with international companies and investors	• Uncoordinated public works by various local authorities lead to chronic fiber cable cuts and severe network downtime. • A critical lack of robust backbone infrastructure and comprehensive Nationwide Telecommunication Transmission Network (NTTN) availability. • Intense market saturation that drives down price ceilings, creating severe pressure on profit margins for legitimate operators. • The widespread proliferation of illegal ISPs and unregulated IT firms that distort the level playing field. • Exorbitant TAX and VAT structures levied on essential hardware products and digital service tiers. • A surge in illegal, untaxed equipment imports that heavily undercuts formal retail channels and bleeds legitimate hardware revenues.

Strategy execution

Our primary strategic objective remains anchored upon architecting a sustainable and resilient organization that stays deeply aligned with our clients' business agendas. Concurrently, we are dedicated to generating robust growth paths for our human capital, delivering profitable returns for our investors, and contributing meaningfully to the socio-economic advancement of the communities in which we operate. On a global scale, technological disruptions are altering business landscapes across every industry in a profound and fundamental manner. This paradigm shift compels enterprises to leverage digital-era architectures to optimize the efficiency of their legacy assets while comprehensively future-proofing their core operations. This accelerating demand for dual-skilled professionals—capable of bridging traditional frameworks and digital solutions—is driving organizations to forge strategic IT partnerships to successfully realize their digital transformation milestones.

Market Positioning and Client Navigation

aamra networks limited is uniquely positioned to capitalize on these evolving market dynamics. Our edge is defined by deep industry expertise, comprehensive end-to-end service capabilities, and next-generation digital solutions, seamlessly integrated with our scalability, robust platforms, rigorous process execution, and a stellar historical track record. We maximize client value by mobilizing our collective organizational capabilities and the specialized strength of our entire workforce. This framework guides our clientele through complex digital transformation journeys, while simultaneously executing critical cost-efficiency and automation programs. We recognize that transitioning into a digital-first future requires more than an abstract understanding of emerging technology and agile practices; it demands a sophisticated appreciation of legacy infrastructures, underlying business workflows, and deep-rooted industry realities. This multi-layered insight positions the Company as a trusted navigator for our clients as they ideate, plan, and execute their system migrations.

Business implications

In evaluating the forthcoming operational horizon, the Company anticipates a continued consolidation in client technology spending in the near term, influenced by broader global macroeconomic headwinds and their subsequent impact on specific industry sectors. In the short term, this environment may moderate immediate demand for our service architectures and solutions. Conversely, over the longer-term horizon, we foresee expanded, high-velocity growth opportunities for our business as enterprises systematically accelerate their digital transformation milestones to build resilience.

While strategic project deferrals and a softening of discretionary IT spending will introduce temporary pressure on our margins, aamra networks limited is proactively optimizing its cost structures and operational rigor to safeguard execution excellence. To insulate our balance sheet, key initiatives have already been deployed; these include a strict optimization of cash management with a rigorous mandate on accelerating collection cycles and unlocking blocked capital, alongside the institutionalization of automated operational cost-containment frameworks.

Prioritizing employees

At aamra, we believe in unlocking human potential and creating next-generation opportunities for our people, businesses, and society. For over two fiscal decades, we have maintained a human-centric philosophy that values both technological innovation and personal growth. We embrace our potential to act as a force for good, ensuring that our workplace remains an environment where individuals can excel. We aim to empower our workforce with significant responsibilities, helping them discover their purpose and make a meaningful impact. Our talent strategy focuses on alignment—ensuring that our unique corporate identity perfectly balances the personal and professional expectations of our employees."

Equal-Opportunity Workplace

"Driven by our core values, our organizational culture is a key engine behind our business operations. We work consistently to sustain an inclusive and non-discriminatory workplace that champions equal opportunities for all. Through the systematic adoption of automated HR tools and processes, we continue to streamline employee engagement, talent development, and operational innovation. We are committed to maintaining a high-performance workforce by deploying consistent, best-in-class corporate policies and operational infrastructure."

Diversity and inclusion

Our strategic vision embraces an inclusive organizational culture designed to deliver significant positive impacts, particularly by sharpening the capabilities of our leaders who drive the business and strengthen our corporate ecosystem. We remain committed to providing a safe space for all employees to engage in transparent, open conversations through our Employee Support Network groups, ensuring every individual is treated fairly, equitably, and without bias.

By creating workplace conditions that value diversity, we actively promote a sustainable climate of respect, dignity, and belonging across the workforce.

Furthermore, we strictly adhere to and champion diversity and inclusion legislation in both letter and spirit. We continuously seek progressive pathways to transform, elevate, and refine the overall employee experience.

Branding

The 'aamra' brand has established itself as an exceptionally reliable and trusted market leader, a milestone achieved through its long-standing business presence and an unwavering customer-centric service philosophy. Securing the prestigious Superbrands award further validates the immense strength, institutional credibility, and equity of the Company's brand value within the national economic landscape. This accolade underscores our enduring commitment to service quality, corporate governance, and continuous innovation."

Premium Positioning as a Digital Catalyst

This milestone recognition firmly positions aamra networks limited as the premier, next-generation internet connectivity and converged solutions enterprise in Bangladesh. Equipped with robust infrastructure and cutting-edge tech integration, the Company remains uniquely positioned to advise, empower, and accelerate enterprises as they successfully navigate their complex digital transformation journeys.

In Appreciation

Finally, I would like to express my sincere appreciation to our investors, clients, business partners, bankers, government institutions, and regulatory authorities for their steady support and belief in 'aamra'. I am deeply thankful to all the diligent and devoted members of the aamra companies, whose hard work and commitments have been key to our achievements. I also extend my gratitude to my colleagues on the management team and the Board of Directors, whose strong leadership and insights guided us safely through a challenging year."

Looking to the Future

Looking ahead, aamra will continue to focus on staying agile, flexible, and relevant to market needs. We remain cautiously optimistic about achieving steady growth as domestic and international markets continue to digitalize rapidly. We will maintain a strict focus on delivering innovative solutions and high-quality services that improve our clients' operations and bring sustainable, long-term value to all our stakeholders.

For and on behalf of the Company,



Syed Farhad Ahmed
Managing Director & CEO
Dhaka, September 03, 2026