

REPORT OF THE DIRECTORS WITH ANNEXURE

Dear Shareholders,

The Board of Directors of eGeneration Limited with immense pleasure take this opportunity of presenting the Directors' Report along with the Audited Financial Statements for the year ended 30 June 2021 together with the Auditors' Report thereon for your consideration and approval.

This is the first time we are presenting the report after listing in Stock Exchanges. The Directors' Report has been prepared in compliance with the Companies Act 1994, Notification of BSEC, Corporate Governance Code-2018 and other applicable rules and regulations. We believe that the report will provide the insights of the Company's performance during the year. The key financial results and other developments for the year ended 30 June 2021 in eGeneration Limited's business are discussed in this report.

GLOBAL SOFTWARE INDUSTRY

The software industry today is \$205Bn market that drives many technological and social innovations. The industry contributes to overall productivity and economic growth due to competitiveness and innovation it brings to other industries. Rapid changes in business dynamics in the market are expected to benefit the industry as cloud-based solutions support business operations in changing conditions. Dynamic conditions include economic uncertainty, competitive rivalry, changing regulations, internet usage and applications. The global SaaS industry is expected to grow to \$272Bn in 2021 at a CAGR of 20.8%. The growth is likely to be driven by companies rearranging their operations and recovering from COVID-19. Top 100 companies Microsoft, IBM, Oracle, SAP, EMC, etc. More than 50% of these companies' activities are based in Asia, especially India, China and other developing economies, which are also the main source of majority of their revenues. The industry is expected to reach \$437Bn in 2025 at a CAGR of 12.5%.

With companies prioritizing revenue growth, companies are diverting their attention to address the plethora of changes brought about by technology and innovation. Cloud computing has given rise to fundamental changes from Software as a Product to Software as a Service. The exploding popularity of smartphones and consumerization of technology are blurring the lines between enterprise and consumer software markets. These are causing software companies to rethink their business model, foster collaboration, and focus on customer centricity.

Concerns over data security and privacy will also be a crucial factor that software industry must consider in the future.

BANGLADESH SOFTWARE INDUSTRY

The footprint of Software Development in Bangladesh is modest in comparison to the country's population which is 150 million+ and its GDP. However, in recent years, the software business industry in this country has begun to grow fast and contribute significantly more than before. There are around 4500+ software and ICT companies registered in Bangladesh as of today with over 300,000 local ICT specialists and software developers employed by these companies. Together, these companies meet the demand of \$1.18Bn worth of software in the local industry.

The country has benefited enormously from this strong growth, earning \$800Mn in 2017 from software and service exports. The primary export market is North America, but many IT companies have recently begun to export to EU countries and East Asian countries, particularly Japan.

The Government of Bangladesh plays an important role in the growth of Software Development in Bangladesh through its vision 2021 of achieving a "Digital Bangladesh". From developing ICT-based infrastructure and innovation centers to waiving tax for the software developing companies, the Government is establishing the digitalization of Bangladesh in every sector possible to deliver services to the people's doorsteps. In the FY22 budget, the government IT sector to be eligible for tax exemption for 22 Information and Technology Enabled Services (ITES). The tax exemption facility has been proposed to the providers of cloud service, system integration, e-learning platform, e-book publications, mobile application development service, and IT freelancing until 2024. The government also proposed tax exemption, on certain conditions, for 10 years on production of some selective IT hardware if manufactured in Bangladesh. The Information and Communication Technology (ICT) department has been allocated Tk1,721 crore, which is Tk306 crore more than the last financial year.

Additionally, Bangladesh Hi-Tech Park Authority is setting up 39 Hi-Tech Parks/Software Technology Parks in different parts of the country, out of which 7 are ready for investment. Janata Tower Software Technology Park, Sheikh Hasina Software Technology Park, Jessore, and Sheikh Kamal IT Training and Incubation Center, Natore are now operational, according to the government.

Although the software and ITES businesses have been exempted from the corporate tax until 2024, the sector has suffered a lot in the last 15 months due to the pandemic. More local and foreign investments are needed in this sector. To draw investors, the tax exemption period should be extended to 2030 as proposed before the budget. The sooner this announcement comes, the more investors will be interested in investing in the sector.

