

MK FOOTWEAR PLC

**Auditor's Report and Financial Statements
As at and for the year ended 30 June 2025**

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MK FOOTWEAR 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 2025, 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 material accounting policy information

In our opinion, the accompanying financial statements give true and fair view of the financial position of the Company as at 30 June 2025, and of its performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), 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), 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 attention to the following matters:

1. With reference to the Note #23 we state that the section 232 & 234 of the Bangladesh Labour Act 2006 requires the Company is to pay 5% of its profit before tax to the worker profit participation fund (WPPF). The Company has made a provision of BDT 3,074,731 for WPPF in the Statement of Profit or Loss and Other Comprehensive Income for the year 2023-2024. Out of this amount, 81% (i.e., BDT 2,490,532) was deposited into the Sromik Kallyan Foundation Fund on 29 May 2025, while the remaining 19% (i.e., BDT 584,199) has not yet been deposited.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements 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 a separate opinion on these matters.

Risk	Our response to the risk
Revenue-Export, Cash Incentive & Accounts & Other Receivables	
For the year ended 30 June 2025, the Company reported the following in its financial statements: - Export revenue (Note 26): BDT 787,918,044 - Accounts and other receivables (Note 11): BDT 685,463,206	We have tested the design and operating effectiveness of key controls focusing on the following: - Obtaining an understanding of and assessing the design and operating effectiveness of controls to ensure revenue is recognized in the correct accounting period. - Assessed whether the revenue recognition policy is appropriate and is in line with IFRS 15 – Revenue from contracts with customers.

Risk	Our response to the risk
The Company generates revenue primarily from export sales and receives cash incentives from the Government of Bangladesh. The timing of revenue recognition and realization exposes the Company to foreign exchange fluctuations. Revenue is also subject to overstatement risks, including potential manipulation of the timing of Letters of Credit and export shipments, as well as misstatement of discounts, incentives, and rebates that may arise from management pressure to achieve performance targets. Revenue recognition is a key audit matter as it is a key performance indicator of the Company, giving rise to inherent risks related to existence, accuracy, and completeness of revenue.	• Performed walkthrough tests to understand the adequacy and the design of the revenue cycle. • Obtaining and reviewing the Sales Ledger. • Selecting a sample of sales contracts, sales invoices, Bills of Export, and Bills of Lading and verifying their agreement with VAT returns and the Sales Ledger. • For cash incentives: reviewing the Cash Incentive Ledger, certificates from Chartered Accountants, proceeds realization certificates, bank applications, and bank confirmations. • Collecting bank certificates regarding export, export realization, and PRCs for subsequent receivable realization. • For accounts and other receivables: reviewing ledgers, Bills of Export for outstanding invoices, and PRCs for subsequent receivable realization. • Assessing the appropriateness and presentation of revenue-related disclosures in accordance with applicable accounting standards.
Valuation of Inventory	
The company had inventory of (Note-10) BDT 452,823,830 at reporting date, held in distribution centers, warehouses and numerous branches, and across multiple product lines. Inventories are carried at the lower of cost and net realizable value. As a result, the management apply judgment in determining the appropriate values for slow-moving or obsolete items.	We challenged the appropriateness of management's assumptions applied in calculating the value of the inventory provisions by: • Evaluating the design and implementation of key inventory controls operating across the company, including those at a sample of distribution centers and warehouses. • Attending inventory counts and reconciling the count results to the inventory listings to test the completeness of data; • 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 to assess whether inventory provisions are complete; • reviewing the historical accuracy⁴ 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. • 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;

Risk	Our response to the risk
	• Comparing the net realizable value obtained through a detailed review of sales subsequent to the yearend, to the cost price of a sample of inventories and comparison to the associated provision to assess whether inventory provisions are complete; • Finally, assessed the appropriateness and presentation of disclosures related to relevant accounting standards.
Valuation of Property, plant and equipment At the reporting date, the carrying value of the Company's property, plant and equipment amounted to Taka 1,046,066,089. The valuation of property, plant, and equipment was identified as a key audit matter due to the significance of this balance to the financial statements, as well as the significance of management's judgements in determining its valuation. In considering the valuation of property, plant, and equipment, we focused on the assessment of the followings: • Inherent risks associated with property, plant and equipment. • Potential misstatements in property, plant, and equipment on account of frauds and errors. • Assessment of useful lives of assets. • Assessment of impairment of assets. <u>Inherent risks associated with property, plant and equipment</u> • Property, plant and equipment may include assets that should have been derecognized following sale, other transfer of rights or abandonment. • Expenditure that should have been recognized as property, plant and equipment but has not been so recognized, including capitalized finance costs. • Depreciation may have been incorrectly calculated. <u>Assessment of useful lives of assets</u> Management applies estimates and judgements in its determination of useful lives of assets and reviews the useful lives of assets at each financial year end and adjusts for changes, where appropriate.	
	We obtained an understanding of the client and its environment to consider inherent risk related to property, plant, and equipment. Our understanding includes: • Obtaining an understanding of the internal control over property, plant, and equipment. • Assessing the risks of material misstatement and designing tests of controls and substantive procedures that cover the following aspects: ✓ Substantiate the existence of property, plant, and equipment. ✓ Establish the completeness of recorded property, plant, and equipment. ✓ Verify the cut-off of transactions affecting property, plant, and equipment. ✓ Establish the proper valuation or allocation of property, plant, and equipment and the accuracy of transactions affecting property, plant, and equipment. ✓ Determine the correctness and appropriateness of classification of property, plant and equipment. • We evaluated the assumptions made by management in the determination of useful lives to ensure that these are consistent with the principles of IAS 16. "Property, Plant and Equipment". • We compared the useful lives of each class of asset in the current year to the prior year to determine whether there were any significant changes in the useful lives of assets, and considered the reasonableness of changes based on our knowledge of the business and the industry. • We assessed whether there are circumstances that indicate a possible impairment of property, plant and equipment and if such circumstances exist, how the same have been dealt with by the entity.

