

B.(1)(a) “পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

“Investment in capital market involves certain degree of risks. The investors are required to read the prospectus and risk factors carefully, assess their own financial conditions and risk taking ability before making their investment decisions.”

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। বিনিয়োগকারীগণ থোসপেস্টাস পড়ে এবং ঝুঁকির বিষয়গুলি সতর্কতার সাথে অনুধাবন করে নিজ নিজ আর্থিক অবস্থা ও ঝুঁকিগ্রহণ করার সক্ষমতা বিবেচনা করে বিনিয়োগ সিদ্ধান্ত গ্রহণ করবেন।”

(1)(b) Name of Issuer Company and Issue Manager:

Name of Issuer Company: Scandex (BD) Limited



Name of Issue Manager: MTB Capital Ltd.



(1)(c) Amount and type of securities being issued: Qualified Investor Offer (QIO) of ordinary shares totaling Tk. 50,000,000.00 (Taka Five Crore).

(1)(d) Offering price of the securities on a per share and aggregate basis:

Qualified Investor Offer (QIO) of [*] ordinary shares of Tk. [*] each at an issue price of Tk. [*] each Including a Premium amounting to Tk. 50,000,000.00

(1)(e) Opening and closing date of subscription:

Opening date of subscription:
Closing date of subscription:

(1)(f) Names of the underwriter: Sonar Bangla Capital Management Limited



(1)(g) Issue date of the prospectus:

Issue date of the Prospectus:

Credit Rating Status			
Particulars	Entity Rating	Date of Rating	Validity of Rating
Long Term Rating	A	8th December, 2022	8th December, 2023
Short Term Rating	ST-2	8th December, 2022	8th December, 2023
Rate Assigned By: ARGUS Credit Rating Services Limited			

(2)(a) Preliminary Information and Declarations:

- (i) **Name(s), address(s), telephone number(s), web address(s), e-mail(s), FAX number(s) and contact persons of the issuer, issue manager(s), underwriter(s), auditors, credit rating company and valuer;**

Issuer		
Name & Address	Telephone & Fax Number, E-mail, Web Address	Contact Person
Scandex (BD) Limited Gouripur, Ashulia, Savar, Dhaka - 1320, Bangladesh	Tel: +880 29 848720 Fax: +880 27 692194 Email: info@scandexbd.com Web: https://scandexbd.com/	Helal Uddin CFO +880 29 848720
Issue Manager		
Name & Address	Telephone & Fax Number, E-mail, Web Address	Contact Person
MTB Capital Ltd. Chandrashila Suvastu Tower (2nd Floor), 69/1, Panthapath, Dhaka-1000	Tel: +88 02 9641158 Fax: +88 02 9641159 E-mail: info.mtbcap@mutualtrustbank.com Web: www.mtbcap.com	Fakaruddin Ali Ahmed CEO (C.C.)
Underwriter		
Name & Address	Telephone & Fax Number, E-mail, Web Address	Contact Person
Sonar Bangla Capital Management Limited 8th floor, Paramount Heights, 65/2/1 Box Culvert Rd, purana paltan, Dhaka 1000	Tel: +880 2 951179 Fax: +880 2 9515447 E-mail: info@sbcmlbd.com Web: www.sbcmlbd.com	Mustafizur Rahman A.G.M (Issue Management Department)
Auditor		
Name & Address	Telephone & Fax Number, E-mail, Web Address	Contact Person
M.J. Abedin & Co Chartered Accountants National Plaza, 3 rd Floor, 109 Bir Uttam C.R. Datta Road, Dhaka-1205, Bangladesh	Tel: +88-02-9632568 Fax: +88-02-223366340 E-mail: audit@mjabedin.com web: www.mjabedin.com	Kamrul Abedin FCA Partner

Credit Rating Company		
Name & Address	Telephone & Fax Number, E-mail, Web Address	Contact Person
ARGUS Credit Rating Services Limited Level-13, DBBL Bhaban, 8 Rajuk Avenue, Dhaka-1000, Bangladesh	Tel: +88 02 471 18199 Fax: +88 02 471 18859 E-mail: info@acrslbd.com web: www.acrslbd.com	Md Rasel Ass. Manager

The Company has no involvement with Valuer is not applicable for the issuer.

- (ii) A person interested to get a prospectus may obtain from the issuer and the issue manager(s).
- (iii) "If you have any query about this document, you may consult the issuer, issue manager and underwriter"

(iv) "CONSENT OF THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION HAS BEEN OBTAINED TO THE ISSUE/OFFER OF THESE SECURITIES UNDER THE SECURITIES AND EXCHANGE ORDINANCE, 1969, AND THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION (QUALIFIED INVESTOR OFFER BY SMALL CAPITAL COMPANY) RULES, 2022. IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS CONSENT THE COMMISSION DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE ISSUER COMPANY, ANY OF ITS PROJECTS OR THE ISSUE PRICE OF ITS SECURITIES OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINION EXPRESSED WITH REGARD TO THEM. SUCH RESPONSIBILITY LIES WITH THE ISSUER, ITS DIRECTORS, CHIEF EXECUTIVE OFFICER, MANAGING DIRECTOR, CHIEF FINANCIAL OFFICER, COMPANY SECRETARY, ISSUE MANAGER, ISSUE MANAGER'S CHIEF EXECUTIVE OFFICER, UNDERWRITERS, AUDITOR(S), VALUER AND/OR CREDIT RATING COMPANY (IF ANY)."

(v) *'Risks in relation to the First Issue'*

"This being the first issue of the issuer, there has been no formal market for the securities of the issuer. The face value of the securities is Tk. 10.00 (ten) and the issue price is Tk. [*], i.e. the face value. The issue price has been determined and justified at par value as stated under the paragraph on "Justification of Issue Price" should not be taken to be indicative of the market price of the securities after listing. No assurance can be given regarding an active or sustained trading of the securities or the price after listing."

(vi) *'General Risk'*

"Investment in securities involves a degree of risk and investors should not invest any funds in this offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offer. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. Given the emerging nature of small capital companies, there may be a higher investment risk attached to the securities being offered. The securities to be traded on the Small Capital (SME) Platform may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be an active market for trading of such securities. The securities have not been recommended by the Bangladesh Securities and Exchange Commission (BSEC) nor does BSEC guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'risk factors' given on page number(s) 1-4"

(vii) *'Scandex (BD) Limited's Absolute Responsibility'*

"The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this prospectus contains all material information with regard to the issuer and the issue, that the information contained in the prospectus are true, fair and correct in all material aspects and are not misleading in any respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect."

(b) **Availability of Prospectus:**

(M) **Website addresses and e-mail addresses and names of contact persons of the institutions where the prospectus is available in soft forms;**

The Prospectus and abridged version prospectus in hard and soft forms of the Company shall be obtained from the following addresses:

Issuer		
Name & Address	Telephone & Fax Number, E-mail, Web Address	Contact Person
Scandex (BD) Limited Gouripur, Ashulia, Savar, Dhaka – 1320, Bangladesh	Tel: +880 29 848720 Fax: +880 27 692194 Email: info@scandexbd.com Web: https://scandexbd.com/	Helal Uddin CFO +880 29 848720
Issue Manager		
Name & Address	Telephone & Fax Number, E-mail, Web Address	Contact Person
MTB Capital Ltd. Chandrashila Suvastu Tower (2 nd Floor), 69/1, Panthapath, Dhaka-1000	Tel: +88 02 9641158 Fax: +88 02 9641159 E-mail: info.mtbcap@mutualtrustbank.com Web: www.mtbcap.com	Fakaruddin Ali Ahmed CEO (C.C.)
Stock Exchanges		
Name & Address	Telephone & Fax Number, E-mail, Web Address	Contact Person
Dhaka Stock Exchange Limited DSE Library, 9/F Motijheel C/A, Dhaka-1000	Tel: +88-02-9564601, 9576210-18 Fax: +88-02-9564727, +88-02-9569755 E-mail: reasearch@dsebd.org Web: www.dsebd.org	Afzalur Rahaman Manager
Chittagong Stock Exchange Limited CSE Library, CSE Building, 1080, Sheikh Mujib Road Agrabad, Chittagong- 4100.	Tel: 031-714632-3 Fax: 031-714101 E-mail: habib.ullah@cse.com.bd Web: www.cse.com.bd	Mohammad Habib Ullah Deputy Manager

Prospectus would also be available on the web sites of BSEC (www.sec.gov.bd) and at the Public Reference Room of the Bangladesh Securities and Exchange Commission (BSEC) for reading and studying.

