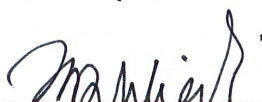
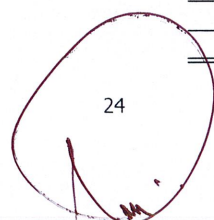


Matin Spinning Mills Limited
Statement of Financial Position (Unaudited)
As at 31 December 2020

[Amounts in Taka]

| Notes | 31 December 2020 | 30 June 2020 |
|--|----------------------|----------------------|
| Assets | | |
| Non-Current Assets | | |
| Property, plant and equipment | 02 4,510,577,800 | 4,624,173,559 |
| Investment | 03 42,866,000 | 28,003,185 |
| Capital work-in-process | 04 147,810,645 | 110,153,455 |
| Total non-current assets | 4,701,254,445 | 4,762,330,200 |
| Current Assets | | |
| Inventories | 05 639,714,124 | 732,820,587 |
| Accounts receivable | 06 586,612,937 | 994,789,485 |
| Advance, deposits and prepayments | 07 239,682,447 | 222,842,805 |
| Materials in transit | 08 192,295,139 | 140,656,793 |
| Cash and bank balances | 09 631,433,081 | 243,576,752 |
| | 2,289,737,727 | 2,334,686,422 |
| Asset held for sale | 10 1,600,000 | 1,600,000 |
| Total current assets | 2,291,337,727 | 2,336,286,422 |
| Total assets | 6,992,592,173 | 7,098,616,622 |
| Equity and liabilities | | |
| Equity | | |
| Share capital | 974,900,000 | 974,900,000 |
| Share premium | 920,700,000 | 920,700,000 |
| Retained earnings | 11 1,431,284,793 | 1,389,083,255 |
| Revaluation reserve | 12 1,510,529,132 | 1,520,826,225 |
| Total equity | 4,837,413,925 | 4,805,509,480 |
| Non-current liabilities | | |
| Long term bank loan | 13 32,066,672 | 126,599,671 |
| Deferred tax liability | 14 256,179,351 | 255,290,759 |
| Total non-current liabilities | 288,246,024 | 381,890,430 |
| Current liabilities | | |
| Accounts payable | 15 194,406,675 | 132,103,881 |
| Short term bank loan | 16 1,238,877,493 | 1,300,157,441 |
| Current portion of long term loan | 252,904,003 | 350,438,156 |
| Share application money | 4,553,160 | 4,553,160 |
| Provision & accruals | 17 176,190,893 | 123,964,072 |
| Total current liabilities | 1,866,932,224 | 1,911,216,711 |
| Total liabilities | 2,155,178,248 | 2,293,107,141 |
| Total equity and liabilities | 6,992,592,173 | 7,098,616,622 |
| NAV Per Share (with revaluation reserves) | 24 49.62 | 49.29 |


 Managing Director


 Director

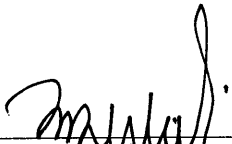

 Director


 Chief Financial Officer



 Company Secretary

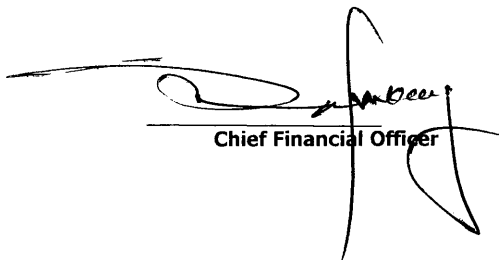
Matin Spinning Mills Limited
Statement of Profit or Loss (Unaudited)
for the 2nd quarter ended 31 December 2020

| | Notes | 31 December 2020 | 31 December 2019 | Period ended October 2020 to December 2020 | Period ended October 2019 to December 2019 |
|--|-------|--------------------|--------------------|--|--|
| Revenue | 18 | 2,186,105,507 | 2,094,061,393 | 1,130,162,145 | 1,171,144,222 |
| Cost of goods sold | 19 | (1,837,010,968) | (1,881,958,394) | (925,482,371) | (1,042,028,151) |
| Gross profit | | 349,094,539 | 212,103,000 | 204,679,774 | 129,116,071 |
| Other income | 20 | 47,599,894 | 26,024,977 | 17,038,524 | 14,012,180 |
| | | 396,694,432 | 238,127,977 | 221,718,298 | 143,128,251 |
| Administrative expenses | | (97,032,466) | (90,357,704) | (49,357,093) | (46,531,873) |
| Distribution expenses | | (3,876,065) | (3,598,515) | (2,035,280) | (2,232,855) |
| Net profit before finance cost | | 295,785,901 | 144,171,757 | 170,325,924 | 94,363,523 |
| Finance cost | | (35,284,044) | (41,239,624) | (15,502,504) | (19,522,447) |
| Net profit before workers' profit participation funds & tax | | 260,501,857 | 102,932,133 | 154,823,420 | 74,841,077 |
| Contribution to workers' profit participation fund: | | (12,404,850) | (4,901,530) | (7,372,544) | (3,563,861) |
| Net profit before taxation | | 248,097,007 | 98,030,603 | 147,450,876 | 71,277,216 |
| Income tax | 21 | (39,821,970) | (12,915,429) | (24,002,610) | (7,144,754) |
| Deferred tax | 22 | (2,433,156) | (6,270,031) | (1,384,453) | (2,652,334) |
| Net profit after tax | | 205,841,880 | 78,845,143 | 122,063,812 | 61,480,128 |
| Earnings Per Share (EPS) | 23 | 2.11 | 0.81 | 1.25 | 0.63 |