Risk	Our response to the risk
<u>Impairment of assessment</u> At the end of each reporting period, management assesses whether there is any indication that an asset may be impaired. If any such indication exists, management estimates the recoverable amount of the asset. If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. The associated disclosure is included within Note 5. For specific details on the Company's accounting policy, please see Note 2.18.	
Measurement of deferred tax Liability Company reported net deferred tax liability amounting to Taka 22,709,534 as at 30 June 2025. Significant judgment is required in relation to deferred tax liability as their liability is dependent on forecasts of future profitability over a number of years.	Our audit procedures included the following: • We evaluated the design and tested the operating effectiveness of controls in respect of the recognition and measurement of uncertain tax provisions. We determined that we could rely on these controls for the purposes of our audit. • With the assistance of our tax specialists, we evaluated management's judgments and estimates of tax exposures and contingencies in order to assess the adequacy of the Company's tax provisions. In understanding and evaluating management's judgments, we considered the status of recent and current tax authority audits and enquiries, judgmental positions taken in tax returns and current year estimates and developments in the tax environment. • We also assessed the completeness and accuracy of the data used for the estimations of future taxable income; • We involved tax specialists to assess key assumptions, controls, recognition and measurement of deferred tax liabilities; • We also assessed the appropriateness of presentation of disclosures against IAS-12 income tax.
Short & Long Term Loan As at 30 June 2025, the reported amount of total long-term loan is Tk. 1,010,591,098 (Note:18), Short Term Loan Tk. 416,964,958 (Note:21) and Accepted Liability (Note:20) 37,105,105 respectively. The company borrowed fund from Rupali Bank Ltd.	Our audit procedures included the following: • Reviewed loan agreements, sanction letters, and relevant correspondence with the bank. • Verified loan balances with bank statements and loan confirmations.

Risk	Our response to the risk
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.	• Examined the classification between short-term and long-term loans for appropriate presentation and disclosure. • Assessed compliance with loan covenants, repayment schedules, and interest rate terms. • Reviewed management's cash flow projections and ability to service debt obligations. Evaluated the adequacy of related disclosures in the financial statements.

Other Matter

The financial statements of the Company for the year ended 30 June 2024 were audited by G. Kibria & Co., Chartered Accountants, who expressed an unmodified opinion on those statements on 31 October 2024.

Other Information

Management and Those Charged with Governance are responsible for the other information. The other information comprises the information included in the Annual Report, but not included the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form 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 information is materially inconsistent with financial statements or our knowledge obtain 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 information, we are required to report the 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 as explained in note 2, 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 the 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 of 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 events 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 to 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 auditors' 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

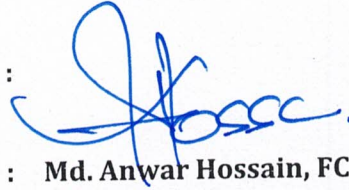
In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987, we also report the following:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) the statements of financial position and the statement of profit or loss and comprehensive income dealt with by the report are in agreement with the books of accounts and returns; and
- d) the expenditure incurred was for the purposes of the Company's business.

Firm's Name : Anil Salam Idris & Co., Chartered Accountants

Firm's FRC Enlistment No. : CAF-001-100

Signature :



Engagement Partner Name : Md. Anwar Hossain, FCA
Managing Partner/ ICAB Enrollment No. 1415

FRC Enlistment No. : CA-001-282

DVC Number : 2510281415AS526672

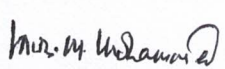
Date : 28 October 2025

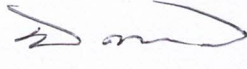


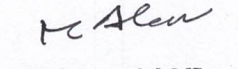
MK FOOTWEAR PLC
Statement of Financial Position
As on 30 June 2025

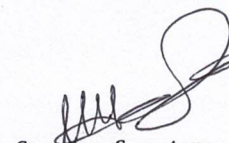
			Amount in BDT
Particulars	Notes	30 June 2025	30 June 2024
ASSETS			
Property, Plant and Equipment	5	1,046,066,089	1,133,938,482
Intangible Assets	6	39,616	56,595
Investment	7	-	111,952,500
Right-of-use (ROU) assets	8	6,774,602	9,613,949
Non-Current Security Deposits	9	1,195,000	1,195,000
Total Non-Current Assets		1,054,075,307	1,256,756,526
Inventories	10	452,823,830	430,112,239
Accounts & Other Receivables	11	685,463,206	656,975,594
Inter-Company Receivable	12	-	6,147,000
Advance Income Tax	13	23,178,599	15,251,804
Cash & Cash Equivalent	14	40,477,172	71,008,542
Total Current Assets		1,201,942,806	1,179,495,179
Total Assets		2,256,018,113	2,436,251,705
EQUITY AND LIABILITIES			
Share Capital	15	478,472,000	478,472,000
Fair value Gain/(Loss)	16	-	80,497,125
Retained Earnings	17	233,624,034	169,340,703
Shareholders equity		712,096,034	728,309,828
Long Term Loan-Non Current Maturity	18	505,873,833	554,855,156
Lease liability (non-current portion)	19	4,044,650	5,156,126
Deferred Tax Liabilities/(Assets)	Annexure-V	22,709,534	39,177,876
Total Non-Current Liabilities		532,628,017	599,189,158
Trade and Other Payables	20	37,105,105	269,314,520
Term Loan-Current Maturity	18	504,717,265	359,754,137
Lease liability (current portion)	19	2,441,583	3,252,513
Short Term Loan	21	416,964,958	419,171,794
Liabilities for Expenses	22	11,440,766	36,234,959
Provision for WPPF	23	5,725,017	5,826,215
Provision for Tax	24	32,468,534	15,052,548
Dividend Payable	25	430,835	146,033
Total Current Liabilities		1,011,294,062	1,108,752,719
Total Equity and Liabilities		2,256,018,113	2,436,251,705
Net Asset Value Per Share	35	14.88	15.22

The annexed notes form an integral part of these financial statements.

 
Chairman Director


Managing Director


Chief Financial Officer

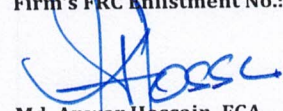

Company Secretary

Dated: Dhaka
28 October 2025



Signed in terms of our separate report of even da

Anil Salam Idris & Co.
Chartered Accountants
Firm's FRC Enlistment No.: CAF-001-100


Md. Anwar Hossain, FCA
Managing Partner
ICAB Enrollment No: 1415
FRC Enlistment No.: CA-001-282
DVC No.: 2510281415AS526672

MK FOOTWEAR PLC

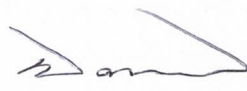
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2025

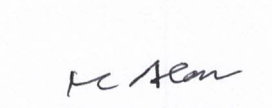
		Amount in BDT	
Particulars	Notes	01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
Revenue	26	787,918,044	779,712,628
Cost of Goods sold	27	(599,526,336)	(592,927,490)
Gross Profit/(Loss)		188,391,708	186,785,138
Foreign Exchange Gain/(Loss)	28	12,942,393	15,763,645
Administrative Expenses	29	(13,645,613)	(20,500,317)
Distribution Expenses	30	(7,164,189)	(7,566,093)
Operating Profit/ (Loss)		180,524,299	174,482,373
Non-Operating Income	31	64,057,706	23,873,668
Profit/(Loss) before interest & Tax		244,582,005	198,356,041
Financial Expenses	32	(136,624,837)	(133,786,692)
Profit/(Loss) before WPPF & Tax		107,957,168	64,569,349
Workers' Profit Participation Fund (WPPF)		(5,140,818)	(3,074,731)
Profit/(Loss) before Tax		102,816,350	61,494,618
Current Tax Expense	24	(17,415,986)	(4,444,313)
Deferred Tax (Expenses)/Income	Annexure-V	2,262,967	(16,548,209)
Net Profit/(Loss) after Tax		87,663,331	40,502,097
Fair value Gain/(Loss) on Investment	7	-	(71,415,000)
Deferred Tax (Expenses)/Income	Annexure-V	-	2,406,375
Other Comprehensive Income		-	(69,008,625)
Total Comprehensive Income for the year		87,663,331	(28,506,528)
Basic Earnings Per Share (EPS)	33	1.83	0.85
Diluted Earnings Per Share (DEPS)	33	1.83	0.85

The annexed notes form an integral part of these financial statements.


