MALEK SPINNING MILLS LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31ST DECEMBER 2017

Un-Audited

Particulars	DEC'17 Taka	JUNE'17 Taka
ASSETS :		
Non-Current Assets :		
Property, Plant and Equipment	8,501,051,929	8,204,449,779
Capital Work-in-Progress	267,268,349	283,752,635
	8,768,320,278	**8,488,202,414**
Current Assets :		
Inventories	3,397,868,483	3,202,773,360
Accounts Receivable	2,449,864,858	2,582,346,695
Advances,Deposits and Pre-payments	703,261,118	724,090,932
Cash and Cash Equivalents	249,660,101	461,094,357
	6,800,654,560	**6,970,305,344**
TOTAL ASSETS :	**15,568,974,838**	**15,458,507,758**
SHAREHOLDER'S EQUITY AND LIABILITIES:		
Equity attributable to owners of the company		
Share Capital	1,936,000,000	1,936,000,000
Share Premium	1,500,000,000	1,500,000,000
Tax Holiday Reserve	210,883,871	210,883,871
Re-valuation Surplus	3,709,717,521	3,753,746,128
Retained Earnings	1,489,061,293	1,349,164,984
	8,845,662,685	**8,749,794,983**
Non Controlling Interest	**57,440,591**	**56,805,843**
Total Equity :	**8,903,103,276**	**8,806,600,826**
Non Current Liabilities:		
Long Term Loan	1,134,711,921	1,317,569,116
Deferred Tax Liabilities	428,118,678	434,245,743
	1,562,830,599	**1,751,814,859**
Current Liabilities :		
Short Term Loan	1,800,769,037	1,518,318,407
Current Portion of Long Term Loan	718,738,784	622,882,024
Loan from Director	34,000,000	34,000,000
Bank Acceptance Liabilities	1,359,633,827	1,804,968,465
Creditors and Accruals	1,189,899,315	919,923,177
	5,103,040,963	**4,900,092,073**
TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES :	**15,568,974,838**	**15,458,507,758**
Net Assets Value Per Share (NAV)	**45.69**	**45.20**
Par Value Tk.10		

A. Matin Chowdhury	**Dr. Shamim Matin Chowdhury**	**B.K. Chaki**	**Syed Saiful Haque**
Managing Director	Director	Chief Financial Officer	Company Secretary

MALEK SPINNING MILLS LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE PERIOD FROM 1ST JULY 2017 TO 31ST DECEMBER 2017

Un-Audited

Particulars	JUL'17-DEC'17 Taka	JUL'16-DEC'16 Taka	OCT'17-DEC'17 Taka	OCT'16-DEC'16 Taka
Sales	5,386,506,454	4,559,200,612	2,847,270,802	2,447,010,799
Cost of Goods Sold	(4,939,301,930)	(4,122,852,601)	(2,602,369,111)	(2,251,170,928)
Gross Profit :	**447,204,524**	**436,348,011**	**244,901,691**	**195,839,871**
Operating Expenses	(140,717,353)	(106,672,797)	(71,204,227)	(28,627,571)
Financial Expenses	(217,576,195)	(223,640,445)	(105,110,898)	(113,137,103)
Operating Profit/(Loss) :	**88,910,976**	**106,034,769**	**68,586,566**	**54,075,196**
Other Income/(Loss)	45,158,524	31,754,377	35,902,157	26,501,816
Net Operating Profit/(Loss) :	**134,069,499**	**137,789,146**	**104,488,723**	**80,577,013**
Provision for Contribution to WPPF	(5,698,330)	(5,395,837)	(3,855,402)	(3,720,269)
Profit/(Loss) before Tax :	**128,371,169**	**132,393,309**	**100,633,320**	**76,856,744**
Provision for Income Tax :	(31,868,720)	(27,792,887)	(24,754,963)	(11,515,104)
Current Tax	(37,995,784)	(33,992,862)	(27,818,287)	(14,614,936)
Deferred Tax	6,127,065	6,199,975	3,063,324	3,099,832
Net Profit/(Loss) after tax	**96,502,450**	**104,600,422**	**75,878,358**	**65,341,640**
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**96,502,450**	**104,600,422**	**75,878,358**	**65,341,640**
Profit attributable to:				
Owners of the company	95,867,701	103,997,942	75,363,511	64,819,995
Non-controlling interest	634,748	602,480	514,847	521,645
	96,502,450	**104,600,422**	**75,878,358**	**65,341,640**
Total comprehensive income attributable to:				
Owners of the company	95,867,701	103,997,942	75,363,511	64,819,995
Non-controlling interest	634,748	602,480	514,847	521,645
	96,502,450	**104,600,422**	**75,878,358**	**65,341,640**
Earnings Per Share (EPS)	**0.50**	**0.54**	**0.39**	**0.33**
Par Value Tk.10				
Number of Shares used to compute EPS	**193,600,000**	**193,600,000**	**193,600,000**	**193,600,000**