 Managing Director


 Director


 Director


 Chief Financial Officer


 Company Secretary

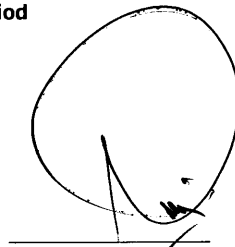
Matin Spinning Mills Limited
Statement of Other Comprehensive Income (Unaudited)
for the 2nd quarter ended 31 December 2020

[Amounts in Taka]


| | Notes | 31 December 2020 | 31 December 2019 |
|--|-------|---------------------------|--------------------------|
| Net profit after tax for the period | | 205,841,880 | 78,845,143 |
| Deferred tax on other comprehensive income | 22 | 1,544,564 | 402,612 |
| Total comprehensive income for the period | | <u>207,386,444</u> | <u>79,247,755</u> |



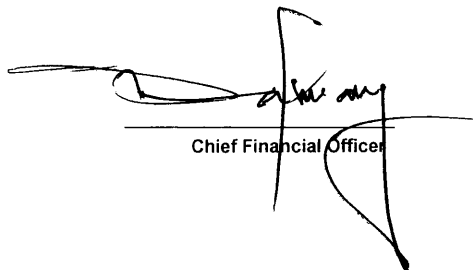
 Managing Director



 Director



 Director



 Chief Financial Officer



 Company Secretary


Matin Spinning Mills Limited
Statement of Changes in Equity (Unaudited)
for the 2nd quarter ended 31 December 2020

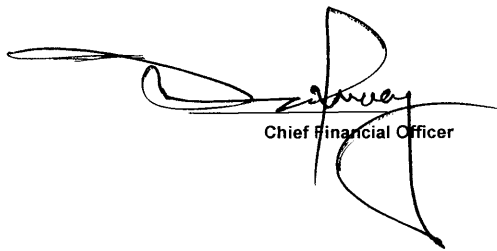
[Amounts in Taka]

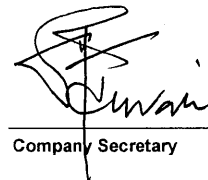
| | Share Capital | Share Premium | Retained Earnings | Revaluation Reserves | Total |
|--|--------------------|--------------------|----------------------|----------------------|----------------------|
| 2nd Quarter ended 31 December 2020 | | | | | |
| Balance at 01 July 2020 | 974,900,000 | 920,700,000 | 1,389,083,255 | 1,520,826,225 | 4,805,509,481 |
| Net profit for the period | - | - | 205,841,880 | - | 205,841,880 |
| Dividend Paid | - | - | (175,482,000) | - | (175,482,000) |
| Depreciation on Revalued Assets | | | 10,297,093 | (10,297,093) | - |
| Deferred tax on other comprehensive income | | | 1,544,564 | | 1,544,564 |
| Balance at 31 December 2020 | 974,900,000 | 920,700,000 | 1,431,284,793 | 1,510,529,132 | 4,837,413,925 |
| 2nd Quarter ended 31 December 2019 | | | | | |
| Balance at 01 July 2019 | 974,900,000 | 920,700,000 | 1,364,587,906 | 922,470,313 | 4,182,658,219 |
| Net profit for the period | - | - | 78,845,143 | - | 78,845,143 |
| Dividend Paid | - | - | (146,235,000) | - | (146,235,000) |
| Depreciation on Revalued Assets | | | 2,684,078 | (2,684,078) | - |
| Deferred tax on other comprehensive income | | | 402,612 | | 402,612 |
| Balance at 31 December 2019 | 974,900,000 | 920,700,000 | 1,300,284,739 | 919,786,235 | 4,115,670,974 |


