

MK FOOTWEAR PLC

**Auditor's Report and Financial Statements
As at and for the year ended 30 June 2026**

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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 2026, 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 2026, 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.

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 , Accounts & Other Receivables	
<p>For the year ended 30 June 2026, the Company reported the following in its financial statements:</p> <ul style="list-style-type: none"> Export revenue (Note 25): BDT 904,083,984 Accounts and other receivables (Note 11): BDT 449,827,085 <p>The Company generates revenue primarily from export sales. The timing of revenue recognition and realization exposes the Company to foreign exchange fluctuations.</p> <p>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.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> 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. 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.

Risk	Our response to the risk
<p>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.</p>	<ul style="list-style-type: none"> • 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	
<p>The company had inventory of BDT 444,826,478 at reporting date, held in warehouses.</p> <p>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.</p>	<p>We challenged the appropriateness of management's assumptions applied in calculating the value of the inventory provisions by:</p> <ul style="list-style-type: none"> • 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 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. • 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; • presentation of disclosures related to relevant accounting standards.
Valuation of Property, plant and equipment	
<p>At the reporting date, the carrying value of the Company's property, plant and equipment amounted to Taka 966,243,199. 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,</p>	<p>We obtained an understanding of the client and its environment to consider inherent risk related to property, plant, and equipment. Our understanding includes:</p> <ul style="list-style-type: none"> • Obtaining an understanding of the internal control over property, plant, and equipment. •

Risk	Our response to the risk
<p>as well as the significance of management's judgements in determining its valuation.</p> <p>In considering the valuation of property, plant, and equipment, we focused on the assessment of the followings:</p> <ul style="list-style-type: none"> • 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. <p><u>Inherent risks associated with property, plant and equipment</u></p> <ul style="list-style-type: none"> • 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. <p><u>Assessment of useful lives of assets</u></p> <p>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.</p> <p><u>Impairment of assessment</u></p> <p>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.</p> <p>The associated disclosure is included within Note 5. For specific details on the Company's accounting policy, please see Note 2.18.</p>	<ul style="list-style-type: none"> • Assessing the risks of material misstatement and designing tests of controls and substantive procedures that cover the following aspects: <ul style="list-style-type: none"> ✓ 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
Long Term Loan	
<p>As at 30 June 2026, the reported amount of total long-term loan is Tk. 1,137,049,750 (Note:17), The company borrowed fund from Rupali Bank Ltd.</p> <p>The Company may face liquidity challenges arising from unfavorable interest rate movements, changes in monetary policy, and adverse fluctuations in the import-export balance, potentially resulting in short-term cash flow constraints.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Reviewed loan agreements, sanction letters, and relevant correspondence with the bank. • Verified loan balances with bank statements and loan confirmations. • 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. • Evaluated the adequacy of related disclosures in the financial statements.

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.

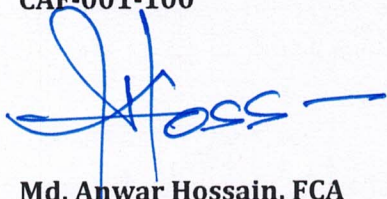
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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 2020, 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	: 2610281415AS985667
Date	: 28 October 2026

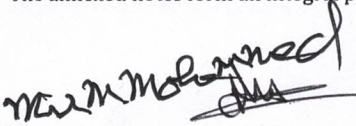


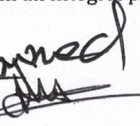
MK FOOTWEAR PLC

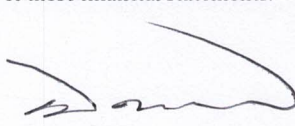
Statement of Financial Position
As on 30 June 2026

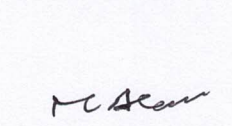
			Amount in BDT
Particulars	Notes	30 June 2026	30 June 2025
ASSETS			
Property, Plant and Equipment	5	966,243,199	1,046,066,089
Intangible Assets	6	27,731	39,616
Investment in Marketable Securities	7	12,109,958	-
Right-of-use (ROU) assets	8	3,935,255	6,774,602
Non-Current Security Deposits	9	1,195,000	1,195,000
Total Non-Current Assets		983,511,143	1,054,075,307
Inventories	10	444,826,478	452,823,830
Accounts & Other Receivables	11	449,827,085	685,463,206
Advance Deposit and Prepayments	12	12,852,458	-
Advance Income Tax	13	34,679,407	23,178,599
Cash & Cash Equivalent	14	61,312,367	40,477,172
Total Current Assets		1,003,497,795	1,201,942,806
Total Assets		1,987,008,938	2,256,018,113
EQUITY AND LIABILITIES			
Share Capital	15	478,472,000	478,472,000
Retained Earnings	16	261,710,170	233,624,034
Shareholders equity		740,182,170	712,096,034
Long Term Loan-Non Current Maturity	17	1,098,210,955	505,873,833
Lease liability (non-current portion)	18	2,613,225	4,044,650
Deferred Tax Liabilities/(Assets)	Annexure-V	20,674,643	22,709,534
Total Non-Current Liabilities		1,121,498,822	532,628,017
Trade and Other Payables	19	27,324,281	37,105,105
Term Loan-Current Maturity	17	38,838,795	504,717,265
Lease liability (current portion)	18	1,591,837	2,441,583
Short Term Loan	20	-	416,964,958
Liabilities for Expenses	21	10,685,045	11,440,766
Provision for WPPF	22	4,465,731	5,725,017
Provision for Tax	23	41,991,334	32,468,534
Dividend Payable	24	430,922	430,835
Total Current Liabilities		125,327,946	1,011,294,062
Total Equity and Liabilities		1,987,008,938	2,256,018,113
Net Asset Value Per Share	34	15.47	14.88

