

# ***PRIVATE AND CONFIDENTIAL***

**MK FOOTWEAR PLC**

**Auditor's Report & Financial Statements  
As at and for the year ended 30 June 2023**



**G. KIBRIA & CO.**  
CHARTERED ACCOUNTANTS

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**Independent Auditor's Report  
To the shareholders of  
MK FOOT WEAR PLC**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of **MK FOOTWEAR PLC** (the Company), which comprise the Statement of Financial Position as at 30 June 2023, and Statement of profit or loss & other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements give true and fair view, in all material respects, of the financial position of the company as at 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matters**

Without qualifying our opinion, we would like to draw the attention of the following matters:

1. During the course of audit it is observed that MK Footwear PLC has made necessary provision and transferred entire WPPF provision amount of BDT 5,564,995 for the year 2021-2022 to MK Footwear PLC WPPF Bank Account which is disclosed in Note # 4.06 and 23. The company also deposited 10% of the said amount to Bangladesh Labour Welfare Foundation. We were not provided any the Audited Financial Statements of MK Footwear PLC "Workers Profit Participate Fund (WPPF)".

2. With reference to the Note # 12 we state that the company provided loan to its related entity named "Moynakuti Agro Industries Limited" and the balance of the loan as on 30 June 2023 is BDT 100,326,000 shown under the head "Inter-Company Receivable". The company provided the said loan before it converted into public limited company. In observance to the Order of Bangladesh Securities and Exchange Commission notification No. SEC/CMMRRCD/2006-



159/Admin/02-10 dated 10 September 2006, the company decided not to provide any further loan to any of its related entity and has taken steps to realize the receivable as soon as possible.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statement of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide opinion on these matters.

Risk	Our response to the risk
<b>Revenue-Export, Cash Incentive &amp; Accounts &amp; Other Receivables</b>	
<p>For the year-end, the Company reported total Export revenue of Tk. 824,675,259 in Note 25, cash Incentive revenue in Note 30 Tk.69, 186,905 &amp; Accounts &amp; Other Receivables in Note 11 Tk. 275,676,676 of the financial statements.</p> <p>The company generates revenue from export sale &amp; received cash incentive from Bangladesh Government. The timing of the revenue recognized and realized increases the risk of exposure of revenue to foreign exchange fluctuations.</p> <p>There is also a risk that revenue may be overstated due to fraud through manipulation of the timing of the opening of letter of credit and timing of goods exported.</p> <p>We identified the revenue was decrease significantly (by 35.01%) as well as revenue recognition as key audit matter as it is one of the key performance indicators of the Company, which give rise to an inherent risk of the existence and the accuracy of the revenue.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>➤ Obtaining an understanding of and assessing the design and operating effectiveness of controls designed to ensure that revenue is recognized in the appropriate accounting period.</li> <li>➤ Assessed whether the revenue recognition policy is appropriate and is in line with IFRS 15 - Revenue from contracts with customers.</li> <li>➤ Performed walkthrough tests to understand the adequacy and the design of the revenue cycle.</li> <li>➤ Obtaining Sales Ledger.</li> <li>➤ Collect Sample of Sales Contract, Sales invoice, Bill of export, Bill of leading Its match with Vat Return &amp; Sales Ledger.</li> <li>➤ For Cash Incentive Obtaining Ledger, Cash Incentive Certificate from Chartered Accountants Firm, Proceed realization certificate, application submitted to the bank, Collect certificate from bank for cash incentive realization. Out of total Cash Incentive income of BDT 69,186,905 MK Footwear PLC recognize Incentive income BDT 33,000,000 as per auditor certificate and as per proceed realization certificate BDT 36,186,905.</li> </ul>



	<ul style="list-style-type: none"> <li>➤ Collect Certificate from Bank regarding Export, Export Realization, PRC for Subsequent receivable realization</li> <li>➤ For Accounts and other receivable collect ledger, collect Bill of export for Outstanding Invoice, Collect PRC for receivable subsequent Realization.</li> <li>➤ Finally, assessed the appropriateness and presentation of disclosures related to relevant accounting standards</li> </ul>
<b>Valuation of inventory &amp; Purchase</b>	
<p>The inventory of Tk. 395,313,603 at 30 June, 2023 held in Factory warehouses and across multiple product lines in factory &amp; Purchase were Made Tk. 474,429,301 for the period from 01 July 2022 to 30 June 2023.</p> <p>Inventories are carried at the lower of cost and net realizable value. As a result, the Directors judgment in determining the appropriate values for slow-moving or obsolete items.</p> <p>Purchase are rightly recorded in the Financial statements</p>	<p>We challenged the appropriateness of management's assumptions applied in calculating the value of the inventory provision by:</p> <ul style="list-style-type: none"> <li>➤ Evaluating the design and implementation of key inventory controls operating across the factory and warehouse;</li> <li>➤ The Company made most of the purchase through import. For the confirmation of purchase we collect the ledger, collect sample of bill of entry, Invoice, Lc, Match with vat return &amp; Ledger and subsequent LC payment from bank Statements.</li> <li>➤ Physically count of inventory at the reporting date was done by management. We verify the inventory physically on the test basis during the counting which was counted by management</li> <li>➤ Reviewing the historical accuracy of inventory provisioning and the level of inventory write-offs during the year; and challenging the completeness of inventory provisions through assessing actual and forecast sales of inventory lines to assess whether provisions for slow-moving/obsolete stock are valid and complete.</li> </ul>



	<ul style="list-style-type: none"> <li>➤ Evaluated, on a sample basis, whether inventories were stated at the lower of cost and net realizable value at the reporting date by comparing the sales prices of inventories subsequent to the reporting date;</li> <li>➤ Comparing the net realizable value obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories and comparison to the associated provision to assess whether inventory provisions are complete;</li> <li>➤ Finally, assessed the appropriateness and presentation of disclosures related to relevant accounting standards.</li> </ul>
<b>Measurement of deferred tax Assets</b>	
<p>The net deferred tax liability totaling Tk. 25,036,042 as at 30 June, 2023 in annex V.</p> <p>Significant judgment is required in relation to deferred tax liabilities as it is dependent on forecasts of future profitability over a number of years.</p>	<p>We additionally carried out the following substantive testing for this item:</p> <ul style="list-style-type: none"> <li>➤ We obtained an understanding, evaluated the design and tested the operational effectiveness of the company's key controls over the recognition and measurement of deferred tax liabilities and the assumptions used in estimating the company's future taxable income.</li> <li>➤ We also assessed the completeness and accuracy of the data used for the estimations of future taxable income.</li> <li>➤ We involved tax specialists to assess key assumptions, controls, recognition and measurement of deferred tax liabilities.</li> <li>➤ We also assessed the appropriateness of presentation of disclosures against IAS-12 income tax.</li> </ul>
<b>Valuation of Property, Plant and Equipment</b>	
<p>The Written Down Value (WDV) of the PPE amounted to Tk. 1,132,951,786 at 30 June, 2023. The valuation of PPE was identified as a key audit matter due to the significance of this balance to the financial statements.</p>	<p>Our audit included the following procedures:</p> <ul style="list-style-type: none"> <li>➤ Reviewed basis of recognition, Measurement and valuation of assets;</li> </ul>



<p>Expenditures are capitalized if they create new or enhance the existing assets, and expanded if they relate to repair or maintenance of the assets. Classification of the expenditures involves judgment. The useful lives of PPE items are based on management's estimates regarding the period during which the asset or its significant components will be used. The estimates are based on historical experience and market practice and take into consideration the physical condition of the assets.</p> <p>Apparently, the carrying value of PPE represents a significant portion of the Company's assets and therefore is a function of charging depreciation that involved estimation. Therefore, it has been considered a significant area of auditor's judgment and special attention. There is also a risk that the impairment charges) not have been recognized.</p>	<ul style="list-style-type: none"> <li>➤ Observed procedures of assets acquisition, depreciation and disposal;</li> <li>➤ Checked ownership of the major assets;</li> <li>➤ Performed physical asset verification at the year end.</li> <li>➤ Critically reviewed the Company's assumptions in relation to recoverable amounts of the major PPE to identify if there is any requirement of recognition of impairment.</li> <li>➤ We evaluated whether the useful lives determined and applied by the management were in line with historical experience and the market practice.</li> <li>➤ We checked whether the depreciation of PPE items was commenced timely, by comparing the date of the reclassification from capital in progress to ready for use, with the date of the act of completion of the work.</li> </ul>
<b>Share Capital</b>	
<p>During the year Company increase its share capital by Tk. 100,000,000 through issue of 10,000,000 number of ordinary share having face value of Tk. 10 through Qualified Investor Offer by Small Capital Company Rules, 2022 of Bangladesh Security Exchange Commission.</p> <p>There is a risk that amount are received into company account or not.</p>	<p>Our audit included the following procedures:</p> <ul style="list-style-type: none"> <li>➤ For New share money deposit we collect bank statements.</li> <li>➤ The Bangladesh Securities and Exchange Commission (BSEC) permission</li> <li>➤ Extraordinary General Meeting (EGM) Minutes</li> <li>➤ Dhaka Stock Exchange allotment report.</li> <li>➤ Finally, assessed the appropriateness of the presentation and disclosures required by accounting standards.</li> </ul>
<b>Short- &amp; Long-Term Loan</b>	
<p>As at 30 June 2023, the reported amount of total long-term loan is Tk. 849,178,672 (Note:18), Short Term Loan Tk. 422,832,006 (Note:21) and Accepted Liability (Note:20) 115,724,400 respectively. The company</p>	<p>In order to obtain the completeness and accuracy of the measurement of said loan, we have tested the following key control activities:</p>



borrowed fund from Rupali Bank Ltd.

The company may face difficulties due to unfavorable movement in interest rate, monetary policy and adverse variance between Import & export that may result in short-term cash flow crisis.

- Attends the actual position of loan.
- Checking the bank statement.
- Checking the loan Section letter.

Our substantive procedure in relating to these Loan recognition and measurements are following:

- Checked the bank statement also with the opening balance.
- Checked the recording of the transaction
- We verified sanction letter, loan schedule and bank statements to confirm the loan outstanding and found that the balance had been reported in the financial statements accurately.
- We also checked the financial expenses obtaining bank certificate and recalculated the interest expenses.
- Classification of loan and repayment schedule as well. and
- Received third party balance confirmation letter from Rupali Bank Ltd.
- Finally, assessed the appropriateness and presentation of disclosures related to relevant accounting standards.

#### Other Information

Management is responsible for the other information. The other information comprises all of the information other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.



## **Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The companies Act, 1994 require the management to ensure effective internal audit, internal control and risk management functions of the company

In preparing the financial statements , management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions , misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.





- Conclude on the appropriateness of management's use of the going concern basis accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and event in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



## Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, and the Securities and Exchange Rules 2020 and relevant notifications issues by Bangladesh Securities and Exchange Commission, we also report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts , records and other statutory books as required by law have been kept by the company so far as it appeared from our examinations of those books and proper returns adequate for the purpose of our audit have been received by us;
- c) The statement of Financial Position, Statement of profit or loss & other Comprehensive Income and Statement of Changes in Equity and Statement of Cash Flows of the Company dealt with by the report are in agreement with the books of account and returns;
- d) The expenditure was incurred for the purpose of the Company's business.

Location, Dhaka  
Dated: 28 October 2023  
Ref: GKC/23-24/A/172



Sultan Moheuddin FCA  
Enrollment No- 1530  
Partner, G. Kibria & Co.  
Chartered Accountants

DVC: 2311011530A5931769



**MK FOOTWEAR PLC**  
**Statement of Financial Position**  
**As on 30 June, 2023**

Particulars	Notes	30-Jun-2023 BDT	30-Jun-2022 BDT
<b>Assets</b>			
<b>Non-Current Assets:</b>			
Property, Plant and Equipment	5	1,132,951,786	1,219,715,705
Intangible Assets	6	80,850	115,500
Investment	7	183,367,500	-
Right-of-use (ROU) assets	8	10,094,786	10,143,068
Non-Current Security Deposits	9	1,195,000	1,195,000
<b>Total Non-Current Assets</b>		<b>1,327,689,922</b>	<b>1,231,169,273</b>
<b>Current Assets:</b>			
Inventories	10	395,313,603	334,116,920
Accounts & Other Receivables	11	275,676,676	297,667,172
Inter-Company Receivable	12	100,326,000	116,876,000
Advance Income Tax	13	10,659,081	10,814,490
Cash & Cash Equivalent	14	141,625,186	100,693,633
<b>Total Current Assets</b>		<b>923,600,546</b>	<b>860,168,215</b>
<b>Total Assets</b>		<b>2,251,290,468</b>	<b>2,091,337,488</b>
<b>Equity and Liabilities</b>			
<b>Shareholders' Equity:</b>			
Share Capital	15	478,472,000	378,472,000
Fair value Gain/(Loss)	16	149,505,750	-
Retained Earnings	17	152,218,606	111,552,297
		<b>780,196,356</b>	<b>490,024,297</b>
<b>Non-Current Liabilities:</b>			
Long Term Loan-Non Current Maturity	18	588,355,429	693,755,685
Lease liability (non-current portion)	19	6,481,796	6,114,483
Deferred Tax Liabilities/(Assets)	Annex-V	25,036,042	(1,360,333)
<b>Total Non-Current Liabilities</b>		<b>619,873,267</b>	<b>698,509,835</b>
<b>Current Liabilities:</b>			
Trade and Other Payables	20	140,216,244	171,369,454
Term Loan-Current Maturity	18	260,823,243	128,283,044
Lease liability (current portion)	19	1,416,253	2,161,888
Short Term Loan	21	422,832,006	564,313,068
Liabilities for Expenses	22	12,267,659	20,443,473
Provision for WPPF	23	3,057,205	5,564,995
Provision for Tax	24	10,608,235	10,667,434
<b>Total Current Liabilities</b>		<b>851,220,845</b>	<b>902,803,356</b>
<b>Total Equity and Liabilities</b>		<b>2,251,290,468</b>	<b>2,091,337,488</b>
<b>Net Asset Value Per Share</b>	<b>34</b>	<b>16.31</b>	<b>12.95</b>

The annexed notes ( 1 to 47.05 ) form an integral part of these Financial Statements.