 Managing Director


 Director


 Director


 Chief Financial Officer


 Company Secretary

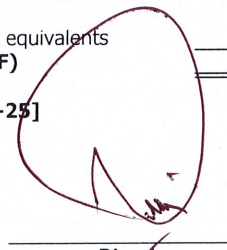
Matin Spinning Mills Limited
Statement of Cash Flows (Unaudited)
for the 2nd quarter ended 31 December 2020

[Amounts in Taka]

| | 31 December 2020 | 31 December 2019 |
|---|----------------------|----------------------|
| A. Cash flows from operating activities | | |
| Collection from customers | 2,591,855,183 | 2,134,829,312 |
| Other Income | 39,416,526 | 29,098,907 |
| Cash generated from operations | 2,631,271,709 | 2,163,928,218 |
| Cash paid to employees | (174,152,200) | (160,601,932) |
| Cash paid to suppliers | (1,547,488,566) | (1,546,085,497) |
| Interest paid on loans | (36,997,803) | (41,239,624) |
| Income tax paid | (18,014,031) | (465,000) |
| Payment made to workers' profit participation funds | - | - |
| Net cash flows from operating activities | 854,619,109 | 415,536,166 |
| B. Cash flow from investing activities | | |
| Acquisition of property, plant and equipment | (6,875,238) | (110,319,755) |
| Capital work-in-process | (76,656,515) | (3,224,173) |
| Dividend Income | 80,527 | - |
| Gain/(Loss) of marketable securities | (14,862,815) | (4,912,604) |
| Interest on FDR and Bank Accounts | 192,803 | 100,131 |
| Net cash used in investing activities | (98,121,238) | (118,356,401) |
| C. Cash flows from financing activities | | |
| Long term loan received from bank | 36,231,372 | 113,279,776 |
| Long term loan repaid to bank | (228,298,525) | (164,957,934) |
| Short term loan received from bank | 1,341,334,103 | 1,479,143,667 |
| Short term loan repaid to bank | (1,404,789,395) | (1,640,142,688) |
| Dividend Paid | (113,119,097) | - |
| Net cash received from/(used in) financing activities | (368,641,542) | (212,677,180) |
| D. Net increase/(decrease) in cash and cash equivalents (A+B+C) | 387,856,329 | 84,502,586 |
| E. Opening cash and cash equivalents | 243,576,752 | 236,181,930 |
| F. Effects of currency translation on cash and cash equivalents | - | 4,794,259 |
| G. Closing cash and cash equivalents (D+E+F) | 631,433,081 | 325,478,775 |
| Net Operating Cash Flow Per Share [Note-25] | 8.77 | 4.26 |



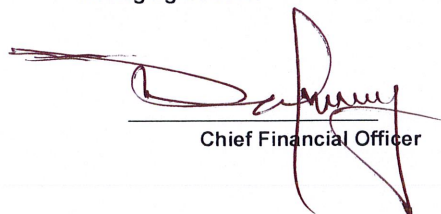
 Managing Director



 Director



 Director



 Chief Financial Officer



 Company Secretary

- 01 These financial statements have been prepared in line with accounting policies as adopted in the preparation of most recent audited financial statements as at and for the period ended 30 June 2020. This interim financial report includes only those selected explanatory notes that were deemed appropriate for better understanding of the unaudited financial statements.