(ii) Definitions and Acronyms or Elaborations

Acronyms or Elaborations:

A

"Articles" or "Articles of Association" or "AoA"	The Articles of Association of Scandex (BD) Limited, as amended
AGM	Annual General Meeting
Allotment	Letter of Allotment of shares

B

"Board" or "Board of Directors" or "our Board"	The Board of Directors of Scandex (BD) Limited, as duly constituted from time to time including any committees thereof
B. A	Bachelor of Arts
B. Sc	Bachelor of Science
BAS	Bangladesh Accounting Standards
BSEC	Bangladesh Securities and Exchange Commission

C

CA	Chartered Accountants
CDBL	Central Depository Bangladesh Limited
Certificate	Share Certificate
CFO	Chief Financial Officer
CIB	Credit Information Bureau
CIS	Collective Investment Scheme
Commission	Bangladesh Securities and Exchange Commission
CS	Company Secretary
CSE	Chittagong Stock Exchange PLC

D

DSE	Dhaka Stock Exchange Limited
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E

EI	Eligible Investor
E-Mail	Electronic Mail
EPS	Earnings Per Share
Exchanges	Stock Exchanges

F

FC A/C	Foreign Currency Account
FDR	Fixed Deposit Receipt
FY	Fiscal Year
FCA	Fellow Chartered Accountants

G

GBP	Great Britain Pound
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I

Issue	Qualified Investor Offer
Issue Manager	MTB Capital Ltd.
Issuer	Scandex (BD) Limited

L

L/C	Letter of Credit
LLM	Master of Laws

M

"Memorandum" or "Memorandum of Association" or "MoA"	The Memorandum of Association of Scandex (BD) Limited, as amended
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M. Com	Master of Commerce
M.A	Master of Arts
M.S.	Master of Science
MBA	Master of Business Administration
MS-Word	Microsoft word
N	
NAV	Net Asset Value
NBFI	Non-Banking Financial Institution
NBR	National Board of Revenue
NRB	Non Resident Bangladeshi
O	
"Our Company"	Scandex (BD) Limited, a public limited company incorporated under the Companies Act
Offering Price	Price of the Securities of Scandex (BD) Limited
P	
PE	Price to Earnings
R	
RJSC	Registrar of Joint Stock Companies and Firms
S	
Securities	Share of Scandex (BD) Limited
Securities Market	The Share Market of Bangladesh
Sponsors	The sponsor shareholders of Scandex (BD) Limited
SBDL	Scandex (BD) Limited
Subscription	Application Money
T	
The Company/Issuer	Scandex (BD) Limited, a public limited company incorporated under the Companies Act
TIN	Tax Identification Number
Tk.	Taka
U	
UK Pound	United Kingdom Pound
USD	United States Dollar
V	
VAT	Value Added Tax
[*]	Information will be incorporated after getting data

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**(4) RISK FACTORS AND
MANAGEMENT'S PERCEPTIONS ABOUT
THE RISKS**

An investment in equity involves a high degree of risk. Investors should carefully consider all the information in this **Prospectus**, including the risks and uncertainties described below, before making an investment in our equity shares. Any of the following risks as well as other risks and uncertainties discussed in this **Prospectus** could have a material adverse effect on our business, financial condition and results of operations. In addition, the risks set out in this **Prospectus** may not be exhaustive and additional risks and uncertainties, not presently known to us, or which we currently deem immaterial, may arise or become material in the future. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein.

Materiality

The Risk factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality:

- Some events may not be material individually but may be found material collectively.
- Some events may have material impact qualitatively instead of quantitatively.
- Some events may not be material at present but may be having material impact in the future.

(a) Interest rate risks;

Interest rate risk is associated with the fluctuations in market interest rates which cause a company's cost of debt to increase. Changes in the Government's monetary policy also tend to increase the interest rates. High rate of interest may adversely affect the operating results and financial performance of the company with additional financial charges and squeezes the profit of the company.

Management Perception: *SBDL has arranged debt (loan) financing from several banks and other financial institutions. The management is well aware of the risks associated with changes in interest rates and continuously explores attractive and competitive sources of fund. The Company also exercises good management in its cash flows, supported by continued strength in manufacturing and exports. SBDL has got financing for both long-term and short-term funds at competitive rates from banks. The Company has been repaying its borrowed funds on a continuous basis to reduce such interest rate risk as well as reducing the debt burden of the company.*

(b) Exchange rate risks;

Exchange rate risk occurs due to changes in foreign currency exchange rates. As the company imports raw material and equipment from abroad and earns revenue in local currency, unfavorable volatility or currency fluctuation may affect the profitability of the company. If exchange rate is decreased against local currency opportunity will be created for generating more profit.

Management Perception: *SBDL being a 100% export oriented company, has the benefit of natural hedge against the exchange rate risk. Exports proceeds realized are utilised for payment of its suppliers which are designated in same currency values. The net amount will be converted in BDT. Hence the risk of exchange risk is restricted to net amount after payment of Suppliers.*

(c) Industry risks;

Industry risk arises due to risk associated with business and macro-economic factors of the industry such as labor unrest, shortage of power, rising of raw material cost or shortage of raw material supply etc. If risk factor pertaining to industry is high, the

growth of the industry shall be lower or may be eroded the entire potentiality of that industry.

Management Perception: SBDL is known in the market as innovative technology driven and reliable company. There are no dreath of raw amterial supply, power demands, lobar supply for the Textile Industry. In the current situation of US-China conflict, there are big flos to Bangladesh and there is favourable situation in the present.

(d) Market and Technology-related Risks;

Market risks refer to the risk of adverse market conditions affecting the sales and profitability of the company. Such as, shortage in raw material supplies, competition and fall in product demand. These types of risks may hamper the smooth operation of the business. Technological development may make the existing machineries obsolete which may depress the profitability of The Company overall business.

Management perception: SBDL is be able to adapt technological changes with moderate investments. Moreover the management is always updated about its competitors, growing competition and technological developments. To retain existing market as well as to enter into new segments of the market, the management always takes necessary steps

(e) Potential or existing government regulations;

The company operates under Companies Act 1994, Customs Act 1969, and Labor Law 2006, Income Tax Ordinance 1984, Income Tax Rules 1984, Value Added Tax (VAT) Act 1991, Value Added Tax (VAT) Rules 1991 and other related regulations. Any abrupt changes of the policies made by the regulatory authorities may adversely affect the business of the company.

Management perception: Unless any adverse policy is taken, which may materially affect the industry as a whole; the business of the company will not be affected. Furthermore, the government is encouraging the Export Texile sector which is a major labour incentive sector. Therefore, it is expected that any new policies of this sector will be business friendly which will also be helpful for expansion of business of the company.

(f) Potential or existing changes in global or national policies;

Changes in the existing global or national policies can have either positive or negative impact on the Company's profitability. The performance of the Company may be affected due to unavoidable circumstances in Bangladesh, as such any structural change in metal industry, war, terrorism, and political unrest, natural and man-made disasters may adversely affect the economy in general.

Management perception: Political turmoil and disturbance create disturbance for any economy and business. The management is always concerned about the prevailing and upcoming future changes in the global or national policy and shall response appropriately and timely to safeguard its interest. Due to strong industrial and business background of the sponsors and management and their deep understanding of the trends in economy and market, the company is expected to withstand the unexpected changes or any such potential threats.

(g) **History of non-operation, if any;**

If there is any non-operation of the company, it creates negative impression. Apart from this, short operation history indicates company is gathering knowledge and expertise to be competitive in the market.

Management Perception: *The Company started its commercial operation by December 2001 and had a temporary withhold of operations during 2013-2017. Subsequently during 2018, the business was revived and continuing with positive growth.*

(h) **Operational risks;**

There may have some risks in operating the machineries and equipment, damaging company assets and lives of its employees and workers.

Management Perception: *SBDL is always committed to ensuring congenial work environment and giving priority for the safety for its human resource. The company also has insured its assets to minimize the degree of loss.*

(i) **risk relating to secondary trading of securities**

Risk relating to secondary trading of securities: The secondary trading of any securities is always volatile because of people perception, psychology, market risk, macro-economic condition and so on.

Management Perception: *In investment world, risk bring return. Every security will be subject to market risk. Our management believe that our company will be profitable and the company will generate wealth for the shareholders in the long run.*

(5) USE OF PROCEEDS

- (a) Usage of net proceeds of the offering indicating the amount to be used for each purpose;

Sources of Fund:

Particulars	Amount in BDT
Number of Shares issue under Qualified Investor Offer (QIO)	[*]
Issue price	[*]
Total Amount	50,000,000

Proceeds from Qualified Investor Offer (QIO) will be used for working capital and for QIO Expenses.

Sl.	Particulars	Amount in Tk.
1	Working capital	48,254,562
2	QIO Expenses (Detailed breakdown of QIO expenses in page number 25)	1,745,438
	Total	50,000,000

- (b) A schedule mentioning the stages of implementation and utilization of funds received through qualified investor offering, mentioning about the approximate date of completion of the project and the projected date of full commercial operation. The schedule shall be signed by the Chief Executive Officer and Chief Financial Officer of the issuer;

Sl. No.	Projects	Progress made so Far	Approximate date of Completion of the projects	Projected date of full commercial operation
1	Working Capital	After receiving of QIO fund	-	-

Sd/-
Fardeen Ahmed Patwary
 Managing Director

Sd/-
Helal Uddin
 Chief Financial Officer

Date: January 15, 2023
 Place: Dhaka

- (c) If there are contracts covering any of the activities of the issuer for which the proceeds of sale of securities are to be used, such as contracts for the purchase of land or contracts for the construction of buildings, the prospectus shall disclose the terms of such contracts, and copies of the contracts shall be filed with the Commission as annexure to the prospectus;

There is no such contract yet to be engaged by the Company.

(6) DESCRIPTION OF BUSINESS

(a) The date on which the issuer company was incorporated and the date on which it commenced operations and the nature of the business which the company and its subsidiaries are engaged in or propose to engage in;

Scandex (BD) Limited (herein after referred as 'SBDL' or 'Company') is well established RMG factory, incorporated on 10th October 2001 as Scandex (BD) Pvt. Ltd. and converted to public limited company on 30 April 2021. The authorized capital of the company is BDT 500 million and paid up capital is BDT 210 million. Its factory is located at Gouripur, Ashulia, Savar, and Dhaka.

The Company started its commercial operation by Dec 2001 and it had exported the garments valuing \$ 83 Millions during the period until the March 2013. After the incident of Rana Plaza, the buyers have marked the factories with less compliances and abruptly stopped providing orders. This has put a sudden brake on our operations and we are forced to shutdown the operations in March 2013.

The Business was revived in year 2018 by establishing a new factory set up at Gouripur, Ashulia, Savar and operations are started from October 2018.

Scandex (BD) Limited has no associates, subsidiary or holding Company.

(b) Business operation;

(i) The principal products or services of the company and the markets for such products or services;

Principal Products:

The principal products of the company are Knitwear with capability to make T Shirts (Men/Women/Kids), Leggings and Polo Shirts

Market for such Products:

Knitwear products has wide reach in the world market. The products are predominantly sold in Europe and USA. Recently there are business prospects getting good from Asian markets.