The proposed allocation for the ICT sector is Tk 1,721 crore, which is Tk 690 crore higher than the last year. Although it is encouraging for the ICT industry that the amount has been raised from that of last year, but this time special attention needs to be given in the software development sector and also to the skilled human resource development which is the backbone of this industry.

Another positive point that has come into the budget proposal that the government has declared tax exemption facility for another six subsectors of the ICT sector namely cloud service providers, system integration, e-learning platform, e-book publications, mobile application development service and IT freelancing until 2024.

Among this six subsectors, e-learning platform and e-book publication are very new domains in our country that has been boosted up a lot in the last year during the pandemic.

INDUSTRY OUTLOOK AND POSSIBLE FUTURE DEVELOPMENTS

With digitization and technological advancement, Bangladesh is a prospective place for investments. Bangladesh is growing rapidly due to the smart use of technology to reaching the goal of digital transformation. Technology is improving the accessibility, quality and affordability of all kinds of sectors. The government has encouraging innovation and use of Information Technology for many years and aims to create 'Digital Bangladesh'. The progress of digitization had been improving over the years. eGeneration has completed this year with some challenges posed by the strict lockdown to contain another wave of COVID-19 pandemic. However, the

management and the team members of eGeneration showed resilience and character to minimize the negative impact of these circumstances. We won deals from sectors such as healthcare, banking, manufacturing, defense, large conglomerates, and public sector. Some of the high value deals during the period includes digital healthcare transformation of a large public hospital in Sylhet; EdTech, computer vision and speech recognition solution for government of Bangladesh; Solutions developed on Microsoft cloud platform for leading private commercial banks and large conglomerates, and infrastructure and networking solution for defense.

We delivered productivity solutions including a host of enterprise software such as collaboration tools and task management software under a secure cloud platform to several large conglomerates. These solutions protect and secure organizations data by adhering to compliance and enabling the employees to work in new and flexible ways. We also implemented a real-time License plate recognition system partnering with a corporation in Japan which will be deployed in Myanmar's industrial Zone to automate vehicle access authorization. We finished several milestones of implementing a Learning Management System (LMS) for the government of Bangladesh that enables learners to experience seamless online learning and the platform can be used for course development as well as delivery, management and administration of subject-specific course using recorded and live session.

In the ever-changing field of digitalization, eGeneration has been able to offer customized solutions to its clients, assessing their exact business needs and by providing appropriate solutions, future visions and budgeting priorities. Our friendly gesture and timely response have attracted our clients to offer us the first choice for any of their IT needs and in most times remain satisfied with our cost effective and timely response.

THE SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

Product wise performance for the last two years is given below:

Name of the Product	30-Jun-21	30-Jun-20	Increase/(Decrease)
ERP Software	33,489,010	106,747,702	(73,258,693)
CRM Software	2,755,845	3,350,000	(594,155)
Solutions Developed in Microsoft Platform	310,891,630	226,364,111	84,527,519
Database Solutions	8,736,194	8,789,571	(53,377)
Cyber Security Solutions	2,379,591	1,494,343	885,248
Data Analytics	3,984,833	6,410,000	(2,425,167)

HR Management System	579,626	1,828,470	(1,248,844)
Hospital Management Information System	55,295,545	-	55,295,545
Clinics & Diagnostics Management System	7,031,000	-	7,031,000
Fertilizer Recommendation System	261,260	2,500,000	(2,238,740)
Social media Monitoring	360,000	1,850,000	(1,490,000)
Web Designing & Olympus	77,700	843,475	(765,775)
AI & Natural Language Processing	8,857,926	442,896	8,415,030
Networking Solutions	2,968,676	274,538	2,694,138
Data Center Solution	-	6,500,000	(6,500,000)
Digital Platform Development	38,162,958	28,926,021	9,236,937
Total	475,831,793	396,321,127	79,510,666

RISK & CONCERN

The Board of Directors recognizes the importance of sound risk management practices and internal controls to safeguard shareholder's investments and the Company's assets. The Board affirms its overall responsibility for the Company's system of risk management and internal control, which includes the establishment of an appropriate control environment and framework, along with reviewing its adequacy and integrity which are as follows:

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 receivable from customers and investment in securities.

