

TOSRIFA INDUSTRIES LIMITED
Plot-91, Regency Palace (4th Floor), Block-K
Suhrawardy Avenue, Baridhara, Dhaka

STATEMENT OF FINANCIAL POSITION

As at 31 December 2015

| | <u>Notes</u> | <u>2015</u> <u>Taka</u> | <u>2014 (Restated*)</u> <u>Taka</u> |
|---|--------------|----------------------------|--|
| <u>ASSETS</u> | | | |
| A. Non-current Assets | | 1,289,546,243 | 1,155,082,584 |
| Property, plant and equipment | 6.00 | 1,196,698,171 | 1,152,387,796 |
| Capital work-in-progress | 7.00 | 90,700,231 | - |
| Intangible assets | 8.00 | 2,147,841 | 2,694,788 |
| B. Current Assets | | 1,083,537,327 | 502,112,688 |
| Advances, deposits and prepayments | 9.00 | 22,873,576 | 10,939,257 |
| Trade and other receivables | 10.00 | 111,289,198 | 203,676,326 |
| Accrued income | 11.00 | 5,536,521 | - |
| Inventories | 12.00 | 210,190,347 | 191,456,393 |
| Cash and cash equivalents | 13.00 | 733,647,685 | 96,040,712 |
| C. Total Assets (A+B) | | 2,373,083,570 | 1,657,195,272 |
| <u>EQUITY AND LIABILITIES</u> | | | |
| D. Shareholders' Equity | | 2,044,262,824 | 1,299,997,411 |
| Share capital | 14.00 | 631,685,200 | 344,698,000 |
| Share premium | 15.00 | 433,059,200 | 40,000,000 |
| Retained earnings | 16.00 | 437,069,843 | 358,094,168 |
| Revaluation surplus | 17.00 | 542,448,581 | 557,205,243 |
| E. Non-current Liabilities | | 49,528,007 | 59,107,017 |
| Long term loans (secured), net of current portion | 18.00 | 49,528,007 | 59,107,017 |
| F. Current Liabilities | | 279,292,739 | 298,090,844 |
| Trade and other payables | 19.00 | 118,330,278 | 114,294,189 |
| Provisions for expenses | 20.00 | 8,994,420 | 1,727,851 |
| Accepted liabilities for machinery | 21.00 | 11,958,691 | 34,178,591 |
| Short term loans | 22.00 | 79,971,470 | 98,892,846 |
| Current portion of long term loans | 23.00 | 22,631,692 | 28,164,000 |
| Provision for income tax | 24.00 | 28,220,289 | 14,072,164 |
| Workers' profit participation & welfare fund | 25.00 | 9,185,899 | 6,761,203 |
| G. Total Equity & Liabilities (D+E+F) | | 2,373,083,570 | 1,657,195,272 |
| Net Asset Value Per Share | 35.00 | 32.36 | 37.71 |

* Refer to Note 4.06.01.

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

Managing Director

Director

Chief Financial Officer

Company Secretary

As per our report of same date.

Dhaka, 29 April 2016

Hussain Farhad & Co.
Chartered Accountants

TOSRIFA INDUSTRIES LIMITED
Plot-91, Regency Palace (4th Floor), Block-K
Suhrawardy Avenue, Baridhara, Dhaka

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 31 December 2015

| | <u>Notes</u> | <u>2015</u> <u>Taka</u> | <u>2014 (Restated*)</u> <u>Taka</u> |
|--|--------------|----------------------------|--|
| Sales revenue (export) | 26.00 | 1,537,038,272 | 1,476,847,815 |
| Less: Cost of sales | 27.00 | <u>1,249,812,587</u> | <u>1,155,905,618</u> |
| Gross Profit | | 287,225,685 | 320,942,197 |
| Less: General and administrative expenses | 28.00 | 91,128,317 | 69,934,318 |
| Less: Marketing, selling and distribution expenses | 29.00 | <u>68,031,867</u> | <u>88,188,212</u> |
| Operating Profit | | 128,065,501 | 162,819,667 |
| Add: Other income | 30.00 | <u>74,898,527</u> | <u>5,623,745</u> |
| Profit before Financial Expenses | | 202,964,028 | 168,443,412 |
| Less: Financial expenses | 31.00 | <u>19,246,039</u> | <u>26,458,137</u> |
| Profit after Financial Expenses | | 183,717,989 | 141,985,275 |
| Less: Workers' profit participation & welfare fund | 32.00 | <u>9,185,899</u> | <u>6,761,203</u> |
| Profit before Income Tax | | 174,532,090 | 135,224,072 |
| Less: Income tax expenses | 33.00 | <u>39,469,877</u> | <u>21,502,317</u> |
| Profit for the Year | | 135,062,213 | 113,721,755 |
| Earnings Per Share (EPS) | 34.00 | | |
| Basic Earnings Per Share (EPS) | | <u>2.44</u> | <u>3.30</u> |
| Restated Earnings Per Share (EPS) | | <u>2.95</u> | <u>2.95</u> |

* Refer to Note 4.06.01.

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Dhaka, 29 April 2016

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Suhrawardy Avenue, Baridhara, Dhaka

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2015

| | Share capital | Share premium | Retained earnings | Revaluation surplus | Total |
|---|---------------|---------------|-------------------|---------------------|---------------|
| Balance as at 1 January 2014 | 344,698,000 | 40,000,000 | 244,372,413 | 557,205,243 | 1,186,275,656 |
| Issue of ordinary shares | - | - | - | - | - |
| Share premium | - | - | - | - | - |
| Net profit for the year (restated*) | - | - | 113,721,755 | - | 113,721,755 |
| Balance as at 31 December 2014 (restated*) | 344,698,000 | 40,000,000 | 358,094,168 | 557,205,243 | 1,299,997,411 |
| Balance as at 1 January 2015 | 344,698,000 | 40,000,000 | 358,094,168 | 557,205,243 | 1,299,997,411 |
| Issue of ordinary shares | 245,662,000 | - | - | - | 245,662,000 |
| Share premium | - | 393,059,200 | - | - | 393,059,200 |
| Stock dividend (7%) | 41,325,200 | - | (41,325,200) | - | - |
| Cash dividend (5%) | - | - | (29,518,000) | - | (29,518,000) |
| Transferred from revaluation surplus | - | - | 14,756,662 | (14,756,662) | - |
| Net profit for the year | - | - | 135,062,213 | - | 135,062,213 |
| Balance as at 31 December 2015 | 631,685,200 | 433,059,200 | 437,069,843 | 542,448,581 | 2,044,262,824 |

* Refer to Note 4.06.01.

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

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Dhaka, 29 April 2016

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TOSRIFA INDUSTRIES LIMITED
Plot-91, Regency Palace (4th Floor), Block-K
Suhrawardy Avenue, Baridhara, Dhaka

STATEMENT OF CASH FLOWS
For the year ended 31 December 2015

| | 2015 | 2014 (Restated*) |
|--|----------------------|-------------------------|
| | Taka | Taka |
| A. CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Cash received from customers | 1,629,425,400 | 1,473,300,855 |
| Cash received from other income | 20,726,728 | 5,623,744 |
| Cash paid to suppliers, contractors and others | (719,893,778) | (884,791,028) |
| Payments for operating expenses | (675,595,777) | (417,587,980) |
| Financial expenses | (19,246,039) | (26,458,137) |
| Income tax paid | (25,321,752) | (15,675,561) |
| Net cash flow from operating activities | 210,094,782 | 134,411,893 |
| B. CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Payments for acquisition of property, plant and equipment | (87,556,449) | (53,337,139) |
| Payments for capital work-in-progress | (135,000) | (3,368,485) |
| Payments for acquisition of intangible assets | (90,700,231) | - |
| Net cash used in investing activities | (178,391,680) | (56,705,624) |
| C. CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Proceeds from/ (payment of) long term loan | (9,579,010) | (5,255,732) |
| Proceeds from/ (payment of) current portion of loan term loan | (5,532,308) | (4,748,405) |
| Proceeds from/ (payment of) accepted liabilities for machinery | (22,219,900) | 34,178,591 |
| Proceeds from/ (payment of) short term loan | (18,921,376) | 15,756,762 |
| Inflow/ (outflow) from inter-company transactions | - | (25,791,545) |
| Proceeds from issue of ordinary shares | 245,662,000 | - |
| Proceeds from share premium | 393,059,200 | - |
| Cash dividend paid | (28,956,629) | - |
| Interest income | 48,635,278 | - |
| Unclaimed IPO application money | 3,756,616 | - |
| Net cash flow from financing activities | 605,903,871 | 14,139,671 |
| Net changes in cash and cash equivalents (A+B+C) | 637,606,973 | 91,845,940 |
| Cash and cash equivalents as at 1 January | 96,040,712 | 4,194,772 |
| Cash and cash equivalents as at 31 December | 733,647,685 | 96,040,712 |
| Net Operating Cash Flow Per Share (NOCFPS) | 3.33 | 3.90 |

* Refer to Note 4.06.01.

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Dhaka, 29 April 2016

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Chartered Accountants

TOSRIFA INDUSTRIES LIMITED
Plot-91, Regency Palace (4th Floor), Block-K
Suhrawardy Avenue, Baridhara, Dhaka

NOTES TO THE FINANCIAL STATEMENTS
As at and for the year ended 31 December 2015

1.0 Corporate history of the reporting entity:

Tosrifa Industries Limited (hereinafter referred to as “the Company”) was incorporated in Bangladesh on 27 August 2002 under the Companies Act, 1994 vide registration no. C - 46888 (3367) as a private limited company by shares. It commenced its commercial operation in 2005. Subsequently the company was converted into public limited company on 18.08.2011.

The registered office of the company is located at Plot-91, Regency Palace (4th Floor), Block-K, Suhrawardy Avenue, Baridhara, Dhaka. It has moved from Level - 1st to 6th floor, 135 Gopalpur, Munnu Nagar, Tongi, Gazipur, Bangladesh on 1 April 2014. The industrial unit and the principal place of the business of the company is located at Level - 1st to 6th floor, 135 Gopalpur, Munnu Nagar, Tongi, Gazipur, Bangladesh.

2.00 Nature of corporate business:

The company operates a readymade composite knit garments industrial unit of international standard to carry on the business of knitting, designing, manufacturing & marketing readymade garments to deal in the foreign markets.

3.00 Financial statements and corporate 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 explanatory notes covering accounting policies.

Financial statements of the company have been prepared under the historical cost convention and in accordance with the requirements of the Companies Act 1994, the Bangladesh Accounting Standards (BASs) and the Bangladesh Financial Reporting Standards (BFRS).

The Board of Directors, which is responsible for preparing and presenting the financial statements including adequate disclosures, has approved and authorized the financial statements for issue on 29 April 2016.

4.00 Basis of preparation:

4.01 Statement of compliance:

The financial statements of the company have been prepared in accordance with Bangladesh Accounting Standards (BASs), Bangladesh Financial Reporting Standards (BFRSs), and the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations.

BAS-01 Presentation of Financial Statements

BAS-02 Inventories

| | |
|--------|--|
| BAS-07 | Statements of Cash flows |
| BAS-08 | Accounting Policies, Changes in Accounting Estimates & Errors. |
| BAS-10 | Events after the reporting period |
| BAS-12 | Income Taxes |
| BAS-16 | Property, Plant and Equipment |
| BAS-18 | Revenue |
| BAS-19 | Employee Benefits |
| BAS-21 | The effects of Changes in Foreign Exchange Rate |
| BAS-24 | Related Party Disclosures |
| BAS-33 | Earnings per Share |
| BAS-37 | Provisions, Contingent Liabilities and Contingent Assets. |
| BAS-38 | Intangible assets |

4.02 Other regulatory compliances:

The Company complies with the following major legal provisions in addition to the Companies Act, 1994 and other applicable laws and regulations:

The Income Tax Ordinance, 1984
The Income Tax Rules 1984
The Value Added Tax Act, 1991
The Value Added Tax Rules 1991
The Securities and Exchange Rules, 1987

4.03 Basis of measurement:

The financial statements have been prepared on going concern basis under historical cost conventions.

4.04 Functional and presentational currency:

These financial statements are presented in the currency Bangladeshi Taka (Taka/Tk./BDT), which is the company's functional currency. The figures of financial statements have been rounded off to the nearest integer.

4.05 Accrual basis of accounting:

These financial statements have been prepared under the accrual basis of accounting.

4.06 Use of estimates & judgment

The preparation of these financial statements is in conformity with BASs/BFRSs which require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying

assumptions are reviewed on an ongoing basis and used for accounting of certain terms such as provision for expenses, depreciation and amortization and tax reserve. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected thereby.