Chairman


Director


Managing Director


Chief Financial Officer

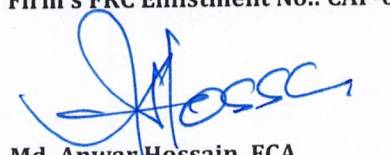

Company Secretary

Signed in terms of our separate report of even date

Dated: Dhaka
28 October 2025



Anil Salam Idris & Co.
Chartered Accountants
Firm's FRC Enlistment No.: CAF-001-100


Md. Anwar Hossain, FCA
Managing Partner
ICAB Enrollment No: 1415
FRC Enlistment No.: CA-001-282
DVC No.: 2510281415AS526672

MK FOOTWEAR PLC
Statement of Changes in Equity
For the year ended 30 June 2025

Amount in BDT

Particulars	Share Capital	Fair Value/ gain (loss)	Retained Earnings	Total
For the year ended 30 June 2025				
Balance as at 01 July, 2024	478,472,000	80,497,125	169,340,703	728,309,828
Addition During the Period	-	-	87,663,331	87,663,331
Dividend		-	(23,380,000)	(23,380,000)
Derecognized during the year		(94,702,500)	-	(94,702,500)
Add/(Less) Deferred Tax (Expenses)/Income	-	14,205,375	-	14,205,375
Balance as on 30 June 2025	478,472,000	-	233,624,034	712,096,034
For the year ended 30 June 2024				
Balance as at 01 July, 2023	478,472,000	149,505,750	152,218,606	780,196,356
Addition During the Period	-	(71,415,000)	40,502,097	(30,912,903)
Dividend			(23,380,000)	(23,380,000)
Add/(Less) Deferred Tax (Expenses)/Income	-	2,406,375	-	2,406,375
Balance as on 30 June 2024	478,472,000	80,497,125	169,340,703	728,309,828

Mrs. M. M. S. S.
Chairman

[Signature]
Director

[Signature]
Managing Director

[Signature]
Chief Financial Officer

[Signature]
Company Secretary

Dated: Dhaka
28 October 2025



MK FOOTWEAR PLC
Statement of Cash Flows

For the year ended 30 June 2025

		<u>Amount in BDT</u>	
Particulars	Notes	01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
<u>Cash flows from operating activities:</u>			
Cash Received from Customers and others income	36	779,898,713	438,824,804
Cash Paid to Suppliers, employees & others expenses	37	(821,977,399)	(406,782,823)
Income tax paid	38	(7,926,795)	(4,592,723)
Net Cash (used in)/generated by operating activities (A)		(50,005,480)	27,449,259
<u>Cash flows from investing activities:</u>			
Property Plant and Equipment / Capital in Working Progress	39	-	(97,619,900)
ROU Assets		-	-
Investment		80,974,800	-
Inter-Company Receivable		6,147,000	94,179,000
Intangible Assets		-	-
Net Cash used (used in)/generated by investing activities (B)		87,121,800	(3,440,900)
<u>Cash flows from financing activities:</u>			
Long term Bank Loan Received/(Re-paid)		95,981,805	65,430,621
Short term Bank Loan Received/(Re-paid)		(2,206,836)	(3,660,212)
Share Capital/Share Money Deposit Received		-	-
Dividend Paid		(23,095,198)	(23,233,967)
Lease Payment		(2,963,412)	(2,791,461)
Financial Expenses		(135,402,680)	(132,259,659)
Net cash flows from financing activities (C)		(67,686,322)	(96,514,678)
Net changes increase/(decrease) in cash and cash equivalents (A+B+C)		(30,570,002)	(72,506,319)
Unrealized Foreign Exchange Gain/(Loss)		38,632	1,889,676
Cash & cash equivalents at the beginning of the period		71,008,542	141,625,186
Cash & cash equivalents at the end of the period		40,477,172	71,008,542
Net Operating Cash Flow per share (NOCFPS)	34	(1.05)	0.57

The annexed notes form an integral part of these financial statements.

Mr. M. M. Idris
Chairman

[Signature]
Director

[Signature]
Managing Director

[Signature]
Chief Financial Officer

[Signature]
Company Secretary

Dated: Dhaka
28 October 2025



MK FOOTWEAR PLC

Notes to the Financial Statements

As on and For the year ended 30 June 2025

1.00 Reporting Entity

1.01 Company Profile

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.

1.02 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 and presentation of financial statements

2.01 Material 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.

2.02 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.

2.03 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.



2.04 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.

2.05 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 Standards	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

2.06 Reporting period

The reporting period of the company covers one year from 01 July 2024 to 30 June 2025 and comparative information 01 July 2023 to 30 June 2024 respectively.

2.07 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.

2.08 Offsetting

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



2.09 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

2.10 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.

2.11 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.

2.12 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.

2.13 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.

2.14 Approval of these Financial Statements by Board of Directors

The Board of Directors has approved these Financial Statements on 28 October 2025.

2.15 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 Rules, 2020

The Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Company) Rules, 2022

The Bangladesh Securities and Exchange Commission Ordinance, 1969

The Bangladesh Securities and Exchange Commission Act 1993.

The Income Tax Act, 2023

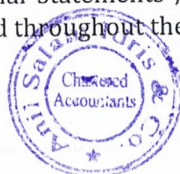
The Income Tax Rules, 2023

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

The Value Added Tax (VAT) & Supplementary Duty Rules, 2016

2.16 Summary of material 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.

2.17 Recognition of Property, Plant & Equipment's

Property, Plant & Equipment's 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.

2.18 Depreciation on Property, Plant & Equipment's

Depreciation on all Property, Plant & Equipment's 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.

Category wise depreciation rates are as follows:

<u>Assets category</u>	<u>Rate of depreciation (%)</u>
Land and Land Development	0%
Building & Other Civil Constructions	5%
Plant & Machineries	10%
Electrical Equipment's & Installations	10%
Solar Power Plant	10%
Fire Fighting Equipment's & Installation	10%
Furniture & Fixture	10%
Motor Vehicles	20%

2.19 Revenue recognition

The core principle of IFRS 15 is that an entity will recognize 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:

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

2.20 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.