Past trends of export market of the product

Particulars	July to 30 Sep 2022	30 Jun 2022	30 Jun 2021	30 Jun 2020	30 Jun 2019
Sales - export	393,590,890	965,343,144	446,729,940	281,599,303	105,149,432

Future prospects of export market of the product

There has been continuous demand for the Cotton Knitwear products. Further is more awareness getting towards Organic Cotton products. This has resulted in huge demand and there is trend of more than 6 months orders booking in advance. There is recent study indicating that the buyer had placed the orders in advance with better prices to get the factory capacity for year 2022. Continuous export growth of Knitwearproducts is expected to remain following the unique operational strength of the country.

- (ii) If the company has more than one product or service, the relative contribution to sales and income of each product or service that accounts for more than 10% of the company's total revenues;**

The Company deals with only one product (ie. Knitwear). Hence there are no reporting under this heading

- (iii) Names of associates, subsidiary/related holding company and their core areas of business;**

Scandex (BD) Limited has no subsidiary company:

- (iv) How the products or services are distributed;**

The Company is a 100% export oriented business unit and dealing directly with the Foreign Buyer

- (v) Competitive conditions in the business;**

The company is dealing with the foreign buyer. There are no dreath of demand from the foreign buyers, it more about work on the target costing set by the buyer. The real competitors are the supplies from China, Vietnam and India.

- (vi) Sources and availability of raw materials and the names of the principal suppliers;**

The Company procures the raw materials (Yarn and Accessories) within the Bangladesh. There are good supply chain system available in Bangladesh. Hence there will be no risk of disruption from the raw material supplies in foreseeable future.

- (vii) Sources of, and requirement for, power, gas and water; or any other utilities;**

Utilities	Sources and Requirement	Contingency plan
Power	The project has a 200 KVA connected load for electricity obtained from Ashulia PBS (PalliBidut Samiti).	The Company uses diesel generators as standby with the total capacity of 400 KVA in case of any power disruption.
Gas	The manufacturing operation depends on LPG Gas from private Suppliers through Tankers.	There are alternative option to use CNG gas to meet the requirements
Water	Water supply is ensured from own deep tube well.	Since the company is using own deep tube-well hence there is no particular contingency plan for water supply.

- (viii) Names of the customers who purchase 10% or more of the company's products/services;**

There is no such single customer who purchases 10% or more of the Company's products except the following:

Sl.	Name and address of the customer	Telephone and Fax number	E-mail & Web address	Jul-Sep 2022	
				Amount in USD	%
1.	Solo Invest, 92 Rue Réaumur, 75002 Paris, France	Phone : +33 1 42 21 16 84 Fax : +33 1 42 21 16 88	https://www.solo group-paris.com yousuf-bd@soloinvest.com	2,411,677	57%
2.	Tamurakoma, 150-0001 1-3-10 Jingumae, Shibuya-ku, Tokyo Japan	Phone: +81 03-5771-1700 Fax: +81 03-5771-17105	https://tamurakoma.co.jp tamurakoma.ashma@yahoo.com	565,904	13%
3.	Velilla Confección Industrial S.A. C. de Juan de la Cierva, 19, 28823 Coslada, Madrid, Spain	Phone : +34 916 69 96 25 Fax : +34 916 69 96 30	https://www.velilla-group.com/en shagufhta@n2sourcing.com	558,260	13%

(ix) Description of any contract which the company has with its principal suppliers or customers showing the total amount and quantity of transaction for which the contract is made and the duration of the contract;

The Company has no contract with principal suppliers or customers.

(x) Description of any material patents, trademarks, licenses or royalty agreements;

Name of the Licenses and Certifications	Issuing Authority	Licenses/ Certifications No.	Issue Date	Renewal Date	Validity
Certificate of Incorporation	Registrar of Joint Stock Companies and Firms, Bangladesh	C-44171 (711)/2001	10-Oct-2001	N/A	N/A
TIN Certificate	National Board of Revenue, Bangladesh	130715100422	26-Apr-2014	N/A	N/A
VAT Certificate	Customs, Excise and VAT Commissionerate, Bangladesh	001271561-0403	19-Jul-2018	N/A	N/A
Export Registration Certificate	Office of The Chief Controller of Imports & Exports, Bangladesh	260326210539120	05-Feb-2002	18-Jul-2022	30-Jun-2023
Import Registration	Office of The Chief Controller of	260326120577721	10-Dec-2007	20-Jul-2022	30-Jun-2023

Certificate	Imports&Exports, Bangladesh				
Membership Certificate	Bangladesh Garments Manufacturers and Exporters Association	3571	--	13-Jan-2022	30-Dec-2023
Trade License	UnionParishad	20182617218001722	24-Jul-2022	24-Jul-2022	30-Jun-2023
Fire License	FireService&CivilDefense, Bangladesh	DD/DHAKA/28740/2018		06-Jul-2022	30-Jun-2023
Factory License	Department of Inspection for Factories and Establishments	2221/46/DHAKA	15-Oct-2019	04-Jul-2022	30-Jun-2023
Bonded Warehouse	Custom Bond Commissionerate	204/CUS-SBW/2002	29-May-2002	N/A	N/A
Certificate of EPB	Export Promotion Bureau	BD04238	02-Sep-2020	01-Jul-2022	30-Jun-2023
Boiler License	License No. BA:BO:10947	--	23-May-2021	--	23-May-2023
BSCI	Business Social Compliance Initiative	DBID : 407657	13-Jan-2021	26-Feb-2022	26-Feb-2023
SEDEX	Supplier Ethical Dada Exchange	ZS: 411312288	29-Jul-2020	27-Aug-2022	25-Apr-2023
Oeko-Tex	International Association for Researc and Testing in the Field of Textile and Leather Ecology (Oeko-Tex), Zurich (Switzerland)	No. 11-50512	25-Apr-2021	25-Apr-2022	25-Apr-2023

(xi) Number of total employees and number of full-time employees;

Total number of employees are as follows:

Particulars	Number of full time Employees	Number of Casual Employees	Total Employees
Head Office	10	-	10
Factory	637	-	637
Total	647	-	647

(xii) Production or service rendering capacity and current utilization, where applicable.

Installed Capacity & Utilization

The following table contains the existing installed capacity and capacity utilization in the previous years, projected capacity and the assumptions of future utilization for the next three years based on the World market trend and forecast. Scandex (BD) Ltd being mainly in Knitwear business, existing installed and future capacity & utilization of products are given below

Current installed capacity and its utilization:

Product	Unit	Installed capacity				Capacity utilization				Capacity utilization (%)			
		2019-20	2020-21	2021-22	Jul-Sep 2022	2019-20	2020-21	2021-22	Jul-Sep 2022	2019-20	2020-21	2021-22	Jul-Sep 2022
Knitwear (T Shirts)	Pcs in Million	4.35	8.70	8.70	3.75	2.89	5.31	7.30	3.20	66%	61%	84%	85%

(7) DESCRIPTION OF PROPERT

Description of property

The Company owns the following fixed assets and they are situated at Company's office and factory premise; and written down value of the assets as on 30 Sep 2022 are given below:

Name of the Assets	WDV Amount in BDT
Factory Fittings Fire safety equipments, Smoke Detectors, Fire Resistance cables	1,238,942
Plant and Machinery Pegasus Flatlock machine, Pegasus Overlock machine, Feed of the Arm machine, Brother Plain machine, KM Japan Cuting machine, Image Armor Spray machine, Heat press machine, ELGI Compressors, Steam Boilers, LPG Storage Tanks, DataColor machine, Brother GTX printer	65,784,531
Electrical Installation	9,342,378
Office Equipments CAD Machines, CCTV, Photocopiers	1,419,195
Furniture & Fixture Cutting Tables, Sewing inline fixtures, Finishing workstations	4,506,480
Motor Vehicles Ashok Leyland E Comet 1012-L Model	3,912,639
Computers Laptops, Destops, Servers	384,114
Total Assets as on 30 Sep 2022	86,588,278
Capital Advance (for Land Purpose)	2,750,000

(a) Location of the principal plants and other property of the company and the condition thereof;

Factory Address	Gouripur, Ashulia, Savar, Dhaka-1340	Scandex (BD) Ltd has its factory established on a Lease Building and interanal infrastructure within the building are invested by the company. There are various Fire Safety and compliance requirements to meet the building to the desired standards. These expenditures are invested by Scandex (BD) Ltd.
Head Office Address	House#2, Road 54A, Gulshan-2, Dhaka-1212	The Company has maintained its head office at House#2, Road 54A, Gulshan 2, Dhaka which is a family property of the Sponsor Directors (Mr Fardeen Ahmed Patwary, Mr Faisal Ahmed, Mr Mohammed Farruque Ahmed)

(b) Whether the property is owned by the company or taken on lease;

The company is operating its factory on a Lease building

Factory Address	Gouripur, Ashulia, Savar, Dhaka-1340	Scandex (BD) Ltd has its factory established on a Lease Building and interanal infrastructure within the building are invested by the company. There are various Fire Safety and compliance requirements to meet the building to the desired standards. These expenditures are invested by Scandex (BD) Ltd.
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- (c) **If the property is owned by the company, whether there is a mortgage or other type of lien on the property, with name of the mortgagor;**

There is no mortgage or other type of lien on the property, with name of the mortgagor.

- (d) **If the property is taken on lease, the expiration date of the lease with name of the lessor.**

The Factory building is taken on lease and below are the details

Property	Factory building measuring 33600 Sft
Expiry Date	31 July 2038 (20 years)
Lessor name	Md Abdul Motalibe
Principal Terms	Lessor offers Basic Structures on the Building as lease Internal infrastructures are to be invested by the Scandex Exit option can be applied only by Scandex and Lessor has no option to exit until the expiry date.
Payment Terms / Monthly	BDT 118,872 (1 st August 2018 to 31 st July 2023) BDT 178,308 (1 st August 2023 to 31 st July 2028) BDT 237,744 (1 st August 2028 to 31 st July 2033) BDT 297,180 (1 st August 2033 to 31 st July 2038)

(8) PLAN OF OPERATION AND DISCUSSION OF FINANCIAL CONDITION

(a) If the issuer has not started its commercial operation, the company's plan of operations for the period which would be required to start commercial operation shall be described in the prospectus which shall, among others, include:—

- (i) Projected financial statements up to the year of commercial operation certified by the auditor of the issuer; and
- (ii) Any expected significant changes in the number of employees.