| | Amounts in Taka | |
|---|---------------------------|---------------------------|
| | 31 December 2020 | 30 June 2020 |
| 02 Property, plant and equipment | | |
| Opening balance | 7,314,830,820 | 6,388,013,129 |
| Add : Additions | 43,491,267 | 949,154,770 |
| Less: Disposal/Adjustment | | (22,337,079) |
| | <u>7,358,322,086</u> | <u>7,314,830,820</u> |
| Less: Disposal/Adjustment | | (19,436,859) |
| Less: Accumulated Depreciation | (2,847,744,286) | (2,671,220,401) |
| Closing balance | <u>4,510,577,800</u> | <u>4,624,173,559</u> |
| 03 Investment | | |
| Opening balance | 28,003,185 | 36,413,499 |
| Add: Addition during the period | | - |
| | <u>28,003,185</u> | <u>36,413,499</u> |
| Realized gain /(loss) | 17,381,435 | 1,479,296 |
| Unrealized gain /(loss) for fair value adjustment | (2,518,620) | (9,889,610) |
| Closing balance | <u>42,866,000</u> | <u>28,003,185</u> |
| 04 Capital work-in-process | | |
| Special Yarn Godown | 5,378,840 | 3,147,131 |
| Staff Quarter | 25,706,910 | 18,388,703 |
| Shuttering Materials Storage | 8,764,676 | 2,967,406 |
| MSML- Special Yarn | 23,558,791 | 1,318,987 |
| Baro Bigha Baoundary Wall | 2,256,964 | |
| Baro Bigha Cotton Store | 581,189 | |
| Machineries in Transit | 81,563,275 | 84,331,228 |
| | <u>147,810,645</u> | <u>110,153,455</u> |
| 05 Inventories | | |
| Manufacturing Inventory [Note - 5.01] | 613,590,977 | 714,219,319 |
| Non-Manufacturing Inventory [Note-5.02] | 26,123,147 | 18,601,268 |
| | <u>639,714,124</u> | <u>732,820,587</u> |
| 5.01 Manufacturing Inventory | | |
| Raw cotton | 402,597,313 | 465,487,680 |
| Finished yarn | 72,944,565 | 89,041,018 |
| Packing materials | 4,219,397 | 2,208,327 |
| Work-in-process | 40,253,491 | 43,535,277 |
| Spare parts | 93,576,212 | 113,947,017 |
| | <u>613,590,977</u> | <u>714,219,319</u> |
| 5.02 Non Manufacturing Inventory | | |
| Stock of Bandhan | 1,870,153 | 1,683,139 |
| Stock of Stamp | 37,818 | 17,418 |
| Other Production Material | 7,500 | 25,450 |
| Construction Material | 13,306,878 | 7,444,156 |
| Store Materials under Inspection | 10,900,798 | 9,431,104 |
| | <u>26,123,147</u> | <u>18,601,268</u> |
| 06 Accounts receivables | | |
| Receivable other than related party | 407,829,366 | 426,846,630 |
| Receivable from related party | 178,339,876 | 565,072,289 |
| Bank interest receivable on FDR | 5,284,928 | 4,806,298 |
| Claim Receivable | 2,067,433 | 4,972,935 |
| Provision for bad debts | (6,908,666) | (6,908,666) |
| | <u>586,612,937</u> | <u>994,789,485</u> |

Amounts in Taka

| | 31 December 2020 | 30 June 2020 |
|--|-----------------------------|---------------------------|
| 07 Advance, Deposits and Prepayments | | |
| Advance | | |
| Salary & Allowances | 1,551,200 | 2,023,100 |
| Insurance | 3,093,202 | |
| Construction | 319,322 | 597,422 |
| Expenses | 37,061,212 | 42,483,008 |
| Advance Income Tax | 151,323,015 | 131,519,379 |
| | <u>193,347,952</u> | <u>176,622,910</u> |
| Deposits | | |
| Security deposit for Utilities | 46,334,495 | 46,219,895 |
| | <u>46,334,495</u> | <u>46,219,895</u> |
| | <u>239,682,447</u> | <u>222,842,805</u> |
| 08 Materials in transit | | |
| Margin against Cotton | 11,991,598 | 9,426,724 |
| Margin Against Bank Guarantee | 10,962,108 | 11,062,108 |
| Materials In Transit | 169,341,433 | 120,167,962 |
| | <u>192,295,139</u> | <u>140,656,793</u> |
| 09 Cash and bank balances | | |
| Cash in hand | 1,540,945 | 1,028,689 |
| Balance in BO Account | 38 | 38 |
| Fixed Deposit | 11,515,800 | 11,515,800 |
| Bank balances with: | | |
| Islami Bank Bangladesh Ltd | 731,797 | 714,301 |
| Exim Bank Ltd, STD account | 25,096,933 | 28,858,997 |
| Mercantile Bank Ltd | 115,762 | 116,567 |
| HSBC Bank Ltd | 428,105,103 | 160,433,738 |
| City Bank Ltd | 2,155,692 | 2,165,422 |
| Prime Bank Ltd | 1,436,193 | 1,436,538 |
| Standard Chartered Bank | 730,017 | 212,308 |
| Jamuna Bank Limited | 7,205,805 | 2,534,919 |
| Dutch-Bangla Bank Limited | 2,190,763 | 30,793,731 |
| BRAC Bank Ltd | 87,920,162 | 3,403,043 |
| Mutual Trust Bank Limited | 62,688,073 | 362,662 |
| | <u>631,433,081</u> | <u>243,576,752</u> |
| 10 Asset held for sale | | |
| Cost: | | |
| Forklift | 1,872,720 | 1,872,720 |
| Generator | 20,464,359 | 20,464,359 |
| | <u>22,337,079</u> | <u>22,337,079</u> |
| Accumulated depreciation: | | |
| Forklift | 1,624,705 | 1,624,705 |
| Generator | 17,812,154 | 17,812,154 |
| | <u>19,436,859</u> | <u>19,436,859</u> |
| WDV | 2,900,220 | 2,900,220 |
| Fair value less cost to sale | 1,600,000 | 1,600,000 |
| Asset held for sale (Lower of WDV and Fair value less cost to sale) | <u>1,600,000</u> | <u>1,600,000</u> |

