Matin Spinning Mills Limited

Statement of Financial Position (Unaudited)

as at 31 March 2017

	Amounts in Taka	
	At 31 March 2017	At 30 June 2016
Assets		
Non - current assets		
Property, plant and equipment	4,362,267,228	3,116,051,536
Investment	64,478,170	47,709,792
Capital work-in-process	30,861,312	1,145,589,589
	95,339,482	1,193,299,381
Total non - current assets	4,457,606,710	4,309,350,917
Current assets		
Cash and bank balances	271,091,220	906,210,836
Accounts receivable	743,073,842	213,010,407
Inventories	619,380,117	504,040,074
Advance,deposits and Prepayments	114,915,560	159,443,290
Total current assets	1,748,460,737	1,782,704,607
Total assets	**6,206,067,447**	**6,092,055,524**
Equity and liabilities		
Share capital	974,900,000	974,900,000
Share Premium	920,700,000	920,700,000
Retained earnings	1,101,848,305	1,174,930,278
Revaluation reserve	990,000,919	989,296,816
Total equity	3,987,449,224	4,059,827,094
Non-current liabilities		
Long term bank loan	642,492,014	691,271,084
Deferred tax liability	138,946,625	127,031,508
Total non-current liabilities	781,438,639	818,302,592
Current liabilities		
Accounts payable	117,596,341	97,128,165
Share Application Money	4,582,760	4,582,760
Short term bank loan	1,101,606,831	871,815,763
Current portion of long term loan	123,136,967	120,302,481
Provision & accruals	90,256,685	120,096,669
Total current liabilities	1,437,179,584	1,213,925,838
Total equity and liabilities	**6,206,067,447**	**6,092,055,524**
NAV Per Share (With Revaluation reserves)	**40.90**	**41.64**
NAV Per Share (Without Revaluation reserves)	**30.75**	**31.50**

Chairman | Managing Director | Director

Chief Financial Officer | Company Secretary

MATIN SPINNING MILLS LTD. Kawran Bazar Dhaka

Matin Spinning Mills Limited
Income Statement (Unaudited)
for the period ended 31 March 2017

	Amounts in Taka			
	July 2016 to March 2017	July 2015 to March 2016	January 2017 to March 2017	January 2016 to March 2016
Revenue	2,114,581,676	1,445,340,986	854,626,665	477,587,649
Cost of goods sold	(1,838,231,236)	(1,105,269,942)	(755,733,840)	(373,319,159)
Gross profit	**276,350,439**	**340,071,044**	**98,892,826**	**104,268,490**
Other income	76,849,907	154,067,413	33,509,294	34,198,063
	353,200,346	**494,138,457**	**132,402,120**	**138,466,553**
Administrative expenses	(122,141,233)	(100,835,590)	(37,867,598)	(29,636,572)
Selling & Distribution expenses	(1,529,015)	(284,900)	(576,385)	(48,500)
Net profit before finance cost	**229,530,097**	**393,017,966**	**93,958,137**	**108,781,481**
Finance cost	(33,965,278)	(24,248,331)	(14,620,010)	(8,516,113)
Net profit before workers' profit participation funds & tax	**195,564,819**	**368,769,635**	**79,338,127**	**100,265,368**
Contribution to workers' profit participation funds	(9,312,610)	(17,560,459)	(3,778,006)	(4,774,541)
	186,252,209	**351,209,176**	**75,560,121**	**95,490,827**
Income tax	(21,123,553)	(66,250,123)	(15,709,203)	(18,589,242)
Deferred tax	(12,619,221)	(1,750,580)	2,946,358	820,306
Net profit after tax	**152,509,435**	**283,208,473**	**62,797,277**	**77,721,891**
Earnings Per Share (EPS)	**1.56**	**2.91**	**0.64**	**0.80**

Chairman

Managing Director

Director

Chief Financial Officer

Company Secretary

MATIN SPINNING MILLS LTD. Kawran Bazar Dhaka

Matin Spinning Mills Limited

Statement of Comprehensive Income (Unaudited)
for the period ended 31 March 2017

	Amounts in Taka	
	Period ended 31 March 2017	Period ended 31 March 2016
Net profit after tax for the period	152,509,435	283,208,473
Deferred tax on other comprehensive income	704,103	(7,114,023)
Foreign currency translation gain/(Loss)	(1,364,410)	(3,021,399)
Total comprehensive income for the period	**151,849,129**	**273,073,052**