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


Chairman


Director


Managing Director


Chief Financial Officer

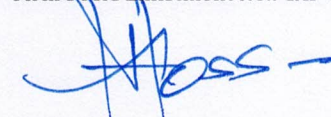

Company Secretary

Dated: Dhaka
28 October 2026



Signed in terms of our separate report of even date

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



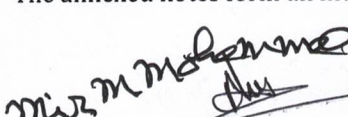
Md. Anwar Hossain, FCA
Managing Partner
ICAB Enrollment No: 1415
FRC Enlistment No.: CA-001-282
DVC No.: 2610281415AS985667

MK FOOTWEAR PLC

Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2026

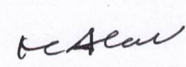
		Amount in BDT	
Particulars	Notes	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
Revenue	25	904,083,984	787,918,044
Cost of Goods sold	26	(681,631,504)	(599,526,336)
Gross Profit/(Loss)		222,452,480	188,391,708
Foreign Exchange Gain/(Loss)	27	5,667,586	12,942,393
Administrative Expenses	28	(14,636,340)	(13,645,613)
Distribution Expenses	29	(6,764,042)	(7,164,189)
Operating Profit/ (Loss)		206,719,684	180,524,299
Non-Operating Income	30	25,115,131	64,057,706
Profit/(Loss) before interest & Tax		231,834,816	244,582,005
Financial Expenses	31	(165,023,269)	(136,624,837)
Profit/(Loss) before WPPF & Tax		66,811,546	107,957,168
Workers' Profit Participation Fund (WPPF)		(3,181,502)	(5,140,818)
Profit/(Loss) before Tax		63,630,044	102,816,350
Current Tax Expense	23	(9,522,800)	(17,415,986)
Deferred Tax (Expenses)/Income	Annexure-V	2,034,891	2,262,967
Net Profit/(Loss) after Tax		56,142,136	87,663,331
Other Comprehensive Income		-	-
Total Comprehensive Income for the year		56,142,136	87,663,331
Basic Earnings Per Share (EPS)	32	1.17	1.83
Diluted Earnings Per Share (DEPS)	32	1.17	1.83

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


Chairman


Director


Managing Director


Chief Financial Officer

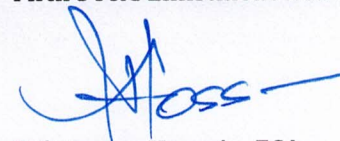

Company Secretary

Signed in terms of our separate report of even date

Dated: Dhaka
28 October 2026



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.: 2610281415AS985667

MK FOOTWEAR PLC

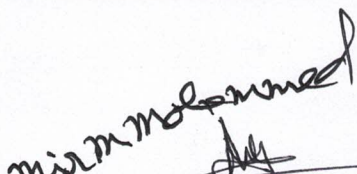
Statement of Changes in Equity
For the year ended 30 June 2026

Amount in BDT

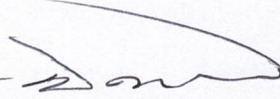
Particulars	Share Capital	Fair Value/ gain (loss)	Retained Earnings	Total
For the year ended 30 June 2026				
Balance as at 01 July, 2025	478,472,000	-	233,624,034	712,096,034
Addition During the Period	-	-	56,142,136	56,142,136
Dividend Distribution		-	(28,056,000)	(28,056,000)
Derecognized during the year		-	-	-
Add/(Less) Deferred Tax (Expenses)/Income	-	-	-	-
Balance as on 30 June 2026	478,472,000	-	261,710,170	740,182,170

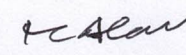
For the year ended 30 June 2025

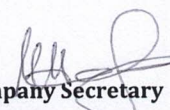
Balance as at 01 July, 2024	478,472,000	80,497,125	169,340,703	728,309,828
Addition During the Period	-	-	87,663,331	87,663,331
Dividend			(23,380,000)	(23,380,000)
Derecognized during the year		(94,702,500)		(94,702,500)
Add/(Less) Deferred Tax (Expenses)/Income	-	14,205,375	-	14,205,375
Balance as on 30 June 2025	478,472,000	-	233,624,034	712,096,034