The company's revenue is mainly generated from services provided to Bank, Financial Institution, Multinational Corporate, Public and Private companies. The aforesaid clients are renowned organizations and smooth in transaction, therefore, the possibility of default by any of these Parties are significantly less.

LIQUIDITY RISK

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The Company's approach is to ensure, sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking Company's reputation. Typically, the Company always ensures sufficient cash and cash equivalent to meet expected operational expenses including servicing of financial obligation through the preparation of cash forecast, based on time line of payment of financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

INTEREST RATE RISKS

Interest rate risk is the risk that Company faces due to unfavorable movement in the interest rates. Changes in the government's monetary policy, along with increased demand for loans/investments tend to increase the interest rates. Such rises in interest rates mostly affect Companies having floating rate loans or Companies investing in debt securities.

The Management of the Company is always well informed of interest rates. If the interest rate increases the cost of credit fund will increase. eGeneration has always been a cash-rich Company and operates with low dependence on debt. As the Company maintains very low debt-equity ratio, adverse impact of interest rate fluctuation is insignificant. Moreover, the Company is confident about meeting its needs for future expenses from its internal sources.

EXCHANGE RATE RISKS

Exchange rate risk occurs due to changes in exchange rates where a company is engaged in global trade as it receives as pays in foreign currency. Therefore, fluctuations in the related foreign currency rates may affect adversely to the company liquidity and profitability and expose a threat to the stability of the company.

The volatility of Taka against USD, GBP, and EURO and the recent trend of local currency devaluation may expose foreign currency risk. In such cases, the management of the company is confident to significantly cushion the foreign currency risk and price escalation risk through forwarding contracts if it is justifiable in terms of the cost-benefit analysis.

ECONOMIC RISKS

The economy could be adversely affected by various factors such as political or regulatory action, including adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities,

commodity and energy prices and various other factors. Any significant changes may adversely affect our business and financials.

Bangladesh's economy is booming during last few years. Consistent industrial growth along with increased agricultural production has made the Per Capita Income higher than that of recent years. Besides, favorable government policies and industry-friendly policies by other regulatory bodies have proven to be congenial for the economy of the country.

POLITICAL RISKS

The risk that an investment return could suffer as a result of political changes or instability in a country. Instability affecting investment returns could stem from a change in government, legislative bodies, other foreign policy makers or military control.

The management of the Company believes that more effective management of political risk shall help the companies in protection of their investments and shall improve the performance of business operation. Management perceives that this requires more integration of political risk management into a systematic process as well as having it be embedded in the Company's other business processes. The management of the Company is fully aware of the potential risk related to political outcome and accordingly, they have taken several safeguards to prevent the financial loss of the Company.

MARKET RISK

Market risk is the risk that any change in market such as demand of product, foreign exchange rates fluctuation, prices of product, an increase of competition, squeeze of business through cancellation of work order, shifting of customer to another competitor will affect the Company's business.

Globally the demands for IT products/solutions are increasing significantly and the trend is experiencing double-digit growth over the last decade. With businesses looking for IT solutions to increase efficiency and decrease operational expenditure, the industry is still at its nascent stage in meeting expectations and current demands. It is a similar case in Bangladesh, and learning from global best practices as well as avoiding industry mistakes made especially by our neighboring countries, the IT industry in Bangladesh is leap-frogging with meeting local demands and creating new opportunities for exporting its services.

Cost of Goods sold, Gross Profit Margin and Net Profit Margin

Cost of Services and Sales: The reporting period's cost of sales was Tk. 299.78 million. The last year's cost

of sales was Tk. 239.45 million. The cost of sales is increased due to the increase in sales and sales related costs.

Gross Profit: During the year, gross profit earned was Tk. 176.05 million against last year's gross profit of Tk. 156.87 million. The gross profit margin is increased due to the increase in sales.

Net Profit: Net profit (after tax) earned during the year was Tk. 105.17 million compared to last year's Net Profit (after tax) of Tk. 93.16 million. Increase in the sales is the main reason for increase in net profit after tax.