4.06.01 Restatement due to errors in income tax provision for the year 2014:

Nature of error: Error in calculating income tax provision in prior year

The management of the company has reviewed the provision for income tax expenses during the period of 2015. They have found that there was an error in calculating the income tax provision for the year 2014 due to misinterpretation of the provision of 6th Schedule, Part-A, Paragraph 28 of the Income Tax Ordinance, 1984. As a result, over provision had been made regarding provision for income tax for the year 2014. Also, assessment of the return of income (income tax assessment) of the company for the assessment year 2015-2016 has been completed subsequently on 27 March 2016. The management of the company has made a decision to restate the prior year's financial statements as per BAS 8 Paragraph 42. As a result of restatement of the financial statements, there are some changes of information reported in prior year's financial statements. The effect of changes are given below:

Affected Items of Financial Statements for the period of 2014:

| Particulars | Note No. | Before restatement (Tk.) | After restatement (Tk.) | Changes (Tk.) |
|--------------------------|----------|--------------------------|-------------------------|---------------|
| Income tax expenses | 33 | 30,796,331 | 21,502,317 | (9,294,014) |
| Provision for income tax | 20 | 23,584,578 | 14,290,564 | (9,294,014) |
| Retained earnings | 16 | 348,800,154 | 358,094,168 | 9,294,014 |
| EPS | 34 | 2.71 | 2.95 | 0.24 |
| NAVPS | 35 | 37.44 | 37.71 | 0.27 |

4.07 Reporting Period

The reporting period of the company covers one year from 1 January 2015 to 31 December 2015.

4.08.1 Components of the financial statements

- i. Statements of financial position
- ii. Statement of profit or loss and other comprehensive income
- iii. Statement of changes in equity
- iv. Statement of cash flows
- v. Accounting policies, explanatory notes and schedules.

5.00 Significant accounting policies

The accounting policies set out below have been applied consistently (otherwise as stated) to all year presented in these financial statements.

5.01 Property, plant and equipment

5.01.01 Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of asset.

5.01.02 Subsequent cost

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of profit or loss and other comprehensive income.

5.01.03 Depreciation

All items of property, plant and equipment have been depreciated on diminishing balance method. No depreciation is charged on land & land development. Depreciation has been charged on the opening amount of fixed assets for one year and depreciation on current year's addition is charged on day basis as and when the assets are available for use and charged at the rates varying from 2.5% to 20% depending on the estimated useful lives of assets.

Rates of depreciation on various classes of fixed assets are as under:

| | |
|---------------------------|------|
| Building & civil works | 2.5% |
| Furniture & fixture | 10% |
| Land and land development | - |
| Motor vehicle | 20% |
| Office equipment | 15% |
| Plant & machinery | 15% |

Land is not depreciated as it is deemed to have an infinite life.

5.02 Inventories

Inventories comprise of raw materials (yarn), raw materials (accessories), raw materials (finished fabrics), needle and spare parts, work in progress and finished goods. Inventories are valued at cost or net realizable value whichever is lower. The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operation capacity.

5.03 Trade and other receivables

Trade and other receivables are initially recognized at cost which is the fair value of the consideration given in return. After initial recognition these are carried at cost less impairment losses due to doubt in collectability of any amount so recognized.

5.04 Advances, deposits and prepayments

Advances are initially measured at cost. After initial recognition advances are carried at cost less deduction, adjustment or charges to other account heads such as property, plant and equipment, inventory or expenses.

Deposits are measured at payment value.

Prepayments are initially measure at cost. After initial recognition prepayments are carried at cost less charges to profit and loss account.

5.05 Cash & Cash Equivalents

Cash and cash equivalents include cash in hand, cash at banks, and FDR having tenor of less than three months, which are held and available for use by the company without any restriction.

5.06 Provision

A provision is recognized in the balance sheet when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

5.07 Foreign currency transaction

Foreign currency transactions are translated at rates ruling on the dates advices were received. Monetary assets and liabilities denominated in foreign currencies at reporting date are reconverted at rates ruling at the balance sheet date. All exchange differences are recognized in the Statement of Profit or Loss and Other Comprehensive Income by being absorbed in the respective head of income or expenditure.

5.08 Taxation

Taxation is provided in accordance with the fiscal regulations applicable. Income tax for the company is under final settlement of tax liability under section 82(c) of the Income Tax Ordinance, 1984. As a result, disclosures required under Paragraph 79-88 of BAS 12 are not applicable for this company.

5.09 Employee benefit obligation:

The company has workers' profit participation & welfare fund as employee benefit and contributing 5% of net profit before WPPWF and income tax.

5.10 Revenue recognition

Goods sold

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognized when the significant risks and reward of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is continued management involved with the goods, and the amount of revenue can be measured reliably.

5.11 Borrowing cost

Financial expenses comprise interest expense on bank loan, and other borrowings. All borrowing costs are recognized in the statement of profit or loss and other comprehensive income using effective interest method.

5.12 Statement of cash flows

Cash flows from operating activities have been presented under direct method. It was also prepared in accordance with the Securities & Exchange Rules, 1987.

5.13 Earnings per share

The company presents its basic earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by number of ordinary shares outstanding during the year.

5.14 Transaction with related parties

The company carried a number of transactions with related parties in the normal course of business. The nature of transactions and their total value have been disclosed in note 36.

5.15 Comparative information:

Comparative information have been disclosed in respect of the year 2014 for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding for the current year financial statements.

5.16 General

5.16.1 Previous year's figures have been rearranged wherever considered necessary for the purpose of current year presentation.

5.16.2 Figures in these notes and annexed financial statements have been rounded off to the nearest taka.

6.00 Property, plant and equipment

Non-revalued Assets

As at 31 December 2015

| Particulars | Cost | | | | Rate of Dep. (%) | Depreciation | | | W.D.V as at 31 Dec 2015 |
|----------------------|--------------------|---------------------------|---------------------------|--------------------|------------------|--------------------|---------------------------|--------------------|-------------------------|
| | Opening Balance | Addition during this year | Disposal during this year | Closing Balance | | Opening Balance | Addition during this year | Closing Balance | |
| | 01-Jan-15 | | | 31-Dec-15 | | 01-Jan-15 | | 31-Dec-15 | |
| Plant & machinery | 284,017,110 | 36,822,520 | - | 320,839,630 | 15% | 142,533,338 | 24,994,597 | 167,527,935 | 153,311,695 |
| Motor vehicles | 10,933,930 | 14,105,000 | - | 25,038,930 | 20% | 6,821,879 | 1,527,660 | 8,349,539 | 16,689,391 |
| Furniture & fixtures | 20,043,744 | 1,309,605 | - | 21,353,349 | 10% | 6,929,563 | 1,378,203 | 8,307,766 | 13,045,583 |
| Office equipment | 38,842,973 | 6,187,548 | - | 45,030,521 | 15% | 13,201,692 | 4,105,635 | 17,307,327 | 27,723,194 |
| Total | 353,837,757 | 58,424,673 | - | 412,262,430 | | 169,486,472 | 32,006,095 | 201,492,567 | 210,769,863 |

Revalued Assets

As at 31 December 2015

| Particulars | Cost | | | | Rate of Dep. (%) | Depreciation | | | W.D.V as at 31 Dec 2015 |
|------------------------------|----------------------|---------------------------|---------------------------|----------------------|------------------|-------------------|---------------------------|-------------------|-------------------------|
| | Opening Balance | Addition during this year | Disposal during this year | Closing Balance | | Opening Balance | Addition during this year | Closing Balance | |
| | 01-Jan-15 | | | 31-Dec-15 | | 01-Jan-15 | | 31-Dec-15 | |
| Land and land | 519,931,290 | 24,975,003 | - | 544,906,293 | - | - | - | - | 544,906,293 |
| Building & civil works (RCC) | 482,287,638 | 4,156,773 | - | 486,444,411 | 2.50% | 34,182,418 | 11,239,978 | 45,422,396 | 441,022,015 |
| Total | 1,002,218,928 | 29,131,776 | - | 1,031,350,704 | - | 34,182,418 | 11,239,978 | 45,422,396 | 985,928,308 |

| | | | | | | | | | |
|-------------------------------------|----------------------|--------------------|----------|----------------------|--|--------------------|-------------------|--------------------|----------------------|
| Total as at 31 December 2015 | 1,356,056,685 | 87,556,449 | - | 1,443,613,134 | | 203,668,890 | 43,246,073 | 246,914,963 | 1,196,698,171 |
| Total as at 31 December 2014 | 1,204,399,405 | 151,657,280 | - | 1,356,056,685 | | 165,489,175 | 38,179,714 | 203,668,889 | 1,152,387,796 |

Depreciation has been charged yearly and allocated in the following manner:

| | |
|---|-------------------|
| Factory overhead (80%) | 34,596,858 |
| General and administrative expenses (20%) | 8,649,215 |
| | <u>43,246,073</u> |

| | 2015 BDT | 2014 BDT |
|--|-------------------|-------------|
| 7.00 Capital work-in-progress: BDT 90,700,231 | | |
| Opening balance | - | 98,320,141 |
| Add: Addition during the year | 90,700,231 | - |
| | 90,700,231 | 98,320,141 |
| Less: Transferred to PPE during the year | - | 98,320,141 |
| Closing balance | 90,700,231 | - |
| This is made up as follows: | | |
| Building & Civil Works (dyeing unit project) | 90,700,231 | - |
| | 90,700,231 | - |

8.00 Intangible Assets
As at 31 December 2015

| Particulars | Cost | | | | Rate of Dep. (%) | Amortization | | | W.D.V as at 31 Dec 2015 |
|-------------------------------------|--------------------|---------------------------------|---------------------------------|--------------------|---------------------------|--------------------|---------------------------------|--------------------|-------------------------------|
| | Opening Balance | Addition during this year | Disposal during this year | Closing Balance | | Opening Balance | Addition during this year | Closing Balance | |
| | 01-Jan-15 | | | 31-Dec-15 | | 01-Jan-15 | | 31-Dec-15 | |
| Software & Application -1 | 107,250 | - | - | 107,250 | 20% | 107,250 | - | 107,250 | - |
| Software & Application -2 | 3,368,485 | - | - | 3,368,485 | 20% | 673,697 | 673,697 | 1,347,394 | 2,021,091 |
| Software & Application -3 | - | 90,000 | - | 90,000 | 20% | - | 1,500 | 1,500 | 88,500 |
| Website development | - | 45,000 | - | 45,000 | 20% | - | 6,750 | 6,750 | 38,250 |
| Total as at 31 December 2015 | 3,475,735 | 135,000 | - | 3,610,735 | | 780,947 | 681,947 | 1,462,894 | 2,147,841 |
| Total as at 31 December 2014 | 107,250 | 3,368,485 | - | 3,475,735 | | 85,800 | 695,147 | 780,947 | 2,694,788 |

Amortization is charged at 20% on cost by using straight line method.