Chairman | Managing Director | Director

Chief Financial Officer | Company Secretary

MATIN SPINNING MILLS LTD. Kawran Bazar Dhaka

Matin Spinning Mills Limited

Statement of Changes in Equity (Unaudited)
for the period ended 31 March 2017

	Amounts in Taka					
	Share capital	Share Premium	Tax holiday reserves	Retained earnings	Revaluation reserves	Total
Period ended 31 March 2017						
Balance at 01 July 2016	974,900,000	920,700,000	-	1,174,930,279	989,296,816	4,059,827,094
Net profit for 3rd Quarter ,2017	-	-	-	152,509,435	-	152,509,435
Dividend Paid	-	-	-	(224,227,000)	-	(224,227,000)
Other comprehensive income	-	-	-	(1,364,410)	704,103	(660,306)
Balance at 31 March 2017	**974,900,000**	**920,700,000**	**-**	**1,101,848,304**	**990,000,919**	**3,987,449,224**
Period ended 31 March 2016						
Balance at 01 July 2015	974,900,000	920,700,000	-	1,146,185,240	996,960,432	4,038,745,672
Net profit for 3rd Quarter ,2016	-	-	-	283,208,474	-	283,208,474
Dividend Paid				(263,223,000)		(263,223,000)
Other comprehensive income	-	-	-	(3,021,399)	(7,114,023)	(10,135,422)
Balance at 31 March 2016	**974,900,000**	**920,700,000**	**-**	**1,163,149,315**	**989,846,409**	**4,048,595,724**

Chairman | **Managing Director** | **Director**

Chief Financial Officer | **Company Secretary**

MATIN SPINNING MILLS LTD. Kawran Bazar Dhaka

AMARSTOCK

Matin Spinning Mills Limited

Statement of Cash Flows (Unaudited)

for the period ended 31 March 2017

Amounts in Taka

		Third Quarter Ended	
		31 March 2017	31 March 2016
A.	**Cash flows from operating activities**		
	Collection from customers	1,557,106,824	1,384,271,595
	Other Income	44,903,876	41,624,098
	Cash generated from operations	**1,602,010,700**	**1,425,895,693**
	Cash paid to suppliers and employees	(1,454,794,069)	(1,041,293,271)
	Interest paid on loans	(33,965,278)	(24,248,331)
	Income tax paid	(11,500,000)	(36,448,000)
	Payment made to workers' profit participation funds	(18,720,901)	(26,109,619)
	Net cash flows from operating activities	**83,030,452**	**297,796,472**
B.	**Cash flow from investing activities**		
	Acquisition of property, plant and equipment	(317,434,371)	(1,318,804,694)
	Capital work-in-process	(133,114,812)	(493,910,881)
	Dividend Income	463,200	-
	Interest on FDR	31,337,246	114,097,548
	Share money deposit from DBL Ceramics Ltd.		50,800,000
	Net cash used in investing activities	**(418,748,737)**	**(1,647,818,027)**
C.	**Cash flows from financing activities**		
	Long term loan received /(repaid)	(45,944,584)	(73,107,700)
	Short term loan received/(repaid to) bank	(29,811,794)	851,406,264
	Dividend Paid	(223,644,953)	(262,176,666)
	Share application money refunded	-	(66,600)
	Inter-company debts Received/(paid)	-	303,279,452
	Net cash from/(used in) financing activities	**(299,401,331)**	**819,334,750**
D.	Net increase/(decrease) in cash and cash equivalents (A+B+C)	(635,119,616)	(530,686,805)
E.	Opening cash and cash equivalents	906,210,836	2,094,338,153
F.	**Closing cash and cash equivalents (D+E)**	**271,091,220**	**1,563,651,347**
	Net Operating Cash Flow Per Share	**0.85**	**3.05**

Chairman | Managing Director | Director

Chief Financial Officer | Company Secretary

MATIN SPINNING MILLS LTD. Kawran Bazar Dhaka

Matin Spinning Mills Limited
Selected explanatory notes on the Un-Audited Financial Statements
For the period from 1st July, 2016 to 31st March, 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 statements for the period from 1st July, 2016 to 31st March, 2017 compared to the most recent annual Financial Statements for the year ended June30, 2016.