  
 Chairman Director Managing Director Chief Financial Officer Company Secretary  
 See annexed report of the date

Location: Dhaka  
 Dated: 28 October 2023  
 Ref:GKC/23-24/A/172

  
 Sultan Moheuddin, FCA  
 Enrollment No- 1530  
 Partner, G. Kibria & Co.  
 Chartered Accountants

DVC: 2311011530A5931769



**MK FOOTWEAR PLC**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the year ended 30 June, 2023**

Particulars	Notes	2022-2023 BDT	2021-2022 BDT
Revenue	25	824,675,259	1,268,844,877
Cost of Goods sold	26	(706,543,271)	(1,102,472,058)
<b>Gross Profit/(Loss)</b>		<b>118,131,988</b>	<b>166,372,819</b>
Foreign Exchange Gain/(Loss)	27	(3,477,533)	(7,922,403)
Administrative Expenses	28	(15,010,273)	(12,887,197)
Distribution Expenses	29	(7,520,339)	(12,047,008)
<b>Operating Profit/ (Loss)</b>		<b>92,123,844</b>	<b>133,516,211</b>
Non-Operating Income	30	69,264,304	71,276,977
<b>Profit/(Loss) before interest &amp; Tax</b>		<b>161,388,148</b>	<b>204,793,188</b>
Financial Expenses	31	(97,186,848)	(87,928,289)
<b>Profit/(Loss) before WPPF &amp; Tax</b>		<b>64,201,299</b>	<b>116,864,899</b>
Workers' Profit Participation Fund (WPPF)		(3,057,205)	(5,564,995)
<b>Profit/(Loss) before Tax</b>		<b>61,144,094</b>	<b>111,299,904</b>
<b>Income Tax Expenses:</b>		<b>(20,477,785)</b>	<b>(8,210,619)</b>
Current Tax Expense	24	(10,693,160)	(10,605,279)
Deferred Tax (Expenses)/Income	Annex-V	(9,784,625)	2,394,660
<b>Net Profit/(Loss) after Tax</b>		<b>40,666,309</b>	<b>103,089,285</b>
<b>Other Comprehensive Income:</b>		<b>149,505,750</b>	<b>-</b>
Fair value Gain/(Loss) on Investment	7	166,117,500	-
Deferred Tax (Expenses)/Income	Annex-V	(16,611,750)	-
<b>Total Comprehensive Income</b>		<b>190,172,059</b>	<b>103,089,285</b>
<b>Basic Earnings Per Share (EPS)</b>	32	1.07	3.19
<b>Diluted Earnings Per Share (DEPS)</b>	32	1.07	3.19

The annexed notes ( 1 to 47.05 ) form an integral part of these Financial Statements.




  
 Chairman Director    Managing Director    Chief Financial Officer    Company Secretary

See annexed report of the date

  
 Sultan Moheuddin, FCA  
 Enrollment No- 1530  
 Partner, G. Kibria & Co.  
 Chartered Accountants

Location: Dhaka  
 Dated: 28 October 2023  
 Ref:GKC/23-24/A/172

DVC: 2311011530A5931769



**MK FOOTWEAR PLC**  
**Statement of Changes in Equity**  
For the year ended 30 June, 2023

Particulars	Share Capital	Share Money Deposit	Fair Value Gain/(Loss)	Retained Earnings	Amount in BDT
Balance as at 01 July, 2022	378,472,000	-	-	111,552,297	490,024,297
Addition During the Period	100,000,000	-	166,117,500	40,666,309	306,783,809
Add/(Less) Deferred Tax (Expenses)/Income	-	-	(16,611,750)	-	(16,611,750)
<b>Balance as at 30 June, 2023</b>	<b>478,472,000</b>	<b>-</b>	<b>149,505,750</b>	<b>152,218,606</b>	<b>780,196,356</b>

**MK FOOTWEAR PLC**  
**Statement of Changes in Equity**  
For the year ended 30 June, 2022

Particulars	Share Capital	Share Money Deposit		Retained Earnings	Amount in BDT
Balance as at 01 July, 2021	10,000,000	301,972,000		8,463,012	320,435,012
Addition During the Period	368,472,000	-		103,089,285	471,561,285
Adjusted During the Period	-	(301,972,000)		-	(301,972,000)
<b>Balance as at 30 June, 2022</b>	<b>378,472,000</b>	<b>-</b>		<b>111,552,297</b>	<b>490,024,297</b>

The annexed notes ( 1 to 47.05 ) form an integral part of these Financial Statements.

 Chairman    
 Director    
 Managing Director    
 Chief Financial Officer    
 Company Secretary

Location: Dhaka  
Dated: 28 October 2023  
Ref:GKC/23-24/A/172



**MK FOOTWEAR PLC**  
**Statement of Cash Flows**

For the year ended 30 June, 2023

Particulars	Notes	2022-2023 BDT	2021-2022 BDT
<b>Cash flows from operating activities:</b>			
Cash Received from Customers and others income	35	891,049,224	1,085,981,691
Cash Paid to Suppliers, employees & others expenses	36	(717,250,455)	(1,024,350,623)
Income tax paid	37	(10,596,950)	(10,752,359)
<b>Net Cash (used in)/generated by operating activities (A)</b>		<b>163,201,819</b>	<b>50,878,709</b>
<b>Cash flows from investing activities:</b>			
Property Plant and Equipment / Capital in Working Progress	38	(8,337,813)	(170,213,365)
ROU Assets		5,951,929	(2,083,589)
Investment		(17,250,000)	-
Inter-Company Receivable		16,550,000	(116,876,000)
Intangible Assets		-	(165,000)
<b>Net Cash used (used in)/generated by investing activities (B)</b>		<b>(3,085,884)</b>	<b>(289,337,954)</b>
<b>Cash flows from financing activities:</b>			
Long term Bank Loan Received/(Re-paid)		27,139,943	28,846,488
Short term Bank Loan Received/(Re-paid)		(141,481,062)	177,991,984
Share Capital/Share Money Deposit Received		100,000,000	66,500,000
Lease Payment		(8,727,046)	(1,296,235)
Financial Expenses		(96,321,363)	(86,226,426)
<b>Net cash flows from financing activities (C)</b>		<b>(119,389,528)</b>	<b>185,815,811</b>
<b>Net changes increase/(decrease) in cash and cash equivalents (A+B+C)</b>		<b>40,726,407</b>	<b>(52,643,434)</b>
Unrealized Foreign Exchange Gain/(Loss)		205,146	9,207,350
Cash & cash equivalents at the beginning of the period		100,693,633	144,129,717
<b>Cash &amp; cash equivalents at the end of the period</b>		<b>141,625,186</b>	<b>100,693,633</b>
<b>Net Operating Cash Flow per share (NOCFPS)</b>	33	<b>4.28</b>	<b>1.34</b>

The annexed notes ( 1 to 47.05 ) form an integral part of these Financial Statements.



  
 Chairman    Director    Managing Director    Chief Financial Officer    Company Secretary

Location: Dhaka  
Dated: 28 October 2023  
Ref:GKC/23-24/A/172



## MK FOOTWEAR PLC

### Notes, Summary of Significant accounting policies & other explanatory information

For the year ended 30 June, 2023

#### 1 REPORTING ENTITY

MK Footwear Ltd. was incorporated as a private limited company in Bangladesh on 12 November, 2015 under the Companies Act- 1994 and vide Registration No C-126912/2015. It is a 100% export oriented company. The company converted into public limited company vide Special Resolution in EGM dated May 29, 2022 and duly filed with & passed by RJSC. It has started commercial operation on 02 July, 2020. Bangladesh Security Exchange Commission vide letter BSEC/CI/QIO/SC-37/2022/1251 dated 3rd May 2023 MK Footwear PLC got permission for Qualified Investor Offer by Small Capital Company Rules, 2022.

#### Address of registered office of the company and factory of the company

Corporate office: The Corporate office of the company is located at Apt-1B, House No-17/A, Road No-3, DOHS Banani, Dhaka-1206

Registered Address: Nayonpur Bazar, Chalkpara, Medical more, Mawna - Dulivita Rd, Mawna Union 1740, Gazipur.

Factory Address: The factory is situated at Nayonpur Bazar, Chalkpara, Medical more, Mawna - Dulivita Rd, Mawna Union 1740, Gazipur.

#### Nature of business

The company is engaged in the production of all types of quality leather/synthetic footwear and export 100% of its produce to international market.

#### 2.00 Basis of preparation of Financial statements

##### Significant Accounting Policy for the presentation of the financial Statements

The specific accounting policies selected and applied by the company's management for significant transactions and events that have material effect within the framework of IAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in earlier years.

#### 2.01 Corporate financial statements and reporting

This comprises Statement of Financial Position, Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and other explanatory notes covering accounting policies.

This is prepared under the historical cost convention and in accordance with the requirements of the Companies Act, 1994, International Financial Reporting Standards (IFRS) and International Accounting Standards (IASs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and as applicable to this Company.



The Board of Directors are responsible for preparing and presenting the financial statements including adequate disclosures, who approved and authorized for issue of this financial statements.

The preparation of the financial statements in conformity with the International Accounting Standards (IASs) requires Board of Directors to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities at reporting date. Due to the inherent uncertainty involved in making estimates, actual result could differ from those estimates.

#### 2.02 Fundamental accounting concepts/ assumptions

The financial statements have been prepared based on Going concern assumption, Consistency concept, Accrual basis and such other convention as required by IAS-1 for fair presentation of financial statements.

#### 2.03 Going concern

The company has adequate resources to continue its operation for the foreseeable future. For this reasons, the directors continue to adopt going concern basis in preparing the accounts. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business.

#### 2.04 Compliance with IAS & IFRS

The following IAS is applicable to the financial statements for the year under review:

IAS	Title	Remark
IAS 1	Presentation of Financial Statements	Applied
IAS 2	Inventories	Applied
IAS 7	Statement of Cash Flows	Applied
IAS 8	Accounting policies, Changes in Accounting Estimates & Errors	Applied
IAS 10	Events after the Reporting period	Applied
IAS 12	Income Taxes	Applied
IAS 16	Property, Plant And Equipment	Applied
IAS 19	Employee Benefits	Applied
IAS 21	The Effects of Changes in Foreign Exchange Rates	Applied
IAS 23	Borrowing Costs	Applied
IAS 24	Related Party Disclosures	Applied
IAS 32	Financial Instruments: Presentation	Applied
IAS 33	Earnings Per Share	Applied
IAS 36	Impairment of Assets	Applied
IAS 37	Provision , Contingent Liabilities and Contingent Assets	Applied
IAS 38	Intangible Assets	Applied

The following IFRS is applicable to the financial statements for the year under review:

IFRS	Title	Remark
IFRS 1	First-time Adoption of Bangladesh Financial Reporting Standar	Applied
IFRS 7	Financial Instruments: Disclosures	Applied
IFRS 8	Operating Segments	Not Applicable
IFRS 9	Financial Instruments	Applied
IFRS 15	Revenue From Contracts with Customers	Applied
IFRS 16	Leases	Applied





**2.05 Reporting period**

The period of the financial statements covers from 01 July, 2022 to 30 June, 2023

**2.06 Comparative information and rearrangements thereof:**

In accordance with the provisions of IAS- 1: "Presentation of Financial Statements", Comparative information that is available has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current period's financial statements.

Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statements. Interest expenses are paid for obtaining financial resource and as such management decided to disclose it under Financing Activities of Statement of Cash Flows.