This section is not applicable as the company is already in operation since 2001 and revived again in 2018.

(b) The issuer's revenue and results from operation, financial position and changes in financial position and cash flows for the last three years:

RESULTS FROM OPERATION

Particulars	30-Sep-22	30-Jun-22	30-Jun-21	30-Jun-20
Net Revenue	393,590,890	965,343,144	446,729,940	281,599,303
Cost of Sales	(356,436,119)	(874,112,221)	(405,625,284)	(247,212,278)
Gross Profit	37,154,771	91,230,923	41,104,656	34,387,025
Other income	53,281,889	34,296,405	9,020,842	25,303,876
Less: Other Operating Expenses				
Office & administrative expenses	(5,227,461)	(18,304,874)	(15,212,748)	(10,672,046)
Selling and distribution expenses	(1,326,309)	(7,607,504)	-	-
Operating Profit/(Loss)	83,882,890	99,614,950	74,912,750	49,018,855
Finance Cost	(4,366,741)	(15,558,742)	(7,168,333)	(5,141,643)
Foreign exchange gain/(loss)	(15,665,296)	(2,580,825)	(34,877)	-
Net Profit/Loss before contribution to CWF	63,850,854	81,475,384	67,709,539	43,877,212
Contribution to Central Welfare Fund	(94,565)	(268,514)	(133,791)	-
Net Profit/Loss before tax	63,756,288	81,206,870	67,575,748	43,877,212
Unrealized Gain/(Loss) from Investments	572,277	(723,918)	-	-
Income tax expenses	(10,146,711)	(9,818,430)	(8,141,022)	(3,851,311)
Deferred tax expenses	(53,753)	(342,001)	(696,921)	-
Net Profit/Loss after tax	54,128,101	70,322,520	58,737,806	40,025,901

CHANGES IN FINANCIAL POSITION

Particulars	30-Sep-22	30-Jun-22	30-Jun-21	30-Jun-20
Assets				
Non- Current Assets				
Property, plant and equipment	86,588,279	73,033,614	85,092,075	101,463,435
Right-of-use Asset	19,366,883	19,672,676	-	-
Capital work in progress	-	11,384,266	-	-
Other non Current Assets	-	-	-	56,627
Deferred Tax Assets	3,050,981	3,104,735	3,446,735	-
Current Assets				
Inventories	395,896,556	325,313,349	160,559,135	91,534,256
Trade receivables	174,978,554	81,663,835	-	-
Advances, deposits and	22,795,688	21,865,036	21,044,462	3,293,586

prepayment				
Investment in FDR	83,061,305	15,334,375	93,512,277	58,918,925
Investment in Shares	6,101,500	5,271,520	5,454,994	-
Cash and cash equivalents	295,550,100	204,698,453	69,057,522	62,144,247
Total Assets	1,087,389,845	761,341,859	438,167,200	317,411,076
Shareholders' equity and liabilities				
Shareholders' equity				
Share capital	210,000,000	210,000,000	150,000,000	1,000,000
Share Money Deposits	-	-	-	99,000,000
Retained Earnings	142,926,814	89,370,990	78,324,552	65,443,090
Unrealised Gain / (Loss) from Investment	(151,641)	(723,918)	-	-
Liabilities				
Non- Current Liabilities				
Long term loans - net of current portion	941,091	1,022,876	20,439,372	10,158,964
Deferred tax liabilities	-	-	-	-
Lease Liability	21,083,417	20,852,488	-	-
Current Liabilities				
Bank overdraft	12,195,962	18,897,568	42,662,503	-
Short term bank loan	60,673,142	41,233,568	42,294,420	19,536,472
Long Term Loan (Secured) - Current Maturity	5,682,939	9,090,198	282,787	-
Liabilities for Capital Expenditure	12,389,297	11,384,266	-	-
Lease Liability-Net-off Current Maturity	396,830	505,581	-	-
Trade and other payables	445,422,197	345,785,652	90,187,028	120,896,818
Advance from Customer	160,646,464	-	8,405,100	-
Provision & Accrued Expenses	12,899,787	11,929,578	4,504,009	1,375,732
Liabilities / (Assets) for Current Tax	2,283,546	1,993,012	1,067,428	-
Total Shareholders' equity and liabilities	1,087,389,845	761,341,859	438,167,200	317,411,076

CHANGES IN CASH FLOWS

Particulars	30-Sep-22	30-Jun-22	30-Jun-21	30-Jun-20
Net cash flows from operating activities	135,472,475	95,808,662	1,402,594	165,541,514
Net cash used in investing activities	(74,258,892)	72,121,040	(48,098,527)	(118,843,792)
Net cash (used in)/ generated by financing activities	15,950,531	(10,609,085)	10,563,195	10,158,964

(i) **Internal and external sources of cash;**

Internal and external sources of cash

Particulars	30-Sep-22	30-Jun-22	30-Jun-21	30-Jun-20
Internal sources of Cash				
Share capital	210,000,000	210,000,000	150,000,000	1,000,000
Share money deposit	-	-	-	99,000,000
Unrealised Gain / (Loss) from Investment	(151,641)	(723,918)	-	-
Retained earnings	142,926,814	89,370,990	78,324,552	65,443,090
Sub-Total A	352,775,173	298,647,072	228,324,552	165,443,090
External sources of Cash				
Long term loans - net of current portion	941,091	1,022,876	20,439,372	10,158,964
Redeemable cumulative preference shares	-	-	-	-
Bank overdraft	12,195,962	18,897,568	42,662,503	-
Short term bank loan	60,673,142	41,233,568	42,294,420	19,536,472
Long term loans - current portion	5,682,939	9,090,198	282,787	-
Liabilities for Capital Expenditure	12,389,297	11,384,266	-	-
Sub-Total B	91,882,431	81,628,476	105,679,082	29,695,436
Grand Total (A+B)	444,657,604	380,275,548	334,003,634	195,138,526

ii) **Any material commitments for capital expenditure and expected sources of funds for such expenditure;**

The Company has not yet made any material commitment for capital expenditure except for those that are mentioned in Chapter (II) under the head 'Use of Proceeds' from QIO fund.

(iii) **Causes for any material changes from period to period in income, cost of goods sold, other operating expenses and net income;**

The Company's revenue and other income as well as operating expenses and net income have continued to change due to increasing business volume and increase in capacity utilization.

Particulars	30-Sep-22	30-Jun-22	30-Jun-21	30-Jun-20
Revenue	393,590,890	965,343,144	446,729,940	281,599,303
Year to year changes in revenue (%)	149%	116%	59%	--
Cost of goods sold (COGS)	356,436,119	874,112,221	405,625,284	247,212,278
Year to year changes in COGS (%)	149%	115%	64%	--
Gross profit (GP)	37,154,771	91,230,923	41,104,656	34,387,025
Year to year changes in Gross Profit (%)	149%	122%	20%	--
Operating expenses	6,553,770	25,912,378	15,212,748	10,672,046
Year to year changes in Operating expenses (%)	12.14%	70%	43%	--
Financial expenses	20,032,036	18,139,566	7,203,210	5,141,643
Year to year changes in Financial expenses (%)	406%	152%	40%	--
Net profit after tax	53,555,824	71,046,438	58,737,806	40,025,901
Year to year changes in Net Profit after tax (%)	178%	21%	47%	--

Causes for changes:**Revenues:**

30-Jun-2020: Revenue was increased by 160% in 2020 from 2019. This increase was on account of capacity additions.

30-Jun-2021: Revenue was increased by 59% in 2021 from 2020. This increase was on account of capacity additions.

30-Jun-2022: Revenue was increased by 116% in 2022 from 2021. The growth was on account of improved capacity utilisation.

30-Sep-2022: The financial period stated was three months (Jul-Sep 2022) and has increased by 149% when compared with the corresponding period in the previous year (Jul-Sep 2021). This is on account of improved capacity utilization.

Costs of Goods Sold:

Cost of Goods sold are in relation to the Export Sales. Hence cost have effected proportionately.

Other operating expenses:

The company have incurred business administrative expense during the last three years which in regulars and relevant with sales.

Net income:

The company has adopted many pragmatic initiatives to increase export sales through proper utilization of the existing capacity and gradual increase in capacity in parallel for future business expansion.

(iv) Any seasonal aspects of the company's business;

There is increasing trend towards cotton products and knitwear been benefited among the products made from Cotton. Further the Foreign buyer normally stock the product and supply to the market as per the demand. Hence the manufacturer would be benefitted of continuous order placement. Practically there are no seasonal impact on the manufacturer side and the capacity is getting booked through out the year.

(v) Any known trends, events or uncertainties that shall have a material effect on the company's future business;

The business operation of the company may be affected by some known events as follows:

Increase of Cotton Prices:

Impact: International trade prices of Cotton commodity have an effect on the yarn pricing in Bangladesh. There are situations of upward as well as downward trend in the cotton prices, corresponding effect will be on yarn prices.

Mitigation: The Company has all its contracts with buyer based on open costing method, wherein the actual cost of cotton prices will be factored before fixation of Garment export prices. Hence there will be no impact of cotton prices on the margins of the company.

World Market Demand:

Impact: There are effects of market demands shrinkage is on the export sales. Each buyer has their own market share which varies over the period

Mitigation: Knitwear products are in increasing trend and there is visible shrinkage in the market demands. Further whenever there is negative trend of market share found for a Foreign buyer, it can be replaced with a another foreign buyer. Hence capacity can be booked continuously and there will be minimal impact on account of foreign buyer's market share

Technology orientation:

Scandex (BD) Limited is the process technology oriented company. The production facilities of the company are based on currently best available technology. It uses latest machine models for its machines. Due to new model machine advantage the company will get assistance of higher productivity and thereby assuring the future business growth of the company.