Utilization of Proceeds from Public Issues, right issues, and/or through any other instruments

Utilization of proceeds from public offering was audited by K. M. Hasan & Co., Chartered Accountants and the report as of month June 2021 is provided in Annexure-5 of this report.

An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.

There is no decline in financial results of the company after it went for Initial Public Offering.

Significant variance that occurs between Quarterly and Annual Financial Statements

There was no significant variance between quarterly financial performance and annual financial statements during the year of reporting.

Significant deviations from the last year's operating results of the Company

EXPLANATION FOR SIGNIFICANT DEVIATION IN NOCFPS:

The company has earned revenue in the current year 20% higher than comparative year, Gross profit, and net profit margin by 9% and 13% respectively whereas Net operating cash flow per share (NOCFPS) has fallen 98% during the year due to business disruption overall industries by global pandemic. Many of its customers experienced a long period of working capital crisis as a result, eGeneration Ltd. could not collect its outstanding accounts receivable smoothly which ultimately causes fall in Net operating cash flow per share (NOCFPS) significantly. The management is expecting to collect all the outstanding receivable within in regular course of business.

THE IMPACT OF COVID-19 PANDEMIC

Through timely measures by the management, implementation of remote working, effective cost management and business process optimization. eGeneration Ltd. was one of the companies that started working from home before the countrywide lockdown last year which allowed its team members

to continue providing support and services to its clientele without compromising safety.

Although the Company achieved annual revenue growth of 20% in FY 2020-21, the growth was below anticipated level because of business disruption across industries due to the pandemic which resulted in loss of revenue for the Company. Many of its customers experienced a long period of business closure and temporary slowdown in investment in their business transformation initiatives. As a result, eGeneration Ltd. did not achieve the expected business growth that was assessed before the pandemic.

On the other hand, this pandemic opened the door to many long-term and short-term business opportunities for eGeneration Ltd. It accelerated the decision-making process for many organizations to invest in technologies – from business intelligence and demand forecasting to marketing, customer support, supply chain, and back-office transformation – areas where eGeneration Ltd. has a strong footprint. The Company promoted the work-from-home practice to many public and private organizations to help fight the impact of coronavirus. It offered enablement of modern workplace solutions and remote working tools to organizations working in the frontlines fighting coronavirus including government offices, healthcare providers, financial and educational institutions. Many government functions have seen radical changes in how they operate with the help of tools and technologies provided by eGeneration Ltd.

MINORITY SHAREHOLDERS INTEREST PROTECTION

The Corporate Governance philosophy at your Company emphasizes fairness and transparency to all stakeholders. The Company has a separate investor relation department through which minority shareholders can interact with the management or Board and express their concerns. Any Shareholders can communicate any grievance to the Company Secretary's office, where complaints are tracked to closure. The Board of Directors oversees the redressal of this complaints. The Annual General Meeting is another forum where they can interact with the Board.

DIVIDEND

The Board of Directors has recommended 10% Cash dividend for General Public Shareholder without sponsors and directors on 26 October 2021, for the year ended on 30 June 2021 which will be paid after approval in the Annual General Meeting of the Company as per respective shareholder position on record date i.e. 18 November 2021.

DIRECTORS APPOINTMENT/RE-APPOINTMENT AND RETIREMENTS

Directors Retiring By Rotation

In accordance with the relevant provisions of the Companies Act, 1994 and in terms of the Articles of Association of the Company, Mr. S M Ashraful Islam (Nominated by eGeneration Sourcing Ltd.) Retires by rotation at the ensuing AGM and being eligible, offers himself for re-appointment. The Nomination and Remuneration Committee and Board recommended him for re-appointment.

Re-appointment Of Independent Director

Mr. Ariful Hasan, Independent Director, had completed his first term as Independent Director of the Company on 09 April 2021. On the recommendation of the Nomination and Remuneration Committee, the Board, subject to the approval of the shareholders, proposes to reappoint him as Independent Director for a further term of three consecutive years. The Company also has received declarations from Mr. Ariful Hasan to meet the criteria of Independence and qualification in line with the Corporate Governance Code of BSEC.