A. Matin Chowdhury	Dr. Shamim Matin Chowdhury	B.K. Chaki	Syed Saiful Haque
Managing Director	Director	Chief Financial Officer	Company Secretary

MALEK SPINNING MILLS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Un-Audited

FOR THE PERIOD FROM 1ST JULY 2017 TO 31ST DECEMBER 2017

Particulars	Share Capital	Share Premium	Revaluation Surplus of Fixed Assets	Tax holiday Reserve	Retained Earnings	Non Controlling Interest	Total
Balance as at 1st July 2017	1,936,000,000	1,500,000,000	3,753,746,128	210,883,871	1,349,164,984	56,805,843	8,806,600,826
Total Comprehensive Income					95,867,701	634,748	96,502,450
Transfer of excess depreciation of Revalued Assets			(44,028,607)		44,028,607		-
As at 31st December 2017	**1,936,000,000**	**1,500,000,000**	**3,709,717,521**	**210,883,871**	**1,489,061,293**	**57,440,591**	**8,903,103,276**

FOR THE PERIOD FROM 1ST JULY 2016 TO 31ST DECEMBER 2016

Particulars	Share Capital	Share Premium	Revaluation Surplus of Fixed Assets	Tax holiday Reserve	Retained Earnings	Non Controlling Interest	Total
Balance as at 1st July 2016	1,936,000,000	1,500,000,000	3,850,028,366	210,883,871	1,244,067,160	55,195,572	8,796,174,969
Total Comprehensive Income					103,997,942	602,480	104,600,422
Transfer of excess depreciation of Revalued Assets			(48,141,119)		48,141,119		-
As at 31st December 2016	**1,936,000,000**	**1,500,000,000**	**3,801,887,247**	**210,883,871**	**1,396,206,221**	**55,798,052**	**8,900,775,390**

A. Matin Chowdhury	**Dr. Shamim Matin Chowdhury**	**B.K. Chaki**	**Syed Saiful Haque**
Managing Director	Director	Chief Financial Officer	Company Secretary

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MALEK SPINNING MILLS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE PERIOD FROM 1ST JULY 2017 TO 31ST DECEMBER 2017