| | | <u>2015</u> | <u>2014</u> |
|--|-----------|--------------------------|--------------------------|
| | | <u>BDT</u> | <u>BDT</u> |
| 9.00 Advances, deposits and prepayments: BDT 22,873,576 | | | |
| <u>Advances</u> | | | |
| Advance against salary | Note 9.01 | 1,321,814 | 803,193 |
| Advance against expenses | Note 9.02 | 2,594,107 | 260,181 |
| Advance against purchase | Note 9.03 | 498,442 | 4,283,491 |
| Advance against building construction | Note 9.04 | 11,938,610 | - |
| | | <u>16,352,973</u> | <u>5,346,865</u> |
| <u>Deposits</u> | | | |
| Security deposits | Note 9.05 | 1,482,481 | 946,865 |
| LC margin | | 2,297,395 | 4,645,527 |
| | | <u>3,779,876</u> | <u>5,592,392</u> |
| <u>Prepayments</u> | | | |
| Prepaid insurance | | 2,740,727 | - |
| | | <u>2,740,727</u> | <u>-</u> |
| | | <u>22,873,576</u> | <u>10,939,257</u> |
| 9.01 Advance against salary: BDT 1,321,814 | | | |
| Abul Kalam Azad | | 283 | 100,000 |
| Arafath Rahman | | 52,120 | - |
| Ashaduzzaman | | 80 | 8,654 |
| Atiqure Rahamn | | - | 34,000 |
| Awoul | | - | 24,000 |
| Babul Akter | | 2,000 | 38,000 |
| Bashir | | 4,500 | 9,500 |
| Eamin Hossain | | 50 | 40,000 |
| Easir Arafat Suvro | | 180 | 17,020 |
| Farhad Hossian | | 60 | 10,000 |
| Golzar Alam | | - | 15,539 |
| Jillur Rahman | | - | 8,000 |
| Kamruzzaman | | 62,647 | 88,954 |
| Md. Khayrul Islam | | - | 20,000 |
| Mizanur Rahman | | 648 | 10,000 |
| Moniruzzaman | | 16,415 | 30,000 |
| Nazrul Islam | | - | 59,610 |
| Nurul Afsar Rajib | | - | 60,419 |
| Omar Ali | | - | 5,000 |
| Rajib Nazmul Hassan | | - | 50,371 |
| Raju | | 12,000 | 8,000 |
| Rouson Jahid | | - | 5,000 |
| Shahabuddin Ahmed | | 10,302 | 56,814 |
| Somesh Uddin | | 4,000 | 34,000 |
| Zahirul Islam | | 60 | 70,312 |
| Abdul Khalek | | 14,000 | - |
| Abdul Zabber | | 10,000 | - |
| Abdur Rahman | | 180 | - |
| ABM Farhad Uddin Chowdhury | | 554 | - |
| Abu Jafar | | 587 | - |
| Abu Sadat Md. Sayem | | 60 | - |
| Abu Sufian | | 571 | - |
| Ahmed Ali Mollah Kamal | | 90,385 | - |
| Al-Amin Md. Zakara | | 120 | - |
| Alif Nadvi Rahman | | 171,830 | - |
| Aminul Islam | | 180 | - |
| Arif Hossain | | 60 | - |
| Arif Hossain | | 20,060 | - |
| Arjuk Kumar | | 120 | - |
| Babul Islam | | 35,000 | - |
| Delowar | | 60 | - |
| Elias | | 111 | - |
| Fahmida Rahman | | 180 | - |
| Faisal Hossain | | 84 | - |
| Faruq Alam | | 100,000 | - |
| Fazlul Haque | | 120 | - |
| Feroz Kabir | | 780 | - |
| Golam Robbani | | 12,000 | - |
| Hafizur Rahman | | 12,000 | - |
| Hasanuzzaman Hassan | | 260 | - |
| Hasanuzzaman | | 134 | - |
| Hasibuddin Ahmed | | 103,396 | - |
| Iftekhar Rahman | | 6,963 | - |
| Iqbal Hossain | | 120 | - |
| Jakir Hossain | | 503 | - |
| Julkar Nain | | 60 | - |
| Khurshed Alam | | 200,000 | - |
| Liton Mia | | 920 | - |
| Lokenath Shaha | | 66 | - |

| | <u>2015</u> <u>BDT</u> | <u>2014</u> <u>BDT</u> |
|---|---------------------------|---------------------------|
| M.A. Jalil Sikder | 3,000 | - |
| Mahbubur Rahman | 42,000 | - |
| Marufuzzaman | 120 | - |
| Mazharul Islam | 4,000 | - |
| Moffazzal Hossain | 64,000 | - |
| Monjjurul Islam | 48 | - |
| Mosharof | 200,000 | - |
| Mustak Ahem | 120 | - |
| Nafiza Akhter | 60 | - |
| Nazimuddin | 8,000 | - |
| Rabban Ali | 180 | - |
| Ragiur Rahman | 180 | - |
| Rajib Hassan | 180 | - |
| Ramjan Ali | 9,000 | - |
| S.K. Arif Ahmed | 40,000 | - |
| Saiful Islam | 60 | - |
| Samsuzzaman | 60 | - |
| Sayed Faisal Rafique | 215 | - |
| Shahidur Rahman | 2,468 | - |
| Shajahan Bhuyhan | 97 | - |
| Shakhawat | 60 | - |
| Shamim Azaz | 54 | - |
| Sifat Bin Alam | 60 | - |
| Touhidul Islam | 120 | - |
| Waliur Rahman | 394 | - |
| Zaid Al Refai | 529 | - |
| | <u>1,321,814</u> | <u>803,193</u> |
| 9.02 Advance against expenses: BDT 2,594,107 | | |
| Anisul Hoque Ansari | 125,000 | 125,000 |
| Khawaja Shipping Line | - | 90,133 |
| Bureau Veritas Consumer Products | - | 30,000 |
| Hossain Dyeing & Printing Mills Ltd | 15,048 | 15,048 |
| IDT Global Labels Bangladesh Ltd | 57,383 | - |
| Enviro Pack Ltd | 536,260 | - |
| Esha Enterprise | 15,000 | - |
| J. K. Power Pac | 900,000 | - |
| Media Consultants Ltd | 73,416 | - |
| Mr. Nick | 643,700 | - |
| New Zahid Art | 175,000 | - |
| Pickers Ltd | 53,300 | - |
| | <u>2,594,107</u> | <u>260,181</u> |
| 9.03 Advance against purchase: BDT 498,442 | | |
| Mr. Aliur Rahman (Purchase Officer) | 5,500 | 787,200 |
| Mr. Hasnat Khadem (Purchase Officer) | 189,705 | 999,906 |
| Mr. Omar Farooq (Purchase Officer) | 71,716 | 833,939 |
| Mr. Syed Rashedul Haque (Purchase Officer) | 12,304 | 786,929 |
| Mr. Rupok (Factory Accountant) | 168,617 | 875,517 |
| Mr. Gitendra Chandra Gosh (Factory Accountant) | 50,600 | - |
| | <u>498,442</u> | <u>4,283,491</u> |
| 9.04 Advance against building construction: BDT 11,938,610 | | |
| Abode of Consultants Ltd | 300,000 | - |
| Cemex Cement Bangladesh Ltd | 1,305,250 | - |
| Hamid Construction Ltd | 3,100,000 | - |
| Imran Enterprise | 87,030 | - |
| Insignia Studio | 300,000 | - |
| Jalalabad Steel Building | 241,828 | - |
| Japanese ETP Consulting | 1,200,000 | - |
| KSRM Steel Plant Ltd | 2,814,000 | - |
| National Polimer Ind. Ltd | 282,502 | - |
| NDE Ready Mix Concrete Ltd | 548,000 | - |
| Neoformation Architects | 1,760,000 | - |
| | <u>11,938,610</u> | <u>-</u> |
| 9.05 Security deposits: BDT 1,482,481 | | |
| Security deposit to BTCL | 8,600 | 8,600 |
| Security deposit to DESCO | 567,336 | 531,720 |
| Security deposit to Titas Gas | 406,545 | 406,545 |
| Security deposit to CDBL | 500,000 | - |
| | <u>1,482,481</u> | <u>946,865</u> |

| | <u>2015</u> | <u>2014</u> |
|---|----------------------|----------------------|
| | <u>BDT</u> | <u>BDT</u> |
| 10.00 Trade and other receivables: BDT 111,289,198 | | |
| Opening balance | 203,676,326 | 200,129,367 |
| Add: Export during the year | 1,537,038,272 | 1,476,847,815 |
| | 1,740,714,598 | 1,676,977,182 |
| Less: Proceeds realized during the year | 1,629,425,400 | 1,473,300,856 |
| Closing balance | 111,289,198 | 203,676,326 |

Note 10.01

10.01 Export bills receivables: BDT 111,289,198

| | | |
|----------------------|--------------------|--------------------|
| El Corte Ingles S.A. | 20,382,402 | 90,586,296 |
| IMAP Export S.P.A | 59,227,556 | 85,682,499 |
| Punto Fa. S.L. | - | 7,180,977 |
| Lifco S.A.L | 9,131,166 | - |
| Sports Master Ltd. | 12,078,779 | 4,743,531 |
| Traders SRL | 10,469,295 | 14,713,023 |
| Gustav Daiver GMBH | - | 770,000 |
| | 111,289,198 | 203,676,326 |

Aging Schedule:

| | 0 - 3 months | 3 - 6 months | > 6 months | Total |
|--------------------------|--------------|--------------|------------|--------------------|
| Export bills receivables | 111,289,198 | - | - | 111,289,198 |

Information about trade receivables as per requirement under Schedule XI, Part I, Para 4 of the Companies Act, 1994:

Debtors have been stated at their nominal value. Debtors are accrued in the ordinary course of business.

i) Debt considered good in respect of which the company is fully secured

Trade receivables accrued in the ordinary course of business are considered good and secured against confirmed L/C.

ii) Trade receivables considered good for which the company hold no security other than the personal security

There is no such trade receivables in this respect as on December 31, 2015.

iii) Trade receivables considered doubtful or bad

The Company did not make any provision for doubtful debts as on December 31, 2015, because of the fact that sales/exports are being based on 100% confirmed letter of credit with fixed maturity dates.

iv) Trade receivables due by directors or other officers of the company

There is no such trade receivables in this respect as on 31 December 2015.

v) Trade receivables due by Common Management

There is no such trade receivables in this respect as on 31 December 2015.

vi) Reserve for doubtful debts

There is no such reserve created in this respect as on 31 December 2015.

11.00 Accrued income: BDT 5,536,521

| | | |
|-------------------------|------------------|----------|
| Accrued interest income | 176,526 | - |
| Accrued cash incentive | 5,359,995 | - |
| | 5,536,521 | - |

12.00 Inventories: BDT 210,190,347

| | | |
|----------------------------------|--------------------|--------------------|
| Raw materials (yarn) | 94,502,345 | 60,095,971 |
| Raw materials (accessories) | 9,416,642 | 4,463,957 |
| Raw materials (finished fabrics) | 17,349,640 | 17,991,948 |
| Finished goods (garments) | 11,614,468 | 31,031,629 |
| Needle and spare parts | 2,999,420 | 3,918,177 |
| Work-in-process | 74,307,832 | 73,954,711 |
| | 210,190,347 | 191,456,393 |

Quantities as per requirement under Schedule XI, Part II, Para 3, of the Companies Act, 1994

| Items | Unit | 2015 | | 2014 | |
|----------------------------------|----------------|---------------|---------------|---------------|---------------|
| | | | | | |
| | | Opening (Qty) | Closing (Qty) | Opening (Qty) | Closing (Qty) |
| Raw materials (yarn) | KG | 153,353 | 377,237 | 83,247 | 153,353 |
| Raw materials (accessories)* | | | | | |
| Raw materials (finished fabrics) | KG | 36,471 | 45,064 | 21,212 | 36,471 |
| Finished goods (garments) | pcs. | 110,867 | 35,784 | 270,965 | 110,867 |
| Needle and spare parts* | | | | | |
| Work-in-process | pcs./KG (app.) | 218,557 | 519,813 | 202,318 | 218,557 |

* Quantity-wise breakup of raw materials (accessories), and needle and spare parts could not be given as it is difficult to quantify each item in a separate and distinct category due to large variety of raw materials (accessories), and needle and spare parts.

13.00 Cash and cash equivalents: BDT 733,647,685

| | | | |
|--------------|------------|--------------------|-------------------|
| Cash in hand | Note 13.01 | 984,429 | 461,256 |
| Cash at bank | Note 13.02 | 732,663,256 | 95,579,456 |
| | | 733,647,685 | 96,040,712 |

13.01 Cash in hand: BDT 984,429

| | | |
|---------------------|----------------|----------------|
| Cash at head office | 808,770 | 411,256 |
| Cash at factory | 175,659 | 50,000 |
| | 984,429 | 461,256 |

13.02 Cash at bank: BDT 732,663,256

| Name of the Bank/NBFI | Branch | Type of A/C | Account Number | 2015 Amount (BDT) | 2014 Amount (BDT) |
|--|--------------------------|-------------|------------------|----------------------|----------------------|
| Eastern Bank Ltd | Gulshan | CD | 1041070005263 | 669,431 | 6,007,973 |
| Janata Bank Ltd | Local Office (Motijheel) | CD | 10233051561 | - | 44,402 |
| Prime Bank Ltd | Banani | CD | 13211060000614 | 615,210 | 326,734 |
| Prime Bank Ltd | Banani | FC (ERQ) | 13251050006186 | 3,368 | 3,394 |
| Prime Bank Ltd | Banani | STD | 13231030025488 | 73,447 | 72,805 |
| Sonali Bank Ltd | Baridhara | CD | 200004148 | 358,079 | 197,432 |
| AB Bank Ltd | Kakrail | CD | 4009785851000 | - | 351,614 |
| AB Bank Ltd | Kakrail | FC (ERQ) | 4009-78-5851-048 | 442,434 | 10,704,128 |
| AB Bank Ltd | Kakrail | STD | 4009-78-5851-430 | 455,077 | 49,020 |
| AB Bank Ltd* | Kakrail | Margin | 4009-78-5851-254 | 7,017,512 | 18,775,510 |
| AB Bank Ltd | Kakrail | FDR | 4009-78851-200 | 1,648,327 | 1,525,650 |
| City Bank Ltd. | Gulshan | CD | 1101495932001 | 1,272,171 | 4,401,151 |
| City Bank Ltd. | Gulshan | FC (ERQ) | 5121495932001 | 1,026,140 | 28,214,652 |
| City Bank Ltd* | Gulshan | Margin | | 116,762,834 | 24,904,991 |
| City Bank Ltd. (Dividend Account 2014) | Gulshan | SND | 3101703841001 | 571,819 | - |
| Mutual Trust Bank** | Gulshan | STD | 320002679 | 586,159,114 | - |
| Mutual Trust Bank** | Gulshan | FC | 0002-0260000704 | 267,668 | - |
| IDLC | Uttara | FDR | 10752228411101 | 5,106,875 | - |
| IDLC | Uttara | FDR | 10752228411102 | 5,106,875 | - |
| IDLC | Uttara | FDR | 10752228411103 | 5,106,875 | - |
| Total | | | | 732,663,256 | 95,579,456 |