Chairman


Director


Managing Director


Chief Financial Officer


Company Secretary

Dated: Dhaka
28 October 2026



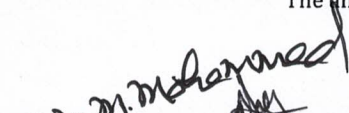
MK FOOTWEAR PLC

Statement of Cash Flows

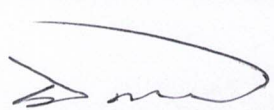
For the year ended 30 June 2026

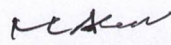
		Amount in BDT	
Particulars	Notes	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
<u>Cash flows from operating activities:</u>			
Cash Received from Customers and others income	35	1,141,141,096	779,898,713
Cash Paid to Suppliers, employees & others expenses	36	(636,173,724)	(821,977,399)
Income tax paid	37	(11,500,808)	(7,926,795)
Net cash provided by/ (used in) Operating Activities (A)		493,466,564	(50,005,480)
<u>Cash flows from investing activities:</u>			
Property Plant and Equipment	38	-	-
Investment in Marketable Securities		12,799,718	80,974,800
Inter-Company Receivable		-	6,147,000
Intangible Assets		-	-
Net cash provided by/ (used in) Investing Activities (B)		12,799,718	87,121,800
<u>Cash flows from financing activities:</u>			
Long term Bank Loan Received/(Re-paid)		126,458,653	95,981,805
Short term Bank Loan Received/(Re-paid)		(416,964,958)	(2,206,836)
Dividend Paid		(28,055,912)	(23,095,198)
Lease Payment		(3,135,363)	(2,963,412)
Financial Expenses		(164,046,613)	(135,402,680)
Net cash flows from financing activities (C)		(485,744,194)	(67,686,322)
Net changes increase/(decrease) in cash and cash equivalents (A+B+C)		20,522,089	(30,570,002)
Unrealized Foreign Exchange Gain/(Loss)		313,106	38,632
Cash & cash equivalents at the beginning of the period		40,477,172	71,008,542
Cash & cash equivalents at the end of the period		61,312,367	40,477,172
Net Operating Cash Flow per share (NOCFPS)	33	10.31	(1.05)

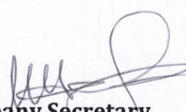
The annexed notes form an integral part of these financial statements.


Chairman


Director


Managing Director


Chief Financial Officer


Company Secretary

Dated: Dhaka
28 October 2026



MK FOOTWEAR PLC

Notes to the Financial Statements

As on and For the year ended 30 June 2026

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 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.

2.02 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 2025 to 30 June 2026 and comparative information 01 July 2024 to 30 June 2025 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 2026.

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 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.

2.17 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 30.06.2026, 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 30.06.2026 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 30.06.2026.

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-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 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 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 '

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 2026
- b) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2026
- c) Statement of Cash Flows For the year ended 30 June 2026
- d) Statement of Changes in Equity as on 30 June 2026
- e) Notes to the financial statements as on 30 June 2026

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 9,86,22,605.

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 2026	30 June 2025
Cost:		
Opening Balance	1,487,523,269	1,487,523,269
Addition during the year	-	-
Adjustement during the year	-	-
	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	441,457,180	353,584,787
Addition during the year	79,822,890	87,872,393
Adjustement during the year	-	-
Total Accumulated Depreciation (B)	521,280,070	441,457,180
Written Down Value (WDV) (A-B)	966,243,199	1,046,066,089
Details schedule of property, plant and equipments given in Annex-I		

6.00 Intangible Asset

Amount in BDT	30 June 2026	30 June 2025
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	125,384	108,405
Addition during the year	11,885	16,979
Total Accumulated Amortization (B)	137,269	125,384
Written Down Value (WDV) (A-B)	27,731	39,616
Details schedule of Intangible Asset given in Annex-II		

7.00 Investment in Marketable Securities

Amount in BDT	30 June 2026	30 June 2025
Cost (19,460 no. share having 685.96 Tk. Cost per share	13,348,692	-
Un-realized Gain/(Loss)	(1,238,734)	-
Market Value (19,460 no. share having market value of 622.30 Tk. Each)	12,109,958	-

8.00 Right-of-use (ROU) assets

Amount in BDT	30 June 2026	30 June 2025
Opening balance	6,774,602	9,613,949
Addition during the year	-	-
Paid off during the year	-	-
	6,774,602	9,613,949
Depreciation during the year	(2,839,347)	(2,839,347)
Closing balance	3,935,255	6,774,602

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



9.00 Non-Current Security Deposits

Amount in BDT	30 June 2026	30 June 2025
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 2026	30 June 2025
Material	184,565,440	154,843,322
Work-in-Process	166,149,539	69,725,960
Finished Goods	92,340,849	224,844,048
Stores & Spares	1,770,650	1,254,564
Stock in Transit	-	2,155,936
Closing balance	444,826,478	452,823,830

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 2026	30 June 2025
Trade Receivables	359,506,068	595,137,522
Interest Receivable	10,833	15,500
Incentive Receivable	90,310,184	90,310,184
Closing balance	449,827,085	685,463,206

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.	449,827,085	685,463,206
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 2026	30 June 2025
1-3 Months	16,934,125	95,388,393
4-6 Months	60,196,355	18,384,988
7-12 Months	82,968,018	38,997,061
More than 1 Year	199,407,570	442,367,080
Closing balance	359,506,068	595,137,522