Appointment Of Independent Director

Mr. Md. Eshaque Ali Khondakar, FCA, Dr. Mohammed Shafiu Alam Khan, Dr. Md. Musfiqur Rahman, FCMA have been appointed as an Independent Directors of the Company with effect from 06 Jan 2021. On the recommendation of the Nomination and Remuneration Committee, the Board, subject to the approval of the shareholders, proposes to appoint themselves as Independent Directors for as per Corporate Governance Code of BSEC. The Company also received declarations from themselves to meet the criteria of Independence and qualification in line with the Corporate Governance Code of BSEC.

Brief profiles of the retiring Director, re-appointing and appointing of Independent Directors and the names of the Companies where they have interest is mentioned in the annual report on page no. 18 & annexure-4 as well.

CORPORATE GOVERNANCE

Our Company is listed on the Dhaka Stock Exchange and Chittagong Stock Exchange. The Company has complied with all the applicable conditions set out in the Corporate Governance Code-2018 issued by the Bangladesh Securities and Exchange Commission (BSEC). The certificate required under the said code along with the compliance status of corporate governance code of BSEC has been given in page no. 50 & 63 to this report.

RE-APPOINTMENT OF STATUTORY AUDITOR

FAMES & R, Chartered Accountants, the present statutory auditor of the Company, retired at this Annual General Meeting, being eligible, offered themselves for re-appointment.

The Board of Directors of your Company has, on the recommendation of the Audit Committee, recommend their re-appointment for the year 2021-2022 at a fee of BDT 3,00,000 (Excluding VAT & Tax).

APPOINTMENT OF COMPLIANCE AUDITOR

The Board of Directors recommended to appoint Ashraf Uddin & Co. As the compliance auditor of the Company to audit the Corporate Governance Code for the year 2021-2022.

ACKNOWLEDGEMENT

On behalf of the Board, I would like to acknowledge the continued support and cooperation from our valued shareholders, and the confidence and trust our customers have bestowed in our products and Company. I would like to particularly thank all the employees for their commitment, sacrifice and hard work throughout this COVID-19 pandemic in Bangladesh as we try to develop a recovery strategy for the future. We look forward to your continued cooperation and support as the driving force of honest and sustainable growth of your Company in the future.

On behalf of the Board



Chairman

Date : 26 October 2021

ANNEXURE-1

Pursuant to Bangladesh Securities and Exchange Commission's Notification on 'Corporate Governance Code' dated 03 June 2018, the Directors also report that:

- No extraordinary gain or loss occurred during the financial year has been explained;
- Details of related party transactions has been presented in Note No. 32.06 in the Notes to the financial statements;
- The amount of total remuneration to Directors including Independent Directors has been presented in Note No. 32.06 in the Notes to the financial statements;
- The financial statements of the Company fairly present its state of affairs, result of its operations, cash flows and changes in equity;
- Proper books of accounts of the Company have been maintained;
- Appropriate accounting policies have been followed in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;
- The financial statements were prepared in accordance with IAS/IFRS and any departure thereof has been adequately disclosed;
- The internal control system is sound in design and has been effectively implemented and monitored;
- There are no significant doubts about the Company's ability to continue as a going concern;
- Key operating and financial data of at least preceding 5 (five) years have been summarized on page No. 30 of this Annual Report;
- No bonus or stock dividend has been declared as interim dividend during the year;
- The number of Board meetings and attendance of Directors during the year 2020-2021 has been presented in Annexure-2;
- The pattern of shareholding as on 30 June 2021 has been presented in Annexure-3.
- A report on Management's Discussion and Analysis has been presented on page No. 39 of this Annual Report.
- Certification under the Corporate Governance Code the Managing Director and Chief Financial Officer on the financial reporting has been presented on page 64 of this Annual Report.
- Status of compliance of conditions of BSEC's Corporate Governance Code dated 03 June 2018 has been presented on page No. 50 of this Annual Report.
- Certificate regarding compliance condition of BSEC's Corporate Governance Code dated 03 June 2018 has been presented on page No. 63 of this Annual Report.