The Balance of FC accounts have been converted considering the Prevailing rate of respective banks as on the balance sheet date.

| Name of the Bank/NBFI | Branch | Balance (USD) | Account Number | Conversion Rate | Amount (BDT) |
|-----------------------|---------|------------------------|------------------|-----------------|--------------------|
| Prime Bank Ltd. | Banani | \$ 43.63 | 13251050006186 | 77.20 | 3,368 |
| AB Bank Ltd | Kakrial | \$ 5,677.33 | 4009-78-5851-048 | 77.93 | 442,434 |
| AB Bank Ltd | Kakrial | \$ 90,048.92 | 4009-78-5851-254 | 77.93 | 7,017,512 |
| Mutual Trust Bank | Gulshan | \$ 3,438.69 | 0002-0260000704 | 77.84 | 267,668 |
| City Bank Ltd. | Gulshan | \$ 13,223.46 | 5121495932001 | 77.60 | 1,026,140 |
| City Bank Ltd. | Gulshan | \$ 1,504,675.69 | Margin | 77.60 | 116,762,834 |
| Total | | \$ 1,617,107.72 | | | 125,519,956 |

* This margin balance of BDT 123,780,346 is for settlement of BTB LC (material).

** These balances represent the unutilized portion of share capital raised through IPO along with the unclaimed portion of refundable amount to the unsuccessful IPO applicants.

14.00 Share Capital: BDT 631,685,200

Authorized Capital

| | | |
|--|---------------|---------------|
| (Divided into 100,000,000 ordinary shares of BDT 10.00 each) | 1,000,000,000 | 1,000,000,000 |
|--|---------------|---------------|

| | | |
|---|--------------------|--------------------|
| Issued, Subscribed & Paid up Capital | 631,685,200 | 344,698,000 |
|---|--------------------|--------------------|

(Divided into 63,168,520 ordinary shares of BDT 10.00 each)

| | 2015 BDT | 2014 BDT |
|--|-------------|-------------|
|--|-------------|-------------|

Share holding position as on December 31, 2015:

| Sl. | Name of share holder | No. of ordinary shares | Face value per share | % of total share holding | 2015 | 2014 |
|-----|---------------------------|------------------------|----------------------|--------------------------|--------------------|--------------------|
| | | | | | Amount (BDT) | Amount (BDT) |
| 1 | Ms. Abeda Rahman | 48,535 | 10 | 0.08% | 485,350 | 453,600 |
| 2 | Ms. Tosrifa Ahmed | 3,091,903 | 10 | 4.89% | 30,919,033 | 28,896,290 |
| 3 | Ms. Anjuman Ara Begum | 6,741,000 | 10 | 10.67% | 67,410,000 | 63,000,000 |
| 4 | Ms. Lyra Rizwana Quader | 6,741,000 | 10 | 10.67% | 67,410,000 | 63,000,000 |
| 5 | Mr. Mohim Hassan | 1,696,913 | 10 | 2.69% | 16,969,130 | 15,859,000 |
| 6 | Mr. Naim Hassan | 1,696,913 | 10 | 2.69% | 16,969,130 | 15,859,000 |
| 7 | Mr. Rafiq Hassan | 1,579,049 | 10 | 2.50% | 15,790,487 | 14,757,470 |
| 8 | Mr. Sayeed Hassan | 80,635 | 10 | 0.13% | 806,350 | 453,600 |
| 9 | Ms. Shameem Ara Begum | 258,837 | 10 | 0.41% | 2,588,370 | 2,419,040 |
| 10 | Northern Corporation Ltd. | 12,840,000 | 10 | 20.33% | 128,400,000 | 120,000,000 |
| 11 | Other than sponsor | 28,393,735 | 10 | 44.95% | 283,937,350 | 20,000,000 |
| | | 63,168,520 | | 100.00% | 631,685,200 | 344,698,000 |

Share holding position on the basis of Group:

| Group Name | Number of Shareholders | No. of Shares | Ownership (%) |
|--------------------------------|------------------------|-------------------|----------------|
| All Investors A/C Company | 4 | 250,604 | 0.40% |
| General Public | 122 | 2,165,049 | 3.43% |
| NRB (Non-Resident Bangladeshi) | 31,541 | 25,604,899 | 40.53% |
| Sponsor / Director | 1,415 | 373,183 | 0.59% |
| | 10 | 34,774,785 | 55.05% |
| Total | 33,092 | 63,168,520 | 100.00% |

Share holding position on the basis of Range:

| Share Holding Range | Number of Shareholders | No. of Shares | Ownership (%) |
|---------------------|------------------------|-------------------|----------------|
| 1-499 | 29,596 | 5,793,790 | 9.17% |
| 500-5000 | 2,743 | 4,536,106 | 7.18% |
| 5001-10000 | 357 | 2,541,950 | 4.02% |
| 10001-20000 | 212 | 2,977,475 | 4.71% |
| 20001-30000 | 63 | 1,520,969 | 2.41% |
| 30001-40000 | 30 | 1,060,914 | 1.68% |
| 40001-50000 | 16 | 737,185 | 1.17% |
| 50001-100000 | 38 | 2,584,806 | 4.09% |
| 100001-1000000 | 30 | 7,028,547 | 11.13% |
| 1000001-1000000000 | 7 | 34,386,778 | 54.44% |
| Total | 33,092 | 63,168,520 | 100.00% |

15.00 Share premium: BDT 433,059,200 **433,059,200** **40,000,000**

Share premium received against 24,566,200 ordinary shares issued to other than sponsor at each BDT 16.00 and 2,000,000 shares issued to placement each BDT 20.

16.00 Retained earnings: BDT 437,069,843

| | | |
|---|--------------------|--------------------|
| Opening balance | 358,094,168 | 244,372,413 |
| Add: Transferred from revaluation surplus | 14,756,662 | - |
| Add: Net profit/(loss) during the year | 135,062,213 | 113,721,755 |
| Less: Dividend (Stock 7% + Cash 5%) = 12% | (70,843,200) | - |
| | 437,069,843 | 358,094,168 |

17.00 Revaluation surplus: BDT 542,448,581

| | | |
|---|--------------------|--------------------|
| Revaluation Surplus for Land & Land Development | 414,400,000 | 557,205,243 |
| Revaluation Surplus for Building & Civil Works | 142,805,243 | - |
| Total Surplus | 557,205,243 | 557,205,243 |
| Less: Transfer to Retained Earnings from Building & Civil Works | 14,756,662 | - |
| | 542,448,581 | 557,205,243 |

Balance are as Followings:

| | | |
|---|--------------------|--------------------|
| Revaluation Surplus for Land & Land Development | 414,400,000 | 414,400,000 |
| Revaluation Surplus for Building & Civil Works | 128,048,581 | 142,805,243 |
| | 542,448,581 | 557,205,243 |

17.01 Revaluation Reserve & Surplus as on June 30, 2011 : BDT 557,205,243

| Group of Fixed Assets (BDT) | Depreciated historical cost (BDT) | Depreciated current cost (BDT) | Revaluation Surplus(BDT) |
|-----------------------------|-----------------------------------|--------------------------------|--------------------------|
| Land and Land Development | 53,751,501 | 468,151,501 | 414,400,000 |
| Building & Civil Works | 228,894,119 | 371,699,362 | 142,805,243 |
| Total (BDT) | 282,645,620 | 839,850,863 | 557,205,243 |

The revaluation of Land and Land development and Building and civil works has been done by Saha Mazumder & Co. Chartered Accountants considering the cut off date June 30, 2011 and signed on 10th November, 2011.

| 2015 | 2014 |
|------|------|
| BDT | BDT |

Method of Valuation

a) Valuation of Land

i) Land was valued on the basis of "FAIR MARKET VALUE " which is the amount in terms of money which the property would bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeable and assuming the price is not affected by undue stimulus. Market prices were obtained from local sources. Opinion based on discussion with the deed writers, income tax and gain tax personnel and officials of sub registrars' office were taken into consideration for revaluation purpose.

ii) Prevailing rate of buying and selling of lands during last six months in and around Mouza : Gopalpur, Tongi, Gazipur were also compared with the land property under appraisal giving due consideration to different factors including location, size, shape, bargaining allowance and other market constraints.

b) Valuation of Building and Civil Works

i) The building constructions of company which are situated on the above mentioned land have been physically verified. The building has been revalued based on Current Cost Accounting (CCA) Method.

ii) This cost has been ascertained considering factors, like the basis of the type of structure, price at which building materials, technical and non technical labor, cost of transportation etc. are available at site, the quality of materials used in construction, workmanship and the quality of their maintenance the accumulated depreciation thereon for the expired portion of their effective lives and the present condition of the assets in question and other relevant factors.

iii) Cost of construction of similar buildings and other constructions were obtained from local sources available, and independent engineering consultants. The total value of Buildings and civil construction has been ascertained at BDT 371,699,362.

18.00 Term Loan (Secured): BDT 49,528,007

The loans called "Term Loan" are with The City Bank Ltd., Gulshan Avenue Branch, 136 Gulshan Avenue, Gulshan, Dhaka and AB Bank Ltd., Kakrail Branch, 81 VIP road, Dhaka-1000, Bangladesh. The loans of The City Bank Ltd takeover from Prime Bank Ltd, Banani Branch. This loans are being adjusted in 60 equal monthly installment. The purpose of the Term Loan is construction of a 6 storyed new store building and Import of Capital machinery through the Prime Bank Ltd, Banani Branch and Term Loan of AB Bank Ltd have used for purchase of Car, which registration no. DM-GA-20-0203.

As described in line B (01) of the loan sanction letter all the loan is secured by land, building, furniture, fixture, plant & machinery, personal guarantee of Directors and corporate guarantee, all present & future fixed & floating assets (excluding stock & book debts).

| Type of Loan | Interest Rate | Maximum Tenor | Repayment Clause |
|---|---------------|---|---|
| Term Loan for Building & Machinery A/C No 9171495932001 & 4009-785851-461 | 11.50% | 6 Years period from the date of disbursement. | Amount outstanding will be repaid in 60 equal monthly installment of BDT 23.47 & 1.16 lac each month. Excess or Shortfall if any shall be adjusted with the last installment. |

| | | '2015 Amount (BDT) | '2014 Amount (BDT) |
|---------------------------------------|------------------------------|-----------------------|-----------------------|
| This balance consists of as follows : | | | |
| Term Loan with The City Bank Ltd | A/C No-9171495932001 | 40,214,180 | 59,107,017 |
| Term Loan with AB Bank Ltd | Car Loan No- 4009-785851-461 | 9,313,827 | - |
| | | <u>49,528,007</u> | <u>59,107,017</u> |

19.00 Trade and other payables: BDT 118,330,278

Trade payables

| | | | |
|----------------------------------|------------|--------------------|--------------------|
| Back to Back (BTB) and others LC | Note 19.01 | 108,975,426 | 102,320,995 |
| | | <u>108,975,426</u> | <u>102,320,995</u> |