**2.07 Offsetting:**

An entity shall not offset assets and liabilities or income and expenses, unless required or permitted by IFRS.

**2.08 Leases**

An entity shall assess a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. In line with IFRS-16 Leases, an entity shall determine the lease term as the non-cancellable period of a lease together with both:

I. Period covered by the option to extend the lease and;

II. Period covered by the option to terminate the lease.

Initial measurement of right of use asset shall be measured at cost and subsequently either by fair value or follow revaluation model See annex Annex-III & Note 8 )

IFRS-16 leases has not been applied for Generator Rent and Factory Rent as these lease are for short term lease as per para 5 of IFRS-16

**2.09 Events after the reporting period.**

In Compliance with the requirements of IAS 10 Events After the Reporting Period that Period that provide additional information about the company's position at the reporting date are reflected in the financial statements and events after the reporting period that are not adjusting events are disclosed in the notes when material.

**2.10 Functional and presentational (Reporting) currency**

The financial statements are prepared and presented in Bangladesh Currency (Taka), Which is the company's functional currency. All financial information presented have been rounded off to the nearest Taka except where indicated otherwise.

**2.11 Comparative information and rearrangement thereof**

Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current year without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.



## **2.12 Use of estimates and judgments**

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported value of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. However, the estimates and underlying assumptions are revised when there is material impact on the financial results of the company.

## **2.13 Approval of these Financial Statements by Board of Directors**

The Board of Directors has approved these Financial Statements on 28 October 2023.

## **2.14 Regulatory Compliance**

The financial Statements have been prepared in compliance with the following laws and regulations:

The Companies Act, 1994

The Bangladesh Securities and Exchange Rule 1987

The Bangladesh Securities and Exchange Commission Act 1993.

The Income Tax Act, 2023

The Income Tax Rules, 2023

The Value Added Tax (VAT) Supplementary Duty Act, 2012

## **2.15 Summary of significant accounting policies**

The specific accounting policies selected and applied by the company's directors for significant transactions and events that have material effect within the framework of IAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in prior periods.

For a proper understanding of the financial statements, these accounting policies are set out in one place as prescribed by the IAS-1 "Presentation of Financial Statements". The recommendations of IAS-1 relating the format of financial statements were also taken into full consideration for fair presentation.

## **2.16 Recognition of Property, Plant & Equipments**

Property, Plant & Equipments have been stated at cost less accumulated depreciation (Written down value). The cost of acquisition comprises of purchase price, including import duties and non-refundable Taxes and any directly attributable cost of bringing the assets to its working condition for its intended used. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. In situation where it can be clearly demonstrated that expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of the fixed assets, the expenditure is capitalized as an additional cost of the assets.



On retirement or otherwise disposal of fixed assets, the cost and accumulated depreciation are eliminated and any gain or loss on such disposal is reflected in the income statement which is determined with reference to the net book value of assets and the net sales proceeds.

### 2.17 Depreciation on Property, Plant & Equipments

Depreciation on all Property, Plant & Equipments is computed using the reducing balance method so as to write off the assets over their expected useful life from the date when the corresponding assets are available for use as per management intention. No depreciation have been charged after the date of retirement.

After considering the useful life of assets as per IAS-16, the annual depreciation rates have been applied as under which is considered reasonable by the management.

<u>Category of fixed assets</u>	<u>Rate of Depreciation</u>
Land and Land Development	0%
Building & Other Civil Constructions	5%
Plant & Machineries	10%
Electrical Equipments & Installations	10%
Solar Power Plant	10%
Fire Fighting Equipments & Installation	10%
Furniture & Fixture	10%
Motor Vehicles	20%

### 2.18 Revenue recognition

The core principle of IFRS 15 is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This core principle is delivered in a five-step model framework:

- a. Identify the contract(s) with a customer
- b. Identify the performance obligations in the contract
- c. Determine the transaction price
- d. Allocate the transaction price to the performance obligations in the contract
- e. Recognise revenue when (or as) the entity satisfies a performance obligation.

### 2.19 Liabilities for expenses and other payables

Liabilities are recognized for the goods and services received, whether paid or not for those goods and services. Payables are not interest bearing and are stated at their nominal value.



## 2.20 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the Average Cost method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

### Impairment of Inventories:

Impairment of inventory is made as and when inventory became obsolete or unusable or for slow moving items for which the management of the company is giving decisions from time to time. Based on sales cycle of slow-moving items, the sales prices of the products may decrease over time. The management of the Company reviews the carrying amounts of its inventory (Balance Sheet Date) to determine whether there is any indication of impairment in accordance with IAS-2: 'Inventories'. When the sales price moves below the inventory cost prices, the loss on sales is recognized immediately in the Financial Statements. However, the management was confident, buyer will be received all the goods as per sales contract, no indication of impairment of inventory during the year; and as such, no adjustment was given in the Financial Statements for impairment.

### Obsolete and Damaged Inventory:

The Company policy for damaged or obsolete items of inventory is to write down their recoverable amount and charge them as an expense in the cost of goods sold (COGS) account in the relevant year.

In the financial statement as of 30.06.2023, the company did not account for any write-down of inventory due to damage or obsolescence. During the year-end count by the management team, no such item of inventory was identified that might fall under obsolete/damaged criteria.

The company conducted yearend inventory count held at 30/06/2023 as per accepted guideline set by management. A management expert team consisting of members with adequate knowledge & expertise was engaged in counting and valuation of inventory. The breakdown of the components of inventory is disclosed in note no 10. As per accepted practice within the industry, management has made adequate declaration regarding the value & quantity of inventory as at 30/06/2023

## 2.21 Cash and Cash Equivalents

Cash in hand and cash at banks have been considered as Cash and Cash Equivalents for the preparation of these financial statements, which were held and available for use by company without any restriction and there was no significant risk of changes in value of the same.

## 2.22 Statements of Cash Flows:

Statement of Cash Flows is prepared principally in accordance with IAS-7 "Statement of Cash Flows" and the cash flows from the operating activities have been presented under direct method.



**2.23 Accounting Policies, Changes in Accounting Estimates and Errors:**

Changes in accounting policies:

An entity shall change an accounting policy only if the change:

(a) is required by an IFRS; or

(b) results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the entity's financial position, Financial performance or cash flows.

**2.24 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial year of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the year in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**2.25 Income-tax expense**

**Current Tax:**

Income tax is calculated and provision is made in compliance with the provisions of Finance Act 2023 and the Income Tax Act 2023.

**Deferred tax**

Deferred tax arises due to temporary difference deductible or taxable for the events or transactions which is recognized in the statement of profit or loss and other comprehensive income. A temporary difference is the difference between the tax base of an asset or liability and its carrying amount, reported amount in the statement of financial position. Deferred tax assets or liability is the amount of income tax recoverable or payable in the future periods recognized in the current year as per IAS 12- Income tax.

**2.26 Foreign Currency Transaction:**

Foreign currency transactions are recorded, on initial recognition in the functional currency at the spot exchange rate ruling at the transaction date.

At the end of each reporting period, in compliance with the provision of IAS 21: The Effects of Changes in Foreign Exchange Rates, are determined as under :

(a) Foreign currency monetary items are translated using the closing rate.

(b) Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rate at the date of the transaction.

(c) Non-monetary items that are measured at fair value in a foreign currency is translated using the exchange rate at the date when the fair value is determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rate different from those at which they were translated on initial recognition during the period or in previous financial statements is recognized in profit or loss in the period in which they arise.



### 3.00 Related party disclosures

IAS 24 *Related Party Disclosures* requires disclosures about transactions and outstanding balances with an entity's related parties. The standard defines various classes of entities and people as related parties and sets out the disclosures required in respect of those parties, including the compensation of key management personnel.

The details of related party transactions have been disclosed in Note - 41.00

### 4.00 Financial Instruments

A financial instrument is any contract that gives rise to financial assets and a financial liability or equity instrument of another entity.

#### Financial assets:

Financial assets of the company include cash and cash equivalents, accounts receivable, other receivables and equity instrument of another entity. The company initially recognizes receivable on the date they are originated. All other financial assets are recognized initially on the date at which the company becomes a party to the contractual provision of the transaction. The company derecognizes a financial asset when, and only when the contractual rights or probabilities of receiving the cash flows on the financial assets in a transaction in which substantially all the risk and rewards of ownership of the financial assets are transferred.

As per requirements of IFRS 9: Classification and measurement of investment in equity instruments depend on how these are managed (the entity's business model) and their contractual cash flow characteristics. Based on these factors, it would generally fall either under 'at fair value through profit and loss account' or under 'at fair value through other comprehensive income' where any change in the fair value (measured in accordance with IFRS 13) at the year-end is taken to the profit and loss account or other comprehensive income, respectively. The Company has recognized investments in shares which are on a quoted market are designated at fair value (market price) through other comprehensive income (FVTOCI). Gains or Losses arising from a change in the fair value of such financial assets are recognized in other comprehensive income. Market value is determined by taking the closing price of the securities at the Dhaka Stock Exchange Ltd. as of financial position date; and Stock dividend (Bonus shares) are added with existing shares with at zero cost which results in decrease of per unit cost price of the existing shares. However, bonus shares are shown at fair value on the statement of financial position date. Investment in non-marketable securities have been valued at cost.

#### Financial liability:

Financial liabilities are recognized initially on the transaction date at which the company becomes a party to the contractual provisions of the liability. The company derecognizes the financial liabilities when its contractual obligations are discharged or cancelled or expired. Financial liabilities includes payable for expense, liability for capital expenditure and other current liabilities.



#### 4.01 Earnings Per Share & Diluted Earning Per Share

##### Earnings Per Share:

This has been calculated in compliance with the requirement of IAS-33 : Earnings per share by dividing the net earnings attributable to the share holders by the weighted average number of ordinary shares outstanding during the year .

Basic Earnings per share (Numerator / Denominator )

Earnings (Numerator)

This represents earning for the year attributable to ordinary shareholders

No. of ordinary shares (Denominator)

This represents weighted average number of ordinary share outstanding

##### Diluted Earning Per Share:

Diluted earnings per share (diluted EPS) calculates a company's earnings per share if all convertible securities were converted

Diluted Earning per Share=Net Income/Weighted number of Share

#### 4.02 Impairment of Assets:

##### I) Financial Assets

Accounts receivable and others receivables are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flow of that asset , that can be estimated reliably . Objective evidence that financial assets are impaired can include default of delinquency by a debtor, indicates that a debtor of issuer will enter bankruptcy etc. No such impairment has been raised till the reporting date.

##### II) Non-Financial assets

An asset is impaired when its carrying amount exceeds its recoverable amount. The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less cost to sell and its value in use. Carrying amount of the assets is reduced to its recoverable amount by recognizing an impaired loss is recognized immediately in statement of comprehensive income unless the asset is carried at revalued amount . Any impaired loss of a revalued asset shall be treated as a revaluation decrease. No such impairment has been raised till the reporting date.



#### 4.03 Provision , Contingent Liabilities and Contingent Assets :

Contingent Liabilities and Contingents Assets are present or possible obligations or on liabilities or assets , arising from past events and existence of which depends upon the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the company or which amount of the obligations cannot be measured with sufficient reliability. In accordance with IAS-37 .

#### 4.04 Intangible Assets

In Compliance with the requirements of IAS, 38 Intangibles Assets<sup>1</sup>

The following terms are used in this Standard with the meanings pacified:

Amortization is the systematic allocation of the depreciable amount of an intangible asset over its useful life.

An asset is a resource:

- (a) controlled by an entity as a result as past events; and
- (b) From which future economic benefits are expected to flow to the entity.

An intangible asset shall be recognized if , and only if:

(a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and

(b) the cost of the asset can be measured reliably

#### 4.05 Financial statements comprises:

- a) Statement of Financial Position as on 30 June 2023
- b) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2023
- c) Statement of Cash Flows For the year ended 30 June 2023
- d) Statement of Changes in Equity as on 30 June 2023
- e) Notes to the financial statements as on 30 June 2023

#### 4.06 Employee Benefits

The company maintains defined benefit plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds.

The company has accounted for and disclosed employee benefits in compliance with the provisions of IAS-19: Employee Benefits.

The cost of employee benefit is charged off as revenue expenditure in the period to which the contributions relate.

The company's employee benefits include the following:

##### **Worker's Profit & Participation Fund:**

The company has decided to provide 5% WPPF on net profit before tax as per chapter-15 of Labor Law 2006 as ammended upto 2013.





#### **Short Term Employee Benefits**

These includes better working conditions in line with overseas customer's requirement, Day care center, Health care facility, Transportation for admin and management employee, Advance against salary, Festival bonus etc. Obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided. This period company provide salary & wages and director remuneration BDT 18,65,37,697.