2.21 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 30.06.2025, 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 year end inventory count held at 30.06.2025 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 30.06.2025.

2.22 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.

2.23 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.

2.24 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.

2.25 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.



2.26 Income-tax expense

Current Tax:

Income tax is calculated and provision is made in compliance with the provisions of Finance Act 2025 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.

2.27 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-42.00

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 recognized 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 during the

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 or 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 '

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 2025
- b) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2025
- c) Statement of Cash Flows For the year ended 30 June 2025
- d) Statement of Changes in Equity as on 30 June 2025
- e) Notes to the financial statements as on 30 June 2025

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 Labour Law 2006 as amended up to 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 9,82,05,785.

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 unfavourable 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.



5.00 Property, Plant & Equipment

Amount in BDT	30 June 2025	30 June 2024
Cost		
Opening Balance	1,487,523,269	1,394,012,275
Addition during the year	-	97,619,900
Adjustement during the year	-	(4,108,907)
	1,487,523,269	1,487,523,269
Disposal during the year	-	-
Total Cost Value (A)	1,487,523,269	1,487,523,269
Accumulated Depreciation		
Opening Balance	353,584,787	261,060,489
Addition during the year	87,872,393	92,866,707
Adjustement during the year	-	(342,409)
Total Accumulated Depreciation (B)	441,457,180	353,584,787
Written Down Value (WDV) (A-B)	1,046,066,089	1,133,938,482

Details schedule of property, plant and equipments given in Annex-I.

6.00 Intangible Asset

Amount in BDT	30 June 2025	30 June 2024
Cost		
Opening Balance	165,000	165,000
Addition during the year	-	-
	165,000	165,000
Disposal during the year	-	-
Total Cost Value (A)	165,000	165,000
Accumulated Amortization		
Opening Balance	108,405	84,150
Addition during the year	16,979	24,255
Total Accumulated Amortization (B)	125,384	108,405
Written Down Value (WDV) (A-B)	39,616	56,595

Details schedule of Intangible Asset given in Annex-II.

7.00 Investment

Amount in BDT	30 June 2025	30 June 2024
Investment in Shares	-	111,952,500
Closing balance	-	111,952,500



8.00 Right-of-use (ROU) assets

Amount in BDT	30 June 2025	30 June 2024
Opening balance	9,613,949	10,094,786
Addition during the year	-	2,358,510
Paid off during the year	-	-
	9,613,949	12,453,296
Depreciation during the year	(2,839,347)	(2,839,347)
Closing balance	6,774,602	9,613,949

Details of Right-of-use (ROU) assets given in Annex-III.

9.00 Non-Current Security Deposits

Amount in BDT	30 June 2025	30 June 2024
Security Deposit-REB	1,000,000	1,000,000
Advance for Office Rent	195,000	195,000
Closing balance	1,195,000	1,195,000

10.00 Inventories

Amount in BDT	30 June 2025	30 June 2024
Material	154,843,322	146,361,761
Work-in-Process	69,725,960	62,176,160
Finished Goods	224,844,048	218,545,142
Stores & Spares	1,254,564	3,029,176
Stock in Transit	2,155,936	-
Closing balance	452,823,830	430,112,239

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

11.00 Accounts & Other Receivables

Amount in BDT	30 June 2025	30 June 2024
Trade Receivables (*)	595,137,522	566,654,677
Interest Receivable	15,500	10,733
Incentive Receivable	90,310,184	90,310,184
Closing balance	685,463,206	656,975,594

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



Classification schedule as required by Schedule XI of Companies Act 1994 is as follows:

i) Debts considered good and in respect of which the company is fully secured.	685,463,206	656,975,594
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 Trade Receivable is given below:

Amount in BDT	30 June 2025	30 June 2024
1-3 Months	95,388,393	127,223,019
4-6 Months	18,384,988	39,738,834
More than 6 Months	481,364,141	399,692,824
Closing balance	595,137,522	566,654,677

12.00 Inter-Company Receivable

Amount in BDT	30 June 2025	30 June 2024
Moynakuti Agro Industries Limited	-	6,147,000
Closing balance	-	6,147,000

13.00 Advance Income Tax

Amount in BDT	30 June 2025	30 June 2024
Opening Balance	15,251,804	10,659,081
Addition during the year (note 13.10)	7,926,795	4,592,723
	23,178,599	15,251,804
Adjustment made during the year	-	
Closing Balance	23,178,599	15,251,804

13.10 Addition during the year

Amount in BDT	30 June 2025	30 June 2024
Tax paid on Cash Incentive Income	-	-
Tax paid on Motor Vehicle	75,000	150,000
Tax paid on Interest Income	30,620	60,368
Tax Paid U/S 173	-	11,804
Tax Paid on Dividend Income	34,500	17,250
Tax Paid on Export realization/Advance against Export	7,786,675	4,353,301
Closing Balance	7,926,795	4,592,723



14.00 Cash and Cash Equivalents

Amount in BDT	30 June 2025	30 June 2024
Cash in Hand	9,550	22,597
BO A/C 862	2,900	1,550
Brac Bank, CD A/C 10001	256,633	248,956
Standard Bank, CD A/C 805	4,748	53,762
FDR (IPDC)	1,356,830	1,270,587
Short Notice Deposit A/c- 18024000235	1,798,533	733,824
FBR Margin Account	31,828,983	36,493,311
FCBTB A/C 18371000013	3,312,747	30,590,417
Sundry Deposit Account	1,087,549	587,549
Rupali Bank Ltd, FC A/c No - 18027005037	369,483	908,215
Southeast Bank Ltd, CD A/c No - 211100048890	5,387	5,387
Brac Bank Dividend A/C 10002	415,031	88,033
Shahjalal Islami Bank CD A/C- 1343	1,600	2,635
Rupali Bank PLC, CD A/C No-20009691	3,406	1,719
Bank Asia CD A/C-548	23,793	-
Closing Balance	40,477,172	71,008,542

15.00 Share Capital

Amount in BDT	30 June 2025	30 June 2024
Authorized Share Capital		
100,000,000 Ordinary shares @ of Tk. 10/- each	1,000,000,000	1,000,000,000
Issued, Subscribed and Paid-up Capital		
47,847,200 Ordinary shares @ of Tk. 10/- each fully paid in cash	478,472,000	478,472,000

Share Holding Position is shown below on 30 June 2025

Name of the share holders	No. of Shares	Value of Shares	% of Shares
Sponsors & Directors	24,467,200	244,672,000	51.14%
Institute	9,785,854	97,858,540	20.45%
General Public	13,594,146	135,941,460	28.41%
Closing Balance	47,847,200	478,472,000	100.00%

Share Holding Position is shown below on 30 June 2024

Name of the share holders	No. of Shares	Value of Shares	% of Shares
Sponsors & Directors	24,467,200	244,672,000	51.136%
Institute	6,761,974	67,619,740	14.13%
General Public	16,618,026	166,180,260	34.73%
Closing Balance	47,847,200	478,472,000	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.

