Matin Spinning Mills Limited

Statement of Financial Position (Unaudited)

as at 31 December 2017

	Amounts in Taka	
	At 31 December 2017	At 30 June 2017
Assets		
Non - current assets		
Property, plant and equipment	4,196,152,818	4,352,495,521
Investment	43,172,127	35,414,179
Capital work-in-process	34,512,279	13,739,692
	77,684,405	49,153,871
Total non - current assets	4,273,837,223	4,401,649,391
Current assets		
Cash and bank balances	110,965,858	346,387,853
Accounts receivable	617,961,347	749,144,849
Inventories	979,155,203	1,038,590,041
Materials in transit	166,256,333	376,447,551
Advance, deposits and prepayments	210,225,833	164,507,885
Total current assets	2,084,564,573	2,675,078,179
Total assets	**6,358,401,796**	**7,076,727,571**
Equity and liabilities		
Share capital	974,900,000	974,900,000
Share premium	920,700,000	920,700,000
Retained earnings	1,352,593,087	1,212,036,507
Revaluation reserve	986,160,989	985,715,950
Total equity	4,234,354,076	4,093,352,457
Non-current liabilities		
Long term bank loan	408,479,443	543,516,885
Deferred tax liability	188,978,458	177,470,888
Total non-current liabilities	597,457,902	720,987,774
Current liabilities		
Accounts payable	153,017,146	120,497,736
Share application money	4,553,160	4,582,760
Short term bank loan	976,741,526	1,775,310,925
Current portion of long term loan	235,432,382	231,867,632
Provision & accruals	156,845,604	130,128,287
Total current liabilities	1,526,589,818	2,262,387,340
Total equity and liabilities	**6,358,401,796**	**7,076,727,571**
NAV Per Share (With Revaluation reserves)	**43.43**	**41.99**

Chairman | Managing Director | Director

Chief Financial Officer | Company Secretary

Matin Spinning Mills Limited
Statement of Profit or Loss (Unaudited)
for the 2nd quarter ended 31 December 2017

	Amounts in Taka			
	Half Year ended 31 December 2017	Half Year ended 31 December 2016	Period ended October 2017 to December 2017	Period ended October 2016 to December 2016
Revenue	1,962,290,073	1,259,955,010	1,050,665,786	689,161,997
Cost of goods sold	(1,704,053,843)	(1,082,497,397)	(903,607,349)	(593,652,720)
Gross profit	**258,236,231**	**177,457,613**	**147,058,437**	**95,509,277**
Other income	50,961,474	43,340,613	27,504,466	21,178,924
	309,197,705	**220,798,226**	**174,562,904**	**116,688,201**
Administrative expenses	(87,174,119)	(84,273,636)	(43,594,537)	(45,065,571)
Distribution expenses	(3,278,051)	(952,630)	(1,950,265)	(472,300)
Net profit before finance cost	**218,745,534**	**135,571,960**	**129,018,102**	**71,150,331**
Finance cost	(39,519,030)	(19,345,268)	(16,467,474)	(10,615,799)
Net profit before workers' profit participation funds & tax	**179,226,505**	**116,226,692**	**112,550,627**	**60,534,532**
Contribution to workers' profit	(8,534,595)	(5,534,604)	(5,359,554)	(2,882,597)
Net profit before taxation	**170,691,910**	**110,692,088**	**107,191,074**	**57,651,935**
Income tax	(18,182,721)	(5,414,350)	(13,363,198)	303,953
Deferred tax	(11,952,609)	(15,565,579)	(5,987,695)	(11,516,506)
Net profit after tax	**140,556,580**	**89,712,159**	**87,840,180**	**46,439,383**
Earnings Per Share (EPS)	**1.44**	**0.92**	**0.90**	**0.48**

Chairman | Managing Director | Director

Chief Financial Officer | Company Secretary

Matin Spinning Mills Limited

Statement of Comprehensive Income (Unaudited)
for the 2nd quarter ended 31 December 2017

	Amounts in Taka	
	31 December 2017	31 December 2016
Net profit after tax for the period	140,556,580	89,712,159
Deferred tax on other comprehensive income	445,039	469,402
Foreign currency translation gain/(Loss)	-	(1,364,410)
Total comprehensive income for the period	**141,001,619**	**88,817,151**

Chairman | Managing Director | Director

Chief Financial Officer | Company Secretary

AMARSTOCK

Matin Spinning Mills Limited

Statement of Changes in Equity (Unaudited)
for the 2nd quarter ended 31 December 2017

Amounts in Taka

	Share capital	Share Premium	Tax holiday reserves	Retained earnings	Revaluation reserves	Total
2nd Quarter ended 31 December2017						
Balance at 01 July 2017	974,900,000	920,700,000	-	1,212,036,507	985,715,950	4,093,352,457
Net profit for the period	-	-	-	140,556,580	-	140,556,580
Dividend Paid	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	445,039	445,039
Balance at 31 December 2017	**974,900,000**	**920,700,000**	**-**	**1,352,593,087**	**986,160,989**	**4,234,354,076**
2nd Quarter ended 31 December 2016						
Balance at 01 July 2016	974,900,000	920,700,000	-	1,174,930,279	989,296,816	4,059,827,095
Net profit for the period	-	-	-	89,712,159	-	89,712,159
Dividend Paid	-	-	-	(224,227,000)	-	(224,227,000)
Other comprehensive income	-	-	-	(1,364,410)	469,402	(895,008)
Balance at 31 December 2016	**974,900,000**	**920,700,000**	**-**	**1,039,051,028**	**989,766,218**	**3,924,417,246**