Other payables

| | | | |
|---------------------------------|------------|--------------------|--------------------|
| Building construction | Note 19.02 | 1,823,491 | 2,277,352 |
| Advance from customer | Note 19.03 | - | 8,911,893 |
| Tax deducted at source (TDS) | | 1,388,370 | 689,339 |
| VAT deducted at source (VDS) | | 1,825,004 | 94,610 |
| Unclaimed IPO application money | Note 19.04 | 3,756,616 | - |
| Unclaimed dividend | Note 19.05 | 561,371 | - |
| | | <u>9,354,852</u> | <u>11,973,194</u> |
| | | <u>118,330,278</u> | <u>114,294,189</u> |

| | <u>2015</u> <u>BDT</u> | <u>2014</u> <u>BDT</u> |
|--|---------------------------|---------------------------|
| 19.01 Back to Back (BTB) and others LC: BDT 108,975,426 | | |
| A T & T Spinning Mills Ltd | 6,271,807 | - |
| A.A. Enterprise | - | 1,033,560 |
| Apex Yarn Dyeing Limited | 1,252,870 | 1,425,349 |
| Asia Linkage | 133,259 | - |
| BD. Corporation | 900,946 | 439,575 |
| BHT Industries Ltd | 1,967,432 | 1,168,808 |
| Braiform (HK) Ltd | 487,834 | 501,039 |
| Brothers Trade Accessories | 3,043,467 | 2,478,875 |
| Button Tex Ltd | 335,232 | - |
| Chaity Composite Ltd | 1,094,187 | - |
| Changshu Huarui Knitting Co. Ltd | - | 2,707,443 |
| Checkpoint Syatems Bangladesh Ltd | - | 1,746,902 |
| Chittagong Denim Mills Ltd | 144,452 | - |
| Compliance Fashion & Design Ltd | - | 595,842 |
| Dekko Accessories Ltd. | 136,964 | - |
| Dhaka Texmart Industries Ltd | 293,629 | 4,181,154 |
| Enviro Pack Ltd | 3,149,019 | 2,925,851 |
| Envoy Textiles Ltd | 439,041 | 825,825 |
| Epyllion Ltd. | 434,659 | 1,278,695 |
| Erum Bangladesh Ltd | - | 97,318 |
| Euro Washing Ltd | 1,122,406 | - |
| Evince Textiles Ltd | 1,852,087 | 736,805 |
| Far Eastern Apparel (Holding) Ltd | 154,184 | - |
| Fariha Spinning Mills Ltd | 3,971,313 | - |
| FM Yarn Dyeing Ltd | 251,113 | 1,026,595 |
| Four Line | 3,009,677 | - |
| Garg Acrylic Ltd | 5,199,269 | 1,990,450 |
| Giant Textiles Ltd | 1,501,813 | - |
| H.S. Corporation | 3,509,886 | - |
| Hossain Dyeing & Printing Mills Ltd. | 1,514,100 | - |
| Hossain Washing & Dyeing Ind | 726,918 | - |
| Hozhou Gude Textile Co. Ltd | 884,670 | - |
| HRS Business Corporation | 368,500 | 4,290,355 |
| IDT Global Labels Bangladesh Ltd | - | 122,164 |
| Invista (Singapore) Pte Ltd | - | 832,431 |
| J.K.R. Thread & Accessories | - | 193,750 |
| Jiangsu Guotai Int'l Group Hualian Ind. | 2,044,200 | 211,750 |
| Jist Industrial Co. Ltd | 137,775 | - |
| K.M. International | 367,050 | - |
| Kamal Yarn Ltd | - | 935,165 |
| KDS Accessories Ltd. | - | 283,658 |
| Khansons Textiles Ltd | - | 1,333,755 |
| La Ventures Inc. | - | 308,000 |
| Mahmud Denims Ltd | - | 1,337,932 |
| Malek Spinning Mills Ltd | 13,878,578 | - |
| Maple Packages (Pvt.) Ltd | 241,104 | 1,142,882 |
| Montrims Limited | - | 626,963 |
| Nahar Spinning Mills Ltd. | 1,744,935 | 26,162,919 |
| Northern Corporation Ltd | 13,173,773 | 1,540,000 |
| NRG Hometex Ltd | - | 496,650 |
| NRG Spinning Mills Ltd | 342,892 | 1,087,240 |
| Orient Button Ltd | 85,626 | - |
| Pahartali Textile & Hosiery Mills Ltd | 1,498,259 | 7,724,131 |
| Pioneer Accessories (H.K.) Ltd | 1,358,000 | - |
| RSWM Limited | - | 1,728,348 |
| Rudholm & Heak (HK) Ltd | 449,930 | 2,066,175 |
| S.H Enterprise | 718,105 | - |
| Sams Fashion | 787,950 | 594,979 |
| Sarker Design & Printing | 1,549,753 | 1,582,606 |
| Saz Accessories | - | 455,683 |
| Shaoxing County Hongji Textile Co. Ltd | 1,821,243 | - |
| Shaoxing Yonglong Knitting & Embroideries Co.Ltd | - | 1,655,539 |
| Siam Computerized Elastic Industries Ltd | 175,520 | - |
| Sinotex Corporation Ltd | - | 73,936 |
| SMS Printing | - | 296,573 |
| Sparkle Knit Composite Ltd | 7,835,330 | 4,560,200 |
| Square Fashion Yarns Ltd | 3,596,765 | - |
| Square Textiles Ltd | 4,247,185 | 5,193,265 |
| Square Yarns Ltd | - | 3,962,381 |
| Sun Yad Packaging Ltd | 191,458 | - |
| Tag Sourcing | 1,317,754 | - |
| Tamishna Dyeing Ind's Ltd | 897,681 | - |
| The Glory International | - | 534,996 |
| Uniglory Paper & Packaging Ltd | 3,434,359 | 2,271,061 |
| United Print Shop | 310,210 | - |
| Uttara Tex Ltd. | - | 137,960 |
| Vardhaman Textiles Ltd | 1,068,114 | - |
| Wenshang Ruyi Tianrong Textile Co. Ltd | - | 496,420 |
| Xarif Enterprise | 437,557 | - |
| YKK Bangladesh Ltd | 768,915 | 2,119,066 |
| Z & I Accessories | - | 222,776 |
| Z & M Manufacture Ltd | 344,671 | 579,200 |
| | 108,975,426 | 102,320,995 |

| | <u>2015</u> <u>BDT</u> | <u>2014</u> <u>BDT</u> |
|---|---------------------------|---------------------------|
| 19.02 Building construction: BDT 1,823,491 | | |
| BRB Cable Industries Ltd | 15,710 | - |
| The Aircon Ltd | - | 2,277,352 |
| Hamid Construction Ltd | 1,613,631 | - |
| Irony Enterprise | 186,150 | - |
| Link 3 Technologies Ltd | 8,000 | - |
| | <u>1,823,491</u> | <u>2,277,352</u> |
| 19.03 Advance from customer: BDT 0 | | |
| Gustav Daiber GMBH | - | 8,911,893 |
| | <u>-</u> | <u>8,911,893</u> |
| 19.04 Liability for Unclaimed IPO Application Money: BDT 3,756,616 | | |
| IPO Refund Warrant | 3,756,616 | - |
| | <u>3,756,616</u> | <u>-</u> |
| BDT 494,000 of the above liability has been adjusted as on 29.04.2016. | | |
| 19.05 Liability for Unclaimed Dividend: BDT 561,371 | | |
| Unclaimed Dividend | 561,371 | - |
| | <u>561,371</u> | <u>-</u> |
| BDT 106,184 of the above liability has been adjusted as on 29.04.2016. | | |
| 20.00 Provision for Expenses : BDT 8,994,420 | | |
| Audit fee with VAT | 287,500 | 201,250 |
| Electric bill | 1,444,537 | 1,344,000 |
| Gas bill | 50,000 | 50,000 |
| Holiday Allowance | 27,350 | 28,900 |
| Mobile Bills | 185,033 | 80,700 |
| Target Bonus | 7,000,000 | 20,000 |
| Telephone Bill | - | 3,001 |
| | <u>8,994,420</u> | <u>1,727,851</u> |
| 21.00 Accepted Liability for Machinery: BDT 11,958,691 | | |
| Juki Singapore Pte Ltd | 11,958,691 | 12,857,676 |
| Lisky Technology Co. Ltd | - | 16,377,900 |
| Saudi Factory For Fire Equipment FZCO | - | 4,943,015 |
| | <u>11,958,691</u> | <u>34,178,591</u> |
| This accepted liability has been setteled on January 2016. | | |
| 22.00 Short Term Loan: BDT 79,971,470 | | |
| The details are given below. | | |

| Name of the Bank | Branch | Account No. | Purpose of Loan | Rate of interest | 2015 | 2014 |
|--------------------|---------|-----------------|-----------------|------------------|-------------------|-------------------|
| | | | | | Amount (BDT) | Amount (BDT) |
| The City Bank Ltd. | Gulshan | 6331495932001 | SOD | 11.50% | 825,467 | 9,413,189 |
| AB Bank Ltd | Kakrail | 4009-785851-000 | SOD | 11.50% | 8,826,420 | - |
| CBL & ABBL | Gulshan | Note: 21.01 | PC | 7.00% | 18,099,504 | 27,363,537 |
| CBL & ABBL | Gulshan | Note: 21.02 | EDF | LIBOR Plus 2.5% | 42,492,359 | 24,880,450 |
| The City Bank Ltd. | Gulshan | Note: 21.03 | STL | 11.50% | 9,727,720 | 37,235,670 |
| Total | | | | | <u>79,971,470</u> | <u>98,892,846</u> |

(a) Loan with The City Bank Ltd, Gulshan Avenue Branch, Gulshan and AB Bank Ltd, Kakrial Branch for working capital and Raw materials import purposes.

(b) Security: Hypothecation of stock along notarized IGPA to sell the assets under hypothecation without further reference to the court in case of default.

22.01 PC Loan : BDT 18,099,504

The details are given below.

| Name of the Bank | Branch | Account No. | Purpose of Loan | 2015 | 2014 |
|--------------------|---------|---------------|---------------------|--------------|--------------|
| | | | | Amount (BDT) | Amount (BDT) |
| The City Bank Ltd. | Gulshan | 6181495932019 | Packing Credit Loan | - | 326,014 |
| The City Bank Ltd. | Gulshan | 6181495932020 | Packing Credit Loan | - | 605,484 |
| The City Bank Ltd. | Gulshan | 6181495932021 | Packing Credit Loan | - | 1,410,529 |
| The City Bank Ltd. | Gulshan | 6181495932022 | Packing Credit Loan | - | 1,813,251 |
| The City Bank Ltd. | Gulshan | 6181495932023 | Packing Credit Loan | - | 1,712,570 |
| The City Bank Ltd. | Gulshan | 6181495932024 | Packing Credit Loan | - | 503,753 |
| The City Bank Ltd. | Gulshan | 6181495932025 | Packing Credit Loan | - | 2,715,701 |
| The City Bank Ltd. | Gulshan | 6181495932026 | Packing Credit Loan | - | 5,011,695 |
| The City Bank Ltd. | Gulshan | 6181495932027 | Packing Credit Loan | - | 2,601,012 |
| The City Bank Ltd. | Gulshan | 6181495932028 | Packing Credit Loan | - | 3,401,323 |
| AB Bank Ltd | Kakrial | KRBL/PC/03/14 | Packing Credit Loan | - | 718,292 |

| | | | | 2015 | 2014 |
|--------------------|---------|---------------|---------------------|-------------------|-------------------|
| | | | | BDT | BDT |
| AB Bank Ltd | Kakrial | KRBL/PC/05/14 | Packing Credit Loan | - | 705,950 |
| AB Bank Ltd | Kakrial | KRBL/PC/06/14 | Packing Credit Loan | - | 883,122 |
| AB Bank Ltd | Kakrial | KRBL/PC/07/14 | Packing Credit Loan | - | 681,830 |
| AB Bank Ltd | Kakrial | KRBL/PC/08/14 | Packing Credit Loan | - | 615,688 |
| AB Bank Ltd | Kakrial | KRBL/PC/09/14 | Packing Credit Loan | - | 504,254 |
| AB Bank Ltd | Kakrial | KRBL/PC/11/14 | Packing Credit Loan | - | 1,250,205 |
| AB Bank Ltd | Kakrial | KRBL/PC/12/14 | Packing Credit Loan | - | 1,902,864 |
| The City Bank Ltd. | Gulshan | 6181495932046 | Packing Credit Loan | 1,916,074 | - |
| The City Bank Ltd. | Gulshan | 6181495932047 | Packing Credit Loan | 6,428,878 | - |
| The City Bank Ltd. | Gulshan | 6181495932048 | Packing Credit Loan | 5,519,681 | - |
| AB Bank Ltd | Kakrial | KRLB/PC/06/15 | Packing Credit Loan | 2,299,153 | - |
| AB Bank Ltd | Kakrial | KRLB/PC/07/15 | Packing Credit Loan | 351,585 | - |
| AB Bank Ltd | Kakrial | KRLB/PC/08/15 | Packing Credit Loan | 1,584,133 | - |
| Total | | | | 18,099,504 | 27,363,537 |

22.02 EDF Loan : BDT 42,492,359

The details are given below.