| | Amounts in Taka | |
|--|-----------------------------|-----------------------------|
| | 31 December 2020 | 30 June 2020 |
| 11 Retained earnings | | |
| Opening balance | 1,389,083,255 | 1,364,587,906 |
| Add: Profit made during the period | 205,841,880 | 210,211,386 |
| Less: Dividend Paid | (175,482,000) | (146,235,000) |
| Depreciation on Revalued Assets | 10,297,093 | 13,185,197 |
| Add: Deferred tax on revaluation reserve | 1,544,564 | (52,666,234) |
| Balance at 30 September 2020 | <u>1,431,284,793</u> | <u>1,389,083,255</u> |
| 12 Revaluation reserves | | |
| Opening balance | 1,520,826,225 | 922,470,313 |
| Addition during the period | - | 611,541,109 |
| Depreciation on Revalued Assets | (10,297,093) | (13,185,197) |
| Balance at 30 September 2020 | <u>1,510,529,132</u> | <u>1,520,826,225</u> |
| 13 Long Term bank loan | | |
| Off Shore Loan - HSBC | 284,970,675 | 477,037,828 |
| Less: Current portion of long term loan | (252,904,003) | (350,438,156) |
| | <u>32,066,672</u> | <u>126,599,671</u> |
| 14 Deferred Tax Liability | | |
| Deferred tax assets and liabilities have been recognized and measured in accordance with the provision of IAS-12: Income taxes. Deferred tax assets and liabilities are attributable to the following: | | |
| A. Deferred tax liability on historical cost: | | |
| Carrying amount other than revaluation | 2,803,126,286 | 2,905,972,073 |
| Tax base * | 1,727,013,204 | 1,846,080,033 |
| Taxable Temporary difference | <u>1,076,113,082</u> | <u>1,059,892,041</u> |
| Applicable tax rate | 15% | 15% |
| (Tax rate is 15% on Textile sector as per SRO - 193 dated 30 June | | |
| Deferred tax liability on historical cost | 161,416,962 | 158,983,806 |
| B. Deferred tax liability against revaluation reserve: | | |
| i) Deferred tax liability against revaluation reserve other than land | | |
| Carrying amount other than land | 359,957,360 | 370,254,454 |
| Tax base | - | - |
| | <u>359,957,360</u> | <u>370,254,454</u> |
| Applicable tax rate | 15% | 15% |
| (Tax rate is 15% on Textile sector as per SRO - 193 dated 30 June 2015.) | | |
| | <u>53,993,604</u> | <u>55,538,168</u> |
| ii) Deferred tax liability on capital gain against revaluation of land | | |
| Carrying amount other than building & others. | 1,358,959,500 | 1,358,959,500 |
| Tax base | - | - |
| | <u>1,358,959,500</u> | <u>1,358,959,500</u> |
| Applicable tax rate (3% As per section 53 H of ITO 1984) | 3% | 3% |
| | <u>40,768,785</u> | <u>40,768,785</u> |
| Deferred tax liability against revaluation reserve B (i+ii) | 94,762,389 | 96,306,953 |
| Total Deferred tax liability (A+B) | <u>256,179,351</u> | <u>255,290,759</u> |

| | | Amounts in Taka | |
|-----------|--|-----------------------------|-----------------------------|
| | | 31 December 2020 | 30 June 2020 |
| 15 | Accounts payable | | |
| | Suppliers | 60,743,058 | 70,148,878 |
| | Expenses | 64,922,957 | 57,510,574 |
| | Unclaimed Dividend | 66,390,198 | 4,027,296 |
| | Others | 2,350,462 | 417,134 |
| | | <u>194,406,675</u> | <u>132,103,881</u> |
| 16 | Short term bank loan | | |
| | UPAS Loan (Raw Cotton) | 15,112,624 | 1,300,157,441 |
| | Export Development Fund (EDF) | 1,172,614,869 | - |
| | Working Loan (Corona) | 51,150,000 | - |
| | | <u>1,238,877,493</u> | <u>1,300,157,441</u> |
| 17 | Provision & accruals | | |
| | Provision for Income Tax [Note-17.01] | 151,706,529 | 111,884,559 |
| | Provision for workers' profit participation and welfare funds [Note-17.02] | 24,484,364 | 12,079,513 |
| | | <u>176,190,893</u> | <u>123,964,072</u> |
| | 17.01 Provision for Income Tax | | |
| | Opening Balance | 111,884,559 | 129,209,246 |
| | Add: Provision for taxation for the period | 39,821,970 | 34,904,271 |
| | Less: Adjustment provision for previous years AIT | | (60,749,933) |
| | Excess/(Short) provision for taxations after final assessment order as below: | | |
| | Less: Adjustment of excess provision for the year 2011-2012 | | (9,402,553) |
| | Add: Adjustment of short provision for the year 2012-2013 | | (376,992) |
| | Less: Adjustment of excess provision for the year 2013-2014 | | (3,965,392) |
| | Add: Adjustment of short provision for the year 2015-2016 | | 22,265,911 |
| | | <u>151,706,529</u> | <u>111,884,559</u> |
| | 17.02 Provision for workers' profit participation and welfare funds | | |
| | Opening Balance | 12,079,513 | 5,503,037 |
| | Add: Addition during the period | 12,404,850 | 12,671,367 |
| | Less: Paid during the period | - | (6,094,891) |
| | Closing Balance | <u>24,484,364</u> | <u>12,079,513</u> |