12.00 Advance Deposit and Prepayments

Amount in BDT	30 June 2026	30 June 2025
Bank Guarantee	2,630,005	-
LC Margin	10,222,453	-
Closing balance	12,852,458	-

13.00 Advance Income Tax

Amount in BDT	30 June 2026	30 June 2025
Opening Balance	23,178,599	15,251,804
Addition during the year (note 13.01)	11,500,808	7,926,795
	34,679,407	23,178,599
Adjustment made during the year	-	-
Closing Balance	34,679,407	23,178,599

13.01 Addition during the year

Amount in BDT	30 June 2026	30 June 2025
Tax paid on Motor Vehicle	50,000	75,000
Tax paid on Interest Income	31335.72	30,620
Tax Paid on Dividend Income	10165.12	34,500
Tax Paid on Export realization/Advance against Export	11,409,307	7,786,675
Closing Balance	11,500,808	7,926,795

14.00 Cash and Cash Equivalents

Amount in BDT	Accounts Type	Accounts No.	30 June 2026	30 June 2025
Cash in Hand			42,748	9,550
Brokerage House	BO	1205590077217014	6,412	2,900
BRAC Bank PLC	CD	2053643410001	264,848	256,633
Standard Bank PLC	CD	02633100805	17,146	4,748
IPDC	FDR	1002251000004021	1,437,035	1,356,830
Rupali Bank PLC	SND	0018024000235	1,806,553	1,798,533
Rupali Bank PLC		FBR Margin	11,365,297	31,828,983
Rupali Bank PLC	FCBTB	0018371000013	44,840,833	3,312,747
Rupali Bank PLC		Sundry Deposit Account	1,087,549	1,087,549
Dhaka Bank PLC	CA	2151000015497	3,965	-
United Commercial Bank PLC	CA	0902101000266017	4,224	-
Rupali Bank PLC	FC	0018027005037	-	369,483
Southeast Bank PLC	CD	0002-11100048890	2,305	5,387
BRAC Bank PLC, Dividend	CA	2053643410002	404,313	415,031
Shahjalal Islami Bank PLC	CD	403011100001343	565	1,600
Rupali Bank PLC	CD	0018020009691	5,816	3,406
Bank Asia PLC	CD	62733000548	22,758	23,793
Closing Balance			61,312,367	40,477,172

15.00 Share Capital

Amount in BDT	30 June 2026	30 June 2025
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 2026



Name of the share holders	No. of Shares	Value of Shares	% of Shares
Sponsors & Directors	14,541,200	145,412,000	30%
Institute	12,097,194	120,971,940	25%
General Public	21,208,806	212,088,060	44%
Closing Balance	47,847,200	478,472,000	100%

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%
Institute	9,785,854	97,858,540	20%
General Public	13,594,146	135,941,460	28%
Closing Balance	47,847,200	478,472,000	100%

16.00 Retained Earnings

Amount in BDT	30 June 2026	30 June 2025
Opening Balance	233,624,034	169,340,703
Net Profit/(Loss) during the year	56,142,136	87,663,331
Dividend Distribution	(28,056,000)	(23,380,000)
Closing Balance	261,710,170	233,624,034

17.00 Long Term Loan-Non Current Maturity

Amount in BDT	30 June 2026	30 June 2025
Rupali Bank PLC, A/C No. 0018200000159	743,688,713	-
Rupali Bank PLC, A/C No. 0018200000160	214,304,432	-
Rupali Bank PLC, A/C No. 0018300000056	179,056,606	-
Project Loan, A/c No - 18067000284 [Rupali Bank PLC]	-	719,767,746
Project Loan, A/c No - 18067000201 [Rupali Bank PLC]	-	247,348,742
IDCP (Interest During Construction Period) [Rupali Bank PLC]	-	43,474,610
	1,137,049,750	1,010,591,098
Less: Transfer to Term Loan-Current Maturity	(38,838,795)	(504,717,265)
Closing Balance	1,098,210,955	505,873,833

17.01 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
Loan Rescheduling Date	29-Dec-25
Tenure	Ten Years, including a One Year Grace Period
Repayment	As per the revised repayment schedule.
Rate of Interest	12.5%
Security	A) 350.88 decimal land and Building and Machineries of that Land located Dhonua (Muaza), Shrepur, Gazipur,

18.00 Lease liability

Amount in BDT	30 June 2026	30 June 2025
Opening balance	6,486,233	8,408,639
Addition during the year	-	-
Finance cost	854192	1,041,006
	7,340,425	9,449,645
Lease Rent paid	(3,135,363)	(2,963,412)
Closing balance	4,205,062	6,486,233



Allocated to		
Amount in BDT	30 June 2026	30 June 2025
Non-current liabilities	2,613,225	4,044,650
Current liabilities	1,591,837	2,441,583
Closing balance	4,205,062	6,486,233
Details of lease liability given in Annex-IV		

19.00 Trade and Other Payables

Amount in BDT	30 June 2026	30 June 2025
Trade Payable	27,324,281	37,105,105
Closing balance	27,324,281	37,105,105