Market Responsiveness:

Scandex (BD) Ltd has in direct contact with the Foreign buyer and all latest style changes are effected in the product without much delays. The strength of Scandex (BD) Ltd lies in the speed with which it has innovated itself to meet market expectations.

Industry factors:

With no near competitors from other countries and cost advantages of Bangladeshi Knitwear product, the Garment business in Bangladesh will continue to be sunrise industry.

Others:

- Natural disaster and social/political unrest are generally known events that may affect the Company's business.
- There is stable democratic government, the company look forward to have industry familiar environment in Bangladesh in coming days.
- Disaster of long time power and gas in national level.
- Effect of Pandemic like Covid-19 on the life style of the consumers.

(vi) Any change in the assets of the company used to pay off any liabilities;

None of the assets of the company has been used to pay off any liabilities of the company.

(vii) Any loan taken by the issuer from its holding/parent company or subsidiary company or loan given to aforesaid company, giving full details of the same;

No loan has been taken from or given to any related party or connected person of the company.

(viii) Any future contractual liabilities the company might enter into within next one year, and the impact, if any, it would have on the company's financial fundamentals;

The Company has no plan to enter into any contractual liability within next one year which may affect financial fundamentals of the issuer.

(ix) The estimated amount, where applicable, of future capital expenditure;

The Company has no plan for capital expenditure except for those mentioned in the 'Use of Proceeds' in Chapter (II) of this prospectus.

- (x) **Any VAT, income tax, customs duty or other tax liability which is yet to be paid, including any contingent liabilities stating why the same was not paid prior to the issuance of the prospectus;**

Status of unpaid VAT, Income Tax, custom duty or other tax liability:

The company has no such unpaid VAT, income tax, customs duty or other tax liability.

Value Added Tax (VAT)

The Company's VAT Registration Number is 001271561-0403 (area – Dhaka West-Savar Division), and it submits VAT returns on time. Being a 100% export oriented factory, there are no VAT liability on this sales. The purchases are made against the export contracts and hence there are no VAT components.

Income Tax

The company's ETIN is 130715100422, Taxes Circle- 023 (Company), Taxes Zone 02, Dhaka. Year wise income tax status of Scandex (BD) Ltd. is described below:

Accounting year	Assessment year	Status
2017-2018	2018-2019	Certified that Scandex (BD) Limited is a registered assessee-company of Taxes Circle-23 (Companies), Taxes Zone-2, Dhaka. Assessment of the assessee-company has been completed for the assessment year 2018-2019 under universal self-assessment scheme and tax paid on shown income for that year.
2018-2019	2019-2020	Certified that Scandex (BD) Limited is a registered assessee-company of Taxes Circle-23 (Companies), Taxes Zone-2, Dhaka. Assessment of the assessee-company has been completed for the assessment year 2019-2020.
2019-2020	2020-2021	Certified that Scandex (BD) Limited is a registered assessee-company of Taxes Circle-23 (Companies), Taxes Zone-2, Dhaka. The assessee has submitted the IT return under Universal Self Assessment scheme (U/S 82BB) for the assessment year 2020-2021.
2020-2021	2021-2022	Assessment Completed U/s 82BB
2021-2022	2022-2023	Return submission made and assessment under process

Customs Duty or other tax liabilities:

The Company does not have any outstanding customs duty or any other similar liabilities.

Contingent liabilities:

The Company has no contingent liabilities as of 30 Sep 2022.

- (xi) Details of any operating lease the company has entered into during the five years preceding the issuance of the prospectus, clearly indicating terms of the lease and how the company proposes to liquidate such lease;

There is no lease agreement the company has entered into during the five years preceding the issuance of the prospectus.

- (xii) Any financial commitment, including lease commitment, the company had entered into during the past five years, giving details as to how the liquidation was or is to be in effect;

Scandex (BD) Limited has no financial lease obligation with anyone. However, the Company has operating lease commitment for its rented factory building at Gouripur, Ashulia, Savar, Dhaka - 1320, Bangladesh and taken loan from NCC Bank Ltd. which is as follows:

Property	Factory building measuring 33600 Sft
Expiry Date	31 July 2038 (20 years)
Lessor name	Md Abdul Motalibe
Principal Terms	Lessor offers Basic Structures on the Building as lease Internal infrastructures are to be invested by the Scandex Exit option can be applied only by Scandex and Lessor has no option to exit until the expiry date.
Payment Terms / Monthly	BDT 118,872 (1 st August 2018 to 31 st July 2023) BDT 178,308 (1 st August 2023 to 31 st July 2028) BDT 237,744 (1 st August 2028 to 31 st July 2033) BDT 297,180 (1 st August 2033 to 31 st July 2038)

Loans:

The Financial Commitment(Long Term)

Bank/ FI	Purpose of Loan	Total Amount (Sanction in BDT)	Sanction Date	Date of Expiry	Rate of Interest (%)	Monthly Installment (In BDT)	Outstanding balance as on 30 Sep 2022 (Amount in BDT)	Liquidation
NCC Bank	Stimulus Loan	15,000,000	03 May 2020	Jan 2023	Z	640,163	2,298,182	Moratorium period increased by Bank
NCC Bank	Stimulus Loan	5,000,000	27 July 2020	Mar 2023	4.5%	288,000	1,716,647	
NCC Bank	Stimulus Loan	3,950,000	06 July 2020	Mar 2023	2%	220,473	1,349,409	
NCC Bank	Vehicle Loan	1,680,000	15 Nov 2020	Mar 2026	9%	34,874	1,259,792	Monthly Repayment.
Total							6,624,030	

The Financial Commitment (ShortTerm and Bank Overdraft)

Bank/FI	Purpose	Total Sanctioned Limit	Rate of Interest (%)	Repayment schedule	Outstanding balance as on 30 Sep 2022 (Amount in BDT)	Liquidation
NCC Bank	Raw material Purchase	30,000,000	PC Loan : 9.0%	Against Export Proceeds	10,521,301	
NCC Bank	Raw material Purchase		Pre-Shipment Credit Loan : 3.5%		9,554,121	
NCC Bank	Raw material Purchase		Overdraft Export: 9.0%		9,162,663	
		30,000,000			29,238,085	
NCC Bank	EDF	Inner limit of Back to Back LC limit of Tk 30 Crores	EDF Loan : 4.0%		40,597,720	
Lanka Bangla	Working Capital	8,000,000	2.5%	Revolving. Settlement against Export proceeds	3,033,299	
Total (Refer note 16 and 17 to the Audited Financials of 30th September 2022					72,869,104	

(xiii) Details of all personnel related schemes for which the company has to make provision for in future years;

The company has established employee benefits including Provident Fund, Gratuity Benefit, Group Life Insurance Coverage and Central Worker Welfare Fund for the welfare of its employees.

The following benefits and related scheme are applicable for company's permanent payroll employees:

Yearly Increment	Salary	Upon management approval annual increments is given to employees.
Allowances		According to performance and pay scale, allowances are given for expenses such as house rent, conveyance, medical expense, car maintenance and mobile phone facility.
Central Worker's Welfare Fund		From the Exports proceeds of the Company, an amount of 0.03% have been deducted and this amount has been utilized for deposits with Central Worker's Welfare fund maintained by the Government.
Service Benefits		All permanent employees of the company having minimum three (3) years of continuous service are entitled to Service Benefit.
Festival Bonus		In each Eid employees are given festival bonus equivalent to one-

	month basic salary.
Group Life Insurance Coverage	The Company has Group Insurance Policy in order to help employees maintain sound health with Poiner Insurance Company Ltd.
Maternity Leave	Females Employees are entitled to maternity benefit up to the birth of two children.
Central Worker Welfare Fund – RMG	The company is contributing to the Central Worker's Welfare Fund, hence the company is exempted from application of WPPF.

(xiv) Break down of all expenses connected with the QIO showing specifically:— (i) fee of issue manager; and (ii) fee of underwriter;

The following amount to be paid to the Issue Manager, Underwriters and other costs are as follows:

Sl. No.	Particulars	Basis	Amount in BDT (approx.)	
A.	MANAGERS TO THE ISSUE FEES			575,000
1	Managers to the Issue fee	maximum 1% (one percent) on the QIO amount or taka 500 (Five hundred) thousand whichever is lower	500,000	
2	VAT against Issue Management Fees	15% of issue management fees	75,000	
B.	FEES RELATED TO LISTING WITH THE STOCK EXCHANGES			312,000
3	Draft prospectus scrutiny fee for DSE & CSE	Fixed	50,000	
4	DSE and CSE Annual Fee	@ 0.025% on Tk. 10 Crore of paid-up capital and 0.01% on the rest amount of paid-up capital;	82,000	
5	Fees related to Listing with the stock exchanges	@ 0.10% on Tk. 10 Crore and 0.05% on the rest amount of paid up capital range;	180,000	
C.	BSEC FEES			100,000
6	Application fee	Fixed	50,000	
7	Consent fee	@ 0.10% (zero-point one percent) on the amount of QIO	50,000	
D.	QIO RELATED FEES			110,938
8	Underwriting Commission (0.25%)	Commission @ 0.25% on Underwritten Amount	31,250	
9	VAT against Underwriting Commission	15% of Underwriting Commission	4,688	
10	Auditors Certification fees	At Actual	75,000	
E.	CDBL FEES AND EXPENSES			647,500
11	Security Deposit	At Actual	500,000	
12	Documentation fee	At Actual	2,500	
13	Annual fee	At Actual	100,000	
14	Connection Fee (TK. 500 per month* 12)	At Actual	6,000	
15	Qualified Investor Offer fee	@.015% of issue size+.015% of Pre-IPO paid up capital	39,000	
Grand Total				1,745,438

N.B.: Actual costs will vary if above mentioned estimates differ and will be adjusted accordingly.

- (xv) If the issuer has revalued any of its assets, the name, qualification, work done to date by the valuer and the reason for the revaluation, showing the value of the assets prior to the revaluation, itemizing separately each asset revalued in a manner which shall facilitate comparison between the historical value and the amount shown after revaluation and giving a summary of the valuation report;**

Scandex (BD) Limited has not made any revaluation of its asset.

