Matin Spinning Mills Limited

Statement of Financial Position (Unaudited)
as at 30 September 2018

	Amounts in Taka	
	30 September 2018	30 June 2018
Assets		
Non - current assets		
Property, plant and equipment	4,092,952,531	4,168,868,097
Investment	36,119,115	34,336,067
Capital work-in-process	33,789,250	30,603,751
	69,908,364	64,939,817
Total non - current assets	4,162,860,896	4,233,807,915
Current assets		
Cash and bank balances	198,969,803	106,272,934
Accounts receivable	1,031,034,011	1,079,124,341
Inventories	1,002,689,118	947,835,529
Materials in transit	106,318,837	147,238,548
Advance,deposits and prepayments	249,553,879	207,967,996
Total current assets	2,588,565,648	2,488,439,348
Total assets	**6,751,426,543**	**6,722,247,263**
Equity and liabilities		
Share capital	974,900,000	974,900,000
Share premium	920,700,000	920,700,000
Retained earnings	1,426,182,280	1,368,406,755
Revaluation reserve	986,752,973	989,192,269
Total equity	4,308,535,254	4,253,199,024
Non-current liabilities		
Long term bank loan	323,164,691	367,459,542
Deferred tax liability	212,575,674	195,416,173
Total non-current liabilities	535,740,365	562,875,715
Current liabilities		
Accounts payable	117,592,741	144,211,228
Share application money	4,553,160	4,553,160
Short term bank loan	1,459,533,729	1,436,478,545
Current portion of long term loan	190,016,508	192,312,780
Provision & accruals	135,454,787	128,616,810
Total current liabilities	1,907,150,925	1,906,172,524
Total equity and liabilities	**6,751,426,543**	**6,722,247,263**
NAV Per Share (With Revaluation reserves)	**44.19**	**43.63**

Managing Director | Director | Director

Chief Financial Officer | Company Secretary

Matin Spinning Mills Limited
Statement of Profit or Loss (Unaudited)
for the 1st quarter ended 30 September 2018

	Amounts in Taka	
	30 September 2018	30 September 2017
Revenue	1,150,075,804	911,624,288
Cost of goods sold	(1,013,735,699)	(800,446,494)
Gross profit	**136,340,105**	**111,177,793**
Other income	17,327,537	23,457,007
	153,667,643	**134,634,801**
Administrative expenses	(47,995,691)	(43,579,582)
Distribution expenses	(1,394,050)	(1,327,786)
Net profit before finance cost	**104,277,902**	**89,727,433**
Finance cost	(24,944,194)	(23,051,555)
Net profit before workers' profit participation funds & tax	**79,333,707**	**66,675,878**
Contribution to workers' profit participation funds	(3,777,796)	(3,175,042)
Net profit before taxation	**75,555,912**	**63,500,836**
Income tax	(3,060,181)	(4,819,523)
Deferred tax	(14,720,205)	(5,964,914)
Net profit after tax	**57,775,526**	**52,716,399**
Earnings Per Share (EPS)	**0.59**	**0.54**

Managing Director | Director | Director

Chief Financial Officer | Company Secretary

Matin Spinning Mills Limited

Statement of Other Comprehensive Income (Unaudited)
for the 1st quarter ended 30 September 2018

	Amounts in Taka	
	30 September 2018	30 September 2017
Net profit after tax for the period	57,775,526	52,716,399
Deferred tax on other comprehensive income	(2,439,296)	222,520
Total comprehensive income for the period	**55,336,230**	**52,938,919**

Managing Director | Director | Director

Chief Financial Officer | Company Secretary

Matin Spinning Mills Limited

Statement of Changes in Equity (Unaudited)
for the 1st quarter ended 30 September 2018

	Amounts in Taka				
	Share capital	Share Premium	Retained earnings	Revaluation reserves	Total
First Quarter ended 30 september 2018					
Balance at 01 July 2018	974,900,000	920,700,000	1,368,406,755	989,192,269	4,253,199,024
Net profit for the period	-	-	57,775,526	-	57,775,526
Dividend Paid	-	-	-	-	-
Other comprehensive income	-	-	-	(2,439,296)	(2,439,296)
Balance at 30 September 2018	**974,900,000**	**920,700,000**	**1,426,182,280**	**986,752,973**	**4,308,535,254**
First Quarter ended 30 september 2017					
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	-	-	52,716,399	-	52,716,399
Dividend Paid	-	-	-	-	-
Other comprehensive income	-	-	-	222,520	222,520
Balance at 30 September 2017	**974,900,000**	**920,700,000**	**1,264,752,907**	**985,938,470**	**4,146,291,376**

Managing Director **Director** **Director**

Chief Financial Officer **Company Secretary**

Matin Spinning Mills Limited

Statement of Cash Flows (Unaudited)
for the 1st quarter ended 30 September 2018

	Amounts in Taka	
	30 September 2018	30 September 2017
A. Cash flows from operating activities		
Collection from customers	1,198,349,625	895,582,113
Other Income	8,114,675	2,961,438
Cash generated from operations	**1,206,464,300**	**898,543,551**
Cash paid to employees	(69,879,425)	(71,098,880)
Cash paid to suppliers	(985,598,302)	(918,156,336)
Interest paid on loans	(32,407,131)	(23,051,555)
Net cash flows from operating activities	**118,579,441**	**(113,763,220)**
B. Cash flow from investing activities		
Capital work-in-process	(3,185,499)	(14,967,109)
Dividend Income	50,000	829,000
Investment in marketable securities	(1,783,048)	(9,289,055)
Net cash used in investing activities	**(4,918,547)**	**(23,427,164)**
C. Cash flows from financing activities		
Long term loan received	3,811,214	-
Long term loan (repaid)	(50,402,337)	(62,751,416)
Short term loan received from bank	1,079,684,130	36,612,451
Short term loan repaid to bank	(1,061,253,358)	(39,816,703)
Net cash from/(used in) financing activities	**(28,160,350)**	**(65,955,668)**
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)	85,500,544	(203,146,052)
E. Opening cash and cash equivalents	106,272,934	346,387,853
F. Effects of currency translation on cash and cash equivalents	7,196,325	9,200,836
F. **Closing cash and cash equivalents (D+E)**	**198,969,803**	**152,442,637**
Net Operating Cash Flow Per Share	**1.22**	**(1.17)**