20.00 Short Term Loan

Amount in BDT	30 June 2026	30 June 2025
Cash Credit Hypothecation [Rupali Bank PLC]	-	168,358,605
COVID 19 Revolving Refinance Scheme [Rupali Bank PLC]	-	27,815,277
Rescheduling-18200000120 [Rupali Bank PLC]	-	126,305,497
Trade Finance Import Others (Import) [Rupali Bank PLC]	-	59,747,737
OD-Temporary 76 [Rupali Bank PLC]	-	21,596,789
Rescheduling-18200000127 [Rupali Bank PLC]	-	13,141,053
Closing balance	-	416,964,958

21.00 Liabilities for Expenses

Amount in BDT	30 June 2026	30 June 2025
Audit Fee	287,500	287,500
Electricity Bill	1,709,937	3,713,073
Directors' Remuneration	850,000	400,000
Salary & Wages Payable	7,668,952	6,600,234
Other Payable	168,656	439,959
Closing balance	10,685,045	11,440,766

22.00 Provision for WPPF

Amount in BDT	30 June 2026	30 June 2025
Opening Balance	5,725,017	5,826,215
Add: Addition During the Period	3,181,502	5,140,818
Less: Paid During the Period	(4,440,788)	(5,242,016)
Closing Balance	4,465,731	5,725,017

As at 30 June 2026, the 10% allocation to the Workers' Welfare Foundation Fund for 2024-2025 had not been deposited within the statutory period of nine months. The amount was subsequently deposited on 19 October 2026, indicating delayed compliance with Section 234 of the Bangladesh Labour Act, 2006.

23.00 Provision for Income Tax

Amount in BDT	Notes	30 June 2026	30 June 2025
Opening Balance		32,468,534	15,052,548
Addition during the year:			
Tax on Business income	23.01	5,555,581	7,786,675
Tax on other income	23.02	3,967,219	9,629,311
Prior year Adjustment			-
		41,991,334	32,468,534
Paid/Adjusted during the year		-	-
Closing Balance		41,991,334	32,468,534



23.01 Tax on Business Income

Amount in BDT	30 June 2026	30 June 2025
Net Profit before Tax	63,630,044	102,816,350
Less: Other income	(25,115,131)	(64,057,706)
Less: Unrealised Foreign Exchange gain/(Loss)	(2,256,773)	(15,712,853)
Add: Accounting Depreciation & Amortization	79,839,869	87,872,393
Add: WPPF	3,181,502	5,140,818
Less: WPPF (paid)	4,440,788	5,242,016
Less: Tax Depreciation	(77,423,794)	(86,030,211)
Taxable Business income	46,296,506	35,270,807
Tax rate on Business Income	12%	12%
Tax on Business Income (A)	5,555,581	4,232,497
TDS on Export received (B)	-	7,786,675
Tax on Gross receipt (C) @ 0.5333% (12/22.5*1)	4,821,480	4,201,967
Tax liabilities on business income (Higher of A, B, & C)	5,555,581	7,786,675

23.02 Tax on other Income

Amount in BDT	30 June 2026	30 June 2025
Tax on Cash Incentive Income	-	-
Tax on Dividend Income @ 20%	10,165	34,500
Tax on Interest income @ 22.5%	34,792	36,091
Tax on Realized Gain @ 15%	3,922,262	9,558,720
Closing Balance	3,967,219	9,629,311

24.00 Dividend Payable

Amount in BDT	30 June 2026	30 June 2025
Opening Dividend Payable	430,835	146,033
Add: Dividend Declared	28,056,000	23,380,000
	28,486,835	23,526,033
Less: Dividend Paid	28,055,912	23,095,198
Closing Balance	430,922	430,835

Details of Dividend Payable:

Total	Less then 1 Year	Less Then 3 Years	More then 3 Years
430,922	88	430,834	-



25.00 Revenue

Amount in BDT	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
Export Sale	904,083,984	787,014,559
Export-Sample	-	903,485
Total	904,083,984	787,918,044

26.00 Cost of Goods Sold

Amount in BDT	Notes	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
Material Consumed	26.01	464,092,816	420,591,255
Manufacturing Overheads	26.02	181,459,068	192,783,787
		645,551,884	613,375,042
Opening Work in Process		69,725,960	62,176,160
		715,277,844	675,551,202
Closing Work in Process		(166,149,539)	(69,725,960)
		549,128,305	605,825,242
Opening Finished Goods		224,844,048	218,545,142
Cost of Goods available for sale		773,972,353	824,370,384
Closing Finished Goods		(92,340,849)	(224,844,048)
Cost of Goods Sold		681,631,504	599,526,336

26.01 Material Consumed

Amount in BDT	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
Opening Stock	154,843,322	146,361,761
Add: Purchase during the year	493,814,934	429,072,816
Less: Closing Stock	(184,565,440)	(154,843,322)
Total	464,092,816	420,591,255

26.02 Manufacturing Overheads

Amount in BDT	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
Wages & Salaries	84,504,605	85,001,785
Depreciation	80,919,267	88,790,336
Electricity Bill	8,960,661	12,615,622
Fuel & Lubricant	2,008,271	1,432,315
Repairs & Maintenance	2,015,402	2,622,220
Workers Tiffin	1,052,000	787,880
Loading Unloading	991,100	716,157
Medical & Welfare	38,980	28,646
Inspection Expenses	634,741	482,095
Conveyance	130,940	107,424
Internet Bill	148,056	148,056
Mobile Bill	48,000	48,000
Others	7,044	3,251
Total	181,459,068	192,783,787