- (xvi) Where the issuer is a holding/subsidiary company, there shall be full disclosure in the prospectus about the transactions, including its nature and amount, between it and its subsidiary/holding company or associate companies, including transactions which have taken place within the last five years of the issuance of the prospectus or the date of incorporation of the issuer company, whichever is earlier, clearly indicating whether the issuer company is a debtor or a creditor;**

Scandex (BD) Limited does not have any holding or subsidiary company.

- (xvii) Where the issuer is a banking company, insurance company, non-banking financial institution, a declaration by the board of directors shall be included in the prospectus stating that all requirements as specified in the ব্যাংক কোম্পানী আইন, ১৯৯১ (১৯৯১ সালের ১৪ নং আইন), আর্থিক প্রতিষ্ঠান আইন, ১৯৯৩ (১৯৯৩ সালের ২৭ নং আইন), বীমা আইন, ২০১০ (২০১০ সনের ১৩ নং আইন) have been adhered to;**

This information is not applicable for SCANDEX (BD) LIMITED.

(xviii) A special report from the auditors regarding any allotment of shares to the directors and subscribers to the Memorandum of Association and Articles of Association for any consideration otherwise than for cash;

Certificate on Ordinary Share allotted otherwise than in Cash

This is to certify that as per books of accounts and other records, the company has allotted the following ordinary shares in consideration otherwise than in cash (bonus) to the directors and other shareholders of the company.

Date of issue	Persons to whom those are issued	No. of shares allotted	Relationship with the issuer	Issue price	Consideration & Valuation	Reasons for the issue	Benefit from the issue
30 Apr 2021	Fardeen Ahmed Patwary	450,000	Managing Director	Tk 100	45,000,000	Bonus	To increase capital base
30 Apr 2021	Faisal Ahmed	50,000	Director	Tk 100	5,000,000	Bonus	To increase capital base
16 May 2022	Fardeen Ahmed Patwary	5,518,000	Director	Tk 10	55,180,000	Bonus	To increase capital base
16 May 2022	Faisal Ahmed	240,000	Director	Tk 10	2,400,000	Bonus	To increase capital base
16 May 2022	Mohammed Farruque Ahmed	240,000	Director	Tk 10	2,400,000	Bonus	To increase capital base
16 May 2022	Ishtique Amed Chowdhury	400	Shareholder	Tk 10	4,000	Bonus	To increase capital base
16 May 2022	M. Shoquet Rashed Mamun	400	Shareholder	Tk 10	4,000	Bonus	To increase capital base
16 May 2022	Md. Nazmul Haque	400	Shareholder	Tk 10	4,000	Bonus	To increase capital base
16 May 2022	Md. Khairul Alam	400	Shareholder	Tk 10	4,000	Bonus	To increase capital base
16 May 2022	Md. Lufor Rahman	400	Shareholder	Tk 10	4,000	Bonus	To increase capital base

Sd/
Kamrul Abedin FCA
 Partner
M.J. Abedin & Co
 Chartered Accountants

Place: Dhaka
 Date: 27 December 2022

(xix) Any material information, which is likely to have an impact on the offering or change the terms and conditions under which the offer has been made to the public.

There is no material information, which is likely to have an impact on the offering or change the terms and conditions under which the offer has been made to the public.

(9) DIRECTORS AND OFFICERS

(a) Name, age, qualification, experience and position of each of the directors of the company and any person nominated to be a director, showing the period for which, the nomination has been made and the name of the organization which has nominated him;

Sl .	Name	Position	Age	Residential Address	Educational qualification	Experience
1.	Fardeen Ahmed Patwary	Managing Director	22	House#2, Road 54A, Gulshan 2, Dhaka-1212	Bachelor of Business Management, Toronto University	1
2.	Faisal Ahmed	Director	41	House#2, Road 54A, Gulshan 2, Dhaka-1212	BBA, Dhaka University	15
3.	Mohammed Farruque Ahmed	Director	45	House#2, Road 54A, Gulshan 2, Dhaka-1212	BBA, Dhaka University	20

(b) In the case of a director, the date on which he first became a director and the date on which his current term of office shall expire;

Sl.	Name of Director	Position	Date of first Directorship	Date of expiration of current term in SBDL
1	Fardeen Ahmed Patwary	Managing Director	10 Dec 2018	Latest AGM 10 th November 2022. Until Next AGM. Will be available for extension
2	Faisal Ahmed	Director	10 Dec 2018	Latest AGM 10 th November 2022. Until Next AGM. Will be available for extension
3	Mohammed Farruque Ahmed	Director	30 Apr 2021	Latest AGM 10 th November 2022. Until Next AGM. Will be available for extension

(c) If any director is also a director of another company or owner or partner of any other concern, the names of such organizations;

There are no other Business over which the Directors have interest.

(d) Any family relationship among directors and top five officers;

Sl.No.	Name of Director and Officer	Position in the company	Relationship
1	Fardeen Ahmed PATwary	Managing Director	Fardeen Ahmed's father is a brother of Faisal Ahmed and Mohammed Farruque Ahmed.
2	Faisal Ahmed	Director	Faisal Ahmed and Mohammed Farruque Ahmed are brothers
3	Mohammed Farruque Ahmed	Director	Mohammed Farruque Ahmed and Faisal Ahmed are brothers

(e) Short bio-data of each director;

Mr. Fardeen Ahmed Patwary, Managing Director

A young entrepreneur and financial analyst of business. As a member of a business-oriented family had opportunity to work with professionals and got experience to know about the business inside and out. A good academic background and knowledge of Financial and management from ISB. A Dedicated and Hard-working person always want to succeed in Business. Main focus of Fardeen would on the procurement of new Export orders and maintaining the communication with the existing Foreign Buyers. Maintains good relationship with all the Buyers. Focus on New trends in the International Market.

Mr. Faisal Ahmed, Director

Has more than 15 years of experience in strategic management, corporate management, administration, planning and decision making etc. Now he is managing the Operations of the company.

Mr. Mohammed Farruque Ahmed, Director

Well versed in Knitwear fabric and garment making technology. Has 20 years of managerial experience and has the capability to manage the supply chain which is a key for a Garments manufacturing.

(f) Neither the company nor any of its directors of the issuer is loan defaulter in terms of the CIB report of the Bangladesh Bank;

Neither the company nor any of its directors of the issuer is loan defaulter in terms of the CIB report of Bangladesh Bank.

(g) Name with position, educational qualification, date of joining in the company, last five years' experience of the Chief Executive Officer, Chief Financial Officer, Company Secretary, Advisers, Consultants, Additional and Deputy Managing Directors and All Departmental Heads.

Name	Position	Educational Qualification	Date of Joining	Overall experience (Years)	Previous Employment
Helal Uddin	CFO	MBA	25 Dec 2018	16	Scandex Knitwear Ltd
Chinibas Chandra Talukdar	GM – Production	BA	01 Oct 2018	27	Sol's Group, France
Harun Hasan Ali	GM – Fabrics	BE-Textile Engineering	15 Dec 2019	15	Sol's Group, France
Tarek Monour	GM – Technical	BE-Textile Engineering	20 May 2020	12	Polmal Group
Shuvro kumar Shaha	AGM - Purchase Head	MBA	01 Mar 2019	10	Scandex Knitwear Ltd

**(10) INVOLVEMENT OF DIRECTORS AND
OFFICERS IN CERTAIN LEGAL
PROCEEDINGS**

None of the Directors or Officers of Scandex (BD) Limited was involved in any of the following types of legal proceedings in the last 10 (ten) years:

- (a) Any bankruptcy petition filed by or against any company of which any officer or director of the issuer company filing the prospectus was a director, officer or partner at the time of the bankruptcy;
- (b) Any conviction of director, officer in a criminal proceeding or any criminal proceeding pending against him;
- (c) Any order, judgment or decree of any court of competent jurisdiction against any director, officer permanently or temporarily enjoining, barring, suspending or otherwise limiting the involvement of any director or officer in any type of business, securities or banking activities;
- (d) Any order of the Bangladesh Securities and Exchange Commission, or other regulatory authority or foreign financial regulatory authority, suspending or otherwise limiting the involvement of any director or officer director in any type of business, securities or banking activities.

(11) CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The auditor has certified that following related party transactions was made in accordance with IAS-24 which is as follows:

The Company (issuer) does not have any transaction during the last 02 (two) years with the following:

- (a) Any director or executive officer of the issuer;
- (b) Any director or officer;
- (c) Any person owning 5% or more of the outstanding shares of the issuer;
- (d) Any member of the immediate family (including spouse, parents, brothers, sisters, children, and in-laws) of any of the above persons;
- (e) Any transaction or arrangement entered into by the issuer or its subsidiary for a person who is currently a director or in any way connected with a director of either the issuer company or any of its subsidiaries/holding company or associate concerns, or who was a director or connected in any way with a director at any time during the last three years prior to the issuance of the prospectus;
- (f) Any loans either taken or given from or to any director or any person connected with the director, clearly specifying details of such loan in the prospectus, and if any loan has been taken from any such person who did not have any stake in the issuer, its holding company or its associate concerns prior to such loan, rate of interest applicable, date of loan taken, date of maturity of loan;
- (g) Any director holding any position, apart from being a director in the issuer company, in any company, society, trust, organization, or proprietorship or partnership firm;
- (h) All interests and facilities enjoyed by a director, whether pecuniary or non-pecuniary.

(12) EXECUTIVE COMPENSATION

(a) The total amount of remuneration paid to the top five salaried officers of the issuer in the last accounting year and the name and designation of each such officer;

SL	Name	Designation	Remuneration/salaries (Tk.)
			For the Period ended 30.09.2022 (three months)
1	Helal Uddin	CFO	112,500
2	Chinibas Chandra Talukdar	GM – Production	137,500
3	Harun Hasan Ali	GM – Fabrics	125,000
4	Tarek Monour	GM – Technical	125,000
5	Shuvro kumar Shaha	AGM - Purchase Head	100,000

(b) Aggregate amount of remuneration paid to all directors and officers as a group during the last accounting year;

SL.	Particuars	Nature of Transaction	Amount (in Taka)
			For the period ended 30.09.2022
1	Directors	Remuneration	-
2	Chief Executive Officer	Remuneration	-
3	Directors	Board Meeting Fee	-
4	Officers and staffs	Salary and Allowances	38,474,171

(c) The amount of remuneration paid to any director who was not an officer during the last accounting year;

No director who was not an officer of the company is given any other facilities.