ANNEXURE-2

Directors Meeting & Attendance: During the financial year 2020-2021 under review total 09 (nine) Board meetings were held. The Chief Financial Officer, Company Secretary and Head of Internal Audit and Compliance were present in all the Board Meetings. The attendance by each Director is mentioned below:

Name of the Directors	Position	No. of Meetings held during his/her tenure	Meeting attended	Remarks
Mrs. Syeda Kamrun Nahar Ahmed	Chairperson	09	08	Continuing
Mr. Shameem Ahsan	Managing Director	09	09	Continuing
Mr. S M Ashraf Islam	Executive Vice-Chairman (Nominated Director)	09	09	Continuing
Mr. Ariful Hasan	Independent Director	09	09	Continuing & Reappointed for another term of 3 (three) years on 10 April 2021
Mr. Md. Eshaque Ali Khondakar, FCA	Independent Director	04	04	Appointed as an Independent Director on 6 January 2021
Dr. Mohammed Shafiul Alam Khan	Independent Director	04	04	Appointed as an Independent Director on 6 January 2021
Dr. Md. Musfiqur Rahman, FCMA	Independent Director	04	04	Appointed as an Independent Director on 6 January 2021

ANNEXURE-3

Pattern of Shareholding: As at 30 June 2021

Name & Description of Shareholders	Shares Held	% of Holding
A. Parent/ Subsidiary/ Associated/ Related Parties:		
eGeneration Solutions Limited	5,467,594	7.29
eGeneration B2B Limited	279,102	0.37
B. Directors/MD/CS/CFO/ HIAC and their Spouses and Minor Children:		
Mrs. Syeda Kamrun Nahar Ahmed - Chairperson	6,003,283	8.00
Mr. Shameem Ahsan - Managing Director	17,033,683	22.71
eGeneration Sourcing Limited - Director	4,014,082	5.35
Mr. S M Ashraf Islam - Director (Nominee of eGeneration Sourcing Ltd.)	282,080	0.38
Mr. Ariful Hasan - Independent Director	Nil	---
Mr. Md. Eshaque Ali Khondakar, FCA - Independent Director	Nil	---
Dr. Mohammed Shafiul Alam Khan - Independent Director	Nil	---
Dr. Md. Musfiqur Rahman, FCMA - Independent Director	Nil	---
Mr. Md. Mazharul Islam - Chief Financial Officer	Nil	---
Mr. Jishan Ahmed Siddiquee - Company Secretary	Nil	---
Mr. Anwar Hossain - Head of Internal Audit & Compliance	Nil	---
C. Executives:		
Mr. Swapan Kumar Chakraborty - Director, Business Delivery & Development	Nil	---
Mr. Emran Abdullah - Director, Operations & Sales	100,000	0.13
Mr. Raquib Mahmood Shoeb - Head of Emerging Technology Solutions	Nil	---
Mr. Mohammad Ashadullah Uzzal - Head of e-Governance Practice	Nil	---
Mr. MD. Ariful Islam - Head of Infrastructure & Solutions	Nil	---
	Nil	---
D. Shareholders who hold 10% or more:		
	Nil	---
E. Other shareholders who hold less than 10%		
	41,820,176	55.77
	75,000,000	100

ANNEXURE-4

Sl. No	Name of Director	Member of Board Committees	Other Directorship
1.	Mr. S M Ashraful Islam	None	None
2.	Mr. Ariful Hasan	Audit Committee, Nomination & Remuneration Committee	e-soft
3.	Mr. Md. Eshaque Ali Khondakar, FCA	Audit Committee, Nomination & Remuneration Committee	None
4.	Dr. Mohammed Shafiul Alam Khan	Audit Committee, Nomination & Remuneration Committee	None
5.	Dr. Md. Musfiqur Rahman, FCMA	Audit Committee	None

ANNEXURE-5



কে. এম. হাসান এন্ড কোং
K. M. HASAN & CO.
Chartered Accountants

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Report on Utilization of Initial Public Offering (IPO) Proceeds For the period from 01 June 2021 to 30 June 2021