#### **4.07 Risk Factors and Management's Perceptions about the Risks**

The Company is operating in an industry involving both external and internal risk factors having direct as well as indirect effects on its business, result of its operations and financial condition, as follows:

##### **I. Interest rate risks:**

Interest rate is concerned with borrowed funds of short term & long-term maturity. Interest rate risk is the risk that the company faces due to unfavorable movements in the interest rates. Volatility in money market & increased demand for loans/ investment funds raise the rate of interest. A change in the government's policy also tends to increase the interest rate. High rate of interest enhances the cost of fund of a company. Such rises in interest rates however mostly affect companies having floating rate loans

**Management perception:**

The Company maintains a reasonable debt/ equity ratio; and accordingly, adverse impact of interest rate fluctuation will not adversely affect the Company's performance as the Company emphasizes on equity base financing to reduce the dependency on borrowing. Therefore, management perceives that the fluctuation of interest rate on borrowing would have little impact upon the performance of the Company.

##### **II. Exchange rate risks:**

If exchange rate increases against local currency opportunity is created for getting more revenue against sale in local currency. On the other hand, if exchange rate goes down, margin is squeezed in local currency.

**Management perception:**

The products of the company are sold in foreign currency and payment for raw materials are made mostly in foreign currency. Therefore, volatility of exchange rate will have little impact on profitability of the Company.

##### **III. Input Cost Risks:**

Input cost risk is the risk of a business when procuring materials or commodities in high global demand. Increasing demand and supply shortages create volatility in these commodity values; and therefore, the timing, quantity and price of purchase must be closely planned.

**Management perception:**

Management of the Company would hedge their exposure to input price volatility by adjusting its selling price.



**MK FOOTWEAR PLC**  
**Note to the Financial Statement**  
**As on and For the year ended 30 June, 2023**

Particulars	30-Jun-2023 BDT	30-Jun-2022 BDT
<b>5.00 Property, Plant &amp; Equipment</b>		
<b>Cost</b>		
Opening Balance	1,385,674,462	1,006,661,718
Addition during the year	8,337,813	379,012,744
	<u>1,394,012,275</u>	<u>1,385,674,462</u>
Disposal during the year	-	-
	<u>1,394,012,275</u>	<u>1,385,674,462</u>
<b>Accumulated Depreciation</b>		
Opening Balance	165,958,757	75,536,514.00
Addition during the year	95,101,732	90,422,243
	<u>261,060,489</u>	<u>165,958,757</u>
<b>Written Down Value (WDV)</b>	<u>1,132,951,786</u>	<u>1,219,715,705</u>
Details are in Annex-I		
<b>6 Intangible Asset</b>		
<b>Cost</b>		
Opening Balance	165,000	-
Addition during the year	-	165,000
	<u>165,000</u>	<u>165,000</u>
Disposal during the year	-	-
	<u>165,000</u>	<u>165,000</u>
<b>Accumulated Depreciation</b>		
Opening Balance	49,500	-
Addition during the year	34,650	49,500
	<u>84,150</u>	<u>49,500</u>
<b>Written Down Value (WDV)</b>	<u>80,850</u>	<u>115,500</u>
Details are in Annex-II		



## 7 Investment

Legacy Footwear Ltd.:

Cost (1,725,000 no. share having 10 Tk. cost Per share)	17,250,000	-
Fair Value Gain/(Loss)	166,117,500	-
Market value (1,725,000 no. share having market value of 106.3 Tk. Each	183,367,500	-

## 8 Right-of-use (ROU) assets

Opening balance	10,143,068	1,572,340
Addition during the year	10,265,884	9,763,589
Paid off during the year	(8,217,813)	
	12,191,139	11,335,929
Depreciation during the year	(2,096,353)	(1,192,861)
Closing balance	10,094,786	10,143,068

Details are in Annex-III

## 9 Non-Current Security Deposits

Security Deposit-REB	1,000,000	1,000,000
Advance for Office Rent	195,000	195,000
	1,195,000	1,195,000

## 10 Inventories

Material	126,729,191	105,006,598
Work-in-Process	62,977,494	47,976,262
Finished Goods	202,702,263	178,821,585
Stores & Spares	2,904,655	2,312,475
	395,313,603	334,116,920

a) Quantity reconciliation of products were done properly.

b) The valuation of closing inventory has been made on the basis of lower of cost and net realizable value as per IAS-2.

c) The company has conducted a test (physical verification/stock taking) of above inventories as on 30 June, 2023



**11 Accounts & Other Receivables:**

Trade Receivables (*)	209,040,866	281,513,812
Interest Receivable	10,733	-
Incentive Receivable	66,625,077	16,153,360
	<u>275,676,676</u>	<u>297,667,172</u>

The above receivables are considered good for which no provision for expected credit loss has been recognised in the financial statements

(\*) Details of Trade Receivables are in Annex VI

Classification schedule as required by Schedule XI of Companies Act 1994 is as			
I)	Debts considered good and in respect of which the company is fully secured.	275,676,676	297,667,172
II)	Debts considered good for which the company holds no security other than the debtors personal security and	-	-
III)	Debts considered doubtful or bad.		-
IV)	Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or Debts due by firms or private companies respectively in which any director is a partner or a director or a member to be separately stated.	-	-
V)	Debts due by companies under the same management to be disclosed with the names of the companies.	-	-
VI)	The maximum amount due by directors or other officers of the company at any time during the year to be shown by way of a note.	-	-

**Aging of Accounts Receivable is given below:**

Particulars		
1-3 Months	142,271,416	272,171,976
3-6 Months	29,982,735	-
More than 6 Months	103,422,525	9,341,836
	<u>275,676,676</u>	<u>281,513,812</u>



## 12 Inter-Company Receivable

Moynakuti Agro Industries Limited	100,326,000	116,876,000
	<u>100,326,000</u>	<u>116,876,000</u>

The above represent interest free loan provided to the above related entity as temporary arrangement which will be payable on demand. The related entity is the private limited company. MK FOOTWEAR PLC was given the loan to Moynakuti Agro Industries Limited (private limited company) before converted into public limited company dated 29 May 2022. To comply with the requirement of Bangladesh Securities and Exchange Commission notification No. SEC/CMMRRCD/2006-159/Admin/02-10 dated 10 September 2006 the management of the company has decided not to provide any further loan to any of its related entity and has taken steps to realize the receivable as soon as possible.

## 13 Advance Income Tax

Opening Balance	10,814,490	2,870,576
Addition during the year (note 13.1)	10,596,950	10,752,359
	<u>21,411,440</u>	<u>13,622,935</u>
Adjustment made during the year	(10,752,359)	(2,808,445)
Closing Balance	<u>10,659,081</u>	<u>10,814,490</u>

### 13.1 Tax paid during the year

Tax paid on Cash Incentive Income	1,871,000	5,511,300
Tax paid on Motor Vehicle	-	150,000
Tax paid on Interest Income	10,000	
Tax Paid on Export realization/ Advance against Export	8,715,950	5,091,059
	<u>10,596,950</u>	<u>10,752,359</u>

## 14 Cash and Cash Equivalents:

Cash in Hand	140,009	645,201
Brac Bank, CD A/C 10001	100,056,379	-
Standard Bank, CD A/C 805	3,767	-
FDR (IPDC)	1,200,000	-
Short Notice Deposit A/c- 18024000235	4,168	13,981
FBR Margin Account	19,959,954	22,585,399
Sundry Deposit Account	1,758,004	1,900,000
Rupali Bank Ltd, FC A/c No - 18027005037	18,494,952	60,281,453
Southeast Bank Ltd, CD A/c No - 211100048890	5,387	1,756,361
Rupali Bank Ltd, CD A/C No-20009691	2,566	13,511,238
	<u>141,625,186</u>	<u>100,693,633</u>

Cash in hand was physically verified by the Auditor. Bank balances were reconciled & confirmed.



## 15 Share Capital:

### Authorized Share Capital:

100,000,000 Ordinary shares @ of Tk. 10/-	1,000,000,000	1,000,000,000
each	<u>1,000,000,000</u>	<u>1,000,000,000</u>

The authorized capital of the company has been increased to BDT 100.00 crore vide Extra Ordinary Resolution in EGM dated March 28, 2022 and duly filed with & passed by RJSC.

### Issued, Subscribed and Paid-up Capital:

47,847,200 Ordinary shares @ of Tk. 10/-	478,472,000	378,472,000
each fully paid in cash	<u>478,472,000</u>	<u>378,472,000</u>

	30 June, 2023		
	No. of	Value of Shares	% of Shares
Sponsors & Directors	24,467,200	244,672,000	51.14%
Placement Shareholder	13,380,000	133,800,000	27.96%
Institute	3,277,077	32,770,770	6.85%
General Public	6,722,923	67,229,230	14.05%
Total	47,847,200	478,472,000	100.00%

	30 June, 2022		
	No. of	Value of Shares	% of Shares
Sponsors & Directors	24,467,200	244,672,000	64.65%
Placement Shareholder	13,380,000	133,800,000	35.35%
Total	37,847,200	378,472,000	100%

Bangladesh Security Exchange Commission vide letter No. SEC/CI/QIO/SC-37/2022/1251, dated 3rd May 2023 permitted MK Footwear PLC under Qualified Investor Offer by Small Capital Company Rules, 2022 to increase paid up capital by Tk. 100,000,000 through issue of 10,000,000 number of ordinary share having face value of Tk. 10 per share.

## 16 Fair Value Gain/(Loss)

Opening Balance	
Add: Addition during the year	166,117,500
	<u>166,117,500</u>
Less Adjustment during the year	
Add/ (Less) Deferred Tax	
(Expenses)/Income	(16,611,750)
Closing Balance	<u>149,505,750</u>



**17 Retained Earnings**

Opening Balance	111,552,297	8,463,012
Net Profit/(Loss) during the year	40,666,309	103,089,285
	<u>152,218,606</u>	<u>111,552,297</u>

**18 Long Term Loan-Non Current Maturity:**

Project Loan, A/c No - 18067000284	580,118,061	556,121,671
Project Loan, A/c No - 18067000201	215,744,957	197,083,975
IDCP (Interest During Construction Period)	46,100,610	60,648,606
Block Interest	7,215,044	8,184,477
	<u>849,178,672</u>	<u>822,038,729</u>
Less: Transfer to Term Loan-Current Maturity	(260,823,243)	(128,283,044)
	<u>588,355,429</u>	<u>693,755,685</u>

**Disclosure about long term loan -As per Schedule XI, Part I, Para-a (4) of the**

Particulars	Project	Project Loan (18067000201)
<b>Purpose</b>	Import Barnd New Machine	Import Barnd New Machine and Construction of Factory Building
<b>Tenure:</b>	Ten Years from the date of disbursement	Ten Years from the date of disbursement
<b>Repayment:</b>	From proceed realization	From proceed realization
<b>Rate of Interest:</b>	9%	9%
<b>Security:</b>	Imported Machineries, Projects Land and Building	A) 350.88 decimal land and Building and Machineries of that Land located Dhonua (Muaza), Shrepur, Gazipur,



<b>19 Lease liability</b>		
Opening balance	8,276,371	1,641,686
Addition during the year	8,000,000	7,680,000
Finance cost	348,724	250,920
	<b>16,625,095</b>	<b>9,572,606</b>
Rent paid	(8,727,046)	(1,296,235)
Closing balance	<b>7,898,049</b>	<b>8,276,371</b>
<i>Allocated to:</i>		
Non-current liabilities	6,481,796	6,114,483
Current liabilities	1,416,253	2,161,888
	<b>7,898,049</b>	<b>8,276,371</b>
Details are in Annex-IV		

<b>20 Trade and Other Payables:</b>		
Advance Against Export(**)	24,491,844	66,018,250
Trade Payable (*)	115,724,400	105,351,204
	<b>140,216,244</b>	<b>171,369,454</b>

(\*) Details of Trade Payable Details are in Annex VII

(\*\*) Advance against Export represent, amount received in advance for sales contract against which no product is delivered during the year.