This represents 5% on net income before charging income tax as per provision of the Labour Law-2006, and it shall be allocated among the eligible workers as defined in the said Act.

| | | Amounts in Taka | |
|-----------|---|-----------------------------|-----------------------------|
| | | 31 December 2020 | 31 December 2019 |
| 18 | Revenue | | |
| | Carded Yarn | 38,066,640 | 51,184,996 |
| | Combed Yarn | 562,259,971 | 604,728,491 |
| | Slub Yarn | 285,006,436 | 288,745,749 |
| | Synthetic Yarn | 546,503,998 | 486,863,460 |
| | Melange Yarn | 442,139,023 | 382,922,194 |
| | Vortex Yarn | 150,504,461 | 122,320,856 |
| | Open End Yarn | 119,286,946 | 122,548,715 |
| | Twist Yarn | 41,814,320 | 34,328,831 |
| | Twisting Services Charges | 523,711 | 418,101 |
| | | <u>2,186,105,507</u> | <u>2,094,061,393</u> |
| 19 | Cost of goods sold | | |
| | Raw Material consumption [Note-19.01] | 1,319,261,421 | 1,397,674,990 |
| | Packing materials consumption [Note-19.02] | 15,707,791 | 15,667,835 |
| | Fiber Dyeing | 4,981,760 | 5,695,606 |
| | Manufacturing overhead | 477,681,757 | 447,460,825 |
| | Cost of goods manufacturing | 1,817,632,729 | 1,866,499,257 |
| | Opening work-in-process | 43,535,277 | 40,794,490 |
| | Closing work-in-process | (40,253,491) | (46,421,118) |
| | Cost of production | 1,820,914,515 | 1,860,872,630 |
| | Opening stock of finished yarn | 89,041,018 | 89,977,643 |
| | Closing stock of finished yarn | (72,944,565) | (68,891,879) |
| | | <u>1,837,010,968</u> | <u>1,881,958,394</u> |
| | 19.01 Raw Material consumption | | |
| | Value (Taka) | | |
| | Opening balance | 465,487,680 | 250,757,810 |
| | Purchase during the period | 1,256,371,053 | 1,551,369,875 |
| | Raw Material available for consumption | 1,721,858,734 | 1,802,127,685 |
| | Closing balance | (402,597,313) | (404,452,695) |
| | | <u>1,319,261,421</u> | <u>1,397,674,990</u> |
| | 19.02 Packing materials consumption | | |
| | Opening balance | 2,208,327 | 3,226,100 |
| | Purchase during the period | 17,718,861 | 15,037,343 |
| | Packing materials available for consumption | 19,927,188 | 18,263,443 |
| | Closing balance | (4,219,397) | (2,595,607) |
| | | <u>15,707,791</u> | <u>15,667,835</u> |
| 20 | Other income | | |
| | Foreign currency exchange gain/(loss) | 7,029,449 | 6,430,819 |
| | Gain / (Loss) on Investment in marketable securities | 7,431,407 | (4,912,604) |
| | Bank interest received | 671,433 | 467,109 |
| | Sales of wastage | 30,790,236 | 22,107,927 |
| | Cash Dividend (received on marketable securities) | 80,527 | |
| | Rental Income | 2,134,800 | 1,886,400 |
| | Less: Repair and maintenance | (640,440) | - |
| | Misc. Income | 102,482 | 45,326 |
| | | <u>47,599,894</u> | <u>26,024,977</u> |

