



MSML/HO/2021/1128

October 28, 2021

1. The Chairman

Bangladesh Securities and Exchange Commission
Securities Commission Bhaban, E-6/C, Agargaon
Sher-e-Bangla Nagar Administrative Area, Dhaka-1207

2. The Managing Director

Dhaka Stock Exchange Limited
Stock Exchange Building
9/F, Motijheel C/A, Dhaka-1000.

3. The Managing Director

Chittagong Stock Exchange Limited
CSE Building, 1080 Sk. Mujib Road, Agrabad, Chittagong.

Sub: Price Sensitive Information

Dear Sirs,

In compliance with the regulation 33 of the Listing Regulation, 2015 of Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited, we are pleased to inform you that the Board of Directors of Matin Spinning Mills Limited in its 127th meeting held on 28th October 2021 at 3.00 pm at the Corporate office Board Room of the Company at Capita South Avenue Tower, 6th Floor, House No-50, Road No-03, Gulshan Avenue, Gulshan 1, Dhaka-1212 has approved the Audited Financial Statements for the year ended 30 June, 2021 for adoption in the 19th Annual General Meeting and among others, following decisions has been taken as Price sensitive Information:

Recommended to name change: In compliance with the section 11(Ka) of the companies Act 1994 (2nd Amendment, Company's name will be "**Matin Spinning Mills PLC**" in place of "**Matin Spinning Mills Limited**".

Dividend Recommended : Cash Dividend: @ 40%

Record Date : 17 November 2021

Date and Time of 19th AGM : 13 December 2021 at 11.30 am

Venue of the AGM : Digital Platform

The key comparative financial highlights of the Company are as follows:

Particulars	June 30, 2021	June 30, 2020,
Revenue	Tk.5,021,072,086	Tk.3,904,153,460
Net Profit after Tax	Tk.615,479,288	Tk.210,211,386
Earnings Per Share (EPS)	Tk.6.31	Tk. 2.16
Net Operating Cash Flow per share (NOCFPS)	Tk.0.40	Tk. 5.47
Net Asset Value (NAV) with revaluation Reserve	Tk. 5,248,595,867	Tk.4,805,509,480
Net Asset Value Per Share (NAVPS) with revaluation Reserve	Tk. 53.84	Tk.49.29

Explanatory notes for the significant variations in the Financial Statements for the year ended 30 June 2021:

Issue-1: Significant Increase in Revenue

Matin Spinning Mills Limited

Corporate Office: Capita South Avenue Tower (6th Floor), House # 50, Road # 03, Gulshan Avenue, Dhaka-1212, Bangladesh
Phone: +880-2-58817735, +880-2-58817736

Registered & Factory Office: Sardaganj, Kashimpur, Gazipur, Dhaka, Bangladesh. Phone: +880 2 7790070-72, Fax: +880 2 7790073

● www.matinspinning.com



Bangladesh as well as the whole world continues to face the adversity of the CORONA VIRUS PANDEMIC from last December 2019 to till date. Following the declaration of COVID-19 as a pandemic by the World Health Organization (WHO) in early March 2020, like many other Governments, the Government of Bangladesh introduced restrictive measures to contain further spread of the virus, affecting free movement of people and goods during the financial year 2020-21. However, our production was not affected significantly during the year 2020-21 for COVID 19. It is reported that our sales volume has increased by 8.13% and sales value by 28.61% during the reporting period compare to last year due to significantly increased yarn price for huge increase the demand of cotton-based product globally. Moreover, during this period, we produced various kind of special/fancy yarn which also has contributed a lot to reach higher sales revenue.

Issue-2: Significant Increase in EPS

EPS has been increased due to increase in Sales Revenue as well as sales quantity and there was no significant additional fixed expenditure against the incremental revenue except variable cost. As such there is a positive impact of EPS enhancement. Also noted that during the reporting year, Matin Spinning Mills Limited management has decided to made a sum of provision for bad and doubtful debts due to non-realization of long pending outstanding from external customer as per IFRS 9. There was no other significant Extraordinary Transactions during this year.

Issue-3: Significant decreased in Operating Cash flows

MSML sales proceeds complete through B2B deferred LC for 90-120 days. As per huge demand of cotton-based produce in Q3 and Q4 of RMG Sector, Matin Spinning Mills Limited yarn delivery in Q3 and Q4 increased upto Tk.2835 million under B2B LC. For this reasons receivable increased significantly. We observed that during the reporting period receivables has increased due to un-realization of receivable that would be received in due course as receivables are covered by LCs. It was also observed that Inventory increased significantly to ensure uninterrupted supply of raw material to the production as well as to get price benefit since raw materials demand and prices are also increasing trend. Consequently, Net Operating Cash Flow per Share of Matin Spinning Mills Limited has been decreased compared to that of previous year.

Issue-4: Net Asset Value per Share

Net Asset Value per share has been increased considerably due to excellent operating performance for the year under review as reflected in the EPS as well.

The Board of Directors' also decided that the shareholders, whose names would appear in the register of members of the company on the 'Record Date' will be eligible to attend at the 19th Annual General Meeting and to receive dividend.

This is for your information & record.

Sincerely yours,

M.A. Jabbar

Managing Director

Matin Spinning Mills Limited

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