27.00 Foreign Exchange Gain/(Loss)

Amount in BDT	Notes	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
Realised FC Gain/(Loss)	27.01	3,410,813.82	(2,770,460)
Unrealised FC Gain/(Loss)	27.02	2,256,772.59	15,712,853
Total		5,667,586	12,942,393

27.01 Realised FC Gain/(Loss)

Amount in BDT	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
Realised Gain/(Loss) on Export	(532,146.92)	4,306,481
Realized Gain/(Loss) on Import	3,942,960.75	(7,076,941)
Total	3,410,814	(2,770,460)



27.02 Unrealised FC Gain/(Loss)

Amount in BDT	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
Unrealised Gain/(Loss) on Receivable	1,870,148	16,010,046
Unrealized Gain/(Loss) on A/C's & Other Payable	73,519	(335,825)
Unrealised Gain/(Loss) on FC 5047	313,106	38,632
Total	2,256,773	15,712,853

28.00 Administrative Expenses

Amount in BDT	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
Salaries & Allowances	7,983,000	7,264,000
Depreciation on ROU assets	786,170	786,170
Directors' Remuneration	3,600,000	3,600,000
Registration & Renewal	377,711	-
Depreciation	956,800	1,135,234
Amortization of Intangible Assets	11,885	16,979
Audit Fees	287,500	287,500
Conveyance	48,254	36,524
Entertainment	25,980	20,769
Vehicle Expenses	52,812	7,878
Stationery	102,170	76,066
Postage & Courier Service	18,995	14,325
Electricity Bill	117,090	128,761
Telephone, Mobile and Internet	64,519	64,103
IPO/Bond Expenses	50,000	125,000
Advertisement Expenses	72,300	33,659
Others	81,154	48,645
Total	14,636,340	13,645,613

29.00 Distribution Expenses

Amount in BDT	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
Conveyance	34,560	32,227
Entertainment	22,960	29,362
Export Expenses	4,101,402	4,695,434
Salaries & Allowances	2,535,000	2,340,000
Stationeries	70,120	67,166
Total	6,764,042	7,164,189

30.00 Non-Operating Income

Amount in BDT	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
Cash Incentive	-	-
Dividend Income	50,826	172,500
Realized Gain/(Loss) on sale of Shares	26,148,410	63,724,800
Un-realized Gain/(Loss) on Investment in Marketable Securities	(1,238,734)	-
Interest Income	154,629	160,406
Total	25,115,131	64,057,706

31.00 Financial Expenses

Amount in BDT	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
Export Bill Realization Expenses/Income	122,464	181,151
Interest on Short Term Loan	73,302,942	36,983,439
Bank Charges & Commissions	702,919	1,077,436
Finance costs-lease liability	854,192	1,041,006
Interest on Long Term Loan	90,040,752	97,341,805
Total	165,023,269	136,624,837



32.00 Earning per share (EPS)

Amount in BDT	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
Basic earnings per share		
Profit after tax	56,142,136	87,663,331
Profit attributable to ordinary shareholders	56,142,136	87,663,331
Total weighted average number of shares outstanding during the year	47,847,200	47,847,200
Basic earnings per share (Tk 10/= per Share)	1.17	1.83

Diluted earnings per share

Amount in BDT	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
Profit attributable to ordinary shareholders	56,142,136	87,663,331
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)	1.17	1.83

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					

33.00 Net Operating Cash Flow per Share (NOCFPS)

Amount in BDT	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
Net Operating Cash Flow	493,466,564	(50,005,480)
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	10.31	(1.05)

34.00 Net Asset Value Per Share (NAVPS)

Amount in BDT	30 June 2026	30 June 2025
Shareholders' Equity	740,182,170	712,096,034
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)	15.47	14.88

35.00 Cash Received from Customers and others income

Amount in BDT	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
Revenue	904,083,984	787,918,044
Foreign Exchange Gain/(Loss) Related to Accounts & Other Receivables	1,338,001	20,316,527
Other Income	205,455	332,906
Add: Accounts Receivables balance b/d	685,463,206	656,975,594
Less: Accounts Receivables balance c/d	(449,827,085)	(685,463,206)
Add: Advance Against Sale C/d	-	-
Less: Advance Against Sale b/d	-	-
Less: Export Bill Collection Charge	(122,464)	(181,151)
Total	1,141,141,096	779,898,713



36.00 Cash Paid to Suppliers, employees and others expenses

Amount in BDT	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
Cost of Goods Sold	(681,631,504)	(599,526,336)
Administrative expenses	(14,636,340)	(13,645,613)
Selling and distribution Expenses	(6,764,042)	(7,164,189)
Adjustment for Depreciation	81,876,067	89,925,570
Adjustment for Amortization	11,885	16,979
Depreciation on ROU assets	786,170	786,170
Increase/Decrease Trade Payables	(9,780,825)	(232,209,415)
Foreign Exchange Gain/(Loss) Related to Accounts & Other Payables	4,016,480	(7,412,765)
Increase/Decrease Liability for expenses	(755,721)	(24,794,193)
Increase/(Decrease) Workers' Profit Participation Fund (WPPF)	(4,440,788)	(5,242,016)
Increase/(Decrease) Advance Deposit and Prepayment	(12,852,458)	-
Increase/Decrease Inventory	7,997,352	(22,711,591)
Total	(636,173,724)	(821,977,399)