2) **Seasonality/Cyclicality of Interim Operation:**
Normally there was no significant seasonality/cyclicality effect. However turnover for the period from 1st July, 2016 to 31st March, 2017 increased by 46.30% compared to same period of last year. The variation in turnover is due to increase in Sales quantity arising out of operation of Mélange unit and operation of Synthetic unit.

3) **Changes in Non-Current Assets:**
Total Non-Current Assets during the period from 1st July, 2016 to 31st March, 2017 increased by Tk.148.26 Million mainly due to addition of Factory Building and Machineries of expansion project.

4) **Changes in Current Assets:**
Total current Assets during the period from 1st July, 2016 to 31st March, 2017 decreased by Tk. 34.24 Million covering the following:

Particulars	BDT in Million
Cash & Cash equivalent	(635.12)
Accounts Receivables	530.06
Inventories	115.34
Advance Deposits and Prepayments	(44.53)
Total	**(34.24)**

5) **Changes in Shareholder's equity:**
Shareholders' equity changed due to addition of after tax profit for the period and adjustment of dividend approved for the year 2015-2016.

6) **Changes in Non-Current Liabilities:**
Total Non-Current Liabilities decreased by Tk.36.86 Million due to repayment of Long Term loan and increase in deferred tax liability.

7) **Changes in Current Liabilities:**
Total Current Liabilities increased by Tk. 223.25 Million covering the following:

Particulars	BDT in Million
Accounts payable	20.47
Share Application Money	-
Short term bank loan	229.79
Current portion of long term loan	2.83
Provision & accruals	(29.84)
Total	**223.25**

MATIN SPINNING MILLS LTD. Kawran Bazar Dhaka

8) Changes in Operating Income :

Sales Revenue increased by 46.30% compared to same period of last year. The variation in turnover is due to increase in Sales quantity arising out of operation of Mélange unit and partial operation of Synthetic unit.

9) Increase of Cost of Goods Sold:

Cost of goods sold increased by 10.24 % from 76.47% to 86.71 % compared to same period of last year mainly due to the following reasons:

i) Increase in Salary & allowances.
ii) Increase in utility cost.
iii) Increase in depreciation.

10) Changes in Gross Profit:

GP decreased by 10.24% due to increase in Salary & allowances, depreciation, Gas and electricity expenses.

11) Changes in Net Profit:

Net Profit decreased mainly due to the following:

i) Decrease in other income by Tk.77,217,507
ii) Increase in utility cost.
iii) Increase in depreciation charges.

12) Other Income:

Other income decreased mainly due to lower interest income on FDR by Tk. 97,728,862. Interest income decreased because of encashment of FDRs for repayment of bank loan against import of Machinery for Mélange Unit. Fixed deposit amount on 31st March 2017 was Tk. 63,581,935 compared to fixed deposit amount of Tk.1,342,911,325 on 31st March, 2016.

13) Significant deviation in EPS:

Earnings per Share decreased mainly due to the following:

i) Decrease in other income.
ii) Increase in utility cost.
iii) Increase in depreciation charges for consideration of operation of Mélange unit and operation of Synthetic unit.
iv) General increase of other manufacturing and administrative expenses.
v) Increase in financial expenses.

MATIN SPINNING MILLS LTD. Kawran Bazar Dhaka

14) Deviation in Net Operating Cash Flows:

Net operating cash flows decreased to 0.85 per share from 3.05 per share from the same period of last year mainly because of increase in payments to suppliers and employees, increase in interest payments.

15) Disclosure of Key management personnel compensation:

As per the paragraph 17 of BAS-24: **Related Party Disclosure**, there was no payment of benefits during this period on Account of:

a) Short-term employee benefits
b) Postemployment benefits
c) Other long-term benefits
d) Termination benefits
e) Share-based payment.

Chairman	Managing Director	Director	Chief Financial Officer	Company Secretary

MATIN SPINNING MILLS LTD. Kawran Bazar Dhaka

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