<b>21 Short Term Loan:</b>		
Cash Credit Hypothecation	152,250,725	144,956,742
COVID 19 Revolving Refinance Scheme	24,513,428	23,865,572
Export Development Fund (EDF)	165,363,214	250,764,089
Purchase Against Documents (PAD)	29,148,512	124,395,204
OD against Cash Incentive (32)	26,434,769	-
OD against Cash Incentive (33)	8,067,582	-
COVID 19 Stimulus Funds Workers Salary	17,053,776	20,331,461
	<b>422,832,006</b>	<b>564,313,068</b>





Particulars	Cash	COVID 19	COVID 19
<b>Purpose:</b>	Import Raw Material	Working Capital	Working Capital
<b>Tenure:</b>	One year	One year	One year
<b>Repayment:</b>	Export Bill Collection and Company's own fund	Export Collection and Fund	Export Collection and Fund
<b>Rate of Interest:</b>	9%	9%	9%
<b>Security:</b>	Original Export Master Letter of Credit (L/C)	Stock Inventory	Stock Inventory

**22 Liabilities for Expenses:**

Audit Fee	345,000	345,000
Electricity Bill	664,624	1,775,645
Generator Rent	-	380,000
Factory Rent	-	760,000
Directors' Remuneration	1,799,000	399,000
Salary & Wages Payable	9,119,132	15,460,748
TDS and VDS Payable	339,903	1,323,080
	<u>12,267,659</u>	<u>20,443,473</u>

**23 Provision for WPPF**

Opening Balance	5,564,995	-
Add Addition During the Period	3,057,205	5,564,995
Less Paid During the Period	(5,564,995)	
Closing Balance	<u>3,057,205</u>	<u>5,564,995</u>

**24 Provision for Income Tax**

Opening Balance	10,667,434	2,870,600
Addition during the year:		
Tax on Business income (note 24.1)	8,715,950	5,091,059
Tax on other income (note 24.2)	1,892,285	5,514,220
Prior year Adjustment	84,925	
	<u>21,360,594</u>	<u>13,475,879</u>
Paid/ Adjusted during the year	<u>(10,752,359)</u>	<u>(2,808,445)</u>
	<u>10,608,235</u>	<u>10,667,434</u>



**24.1 Tax on Business Income**

Net Profit before Tax	61,144,094	111,299,904
Less: Other income	(69,264,304)	(71,276,977)
Less: Unrealised Foreign Exchange gain/ (Loss)	(1,310,170)	(10,206,238)
Add: Accounting Depreciation & Amortization	95,136,382	90,471,743
Add: WPPF	3,057,205	5,564,995
Less: WPPF (paid)	(5,564,995)	-
Less: Tax Depreciation	(95,800,170)	(188,216,516)
Taxable Business income	(12,601,958)	(62,363,089)
Tax rate on Business Income	12%	12%
Tax on Business Income (A)	-	-
TDS on Export received (B)	8,715,950	5,091,059
Tax on Gross receipt (C) @ 0.2618%	2,340,334	3,508,439
Tax liabilities on business income (Higher	8,715,950	5,091,059

**Un-used Tax Loss:**

Opening Balance	130,639,697	68,276,608
Addition during the year	12,601,958	62,363,089
	143,241,655	130,639,697
Less: use of unused tax	-	-
<b>Un-used Tax Loss</b>	<b>143,241,655</b>	<b>130,639,697</b>

**24.2 Tax on other Income**

Tax on Cash Incentive Income	1,871,000	5,511,300
Tax on Interest income @ 27.5%	21,285	2,920
	1,892,285	5,514,220
Tax on Cash Incentive Income:		
Opening Incentive Receivable	16,153,360	-
Cash Incentive Income	69,186,905	71,266,360
Less: Unrealized during the year	(66,625,077)	(16,153,360)
Cash Incentive Received during the year	18,715,188	55,113,000
Income Tax Rate	10%	10%
Tax on Cash Incentive Income	1,871,000	5,511,300



Particulars	2022-2023 BDT	2021-2022 BDT
<b>25 Revenue:</b>		
Export Sale	821,421,417	1,268,844,877
Export-Sample	3,253,842	
	<u>824,675,259</u>	<u>1,268,844,877</u>
<b>26 Cost of Goods Sold:</b>		
Material Consumed (note 26.01 )	452,706,708	808,153,215
Manufacturing Overhead (note 26.02)	292,718,474	318,051,560
	745,425,181	1,126,204,775
Opening Work in Process	47,976,262	25,380,529
	793,401,443	1,151,585,304
Closing Work in Process	(62,977,494)	(47,976,262)
	730,423,949	1,103,609,042
Opening Finished Goods	178,821,585	177,684,601
<b>Cost of Goods available for sale</b>	<u>909,245,534</u>	<u>1,281,293,643</u>
Closing Finished Goods	(202,702,263)	(178,821,585)
<b>Cost of Sales</b>	<u>706,543,271</u>	<u>1,102,472,058</u>
<b>26.01 Material Consumed:</b>		
Opening Stock	105,006,598	104,758,321
Add: Purchase during the year	474,429,301	808,401,492
Less: Closing Stock -	(126,729,191)	(105,006,598)
	<u>452,706,708</u>	<u>808,153,215</u>
<b>26.02 Manufacturing Overheads:</b>		
Wages & Salaries	176,262,496	184,534,205
Depreciation	93,936,651	89,691,398
Electricity Bill	9,630,821	21,778,230
Generator Rent	4,000,000	4,440,000
Factory Rent	-	6,700,000
Fuel & Lubricant	1,983,118	2,080,453
Repairs & Maintenance	1,021,831	1,260,307
Workers Tiffin	2,668,531	2,910,108
Loading Unloading	839,157	1,186,869
Medical & Welfare	78,711	137,139
Workers' Transportation	306,927	604,516
Inspection Expenses	119,060	1,087,146
Conveyance	151,161	524,443
Internet Bill	177,702	90,167
Mobile Bill	100,967	50,215
Fire Extinguishing Expenses	124,073	50,070
Training Expenses	5,000	289,700
Insurance	1,210,114	-
Others	102,154	636,594
	<u>292,718,474</u>	<u>318,051,560</u>



<b>27 Foreign Exchange Gain/(Loss)</b>		
Realised FC Gain/(Loss)	(4,787,703)	(18,128,641)
Unrealised FC Gain/(Loss)	1,310,170	10,206,238
	<u>(3,477,533)</u>	<u>(7,922,403)</u>
<b>28 Administrative Expenses:</b>		
Salaries & Allowances	4,720,329	4,227,350
Depreciation on ROU assets	1,925,255	1,192,861
Directors' Remuneration	3,600,000	3,500,000
Registration & Renewal	831,811	142,706
RJSC Expenses	40,000	1,314,321
Depreciation	1,336,179	730,845
Amortization of Intangible Assets	34,650	49,500
Audit Fees	345,000	345,000
Conveyance	66,571	103,787
Entertainment	27,223	69,698
Vehicle Expenses	37,500	646,321
Stationery	117,081	218,392
Postage & Courier Service	29,373	74,783
Electricity Bill	111,864	74,452
Telephone, Mobile and Internet	55,211	32,000
IPO Expenses	1,644,683	-
Others	87,543	165,181
	<u>15,010,273</u>	<u>12,887,197</u>
<b>29 Distribution Expenses:</b>		
Conveyance	50,125	105,603
Entertainment	42,142	92,827
Export Expenses	5,349,788	9,742,548
Salaries & Allowances	1,954,872	1,856,400
Stationeries	123,412	249,630
	<u>7,520,339</u>	<u>12,047,008</u>
<b>30 Non-Operating Income:</b>		
Cash Incentive	69,186,905	71,266,360
Interest Income	77,399	10,617
	<u>69,264,304</u>	<u>71,276,977</u>
<b>31 Financial Expenses:</b>		
Export Bill Realization Expenses/Income	516,761	1,450,943
Interest on Short Term Loan	25,190,029	16,889,800
Bank Charges & Commissions	1,293,962	570,366
Finance costs-lease liability	348,724	250,920
Interest on Long Term Loan	69,837,372	68,766,260
	<u>97,186,848</u>	<u>87,928,289</u>



	2022-2023 BDT	2021-2022 BDT
<b>32 Earning per share (EPS)</b>		
<b>Basic earnings per share:</b>		
Profit after tax	40,666,309	103,089,285
Profit attributable to ordinary shareholders	40,666,309	103,089,285
Total weighted average number of shares	38,121,173	32,308,570
<b>Basic earnings per share (Tk 10/= per Share)</b>	<b>1.07</b>	<b>3.19</b>
<b>Diluted earnings per share:</b>		
Profit attributable to ordinary shareholders	40,666,309	103,089,285
Weighted-average number of ordinary shares outstanding during the year	38,121,173	32,308,570
Diluted potential number of ordinary shares	-	-
Total number of shares as dilutive potential ordinary shares	38,121,173	32,308,570
<b>Diluted earnings per share (Tk 10/= per Share)</b>	<b>1.07</b>	<b>3.19</b>

**Weighted-average number of ordinary shares outstanding during the year**

Particulars	Amount	No of Days use capital	No Day in a year	Weight	Price per Share	weighted number of share
Share Capital	378,472,000	365	365	1.00	10	37,847,200
New Share issue	100,000,000	10	365	0.03	10	273,973
<b>Total</b>	<b>478,472,000</b>					<b>38,121,173</b>

**33 Net Operating Cash Flow per Share (NOCFPS)**

Net Operating Cash Flow	163,201,819	50,878,709
Total weighted average number of shares	38,121,173	37,847,200
Potential No. of Share for Share Money Deposit	-	-
Total No of Share to Calculate Net Asset Value Per Share	38,121,173	37,847,200
<b>Net Operating Cash Flow per share</b>	<b>4.28</b>	<b>1.34</b>

**34 Net Asset Value Per Share (NAVPS)**

Shareholders' Equity	780,196,356	490,024,297
No. of Share for Share Capital	47,847,200	37,847,200
Total No of Share to Calculate Net Asset Value Per Share	47,847,200	37,847,200
<b>NAVPS (Net Asset Value Per Share)</b>	<b>16.31</b>	<b>12.95</b>

**35 Cash Received from Customers and others income**

Revenue	824,675,259	1,268,844,877
Foreign Exchange Gain/(Loss) Related to Accounts & Other Receivables	17,162,332	7,882,624
Other Income	69,264,304	71,276,977
Add: Accounts Receivables balance b/d	297,667,172	116,232,518
Less: Accounts Receivables balance c/d	(275,676,676)	(297,667,172)
Add: Advance Against Sale C/d	24,491,844	66,018,250
Less: Advance Against Sale b/d	(66,018,250)	(145,155,440)
Less: Export Bill Collection Charge	(516,761)	(1,450,943)
<b>891,049,224</b>	<b>1,085,981,691</b>	



	2022-2023 BDT	2021-2022 BDT
<b>36 Cash Paid to Suppliers, employees and others expenses</b>		
Cost of Goods Sold	(706,543,271)	(1,102,472,058)
Administrative expenses	(15,010,273)	(12,887,197)
Selling and distribution Expenses	(7,520,339)	(12,047,008)
Adjustment for Depreciation	95,272,830	90,422,243
Adjustment for Amortization	34,650	49,500
Depreciation on ROU assets	1,925,255	1,192,861
Increase/Decrease Trade Payables	10,373,196	46,294,247
Foreign Exchange Gain/(Loss) Related to Accounts & Other Payables	(20,845,011)	(22,177,109)
Increase/Decrease Liability for expenses	(8,175,814)	11,712,079
Increase/(Decrease) Workers' Profit Participation Fund (WPPF)	(5,564,995)	-
Increase/(Decrease) Advance Deposit and Prepayment	-	1,312,904
Increase/Decrease Inventory	(61,196,683)	(25,751,085)
	<b>(717,250,455)</b>	<b>(1,024,350,623)</b>
<b>37 Income Tax paid</b>		
Opening AIT	10,814,490	2,870,576
Closing AIT	(10,659,081)	(10,814,490)
Current year Provision	(10,693,160)	(10,605,279)
Opening Provision for Tax	(10,667,434)	(2,870,600)
Closing Provision for Tax	10,608,235	10,667,434
	<b>(10,596,950)</b>	<b>(10,752,359)</b>
<b>38 Cash flow for Property Plant and Equipment / Capital in Working Progress</b>		
Addition to Property Plant & Equipments	(8,337,813)	(379,012,744)
Addition to Capital Work In Progress	-	(31,828,266)
Adjustment for Transfer from CWIP to PPE	-	240,627,645
	<b>(8,337,813)</b>	<b>(170,213,365)</b>
<b>39 Reconciliation of Net profit before tax with Cash flow from operating activities</b>		
Net profit before income tax	61,144,094	111,299,904
Add: Finance Cost	96,670,087	86,477,346
Adjustment for Depreciation	95,272,830	90,422,243
Adjustment for Amortization	34,650	49,500
Depreciation on ROU assets	1,925,255	1,192,861
Increase/(Decrease) Workers' Profit Participation Fund (WPPF)	(2,507,790)	5,564,995
(Increase)/Decrease Inventory	(61,196,683)	(25,751,085)
(Increase)/Decrease Receivable	21,990,496	(181,434,654)
Increase/Decrease Advance deposits and prepayments	-	1,312,904
Increase/(Decrease) Accounts Payables	(31,153,210)	(32,842,943)
Increase/Decrease Liability for expenses	(8,175,814)	11,712,079
Unrealized Foreign Exchange Gain/(Loss)	(205,146)	(9,207,350)
Unrealized Foreign Exchange Gain/(Loss)	-	2,835,268
Income Tax Paid	(10,596,950)	(10,752,359)
<b>Net Cash (used in)/generated by operating activities</b>	<b>163,201,820</b>	<b>50,878,709</b>



40.00 **Events After The Reporting Period**

Mk Footware PLC has approved 10% cash dividend other than the sponsors and directors for the FY2022-23. The meeting held on 28th October, 2023.

