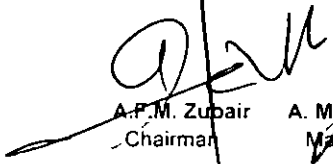


MALEK SPINNING MILLS LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH 2022
Un-Audited

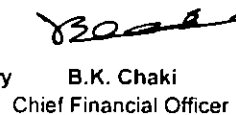
Particulars	Notes	Amount in Taka	
		MAR'22	JUN'21
ASSETS :			
Non-Current Assets :			
Property, Plant and Equipment	4	10,091,979,464	10,264,335,859
Capital Work-in-Progress	5	767,655,710	133,494,119
		10,859,635,174	10,397,829,978
Current Assets :			
Inventories	6	5,367,234,499	6,134,466,331
Accounts Receivable	7	4,364,881,770	3,579,126,645
Fire Insurance Claimed Receivable	8	602,087,307	304,791,187
Advances, Deposits and Pre-payments	9	921,999,259	756,851,805
Cash and Cash Equivalents	10	1,183,995,746	1,103,686,839
		12,440,198,581	11,878,922,807
TOTAL ASSETS :		23,299,833,755	22,276,752,785
SHAREHOLDER'S EQUITY AND LIABILITIES:			
Equity attributable to owners of the company			
Share Capital	11	1,936,000,000	1,936,000,000
Share Premium	12	1,500,000,000	1,500,000,000
Tax Holiday Reserve	13	210,883,871	210,883,871
Re-valuation Surplus	14	3,433,245,749	3,467,782,367
Retained Earnings	15	2,245,793,843	1,842,353,215
		9,325,923,463	8,957,019,453
Non Controlling Interest	16	57,029,245	55,533,970
Total Equity :		9,382,952,708	9,012,553,423
Non Current Liabilities:			
Long Term Loan	17	2,582,414,515	2,850,098,862
Deferred Tax Liabilities	18	499,942,253	479,117,771
		3,082,356,768	3,329,216,633
Current Liabilities :			
Short Term Loan	19	3,128,268,175	3,079,089,510
Current Portion of Long Term Loan	20	757,951,324	720,099,910
Loan from Director	21	25,500,000	34,000,000
Acceptance Liabilities	22	5,852,489,265	4,654,769,176
Unclaimed Dividend	23	4,203,520	39,229,338
Creditors, Accruals & Provisions	24	1,066,111,995	1,407,794,795
		10,834,524,280	9,934,982,729
TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES :		23,299,833,755	22,276,752,785
Net Assets Value Per Share (NAV)	37	48.17	46.27
Par Value Tk.10			

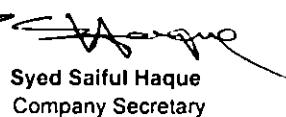
The annexed notes are integral part of these financial statement.


A.P.M. Zubair
Chairman


A. Mann Chowdhury
Managing Director


Azizur Rahim Chowdhury
Director



B.K. Chaki
Chief Financial Officer


Syed Saiful Haque
Company Secretary

MALEK SPINNING MILLS LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD FROM 1ST JULY 2021 TO 31ST MARCH 2022
Un-Audited


Particulars	Notes	Amount in Taka			
		JUL'21-MAR'22	JUL'20-MAR'21	JAN'22-MAR'22	JAN'21-MAR'21
Sales	25	14,027,299,832	10,783,683,956	4,669,183,221	3,703,677,940
Cost of Goods Sold	26	(12,853,036,709)	(9,818,257,388)	(4,276,048,419)	(3,323,310,519)
Gross Profit :		1,174,263,123	965,426,568	393,134,802	380,367,421
Operating Expenses	27	(212,264,242)	(194,361,920)	(81,545,444)	(65,897,355)
Financial Expenses	28	(317,978,585)	(335,706,326)	(97,447,462)	(112,628,631)
Operating Profit/(Loss) :		644,020,295	435,358,322	214,141,896	201,841,435
Other Income/(Loss)	29	79,424,437	87,820,369	16,104,298	43,307,816
Net Operating Profit/(Loss) :		723,444,732	523,178,692	230,246,193	245,149,252
Contribution to WPPF	30	(25,194,812)	(13,381,975)	-	-
Profit/(Loss) before Tax :		698,249,920	509,796,717	230,246,193	245,149,252
Income Tax :		(134,250,634)	(124,457,714)	(30,212,630)	(52,375,356)
Current Tax	31	(113,426,152)	(86,856,581)	(34,835,303)	(34,388,549)
Deferred Tax	32	(20,824,482)	(37,601,132)	4,622,673	(17,986,807)
Net Profit/(Loss) after tax		563,999,286	385,339,004	200,033,563	192,773,896
Other Comprehensive Income		-	-	-	-
Total Comprehensive Income		563,999,286	385,339,004	200,033,563	192,773,896
Profit attributable to:					
Owners of the company		562,504,010	384,272,160	199,194,040	192,255,039
Non-controlling interest	33	1,495,275	1,066,844	839,523	518,857
		563,999,286	385,339,004	200,033,563	192,773,896
Total comprehensive income attributable to:					
Owners of the company		562,504,010	384,272,160	199,194,040	192,255,039
Non-controlling interest	33	1,495,275	1,066,844	839,523	518,857
		563,999,286	385,339,004	200,033,563	192,773,896
Earnings Per Share (EPS)	34	2.91	1.98	1.03	0.99
Par Value Tk.10					
Number of Shares used to compute EPS		193,600,000	193,600,000	193,600,000	193,600,000

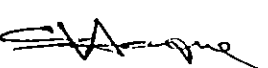
The annexed notes are integral part of these financial statement.


A.F.M. Zubair
Chairman


A. Mahim Chowdhury
Managing Director


Azizur Rahim Chowdhury
Director


B.K. Chaki
Chief Financial Officer


Syed Saiful Haque
Company Secretary

MALEK SPINNING MILLS LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
Un-Audited

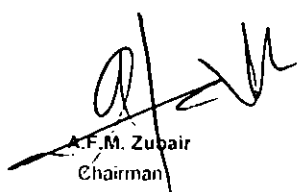
FOR THE PERIOD FROM 1ST JULY 2021 TO 31ST MARCH 2022

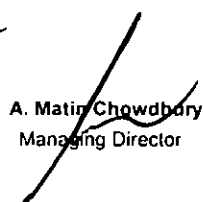
Particulars	Share Capital	Share Premium	Revaluation Surplus of Fixed Assets	Tax holiday Reserve	Retained Earnings	Non Controlling Interest	Total
Balance as at 1 st July 2021	1,936,000,000	1,500,000,000	3,467,782,367	210,883,871	1,842,353,215	55,533,970	9,012,553,423
Total Comprehensive Income					562,504,010	1,495,275	563,999,286
Transfer of excess depreciation of Revalued Assets			(34,536,618)		34,536,618		-
Declared Cash Dividend for 2020-2021 financial year					(193,600,000)		(193,600,000)
As at 31st March 2022	1,936,000,000	1,500,000,000	3,433,245,749	210,883,871	2,245,793,843	57,029,245	9,382,952,708

FOR THE PERIOD FROM 1ST JULY 2020 TO 31ST MARCH 2021

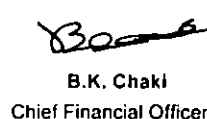
Particulars	Share Capital	Share Premium	Revaluation Surplus of Fixed Assets	Tax holiday Reserve	Retained Earnings	Non Controlling Interest	Total
Balance as at 1st July 2020	1,936,000,000	1,500,000,000	3,519,909,366	210,883,871	1,139,080,298	53,137,291	8,359,010,826
Total Comprehensive Income					384,272,160	1,066,844	385,339,004
Transfer of excess depreciation of Revalued Assets			(37,535,962)		37,535,962		-
Adjustment of Revaluation Surplus of Fixed Assets			(220,923)		220,923		-
Adjustment Non Controlling Interest						1,131,200	1,131,200
As at 31st March 2021	1,936,000,000	1,500,000,000	3,482,152,480	210,883,871	1,561,109,344	55,335,335	8,745,481,030

The annexed notes are integral part of these financial statement.


A.F.M. Zubair
Chairman


A. Matin Chowdhury
Managing Director


Arfar Rafim Chowdhury
Director


B.K. Chaki
Chief Financial Officer


Syed Salful Haque
Company Secretary

MALEK SPINNING MILLS LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM 1ST JULY 2021 TO 31ST MARCH 2022
Un-Audited


PARTICULARS	Amount in Taka	
	MAR'22	MAR'21
CASH FLOW FROM OPERATING ACTIVITIES :		
Collection from Turnover & Bills Receivable	13,241,544,707	9,912,320,595
Other Income	74,281,719	96,084,134
Payment for Raw Materials, Indirect Materials and other expenses	(11,806,320,994)	(9,532,771,122)
Foreign currency exchange Gain/(Loss) realized	(147,561)	(496,277)
Payment to Employee against contribution to WPPF	(42,190,984)	(10,211,279)
Payment for Operating Expenses	(203,463,222)	(187,761,164)
Payment for Financial Expenses	(310,627,299)	(335,706,326)
Payment for Income Tax	(100,549,175)	(68,391,264)
Net Cash provided/(used) by Operating Activities	852,527,192	(126,932,703)
CASH FLOW FROM INVESTING ACTIVITIES :		
Acquisition of Fixed Assets	(9,244,439)	(38,449,823)
Acquisition of Capital work in progress	(420,479,811)	(525,150,817)
Disposal of Fixed Assets	81,358,681	5,263,653
Net cash provided/(used) in Investing Activities	(348,365,569)	(558,336,987)
CASH FLOW FROM FINANCING ACTIVITIES :		
Bank Loan Increase/(Decrease)	(180,654,268)	555,913,396
Loan from Directors	(8,500,000)	-
Non Controlling Interest	-	1,131,200
Refundable IPO Share Money transferred to CMS Fund	(11,669,885)	-
Dividend Paid	(191,932,039)	(534,854)
Dividend transferred to Capital Market Stabilization Fund	(36,832,284)	-
Dividend Account Interest Received/(Transferred to CMS Fund)	138,505	-
Net cash provided/(used) in Financing Activities	(429,449,971)	556,509,742
Increase/(Decrease) in Cash and Cash Equivalents	74,711,652	(128,759,947)
Opening Cash & Cash Equivalents	1,103,686,839	589,256,619
Foreign Currency Bank deposit translation Gain/(Loss)	5,597,255	-
Closing Cash and Cash Equivalents	1,183,995,746	460,496,672
Net Operating Cash Flow Per Share (NOCFPS)	4.40	(0.66)
Par Value Tk.10		

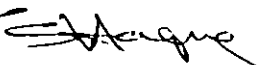
The annexed notes are integral part of these financial statement.