Chairman

Managing Director

Director

Chief Financial Officer

Company Secretary

AMAR STOCK

Matin Spinning Mills Limited

Statement of Cash Flows (Unaudited)

for the 2nd quarter ended 31 December 2017

		Amounts in Taka	
		31 December 2017	31 December 2016
A.	**Cash flows from operating activities**		
	Collection from customers	2,094,923,046	779,115,031
	Other Income	39,811,281	20,646,459
	Cash generated from operations	**2,134,734,326**	**799,761,490**
	Cash paid to employees	(126,547,917)	(110,147,309)
	Cash paid to suppliers	(1,229,750,484)	(719,547,831)
	Interest paid on loans	(45,892,215)	(19,345,268)
	Income tax paid	-	(6,500,000)
	Payment made to workers' profit participation funds	-	-
	Net cash flows from operating activities	**732,543,709**	**(55,778,918)**
B.	**Cash flow from investing activities**		
	Acquisition of property, plant and equipment	(3,125,498)	(127,388,580)
	Capital work-in-process	(20,772,587)	(270,265,143)
	Investment in marketable securities	(7,757,948)	
	Dividend Income	1,579,000	463,200
	Interest on FDR and Bank Accounts	-	16,796,519
	Net cash used in investing activities	**(30,077,032)**	**(380,394,004)**
C.	**Cash flows from financing activities**		
	Long term loan received	-	-
	Long term loan (repaid)	(144,367,810)	(101,431,655)
	Short term loan received from bank	1,292,138,740	89,772,591
	Short term loan repaid to bank	(2,085,630,002)	
	Dividend Paid	-	(28,213)
	Share application money refunded	(29,600)	-
	Net cash from/(used in) financing activities	**(937,888,673)**	**(11,687,277)**
D.	Net increase/(decrease) in cash and cash equivalents (A+B+C)	(235,421,995)	(447,860,199)
E.	Opening cash and cash equivalents	346,387,853	906,210,836
F.	**Closing cash and cash equivalents (D+E)**	**110,965,858**	**458,350,638**
	Net Operating Cash Flow Per Share	**7.51**	**(0.57)**

Chairman | Managing Director | Director

Chief Financial Officer | Company Secretary

Matin Spinning Mills Limited
Selected explanatory notes on the Un-Audited Financial Statements
For the period from July 01, 2017 to December 31, 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 July 01, 2017 to December 31, 2017 compared to the most recent annual financial statements for the year ended June 30, 2017.

2) **Seasonality/Cyclicality of Interim Operation:**
Normally there was no significant seasonality/cyclicality effect. However, turnover for the period from July 01, 2017 to December 31, 2017 increased by 55.74% compared to same period of last year. The variation in turnover is due to increase in sales quantity arising out of full operation of Mélange unit and Synthetic unit.

3) **Changes in Non-Current Assets:**
Total non-current assets during the period from July 01, 2017 to December 31, 2017 decreased by Tk.127.81 Million mainly due to the effect of depreciation on fixed assets.

4) **Changes in Current Assets:**
Total current assets during the period from July 01, 2017 to December 31, 2017 decreased by Tk. 590.51 Million covering the following:

Particulars	BDT in Million
Cash & Cash Equivalent	(235.42)
Accounts Receivables	(131.18)
Inventories	(59.43)
Materials in transit	(210.19)
Advance Deposits and Prepayments	45.72
Total	**(590.51)**

5) **Changes in Shareholders' equity:**
Shareholders' equity changed due to addition of after tax profit for the period July 01, 2017 to December 31, 2017.

6) **Changes in Non-Current Liabilities:**
Total non-current liabilities decreased by Tk.123.53 Million mainly due to repayment of Long Term loan.

7) **Changes in Current Liabilities:**
Total current liabilities decreased by Tk. 735.80 Million covering the following:

Particulars	BDT in Million
Accounts payable	32.52
Share Application Money	(0.03)
Short term bank loan	(798.57)
Current portion of long term loan	3.56
Provision & accruals	26.72
Total	**(735.80)**

8) **Changes in Operating Income:**
Sales Revenue increased by 55.74% 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 Synthetic unit.

9) **Increase of Cost of Goods Sold:**
Cost of goods sold increased by 57.42% compared to same period of last year is mainly due to the impact of incremental sales revenue.

10) **Changes in Gross Profit ratio:**
GP % slightly declined due to increase in salary & allowances, depreciation, and electricity expenses.

11) **Changes in Net Profit:**
Net Profit increased mainly due to the following:

a) Increase in sales volume,
b) Increase in average sales price per unit,
c) Full-fledge operation of Mélange and Synthetic unit.

12) **Significant deviation in EPS:**
Earnings per Share increased mainly due to the following:

a) Increased in sales volume,
b) Increase in average sales price per unit,
c) Full-fledge operation of Mélange and Synthetic unit.

13) **Deviation in Net Operating Cash Flows:**
Net operating cash flows per share increased to 7.51 compared to the same period of last year Tk. -0.57 is mainly because of increase in collection from customers.

14) **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) Post-employment benefits
c) Other long-term benefits
d) Termination benefits
e) Share-based payment.

Chairman | Managing Director | Director | Chief Financial Officer | Company Secretary