41.00 **Related Party Disclosure:**

During the year, 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 transaction have been set out in accordance with the provisions of IAS-24: "Related Party Disclosure".

Name of Party	Relationship	Nature of Transaction	Opening Balance as at 01 July, 2022 Dr./Cr.)	Transaction during the year		Closing Balance as at 30 June, 2023 Dr./Cr.)
				Dr.	Cr.	
Moynakuti Agro Industries Limited	Common Directorship	Inter Company Receivable	116,876,000		16,550,000	100,326,000
Noor Mohammed	Managing Director & Sponsor	Directors' Remuneration		3,600,000	1,801,000	1,799,000
Mohammed Tohidul Islam	Company Secretary & Shareholder	Salary		1,320,000	1,210,000	110,000
Md.Masud Rana	Manager Finance & Shareholder	Salary		365,500	335,042	30,458
			116,876,000	5,285,500	19,896,042	100,326,000

42.00 **Capacity Utilization :**

Disclosure as per requirement of schedule XI, part II, para 7 of Company Act 1994

Section	Installed Capacity		Utilization Per day (Per Shift) Pcs).	Utilization
	Per day (Per Shift) Pcs.			
	Period ended 30 June 2023			
Finishing - Shoes (Pcs)		10,000	3,964	39.64%

42.01 **Disclosure as per requirement of schedule XI, Part II, Para 8 of Company Act 1994**

a) During the period no import in respect of raw materials and capital machineries on CIF basis has been made. The company import raw materials and capital machineries on CFR basis.

b) No Expenditure in foreign currency during the financial year on account of royalty, know-how, professional consultation fee, interest and other matters.

c) Value of all imported raw materials, spare parts and components consumed during the period and the value of all indigenous raw materials, spare parts and components similarly consumed and the percentage of each to the total consumption are as under:

Item Names	Consumed	% of Consumption
Raw Materials	452,706,708	100%

d) The company has not remitted any amount during the period in foreign currencies on account of dividend.

e) The company has not earned in foreign exchange from royalty, know-how, professional and consultation fee, dividend and other income except exports for goods calculated on FOB basis. Details are given below:

Particulars	Amount in (USD)	Amount in (BDT)
FOB Value of Export	\$ 8,083,238.23	821,421,417

43.00 **Disclosures regarding Sales as per Para 3, Part -II, Schedule XI of the Companies Act**

a) **Quantity-wise sales for the period is as follows:**

Name of product	Quantity (pcs)	Rate(Taka)	Taka
Shoes (PCS)	1,093,874	750.93	821,421,417
<b>Total</b>	<b>1,093,874</b>		<b>821,421,417</b>



b The company do not give any brokerage and discount on sales other than usual trade discount.

Quantitative details of opening stock, purchases / production, consumption / sales and closing stock of raw materials and finished goods are as under:

Item	Unit	Opening Stock	Purchases/ Transfer In	Wastage	Transfer Out/ Sales	Closing Stock
		Qty	Qty	Qty	Qty	Qty
Raw material: Period ended 30 June 2023	PCS/KG/YRD	4,578,712	7,276,212		10,035,903	1,819,022
Work in Process: Period ended 30 June 2023	Pair	182,613	1,172,720	38,620	1,070,271	246,442
Finished goods: Period ended 30 June 2023	Pair	333,394	1,070,271		1,093,874	309,791

**44.00 Employee position of MK Footwear PLC (as at June 30, 2023)**

Disclosure as per requirement of schedule XI part II, Para 3 of the company Act 1994

All the employees receive salary / wages in excess of Tk. 8,200 per

Number of permanent staff	19
Number of permanent workers	688
<b>Total:</b>	<b>707</b>

**45.00 Disclosure as per requirement of schedule XI, Part II, Para 4 of Company Act 1994**

As per Company Act, 1994 part-II, Schedule-XI (4) The profit and loss account will give by way of a note detailed information, showing separately the following payments provided or made during the financial period to the directors, including managing director, the managing agents or manager, if any, by the company, subsidiaries of the company and any other person:-

No.	Particulars	2022-2023	2021-2022
(a)	Managerial Remuneration paid or payable during the period to the directors, including managing directors, a managing agent or manager	9,605,500	9,769,233
(b)	Expenses reimbursed to Managing Agent	Nil	Nil
(c)	Commission or Remuneration payable separately to a managing agent or his associate	Nil	Nil
(d)	Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company	Nil	Nil
(e)	The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial period.	Nil	Nil
(f)	Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable.	Nil	Nil
(g)	Other allowances and commission including guarantee commission	Nil	Nil
(h)	Pensions etc.		
	(i) Pensions	Nil	Nil
	(ii) Gratuities	Nil	Nil
	(iii) Payments from a provident funds, in excess of own subscription and interest thereon	Nil	Nil
(i)	Share Based payments	Nil	Nil





**46.00 Additional Disclosures**

**46.01 Revenue**

During the reporting year Revenue of the company has been decreased by Tk. 444,169,618 that is 35% corresponding with last year due to economic recession in Europe and Russia-Ukraine war. Most of the brands in Europe is suffering with over stock for which there is significant drop in new orders and as a result the whole Footwear industry in Bangladesh have struggled to get new order from European buyers and as a result of decreased in Revenue, Cash Incentive under non-operationg income is also decreased by 47.05%.

**46.02 EPS**

During the year Earning Per Share of the company decreased by Tk. 2.12 Per share with corresponding to previous year, the major reason of which the revenue of the company has been decreased by 35%.

**46.03 Net Operating Cash Flow Per Share (NOCFPS)**

Net Operating Cash Flow Per Share (NOCFPS) increased by Tk. 2.94 per share with corresponding to previous year, the major reason of which Cash Paid to Suppliers, employees & others expenses decreased by 29.98% though Cash Received from Customers and others income decreased by 17.95%.

**47.00 General**

**47.01 Segment Reporting**

As the company operates as a single business and geographic segment no segment reporting is felt necessary.

**47.02 Contingent liability**

There is no contingent liability as of the balance sheet date.

**47.03 Receivable from Directors**

Nothing is receivable from the director.

**47.04 Last year's figures have been rearranged wherever it was found necessary.**

**47.05 Figures appearing in the financial statements have been rounded off to the nearest BDT.**



**MK FOOTWEAR PLC**  
**Schedule of Property, Plant & Equipment**

As on 30 June, 2023

Annex-I

Particular's	Cost			Depreciation			Written Down Value as on 30 June, 2023
	Balance as on 01 July, 2022	Addition During the Period	Balance as on 30 June, 2023	Rate	Balance as on 01 July, 2022	Charged During the Period	
Land and Land Development	97,930,742		97,930,742	0%			97,930,742
Building & Other Civil Constructions	386,785,225		386,785,225	5%	31,041,563	17,787,183	337,956,479
Plant & Machineries	754,836,237		754,836,237	10%	126,122,128	62,871,411	565,842,698
Electrical Equipments & Installations	31,355,421	120,000	31,475,421	10%	3,503,399	2,785,202	6,288,601
Solar Power Plant	76,905,140		76,905,140	10%	1,281,752	7,562,339	8,844,091
Fire Fighting Equipments & Installation	30,660,197		30,660,197	10%	3,066,020	2,759,418	68,061,049
Furniture & Fixture	6,801,500		6,801,500	10%	799,895	600,161	24,834,759
Motor Vehicles	400,000	8,217,813	8,617,813	20%	144,000	736,018	5,401,444
<b>Balance at 30 June, 2023</b>	<b>1,385,674,462</b>	<b>8,337,813</b>	<b>1,394,012,275</b>		<b>165,958,757</b>	<b>95,101,732</b>	<b>1,132,951,786</b>
<b>Balance at 30 June, 2022</b>	<b>1,006,661,718</b>	<b>379,012,744</b>	<b>1,385,674,462</b>		<b>75,536,514</b>	<b>90,422,243</b>	<b>1,219,715,705</b>

Depreciation Allocated to:

Manufacturing Overheads:

Administrative Expenses:

93,765,553
1,336,179
<b>95,101,732</b>



**MK FOOTWEAR PLC**  
**Schedule of Intangible Assets**

As on 30 June, 2023

Particular's	Cost			Rate	Depreciation			Written Down Value as at 30 June, 2023
	Balance as at 01 July, 2022	Addition During the Period	Balance as at 30 June, 2023		Balance as at 01 July, 2022	Charged During the Period	Balance as at 30 June, 2023	
	Software	165,000			165,000	30%	49,500	
<b>Balance as at 30 June, 2023</b>	<b>165,000</b>	<b>-</b>	<b>165,000</b>		<b>49,500</b>	<b>34,650</b>	<b>84,150</b>	<b>80,850</b>

Annex-II



**MK FOOTWEAR PLC**

**Details of right-of-use assets**

As on 30 June, 2023

Annex-III

Asset category	Cost			Months	Depreciation			Written down value as at 30 Jun'23	
	Balance at 01 July'22	Addition during the period	Adjustment during the period		Total at 30 Jun'23	Charge for the period	Adjustment during the period		Total at 30 Jun'23
	BDT	BDT	BDT		BDT	BDT	BDT		BDT
Dhaka Office	2,358,510	-	-	36/36	1,572,340	786,170	-	2,358,510	
Motor Vehicles-01	4,879,297	-	(3,984,760)	11/60	325,286	569,251	-	894,537	
Motor Vehicles-02	4,884,292	-	(4,233,053)	8/60	81,405	569,834	-	651,239	
Generator	-	10,265,884	-	1/60	-	171,098	-	171,098	
<b>Total Jun'23</b>	<b>12,122,099</b>	<b>10,265,884</b>	<b>(8,217,813)</b>		<b>1,979,031</b>	<b>2,096,353</b>	<b>-</b>	<b>4,075,384</b>	
<b>Total Jun'22</b>	<b>2,358,510</b>	<b>9,763,569</b>	<b>-</b>		<b>786,170</b>	<b>1,192,861</b>	<b>-</b>	<b>1,979,031</b>	
								<b>10,143,068</b>	

**Depreciation Allocated to:**

Manufacturing Overheads:	171,098
Administrative Expenses:	1,925,255
	<b>2,096,353</b>



**MK FOOTWEAR PLC**

**Details of lease liability**

As on 30 June, 2023

Annex-IV

Particulars	Date of commencement	Date of ending	Lease period (months)	Total Lease value	Discount rate (%)	PV of lease payment	Interest for the year	Lease payment during the year	Net lease liabilities as at 30 June 2023
	BDT	BDT	BDT	BDT	(%)	BDT	BDT	BDT	BDT
Dhaka Office	Jul-20	Jun-23	36	2,700,000	9.00%	857,618	42,382	(900,000)	-
Motor Vehicles-01	Mar-22	February-2027	60	4,757,684	8.75%	3,634,667	114,273	(3,748,940)	-
Motor Vehicles-02	Jun-22	May-27	60	4,747,654	8.75%	3,784,086	122,069	(3,906,155)	-
Generator	Jun'23	May'28	60	8,000,000	9.00%	8,000,000	70,000	(171,951)	7,898,049
<b>Total 2023</b>				<b>20,205,338</b>		<b>16,276,372</b>	<b>348,724</b>	<b>(8,727,046)</b>	<b>7,898,049</b>
<b>Total 2022</b>				<b>12,205,338</b>		<b>9,321,686</b>	<b>250,920</b>	<b>(1,296,235)</b>	<b>8,276,371</b>



Particulars	Lease current portion	Lease non-current portion	Total
Motor Vehicles-01	-	-	-
Motor Vehicles-02	-	-	-
Dhaka Office	-	-	-
Generator	1,416,253	6,481,796	7,898,049
	<b>1,416,253</b>	<b>6,481,796</b>	<b>7,898,049</b>