A.F.M. Zubair
Chairman


A. Matin Chowdhury
Managing Director


Azker Rahim Chowdhury
Director


B.K. Chaki
Chief Financial Officer


Syed Saiful Haque
Company Secretary

MALEK SPINNING MILLS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31ST MARCH 2022

1. COMPANY AND ITS ACTIVITIES:

Malek Spinning Mills Limited was incorporated vide registered no. C-19018 as a Private Limited Company on 2nd November, 1989 under Companies Act 1913. It was converted into Public Ltd. Company in the year 2008. The share of the company is denominated from Tk.100/- to Tk.10/- per share as on 14th September, 2008. Its subsidiary companies are Salek Textile Limited, Newasia Synthetics Limited and J.M. Fabrics Limited. Titas Spinning & Denim Company Ltd. one of the subsidiary company has been Merged and Amalgamated with another subsidiary company Salek Textile Ltd. as per order of the Hon'ble High Court Division of the Supreme Court of Bangladesh dated 05.03.2014 in the Company Matter No. 248 of 2013. All of the companies are incorporated with registrar of joint stock companies and firms, Dhaka, except J.M. Fabrics Limited which is registered with RJSC Chittagong, Bangladesh under Companies Act 1994. Registered office of the Companies are at 117/A, Tejgaon I/A, Dhaka-1208, while Factories are situated at Shafipur, Kaliakoir, Bhawal Mirzapur, Gazipur & Mahna Bhabanipur, Gazipur respectively.

1.01. NATURE OF BUSINESS:

The Company has got the capacity of 63,624 spindles to spin high quality Cotton hosiery yarns by using modern machinery including state-of-the-art yarn testing laboratory. Annual production capacity of the company is 12,600,000 Kgs.

2. SIGNIFICANT ACCOUNTING POLICIES:

2.01 Basis of Accounting/Statement of compliance:

The financial statements of the company under reporting have been prepared under historical cost convention, except land, Building and Machinery which is stated at revalued amount, in a going concern concept and on accrual basis other than Cash Incentive Income which is recognized on cash basis in accordance with generally accepted accounting principles and practice in Bangladesh in compliance with the Companies Act 1994, The Securities and Exchange Rules 1987, Listing Regulations of Dhaka Stock Exchange Ltd (DSE) & Chittagong Stock Exchange Ltd. (CSE) and in compliance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

2.02 Accrual basis accounting

The financial statements, except cash flows statements, have been prepared using the accrual basis of accounting. Under this concept, the company recognises items as assets, liabilities, equity, income and expenses when they satisfy the definitions and recognition criteria for those elements as per related accounting standard and framework.

2.03 Going concern

The financial statements have been prepared in assuming that the company is going concern and it has ability to continue as going concern for foreseeable future.

2.04 Principal Accounting Policies:

Specific accounting policies were selected and applied by the company's management for significant transactions and events that have a material effect within the framework of IAS-1 "Preparation of Financial Statement" and IAS-27 preparation separate financial statements and presentation of financial statements. The previous year's figures were presented according to the same accounting principles.

2.05 Basis of Consolidation:

The consolidated financial statements incorporate the financial statements of the company and entity controlled by the company. Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other member of the group.

All intra group transaction, balances, income and expenses are eliminated in full on consolidation. Minority interests in the net assets of consolidated subsidiaries are identified separately from the group equity therein. The consolidated financial statements are prepared as per guidance of IFRS-10: Consolidated Financial Statements.

MALEK SPINNING MILLS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31ST MARCH 2022

These consolidated financial statements have been prepared in consolidation with the un-audited accounts of the company and the un-audited accounts of Salek Textile Limited, Newasia Synthetics Limited and J.M. Fabrics Limited for the period ended March 31, 2022, according to the relevant IFRS or IAS.

2.06 Percentage of Holding on Subsidiary Company:

Name of Company	Total No. Shares	Total Holding	Percentage of Holding
Salek Textile Ltd.	48,260,870	47,259,700	97.925%
Newasia Synthetics Ltd.	6,600,000	6,553,338	99.293%
J.M. Fabrics Ltd.	4,000,000	3,999,900	99.998%

2.07 Application of International Accounting Standards (IAS):

The following IAS are applicable for the financial statements for the year under review

- IAS – 1 Presentation of Financial Statement.
- IAS – 2 Inventories.
- IAS – 7 Statement of Cash Flows.
- IAS – 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- IAS – 10 Events after the Balance Sheet Date.
- IAS – 12 Income Tax.
- IAS – 16 Property, Plant & Equipment.
- IAS – 18 Revenue.
- IAS – 20 Accounting for Government Grants and Disclosure of Government Assistance.
- IAS – 21 The effect of changes in Foreign Exchange rate.
- IAS – 23 Borrowing Cost.
- IAS – 24 Related Party Disclosure.
- IAS – 27 Separate Financial Statements.
- IAS – 33 Earnings per share.
- IAS – 36 Impairment of Assets.
- IAS – 37 Provisions, Contingent Liabilities and Contingent Assets.
- IAS – 38 Intangible Assets.
- IFRS – 3 Business Combination.
- IFRS – 8 Operating Segments
- IFRS – 10 Consolidated Financial Statements.
- IFRS – 16 Leases.

3. Significant accounting policy

3.01 Recognition of Property, Plant & Equipment and Depreciation:

Property, Plant & Equipment are stated at cost less accumulated depreciation in accordance with IAS-16 "Property, Plant & Equipment". Cost represents cost of acquisition or construction and include purchase price and other directly attributable cost of bringing the assets to working conditions for its intended use. Revaluation of Land, Building, Plant & Machineries were made by registered renowned Company Asian Surveyors Ltd. as on 30.06.2012. Depreciation on all fixed assets except J.M. Fabrics Limited is computed using the reducing balance method in amount sufficient to write-off depreciable assets over their estimated useful life. Depreciation on fixed assets of J.M. Fabrics Limited is computed using straight line method. Depreciation on Current year addition is charged as and when the assets are ready for operation.

MALEK SPINNING MILLS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31ST MARCH 2022

The annual depreciation rates applicable to the principal categories are:

Building	3.37% - 5%
Plant & Machinery	5% - 10.85%
Generator	10% - 15%
Furniture & Fixture	10% - 20%
Motor Vehicles	10% - 20%
Office Equipment	15% - 20%
Electrical Installation	10% - 19.75%
Gas Line Installation	15%
Fire Installation	15%
Loose Tools	10% - 15%

3.02 Inventories:

Inventories comprise of Raw Materials, Raw Materials in Transit, Work-In-Process, Finished Goods and Stores and Spare Parts. They are stated in accordance with the Para of 21 & 25 of IAS-2 "Inventories". Basis of valuation is as under:

- a) Raw Material in hand (imported) lower of cost and net realizable value (NRV).
- b) Raw Material in hand (local) lower cost (weighted average) and NRV.
- c) Raw Material in transit Cost incurred to date accumulated to balance sheet date of course cost incurred to date is less than or equal to fair value.
- d) Work-in-process lower of cost (weighted average) and NRV (market value less cost to finish).
- e) Finished Goods lower of cost and NRV.
- f) Waste NRV.

Cost in relation to work-in-process and finished goods represents annual average manufacturing cost which consists of prime cost and apportionate manufacturing overheads.

Net realizable value signifies the estimated selling price in the ordinary course of business less estimated cost of completion and estimated cost necessary to be incurred to affect such sale.

3.03 Accounts Receivable:

Accounts Receivable represents the amounts due from export sales both to local and foreign buyers. All transaction related to export sales is performed through letter of credit, they are secured and collectible. The credit party, under confirmed LC of sold goods is between 90 days to 130 days. Receivable are recognised, when goods are sold to customers and subsequently measured at amortise cost.

3.04 Cash and Cash Equivalents:

According to IAS-7 'Statement of Cash flows' cash comprises of cash-in-hand and demand deposits. IAS-1 'Presentation of Financial Statements' provides that cash and cash equivalents are not restricted in use. Considering the provisions of IAS-7 and IAS-1, Cash in hand and Bank balances have been considered as cash and cash equivalents.

3.05 Creditors and Accruals:

Liabilities are recognized under accrual basis accounting, amounts to be paid in the future for goods and services received. After final recognition the creditors and accruals are accounted for under amortised cost.

3.06 Income Tax:

a) **Current Tax:** The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported is the statement of Profit or Loss and other Comprehensive income because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted on date of Statement of Financial Position.

MALEK SPINNING MILLS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31ST MARCH 2022

b) **Deferred Tax:** The Company has recognized deferred tax using balance sheet method in compliance with the provisions of IAS-12 "Income Taxes". The company's policy of recognition of deferred tax assets/liabilities is based on temporary difference (Taxable or deductible) between the carrying amount (Book Value) of assets and liabilities for Financial Reporting purpose and its tax base, and accordingly, deferred tax income/expenses has been considered to determine net profit after tax and earnings per share (EPS).

3.07 Statement of Cash Flows:

Statement of Cash Flows is prepared in accordance with IAS-7 under direct method as outlined in the "Securities and Exchange Rules 1987".

3.08 Risk and Uncertainties for use of Estimates in Preparation of Financial Statements:

The preparation of financial statements in conformity with the international accounting standards requires management to make estimates and assumption that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of affecting financial statements and revenues and expenses during the reported year. Actual results could differ from those estimates. Estimates are used for accounting of certain items such as long-term contracts; depreciation and employees benefit plans, taxes, reserves and contingencies.

3.09 Compliance with International Accounting Standards:

The financial statements have been prepared in compliance with requirement of IAS as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and applicable in Bangladesh.

3.10 Contingent Liabilities and Assets:

Current or possible obligations or assets arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain events which are not within the control of the group.

3.11 Reporting Period:

Financial statements of the company cover from 1st July 2021 to 31st March 2022.

3.12 Reporting Currency and Level of Precision:

The figures in the financial statements represent Bangladesh Currency (Taka), which have been rounded off to the nearest Taka except where indicates otherwise.

3.13 Comparative Information:

Comparative information have been disclosed in respect of previous year (1st Jul' 2020 to 31st Mar' 2021) for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current year (1st Jul' 2021 to 31st Mar' 2022) financial statements. Figures of the previous year have been rearranged whenever considered necessary to ensure comparability with the current year.

3.14 Foreign Currency Transaction:

Transactions in foreign currencies are translated into Bangladeshi taka in accordance with IAS-21 "The Effects of Changes in Foreign Exchange Rate." Foreign Currencies are converted into taka at the rates ruling on the transaction dates. Monetary assets and liabilities are converted at the rates prevailing at the balance sheet date, non-monetary assets and liabilities are reported using the exchange rate at the date of transaction. Exchange currency difference if any in the comprehensive income.