16.00 Fair Value Gain/(Loss)

Amount in BDT	30 June 2025	30 June 2024
Opening Balance	80,497,125	149,505,750
Less Adjustment/Derecognized during the year	(94,702,500)	(71,415,000)
Add/(Less) Deferred Tax (Expenses)/Income	14,205,375	2,406,375
Closing Balance	-	80,497,125

17.00 Retained Earnings

Amount in BDT	30 June 2025	30 June 2024
Opening Balance	169,340,703	152,218,606
Net Profit/(Loss) during the year	87,663,331	40,502,097
Dividend	(23,380,000)	(23,380,000)
Closing Balance	233,624,034	169,340,703

18.00 Long Term Loan-Non Current Maturity

Amount in BDT	30 June 2025	30 June 2024
Project Loan, A/c No - 18067000284 [Rupali Bank PLC]	719,767,746	639,033,495
Project Loan, A/c No - 18067000201 [Rupali Bank PLC]	247,348,742	232,121,188
IDCP (Interest During Construction Period) [Rupali Bank PLC]	43,474,610	43,454,610
	1,010,591,098	914,609,293
Less: Transfer to Term Loan-Current Maturity	(504,717,265)	(359,754,137)
Closing Balance	505,873,833	554,855,156

18.01 Disclosure about long term loan -As per Schedule XI, Part I, Para-a (4) of the Company Act, 1994

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

19.00 Lease liability

Amount in BDT	30 June 2025	30 June 2024
Opening balance	8,408,639	7,898,049
Addition during the year	-	2,358,510
Finance cost	1,041,006	943,541
	9,449,645	11,200,100
Rent paid	(2,963,412)	(2,791,461)
Closing balance	6,486,233	8,408,639



Allocated to

Amount in BDT	30 June 2025	30 June 2024
Non-current liabilities	4,044,650	5,156,126
Current liabilities	2,441,583	3,252,513
Closing balance	6,486,233	8,408,639

Details of lease liability given in Annex-IV

20.00 Trade and Other Payables

Amount in BDT	30 June 2025	30 June 2024
Trade Payable (*)	37,105,105	269,314,520
Closing balance	37,105,105	269,314,520

21.00 Short Term Loan

Amount in BDT	30 June 2025	30 June 2024
Cash Credit Hypothecation [Rupali Bank PLC]	168,358,605	157,659,028
COVID 19 Revolving Refinance Scheme [Rupali Bank PLC]	27,815,277	26,036,556
Rescheduling-18200000120 [Rupali Bank PLC]	126,305,497	121,110,009
Trade Finance Import Others (Import) [Rupali Bank PLC]	59,747,737	
Purchase Against Documents (PAD) [Rupali Bank PLC]	-	15,573,460
OD against Cash Incentive (32) [Rupali Bank PLC]	-	15,641,119
OD against Cash Incentive (33) [Rupali Bank PLC]	-	7,230,209
OD-Temporary 76 [Rupali Bank PLC]	21,596,789	21,477,248
COVID 19 Stimulus Funds Workers Salary [Rupali Bank PLC]	-	10,494,165
Rescheduling-18200000127 [Rupali Bank PLC]	13,141,053	-
Unsecured Loan [Rupali Bank PLC]	-	43,950,000
Closing balance	416,964,958	419,171,794

Particulars	Cash Credit Hypothecation	COVID 19 Revolving Refinance Scheme	COVID 19 Stimulus Funds Workers Salary
Purpose	Import Raw Material	Working Capital	Working Capital
Tenure	One year	One year	One year
Repayment	Export Bill Collection and Company's own fund	Export Collection and Fund	Export Collection and Fund
Rate of Interest	9%	9%	9%
Security	Original Export Master Letter of Credit (L/C)	Stock Inventory	Stock Inventory



22.00 Liabilities for Expenses

Amount in BDT	30 June 2025	30 June 2024
Audit Fee	287,500	402,500
Electricity Bill	3,713,073	5,650,529
Directors' Remuneration	400,000	700,000
Salary & Wages Payable	6,600,234	11,396,980
Other Payable	439,959	18,084,950
Closing balance	11,440,766	36,234,959

23.00 Provision for WPPF

Amount in BDT	30 June 2025	30 June 2024
Opening Balance	5,826,215	3,057,205
Add Addition During the Period	5,140,818	3,074,731
Less Paid During the Period	(5,242,016)	(305,721)
Closing Balance	5,725,017	5,826,215

24.00 Provision for Income Tax

Amount in BDT	Notes	30 June 2025	30 June 2024
Opening Balance		15,052,548	10,608,235
Addition during the year:			
Tax on Business income	24.01	7,786,675	4,353,301
Tax on other income	24.02	9,629,311	91,012
Prior year Adjustment		-	-
		32,468,534	15,052,548
Paid/Adjusted during the year		-	-
Closing Balance		32,468,534	15,052,548

24.01 Tax on Business Income

Amount in BDT	30 June 2025	30 June 2024
Net Profit before Tax	102,816,350	61,494,618
Less: Other income	(64,057,706)	(23,873,668)
Less: Unrealised Foreign Exchange gain/(Loss)	(15,712,853)	(18,011,660)
Add: Accounting Depreciation & Amortization	87,889,372	92,890,962
Add: WPPF	5,140,818	3,074,731
Less: WPPF (paid)	5,242,016	(305,721)
Less: Tax Depreciation	(86,030,211)	(95,548,857)
Taxable Business income	35,287,786	19,720,406
Tax rate on Business Income	12%	12%
Tax on Business Income (A)	4,234,534	2,366,449
TDS on Export received (B)	7,786,675	4,353,301
Tax on Gross receipt (C) @ 0.5333% (12/22.5*1)	4,201,967	2,103,789
Tax liabilities on business income (Higher of A, B, & C)	7,786,675	4,353,301



24.02 Tax on other Income

Amount in BDT	30 June 2025	30 June 2024
Tax on Cash Incentive Income	-	-
Tax on Dividend Income @ 20%	34,500	17,250
Tax on Interest income @ 22.5%	36,091	73,762
Tax on Realized Gain @ 15%	9,558,720	-
Closing Balance	9,629,311	91,012

Tax on Cash Incentive Income

Amount in BDT	30 June 2025	30 June 2024
Opening Incentive Receivable	90,310,184	66,625,077
Cash Incentive Income	-	23,685,107
Less: Unrealized during the year	(90,310,184)	(90,310,184)
Cash Incentive Received during the year	-	-
Income Tax Rate	10%	10%
Closing Balance	-	-