**MK FOOTWEAR PLC**  
**Calculation of Deferred tax**  
As at 30 June, 2023

Annex-V

Particulars	Amount in BDT	Amount in BDT
	30-Jun-2023	30-Jun-2022
<b>A. Deferred Tax (Income)/Expenses to be recognised in Profit and Loss A/C</b>		
<b>Carrying value (Accounting Base)</b>		
Property , Plant and Equipment	1,132,951,786	1,219,715,705
Intangible Assets	34,650	49,500
WPPF	(3,057,205)	(5,564,995)
Unrealized Foreign exchange Gain/(Loss)	1,310,170	10,206,238
Cash Incentive	69,186,905	71,266,360
Un-Used Tax Loss	-	-
	<u>1,200,426,306</u>	<u>1,224,406,448</u>
<b>Carrying value (Tax Base)</b>		
Property , Plant and Equipment	959,820,427	1,047,248,134
Intangible Assets	34,650	49,500
Unrealized Foreign exchange Gain/(Loss)	-	-
Cash Incentive	18,715,188	55,113,000
Un-Used Tax Loss	143,241,655	130,639,697
	<u>1,121,811,920</u>	<u>1,233,050,331</u>
<b>A. Taxable /(Deductible) temporary difference</b>	<u>78,614,386</u>	<u>(8,643,883)</u>
Income Tax rate of Operation Except Cash Incentive	12%	12%
Income Tax rate for Cash Incentive	10%	10%
<b>Deferred Tax Liabilities/(Assets) at the end of the year</b>	<u>8,424,292</u>	<u>(1,360,333)</u>
Closing Deferred Tax (Asset)/Liabilities	8,424,292	(1,360,333)
Opening Deferred Tax (Asset)/Liabilities	(1,360,333)	1,034,327
Deferred Tax (Income)/Expenses to be recognised in Profit and Loss A/C	9,784,625	(2,394,660)
<b>B. Deferred Tax on Fair Value Gain/(Loss) to be recognised on Other Comprehensive Income</b>		
Carrying value of Investment (Accounting Base)	183,367,500	
Carrying value of Investment (Tax Base)	17,250,000	
<b>Taxable /(Deductible) temporary difference</b>	<u>166,117,500</u>	
Income Tax rate for Faoir Value Gain/(Loss)	10%	
<b>Deferred Tax Liabilities/(Assets) at the end of the year</b>	<u>16,611,750</u>	
Closing Deferred Tax (Asset)/Liabilities	16,611,750	
Opening Deferred Tax (Asset)/Liabilities	-	
Deferred Tax (Income)/Expenses to be recognised in Other Comprehensive Income	16,611,750	
<b>Total Closing Deferred Tax (Asset)/Liabilities (A+B)</b>	<u>25,036,042</u>	



**MK Footwear PLC  
Trade Receivable  
As at 30 June, 2023**

SC OR L/C NO	Client Name	Inv No	USD	Exc. Rate	BDT	USD	Closing Rate	Annex-VI
								BDT
DC XIA1505663	AJDER/DEICHMANN	MKFL/JANA/497/2022	2,801.30	93.45	261,781	2801.3	108.18	303,045
21640FLC0037321	REDTAPE	MKFL/RT/598/2022	81,878.75	94.73	7,746,901	81,878.75	108.18	8,857,643
21640FLC0037321	REDTAPE	MKFL/RT/644/22	36,890.00	106.17	3,916,611	36,890.00	108.18	3,990,760
MK0051/TR2023	TONGRUI	MKFL/TAMARIS/732/2023	69,744.30	106.02	7,394,068	69,744.30	108.18	7,544,938
MK0051/TR2023	TONGRUI	MKFL/S'Oliver/744/2023	33,360.00	106.84	3,564,182	33,360.00	108.18	3,608,885
MK0051/TR2023	TONGRUI	MKFL/TAMARIS/745/2023	147,269.85	106.94	15,734,311	147,269.85	108.18	15,931,652
MK0051/TR2023	TONGRUI	MKFL/TAMARIS/746/2023	74,984.55	107.41	8,054,091	74,984.55	108.18	8,111,829
MK0051/TR2023	TONGRUI	MKFL/S'Oliver/747/2023	10,680.00	107.41	1,147,139	10,680.00	108.18	1,155,362
MK0051/TR2023	TONGRUI	MKFL/TAMARIS/753/2023	2,639.25	107.41	283,482	2,639.25	108.18	285,514
MK0051/TR2023	TONGRUI	MKFL/S'Oliver/754/2023	32,640.00	107.41	3,505,862	32,640.00	108.18	3,530,995
MK0051/TR2023	TONGRUI	MKFL/S'Oliver/763/2023	20,880.00	107.41	2,242,721	20,880.00	108.18	2,258,798
MK0051/TR2023	TONGRUI	MKFL/S'Oliver/773/2023	3,840.00	107.41	412,454	3,840.00	108.18	415,411
MK0051/TR2023	TONGRUI	MKFL/S'Oliver/810/2023	68,880.00	108.18	7,451,438	68,880.00	108.18	7,451,438
MK0052/TR2023	TONGRUI	MKFL/TAMARIS/747/2023	33,412.71	107.41	3,588,859	33,412.71	108.18	3,614,587
MK0052/TR2023	TONGRUI	MKFL/TAMARIS/755/2023	45,278.42	107.41	4,863,355	45,278.42	108.18	4,898,219
MK0052/TR2023	TONGRUI	MKFL/TAMARIS/764/2023	37,380.33	107.41	4,015,021	37,380.33	108.18	4,043,804
MK0052/TR2023	TONGRUI	MKFL/TAMARIS/774/2023	24,117.78	107.41	2,590,491	24,117.78	108.18	2,609,061
MK0053/TR2023	TONGRUI	MKFL/S'OLIVER/828/2023	25,242.00	108.18	2,730,680	25,242.00	108.18	2,730,680
SLDM-A010607F0200	SLDM/DEICHMANN	MKFL/SLDM/782/2023	16,800.00	108.18	1,817,424	16,800.00	108.18	1,817,424
SLDM-A010607F0200	SLDM/DEICHMANN	MKFL/SLDM/804/2023	17,948.00	108.18	1,941,615	17,948.00	108.18	1,941,615
SLDM-A010607F0200	SLDM/DEICHMANN	MKFL/SLDM/815/2023	25,774.00	108.18	2,788,231	25,774.00	108.18	2,788,231
SLDM-A010607F0200	SLDM/DEICHMANN	MKFL/SLDM/816/2023	22,400.00	108.18	2,423,232	22,400.00	108.18	2,423,232
SLDM-A010607F0200	SLDM/DEICHMANN	MKFL/SLDM/817/2023	6,300.00	108.18	681,534	6,300.00	108.18	681,534
SLDM-A010607F0200	SLDM/DEICHMANN	MKFL/SLDM/824/2023	21,252.00	108.18	2,299,041	21,252.00	108.18	2,299,041
SLDM-A010607F0200	SLDM/DEICHMANN	MKFL/SLDM/825/2023	15,680.00	108.18	1,696,262	15,680.00	108.18	1,696,262
SLDM-A010607F0200	SLDM/DEICHMANN	MKFL/SLDM/826/2023	9,800.00	108.18	1,060,164	9,800.00	108.18	1,060,164
SLDM-A010607F0200	SLDM/DEICHMANN	MKFL/SLDM/827/2023	34,300.00	108.18	3,710,574	34,300.00	108.18	3,710,574
SLDM-A01CA06A	SLDM/DEICHMANN	MKFL/SLDM/784/2023	28,560.00	108.18	3,089,621	28,560.00	108.18	3,089,621
SLDM-A01CA06A	SLDM/DEICHMANN	MKFL/SLDM/785/2023	15,680.00	108.18	1,696,262	15,680.00	108.18	1,696,262
SLDM-A01CA06A	SLDM/DEICHMANN	MKFL/SLDM/808/2023	2,800.00	108.18	302,904	2,800.00	108.18	302,904
SLDM-A01CA06A	SLDM/DEICHMANN	MKFL/SLDM/809/2023	8,960.00	108.18	969,293	8,960.00	108.18	969,293
SLDM-A01CA06A	SLDM/DEICHMANN	MKFL/SLDM/807/2023	25,102.00	108.18	2,715,534	25,102.00	108.18	2,715,534
SLDM-A01CA06A	SLDM/DEICHMANN	MKFL/SLDM/811/2023	23,996.00	108.18	2,595,887	23,996.00	108.18	2,595,887
SLDM-A01CA06A	SLDM/DEICHMANN	MKFL/SLDM/812/2023	19,894.00	108.18	2,152,133	19,894.00	108.18	2,152,133
SLDM-A01CA06A	SLDM/DEICHMANN	MKFL/SLDM/813/2023	22,638.00	108.18	2,448,979	22,638.00	108.18	2,448,979
SLDM-A01CA06A	SLDM/DEICHMANN	MKFL/SLDM/814/2023	8,750.00	108.18	946,575	8,750.00	108.18	946,575
SLDM-A01CA06A	SLDM/DEICHMANN	MKFL/SLDM/821/2023	20,370.00	108.18	2,203,627	20,370.00	108.18	2,203,627
SLDM-A01CA06A	SLDM/DEICHMANN	MKFL/SLDM/822/2023	11,200.00	108.18	1,211,616	11,200.00	108.18	1,211,616
SLDM-A01CA06A	SLDM/DEICHMANN	MKFL/SLDM/823/2023	12,600.00	108.18	1,363,068	12,600.00	108.18	1,363,068
A07AA07B	SLDM/DEICHMANN	MKFL/SLDM/786/2023	28,000.00	108.18	3,029,040	28,000.00	108.18	3,029,040
A07AA07B	SLDM/DEICHMANN	MKFL/SLDM/787/2023	17,360.00	108.18	1,878,005	17,360.00	108.18	1,878,005
A07AA07B	SLDM/DEICHMANN	MKFL/SLDM/788/2023	7,000.00	108.18	757,260	7,000.00	108.18	757,260
A07AA07B	SLDM/DEICHMANN	MKFL/SLDM/789/2023	8,750.00	108.18	946,575	8,750.00	108.18	946,575
A07AA07B	SLDM/DEICHMANN	MKFL/SLDM/790/2023	15,680.00	108.18	1,696,262	15,680.00	108.18	1,696,262
A07AA07B	SLDM/DEICHMANN	MKFL/SLDM/796/2023	11,200.00	108.18	1,211,616	11,200.00	108.18	1,211,616
A07AA07B	SLDM/DEICHMANN	MKFL/SLDM/798/2023	8,750.00	108.18	946,575	8,750.00	108.18	946,575
A07AA07B	SLDM/DEICHMANN	MKFL/SLDM/799/2023	16,800.00	108.18	1,817,424	16,800.00	108.18	1,817,424
A07AA07B	SLDM/DEICHMANN	MKFL/SLDM/800/2023	5,600.00	108.18	605,808	5,600.00	108.18	605,808
A07AA07B	SLDM/DEICHMANN	MKFL/SLDM/801/2023	12,810.00	108.18	1,385,786	12,810.00	108.18	1,385,786
A07AA07B	SLDM/DEICHMANN	MKFL/SLDM/802/2023	2,100.00	108.18	227,178	2,100.00	108.18	227,178
A07AA07B	SLDM/DEICHMANN	MKFL/SLDM/803/2023	24,500.00	108.18	2,650,410	24,500.00	108.18	2,650,410
A167F2501	SLDM/DEICHMANN	MKFL/SLDM/783/2023	1,750.00	108.18	189,315	1,750.00	108.18	189,315
A167F2501	SLDM/DEICHMANN	MKFL/SLDM/792/2023	2,800.00	108.18	302,904	2,800.00	108.18	302,904
A167F2501	SLDM/DEICHMANN	MKFL/SLDM/793/2023	490.00	108.18	53,008	490.00	108.18	53,008
A167F2501	SLDM/DEICHMANN	MKFL/SLDM/794/2023	140.00	108.18	15,145	140.00	108.18	15,145
A167F2501	SLDM/DEICHMANN	MKFL/SLDM/795/2023	3,640.00	108.18	393,775	3,640.00	108.18	393,775
A167F2501	SLDM/DEICHMANN	MKFL/SLDM/805/2023	3,080.00	108.18	333,194	3,080.00	108.18	333,194
A167F2501	SLDM/DEICHMANN	MKFL/SLDM/806/2023	3,920.00	108.18	424,066	3,920.00	108.18	424,066
A167F2501	SLDM/DEICHMANN	MKFL/SLDM/818/2023	3,360.00	108.18	363,485	3,360.00	108.18	363,485
A167F2501	SLDM/DEICHMANN	MKFL/SLDM/819/2023	3,360.00	108.18	363,485	3,360.00	108.18	363,485
MK2202	SLDM/DEICHMANN	MKFL/SLDM/791/2023	11,520.00	108.18	1,246,234	11,520.00	108.18	1,246,234
MK2202	SLDM/DEICHMANN	MKFL/SLDM/797/2023	3,840.00	108.18	415,411	3,840.00	108.18	415,411
MK2202	SLDM/DEICHMANN	MKFL/SLDM/829/2023	5,120.00	108.18	553,882	5,120.00	108.18	553,882
MK 0048/2022	NOVI	MKFL/TAMARIS/693/2022	13,954.25	106.17	1,481,523	13,954.25	108.18	1,509,571
MK 0048/2022	NOVI	MKFL/TAMARIS/689/2022	598.75	106.17	63,569	598.75	108.18	64,772
MK 0048/2022	NOVI	MKFL/TAMARIS/681/2022	25,823.95	106.17	2,741,729	25,823.95	108.18	2,793,635
MK 0048/2022	NOVI	MKFL/TAMARIS/666/2022	5,251.97	106.17	557,602	5,251.97	108.18	568,158
MK 0048/2022	NOVI	MKFL/TAMARIS/661/2022	11,775.46	106.17	1,250,201	11,775.46	108.18	1,273,870
MK 0048/2022	NOVI	MKFL/TAMARIS/654/2022	4,868.68	106.17	516,908	4,868.68	108.18	526,694
MK 0048/2022	NOVI	MKFL/TAMARIS/650/2022	13,349.81	106.17	1,311,179	13,349.81	108.18	1,336,002