21. Computation of Taxable Income & Tax Liability thereon

| | Amounts in Taka | |
|---|-------------------|-------------------|
| | 31 December 2020 | 31 December 2019 |
| A. Tax Payable on Total Taxable Income | 39,821,970 | 12,915,429 |
| B. Minimum Tax Payable u/s 82C(4)(a) | | |
| Gross receipts during this year [Schedule-B] | 2,233,705,400 | 2,138,748,097 |
| Tax Rate | 0.60% | 0.60% |
| Minimum Tax u/s 82C(4)(a) of ITO 1984 | 13,402,232 | 12,832,489 |
| C. Minimum Tax Payable u/s 82C(4)(a) | | |
| Tax deducted at Source under section 52 BBBB | 15,665,009 | 9,424,356 |
| | 15,665,009 | 9,424,356 |
| Gross Tax Liability (higher of A, B and C) | 39,821,970 | 12,915,429 |
| Less: Previous year tax adjustment | | |
| Total Current Tax | 39,821,970 | 12,915,429 |

| | Amounts in Taka | |
|---|-----------------------------|-----------------------------|
| | 31 December 2020 | 31 December 2019 |
| 22 Deferred tax expenses for Income Statement | | |
| Fixed assets: | | |
| Carrying amount * | 2,803,126,286 | 3,073,814,568 |
| Tax base | <u>(1,727,013,204)</u> | <u>(1,960,727,069)</u> |
| Taxable Temporary difference | 1,076,113,082 | 1,113,087,498 |
| Tax rate | 15% | 15% |
| (Tax rate is 15% on Textile sector as per SRO - 193 dated 30 June 2015) | | |
| Deferred tax liabilities as on 30 September 2020 | 161,416,962 | 166,963,125 |
| Deferred tax liabilities 30 June 2020 | <u>(158,983,806)</u> | <u>(160,693,093)</u> |
| | <u>2,433,156</u> | <u>6,270,031</u> |
| 22.01 Deferred tax for Statement of Comprehensive Income | | |
| (i) Deferred tax liability against revaluation reserve other than land | | |
| Carrying amount other than land | 359,957,360 | 102,355,801 |
| Tax base | <u>-</u> | <u>-</u> |
| | 359,957,360 | 102,355,801 |
| Applicable tax rate | 15% | 15% |
| (Tax rate is 15% on Textile sector as per SRO - 193 dated 30 June 2015) | | |
| | <u>53,993,604</u> | <u>15,353,370</u> |
| (ii) Deferred tax liability on capital gain on revaluation of land | | |
| Carrying amount other than building & others. | 1,358,959,500 | 929,491,253 |
| Tax base | <u>-</u> | <u>-</u> |
| | 1,358,959,500 | 929,491,253 |
| Applicable tax rate (3% As per section 53 H of ITO 1984) | 3% | 3% |
| | <u>40,768,785</u> | <u>27,884,738</u> |
| Deferred tax liability against revaluation reserve (i + ii) | 94,762,389 | 43,238,108 |
| Deferred tax liabilities 30 June 2020 | <u>(96,306,953)</u> | <u>(43,640,719)</u> |
| Deferred tax for Statement of Comprehensive Income | <u>(1,544,564)</u> | <u>(402,612)</u> |
| * Deferred tax has been provided on Taxable Temporary difference. | | |
| 23 Basic Earnings per share (EPS) | | |
| The computation of EPS is given below: | | |
| Earnings attributable to ordinary shareholders | 205,841,880 | 78,845,143 |
| Weighted average number of ordinary shares outstanding at the period end | <u>97,490,000</u> | <u>97,490,000</u> |
| Earnings per share (EPS) | <u>2.11</u> | <u>0.81</u> |
| 24 Net Assets Value (NAV) Per Share | | |
| Total assets | 6,992,592,173 | 7,098,616,622 |
| Less: Total current liabilities | <u>(1,866,932,224)</u> | <u>(1,911,216,711)</u> |
| | 5,125,659,948 | 5,187,399,911 |
| Less: Long Term & deferred liabilities | <u>(288,246,024)</u> | <u>(381,890,430)</u> |
| | <u>4,837,413,925</u> | <u>4,805,509,481</u> |
| Number of Ordinary Share at statement of financial position date | <u>97,490,000</u> | <u>97,490,000</u> |
| NAV - Per Share at statement of financial position date | <u>49.62</u> | <u>49.29</u> |
| 25 Net Operating Cash Flow Per Share (NOCFPS) | | |
| Cash flows from operating activities as per statement of cash flows | 854,619,109 | 415,536,166 |
| Number of Ordinary Share at statement of financial position date | <u>97,490,000</u> | <u>97,490,000</u> |
| Net Operating Cash Flow - Per Share | <u>8.77</u> | <u>4.26</u> |

Realization from debtor and payment for raw material are the main two elements that cause NOCF to vary over the period. However, this is very usual for 100% export-oriented company operating in the spinning industry.