Un-Audited

PARTICULARS	DEC'17 Taka	DEC'16 Taka
CASH FLOW FROM OPERATING ACTIVITIES :		
Collection from Turnover & Bills Receivable	5,517,986,224	4,598,636,961
Other Income received	46,904,039	61,302,093
Payment for Raw Materials, Indirect Materials and other expenses	(5,043,044,932)	(3,929,923,373)
Payment for Operating Expenses	(130,994,537)	(100,351,733)
Payment for Financial Expenses	(217,576,195)	(223,640,445)
Payment for Income Tax	(39,793,241)	(37,400,031)
Net Cash provided/(used) by Operating Activities	**133,481,357**	**368,623,473**
CASH FLOW FROM INVESTING ACTIVITIES :		
Acquisition of Fixed Assets	(292,307,592)	(231,607,817)
Acquisition of Capital work in progress	(248,022,910)	-
Disposal of Fixed Assets	47,457	-
Net cash provided/(used) in Investing Activities	**(540,283,044)**	**(231,607,817)**
CASH FLOW FROM FINANCING ACTIVITIES :		
Bank Loan Increase/(Decrease)	195,450,195	(92,129,624)
Loan from Directors	-	(16,000,000)
Refundable IPO Share Money paid	-	(25,001)
Dividend Paid	(82,763)	(52,395)
Net cash provided/(used) in Financing Activities	**195,367,432**	**(108,207,020)**
Increase/(Decrease) in Cash and Cash Equivalents	**(211,434,256)**	**28,808,636**
Opening Cash & Cash Equivalents	461,094,357	381,744,017
Closing Cash and Cash Equivalents	**249,660,101**	**410,552,653**
Net Operating Cash Flow Per Share (NOCFPS)	**0.69**	**1.90**
Par Value Tk.10		

A. Matin Chowdhury	Dr. Shamim Matin Chowdhury	B.K. Chaki	Syed Saiful Haque
Managing Director	Director	Chief Financial Officer	Company Secretary

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MALEK SPINNING MILLS LIMITED

Selected explanatory notes on the Un-Audited Consolidated Financial Statements

For the period from 1st July 2017 to 31st December 2017

(1) Accounting Policies & Methods used for preparation & presentation of Financial Statements:

We have followed the similar accounting policies and methods for preparation and presentation of financial statement for the half yearly ended from 1st July, 2017 to 31st December 2017 compared to the most recent annual Financial Statements for the year ended June 30, 2017.

(2) Seasonability/ Cyclicality of Interim Operation:

Normally there was no significant seasonality/ cyclicality affect although the turnover for the period 1st July 2017 to 31st December 2017. Turnover was increased by 18.15% compared to previous same period. The variation in turnover was due to increase in Sales quantity.

(3) Changes in Non-Current Assets:

During the period from 1st July 2017 to 31st December 2017 a net sum of Tk. 280.12 Million was added to Non-current Assets mainly for addition of Fixed Assets of subsidiary companies. The WDV has reduced for charging depreciation.

(4) Changes in Current Assets:

Total Current Assets during the period from 1st July 2017 to 31st December 2017 was decreased by Tk.169.65 Million mainly for increase in Inventory and decreased in Accounts Receivable, Advance, Deposits & prepayment and Cash & Cash equivalent.

(5) Changes in Shareholder's equity:

Shareholder's equity was changed due to change in Retained Earnings due to addition of Net Profit.

(6) Changes in Non-Current Liabilities:

Total Non-current liabilities decreased by Tk.188.98 Million due to repayment of Long Term loan, addition new loan and decreased in deferred tax liability.

(7) Changes in Current Liabilities:

Total Current Liabilities increased by Tk. 202.95 Million due to increase in Working Capital Loan, Creditors & Accruals, decreased in Bank Acceptance Liabilities and Current Portion of Long Term Loan.

(8) Changes in Operating Income and expenses:

a) Sales Revenue increased by 18.15% during this half yearly ended compared to the previous same period but Cost of Goods Sold increased by 19.80% resulting decreased of GP percentage on Sales by 1.27%.

b) Net Profit percentage on Sales decreased by 0.50% due to mainly increase in Cost of Goods Sold, operating expenses although financial expenses is decreased and other income is increased.

(9) EPS Deviation Clarification:

Net Profit is decreased due to causes and effect of **changes in operating income and expenses**, which was resulted in decrease in EPS.

(10) Changing in Net Operating Cash Flow per Share:

Due to following points NOCPS is decreased:

a) Collection against Accounts Receivable is increased.
b) Other Income is decreased.
c) Payment against Raw Materials and Other expenses is increased.