MK 0048/2022	NOVI	MKFL/TAMARIS/648/2022	40,913.05	106.17	4,343,739	40,913.05	108.18	4,425,974
MK 0048/2022	NOVI	MKFL/TAMARIS/646/2022	8,187.10	106.17	869,224	8,187.10	108.18	885,680
MK 0048/2022	NOVI	MKFL/TAMARIS/637/2022	28,525.38	98.35	2,805,471	28,525.38	108.18	3,085,875
MK 0049/2022	NOVI	MKFL/S'OLIVER/723/2023	10,121.37	106.32	1,076,104	10,121.37	108.18	1,094,930
MK 0049/2022	NOVI	MKFL/IANA/714/2023	295.63	106.17	31,387	295.63	108.18	31,981
MK 0049/2022	NOVI	MKFL/S'OLIVER/713/2023	3,018.37	106.17	320,460	3,018.37	108.18	326,527
MK 0049/2022	NOVI	MKFL/S'OLIVER/706/2022	2,016.84	106.17	214,128	2,016.84	108.18	218,182
MK 0049/2022	NOVI	MKFL/S'OLIVER/691/2022	15,647.91	106.17	1,661,339	15,647.91	108.18	1,692,791
MK 0049/2022	NOVI	MKFL/TAMARIS/690/2022	3,650.21	106.17	387,543	3,650.21	108.18	394,880
MK 0049/2022	NOVI	MKFL/IANA/684/2022	3,834.51	106.17	407,110	3,834.51	108.18	414,817
MK 0049/2022	NOVI	MKFL/S'OLIVER/683/2022	3,263.20	106.17	346,454	3,263.20	108.18	353,013
MK 0049/2022	NOVI	MKFL/IANA/682/2022	41,044.56	106.17	4,357,701	41,044.56	108.18	4,440,201
MK 0049/2022	NOVI	MKFL/IANA/671/2022	8,866.73	106.17	941,381	8,866.73	108.18	959,203
MK 0049/2022	NOVI	MKFL/S'OLIVER/670/2022	22,146.45	106.17	2,351,289	22,146.45	108.18	2,395,803
MK 0049/2022	NOVI	MKFL/TAMARIS/669/2022	42,167.94	106.17	4,476,970	42,167.94	108.18	4,561,728
MK 0049/2022	NOVI	MKFL/S'OLIVER/668/2022	6,743.61	106.17	715,969	6,743.61	108.18	729,524
MK 0049/2022	NOVI	MKFL/TAMARIS/667/2022	12,723.48	106.17	1,350,852	12,723.48	108.18	1,376,426
MK 0049/2022	NOVI	MKFL/TAMARIS/659/2022	42,782.80	106.17	4,542,250	42,782.80	108.18	4,628,243
MK 0049/2022	NOVI	MKFL/S'OLIVER/658/2022	6,122.66	106.17	650,043	6,122.66	108.18	662,350
MK 0049/2022	NOVI	MKFL/IANA/655/2022	18,568.59	106.17	1,971,427	18,568.59	108.18	2,008,750
MK 0049/2022	NOVI	MKFL/IANA/656/2022	5,173.60	106.17	549,281	5,173.60	108.18	559,680
MK 0049/2022	NOVI	MKFL/S'OLIVER/652/2022	31,949.49	106.17	3,392,077	31,949.49	108.18	3,456,295
MK 0049/2022	NOVI	MKFL/TAMARIS/651/2022	28,154.03	106.17	2,989,113	28,154.03	108.18	3,045,703
MK 0049/2022	NOVI	MKFL/TAMARIS/645/2022	28,876.69	106.17	3,065,838	28,876.69	108.18	3,123,880
MK 0050/2022	NOVI	MKFL/TAMARIS/725/2023	2,853.22	106.32	303,354	2,853.22	108.18	308,661
MK 0050/2022	NOVI	MKFL/S'LIVER/724/2023	2,733.47	106.32	290,623	2,733.47	108.18	295,707
MK 0050/2022	NOVI	MKFL/S'LIVER/712/2023	5,516.42	106.17	585,678	5,516.42	108.18	596,766
MK 0050/2022	NOVI	MKFL/TAMARIS/708/2022	21,603.30	106.17	2,293,622	21,603.30	108.18	2,337,045
MK 0050/2022	NOVI	MKFL/S'LIVER/707/2022	1,097.71	106.17	116,544	1,097.71	108.18	118,750
MK 0050/2022	NOVI	MKFL/TAMARIS/705/2022	14,851.96	106.17	1,576,833	14,851.96	108.18	1,606,685
MK 0050/2022	NOVI	MKFL/S'LIVER/704/2022	9,064.03	106.17	962,328	9,064.03	108.18	980,547
MK 0050/2022	NOVI	MKFL/S'LIVER/695/2022	3,426.19	106.17	363,759	3,426.19	108.18	370,646
MK 0050/2022	NOVI	MKFL/TAMARIS/694/2022	25,514.32	106.17	2,708,855	25,514.32	108.18	2,760,139
MK 0050/2022	NOVI	MKFL/TAMARIS/657/2022	20,982.51	106.17	2,227,713	20,982.51	108.18	2,269,888
MK 0050/2022	NOVI	MKFL/S'LIVER/686/2022	10,989.59	106.17	1,166,765	10,989.59	108.18	1,188,854
Total			1,932,343		205,758,801	1,932,343		209,040,866

Un-realized Gain/(Loss) on Receivable 3,282,065





**MK Footwear PLC**  
**Trade Payable**  
**As at 30 June, 2023**

SL	LC	DATE	B/E	DATE	AMOUNT	Rate As per B.B	BD TAKA	Outstanding L/C	Closing Rate	Closing L/C Liability as per Closing Rate	Exchange Gain/(Loss)
1	026322060059	19.09.2022	C 1773362	27.10.2022	\$ 28,649.20	98.35	2,817,649	2,817,649	108.18	3,099,270	(281,622)
2	026322060077	14.12.2022	C 168737	29.01.2023	\$ 26,000.00	106.08	2,758,080	2,758,080	108.18	2,812,680	(54,600)
3	026322060081	26.12.2022	C 173146	30.01.2023	\$ 80,000.00	106.08	8,486,400	8,486,400	108.18	8,654,400	(168,000)
4	026322060081	26.12.2022	C 170004	29.01.2023	\$ 14,000.00	106.08	1,485,120	1,485,120	108.18	1,514,520	(29,400)
5	026322060081	26.12.2022	C 236556	08.02.2023	\$ 4,000.00	106.32	425,280	425,280	108.18	432,720	(7,440)
6	026323060001	03.01.2023	C 171220	29.01.2023	\$ 44,074.65	106.08	4,675,439	4,675,439	108.18	4,767,996	(92,557)
7	026323060002	03.01.2023	C 167823	29.01.2023	\$ 16,173.00	106.08	1,715,632	1,715,632	108.18	1,749,595	(33,963)
8	026323060002	03.01.2023	C 171222	29.01.2023	\$ 29,000.00	106.08	3,076,320	3,076,320	108.18	3,137,220	(60,900)
9	026323060004	11.01.2023	C 168703	02.02.2023	\$ 99,100.40	106.08	10,512,570	10,512,570	108.18	10,720,681	(208,111)
10	026323060004	11.01.2023	C 168710	02.02.2023	\$ 61,213.19	106.08	6,493,495	6,493,495	108.18	6,622,043	(128,548)
11	026323060004	11.01.2023	C 194859	01.02.2023	\$ 80,327.95	106.32	8,540,468	8,540,468	108.18	8,689,878	(149,410)
12	026323060004	11.01.2023	C 163507	04.03.2023	\$ 69,009.69	106.02	7,316,407	7,316,407	108.18	7,465,468	(149,061)
13	026323060010	20.02.2023	C 242322	28.03.2023	\$ 356.62	106.02	37,809	37,809	108.18	38,579	(770)
14	026323060010	20.02.2023	C 455669	19.03.2023	\$ 44,145.61	106.02	4,680,318	4,680,318	108.18	4,775,672	(95,355)
15	026323060010	20.02.2023	C 479104	23.03.2023	\$ 33,528.70	106.02	3,554,713	3,554,713	108.18	3,627,135	(72,422)
16	026323060010	20.02.2023	C 511949	29.03.2023	\$ 8,301.35	106.02	880,109	880,109	108.18	898,040	(17,931)
17	026323060011	23.02.2023	C 174643	06.03.2023	\$ 1,500.00	106.02	159,030	159,030	108.18	162,270	(3,240)
18	026323060011	23.02.2023	C 474722	22.03.2023	\$ 82,000.00	106.02	8,693,640	8,693,640	108.18	8,870,760	(177,120)
19	026323060011	23.02.2023	C 474737	22.03.2023	\$ 36,000.00	106.02	3,816,720	3,816,720	108.18	3,894,480	(77,760)
20	026323060011	23.02.2023	C 237383	27.03.2023	\$ 7,000.00	106.02	742,140	742,140	108.18	757,260	(15,120)
21	026323060011	23.02.2023	C 601869	13.04.2023	\$ 29,150.00	106.84	3,114,386	3,114,386	108.18	3,153,447	(39,061)
22	026323060011	23.02.2023	C 596387	12.04.2023	\$ 19,000.00	106.84	2,029,960	2,029,960	108.18	2,055,420	(25,460)
23	026323060011	23.02.2023	C 571149	09.04.2023	\$ 44,438.70	106.84	4,747,831	4,747,831	108.18	4,807,379	(59,548)
24	026323060011	23.02.2023	C 658944	29.04.2023	\$ 53,400.00	106.84	5,705,256	5,705,256	108.18	5,776,812	(71,556)
25	026323060011	23.02.2023	C 701855	08.05.2023	\$ 13,060.50	107.41	1,402,828	1,402,828	108.18	1,412,885	(10,057)
26	026323060012	23.02.2023	C 434286	15.03.2023	\$ 10,365.60	106.02	1,098,961	1,098,961	108.18	1,121,351	(22,390)
27	026323060012	23.02.2023	C 596036	12.04.2023	\$ 3,806.80	106.84	406,719	406,719	108.18	411,820	(5,101)

Annex-VII



28	026323060012	23.02.2023	C 658897	29.04.2023	\$	6,021.20	106.84	643,305	643,305	108.18	651,373	(8,068)
29	026323060017	29.03.2023	C 701777	08.05.2023	\$	5,517.00	107.41	592,581	592,581	108.18	596,829	(4,248)
30	026323060017	29.03.2024	C 701815	08.05.2023	\$	2,305.00	107.41	247,580	247,580	108.18	249,355	(1,775)
31	026323060017	29.03.2026	C 701871	23.05.2023	\$	994.50	107.41	106,819	106,819	108.18	107,585	(766)
32	026323060018	29.03.2023	C 596373	12.04.2023	\$	29,500.00	106.84	3,151,780	3,151,780	108.18	3,191,310	(39,530)
33	026323060018	29.03.2023	C 646715	25.04.2023	\$	13,500.00	106.84	1,442,340	1,442,340	108.18	1,460,430	(18,090)
34	026323060018	29.03.2023	C-323484	26.04.2023	\$	1,200.00	106.84	128,208	128,208	108.18	129,816	(1,608)
35	026323060018	29.03.2023	C 664884	30.04.2023	\$	9,000.00	106.84	961,560	961,560	108.18	973,620	(12,060)
36	026323060018	29.03.2024	C 701754	08.05.2023	\$	757.00	107.41	81,309	81,309	108.18	81,892	(583)
37	026323060018	29.03.2025	C701986	08.05.2023	\$	9,972.00	107.41	1,071,093	1,071,093	108.18	1,078,771	(7,678)
38	026323060024	18.04.2023	C793343	23.05.2023	\$	6,344.05	107.41	681,414	681,414	108.18	686,299	(4,885)
39	026323060024	18.04.2023	C832035	30.05.2023	\$	27,595.38	107.41	2,964,020	2,964,020	108.18	2,985,268	(21,248)
40	0263230400076	12.02.2023			\$	11,383.29	108.18	1,231,444	1,231,444	108.18	1,231,444	-
41	0263230400150	23.03.2023			\$	8,047.94	108.18	870,626	870,626	108.18	870,626	-
	<b>Total</b>				\$	<b>1,070,163.88</b>		<b>113,547,359</b>	<b>113,547,359</b>		<b>115,724,400</b>	<b>(2,177,041)</b>