25.00 Dividend Payable

Amount in BDT	30 June 2025	30 June 2024
Opening Dividend Payable	146,033	-
Add Dividend Declared	23,380,000	23,380,000
	23,526,033	23,380,000
Less Dividend Paid	23,095,198	23,233,967
Closing Balance	430,835	146,033

Break-up of Dividend Payable:

Total	Less then 1 Year	Less Then 3 Years	More then 3 Years
430,835	284,802	146,033	-



26.00 Revenue

Amount in BDT	01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
Export Sale	787,014,559	778,718,438
Export-Sample	903,485	994,190
Total	787,918,044	779,712,628

27.00 Cost of Goods Sold

Amount in BDT	Notes	01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
Material Consumed	27.01	420,591,255	376,774,751
Manufacturing Overheads	27.02	192,783,787	231,194,284
		613,375,042	607,969,035
Opening Work in Process		62,176,160	62,977,494
		675,551,202	670,946,529
Closing Work in Process		(69,725,960)	(62,176,160)
		605,825,242	608,770,369
Opening Finished Goods		218,545,142	202,702,263
Cost of Goods available for sale		824,370,384	811,472,632
Closing Finished Goods		(224,844,048)	(218,545,142)
Cost of Goods Sold		599,526,336	592,927,490

27.01 Material Consumed

53.44%

48.38%

Amount in BDT	01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
Opening Stock	146,361,761	126,729,191
Add: Purchase during the year	429,072,816	396,407,321
Less: Closing Stock	(154,843,322)	(146,361,761)
Total	420,591,255	376,774,751

27.02 Manufacturing Overheads

Amount in BDT	01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
Wages & Salaries	85,001,785	114,304,638
Depreciation	88,790,336	93,653,962
Electricity Bill	12,615,622	13,309,099
Fuel & Lubricant	1,432,315	1,787,174
Repairs & Maintenance	2,622,220	4,103,099
Workers Tiffin	787,880	2,101,524
Loading Unloading	716,157	828,124
Medical & Welfare	28,646	66,425
Inspection Expenses	482,095	293,863
Conveyance	107,424	116,245
Internet Bill	148,056	148,056
Mobile Bill	48,000	48,650
Fire Extinguishing Expenses	-	425,025
Others	3,251	8,400
Total	192,783,787	231,194,284



28.00 Foreign Exchange Gain/(Loss)

Amount in BDT	Notes	01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
Realised FC Gain/(Loss)	28.10	(2,770,460)	(2,248,015)
Unrealised FC Gain/(Loss)	28.20	15,712,853	18,011,660
Total		12,942,393	15,763,645

28.10 Realised FC Gain/(Loss)

Amount in BDT	01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
Realised Gain/(Loss) on Export	4,306,481	2,540,453
Realized Gain/(Loss) on Import	(7,076,941)	(4,788,468)
Total	(2,770,460)	(2,248,015)

28.20 Unrealised FC Gain/(Loss)

Amount in BDT	01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
Unrealised Gain/(Loss) on Receivable	16,010,046	35,305,811
Unrealized Gain/(Loss) on A/C's & Other Payable	(335,825)	(19,183,828)
Unrealised Gain/(Loss) on FC 5047	38,632	1,889,676
Total	15,712,853	18,011,660

29.00 Administrative Expenses

Amount in BDT	01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
Salaries & Allowances	7,264,000	10,718,562
Depreciation on ROU assets	786,170	786,170
Directors' Remuneration	3,600,000	3,600,000
Registration & Renewal	-	485,493
Depreciation	1,135,234	1,265,922
Amortization of Intangible Assets	16,979	24,255
Audit Fees	287,500	402,500
Audit Fees-Use of Proceed	-	31,945
Conveyance	36,524	42,418
Entertainment	20,769	15,676
Vehicle Expenses	7,878	11,024
Stationery	76,066	96,797
Postage & Courier Service	14,325	23,154
Electricity Bill	128,761	156,650
Telephone, Mobile and Internet	64,103	64,088
IPO/Bond Expenses	125,000	1,995,533
Advertisement Expenses	33,659	158,680
Others	48,645	621,450
Total	13,645,613	20,500,317

30.00 Distribution Expenses

Amount in BDT	01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
Conveyance	32,227	42,154
Entertainment	29,362	29,745
Export Expenses	4,695,434	5,293,141
Salaries & Allowances	2,340,000	2,105,632
Stationeries	67,166	95,421
Total	7,164,189	7,566,093



31.00 Non-Operating Income

Amount in BDT	01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
Cash Incentive	-	23,685,107
Dividend Income	172,500	86,250
Realized Gain/(Loss) on sale of Car	-	(266,498)
Realized Gain/(Loss) on sale of Shares	63,724,800	-
Interest Income	160,406	368,808
Total	64,057,706	23,873,668

32.00 Financial Expenses

Amount in BDT	01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
Export Bill Realization Expenses/Income	181,151	583,492
Interest on Short Term Loan	36,983,439	35,917,707
Bank Charges & Commissions	1,077,436	2,082,331
Finance costs-lease liability	1,041,006	943,541
Interest on Long Term Loan	97,341,805	94,259,621
Total	136,624,837	133,786,692



33.00 Earning per share (EPS)

Amount in BDT	01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
Basic earnings per share		
Profit after tax	87,663,331	40,502,097
Profit attributable to ordinary shareholders	87,663,331	40,502,097
Total weighted average number of shares outstanding during the year	47,847,200	47,847,200
Basic earnings per share (Tk 10/= per Share)	1.83	0.85

Diluted earnings per share

Amount in BDT	01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
Profit attributable to ordinary shareholders	87,663,331	40,502,097
Weighted-average number of ordinary shares outstanding during the year	47,847,200	47,847,200
Diluted potential number of ordinary shares	-	-
Total number of shares as dilutive potential ordinary shares	47,847,200	47,847,200
Diluted earnings per share (Tk 10/= per Share)	1.83	0.85

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	478,472,000	365	365	1.00	10	47,847,200
Total	478,472,000					47,847,200

34.00 Net Operating Cash Flow per Share (NOCFPS)

Amount in BDT	01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
Net Operating Cash Flow	(50,005,480)	27,449,259
Total weighted average number of shares outstanding during the year	47,847,200	47,847,200
Potential No. of Share for Share Money Deposit	-	-
Total No of Share to Calculate Net Asset Value Per Share	47,847,200	47,847,200
Net Operating Cash Flow per share	(1.05)	0.57