3.15 Revenue Recognition:

The Company recognizes revenue when risk and rewards associated with ownership has been transferred to buyer, which satisfied all the condition for the revenue recognition as provided in IAS-18 'Revenue Recognition.'

3.16 Accounting for Government Grants and Disclosure of Government Assistance:

Cash Incentive recognize as per IAS-20 as other income.

MALEK SPINNING MILLS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31ST MARCH 2022

3.17 Responsibility for Preparation and Presentation of Financial Statements:

The Board of Directors is responsible for the preparation and presentation of Financial Statements under Section 183 of the Companies Act 1994 and as per the provision of 'The Framework for the Preparation and Presentation of Financial Statements' issued by the International Accounting Standards Board (IASB).

3.18 Components of the Financial Statements:

According to the International Accounting Standard IAS-1 'Presentation of Financial Statements' the complete set of Financial Statements includes the following components:

- (i) Statement of Financial Position as at 31st March 2022.
- (ii) Statement of Profit or Loss and other Comprehensive Income for the period from 1st July 2021 to 31st March 2022.
- (iii) Statement of Cash flows for the period from 1st July 2021 to 31st March 2022.
- (iv) Statement of changes in Equity for the period from 1st July 2021 to 31st March 2022.
- (v) Accounting Policies and Explanatory Notes.

3.19 Earnings per Share:

Earnings per share (EPS) is calculated in accordance with the International Accounting Standard IAS-33 "Earnings per share".

3.20 Basic Earnings per Share:

Basic Earnings per share is calculated by dividing the net profit or loss for the year attributable to ordinary shareholders by the number of ordinary shares outstanding during the year.

3.21 Share Premium:

The balance in share premium account shall be utilized in accordance with provisions of the Companies Act 1994 and as directed by the Bangladesh Securities and Exchange Commission in this respect.

3.22 Lease Assets:

In Compliance with the IFRS-16, Changes to the company's accounting policies have been made as required, in accordance with the transitional provisions in the respective IFRS 16 Lease.

IFRS 16 supersedes IAS 17 Leases. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The company adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The company elected to use the transition practical expedient to not reassess whether a contract is, or contains a lease at 1 January 2019. Instead, the company applied the standard only to contracts that were previously identified as leases applying IAS 17 at the date of initial application.

The IFRS 16 requires to recognise the present value of minimum lease payment under the lease agreement as asset and Liability namely "Right to Use of Asset" and "Lease Liability" respectively. The Right to Use of Asset is added by the balance of advance payment at initial application of IFRS 16, which was January 01, 2019. However, IFRS 16 also allows the company to recognise the lease payment as expenses in respect of short term lease agreement and lease for which the underlying asset is of short term (temporary) lease and low value. One lease agreement of the company are fallen in second category. As such, lease (rental) payment was recognised as expenses in the Profit or Loss statement, when they incurred, for short term (temporary) lease and low value lease agreement.

Subsequent Measurement:

The lease liability:

Upon initial recognition, the lease liability is being accounted for using amortised cost. Meaning that the initial liability is added by finance charge at company's incremental borrowing cost less subsequent rental payment on monthly basis.

MALEK SPINNING MILLS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31ST MARCH 2022

Right to Use of assets:

The leased assets (Right to Use of Asset) are depreciated over its useful life on monthly basis using straight line depreciation method

3.23 Impairment of Assets:

The company reviews the recoverable amount of its assets at each reporting date. If there exist any indication that the carrying amount of assets exceeds the recoverable amount, the company recognizes such impairment loss in accordance with IAS-36 "Impairment of Assets".

3.24 Credit Facility Not Availed:

There was no credit facility available to the company under any contract, other than trade credit available in the ordinary course of business.

3.25 Segment Reporting:

As there is a single business and geographic segment within the company operates as such no segment reporting is felt necessary for Malek Spinning Mills Ltd. But its subsidiaries Salek Textile Ltd. has geographic and product segment by Spinning, Fabrics & RMG unit and the financial statement has reported showing result and Financial Position each segment according to IFRS-8. The disclosure of segment reporting is also disclosed in financial of Salek Textile Ltd.

3.26 General Comments & Observations:

- a) Previous year's figures is regrouped/reclassified wherever considered necessary to confirm to current year's presentation. There has no such effect during year. Figures have been rounded off to the nearest taka, as the currency represented in this financial statement.
- b) All shares have been fully called and paid up.
- c) There was no preference share issued by the company.
- d) The company has not incurred any expenditure in foreign currency against royalties and technical fees.
- e) Auditors are paid only statutory audit fees.
- f) No foreign exchange remitted to the relevant shareholders during the year under audit.
- g) No amount of money was expended by the company for compensating any members of the Board for special service rendered.
- h) No brokerage was paid against sales during the year under audit.
- i) There was no bank guarantee issued by the company on behalf of directors.

3.27 Contribution to Worker's Profit Participation Fund:

The contribution for Worker's Profit Participation Fund is provided in the Accounts but approved while approving the Accounts in the Annual General Meeting and payable accordingly. The company is making provision of WPPF at the rate of 5% of company's operating profit as per the Labour Law Act-2006 (amendment 2013).

3.28 Effect of exchange rate changes on cash and cash equivalent:

We have shown the effect of currency Exchange Rate Changes separately in the Cash Flows Statement.

MALEK SPINNING MILLS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31ST MARCH 2022

	Amount in Taka	
	MAR'22	JUN'21
4. CONSOLIDATED PROPERTY, PLANT AND EQUIPMENT:		
<u>COST:</u>		
Opening Balance	10,931,215,044	10,426,808,834
Addition during this period	345,291,208	1,110,109,925
	11,276,506,252	11,536,918,759
Sales/Adjustment during this period	250,420,152	605,703,715
Closing Balance	11,026,086,100	10,931,215,044
<u>Accumulated Depreciation:</u>		
Opening Balance	4,342,061,520	4,225,768,966
Adjustments during this period	148,804,496	346,527,890
Depreciation during this period	369,061,030	462,820,444
Closing Balance	4,562,318,054	4,342,061,520
Written Down Value at cost:	6,463,768,046	6,589,153,524
 <u>REVALUATION:</u>		
Opening Balance	4,800,928,324	4,814,879,388
Addition of Revaluated Assets	-	-
Adjustment during this period	-	13,951,064
Total Revaluated Assets:	4,800,928,324	4,800,928,324
<u>Accumulated Depreciation:</u>		
Opening Balance	1,125,745,989	1,069,553,764
Depreciation during this period	46,970,916	66,934,452
Adjustments during this period	-	10,742,227
Closing Balance	1,172,716,905	1,125,745,989
Written Down Value of Revaluated Assets:	3,628,211,419	3,675,182,335
Total Written Down Value:	10,091,979,464	10,264,335,859
 Allocation of depreciation charges for this period has been made in the accounts as follows:		
Factory Overhead	407,230,926	520,615,898
Administrative Overhead	8,801,020	9,138,998
	416,031,946	529,754,896
 Details of Fixed Assets and Depreciation are shown in the Annexure-1		
 5. CONSOLIDATED CAPITAL WORK-IN-PROGRESS:	767,655,710	133,494,119
Opening Balance	133,494,119	257,972,906
Addition for this period	771,935,434	578,475,819
Less: Transferred to Assets Schedule	137,773,843	702,954,607
Closing Balance	767,655,710	133,494,119
 6. CONSOLIDATED INVENTORIES :		
Raw Materials	2,135,432,389	1,622,063,187
Stock-in-Transit	1,134,298,523	1,319,515,688
Work-in-Process	664,794,814	1,353,604,778
Finished Goods	1,117,607,775	1,491,398,445
Stores & Accessories:	315,100,998	347,884,232
Total:	5,367,234,499	6,134,466,331

MALEK SPINNING MILLS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31ST MARCH 2022

Amount in Taka

MAR'22

JUN'21

(i) The inventory counting was taken place at this period end in the presence of company management and auditors.

(ii) Inventories are valued at lower of cost and net realizable value. Net realizable value is based on estimated selling price less any other cost anticipated to be incurred to make the sale. Any obsolete stock or abnormal losses, if any, are recognized as expenses.

7. CONSOLIDATED ACCOUNTS RECEIVABLE :

i) Malek Spinning Mills Limited	1,776,121,119	1,249,627,547
ii) Salek Textile Limited	2,596,099,942	1,551,091,902
iii) J.M. Fabrics Limited	371,053,809	1,023,193,148
	4,743,274,871	3,823,912,597
Less: Inter Company Receivable	378,393,102	244,785,953
Total:	4,364,881,770	3,579,126,645

(i) A/C Receivable occurred in the ordinary course of business by selling of company's product. As per assessment of directors, the above receivable is considered as good & realizable within due course of business.

(ii) The A/C Receivable are secured against confirmed Export L/C (Deferred period is 120 days).

(iii) Aging of the Receivables:

Invoiced at 90 days L.C tenor:	436,488,177	357,912,665
Invoiced at 120 days L.C tenor:	3,491,905,416	2,863,301,316
Invoiced at 121 - 180 days L.C tenor:	436,488,177	357,912,665
Invoiced at 181 - 360 days L.C tenor:	-	-
Invoiced at above 360 days L.C tenor:	-	-
Total:	4,364,881,770	3,579,126,645

8. CONSOLIDATED FIRE INSURANCE CLAIMED RECEIVABLE: 602,087,307 304,791,187
(Contingent Asset)

Please see the note no. 42 of these financial statements for detail of contingent assets.

9. CONSOLIDATED ADVANCE, DEPOSIT & PRE-PAYMENTS:

Advance against construction materials, Suppliers & Others	418,912,674	277,168,421
Security Deposit to REB	178,875	1,178,875
Security Deposit to Titas Gas T&D Co.	44,422,276	49,001,852
Advance against Income Tax (Note: 9-A)	435,661,450	335,112,275
Security Deposit to CDBL	500,000	500,000
Security deposit to Peoples Insurance Company Ltd.	500,000	-
Security deposit to Asia Pacific General Insurance Company Ltd.	500,000	-
Security deposit to Eastern Insurance Company Ltd.	-	500,000
Security deposit to Palli Bidyut Samity	3,000,000	-
Advance to M/S Maznu Traders(For Land purchase)	73,073	73,073
Advance to M/S Sowa Enterprise	-	500,000
Advance to WASO Engineers & Consultants (BD) Ltd.	600,000	600,000
Security Deposit to EBL	-	34,000,000
Security Deposit to OBL	-	12,500,000
Security Deposit to TBL	-	9,000,000
Advance against Office/Factory Rent	750,000	31,725,948
Security Deposit against LC margin/ Bank Guarantee	1,283,645	1,991,360
Advance to M/S MR Traders (Land purchase-Ashugonj)	14,900,000	3,000,000
Advance to Mr. Abdus Salam(Land)	717,266	-
Total:	921,999,259	756,851,805

MALEK SPINNING MILLS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31ST MARCH 2022

	Amount in Taka	
	MAR'22	JUN'21
9-A. CONSOLIDATED ADVANCE INCOME TAX:		
Opening Balance	335,112,275	359,447,316
Advance Income Tax paid (Against Export Proceeds)	67,135,194	72,679,216
Advance Income Tax paid (Against Import)	482,438	1,668,600
Advance Income Tax paid (Against Interest Income)	461,952	81,803
Advance Income Tax paid (Against Cash Incentive)	7,178,839	10,479,235
Advance Income Tax paid (Against Yearly Income)	25,000,000	5,468,828
Advance Income Tax paid (Against Vehicle)	290,752	464,500
Total AIT paid for this period:	100,549,175	90,842,182
Payment/Adjustment for prior year Income	-	115,177,223
Total:	435,661,450	335,112,275

- a) All the advances & deposits amount is considered good and recoverable within the ordinary course of business.
b) In the opinion of Directors, all current assets, investments, loans and advance have on realization in the ordinary course of business, a value at least equal to the amount at which they are stated in the Financial Position.