| Name of the Bank | Branch | Account No. | Purpose of Loan | 2015 | 2014 |
|--------------------|---------|--------------|-----------------|-------------------|-------------------|
| | | | | Amount (BDT) | Amount (BDT) |
| The City Bank Ltd. | Gulshan | 75114050019 | EDF Loan | - | 2,662,500 |
| The City Bank Ltd. | Gulshan | 75114050022 | EDF Loan | - | 5,789,183 |
| The City Bank Ltd. | Gulshan | 75114050027 | EDF Loan | - | 2,870,751 |
| The City Bank Ltd. | Gulshan | 75114050028 | EDF Loan | - | 471,839 |
| The City Bank Ltd. | Gulshan | 75114050029 | EDF Loan | - | 2,164,590 |
| The City Bank Ltd. | Gulshan | 75114050151 | EDF Loan | - | 5,194,128 |
| The City Bank Ltd. | Gulshan | 75114110006 | EDF Loan | - | 872,868 |
| The City Bank Ltd. | Gulshan | 75114030207 | EDF Loan | - | 83,093 |
| The City Bank Ltd. | Gulshan | 75114030208 | EDF Loan | - | 197,124 |
| The City Bank Ltd. | Gulshan | 75114030214 | EDF Loan | - | 2,817,668 |
| The City Bank Ltd. | Gulshan | 75114030221 | EDF Loan | - | 166,186 |
| The City Bank Ltd. | Gulshan | 75114030229 | EDF Loan | - | 99,886 |
| The City Bank Ltd. | Gulshan | 75114030230 | EDF Loan | - | 295,807 |
| The City Bank Ltd. | Gulshan | 75114030237 | EDF Loan | - | 200,070 |
| The City Bank Ltd. | Gulshan | 75114050053 | EDF Loan | - | 496,121 |
| The City Bank Ltd. | Gulshan | 75114050056 | EDF Loan | - | 498,636 |
| The City Bank Ltd. | Gulshan | 75115030440 | EDF Loan | 2,245,800 | - |
| The City Bank Ltd. | Gulshan | 75115050225 | EDF Loan | 625,292 | - |
| The City Bank Ltd. | Gulshan | 75115050227 | EDF Loan | 4,999,704 | - |
| The City Bank Ltd. | Gulshan | 75115050309 | EDF Loan | 5,559,045 | - |
| The City Bank Ltd. | Gulshan | 75115050314 | EDF Loan | 7,921,185 | - |
| The City Bank Ltd. | Gulshan | 75115050325 | EDF Loan | 4,530,607 | - |
| The City Bank Ltd. | Gulshan | 75115050339 | EDF Loan | 5,126,739 | - |
| The City Bank Ltd. | Gulshan | 75114030208 | EDF Loan | 751,768 | - |
| AB Bank Ltd. | Kakrail | 691150307087 | EDF Loan | 603,116 | - |
| AB Bank Ltd. | Kakrail | 691150308146 | EDF Loan | 317,093 | - |
| AB Bank Ltd. | Kakrail | 691150312066 | EDF Loan | 701,893 | - |
| AB Bank Ltd. | Kakrail | 691150316452 | EDF Loan | 631,400 | - |
| AB Bank Ltd. | Kakrail | 691150318650 | EDF Loan | 2,735,250 | - |
| AB Bank Ltd. | Kakrail | 691150324051 | EDF Loan | 337,630 | - |
| AB Bank Ltd. | Kakrail | 691150508299 | EDF Loan | 447,876 | - |
| AB Bank Ltd. | Kakrail | 691150512405 | EDF Loan | 3,044,166 | - |
| AB Bank Ltd. | Kakrail | 691150516710 | EDF Loan | 1,377,022 | - |
| AB Bank Ltd. | Kakrail | 691150516714 | EDF Loan | 536,773 | - |
| Total | | | | 42,492,359 | 24,880,450 |

22.03 STL Loan : BDT 9,727,720

| Name of the Bank | Branch | Account No. | Purpose of Loan | 2015 | 2014 |
|--------------------|---------|---------------|-----------------|------------------|-------------------|
| | | | | Amount (BDT) | Amount (BDT) |
| The City Bank Ltd. | Gulshan | 6931495932026 | STL Loan | - | 30,994,209 |
| The City Bank Ltd. | Gulshan | 6931495932027 | STL Loan | - | 960,473 |
| The City Bank Ltd. | Gulshan | 6931495932029 | STL Loan | - | 411,764 |
| The City Bank Ltd. | Gulshan | 6931495932030 | STL Loan | - | 815,071 |
| The City Bank Ltd. | Gulshan | 6931495932031 | STL Loan | - | 335,155 |
| The City Bank Ltd. | Gulshan | 6931495932032 | STL Loan | - | 3,718,998 |
| The City Bank Ltd. | Gulshan | 9791495932016 | STL Loan | 9,727,720 | - |
| Total | | | | 9,727,720 | 37,235,670 |

23.00 Current Portion of Long Term Loan : BDT 22,631,692

Current portion of long term loans include part of the long-term loans disclosed in Note 17.00 falling due for repayment in next 12 months.

This is made up as follows :

| | | | |
|----------------------------------|------------------------|-------------------|-------------------|
| Term Loan with AB Bank Ltd | A/C No-4009-785851-461 | 335,007 | - |
| Term Loan with The City Bank Ltd | A/C No-9171495932001 | 22,296,685 | 28,164,000 |
| | | 22,631,692 | 28,164,000 |

| | 2015 BDT | 2014 BDT |
|--|-------------------|-------------------|
| 24.00 Provision for tax | | |
| Opening balance as at 1 January | 14,072,164 | 8,463,808 |
| Add: Provision made in respect of the current year | 39,469,877 | 30,308,149 |
| | 53,542,041 | 38,771,957 |
| Less: Payments made during the year | | |
| - advance income tax and tax deducted at source | 12,577,150 | 6,941,971 |
| - on the basis of return of income | 12,744,602 | 8,951,990 |
| | 25,321,752 | 15,893,961 |
| Add: Adjustments of under-provision of prior years | - | 488,182 |
| Less: Adjustments of over-provision for the year 2014* | - | 9,294,014 |
| Closing balance as at 31 December (2014: Restated*) | 28,220,289 | 14,072,164 |

* Refer to Note 4.06.01.

24.01 Tax paid (advance income tax and tax deducted at source) during the year: BDT 12,577,150

This balance consists of as follows:

| | | |
|---|-------------------|------------------|
| Tax deducted at source against export proceeds | 7,034,038 | 6,658,265 |
| - Deducted by Prime Bank Ltd. (Banani Branch) | - | 4,551,193 |
| - Deducted by AB Bank Ltd. (Kakrail Branch) | 1,578,608 | 1,025,309 |
| - Deducted by The City Bank Ltd. (Gulshan Branch) | 5,455,430 | 1,081,763 |
| Tax deducted at source against cash incentive | 457,781 | 65,306 |
| Advance tax paid on rental income | 244,800 | 204,000 |
| Tax deducted at source against interest income | 4,840,531 | 14,400 |
| | 12,577,150 | 6,941,971 |

25.00 Workers' Profit Participation & welfare Fund (WPPWF): BDT 9,185,899

This balance consists of as follows :

| | | |
|--|------------------|------------------|
| Balance at the beginning of the year | 6,761,203 | 4,772,170 |
| Add : Addition during the year | 9,185,899 | 6,761,203 |
| | 15,947,102 | 11,533,373 |
| Less : Disburse during the year | 6,761,203 | 4,772,170 |
| Closing balance at the end of the year | 9,185,899 | 6,761,203 |

Note: 100% of the opening balance of WPPWF has been disbursed during this year.

26.00 Sales Revenue (Export) : BDT 1,537,038,272

| Type of sales | 2015 Amount (BDT) | 2014 Amount (BDT) |
|---------------|----------------------|----------------------|
| Export | 1,537,038,272 | 1,476,847,815 |
| Total | 1,537,038,272 | 1,476,847,815 |

Sales of Finished Goods:

| Particulars | 2015 | | 2014 | |
|--------------|------------------|----------------------|------------------|----------------------|
| | Quantity | Amount (BDT) | Quantity | Amount (BDT) |
| Polo Shirt | 936,337 | 303,470,589 | 1,092,230 | 355,499,168 |
| T - Shirt | 2,396,867 | 565,344,708 | 2,633,116 | 620,256,838 |
| Tank Top | 738,863 | 140,444,998 | 858,269 | 162,513,215 |
| Others | 1,474,953 | 527,777,977 | 1,572,225 | 338,578,594 |
| Total | 5,547,019 | 1,537,038,272 | 6,155,840 | 1,476,847,815 |

As per schedule XI, part II, Para 3 of the Companies Act 1994. Product wise Breakup are given below -

| Particulars | 2015 | 2014 |
|-------------------------|------------------|------------------|
| | Quantity | Quantity |
| Opening Stock | | |
| Polo Shirt | 26,608 | 65,031 |
| T - Shirt | 45,455 | 111,095 |
| Tank Top | 13,305 | 32,518 |
| Others | 25,499 | 62,321 |
| Total | 110,867 | 270,965 |
| Add: Production: | | |
| Polo Shirt | 947,713 | 1,053,807 |
| T - Shirt | 2,406,677 | 2,567,476 |
| Tank Top | 788,644 | 839,056 |
| Others | 1,438,313 | 1,535,403 |
| Total | 5,581,347 | 5,995,742 |

| | 2015 BDT | 2014 BDT |
|----------------------------|----------------|----------------|
| Less: Closing stock | | |
| Polo Shirt | 33,395 | 26,608 |
| T - Shirt | 60,982 | 45,455 |
| Tank Top | 21,779 | 13,305 |
| Others | 29,039 | 25,499 |
| Total | 145,195 | 110,867 |

27.00 Cost of goods sold: BDT 1,249,812,587

This balance consists of as follows :

| | | | |
|---|------------|----------------------|----------------------|
| Opening inventories of raw materials | | 86,470,053 | 51,372,527 |
| Raw Material (Yarn) | | 60,095,971 | 32,782,391 |
| Raw Material finished Fabrics | | 17,991,948 | 10,506,304 |
| Raw Material Accessories | | 4,463,957 | 4,814,030 |
| Needles & Spare parts | | 3,918,177 | 3,269,802 |
| Add: Raw materials purchased during the year | | 719,611,881 | 738,390,412 |
| Yarn | | 375,646,342 | 381,382,499 |
| Finished Fabrics | | 189,588,506 | 195,620,533 |
| Accessories | | 147,572,469 | 153,355,930 |
| Needles & Spare parts | | 6,804,564 | 8,031,450 |
| Raw materials available for use | | 806,081,934 | 789,762,939 |
| Less : Closing inventories of raw materials | | 124,268,047 | 86,470,053 |
| Raw Material (Yarn) | | 94,502,345 | 60,095,971 |
| Raw Material finished Fabrics | | 17,349,640 | 17,991,948 |
| Raw Material Accessories | | 9,416,642 | 4,463,957 |
| Needles & Spare parts | | 2,999,420 | 3,918,177 |
| Raw materials consumed | Note 27.01 | 681,813,887 | 703,292,886 |
| Add : Direct Expenses | Note 27.02 | 330,535,934 | 231,917,828 |
| Prime Cost | | 1,012,349,821 | 935,210,714 |
| Add : Factory overhead | Note 27.03 | 218,398,726 | 179,367,694 |
| Cost of production | | 1,230,748,547 | 1,114,578,408 |
| Add : Opening inventories of W I P | | 73,954,711 | 69,572,790 |
| Manufacturing cost at standard | | 1,304,703,258 | 1,184,151,198 |
| Less : Closing inventories of W I P | | 74,307,832 | 73,954,711 |
| Cost of goods manufactured | | 1,230,395,426 | 1,110,196,487 |
| Add : Opening inventories of finished goods | | 31,031,629 | 76,740,760 |
| Goods available for sale | | 1,261,427,055 | 1,186,937,247 |
| Less : Closing inventories of finished goods | | 11,614,468 | 31,031,629 |
| Cost of goods sold | | 1,249,812,587 | 1,155,905,618 |