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Managing Director	Director	Chief Financial Officer	Company Secretary

MALEK SPINNING MILLS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31ST DECEMBER 2017

Un-Audited

Particulars	DEC'17 Taka	JUNE'17 Taka
ASSETS :		
Non-Current Assets:		
Property, Plant and Equipment	2,092,204,852	2,136,081,968
Capital Work-in-Progress	153,847,763	80,523,827
Investment in Subsidiary Company	1,666,365,000	1,666,365,000
	3,912,417,615	**3,882,970,795**
Current Assets :		
Inventories	1,027,308,826	1,053,500,320
Accounts Receivable	1,128,155,549	1,108,519,253
Advances, Deposits and Pre-payments	309,230,360	272,736,173
Cash and Cash Equivalents	117,601,802	85,655,023
	2,582,296,537	**2,520,410,769**
TOTAL ASSETS :	**6,494,714,152**	**6,403,381,564**
SHAREHOLDER'S EQUITY AND LIABILITIES :		
Shareholder's Equity :		
Share Capital	1,936,000,000	1,936,000,000
Share Premium	1,500,000,000	1,500,000,000
Re-valuation Surplus	1,416,272,513	1,442,332,804
Retained Earnings	466,589,420	373,193,246
	5,318,861,933	**5,251,526,050**
Non-Current Liabilities:		
Long Term Loan	100,378,185	14,420,248
Deferred Tax Liabilities	272,568,329	276,116,940
	372,946,514	**290,537,188**
Current Liabilities :		
Short Term Loan	65,639,921	11,751,887
Current Portion of Long Term Loan	8,451,431	7,183,880
Bank Acceptance Liabilities	318,933,078	484,187,913
Creditors and Accruals	409,881,275	358,194,646
	802,905,705	**861,318,326**
TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES :	**6,494,714,152**	**6,403,381,564**
Net Assets Value Per Share (NAV)	**27.47**	**27.13**
Par Value Tk.10		

A. Matin Chowdhury	**Dr. Shamim Matin Chowdhury**	**B.K. Chaki**	**Syed Saiful Haque**
Managing Director	Director	Chief Financial Officer	Company Secretary

AMARSTOCK

MALEK SPINNING MILLS LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE PERIOD FROM 1ST JULY 2017 TO 31ST DECEMBER 2017

Un-Audited

Particulars	JUL'17-DEC'17 Taka	JUL'16-DEC'16 Taka	OCT'17-DEC'17 Taka	OCT'16-DEC'16 Taka
Sales	1,673,708,966	1,352,418,173	956,826,837	762,267,315
Cost of Goods Sold	(1,516,729,122)	(1,210,147,354)	(874,293,991)	(677,888,847)
Gross Profit/(Loss) :	**156,979,844**	**142,270,819**	**81,532,846**	**84,378,468**
Operating Expenses	(49,727,608)	(44,287,875)	(22,630,721)	(24,859,543)
Financial Expenses	(23,526,911)	(17,850,478)	(329,692)	(4,642,464)
Operating Profit/(Loss) :	**83,725,326**	**80,132,466**	**58,572,432**	**54,876,461**
Other Income/(Loss)	(460,397)	(437,957)	(359,444)	(300,635)
Net Operating Profit/(Loss) :	**83,264,929**	**79,694,510**	**58,212,988**	**54,575,827**
Provision for Contribution to WPPF	(3,964,997)	(3,794,977)	(2,772,047)	(2,598,849)
Profit/(Loss) before tax :	**79,299,932**	**75,899,533**	**55,440,941**	**51,976,978**
Provision for Income tax :	**(11,964,049)**	**(11,341,134)**	**(8,370,058)**	**(7,766,483)**
Current Tax	(15,512,660)	(14,687,282)	(10,144,155)	(9,439,402)
Deferred Tax	3,548,611	3,346,148	1,774,097	1,672,919
Net Profit/(Loss) after tax	**67,335,883**	**64,558,399**	**47,070,883**	**44,210,495**
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**67,335,883**	**64,558,399**	**47,070,883**	**44,210,495**
Earnings Per Share (EPS)	**0.35**	**0.33**	**0.24**	**0.23**
Par Value Tk.10				
Number of Shares used to compute EPS	**193,600,000**	**193,600,000**	**193,600,000**	**193,600,000**