MATURITY ANALYSIS OF ADVANCES, DEPOSITS & PREPAYMENTS:

(i) Realizable/Adjustable within 1 year:	810,410,492	585,983,495
(ii) Realizable/Adjustable after 1 year:	111,588,767	170,868,310
Total:	921,999,259	756,851,805

10. CONSOLIDATED CASH AND CASH EQUIVALENTS:

	1,705,552	2,567,349
Cash in Hand:		
Cash at Banks :		
AB Bank Ltd. STD A/C: 4005-767482-430 (MSML)	256,269	256,269
Brac Bank STD A/C: 15051001762043001 (MSML)	42,285	42,811
Brac Bank A/C: 1501201762043001 (MSML)	1,878,381	10,336,539
The City Bank Ltd.-CD A/C: (JM)	210,532	858,155
The City Bank Ltd.-FBPAR A/C: (JM)	137,373,514	153,900,486
The City Bank Ltd.-ERQ A/C: (JM)	27,866,851	1,082,859
Dhaka Bank Ltd A/C: 207.100.6276 (STL)	1,261,341	71,423,629
Dhaka Bank USD Margin A/C:0032 (STL)	2,483,145	39,720,752
Dhaka Bank Ltd A/C: 207.100.6643 (NSL)	12,088,550	25,904,830
Dhaka Bank Ltd. CD A/C: 207-175000000023(MSML)	-	28,536,940
Dhaka Bank Ltd. STD A/C: 207-150000000806(MSML)	2,325,139	28,892,799
Dhaka Bank Ltd.- Margin A/C: (MSML)	44,263,739	122,520,591
Dutch Bangla Bank Ltd. CD A/C: (MSML)	328,831	474,754
Dutch Bangla Bank Ltd. CD A/C: (STL)	555,900	442,575
Dutch Bangla Bank Ltd. CD A/C: (JMF)	630,790	1,298,387
Eastern Bank CD A/C: 5745 (NSL)	85,771	86,116
Eastern Bank Ltd.- Margin A/C: USD (MSML)	76,587,884	22,010,428
Eastern Bank Margin A/C:0311738 (STL)	45,916,862	102,576
Eastern Bank CD A/C: 01011060020990 (STL)	162,803	-
Eastern Bank Ltd. ERQ A/C:1043100255781(STL)	106,184	48,691
Eastern Bank FC A/C: MSML	1,208,424	1,210,823
Eastern Bank Ltd.-STD A/C: 101-1230000068 (MSML)	1,203	3,378,153
HSBC Bank USD Margin A/C: 091 (STL)	11,241,970	-
HSBC Bank USD Margin A/C: 047 (STL)	38,163	203,438
HSBC Bank-Margin A/C:091 USD (MSML)	-	7,471,658
Meghna Bank Ltd. FC A/C:1101-17600000017(STL)	34,396	-
Meghna Bank Ltd. CD A/C:1039(STL)	314,297	56,107
Meghna Bank Ltd. CD A/C:0007(STL)	21,818	355,119,467
Islami Bank-CD A/C: 010049410(STL)	24,548	24,951

MALEK SPINNING MILLS LIMITED
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FOR THE PERIOD ENDED 31ST MARCH 2022

	<u>Amount in Taka</u>	
	MAR'22	JUN'21
Islami Bank-CD A/C: 0100222810(STL)	1,859	2,761
Islami Bank-FDR A/C: 3301(STL)	1,685,662	1,618,445
Meghna Bank FDR A/C: (MSML)	50,000,000	-
One Bank- USD A/C:(MSML)	24,786,079	887,395
Pubali Bank-CD A/C: 3311-901-12209 (STL)	924,068	-
Shahjalal Islami Bank A/C: 11100000252 8 (MSML)	8,868	8,868
Trust Bank CD A/C: 0003-0210006613 (MSML)	425,799	-
Trust Bank Ltd.-CD A/C: 0003-0136000153 (MSML)	27,674,029	-
Trust Bank Ltd A/C: 0003-0210009816 (STL)	-	65,324,884
Trust Bank Ltd - Margin A/C: 5025000082(MSML)	155,907	150,531
Trust Bank Ltd - Margin A/C: 5025000028(STL)	28,279,224	9,965,222
Trust Bank Ltd. SND A/C: 003-0320001302(STL)	40,954,602	23,623,654
Trust Bank Ltd. ERQ A/C: 003-5101000526(STL)	25,716	3,239,442
Trust Bank Ltd.- CD A/C: (NSL)	531,828	531,828
Eastern Bank Ltd. CD A/C: 64055 (JM)	240,797	270,859
Eastern Bank Ltd. ERQ A/C: (JM)	50	50
Prime Bank Ltd. CD A/C (JM)	84,681	-
Prime Bank Ltd. Margin A/C	19,570,736	20,058,806
Prime Bank Ltd. ERQ A/C	1,590,206	527,104
UCBL- FC Margin: (JM)	565,368,085	97,966,912
UCBL- Banani Branch(JM)	59,498	222,857
UCBL- ERQ A/C: (JM)	52,612,909	1,315,087
Cash at Bank Total:	1,182,290,193	1,101,119,490
Total:	1,183,995,746	1,103,686,839

a) Cash balance was physically counted at this period ended and Bank balances were reconciled and found in order.

11. CONSOLIDATED SHARE CAPITAL:	1,936,000,000	1,936,000,000
It represents 19,36,00,000 ordinary shares of Tk. 10 each.		
12. CONSOLIDATED SHARE PREMIUM:	1,500,000,000	1,500,000,000
It represents premium of 100,000,000 ordinary shares of Tk. 15 each.		
13. CONSOLIDATED TAX HOLIDAY RESERVE:		
Opening Balance	210,883,871	210,883,871
Add: Provided during this period	-	-
Closing Balance	210,883,871	210,883,871
14. CONSOLIDATED RE-VALUATION SURPLUS:		
Opening Balance	3,467,782,367	3,519,909,366
Less: Adjustment of Revaluated Assets	-	3,208,837
Less: Transfer to Retained Earnings of excess depreciation	34,536,618	48,918,162
Net Written Down Value:	3,433,245,749	3,467,782,367
Detail of Re-valuation Surplus of Fixed Assets is given in the annexed Annexure-1		

MALEK SPINNING MILLS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31ST MARCH 2022

		<u>Amount in Taka</u>	
		<u>MAR'22</u>	<u>JUN'21</u>
Calculation of deferred tax adjusted balance which has been transferred from revaluation surplus to retained earnings and changes in equity:			
Total depreciation of revalued asset	100%	40,631,315	
Deferred tax adjustment	15%	6,094,697	
Deferred tax adjusted balance of excess depreciation:	85%	<u>34,536,618</u>	
15. CONSOLIDATED RETAINED EARNINGS:			
Opening Balance		1,842,353,215	1,139,080,298
Add: Net Profit/(Loss) during this period		562,504,010	651,145,918
		<u>2,404,857,226</u>	<u>1,790,226,216</u>
Add: Transfer of excess depreciation of revalued assets		34,536,618	48,918,162
Add: Adjustment of Revaluation Surplus of Fixed Assets		-	3,208,837
Less: Declared Cash Dividend		193,600,000	-
Total:		<u>2,245,793,843</u>	<u>1,842,353,215</u>
16. NON CONTROLLING INTEREST:			
Non Controlling Interest details as follows:			
<u>Paid-up Capital-</u>			
(i) Salek Textile Ltd.	2.0745%	10,011,700	10,011,700
(ii) Newasia Synthetics Ltd.	0.7070%	4,666,200	4,666,200
(iii) J.M Fabrics Ltd.	0.0025%	10,000	10,000
Total:		<u>14,687,900</u>	<u>14,687,900</u>
<u>Retained Earnings-</u>			
(i) Salek Textile Ltd.	2.0745%	21,113,533	19,424,432
(ii) Newasia Synthetics Ltd.	0.7070%	(171,891)	(159,339)
(iii) J.M Fabrics Ltd.	0.0025%	26,379	19,248
Total:		<u>20,968,022</u>	<u>19,284,341</u>
<u>Tax Holiday reserve-</u>			
(i) Salek Textile Ltd.	2.0745%	4,470,368	4,470,368
Total:		<u>4,470,368</u>	<u>4,470,368</u>
<u>Revaluation Surplus-</u>			
(i) Salek Textile Ltd.	2.0745%	7,414,032	7,602,409
(ii) Newasia Synthetics Ltd.	0.7070%	9,485,468	9,485,468
(iii) J.M Fabrics Ltd.	0.0025%	3,455	3,484
Total:		<u>16,902,955</u>	<u>17,091,361</u>
Total Non Controlling Interest:		<u>57,029,245</u>	<u>55,533,970</u>

This represents non controlling interest of Salek Textile Limited, Newasia Synthetics Limited, J.M. Fabrics Limited

17. CONSOLIDATED LONG TERM LOAN:

Trust Bank Limited	1,431,545,665	1,528,174,578
Meghna Bank Ltd.	219,327,451	162,500,000
HSBC Limited	266,655,113	331,996,364
Brac Bank Limited	14,540,000	-
One Bank Limited	225,892,721	285,364,486
The City Bank Ltd.	82,046,395	10,775,822
IDLC Finance Ltd.	89,178,930	115,729,338
Prime Bank Ltd.	531,715,822	262,254,580
United Commercial Bank Ltd.	479,463,742	752,794,521
United Leasing Co. Ltd.	-	406,476

MALEK SPINNING MILLS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31ST MARCH 2022