27.01 Raw material consumed during the year : BDT 681,813,887

| Particulars | 2015 | | 2014 | |
|---|------------------|--------------------|------------------|--------------------|
| | Qty(Kg) | Amount BDT | Qty(Kg) | Amount BDT |
| Opening Balance: | | | | |
| Stock of Yarn | 153,352.99 | 60,095,971 | 83,247 | 32,782,391 |
| Stock of Fabrics | 36,471.15 | 17,991,948 | 21,212 | 10,506,304 |
| * Stock Raw Material Accessories | - | 4,463,957 | - | 4,814,030 |
| * Stock Needles & Spare parts | - | 3,918,177 | - | 3,269,802 |
| Total Opening Balance | 189,824 | 86,470,053 | 104,459 | 51,372,527 |
| Add: Addition of Raw materials purchase: | | | | |
| Yarn | 1,429,367 | 375,646,342 | 973,212 | 381,382,499 |
| Fabrics | 329,131 | 189,588,506 | 329,705 | 195,620,533 |
| * Material Accessories | - | 147,572,469 | - | 153,355,930 |
| * Needles & Spare parts | - | 6,804,564 | - | 8,031,450 |
| Raw material purchase for making | 1,758,498 | 719,611,881 | 1,302,917 | 738,390,412 |
| Material available for consumption | 1,948,322 | 806,081,934 | 1,407,376 | 789,762,939 |
| Less: Closing Balance: | | | | |
| Stock of Yarn | 377,237 | 94,502,345 | 153,353 | 60,095,971 |
| Stock of Fabrics | 45,064 | 17,349,640 | 36,471 | 17,991,948 |
| * Stock Raw Material Accessories | - | 9,416,642 | - | 4,463,957 |
| * Stock Needles & Spare parts | - | 2,999,420 | - | 3,918,177 |
| Total Closing Balance | 422,301 | 124,268,047 | 189,824 | 86,470,053 |

| | | | 2015 BDT | 2014 BDT |
|--------------------------------|------------------|--------------------|------------------|--------------------|
| Raw material consumed : | | | | |
| Yarn | 1,205,483 | 341,239,968 | 903,106 | 354,068,919 |
| Fabrics | 320,538 | 190,230,814 | 314,446 | 188,134,889 |
| * Material Accessories | - | 142,619,784 | - | 153,706,003 |
| * Needles & Spare parts | - | 7,723,321 | - | 7,383,075 |
| Total material consumed | 1,526,021 | 681,813,887 | 1,217,552 | 703,292,886 |

* Quantity wise breakup of goods of accessories and Needle & Spare Parts could not be given as it was difficult to quantify each item in a separate and distinct category due to large variety of goods of accessories and Needle & Spare.

27.02 Direct Expenses: BDT 330,535,934

Direct Labour:

| | | |
|--------------------|--------------------|--------------------|
| Overtime Allowance | 29,814,171 | 27,837,433 |
| Wages & Allowance | 101,186,009 | 74,729,944 |
| Sub. Total | 131,000,180 | 102,567,377 |

Procurement Expenses:

| | | |
|----------------------------|-------------------|-------------------|
| Bank charge | 233,469 | 1,389,016 |
| Carriage inward | 2,854,816 | 672,000 |
| Clearing Charges | 2,596,854 | 3,500,521 |
| Insurance Expenses | 327,039 | 745,907 |
| L/C Advising Charge | 2,675 | 9,300 |
| L/C Doc Opening Commission | 4,621,395 | 4,335,363 |
| L/C Doc Postage Charges | 1,048,927 | 7,000 |
| L/C Opening Stamp charges | - | 35,550 |
| L/C Swift/Telex Charges | 8,701 | 201,530 |
| Sub. Total | 11,693,876 | 10,896,187 |

Material Related Expenses:

| | | |
|---|--------------------|--------------------|
| Dyes Chemical Purchases | 4,022,835 | 28,941,456 |
| Grey Fabric Dyeing & Finishing expenses | 138,993,321 | 89,512,808 |
| Garments Printing Expenses | 20,709,217 | - |
| Garments Embroidery Expenses | 108,693 | - |
| Garments Washing Expenses | 5,423,003 | - |
| Yarn Dyeing Expenses | 18,584,809 | - |
| Sub. Total | 187,841,878 | 118,454,264 |

Total Direct Expenses

| | |
|--------------------|--------------------|
| 330,535,934 | 231,917,828 |
|--------------------|--------------------|

27.03 Factory Overhead : BDT 218,398,726

| | | |
|--|------------|------------|
| Carrying & Handling expenses | 868,543 | 865,022 |
| Cleaning Expenses | 125,300 | 67,993 |
| Compliance Expenses | 1,232,826 | 484,817 |
| Consultancy Fees | 224,400 | - |
| Conveyance | 1,002,399 | 1,683,838 |
| Crockery's & Cutleries | 33,540 | 59,480 |
| Depreciation | 34,596,858 | 30,543,772 |
| Earn leave | 4,776,921 | 4,075,317 |
| Electric Goods | 1,445,015 | 1,348,602 |
| Electricity bill, net of VAT refund | 12,314,576 | 10,552,999 |
| Entertainment | 559,189 | 118,080 |
| Buyer's Refreshment | - | 1,678,700 |
| Festival bonus | 13,766,410 | 10,135,400 |
| Fire Extinguisher Exp | 268,980 | 958,350 |
| Fuel & Lubricants (For Diesel Generator) | 3,104,764 | 4,397,015 |
| Gas bill | 637,671 | 537,963 |
| Haj Expenses | 298,275 | 326,590 |
| Hardware items | 1,738,313 | 1,404,893 |
| Holiday Allowance | 673,615 | 593,994 |
| ID Card | 16,500 | 32,900 |
| Inspection Charge | 49,602 | 801,808 |
| Insurance Premium | 928,791 | 2,422,019 |
| Land Tax | 120,000 | 50,000 |
| Lunch Expenses | 220,501 | 249,214 |
| Machine Rent | - | 1,533,230 |
| Maintenance | 7,051,319 | 5,932,946 |
| Maternity Benefit | 1,551,898 | 915,763 |
| Medical expenses | 118,224 | 175,802 |
| Miscellaneous Expenses | 195,921 | 14,245 |
| Mobile Allowance | 418,148 | 527,956 |
| Night allowances | 957,741 | 486,721 |
| Other Accessories | 2,845,647 | 898,594 |
| Overtime allowances | 11,342,974 | 12,051,366 |
| Worker Refreshment | 1,593,572 | 387,059 |
| Poly Bag | - | 230,790 |

| | <u>2015</u> <u>BDT</u> | <u>2014</u> <u>BDT</u> |
|-----------------------------|---------------------------|---------------------------|
| Postage & courier | 70,503 | 144,987 |
| Printing Expenses | 1,180,163 | 49,551 |
| Renewals & Registration fee | 1,484,234 | 92,920 |
| Wages & Salary | 90,632,907 | 71,931,248 |
| Service Benefits | 913,591 | 405,176 |
| Solve Chemical | 204,740 | 607,230 |
| Spare parts & accessories | - | 1,116,720 |
| Spot Lifter | 239,533 | 588,483 |
| Stationary | 668,150 | 785,656 |
| Target Bonus | 14,292,635 | 1,027,689 |
| Testing Charges | 17,150 | 24,700 |
| Tiffin Expenses | 3,187,600 | 4,875,143 |
| Training Fees | - | 378,025 |
| Uniform & Liveries | 429,087 | 796,928 |
| | <u>218,398,726</u> | <u>179,367,694</u> |

28.00 Office & Administrative Expenses: BDT 91,128,317

| | | |
|-----------------------------------|-------------------|-------------------|
| Audit Fees with VAT | 287,500 | 201,250 |
| BTI Commission | 4,378,758 | - |
| Cleaning Expenses | 609,978 | 923,536 |
| Consultancy fees | 1,377,486 | - |
| Conveyance | 835,092 | 511,852 |
| Cookeries & Cutleries | 116,472 | 53,789 |
| Credit Rating | 149,500 | 153,000 |
| CSR Expenses | 200,000 | - |
| Depreciation | 8,649,215 | 7,635,943 |
| Earn leave | 1,445,027 | 986,793 |
| Electric Bill | 2,005,319 | 1,862,294 |
| Electric Goods | 63,818 | 145,308 |
| Entertainment | 1,145,309 | 612,782 |
| Festival Bonus | 2,007,535 | 3,385,489 |
| Fire Fighting Expenses | 13,400 | 570,730 |
| Fooding & Lodging | 350,000 | 550,890 |
| Fuel & Lubricants | 677,136 | 417,305 |
| Gardening | 29,435 | 144,000 |
| Hardware Item | - | 100,237 |
| Holiday Allowance | - | 53,210 |
| ID Card Expenses | - | 9,540 |
| IPO Expenses | 25,803,568 | - |
| Amortization of Intangible assets | 681,947 | 695,147 |
| Lab Expenses | 128,082 | 375,660 |
| Legal Expenses | 227,230 | 50,000 |
| Lunch & Tiffin Expense | 950 | 230,624 |
| Medical expenses | 551 | 223,440 |
| AGM and board meeting expenses | 3,094,692 | - |
| Miscellaneous Expenses | 1,672,271 | 538,303 |
| Mobile Expenses | 530,307 | 536,391 |
| Municipal Tax | 592,002 | 357,998 |
| Night Allowances | - | 20,350 |
| Overtime Allowance | 3,058 | 1,052,188 |
| Paper & Periodical | 2,402 | 1,118 |
| Postage & Courier | 297,872 | 92,275 |
| Remuneration-Directors | 8,040,000 | 6,600,000 |
| Rent Office | 181,080 | 60,000 |
| Maintenance | 2,490,980 | 349,686 |
| Salary & allowance | 19,925,961 | 34,516,611 |
| Staff Refreshment | 168,423 | 361,756 |
| Stamp Charges | 11,100 | 30,250 |
| Stationery | 1,037,318 | 907,465 |
| Telephone /fax/ Internet | 310,319 | 90,463 |
| Toner (Photocopier & Printer) | 10,100 | 254,150 |
| Training & Motivation | 62,180 | 50,000 |
| Transport Allowance (Employees) | 681,000 | 2,512,635 |
| Traveling Expenses | 321,208 | 850,600 |
| Uniform | 208,078 | 236,050 |
| Value Added Tax | - | 560,853 |
| Security Service | 304,658 | 62,357 |
| | <u>91,128,317</u> | <u>69,934,318</u> |

| | <u>2015</u> | <u>2014</u> |
|--|-------------------|-------------------|
| | <u>BDT</u> | <u>BDT</u> |
| 29.00 Marketing , Selling & Distribution Expenses: BDT 68,031,867 | | |
| Bank Charge(Foreign currency commission) | 8,532,037 | 7,356,856 |
| BGMEA Service Charges | 150,323 | 335,441 |
| Bill of Lading Charges | 2,327,256 | 1,682,746 |
| Buyer Commission | - | 1,940,845 |
| C & F Charges | 3,704,692 | 3,732,947 |
| Conveyance | 4,660 | 68,023 |
| Document Collection Charges | 357,773 | 306,776 |
| Document Postage Charges | 1,287,786 | 728,814 |
| Electric goods | 34,564 | 54,011 |
| Entertainment | - | 346,486 |
| Earn Leave | 413,050 | 868,187 |
| Exchange Fluctuation Loss | 1,278,401 | 3,949,055 |
| Exp. Certify Charge | - | 20,350 |
| Fabric Testing | 1,696,144 | 2,481,157 |
| Festival Bonus | 1,972,500 | 1,568,020 |
| Freight Charge | 6,905,748 | 15,358,661 |
| Fuel & Lubricant (For Generator) | 110,156 | 151,254 |
| GSP Fees | 478,950 | 581,220 |
| Holiday Allowance | 25,635 | 51,650 |
| Incidental Exp | - | 20,564 |
| Insurance Marine | 401,429 | 146,165 |
| Internet Bill | - | 10,000 |
| Late Shipment Penalty | - | 1,329,364 |
| LC Advising Charges | 26,000 | 55,187 |
| License & Renewal | - | 2,500 |
| Lunch & Tiffin Bill | - | 51,080 |
| Miscellaneous Expenses | 4,264,570 | 171,238 |
| Mobile bill | 232,931 | 193,875 |
| Needle Expenses | - | 24,000 |
| Night Bill Allowance | 4,400 | 150,570 |
| Overtime Allowance | 251,027 | 572,795 |
| Postage & Courier | 467,983 | 1,933,341 |
| Renewals & Registration Fees | - | 46,770 |
| Maintenance | 113,007 | 526,476 |
| Salary & allowance | 24,190,089 | 23,812,937 |
| Sampling Expenses | 3,127,294 | 6,225,435 |
| Services Benefit | - | 367,318 |
| Staff Refreshment | - | 115,420 |
| Stationery | 10,020 | 631,655 |
| Tiffin Bill | 35,905 | 49,242 |
| Tours & Travelling | 696,194 | 8,734,563 |
| Toner (Photocopier & Printer) | 97,600 | 20,450 |
| Training Fees | - | - |
| Transport Allowance (Employees) | 470,750 | 118,000 |
| Transportation Expenses | 4,298,886 | 1,240,380 |
| Utilization Declaration Charges | 64,107 | 56,389 |
| | 68,031,867 | 88,188,213 |

30.00 Other income: BDT 74,898,527

This balance consists of as follows :

| | | | |
|-----------------|------------|-------------------|------------------|
| Wastage Sales | | 747,874 | 50,000 |
| Interest Income | Note 30.01 | 48,635,278 | 187,625 |
| Rental Income | | 4,896,000 | 4,080,000 |
| Cash Incentive | | 20,619,375 | 1,306,120 |
| | | 74,898,527 | 5,623,745 |

The rental income of BDT 4,896,000, earned from letting out a portion of a building owned by the company to Fashion Asia Ltd as per rental agreement dated 06.03.2014 between Tosrif Industries Ltd and Fasion Asia Ltd, has been treated as other income. The rented portions could not be sold separately and significant portion of the building was held for production and administrative purpose of the company. As per BAS 40 Para 10 and substances of the deed, this income is not from any investment property.