(d) Any contract with any director or officer providing for the payment of future compensation;

The company has not entered into any contract with any of its directors or officers for any future compensation packages.

(e) If the issuer intends to substantially increase the remuneration paid to its directors and officers in the current year, appropriate information regarding thereto.

The Company does not have any plan to substantially increase remuneration to Officers/Directors except usual increase in salaries & allowances in line with the performance achieved by individuals.

(13) OPTIONS GRANTED TO DIRECTORS, OFFICERS AND EMPLOYEES

The company has no options granted to Directors, Officers or any other employees of the Company or to any other person who was not involved in the Company.

**(14) TRANSACTION WITH THE
DIRECTORS AND SUBSCRIBERS TO THE
MEMORANDUM**

- (a) The names of the directors and subscribers to the memorandum, the nature and amount of anything of value received by the issuer during the last five years or to be received by each of the above persons, directly or indirectly, from the issuer and the nature and amount of any assets, services or other consideration received or to be received by the issuer;

Benefits from the Company during last five years:

The Directors and subscribers to the memorandum of association have not received any benefits.

- (b) If any assets were acquired or are to be acquired from the aforesaid persons, the amount paid for such assets and the method used to determine the price shall be mentioned in the prospectus, and if the assets were acquired by the said persons within two years prior to their transfer to the issuer, the cost thereof paid to the subscribers to the memorandum shall also have to be shown therein.**

Directors and Subscribers' Assets to the Company:

Directors and subscribers to the memorandum have not transferred any asset to the Company in the last five years. Besides, in the last five years the issuer Company has not received any assets or other considerations from its Directors and subscribers to the memorandum except fund against allotment of shares.

(15) TANGIBLE ASSETS PER SHARE

Net Tangible Asset backing per unit of the securities being offered as at 30 September, 2022:

Particulars	Amount in Taka
Total Non-Current Assets (A)	109,006,143
Total Current Assets (B)	978,383,703
Non-Current Liabilities (C)	22,024,508
Total Current Liabilities (D)	712,590,165
Net Assets (E=A+B-C-D)	352,775,173
Number of Share Outstanding (F)	21,000,000
Net Tangible Assets Value Per Share (G=E/F)	16.80

(16) OWNERSHIP OF THE COMPANY'S SECURITIES

(a) The name and address of any person who owns, beneficially or of record, 5% or more of the securities of the issuer, indicating the number of securities owned, whether they are owned beneficially or of record, and the percentage of the securities represented by such ownership;

Sl.	Name of the Shareholders	Position	Address	Number of Shares Held	Pre IPO %	Lock-in*
1	Fardeen Ahmed Patwary	Managing Director	House#2, Road 54A, Gulshan 2, Dhaka-1212	19,313,000	91.97%	2 Yrs.
2	Faisal Ahmed	Director	House#2, Road 54A, Gulshan 2, Dhaka-1212	840,000	4.00%	2 Yrs.
3	Mohammed Farruque Ahmed	Director	House#2, Road 54A, Gulshan 2, Dhaka-1212	840,000	4.00%	2 Yrs.
4	Ishtique Ahmed Chowdhury	Shareholder	House 3, Flat 3/B1, Road 6, Gulshan 1, Dhaka	1,400	0.01%	1 Yr.
5	Md. Shoquet Rashed Mamun	Shareholder	Flat-E2, House # SW 12/A, Road 8, Gulshan, Dhaka	1,400	0.01%	1 Yr.
6	Md. Nazmul Haque	Shareholder	94/1, Kakrail, Shantinagar, Ramna, Dhaka	1,400	0.01%	1 Yr.
7	M Khairul Alam	Shareholder	Plot # F3, Road 23/9, Khilje Road, Mohamadpur, Dhaka - 1207	1,400	0.01%	1 Yr.
8	Md. Lufor Rahman	Shareholder	Barangail, Shibalaya, Manikganj	1,400	0.01%	1 Yr.
Total				21,000,000	100.00%	

*Lock-in period will start from the date of issuance of prospectus.

List of 5% or more securities of the Company:

Sl.	Name of the Shareholders	Position	Number of Shares Held	Pre QIO %
1	Fardeen Ahmed Patwary	Managing Director	19,313,000	91.97%

(b) The number of shares of the issuer's securities owned by each director, each of the top ten salaried officers, and all other officers as a group, indicating the percentage of outstanding shares represented by the shares owned:

Securities owned by each director:

Sl.	Name of Sponsor & Director	Number of Ordinary Shares Held	Face Value & Issue Price	Percentage	
				Pre-QIO	Post-QIO
1	Fardeen Ahmed Patwary	19,313,000	10.00	91.97%	[*]
2	Faisal Ahmed	840,000	10.00	4.00%	[*]
3	Mohammed Farruque Ahmed	840,000	10.00	4.00%	[*]
Total		18,050,909		99.97%	[*]

Securities owned by the top ten salaried officers:

No Salaried officer/executive holds any share of the Company individually or as a group as on 30 September 2022.

(17) DETERMINATION OF OFFERING PRICE

The issue price at Tk. [*] per share is justified as details below:

	Particulars	Amount (in Tk.)
Method 1	Net Asset Value (NAV) per share/Equity based valuation	16.80
Method 2	A) Historical Earnings based valuation (Considering market P/E)	44.53
	B) Historical Earnings based valuation (Considering sector P/E)	72.45
Method 3	Average market price of similar stock-based valuation	35.69

Method 1: Share price on Net Asset Value (NAV)/Equity based valuation

Sl. No.	Particulars	Amount (in Tk.)
a)	Share Capital	210,000,000
b)	FVOCI Reserve	(151,641)
c)	Retained Earnings	142,926,814
Total Shareholders' Equity (A)		352,775,173
Number of Share Outstanding as on Sep 30, 2022 (B)		21,000,000
Net Asset Value per share (without revaluation reserve) as per Audit Report as on Sep 30, 2022 (A/B)		16.80

Method 2: Historical Earnings based value per share

A) Earnings based Value per share based on Overall Market P/E

Year	No. of Share	Profit after Tax	Weight (%)	Weighted Average Net Profit after Tax
30-Jun-18	30,000	(10,000)	0.00083	(8)
30-Jun-19	100,000	5,731,319	0.00276	15,819
30-Jun-20	100,000	40,025,901	0.00276	110,477
30-Jun-21	15,000,000	58,737,806	0.41402	24,318,716
30-Jun-22	21,000,000	71,046,438	0.57963	41,180,657
Total	36,230,000	175,531,464	1.00000	65,625,661
Weighted Average Profit after Tax				65,625,661
No. of shares outstanding before QIO				21,000,000
Diluted EPS based on weighted Average of Net Profit after Tax				3.13
Overall Market P/E is 14.23 (Average of last 3-months)				14.23
Earnings based Value per share				44.53

B) Earnings based Value per share based on Sector P/E

Year	No. of Share	Profit after Tax	Weight (%)	Weighted Average Net Profit after Tax
30-Jun-18	30,000	(10,000)	0.00083	(8)
30-Jun-19	100,000	5,731,319	0.00276	15,819
30-Jun-20	100,000	40,025,901	0.00276	110,477
30-Jun-21	15,000,000	58,737,806	0.41402	24,318,716
30-Jun-22	21,000,000	71,046,438	0.57963	41,180,657
Total	36,230,000	175,531,464	1.00000	65,625,661
Weighted Average Profit after Tax				65,625,661
No. of shares outstanding before QIO				21,000,000
Diluted EPS based on weighted Average of Net Profit after Tax				3.13
Overall Market P/E is 23.15 (Average of last 3-months)				23.15
Earnings based Value per share				72.45

Calculation of Average Price Earnings of Market & Textile Sector:

Particulars	Jun-22	Jul-22	Aug-22	Average
Overall Market P/E	14.44	13.83	14.42	14.23
Textile Sector P/E	22.33	22.62	24.50	23.15

Source: DSE Monthly Review.

Method 3: Average market price of similar stock-based valuation

Month end close price				
Sl.	Date	Esquire Knit Composite Limited	Envoy Textiles Limited	Shasha Denims Limited
1	31-Jan-22	35.50	49.80	27.10
2	28-Feb-22	33.80	43.70	24.40
3	31-Mar-22	34.00	42.80	25.80
4	30-Apr-22	34.70	43.70	26.60
5	31-May-22	35.60	44.60	28.70
6	30-Jun-22	35.30	44.20	28.70
7	31-Jul-22	36.10	47.90	27.60
8	31-Aug-22	37.90	45.50	29.10
9	30-Sep-22	34.50	43.90	27.00
10	31-Oct-22	34.50	43.90	27.00
11	30-Nov-22	34.50	43.90	27.00
12	31-Dec-22	34.50	43.90	27.00
Average Price		35.08	44.82	27.17
Average Price of these 3 (Three) Stocks				35.69

Source: DSE Monthly Review.

Average market price of similar stock-based valuation (Assumption)

1. The average month end close price of the peer Company from January 2022 to December 2022 is considered.

**(18) DESCRIPTION OF SECURITIES
OUTSTANDING OR BEING OFFERED**

All types of securities outstanding or being offered with date or proposed date of such issue and to whom those are offered, number of securities and issue or offer price along with the following information:

(a) Describe any dividend, voting and preemption rights of any common stock outstanding or being offered;

The Share Capital of the company is divided into Ordinary Shares, carrying equal rights to vote and receive dividend in terms of the relevant provisions of the Companies Act 1994 and the Articles of Association of the company. All Shareholders shall have the usual voting rights in person or by proxy in connection with, among others, election of Directors & Auditors and other usual agenda of General Meeting – Ordinary or Extra-ordinary. On a show of hand, every shareholder presents in person and every duly authorized representative of a shareholder present at a General Meeting shall have one vote and on a poll every shareholder present or by proxy shall have one vote for every share held by him or her.