Amount in Taka

	MAR'22	JUN'21
Lease Liability	-	120,202,607
	3,340,365,839	3,570,198,772
Less: Current Portion of Long Term Loan Note: 20	757,951,324	720,099,910
Total Long Term Loan:	2,582,414,515	2,850,098,862

18. DEFERRED TAX LIABILITIES:

Opening Balance	479,117,771	470,565,565
Add: Provision for this period	20,824,482	8,552,205
Total:	499,942,253	479,117,771

Deferred Tax Calculation:

Particulars	Accounts Base (WDV)	Tax Base (WDV)	Temporary difference	Temporary difference
Written Down Value of Fixed Assets at cost	6,463,768,046	5,426,294,467	1,037,473,579	881,399,865
WDV of Revaluation Surplus of Fixed Assets	3,628,211,419	1,341,650,365	2,286,561,054	2,333,531,970
Lease Contract	-	-	-	(14,513,330)
Total	10,091,979,465	6,767,944,832	3,324,034,632	3,200,418,504
Deferred tax rate			12% - 15%	12% - 15%
Closing Deferred Tax Liability			499,942,253	479,117,771

19. CONSOLIDATED SHORT TERM LOAN:

Import Loan & Working Capital:

Dutch-Bangla Bank Ltd.	-	400,000,000
Eastern Bank Ltd.	-	76,300,042
HSBC Ltd.	219,500,000	151,793,029
Meghna Bank Ltd.	225,875,118	355,000,000
Trust Bank Ltd.	62,522,538	132,304,991
IDLC Finance Ltd.	-	150,755,208
Prime Bank Ltd.	232,732,164	55,606,153
One Bank Ltd.	-	12,500,000
The City Bank Ltd.	541,275,058	456,295,116
United Commercial Bank Ltd.	1,035,493,330	588,690,673
Sub-total:	2,511,923,662	2,379,245,212

Bank Overdraft:

Eastern Bank Ltd A/C: 01012050000180 & 11 (MSML)	34,268,774	76,489,043
Eastern Bank Ltd A/C: 010120400000780 (STL)	4,763,198	154,385
Dhaka Bank Ltd A/C: 207.175.23 (MSML)	29,719,238	-
Brac Bank Ltd. A/C: 1501201762043002 (MSML)	14,873,861	-
The city Bank Ltd. A/C:(JM)	-	4,973,153
Prime Bank Ltd. (JM)	2,851,629	44,842,349
United Commercial Bank Ltd.(JM)	-	20,705,361
Pubali Bank Ltd.(STL)	-	714,884
Trust Bank Ltd. A/C: 0210009816 (STL)	12,972,379	-
Trust Bank Ltd. A/C: 0136000171 (STL)	5,107,769	823,560
Meghna Bank Ltd.(STL)	51,001,098	50,077,777
One Bank Ltd A/C: 16426 008 (MSML)	5,767,905	30,312,249
TBL OD A/C:003- 0136000153 (MSML)	-	29,594,503
TBL CD/OD A/C: 0210006613 (MSML)	-	8,989,600
HSBC OD A/C : 001-007475-011(MSML)	9,736,922	43,101,442
HSBC A/C: 001-241389-011 (STL)	27,333,542	8,383,140
Sub-total:	198,396,315	319,161,445

MALEK SPINNING MILLS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31ST MARCH 2022

	Amount in Taka	
	MAR'22	JUN'21
<u>Liability for Bill discounted</u>		
Dhaka Bank Ltd.	177,632,291	119,111,477
Eastern Bank Ltd	155,913,671	178,732,898
HSBC Ltd.	4,529,153	2,586,307
Trust Bank Ltd.	79,873,084	80,252,172
Sub-total:	417,948,199	380,682,854
Total:	<u>3,128,268,175</u>	<u>3,079,089,510</u>

20. CONSOLIDATED CURRENT PORTION OF LONG TERM LOAN :

HSBC Ltd.	87,121,664	86,955,528
Meghna Bank Ltd.	24,832,523	-
One Bank Ltd.	80,936,813	82,708,656
Trust Bank Ltd.	212,632,514	190,750,508
The City Bank Ltd.	2,389,492	-
IDLC Finance Ltd.	36,260,620	34,241,919
Prime Bank Ltd.	182,944,822	131,966,598
United Commercial Bank Ltd.	130,832,877	151,408,435
Lease Liability	-	42,068,267
Total:	<u>757,951,324</u>	<u>720,099,910</u>

According to International Accounting Standard (IAS) 1 "Preparation of Financial Statements", Current portion of Long Term Loan that are due for settlement within twelve month after the balance sheet date are current liabilities, therefore, the above amount has been shown in current liabilities.

21. CONSOLIDATED LOAN FROM DIRECTOR:

	25,500,000	34,000,000
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22. CONSOLIDATED ACCEPTANCE LIABILITIES:

Raw Materials:

Eastern Bank Limited	1,269,990,180	1,123,798,278
HSBC Ltd.	76,502,707	343,854,507
The City Bank Ltd.	331,401,296	561,497,353
One Bank Ltd.	510,604,934	274,339,376
Brac Bank Ltd.	296,828,839	-
Meghna Bank Ltd.	191,659,917	-
Trust Bank Ltd	1,235,737,728	659,144,278
Prime Bank Ltd.	127,878,812	342,730,790
United Commercial Bank Ltd.	490,686,380	692,731,003
Dhaka Bank Limited	771,469,924	656,673,592
Sub-total:	<u>5,302,760,717</u>	<u>4,654,769,176</u>

Machinery:

The City Bank Ltd.	195,072,691	-
Trust Bank Ltd	3,200,235	-
Sub-total:	<u>198,272,926</u>	<u>-</u>

Capital Work-in-progress

	<u>351,455,623</u>	<u>-</u>
Total:	<u>5,852,489,265</u>	<u>4,654,769,176</u>

MALEK SPINNING MILLS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31ST MARCH 2022

Amount in Taka

	MAR'22	JUN'21
23. UNCLAIMED DIVIDEND WITH INTEREST:	4,203,520	39,229,338
Bankwise Details as follows:		
Brac Bank (Principal):	1,733,951	10,209,155
Brac Bank (Interest):	144,430	127,384
Dhaka Bank (Principal):	1,781,838	28,470,956
Dhaka Bank (Interest):	543,302	421,843
Total-	4,203,520	39,229,338

	MAR'22	JUN'21
24. CONSOLIDATED CREDITORS, ACCRUALS & PROVISIONS:		
Gas Bill Payable	59,229,907	65,216,014
Electricity Bill Payable	2,073,554	1,390,261
Audit Fee Payable	-	417,450
Tax Deduction at Source	9,725,627	12,660,568
Vat Deduction at Source	2,264,181	2,753,641
Income Tax Payable (Note: 24-A)	428,256,174	314,830,022
Salary & Wages Payable	239,430,440	206,693,109
Contribution to WPPF Payable	86,500,962	103,497,133
Director's Remuneration Payable	979,792	979,792
Payable for Goods Suppliers & Others	240,241,189	366,383,290
Payable for Waste Cotton Purchase	330,901,530	527,945,301
Interest accrued (Note: 24-B)	43,682,964	36,925,506
Refundable IPO Share money	1,218,777	12,888,661
	1,444,505,096	1,652,580,748
Less: Inter Company Payable	378,393,102	244,785,953
Total:	1,066,111,995	1,407,794,795

a) Payable for Goods Supplies and others represents regular suppliers of packing materials, Bearing, belts, fuel & lubricants, stationery items and others.

b) Factory Salary and Wages payable for the month of 31st March 2022.

	MAR'22	JUN'21
24-A. CONSOLIDATED TAX PAYABLE:		
Opening Balance	314,830,022	345,382,933
Provision for this period (Current Tax): (Note: 31)	113,426,152	97,283,005
	428,256,174	442,665,938
Payment/Adjustment for prior year balance:	-	127,835,916
Total Payment/Adjustment for last year Income:	-	127,835,916
Total Payable-	428,256,174	314,830,022

	MAR'22	JUN'21
24-B. INTEREST ACCRUED:		
Dutch Bangla Bank Ltd.	5,123,993	-
Meghna Bank Ltd.	-	450,902
One Bank Limited	38,558,971	36,331,678
HSBC Ltd.	-	142,926
Total:	43,682,964	36,925,506

MALEK SPINNING MILLS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31ST MARCH 2022

	<u>Amount in Taka</u>	
	<u>MAR'22</u>	<u>MAR'21</u>
25. CONSOLIDATED SALES:		
Export Sales	14,668,386,762	11,147,714,366
Less: Inter Co. Sales	641,086,930	364,030,410
Total:	<u>14,027,299,832</u>	<u>10,783,683,956</u>
26. CONSOLIDATED COST OF GOODS SOLD:		
Raw Material Consumed (Note: 26-A)	9,677,681,518	8,061,288,526
Direct Expenses (Note: 26-B)	1,735,610,448	1,561,499,086
Factory Overhead (Note: 26-C)	<u>1,295,577,159</u>	<u>1,393,144,203</u>
Total Manufacturing Cost	12,708,869,124	11,015,931,815
Add: Work-in-Process- Opening	<u>1,353,604,778</u>	<u>648,228,673</u>
Cost of Goods available for use	14,062,473,903	11,664,160,487
Less: Work-in-Process- Closing	<u>664,794,814</u>	<u>1,378,287,456</u>
Cost of Production	13,397,679,089	10,285,873,032
Add: Finished Goods- Opening	<u>1,491,398,445</u>	<u>1,522,642,684</u>
Cost of Goods Available for Sales	14,889,077,534	11,808,515,716
Less: Finished Goods- Closing	1,117,607,775	1,626,227,918
Less: Finished Goods Closing- Inter Company	641,086,930	364,030,410
Less: Goods destroyed by fire (Note-29.A(ii))	277,346,120	-
Cost of Goods Sold:	<u>12,853,036,709</u>	<u>9,818,257,388</u>
26-A. CONSOLIDATED RAW MATERIALS CONSUMED:		
Opening Inventory of Raw Materials	1,622,063,187	1,996,488,196
Add: Purchase of Raw Materials	10,191,050,720	7,914,673,356
Less: Closing Stock of Raw Materials	<u>2,135,432,389</u>	<u>1,849,873,025</u>
Total Raw Materials Consumption:	<u>9,677,681,518</u>	<u>8,061,288,526</u>
26-B. CONSOLIDATED DIRECT LABOUR:	<u>1,735,610,448</u>	<u>1,561,499,086</u>
26-C. CONSOLIDATED FACTORY OVERHEAD:		
Factory Salary and Allowances	204,357,184	254,991,685
Overtime Wages for Worker	13,970,298	30,928,224
Festival Bonus	14,644,808	20,963,259
Electricity Charges	6,410,498	26,007,660
Gas Charges	291,013,408	303,063,092
Gardening Expenses	19,521	22,105
Repairs & Maintenance	62,447,206	58,431,861
Air Freight, Courier charges	52,370	52,120
Packing Materials	46,925,878	54,272,758
Fuel, Oil & Lubricant	29,595,779	30,836,716
Insurance Premium- Fire	4,461,614	3,801,440
Stores & Accessories consumption	120,221,104	107,986,932
Entertainment	14,038,145	16,838,535
Telephone, Mobile & Fax	2,545,347	2,404,155
Stationery expenses	4,397,969	7,143,870
Printing Charges	-	1,261,543
Other Carrying Charges	3,320,279	2,944,959
Factory Office Expenses others	1,465,682	1,487,290
Dyeing, Printing, Washing, Embroidary, Finishing Exp.	-	737,985

