ALHAJ TEXTILE MILLS LTD.

66, DILKUSHA C/A (4TH FLOOR), P. O. BOX-7314, DILKUSHA, DHAKA-1000, BANGLADESH.

Report of the Audit Committee

Annexure-1

FOR THE YEAR 2025-2026

Alhaj Textile Mills Limited reconstructed its Audit Committee as a Sub-committee of the Board of Directors on 28-11-2025. The Committee reformed after getting approval from BSEC Ref. No. 53.02.0000.000.122.0002.23.562, October 8, 2025 of two independent directors. As per CG Code-2018, one of the Independent Director, Mr. Md. Monirul Islam, FCA is the present chairman of the Committee.

The Audit Committee consists of the following persons:

Mr. Md. Monirul Islam, FCA	Independent Director	Chairman
Mr. Md. Harunoor Rashid	Director	Member
Mr. Md. Saidul Islam	Director	Member
Mr. Md. Faizul Matin	Independent Director	Member

Only Independent Director will preside over an Audit Committee Meeting. Two members of the committee including an Independent Director shall form quorum. The Company Secretary functions as the Secretary of the Audit Committee.

The Scope of the Audit Committee was defined as under:

a) Oversee the financial reporting process.

b) Monitor choice of accounting policies and principles.

c) Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance plan and review of the Internal Audit and Compliance Report.

d) Oversee hiring and performance of external auditors.

e) Hold meeting with the external/ Statutory Auditors for review of the Annual Financial Statements before submission to the Board for approval or adoption.

f) Review along with the management, the annual financial statements before submission to the Board for approval.

g) Review along with the management, the quarterly and half-yearly financial statements before submission to the Board for approval.

h) Review the adequacy of the internal audit function.

i) Review the Management's discussion and Analysis before disclosing in the Annual Report Review statement of all related party transactions submitted by the management.

j) Review Management Representation Letters or Letter of Internal Control weakness issued by statutory auditors.

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TELEPHONE : 0247123002, 02223390922, 02223383951, 02223384638, 02223382566
FAX : 88-02-9563951, E-mail : info@alhajtextilemills.com, Web : www.alhajtextilemills.com
MILLS : ISHWARDI, PABNA, CABLE-ALTEX, TEL : (07326) 63905

k) Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed, and time required for effective audit and evaluate the performance of the external auditors.

l) Review and consider the report of internal auditors and statutory auditors' observations on internal control.

m) Any other requirement assigned by the Board of Directors.

Activities carried out during the year:

During the financial year ended 30th June 2026, the committee held 01 (one) meeting only.

Proceedings of the Audit Committee Meetings were reported timely and regularly to the Board of Directors. During the year, the Committee performed amongst others, the following key functions:

1. The present Audit Committee checked and reviewed the Minutes and meetings related documents of previous Audit Committee. Based on their findings the present Audit Committee reports to the Board of Directors.
2. The Committee reviewed the integrity of the quarterly, half-yearly and annual financial statements and recommended to the Board for consideration.
3. The Committee had overseen, reviewed and approved the procedure and task of the internal audit, financial report preparation and the external audit reports.
4. The Committee reviewed the performance and appointment of external auditors.
5. The Committee reviewed related party transactions.
6. The Committee reviewed the Management Representation Letters or Letter of Internal Control weakness issued by statutory auditors.
7. The Committee found adequate arrangement to present a true and fair view of the activities and the financial status of the Company and didn't find any material deviation, discrepancies or any adverse finding/observation in the area of reporting.

REPORTING BY AUDIT COMMITTEE TO THE BOARD:

The Committee regularly reports on its work to the Board. The report includes a summary of matters addressed in the meeting by the members present and the measures undertaken by the committee.

Md. Monirul Islam, FCA
Chairman
Audit Committee