Name of the company : eGeneration Limited
Amount (BDT) of Capital Raised Through IPO : Tk. 150,000,000
Date of Close of Subscription : 18 January 2021
Proceeds Receiving Date : 22 February 2021
Last Date of Full Utilization of Fund as per Prospectus : Within 24 Months from receiving IPO fund

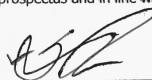
Sl. No.	Purpose Mentioned in the Prospectus	Time line as per prospectus	Amount as per prospectus (BDT)	Status of Utilization				Remarks
				Total Utilized Amount (BDT)	Utilized (%)	Total Un-utilized/(Over utilized) Amount (BDT)	Un-utilized (%)	
1	Purchase of Commercial Space for Office	21/02/2023	80,000,000	-	0.00%	80,000,000	100.00%	
2	Loan Repayment		34,000,000	34,000,000	100.00%	-	0.00%	
3	Digital Healthcare Platform Development		18,389,000	-	0.00%	18,389,000	100.00%	
4	IPO Expenditure		17,611,000	17,427,663	98.96%	183,337	1.04%	
Total			150,000,000	51,427,663		98,572,337		

Percentage:
Interest income rate of IPO Proceeds: 3.00%
Un-utilized IPO proceeds: 65.71%

Note:

- Actual application was received almost 40.762 Times.
- IPO Proceeds have been utilized for the purposes/heads as specified in the prospectus and in line with the condition of the commissions consent letter.
- Interest income of IPO proceeds in BDT 940,895.45



Chairman


Managing Director


Chief Financial Officer

Place: Dhaka, Bangladesh
Dated: 13 July 2021




Mr. Hedayet Ullah FCA
Engagement Partner
K. M. HASAN & CO.
Chartered Accountants
DVC: 2103110281CC512902

REPORT ON MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

Pursuant to the condition no. 1(5)(XXV) of the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission, the Management Discussion and Analysis for the year ended 30 June, 2021 presenting the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on as follows:

ACCOUNTING POLICIES AND ESTIMATION FOR PREPARATION OF FINANCIAL STATEMENT

The financial statements of eGeneration Limited have been prepared in accordance with the International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules, and other applicable laws and regulations in Bangladesh. The financial statements have been prepared on a going concern basis under historical cost convention in accordance with IFRSs. In the preparation of these financial statements, management used available information to make judgements, estimate and assumption that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from those estimates.

CHANGES IN ACCOUNTING POLICIES AND ESTIMATION OF FINANCIAL STATEMENTS

The changes in accounting policies and estimation are described in the note No. 3 Of the financial statements.

COMPARATIVE ANALYSIS OF FINANCIAL PERFORMANCE

The key operating and financial performance of the Company for the last 5 years are annexed on page no 30.

FINANCIAL AND ECONOMIC SCENARIO OF THE COUNTRY AND THE GLOBE

Bangladesh is one of the world's fastest growing economy. The size of the economy of Bangladesh has been growing year by year. According to an article published by IMF, Bangladesh economy is projected to grow at 6% in 2021, and it considers Bangladesh to be a low risk of overall and external debt distress. Bangladesh remains an excellent country for investment and we firmly believe that business activity

will continue to flourish.

In FY 2021, COVID-19 pandemic had a profound impact on economies witnessed loss of productivity, increased unemployment etc. To address these adverse conditions governments around the world have provided large emergency lifelines to people and firms. Although global economic activity is growing again, it is not likely to return to business as usual for the foreseeable future, global economic output is expected to expand 4 percent in 2021 but still remain more than 5 percent below pre-pandemic projections. Global growth is projected to moderate 3.8 percent in 2022, weighed down by the pandemic's lasting damage to potential growth.

RISK & CONCERN

The risk factors and the management of these factors are set out on the page no 33 of the Directors Report.

FUTURE PLAN & PROJECTION

The management of eGeneration Ltd. is very sincere in adoption of necessary feasible plans and strategy in respect of operations, performance, financial and sustainability for its foreseeable future. We also focusing on the strategy of exploring new clients locally and internationally and enhancing the customer relationship. The Detailed Future Plan discussed in the directors report.

Thank You,



Shameem Ahsan
Managing Director