MALEK SPINNING MILLS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31ST MARCH 2022

Amount in Taka

	MAR'22	MAR'21
C&F and others expenses	1,756,002	4,671,068
Lab test & Inspection charges	15,639,798	18,412,503
Security Service charges	862,841	133,170
Loss on Discontinuation of Lease Asset {Note: 26.C(i)}	28,992,187	-
Vehicles Maintenance	9,271,441	10,481,342
Medical Expenses	767,367	1,398,403
Uniform & Leverage	103,884	296,178
Central Fund expenses for RMG sector	2,374,637	2,039,559
Miscellaneous	2,496,631	2,769,354
Conveyances	4,820,889	7,541,454
Accommodation Facility for worker	1,373,466	1,605,952
Depreciation	407,230,926	419,619,030
Total:	<u>1,295,577,159</u>	<u>1,393,144,203</u>

26.C(i) LOSS ON DISCONTINUATION OF LEASE ASSETS:

Lease Liability	99,797,834	-
Less: Written down value RUA	95,866,287	-
Less: Deferred Tax Asset	1,947,786	-
Less: Advance against Factory Rent	30,975,948	-
Loss on Lease Assets:	<u>(28,992,187)</u>	<u>-</u>

27. CONSOLIDATED OPERATING EXPENSES:

Salaries & Allowances	86,458,101	68,169,695
Festival Bonus	3,209,064	3,340,809
Director's Remuneration	11,250,000	11,250,000
Fees, Forms & Others	10,351,923	6,389,338
Audit Fees	-	1,200,000
Printing & Stationery	1,318,821	1,023,511
Telephone, Mobile & Internet Expenses	1,917,288	1,888,222
Postage, Stamp & Courier expenses	68,565	766,061
Vehicle Maintenance	10,060,253	8,029,925
Miscellaneous Expenses	15,285,045	8,358,051
Office Rent	26,936,308	29,653,449
Rates & Taxes	334,960	1,024,492
Carriage Outward, Selling & Distribution, C&F, Sample expense	14,416,820	23,240,458
Travelling & Conveyance	2,063,112	1,802,425
Entertainments	1,711,830	2,219,681
Office Expenses	-	12,525
Advertisement/ Publicity Expenses	445,165	453,121
AGM Expenses	376,086	1,267,266
Marketing Expenses	9,013,181	7,520,100
Security Service Charges	77,390	16,000
Uniform & Leverage Security	-	198,720
VAT Expenses	840,650	-
Repairs & Maintenance	6,670,160	9,373,339
Medical Expenses	6,500	106,440
Donation & Subscription	437,596	237,596
Software Maintenance Expenditure	106,904	112,440
Credit Rating Charges	107,500	107,500
Depreciation	8,801,020	6,600,756
Total:	<u>212,264,242</u>	<u>194,361,920</u>

MALEK SPINNING MILLS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31ST MARCH 2022

	Amount in Taka	
	MAR'22	MAR'21
28. CONSOLIDATED FINANCIAL EXPENSES :		
<u>EASTERN BANK LTD.:</u>		
Interest on Long Term Loan	-	7,690,821
Interest on Short Term Loan	496,143	3,287,418
Interest on Overdraft	936,561	3,674,237
Bank Charges & Commission	1,065,871	1,726,339
Export L/C Negotiation Commission	3,102,882	2,319,211
Interest on Bill Discount	3,557,252	4,582,199
Total:	9,158,708	23,280,225
 <u>HSBC LTD.:</u>		
Interest on Long Term Loan	15,526,289	22,352,209
Interest on Short Term Loan	7,112,351	27,723,864
Interest on Overdraft	2,034,527	3,111,954
Bank Charges & Commission	1,186,762	11,750,546
Export L/C Negotiation Commission	36,587	1,052,799
Interest on Bill Discount	-	6,085,053
Total:	25,896,516	72,076,425
 <u>DHAKA BANK LTD.:</u>		
Interest on Short Term Loan	-	183,894
Interest on Overdraft	772,258	1,350,628
Bank Charges & Commission	1,762,387	1,448,144
Export L/C Negotiation Commission	2,548,482	1,399,727
Interest on Bill Discount	3,039,909	1,038,592
Total:	8,123,036	5,420,984
 <u>MEGHNA BANK LTD.:</u>		
Interest on Short Term Loan	15,014,898	-
Interest on Long Term Loan	12,293,621	-
Bank Charges and Commission	451,581	-
Export L/C Negotiation Commission	193,224	-
Interest on Overdraft	3,046,201	-
Interest on Bill Discount	292,613	-
Total:	31,292,138	-
 <u>ONE BANK LTD.:</u>		
Interest on Long Term Loan	8,472,668	2,385,943
Interest on Short Term Loan	684,769	-
Interest on Overdraft	3,014,514	2,348,549
Bank Charges & Commission	797,273	273,443
Export L/C Negotiation Commission	46,531	84,848
Interest on Bill Discount	-	6,614
Total:	13,015,754	5,099,398

MALEK SPINNING MILLS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31ST MARCH 2022

	<u>Amount in Taka</u>	
	<u>MAR'22</u>	<u>MAR'21</u>
<u>TRUST BANK LTD. :</u>		
Interest on Long Term Loan	99,705,822	75,730,473
Interest on Short Term Loan	366,292	1,329,095
Bank Charges & Commission	1,649,041	5,987,201
Export L/C Negotiation Commission	3,501,295	3,875,288
Interest on Overdraft	2,429,392	4,561,286
Interest on Bill Discount	2,262,193	4,700,228
Total:	109,914,035	96,183,571
 <u>ISLAMI BANK BANGLADESH LTD.:</u>		
Bank Charges & Commission	4,305	245,181
Total:	4,305	245,181
 <u>DUTCH BANGLA BANK LTD. :</u>		
Interest on Short Term Loan	11,078,790	-
Bank Charges & Commission	97,432	48,446
Total:	11,176,222	48,446
 <u>BRAC BANK LTD. :</u>		
Interest on Overdraft	1,828	-
Bank Charges and Commission	2,941	1,945
Total:	4,769	1,945
 <u>THE CITY BANK LTD. :</u>		
Bank Charges and Commission	2,981,660	1,377,316
Interest on Long Term Loan	1,591,286	7,649,539
Interest on Short Term Loan	12,243,201	14,479,381
Total:	16,816,147	23,506,236
 <u>PUBALI BANK LTD. :</u>		
Bank Charges & Commission	17,662	5,894
Total:	17,662	5,894
 <u>IDLC FINANCE LTD. :</u>		
Bank Charges and Commission	40,000	-
Interest on Long Term Loan	6,148,346	17,009,305
Total:	6,188,346	17,009,305
 <u>PRIME BANK LTD.</u>		
Interest on Long Term Loan	25,254,692	9,849,277
Interest on Short Term Loan	8,109,706	-
Bank Charges and Commission	895,564	938,148
Total:	34,259,962	10,787,425

MALEK SPINNING MILLS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31ST MARCH 2022

	Amount in Taka	
	MAR'22	MAR'21
UCBL :		
Interest on Short Term Loan	19,610,750	23,932,896
Interest on Term Loan	31,893,362	46,629,186
Bank Charges & Commission	606,874	1,627,840
Total:	52,110,986	72,189,922
FINANCIAL EXPENSES ON LEASE LIABILITY	-	9,851,369
TOTAL FINANCIAL EXPENSES:	317,978,585	335,706,326
29. OTHER INCOME/(LOSS):		
CASH INCENTIVE:	71,793,500	91,755,451
OTHER INCOME/(LOSS):		
Interest Received from Dividend A/C with BRAC Bank Ltd.	-	65,931
Interest Received from Dividend A/C with Dhaka Bank Ltd.	-	190,289
Interest Income from STD A/C with BRAC Bank Ltd.	-	112
Interest Income from STD A/C with Eastern Bank Ltd.	9,650	17,182
Interest Received from FDR A/C-Islami Bank	191,180	330,316
Interest Received from CD A/C-Islami Bank	-	797,145
Interest Received from CD A/C-Meghna Bank	2,203,473	-
Interest Received from SND A/C	83,916	70,370
	2,488,219	1,471,344
Income from Agriculture	-	2,857,339
	-	2,857,339
Foreign currency exchange Gain/(Loss) against Import LC payment	(717,852)	(1,362,563)
Foreign currency exchange Gain/(Loss) against export realization	570,291	866,286
Foreign currency translation Gain/(Loss)	5,597,255	-
Gain/(Loss) on Sale or Discontinuation of Assets	(306,975)	(7,767,488)
	5,142,719	(8,263,765)
Other Income/(Loss)	7,630,937	(3,935,082)
Total Non-operating Income/(Loss)	79,424,437	87,820,369
29.A(i). LOSS ON FIRE OF ASSETS:		
Fire Insurance claimed	19,950,000	-
Written down value	19,950,000	-
Loss on fire of Assets	-	-
29.A(ii). LOSS ON FIRE OF GOODS:		
Fire Insurance claimed	277,346,120	-
Goods destroyed by fire	277,346,120	-
Loss on fire of Goods	-	-
30. CONSOLIDATED WORKER'S PROFIT PARTICIPATION FUND:		
Provision for Contribution to WPPF(MSML)	12,294,274	8,837,769
Provision for Contribution to WPPF(STL)	12,900,538	4,544,205
Total:	25,194,812	13,381,975

MALEK SPINNING MILLS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31ST MARCH 2022