35.00 Net Asset Value Per Share (NAVPS)

Amount in BDT	30 June 2025	30 June 2024
Shareholders' Equity	712,096,034	728,309,828
No. of Share for Share Capital	47,847,200	47,847,200
Total No of Share to Calculate Net Asset Value Per Share	47,847,200	47,847,200
NAVPS (Net Asset Value Per Share)	14.88	15.22

36.00 Cash Received from Customers and others income

Amount in BDT	01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
Revenue	787,918,044	779,712,628
Foreign Exchange Gain/(Loss) Related to Accounts & Other Receivables	20,316,527	37,846,265
Other Income	332,906	27,640,165
Add: Accounts Receivables balance b/d	656,975,594	275,676,676
Less: Accounts Receivables balance c/d	(685,463,206)	(656,975,594)
Add: Advance Against Sale C/d	-	-
Less: Advance Against Sale b/d	-	(24,491,844)
Less: Export Bill Collection Charge	(181,151)	(583,492)
Total	779,898,713	438,824,804



37.00 Cash Paid to Suppliers, employees and others expenses

Amount in BDT	01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
Cost of Goods Sold	(599,526,336)	(592,927,490)
Administrative expenses	(13,645,613)	(20,500,317)
Selling and distribution Expenses	(7,164,189)	(7,566,093)
Adjustment for Depreciation	89,925,570	94,919,884
Adjustment for Depreciation for sale of Car	-	-
Adjustment for Amortization	16,979	24,255
Depreciation on ROU assets	786,170	786,170
Increase/Decrease Trade Payables	(232,209,415)	153,590,120
Foreign Exchange Gain/(Loss) Related to Accounts & Other Payables	(7,412,765)	(23,972,296)
Increase/Decrease Liability for expenses	(24,794,193)	23,967,300
Increase/(Decrease) Workers' Profit Participation Fund (WPPF)	(5,242,016)	(305,721)
Increase/(Decrease) Advance Deposit and Prepayment	-	-
Increase/Decrease Inventory	(22,711,591)	(34,798,636)
Total	(821,977,399)	(406,782,823)

38.00 Income Tax paid

Amount in BDT	01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
Opening AIT	15,251,804	10,659,081
Closing AIT	(23,178,599)	(15,251,804)
Current year Provision	(17,415,986)	(4,427,063)
Opening Provision for Tax	(15,052,548)	(10,608,235)
Closing Provision for Tax	32,468,534	15,035,298
Total	(7,926,795)	(4,592,723)

39.00 Cash flow for Property Plant and Equipment / Capital in Working Progress

Amount in BDT	01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
Addition to Property Plant & Equipments	-	(97,619,900)
Total	-	(97,619,900)

40.00 Reconciliation of Net profit before tax with Cash flow from operating activities

Amount in BDT	01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
Net profit before income tax	102,816,350	61,494,618
Add: Finance Cost	136,443,686	133,203,200
Adjustment for Depreciation	89,925,570	94,919,884
Adjustment for Amortization	16,979	24,255
Depreciation on ROU assets	786,170	786,170
Increase/(Decrease) Workers' Profit Participation Fund (WPPF)	(101,198)	2,769,010
(Increase)/Decrease Inventory	(22,711,591)	(34,798,636)
(Increase)/Decrease Receivable	(28,487,612)	(381,298,918)
Increase/Decrease Advance deposits and prepayments	-	-
Increase/(Decrease) Accounts Payables	(232,209,415)	129,098,276
Increase/Decrease Liability for expenses	(24,794,193)	23,967,300
Unrealized Foreign Exchange Gain/(Loss)	(38,632)	(1,889,676)
Adjustment for Sale of Car	-	3,766,498
Realized Gain on sale of Shares	(63,724,800)	-
Income Tax Paid	(7,926,795)	(4,592,723)
Net Cash (used in)/generated by operating activities	(50,005,480)	27,449,259



41.00 Events After The Reporting Period

MK Footwear PLC has approved 12% cash dividend other than the sponsors and directors for the FY 2024-2025. The meeting held on 28 October 2025.

42.00 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, 2024 Dr./ (Cr.)	Transaction during the year		Closing Balance as at 30 June, 2025 Dr./ (Cr.)
				Dr.	Cr.	
Moynakuti Agro Industries Limited	Common Directorship	Inter Company Receivable	6,147,000	-	6,147,000	-
Noor Mohammed	Managing Director & Sponsor	Directors' Remuneration	700,000	3,600,000	3,900,000	400,000
			6,847,000	3,600,000	10,047,000	400,000

43.00 Capacity Utilization

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

Section	Installed Capacity Per day (Per Shift) Prs.	Utilization Per day (Per Shift) Prs.	Utilization
Period ended 30 June 2025			
Finishing - Shoes (Prs)	18,000	4,337	24.10%

43.01 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, processional 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	420591255	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	\$ 6,581,848.09	787,014,559

44.00 Disclosures regarding Sales as per Para 3, Part -II, Schedule XI of the Companies Act 1994 are as follows:

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

Name of product	Quantity (Prs)	Rate(Taka)	Taka
Shoes (Prs)	1,326,213	593.43	787,014,559
Total	1,326,213		787,014,559

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



c. 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 2025	PCS/KG/YRD	1,724,316	3,737,642	-	4,361,825	1,100,133
Work in Process:						
Period ended 30 June 2025	Pair	146,822	1,341,787	42,890	1,171,037	274,682
Finished goods:						
Period ended 30 June 2025	Pair	391,472	1,171,037	-	1,326,213	236,296

45.00 Employee position of MK Footwear PLC (as at June 30, 2025)

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 month.

Number of permanent staff	15
Numbers of permanent workers	706
Total	721

46.00 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	01 July 2024 to 30 June 2025	01 July 2023 to 30 June 2024
(a)	Managerial Remuneration paid or payable during the period to the directors, including managing directors, a managing agent or manager	12,060,000	11,967,631
(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

47.00 Additional Disclosures

47.01 Revenue

During the reporting year Revenue of the company has been increased by Tk. 82,05,416 that is 1.05% corresponding with last year . However, Cash Incentive under non-operation income is decreased by 100.00%.

47.02 EPS

During the year Earning Per Share of the company Increased by Tk. 0.98 Per share with corresponding to previous year, the major reason of which the Non-Operating Income of the company has been Increased by 168.32%.

47.03 Net Operating Cash Flow Per Share (NOCFPS)

Net Operating Cash Flow Per Share (NOCFPS) decreased by Tk. 1.62 per share with corresponding to previous year, the major reason of which Cash Paid to Suppliers, employees & others expenses increased by 102.07% though Cash Received from Customers and others income increased by 77.72%.

48.00 General

48.01 Segment Reporting

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

48.02 Contingent liability

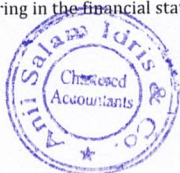
There is no contingent liability as of the balance sheet date.