30.01 Interest Income: BDT 48,635,278

| | | | |
|--|--|-------------------|----------------|
| Interest Received from IPO SND Accounts | | 47,889,185 | - |
| Interest Income from FDR Accounts | | 493,669 | 141,833 |
| Accrued Interst Income from FDR Accounts | | 176,526 | - |
| Interest Income from Divident Payable Accounts | | 20,325 | - |
| Interest Income from Savings Accounts | | 55,573 | 45,791 |
| Total Interest Income | | 48,635,278 | 187,624 |

Interest income of BDT 47,889,185 has been earned during the period 23 April 2015 to 31 December 2015 from IPO Short Notice Deposit (SND) account (account number # 0002-0320002679) with Mutual Trust Bank Limited. This SND account is maintained only for handling IPO proceed.

| | <u>2015</u> <u>BDT</u> | <u>2014</u> <u>BDT</u> |
|---|---------------------------|---------------------------|
| 31.00 Financial Expenses: BDT 19,246,039 | | |
| This balance consists of as follows : | | |
| Bank charge | 1,180,986 | 611,916 |
| Interest on EDF Loan | 2,110,264 | 1,673,834 |
| Interest on HP Loan | - | 3,476,217 |
| Interest on PAD Loan | - | 353,590 |
| Interest on PC Loan | 1,100,384 | 1,172,359 |
| Interest on Term Loan | 10,393,119 | 11,125,340 |
| Interest on SOD Loan | 2,575,860 | 6,973,663 |
| Interest on STL Loan | 1,885,426 | 1,071,218 |
| | <u>19,246,039</u> | <u>26,458,137</u> |

32.00 Workers' Profit Participation & welfare Fund (WPPWF): BDT 9,185,899

The company has Workers Profit Participation & welfare fund as employee benefit and contributing 5% of net profit before WPPWF and income tax.

This balance consists of as follows :

| | | |
|--|------------------|------------------|
| Workers' profit participation & Welfare Fund (WPPWF) at 5% | <u>9,185,899</u> | <u>6,761,204</u> |
|--|------------------|------------------|

33.00 Income Tax Expenses: BDT 39,469,877

Current tax expenses (2014: Restated*):

| | | |
|---|-------------------|-------------------|
| Provision made in respect of the current year | 39,469,877 | 30,308,149 |
| Add: Paid in respect of prior year(s) | - | 488,182 |
| Less: Adjustment of over provision for the period ended 31 December 2014* | - | 9,294,014 |
| | <u>39,469,877</u> | <u>21,502,317</u> |

* Refer to Note 4.06.01.

34.00 Earnings Per Share: BDT 2.44

Calculation of Earnings Per share (EPS) is as under:

Before restatement due to over provision of income tax*

| Particulars | 2015 | 2014 |
|---|-------------|-------------|
| | BDT | BDT |
| Net profit after income tax (A) | 135,062,213 | 104,427,740 |
| Number of ordinary shares (B) - Weighted Average Method (Note 34.01) | 55,361,180 | 34,469,800 |
| Basic EPS for the year (A/B) | 2.44 | 3.03 |
| Number of ordinary shares including bonus shares (B) - Weighted Average Method (Note 34.01) | | 38,602,320 |
| Restated Basic EPS** | | 2.71 |

After restatement due to over provision of income tax*

| Particulars | 2015 | 2014 |
|---|-------------|-------------|
| | BDT | BDT |
| Net profit after income tax (A) | 135,062,213 | 113,721,755 |
| Number of ordinary shares (B) - Weighted Average Method (Note 34.01) | 55,361,180 | 34,469,800 |
| Basic EPS for the year (A/B) | 2.44 | 3.30 |
| Number of ordinary shares including bonus shares (B) - Weighted Average Method (Note 34.01) | | 38,602,320 |
| Restated Basic EPS** | | 2.95 |

* Refer to Note 4.06.01.

** EPS for the year 2014 has been restated in accordance with BAS 33, Paragraph 28.

34.01 Number of ordinary shares for calculating Basic EPS: Number of Shares 55,361,180

| Particulars | No. of Shares | No. of days outstanding | Weighted average number of shares | Weighted average number of shares |
|-------------------------------------|-------------------|-------------------------|-----------------------------------|-----------------------------------|
| Shares outstanding as on 1.1.2015 | 34,469,800 | 365 | 34,469,800 | 34,469,800 |
| Allotment for IPO 27.04.2015 | 24,566,200 | 249 | 16,758,860 | - |
| Allotment for bonus issue | 4,132,520 | 365 | 4,132,520 | 4,132,520 |
| Shares outstanding as on 31.12.2015 | 63,168,520 | | 55,361,180 | 38,602,320 |

35.00 Net Asset Value Per Share: BDT 32.36

Before restatement due to over provision of income tax*

| | | |
|---|----------------------|----------------------|
| Total Assets | 2,373,083,570 | 1,657,413,672 |
| Less: Non-Current Liability | 49,528,007 | 59,107,017 |
| Current liabilities | 279,292,739 | 307,603,258 |
| Net Asset Value (A) | <u>2,044,262,824</u> | <u>1,290,703,397</u> |
| Number of outstanding ordinary share (B) | <u>63,168,520</u> | <u>34,469,800</u> |
| Net Asset Value Per Share (A/B) | <u>32.36</u> | <u>37.44</u> |

| | <u>2015</u> <u>BDT</u> | <u>2014</u> <u>BDT</u> |
|---|-----------------------------|-----------------------------|
| <u>After restatement due to over provision of income tax*</u> | | |
| Total Assets | 2,373,083,570 | 1,657,195,272 |
| Less: Non-Current Liability | 49,528,007 | 59,107,017 |
| Current liabilities* | 279,292,739 | 298,090,844 |
| Net Asset Value (A) | <u>2,044,262,824</u> | <u>1,299,997,411</u> |
| Number of outstanding ordinary share (B) | <u>63,168,520</u> | <u>34,469,800</u> |
| Net Asset Value Per Share (A/B) | <u>32.36</u> | <u>37.71</u> |

* Refer to Note 4.06.01.

36.00 Related party transactions

The company in the normal course of business has entered into transactions with other entities that fall within the definition of related party contained in BAS 24 : Related Party Disclosures. The Company believes that the terms of these related party transactions are not significantly different from those that could have been obtained from third parties. The significant related party transactions during the year are as follows:

| Name of party | Relationship | Nature of transaction | Opening balance | Additions | Settlements | Outstanding balance |
|------------------------------|-----------------------------------|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | | | as at | during | during | as at |
| | | | 1 January 2015 | the year | the year | 1 January 2015 |
| | | | Receivable /(Payable) | Receivable /(Payable) | Receivable /(Payable) | Receivable /(Payable) |
| | | | BDT | BDT | BDT | BDT |
| Northern Corporation Limited | Shareholder & Common Directorship | Material Purchase & Dyeing Services | (1,540,000) | (133,809,230) | 122,175,457 | (13,173,773) |
| | | Office rent | (60,000) | (60,000) | 120,000 | - |
| Enviro Pac Limited | Common Directorship | Accessories purchase | (2,925,851) | (12,259,838) | 12,036,670 | (3,149,019) |
| Enviro Pac Limited | Common Directorship | Advance for expenses | - | (536,260) | - | (536,260) |
| Printers & Printers Limited | Common Directorship | Accessories purchase | - | (2,211,731) | 2,211,731 | - |
| Fashion Asia Ltd | Common Directorship | Rental income | - | 4,896,000 | (4,896,000) | - |
| Naim Hassan | Director | Land purchase | - | (8,106,000) | 8,106,000 | - |

37.00 Number of board meetings held during the year

Total 13 board meetings were held during the year.

38.00 Disclosure of Directors remuneration under Para 4 of Schedule XI PART II of the Companies Act 1994 :

Directors have received the following remuneration from the company during the period January 01, 2015 to December 31,2015.

| Name | Designation | Monthly remuneration | Monthly House Rent | No. of Month | 2015 | 2014 |
|------------------|-------------|----------------------|--------------------|--------------|------------------|------------------|
| Mr. Mohim Hassan | M.D. | 320,000 | 25,000 | 12 | 4,140,000 | 3,600,000 |
| Mr. Naim Hassan | Director | 140,000 | 25,000 | 12 | 1,980,000 | 1,800,000 |
| Mr. Rafiq Hassan | Director | 135,000 | 25,000 | 12 | 1,920,000 | 1,200,000 |
| Total | | 595,000 | 75,000 | | 8,040,000 | 6,600,000 |

39.00 Directors fees for attending board meetings

BDT 5,000 was paid to each director for attending each board meetings.

40.00 Receivables from directors

No amount is lying as receivable from the directors.

The company has 2250 number of employees and all of them are getting more than BDT63,600 as salary per year.

| | |
|------|------|
| 2015 | 2014 |
| BDT | BDT |

41.00 Capacity Utilization:

| Section | Installed Capacity | | Utilization of the year Tons / Pecs. | % of Utilization % | Over/(under) Utilization Tone/ Pecs. |
|------------------------------|-------------------------|--------------------------|---|-----------------------|---|
| | Per day Tons / Pecs. | Per year Tons / Pecs. | | | |
| Year ended December 31, 2013 | | | | | |
| Knitting (Tons.) | 7.60 | 2,280 | 2,060 | 90% | (220) |
| Sewing (Basic T-shirts) Pcs. | 23,000 | 6,900,000 | 5,581,347 | 81% | (1,318,653) |

Note:

(a) Considering 300 days per year.

(b) The capacity varies depending on sophistication of the product. For higher grade products, the capacity decrease from the mentioned level.

Note: 1.Sewing capacity for "Basic T-Shirt" is 23,000 Pcs/day. The capacity varies depending on the sophistication of the product. For higher grade products, the capacity decreases from the mentioned level of 23,000 pcs/day."

Note: 2. Capacity utilised in knitting section is 90.00%, i.e. 2060 Tons.

Note: 3. Capacity utilised in sewing section is 81.00%, i.e. 55,81,347 Pcs.

42.00 Transaction in foreign currency:

| Particularly | 2015 Amount (\$) | 2014 Amount (\$) |
|----------------------------|-------------------------|----------------------|
| CIF value Import: | | |
| Raw materials- | | |
| Yarn Local | \$ 2,058,288.88 | \$ 1,065,206 |
| Yarn Foreign | \$ 2,470,595.03 | \$ 3,887,814 |
| Fabrics | \$ 1,883,241.00 | \$ 2,540,526 |
| Accessories | \$ 1,946,155.68 | \$ 1,991,635 |
| Fabrics Dyeing & Finishing | \$ 1,215,744.05 | \$ - |
| Embroidery | \$ 1,393.50 | \$ - |
| Garments Printing | \$ 274,943.64 | \$ - |
| Garments Washing | \$ 70,169.45 | \$ - |
| | \$ 9,920,531.23 | \$ 9,485,181 |
| FOB Value of Export | \$ 19,919,443.00 | \$ 19,678,071 |
| Total | \$ 29,839,974.23 | \$ 29,163,252 |

43.00 Contingent liabilities

There is no contingent liability as at the reporting date (2014 : nil).

44.00 Capital expenditure commitments

There is no commitment of capital expenditure as at 31 December 2015.

45.00 Claims against the company not acknowledged as debt

There is no claims against the company acknowledged as debt.

46.00 Event after the reporting period

The Board of Directors of the company at its meeting held on 29 April 2016 recommended a cash dividend amounting to BDT 75,802,224 being 12% of the paid-up capital (i.e. BDT 1.20 per share) for the year ended 31 December 2015. This dividend is subject to final approval by the shareholders at the forthcoming Annual General Meeting (AGM) of the company.

Chief Financial Officer