	Amount in Taka	
	MAR'22	MAR'21
31. CONSOLIDATED CURRENT TAX EXPENSES:		
<u>On Operating Income:</u>		
Malek Spinning Mills Ltd.	40,067,537	29,666,913
Salek Textile Ltd.	25,532,360	20,502,182
J.M Fabrics Ltd.	38,029,150	26,701,492
Sub-total:	103,629,047	76,870,587
<u>On Cash Incentive:</u>		
Salek Textile Ltd.	2,140,239	3,414,325
J.M Fabrics Ltd.	5,038,600	5,665,043
Sub-total:	7,178,839	9,079,368
<u>On Other Income:</u>		
Malek Spinning Mills Ltd.	1,080,790	178,765
Salek Textile Ltd.	915,146	219,812
J.M Fabrics Ltd.	622,330	508,049
Sub-total:	2,618,266	906,626
Total:	113,426,152	86,856,581
Prior year under provision	-	-
Grand Total:	113,426,152	86,856,581
32. CONSOLIDATED DEFERRED TAX:		
Malek Spinning Mills Limited	(4,587,869)	(3,260,864)
Salek Textile Limited	8,486,468	30,406,052
J.M Fabrics Limited	16,925,883	10,455,944
Total:	20,824,482	37,601,132
33. NON CONTROLLING INTEREST:		
<u>On Net Profit(Loss) after tax:</u>		
Salek Textile Limited	2.0745%	1,500,725
Newasia Synthetics Limited	0.7070%	(12,552)
J.M. Fabrics Limited	0.0025%	7,103
Total:		1,495,275
		1,066,844
34. CONSOLIDATED BASIC EARNINGS PER SHARE (EPS):		
(a) Consolidated Net Profit(Loss) after tax	563,999,286	385,339,004
(b) Less: Non Controlling Interest	1,495,275	1,066,844
Consolidated Net Profit(Loss): (a-b)	562,504,010	384,272,160
(c) Number of total share	193,600,000	193,600,000
Basic Earnings per Share (EPS): [(a-b)/c]	2.91	1.98

MALEK SPINNING MILLS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31ST MARCH 2022

Amount in Taka

35. CASH FLOW FROM OPERATING ACTIVITIES ON INDIRECT METHOD:		
	MAR'22	MAR'21
PARTICULARS	MAR'22	MAR'21
Operating Profit/(Loss)	644,020,295	435,358,322
Depreciation	416,031,946	426,219,786
Other Income/(Loss)	74,281,719	96,084,134
Foreign currency exchange Gain/(Loss)	(147,561)	(496,277)
Accounts Receivable (Increase)/Decrease	(785,755,125)	(871,363,361)
Inventories (Increase)/Decrease	489,885,711	(680,162,671)
Advance, Deposit & Prepaid expenses (Increase)/Decrease	(64,598,280)	(584,456,890)
Accounts Payable Increase/(Decrease)	221,548,645	1,130,486,797
Payment to Employee against contribution to WPPF	(42,190,984)	(10,211,279)
Payment for Income Tax	(100,549,175)	(68,391,264)
Net Cash provided/(used) by Operating Activities	852,527,192	(126,932,703)

36. NET OPERATING CASH FLOW PER SHARE (NOCFPS):

Calculation of Net Operating Cash Flow per Share (NOCFPS):		MAR'22	MAR'21
NOCFPS	a) Net Cash provided/(used) by Operating Activities	852,527,192	(126,932,704)
	b) Number of total Shares	193,600,000	193,600,000
Net Operating Cash Flow Per Share (NOCFPS) { a/b }		4.40	(0.66)

Net Operating Cash Flow per Share significantly increased due to as follows:

a) Collection against turnover are increased Tk. 3,329.22 million for the financial period 1st Jul'2021 to 31st Mar'2022 compared to the last financial period 1st Jul'2020 to 31st Mar'2021 and other income decreased Tk. 21.80 million for the financial period 1st Jul'2021 to 31st Mar'2022 compared to the last financial period 1st Jul'2020 to 31st Mar'2021.

b) Payment to Material suppliers and other supplier is increased Tk. 2,273.55 million, payment for operating expenses increased Tk. 15.70 million, payment for financial expenses decreased Tk. 25.07 million, payment for income tax increased Tk. 32.15 million for the financial period 1st Jul'2021 to 31st Mar'2022 compared to the last financial period 1st Jul'2020 to 31st Mar'2021.

CASH FLOW FROM OPERATING ACTIVITIES :	MAR'22	MAR'21	DEFERENCE
Collection from Turnover & Bills Receivable	13,241,544,707	9,912,320,595	3,329,224,113
Other Income	74,281,719	96,084,134	(21,802,415)
Payment for Raw Materials, Indirect Materials and other expenses	(11,806,320,994)	(9,532,771,122)	(2,273,549,872)
Foreign currency exchange Gain/(Loss) realized	(147,561)	(496,277)	348,716
Payment to Employee against contribution to WPPF	(42,190,984)	(10,211,279)	(31,979,705)
Payment for Operating Expenses	(203,463,222)	(187,761,164)	(15,702,058)
Payment for Financial Expenses	(310,627,299)	(335,706,326)	25,079,027
Payment for Income Tax	(100,549,175)	(68,391,264)	(32,157,911)
Net Cash provided by Operating Activities	852,527,192	(126,932,703)	979,459,894

37. NET ASSET VALUE (NAV) PER SHARE:

NAV calculation		MAR'22	JUN'21
a)	Equity attributable to owners of the company	9,325,923,463	8,957,019,453
b)	Number of total Shares	193,600,000	193,600,000
Net Assets Value Per Share (NAV) { a/b }		48.17	46.27

MALEK SPINNING MILLS LIMITED
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FOR THE YEAR ENDED 31ST MARCH 2022

38. RELATED PARTY DISCLOSURE:

The company, in normal course of business, carried out a number of transactions with other entities that fall within the definition of related party contained in International Accounting Standard 24: Related Party Disclosures. All transactions involving related parties arising in normal course of business are conducted on an arm's length basis at commercial rates, on the same terms and conditions as applicable to the third parties. Details of transactions with related parties and balances with them as at 31st March 2022 were as follows:

Related Party	Nature of Relationship	Nature of Transaction	Transaction during this period		Balance as at 31.03.2022	Balance as at 30.06.2021
			Dr. (Sales or Advance)	Cr. (Realised)		
Knit Asia Limited	Common Director	Sales	753,327,734	688,187,842	149,691,360	84,551,468
Salek Textile Limited	Subsidiary	Sales	11,185,514	18,278,325	49,534,158	56,626,969
Newasia Synthetics Limited	Subsidiary	Advance	-	-	-	-
J.M. Fabrics Limited	Subsidiary	Sales	629,901,416	489,201,456	328,858,944	188,158,984
Hejaz Publication Ltd.	Common Director	Office Rent	8,300,556	8,300,556	-	-

39. KEY MANAGEMENT PERSONNEL COMPENSATION:

Company has established following personnel compensation to the employee:

a) **Short-term employee benefits:** Company provide the following short-term benefit.

Particulars	Jul'21 to Mar'22		Jul'20 to Mar'21	
	Directors	Executivos	Directors	Executivos
<u>Remuneration/ Salary</u>	<u>2,000,000</u>	<u>9,257,924</u>	<u>1,900,000</u>	<u>8,025,154</u>
i) Basic	1,028,520	4,687,792	1,028,520	4,313,755
ii) House Rent	514,260	2,343,896	514,260	2,156,878
iii) Conveyance	154,368	703,580	154,368	647,440
iv) Medical Allowance	102,852	468,779	102,852	431,376
v) Bonus	200,000	1,053,876	100,000	475,705
Number of Person:	1	4	1	4

b) **Post-employment benefits:** Company provide contributory Provident fund and Worker's Profit Participation Fund to the employee.

c) **Other long-term benefits:** Company provide Gratuity Benefit to the employee under which an employee is entitle to the benefit depending on length of service. The cost for Gratuity is accounted on cash basis.

d) **Share-based payment:** Company does not provide any share-based payment facilities to the employee.

MALEK SPINNING MILLS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2022

40. DISCUSSION ON SIGNIFICANT DEVIATION OF COST OF GOODS SOLD, EXPORT, GROSS PROFIT MARGIN, NET PROFIT MARGIN AND EARNINGS PER SHARE (EPS):

(a) **Cost of Goods Sold:** The cost of goods sold was 91.63% on sales during the financial period 1st Jul'2021 to 31st Mar'2022 compared to 91.05% for the financial period 1st Jul'2020 to Mar'2021 on sales, COGS is increased on 0.58% this financial period was due to increased of Sales price for this financial period compared to the financial period 1st Jul'2020 to 31st Mar'2021.

(b) **Export or Turnover:** The company had achieved an export turnover of Tk.14,027.29 million during the financial period 1st Jul'2021 to 31st Mar'2022. Last year financial period 1st Jul'2020 to 31st Mar'2021 turnover was Tk.10,783.68 million. The turnover had increased by 30.08% this financial period compared to last year financial period 1st Jul'2020 to 31st Mar'2021 due to increase of Sales quantity and Sales price also.

(c) **Gross Profit:** Gross Profit earned during the financial period 1st Jul'2021 to 31st Mar'2022 by 8.37% on sales as compared to 8.95% during the financial period 1st Jul'2020 to 31st Mar'2021. It was decreased by 0.58% on sales due to percentage of cost of goods sold on sales was increased this financial period 1st Jul'2021 to 31st Mar'2022 compared to the last year financial period 1st Jul'2020 to 31st Mar'2021.

(d) **Net Profit/(Loss):** The company had incurred a Net Profit of Tk.563.99 million during the financial period 1st Jul'2021 to 31st Mar'2022 compared to the last year financial period 1st Jul'2020 to 31st Mar'2021, was Net Profit Tk. 385.33 million. The Net Profit was increased this financial period 1st Jul'2021 to 31st Mar'2022 due to increase of Sales, Gross Profit and decreased of Financial Expenses.

(e) **Earnings Per Share (EPS):** EPS is increased from Tk. 1.98 to Tk. 2.91 during the financial period 1st Jul'2021 to 31st Mar'2022 compared to the financial period 1st Jul'2020 to 31st Mar'2021 due to increase of Net Profit this financial period 385.33 million to Net Profit 563.99 million but number of Share is unchanged.

41. INVESTMENT IN SUBSIDIARY COMPANY:

Salek Textile Limited (3,900,100 Shares @Tk.100 and 825,870 Share of Tk.460 each including Premium Tk.360)

Newasia Synthetics Limited (6,553,338 Shares of Tk.100/- each)

J.M. Fabrics Limited (3,999,900 Shares of Tk.100/- each)

Total:

769,910,000	769,910,000
655,333,800	655,333,800
399,990,000	399,990,000
1,825,233,800	1,825,233,800

Share holding position in Subsidiary Company 97.926% of Salek Textile Ltd., 99.293% of Newasia Synthetics Ltd. & 99.998% of J.M Fabrics Ltd.

42. CONTINGENT ASSET DISCLOSURE:

(i) During the financial period 1st July' 2021 to 31st March' 2022, a fire incident has been happened in the factory premises of Malek Spinning Mills Limited. As a result, some of goods (inventory) of TK 277,346,120 and some Property, Factory Building of TK 19,950,000 has been destroyed by fire. Whole of these assets (Inventory and Property, Factory Building) are under comprehensive insurance coverage with Pioneer Insurance Company Limited. Till date of reporting an inspection has been done by surveyor. As per director's assessment, the insurance claim recovery shall not be less than that carrying amount.