48.03 Receivable from Directors

Nothing is receivable from the director.

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

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



MK FOOTWEAR PLC
Schedule of Property, Plant and Equipment
As on 30 June 2025

Annexure-I

Particular's	Cost				Rate (%)	Depreciation				Written Down Value as on 30 June 2025
	Balance as on 01 July 2024	Addition During the Period	Adjustment During the Period	Balance as on 30 June 2025		Balance as on 01 July 2024	Charged During the Period	Adjustment During the Period	Balance as on 30 June 2025	
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%	65,726,570	16,052,933	-	81,779,503	305,005,722
Plant & Machineries	852,456,137	-	-	852,456,137	10%	251,888,237	60,056,790	-	311,945,027	540,511,110
Electrical Equipments & Installations	31,475,421	-	-	31,475,421	10%	8,807,283	2,266,814	-	11,074,097	20,401,324
Solar Power Plant	76,905,140	-	-	76,905,140	10%	15,650,196	6,125,494	-	21,775,690	55,129,450
Fire Fighting Equipments & Installation	30,660,197	-	-	30,660,197	10%	8,308,914	2,235,128	-	10,544,042	20,116,155
Furniture & Fixture	6,801,500	-	-	6,801,500	10%	1,940,200	486,130	-	2,426,330	4,375,170
Motor Vehicles	4,508,907	-	-	4,508,907	20%	1,263,387	649,104	-	1,912,491	2,596,416
Balance as on 30 June 2025	1,487,523,269	-	-	1,487,523,269		353,584,787	87,872,393	-	441,457,180	1,046,066,089
Balance as on 30 June 2024	1,394,012,275	97,619,900	4,108,907	1,487,523,269		261,060,489	92,866,707	342,409	353,584,787	1,133,938,482

Note:

Depreciation Allocated to

Manufacturing Overheads

Administrative Expenses

86,737,159
1,135,234
87,872,393



MK FOOTWEAR PLC

Schedule of Intangible Assets

As on 30 June 2025

Annexure-II

Particular's	Cost				Rate (%)	Amortization				Written Down Value as on 30 June 2025
	Balance as on 01 July 2024	Addition During the Period	Adjustment During the Period	Balance as on 30 June 2025		Balance as on 01 July 2024	Charged During the Period	Adjustment During the Period	Balance as on 30 June 2025	
Software	165,000	-	-	165,000	30%	108,405	16,979	-	125,384	39,616
Balance as on 30 June 2025	165,000	-	-	165,000		108,405	16,979	-	125,384	39,616
Balance as on 30 June 2024	165,000	-	-	165,000		84,150	24,255	-	108,405	56,595



MK FOOTWEAR PLC

Details of right-of-use assets

As on 30 June 2025

Annexure-III

Asset category	Cost			Months	Depreciation				Written Down Value as on 30 June 2025
	Balance as on 01 July 2024	Addition during the period	Adjustment during the period		Balance as on 01 July 2024	Charge for the period	Adjustment during the period	Balance as on 30 June 2025	
Dhaka Office	2,358,510	-	-	24/36	786,170	786,170	-	1,572,340	786,170
Generator	10,265,884	-	-	25/60	2,224,275	2,053,177	-	4,277,452	5,988,432
Balance as on 30 June 2025	12,624,394	-	-		3,010,445	2,839,347	-	5,849,792	6,774,602
Balance as on 30 June 2024	10,265,884	2,358,510	-		171,098	2,839,347	-	3,010,445	9,613,949

Note:

Depreciation Allocated to:

Manufacturing Overheads:

Administrative Expenses:

2,053,177
786,170
2,839,347



MK FOOTWEAR PLC

Details of lease liability

As on 30 June 2025

Annexure-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 2025
Dhaka Office	Jul-23	Jun-26	36	2,700,000	9.00%	1,641,686	115,932	(900,000)	857,618
Generator	Jun'23	May'28	60	8,000,000	9.00%	6,766,953	925,074	(2,063,412)	5,628,615
Balance as on 30 June 2025				10,700,000		8,408,639	1,041,006	(2,963,412)	6,486,233
Balance as on 30 June 2024				10,700,000		10,256,559	943,541	(2,791,461)	8,408,639

Particulars	Lease current portion	Lease non-current	Total
Dhaka Office	857,618	-	857,618
Generator	1,583,965	4,044,650	5,628,615
Total	2,441,583	4,044,650	6,486,233



MK FOOTWEAR PLC
Calculation of Deferred tax

As on 30 June 2025

Annexure-V
Amount in BDT

Particulars	30 June 2025	30 June 2024
A. Deferred Tax (Income)/Expenses to be recognised in Profit and Loss A/C		
Carrying value (Accounting Base)		
Property , Plant and Equipment	1,046,066,089	1,133,938,482
Intangible Assets	16,979	24,255
WPPF	(5,725,017)	(5,826,215)
Unrealized Foreign exchange Gain/(Loss)	15,712,853	18,011,660
Cash Incentive	-	23,685,107
	1,056,070,904	1,169,833,288
Carrying value (Tax Base)		
Property , Plant and Equipment	872,049,828	958,063,060
Intangible Assets	16,979	24,255
WPPF	(5,242,016)	(305,721)
Cash Incentive	-	-
	866,824,791	957,781,594
A. Taxable /(Deductible)temporary difference	189,246,113	212,051,695
Income Tax rate of Operation Except Cash Incentive	12%	12%
Income Tax rate for Cash Incentive	10%	10%
Deferred Tax Liabilities/(Assets) at the end of the year (A)	22,709,534	24,972,501
Closing Deferred Tax (Asset)/Liabilities	22,709,534	24,972,501
Opening Deferred Tax (Asset)/Liabilities	24,972,501	8,424,292
Deferred Tax (Income)/Expenses to be recognised in Profit and Loss A/C	(2,262,967)	16,548,209
B. Deferred Tax on Fair Value Gain/(Loss) to be recognised on Other Comprehensive Income		
Carrying value of Investment (Accounting Base)	-	111,952,500
Carrying value of Investment (Tax Base)	-	17,250,000
Taxable /(Deductible) temporary difference	-	94,702,500
Income Tax rate for Fair Value Gain/(Loss)	15%	15%
Deferred Tax Liabilities/(Assets) at the end of the year (B)	-	14,205,375
Closing Deferred Tax (Asset)/Liabilities	-	14,205,375
Opening Deferred Tax (Asset)/Liabilities	14,205,375	16,611,750
Deferred Tax (Income)/Expenses to be recognised in Other Comprehensive Income/Transferred to Accumulated Fair Value Gain/(Loss) for Derecognition	(14,205,375)	(2,406,375)
Total Closing Deferred Tax (Asset)/Liabilities (A+B)	22,709,534	39,177,876