37.00 Income Tax paid

Amount in BDT	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
Opening AIT	23,178,599	15,251,804
Closing AIT	(34,679,407)	(23,178,599)
Current year Provision	(9,522,800)	(17,415,986)
Opening Provision for Tax	(32,468,534)	(15,052,548)
Closing Provision for Tax	41,991,334	32,468,534
Total	(11,500,808)	(7,926,795)

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

Amount in BDT	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
Addition to Property Plant & Equipments	-	-
Total	-	-

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

Amount in BDT	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
Net profit before income tax	63,630,044	102,816,350
Add: Finance Cost	164,900,805	136,443,686
Adjustment for Depreciation	81,876,067	89,925,570
Adjustment for Amortization	11,885	16,979
Depreciation on ROU assets	786,170	786,170
Increase/(Decrease) Workers' Profit Participation Fund (WPPF)	(1,259,286)	(101,198)
(Increase)/Decrease Inventory	7,997,352	(22,711,591)
(Increase)/Decrease Receivable	235,636,120	(28,487,612)
Increase/Decrease Advance deposits and prepayments	(12,852,458)	-
Increase/(Decrease) Accounts Payables	(9,780,824)	(232,209,415)
Increase/Decrease Liability for expenses	(755,721)	(24,794,193)
Unrealized Foreign Exchange Gain/(Loss)	(313,106)	(38,632)
Realized Gain on sale of Shares	(26,148,410)	(63,724,800)
Un-realized Gain/(Loss) on Investment in Marketable Securities	1,238,734	-
Income Tax Paid	(11,500,808)	(7,926,795)
Net Cash (used in)/generated by operating activities	493,466,565	(50,005,481)



40.00 Events After The Reporting Period

MK Footwear PLC has approved 17% cash dividend to all shareholder for the FY 2025-2026. The meeting held on 28 October 2026.

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, 2025 Dr./ (Cr.)	Transaction during the year		Closing Balance as at 30 June, 2026 Dr./ (Cr.)
				Dr.	Cr.	
Noor Mohammed	Managing Director & Sponsor	Directors' Remuneration	400,000	3,600,000	3,150,000	850,000
			400,000	3,600,000	3,150,000	850,000

42.00 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 2026			
Finishing - Shoes (Prs)	18,000	3,861	21.45%

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, 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	464,092,816	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	\$ 7,428,335.07	904,083,984

43.00 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)	1,200,533	753.07	904,083,984
Total	1,200,533		904,083,984

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 2026	PCS/KG/YRD	1,100,133	9,663,614	-	7,278,703	3,485,044
Work in Process:						
Period ended 30 June 2026	Pair	274,682	1,456,679	38,330	1,042,415	650,616
Finished goods:						
Period ended 30 June 2026	Pair	236,296	1,042,415	-	1,200,533	78,178

44.00 Employee position of MK Footwear PLC (as at June 30, 2026)

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	13
Numbers of permanent workers	756
Total	769



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	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
(a)	Managerial Remuneration paid or payable during the period to the directors, including managing directors, a managing agent or manager	13,065,000	12,060,000
(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 increased by Tk. 11,61,65,940 that is 14.74% corresponding with last year.

46.02 EPS

During the year Earning Per Share of the company Decreased by Tk. 0.66 Per share with corresponding to previous year, the major reason of which the Non-Operating Income of the company has been Decreased by 60.79%.

46.03 Net Operating Cash Flow Per Share (NOCFPS)

Net Operating Cash Flow Per Share (NOCFPS) Increased by Tk. 11.36 per share with corresponding to previous year, the major reason of which Cash Received from Customers and others income increased by 46.32% and Cash Paid to Suppliers, employees & others expenses Decreased by 22.60%.

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 and Equipment
As on 30 June 2026

Annexure-I

Particular's	Cost			Rate (%)	Depreciation				Written Down Value as on 30 June 2026
	Balance as on 01 July 2025	Addition During the Period	Adjustment During the Period		Balance as on 01 July 2025	Charged During the Period	Adjustment During the Period	Balance as on 30 June 2026	
Land and Land Development	97,930,742	-	-	0%	-	-	-	-	97,930,742
Building & Other Civil Constructions	386,785,225	-	-	5%	81,779,503	15,250,286	-	97,029,789	289,755,436
Plant & Machineries	852,456,137	-	-	10%	311,945,027	54,051,111	-	365,996,138	486,459,999
Electrical Equipments & Installations	31,475,421	-	-	10%	11,074,097	2,040,132	-	13,114,229	18,361,192
Solar Power Plant	76,905,140	-	-	10%	21,775,690	5,512,945	-	27,288,635	49,616,505
Fire Fighting Equipments & Installation	30,660,197	-	-	10%	10,544,042	2,011,616	-	12,555,658	18,104,539
Furniture & Fixture	6,801,500	-	-	10%	2,426,330	437,517	-	2,863,847	3,937,653
Motor Vehicles	4,508,907	-	-	20%	1,912,491	519,283	-	2,431,774	2,077,133
Balance as on 30 June 2026	1,487,523,269	-	-		441,457,180	79,822,890	-	521,280,070	966,243,199
Balance as on 30 June 2025	1,487,523,269	-	-		353,584,787	87,872,393	-	441,457,180	1,046,066,089