(ii) For the year 2020-2021, a fire incident has been happened in one of the company's subsidiary factory premises (Salek Textile Limited- Fabrics unit). As a result, some of goods (inventory) of TK 58,346,808 and some Property, Plant and Equipment of TK 246,444,379 of said subsidiary company has been destroyed by fire. Whole of these assets (Inventory and Property, Plant and Equipment) are under comprehensive insurance coverage with Pioneer Insurance Company Limited. Till date of reporting an inspection has been done by surveyor. As per director's assessment, the insurance claim recovery shall not be less than that carrying amount.


MALEK SPINNING MILLS LIMITED

STATEMENT OF FINANCIAL POSITION

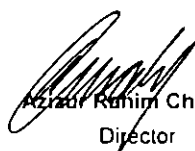
AS AT 31ST MARCH 2022

Un-Audited


Particulars	Amount in Taka	
	MAR'22	JUN'21
ASSETS :		
Non-Current Assets:		
Property, Plant and Equipment	2,156,552,817	2,148,334,220
Investment in Subsidiary Company	1,825,233,800	1,825,233,800
	3,981,786,617	3,973,568,020
Current Assets :		
Inventories	1,870,741,685	2,197,140,142
Accounts Receivable	1,776,121,119	1,249,627,547
Fire Insurance Claimed Receivable	297,296,120	-
Advances, Deposits and Pre-payments	270,356,123	170,930,084
Cash and Cash Equivalents	230,205,461	226,418,040
	4,444,720,508	3,844,115,813
TOTAL ASSETS :	8,426,507,125	7,817,683,833
SHAREHOLDER'S EQUITY AND LIABILITIES :		
Shareholder's Equity :		
Share Capital	1,936,000,000	1,936,000,000
Share Premium	1,500,000,000	1,500,000,000
Re-valuation Surplus	1,149,281,948	1,173,581,963
Retained Earnings	545,791,954	505,766,912
	5,131,073,902	5,115,348,875
Non-Current Liabilities:		
Long Term Loan	159,495,908	202,655,830
Deferred Tax Liabilities	263,343,943	267,931,811
	422,839,851	470,587,641
Current Liabilities :		
Short Term Loan	273,228,895	475,499,066
Current Portion of Long Term Loan	80,936,813	82,708,656
Acceptance Liabilities	2,199,741,400	1,313,728,331
Unclaimed Dividend with Interest	4,203,520	39,229,338
Creditors, Accruals & Provisions	314,482,744	320,581,926
	2,872,593,372	2,231,747,317
TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES :	8,426,507,125	7,817,683,833
Net Assets Value Per Share (NAV)	26.50	26.42
Par Value Tk.10		


A.F.M. Zubair
Chairman


A. Matin Chowdhury
Managing Director

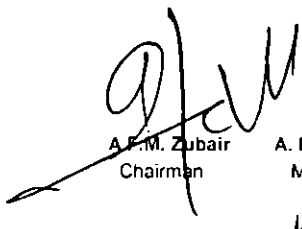

Azhar Rehim Chowdhury
Director

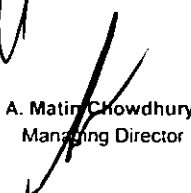

B.K. Chaki
Chief Financial Officer


Syed Saiful Haque
Company Secretary

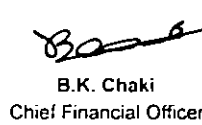
MALEK SPINNING MILLS LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD FROM 1ST JULY 2021 TO 31ST MARCH 2022
Un-Audited


Particulars	Amount In Taka			
	JUL'21-MAR'22	JUL'20-MAR'21	JAN'22-MAR'22	JAN'21-MAR'21
Sales	3,379,433,572	2,157,428,980	1,210,023,513	828,441,389
Cost of Goods Sold	(3,015,197,409)	(1,880,654,946)	(1,089,183,869)	(713,949,850)
Gross Profit/(Loss) :	364,236,163	276,774,034	120,839,644	114,491,539
Operating Expenses	(84,307,086)	(66,596,385)	(37,628,155)	(23,762,255)
Financial Expenses	(26,552,826)	(25,299,555)	(7,239,125)	(7,871,971)
Operating Profit/(Loss) :	253,376,251	184,878,094	75,972,363	82,857,312
Other Income/(Loss)	4,803,510	715,059	3,987,592	413,636
Not Operating Profit/(Loss) :	258,179,761	185,593,153	79,959,955	83,270,948
Contribution to WPPF	(12,294,274)	(8,837,769)	(3,807,617)	(3,965,283)
Profit/(Loss) before Tax :	245,885,486	176,755,384	76,152,338	79,305,665
Income Tax :	(36,560,458)	(26,584,814)	(5,050,891)	(11,937,213)
Current Tax	(41,148,327)	(29,845,678)	(12,939,969)	(12,913,632)
Deferred Tax	4,587,869	3,260,864	7,889,078	976,419
Net Profit/(Loss) after Tax	209,325,028	150,170,570	71,101,447	67,368,452
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	209,325,028	150,170,570	71,101,447	67,368,452
Earnings Per Share (EPS)	1.08	0.78	0.37	0.35
Par Value Tk. 10				
Number of Shares used to compute EPS	193,600,000	193,600,000	193,600,000	193,600,000


A.F.M. Zubair
Chairman


A. Matin Chowdhury
Managing Director


A. Faruk Rahim Chowdhury
Director


B.K. Chaki
Chief Financial Officer


Syed Saiful Haque
Company Secretary

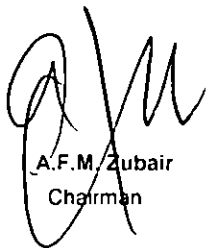
MALEK SPINNING MILLS LIMITED
STATEMENT OF CHANGES IN EQUITY
Un-Audited

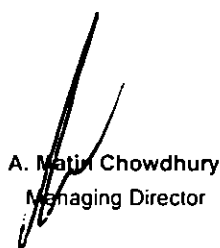
FOR THE PERIOD FROM 1ST JULY 2021 TO 31ST MARCH 2022

Particulars	Share Capital	Share Premium	Revaluation Surplus of Fixed Assets	Retained Earnings	Total
Balance as at 1 st July 2021	1,936,000,000	1,500,000,000	1,173,581,963	505,766,912	5,115,348,875
Net Profit/(Loss) during this period				209,325,028	209,325,028
Transfer of excess depreciation of Revalued Assets			(24,300,014)	24,300,014	-
Declared Cash Dividend for 2020-2021 financial year				(193,600,000)	(193,600,000)
As at 31st March 2022	1,936,000,000	1,500,000,000	1,149,281,948	545,791,954	5,131,073,902

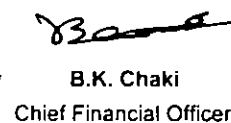
FOR THE PERIOD FROM 1ST JULY 2020 TO 31ST MARCH 2021

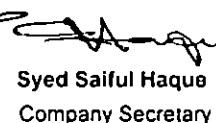
Particulars	Share Capital	Share Premium	Revaluation Surplus of Fixed Assets	Retained Earnings	Total
Balance as at 1st July 2020	1,936,000,000	1,500,000,000	1,210,590,720	218,528,177	4,865,118,897
Net Profit/(Loss) during this period				150,170,570	150,170,570
Transfer of excess depreciation of Revalued Assets			(26,355,756)	26,355,756	-
As at 31st March 2021	1,936,000,000	1,500,000,000	1,184,234,965	395,054,503	5,015,289,468


A.F.M. Zubair
Chairman


A. Matin Chowdhury
Managing Director

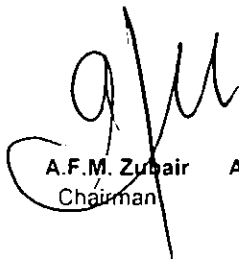

Azizur Rahim Chowdhury
Director



B.K. Chaki
Chief Financial Officer


Syed Saiful Haque
Company Secretary

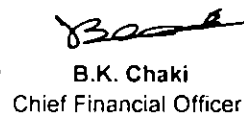
MALEK SPINNING MILLS LIMITED
STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM 1ST JULY 2021 TO 31ST MARCH 2022
Un-Audited

PARTICULARS	Amount in Taka	
	MAR'22	MAR'21
CASH FLOW FROM OPERATING ACTIVITIES :		
Collection from Turnover & Accounts Receivable	2,852,940,000	1,610,193,231
Payment for Raw Materials, Indirect Materials and other expenses	(2,083,946,968)	(1,421,370,766)
Foreign currency exchange Gain/(Loss) realized	(233,506)	458,381
Other Income	9,650	273,513
Payment to Employee against contribution to WPPF	(42,190,984)	-
Payment for Operating Expenses	(80,965,622)	(65,256,186)
Payment for Financial Expenses	(24,325,533)	(25,299,555)
Payment for Income Tax	(39,370,665)	(14,288,840)
Net Cash provided/(used) by Operating Activities	581,916,372	84,709,778
CASH FLOW FROM INVESTING ACTIVITIES :		
Acquisition of Fixed Assets	(80,821,072)	(10,088,847)
Acquisition of Capital work in progress	-	(8,013)
Disposal of Fixed Assets	(14,837,606)	300,000
Investment to Subsidiary Company	-	(158,868,800)
Net cash used in Investing Activities	(95,658,678)	(168,665,660)
CASH FLOW FROM FINANCING ACTIVITIES :		
Bank Loan Increase/(Decrease)	(247,201,936)	120,393,731
Refundable IPO Share Money transferred to CMS Fund	(11,669,885)	-
Dividend Paid	(191,932,039)	(534,854)
Dividend transferred to Capital Market Stabilization Fund	(36,832,284)	-
Dividend Account Interest Received/(Transferred to CMS Fund)	138,505	-
Net Cash provided/(used) by Financing Activities	(487,497,639)	119,858,877
Increase/(Decrease) in Cash and Cash Equivalents	(1,239,945)	35,902,995
Opening Cash & Cash Equivalents	226,418,040	86,818,406
Foreign Currency Bank deposit translation Gain/(Loss)	5,027,366	-
Closing Cash and Cash Equivalents	230,205,461	122,721,401
Net Operating Cash Flow Per Share (NOCFPS)	3.01	0.44
Par Value Tk.10		


A.F.M. Zubair
 Chairman


A. Matin Chowdhury
 Managing Director


Azizur Rahim Chowdhury
 Director


B.K. Chaki
 Chief Financial Officer


Syed Saiful Haque
 Company Secretary