A. Matin Chowdhury	Dr. Shamim Matin Chowdhury	B.K. Chaki	Syed Saiful Haque
Managing Director	Director	Chief Financial Officer	Company Secretary

MALEK SPINNING MILLS LIMITED

STATEMENT OF CHANGES IN EQUITY

Un-Audited

FOR THE PERIOD FROM 1ST JULY 2017 TO 31ST DECEMBER 2017

Particulars	Share Capital	Share Premium	Revaluation Surplus of Fixed Assets	Retained Earnings	Total
Balance as at 1st July 2017	1,936,000,000	1,500,000,000	1,442,332,804	373,193,246	5,251,526,050
Net Profit/(Loss) during the period				67,335,883	67,335,883
Transfer of excess depreciation of Revalued Assets			(26,060,292)	26,060,292	-
As at 31st December 2017	**1,936,000,000**	**1,500,000,000**	**1,416,272,513**	**466,589,420**	**5,318,861,933**

FOR THE PERIOD FROM 1ST JULY 2016 TO 31ST DECEMBER 2016

Particulars	Share Capital	Share Premium	Revaluation Surplus of Fixed Assets	Retained Earnings	Total
Balance as at 1st July 2016	1,936,000,000	1,500,000,000	1,498,659,595	392,780,614	5,327,440,209
Net Profit/(Loss) during the period				64,558,399	64,558,399
Transfer of excess depreciation of Revalued Assets			(28,163,395)	28,163,395	-
As at 31st December 2016	**1,936,000,000**	**1,500,000,000**	**1,470,496,200**	**485,502,408**	**5,391,998,607**

A. Matin Chowdhury	Dr. Shamim Matin Chowdhury	B.K. Chaki	Syed Saiful Haque
Managing Director	Director	Chief Financial Officer	Company Secretary

MALEK SPINNING MILLS LIMITED

STATEMENT OF CASH FLOWS

FOR THE PERIOD FROM 1ST JULY 2017 TO 31ST DECEMBER 2017

Un-Audited

PARTICULARS	DEC'17 Taka	DEC'16 Taka
CASH FLOW FROM OPERATING ACTIVITIES :		
Collection from Turnover & Accounts Receivable	1,653,753,623	1,153,201,451
Payment for Raw Materials, Indirect Materials and other expenses	(1,545,510,295)	(1,036,444,053)
Other Income received	441,943	(437,957)
Payment for Operating Expenses	(48,548,768)	(43,036,381)
Payment for Financial Expenses	(23,526,911)	(17,850,478)
Payment for Income Tax	(10,459,448)	(7,382,799)
Net Cash provided/(used) by Operating Activities	**26,150,145**	**48,049,782**
CASH FLOW FROM INVESTING ACTIVITIES :		
Acquisition of Fixed Assets	(631,800)	(7,639,091)
Acquisition of Capital work in progress	(134,602,324)	-
Net cash used in Investing Activities	**(135,234,124)**	**(7,639,091)**
CASH FLOW FROM FINANCING ACTIVITIES :		
Bank Loan Increase/(Decrease)	141,113,522	(79,910,485)
Refundable IPO Share Money paid	-	(25,001)
Dividend Paid	(82,763)	(52,395)
Net Cash provided/(used) by Financing Activities	**141,030,759**	**(79,987,881)**
Increase/(Decrease) in Cash and Cash Equivalents	**31,946,779**	**(39,577,190)**
Opening Cash & Cash Equivalents	85,655,023	108,107,923
Closing Cash and Cash Equivalents	**117,601,802**	**68,530,733**
Net Operating Cash Flow Per Share (NOCFPS)	**0.14**	**0.25**
Par Value Tk.10		

A. Matin Chowdhury	Dr. Shamim Matin Chowdhury	B.K. Chaki	Syed Saiful Haque
Managing Director	Director	Chief Financial Officer	Company Secretary

AMAR STOCK