Managing Director | Director | Director

Chief Financial Officer | Company Secretary

AMAR STOCK

Matin Spinning Mills Limited
Selected explanatory notes on the Un-Audited Financial Statements
For the period from July 01, 2018 to September 30, 2018

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, 2018 to September 30, 2018 compared to the most recent annual financial statements for the year ended June 30, 2018.

2) **Seasonality/Cyclicality of Interim Operation:**
Normally there was no significant seasonality/cyclicality effect. However, turnover for the period from July 01, 2018 to September 30, 2018 increased by 26.16% compared to same period of last year. The variation in turnover is due to increase in sales quantity derived from the full operation of Mélange and Synthetic unit.

3) **Changes in Non-Current Assets:**
Total non-current assets during the period from July 01, 2018 to September 30, 2018 decreased by Tk.70.95 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, 2018 to September 30, 2018 decreased by Tk. 97.37 million covering the following:

Particulars	BDT in Million
Cash & Cash Equivalent	92.70
Accounts Receivables	(50.85)
Inventories	54.85
Materials in transit	(40.92)
Advance Deposits and Prepayments	41.59
Total	**97.37**

5) **Changes in Shareholders' equity:**
Shareholders' equity changed due to addition of after tax profit for the period July 01, 2018 to September 30, 2018.

6) **Changes in Non-Current Liabilities:**
Total non-current liabilities decreased by Tk.29.43 million mainly due to repayment of Long Term loan.

7) **Changes in Current Liabilities:**
Total current liabilities increased by Tk. 3.27 million covering the following:

Particulars	BDT in Million
Accounts payable	(26.62)
Share Application Money	-
Short term bank loan	23.06
Current portion of long term loan	-
Provision & accruals	6.84
Total	**3.27**

8) **Changes in Operating Income:**
Sales Revenue increased by 26.16% compared to same period of last year. The variation in turnover is due to increase in sales quantity derived from the full operation of Mélange and Synthetic unit.

9) **Increase of Cost of Goods Sold:**
Cost of goods sold increased by 22.63% compared to same period of last year is mainly due to the impact of incremental sales revenue.

10) **Changes in Gross Profit ratio:**
GP % increased mainly due to increase in Sales Price.

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,

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,

13) **Deviation in Net Operating Cash Flows:**
Net operating cash flows per share increased to Tk. 1.22 compared to the same period of last year (Tk. 1.17) 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.

15) **Net cash flows from operating activities**

	Amounts in Taka
Cash Flow from Operations	**30 September 2018**
Net income	57,775,526
Less: Dividend Income transfer to investing activities	(50,000)
Less: Effects of foreign currency translation gain /(loss)	(7,196,325)
Depreciation and amortization	75,915,566
Decrease (increase) in current assets	(4,670,680)
Decrease (increase) in current liabilities	(19,780,511)
Decrease (increase) in Revaluation Reserve	(5,091,458)
Deferred tax liability	17,159,501
Unrealized gain/(loss)	4,624,411
Cash flow from operating activities	**118,579,441**

16) Related party disclosure

During the year, the Company carried out a numbers of transactions with related parties in the normal course of business. The names of the related parties and nature of these transaction have been set out in accordance with the provisions of BAS -24:

[Figures in Taka]

Name of the related party	Relationship	Nature of transaction	Value of transactions	Closing balance at September 31,2018	Status as at September 31,2018	Closing balance as at June 30,2018	Status as at June 30,2018
Flamingo Fashions Ltd	Sister Concern	Sale of yarn	153,893,869	130,152,618	Debtor	214,776,320	Debtor
Jinnat Fashions Ltd	Sister Concern	Sale of yarn	167,062,131	64,351,467	Debtor	25,831,211	Debtor
Jinnat knitwears Ltd	Sister Concern	Sale of yarn	274,922,716	98,011,419	Debtor	25,226,869	Debtor
Jinnat Apparels Ltd	Sister Concern	Sale of yarn Office Rent	82,454,893 (60,000)	22,733,569 20,000	Debtor Creditors	59,417,925 20,000	Debtor Creditors
Mawna Fashions Ltd.	Sister Concern	Sale of yarn	40,611,480	23,039,950	Debtor	6,500,953	Debtor
Hamza Textiles Ltd	Sister Concern	Sale of yarn	64,606,042	44,363,525	Debtor	48,798,426	Debtor
Parkway Printing & Packging Ltd.	Sister Concern	Sale of yarn Godown Rent & Others	7,191,455 2,828,294	17,331,761 1,823,599	Debtor Debtor	12,034,874 2,805,745	Debtor Debtor
DBL Distribution Ltd	Sister Concern	Fuel & Lubricant	41,480,351	5,751,003	Creditor	34,082,171	Creditor

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