Note:

Depreciation Allocated to

Manufacturing Overheads	78,866,090
Administrative Expenses	956,800
	79,822,890



MK FOOTWEAR PLC

Schedule of Intangible Assets

As on 30 June 2026

Particular's	Cost				Rate (%)	Amortization				Written Down Value as on 30 June 2026
	Balance as on 01 July 2025	Addition During the Period	Adjustment During the Period	Balance as on 30 June 2026		Balance as on 01 July 2025	Charged During the Period	Adjustment During the Period	Balance as on 30 June 2026	
Software	165,000	-	-	165,000	30%	125,384	11,885	-	137,269	27,731
Balance as on 30 June 2026	165,000	-	-	165,000		125,384	11,885	-	137,269	27,731
Balance as on 30 June 2025	165,000	-	-	165,000		108,405	16,979	-	125,384	39,616



MK FOOTWEAR PLC

Details of right-of-use assets

As on 30 June 2026

Annexure-III

Asset category	Cost				Months	Depreciation				Written Down Value as on 30 June 2026
	Balance as on 01 July 2025	Addition during the period	Adjustment during the period	Balance as on 30 June 2026		Balance as on 01 July 2025	Charge for the period	Adjustment during the period	Balance as on 30 June 2026	
Dhaka Office Generator	2,358,510	-	-	2,358,510	36/36	1,572,340	786,170	-	2,358,510	-
	10,265,884	-	-	10,265,884	37/60	4,277,452	2,053,177	-	6,330,629	3,935,255
Balance as on 30 June 2026	12,624,394	-	-	12,624,394		5,849,792	2,839,347	-	8,689,139	3,935,255
Balance as on 30 June 2025	12,624,394	-	-	12,624,394		3,010,445	2,839,347	-	5,849,792	6,774,602

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 2026

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 2026
Dhaka Office	Jul-23	Jun-26	36	2,700,000	9.00%	857,618	42,382	(900,000)	-
Generator	Jun '23	May '28	60	8,000,000	9.00%	5,628,615	811,810	(2,235,363)	4,205,062
Balance as on 30 June 2026				10,700,000		6,486,233	854,192	(3,135,363)	4,205,062
Balance as on 30 June 2025				10,700,000		8,408,639	1,041,006	(2,963,412)	6,486,233

Particulars	Lease current portion	Lease non-current	Total
Dhaka Office	-	-	-
Generator	1,591,837	2,613,225	4,205,062
Total	1,591,837	2,613,225	4,205,062



MK FOOTWEAR PLC

Calculation of Deferred Tax

As on 30 June 2026

Annexure-V

Particulars	Amount in BDT	
	30 June 2026	30 June 2025
A. Deferred Tax (Income)/Expense to be recognised in Profit or Loss		
Carrying value (Accounting Base)		
Property, Plant and Equipment	966,243,199	1,046,066,089
Intangible Assets	11,885	16,979
WPPF	(4,465,731)	(5,725,017)
Unrealized Foreign Exchange Gain/(Loss)	2,256,773	15,712,853
	964,046,125	1,056,070,904
Carrying value (Tax Base)		
Property, Plant and Equipment	794,637,919	872,049,828
Intangible Assets	11,885	16,979
WPPF	(4,440,788)	(5,242,016)
	790,209,016	866,824,791
Taxable/(Deductible) temporary difference - operations	173,837,110	189,246,113
Un-realized Gain/(Loss) on Investment in Marketable Securities	(1,238,734)	-
Income tax rate - operations	12%	12%
Income tax rate - investment in marketable securities	15%	15%
Deferred tax on operations	20,860,453	22,709,534
Deferred tax on investment in marketable securities	(185,810)	-
Closing Deferred Tax Liabilities/(Assets) (A)	20,674,643	22,709,534
Closing Deferred Tax (Asset)/Liabilities	20,674,643	22,709,534
Opening Deferred Tax (Asset)/Liabilities	22,709,534	24,972,501
Deferred Tax (Income)/Expense recognised in Profit or Loss	(2,034,891)	(2,262,967)
B. Deferred Tax on Fair Value Gain/(Loss) recognised in Other Comprehensive Income		
Carrying value of Investment (Accounting Base)	-	-
Carrying value of Investment (Tax Base)	-	-
Taxable/(Deductible) temporary difference	-	-
Income tax rate for Fair Value Gain/(Loss)	15%	15%
Deferred Tax Liabilities/(Assets) at the end of the year (B)	-	-
Opening Deferred Tax (Asset)/Liabilities	-	14,205,375
Deferred Tax (Income)/Expense recognised in OCI	-	(14,205,375)
Total Closing Deferred Tax (Asset)/Liabilities (A+B)	20,674,643	22,709,534