26 Related party disclosure

During the period, the Company carried out a numbers of transactions with related parties in the normal course of business. The names of the related parties and nature of these transactions have been set out in accordance with the provisions of IAS -24:

| Name of the related party | Relationship | Nature of transaction | Value of transactions (TKs) | Closing balance as at 31 December 2019 (TKs) | Statement as of 31 December 2020 | Closing balance as at 31 Dec 2020 (TKs) | Statement as of 31 Dec 2020 |
|-----------------------------------|----------------|-----------------------|-----------------------------|--|----------------------------------|---|-----------------------------|
| Flamingo Fashions Ltd | Sister Concern | Sale of yarn | 642,587,002 | 1,053,735 | Debtor | 118,706,886 | Debtor |
| Jinnat Fashions Ltd | Sister Concern | Sale of yarn | 144,657,380 | 454,034 | Debtor | 36,139,150 | Debtor |
| Jinnat knitwears Ltd | Sister Concern | Sale of yarn | 465,610,964 | 4,408,440 | Debtor | 356,815,261 | Debtor |
| Jinnat Apparels Ltd | Sister Concern | Sale of yarn | 253,638,819 | 131,050,145 | Debtor | 14,467,517 | Debtor |
| Mawna Fashions Ltd. | Sister Concern | Sale of yarn | 167,112,903 | 12,504,211 | Debtor | 24,997,731 | Debtor |
| Hamza Textiles Ltd | Sister Concern | Sale of yarn | 39,214,880 | 10,681,690 | Debtor | 6,608,437 | Debtor |
| Parkway Printing & Packaging Ltd. | Sister Concern | Sale of yarn | 18,418,089 | 9,701,448 | Debtor | 6,291,636 | Debtor |
| | | Godown Rent & Others | 7,822,173 | 7,822,173 | Debtor | 879,671 | Debtor |
| DBL Distribution Ltd | Sister Concern | Fuel & Lubricant | 11,386,548 | 10,500,810 | Creditor | 15,896,116 | Creditor |
| Color City Ltd | Sister Concern | Fiber Dyeing | 3,081,794 | 6,132,890 | Creditor | 8,099,861 | Creditor |
| DBL Ceramics Ltd | Sister Concern | Tiles | 358550.87 | 358,551 | Creditor | 124,945 | Creditor |

27 Reconciliation of net operating cash flow

| | 31 December 2020 | 31 December 2019 |
|--|--------------------|--------------------|
| Cash Flow from Operations | | |
| Net income | 205,841,880 | 78,845,143 |
| Less: Dividend Income transfer to investing activities | (80,527) | - |
| Less: Interest on FDR and Bank Accounts transfer to investing activities | (671,433) | (467,109) |
| Less: Effects of foreign currency translation gain /(loss) | - | (4,794,259) |
| Depreciation and amortization | 157,087,026 | 151,582,786 |
| Decrease (increase) in current assets | 421,568,663 | 138,086,615 |
| Decrease (increase) in current liabilities | 63,403,072 | 33,266,865 |
| Deferred tax liability | 888,592 | 5,867,420 |
| Unrealized gain/(loss) | 2,175,345 | (12,768) |
| Capital expenditure | (46,913,122) | (139,548,909) |
| Decrease (increase) in Revaluation Reserve | 11,841,657 | (2,684,078) |
| Gain /(Loss) on Investment in marketable securities | - | 9,825,208 |
| Accrued Interest shown in investing activities | 478,630 | 366,978 |
| Capital work-in-process | 38,999,326 | 145,202,275 |
| Cash flow from operating activities | 854,619,110 | 415,536,167 |

28 Total unclaimed dividend as on 31 december 2020 was Tk.66,390,198.

29 The figures have been rounded off to the nearest Taka

30 Prior period figures have been rearranged whenever necessary in order to conform with current period's presentation.

31 Disclosure of key management personnel compensation:

As per the paragraph 17 of IAS-24: Related Party Disclosure, there was no payment of benefits during this period on account of:

- Short-term employee benefits
- Post-employment benefits
- Other long-term benefits
- Termination benefits
- Share-based payment.

32 There was no seasonal/cyclical variation during the reporting period.

33 Business performance and explanation on significant changes

Sales revenue for the current period increased by 4.40% as compare to the same period of last year, mainly due to higher sales price / rate. Lower cost of raw materials as a whole and reduced utility expenses pushed up the gross profit ratio at 15.97% from 10.13% for the same period of last year and net profit ratio derived at 9.42 % from 3.77% for the same period of last year. Accordingly, EPS for the current period increased to Tk 2.11 as compared to Tk 0.81 for the same period of last year