In case of any additional issue of shares for raising further capital the existing shareholders shall be entitled to Right Issue of shares in terms of the guidelines issued by the BSEC from time to time.

(b) Describe the dividend, voting, conversion and liquidation rights, as well as redemption or sinking fund provisions, of any preferred stock outstanding or being offered;

In terms of provisions of the Companies Act 1994, Articles of Association of the Company and other relevant rules in force, the shares of the Company are freely transferable. The Company shall not charge any fee for registering transfer of shares. No transfer shall be made to a firm, an infant or person of unsound mind.

(c) If there are any limitations on the payment of dividends to common or preferred stockholders because of provisions in debt instruments or otherwise, explain such limitations;

- i. The profit of the Company, subject to any special right relating thereto created or authorized to be created by the Memorandum and subject to the provisions of the Articles of Association, shall be divisible among the members in proportion to the amount of capital paid-up on the shares held by them respectively.
- ii. No large dividend shall be declared than is recommended by the Directors, but the Company in its General Meeting may declare a smaller dividend. The declaration of Directors as to the amount of Net profit of the Company shall be conclusive.
- iii. No dividend shall be payable except out of the profits of the Company or any other undistributed profits. Dividend shall not carry interest as against the Company.
- iv. The Directors may from time to time pay the members such interim dividend as in their judgment the financial position of the Company may justify.
- v. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of transfer.
- vi. No limitation in payment of dividend is stipulated in any debt instrument or otherwise.

(d) describe any other material rights of the common or preferred stockholders;

In terms of the provisions of the Companies Act 1994, Articles of Association of the Company and other relevant rules in force, the shares of the Company are transferable. The Company shall not charge any fee, other than Government duties for registering transfer of shares. No transfer shall be made to a minor or person of unsound mind.

The Directors shall present the financial statements as required under the law & International Accounting Standard. Financial statements will be prepared in accordance with the International Accounting Standards consistently applied throughout the subsequent periods and present with the objective of providing maximum disclosure as per law and International Accounting Standard to the shareholders regarding the financial and operational position of the company. The shareholders shall have the right to receive all periodical statement and reports, audited as well as un audited, published by the company from time to time.

The shareholder holding minimum of 10% shares of paid-up capital of the company shall have the right to requisition extra ordinary General Meeting of the company as provided for the section 84 of the Companies Act 1994.

(19) FINANCIAL STATEMENT

(a) The financial statements prepared and audited in adherence to the provisions of the Securities and Exchange Rules, 2020

**Independent Auditor's Report
To the Shareholders of
SCANDEX (BD) LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **SCANDEX (BD) LIMITED**, which comprise the statement of financial position as at 30 September 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the company as at 30 September 2022, and its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules 2020, we report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof ;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) the statement of financial position and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and
- d) the expenditure incurred was for the purposes of the Company's business for the period

The engagement partner on the audit resulting in this independent auditor's report is **Mr. Kamrul Abedin FCA**.

Place: Dhaka
Date: 27 December, 2022

S/d
M. J. ABEDIN & CO
Chartered Accountants
Firm Reg: N/A
Kamrul Abedin FCA, Partner
Enroll No: 527
DVC No.: 2212290527AO909523

Scandex (BD) Limited
Statement of Financial Position
As at 30 September 2022

	Notes	Amount in Taka	
		30-Sep-2022	30-Jun-2022
ASSETS			
Non-Current Assets		109,006,143	107,195,290
Property, Plant & Equipment	4.00	86,588,279	73,033,614
Right-of-Use Asset	5.00	19,366,883	19,672,676
Machinery-in-Transit	6.00	-	11,384,266
Deferred Tax Asset	7.00	3,050,981	3,104,735
Current Assets		978,383,703	654,146,569
Inventories	8.00	395,896,556	325,313,349
Trade & Other Receivables	9.00	174,978,554	81,663,835
Advances, Deposits & Prepayments	10.00	22,795,688	21,865,036
Short Term Investments	11.00	89,162,805	20,605,895
Cash and Cash Equivalents	12.00	295,550,100	204,698,453
Total Assets		1,087,389,845	761,341,859
EQUITY AND LIABILITIES			
Shareholder's Equity		352,775,173	298,647,072
Share Capital	13.00	210,000,000	210,000,000
FVOCI Reserve		(151,641)	(723,918)
Retained Earnings		142,926,814	89,370,990
Non-Current Liabilities		22,024,508	21,875,364
Long Term Loan (Secured) - Net-off Current Maturity	14.00	941,091	1,022,876
Lease Liability - Net-off Current Maturity	15.00	21,083,417	20,852,488
Current Liabilities and Provisions		712,590,165	440,819,422
Bank Overdraft	16.00	12,195,962	18,897,568
Short Term Loan	17.00	60,673,142	41,233,567
Long Term Loan (Secured) - Current Maturity	18.00	5,682,939	9,090,198
Lease Liability - Current Maturity	19.00	396,830	505,581
Trade & Other Payables	20.00	445,422,197	345,785,652
Liabilities for Capital Expenditure	21.00	12,389,297	11,384,266
Advance Received from Customer	22.00	160,646,464	-
Provision & Accrued Expenses	23.00	12,899,787	11,929,578
Liabilities /(Assets) for Current Tax	24.00	2,283,546	1,993,011
Total Equity and Liabilities		1,087,389,845	761,341,859

Net Asset Value (NAV) Per Share (**Annexure - B**)

The notes are integral part of the Financial Statements.

Approved and authorised for issue by the board of directors on 27 December 2022 and signed for and on behalf of the Board.

S/d Managing Director	S/d Director	S/d Chief Financial Officer
		As per our report of even date annexed

Place: Dhaka
Dated: 27 December 2022

S/d

M. J. ABEDIN & CO
Chartered Accountants
DVC No.: 2212290527AO909523

Scandex (BD) Limited
Statement of Profit or Loss
For the period ended 30 September 2022

	Notes	Amount in Taka	
		01 Jul 2022 to 30 Sep 2022	01 Jul 2021 to 30 Sep 2021
Turnover	25.00	393,590,890	158,161,117
Cost of Goods Sold	26.00	(356,436,119)	(143,227,057)
Gross Profit		37,154,771	14,934,060
Operating Expense-			
Administrative Expenses	27.00	(5,227,461)	(5,105,769)
Selling Expenses	28.00	(1,326,309)	(738,734)
Profit /(Loss) from Operation		30,601,001	9,089,556
Finance Cost	29.00	(20,032,036)	(3,957,047)
Non Operating Income	30.00	53,281,889	16,862,408
Profit Before Contribution to Welfare Fund		63,850,854	21,994,917
Contribution to welfare Fund		(94,565)	(34,822)
Profit Before Tax		63,756,288	21,960,095
Income Tax Expenses		10,200,464	2,673,490
Current Tax Expense	31.00	10,146,711	2,580,910
Deferred Tax Expense		53,753	92,580
Net Profit after Taxation (NPAT)		53,555,824	19,286,605

Earning Per Share (Annexure - B)

The notes are integral part of the Financial Statements.

Approved and authorised for issue by the board of directors on 27 December 2022 and signed for and on behalf of the Board.

S/d Managing Director	S/d Director	S/d Chief Financial Officer
		As per our report of even date annexed

Place: Dhaka
Dated: 27 December 2022

S/d

M. J. ABEDIN & CO
Chartered Accountants
DVC No.: 2212290527AO909523

Scandex (BD) Limited
Statement of Other Comprehensive Income
For the period ended 30 September 2022

Particulars	Amount in Taka	
	01 Jul 2022 to 30 Sep 2022	01 Jul 2021 to 30 Sep 2021
Net Profit after Taxation (NPAT)	53,555,824	19,286,605
Change in fair value of FVOCI financial assets	572,277	(155,822)
Total Comprehensive Income for the period	54,128,101	19,130,783

The notes are integral part of the Financial Statements.

Approved and authorised for issue by the board of directors on 27 December 2022 and signed for and on behalf of the Board.

S/d	S/d	S/d
Managing Director	Director	Chief Financial Officer
		As per our report of even date annexed

Place: Dhaka
Dated: 27 December 2022

S/d
M. J. ABEDIN & CO
Chartered Accountants
DVC No.: 2212290527AO909523

Scandex (BD) Limited
Statement of Changes in Equity
For the period ended 30 September 2022

Particulars	Amount in Taka			
	Share Capital	FVOCI Reserve	Retained Earnings	Total
Balance as on 01 July 2022	210,000,000	(723,918)	89,370,990	298,647,072
Unrealized Gain /(Loss) from Investment	-	572,277	-	572,277
Comprehensive Income during the period	-	-	53,555,824	53,555,824
Balance as on 30 September 2022	210,000,000	(151,641)	142,926,814	352,775,173
Balance as on 01 July 2021	150,000,000	-	78,324,552	228,324,552
Unrealized Gain /(Loss) from Investment	-	(155,822)	-	(155,822)
Comprehensive Income during the period	-	-	19,286,605	19,286,605
Balance as on 30 September 2021	150,000,000	(155,822)	97,611,157	247,455,335

The notes are integral part of the Financial Statements.

Approved and authorised for issue by the board of directors on 27 December 2022 and signed for and on behalf of the Board.

S/d	S/d	S/d
Managing Director	Director	Chief Financial Officer

Dated: 27 December 2022
Place: Dhaka

S/d

M. J. ABEDIN & CO
Chartered Accountants
DVC No.: 2212290527AO909523

Scandex (BD) Limited
Statement of Cash Flows
For the period ended 30 September 2022

	Amount in Taka		
	01 Jul 2022 to 30 Sep 2022	01 Jul 2021 to 30 Sep 2021	
Cash flows from operating activities			
Cash receipts from customers and others	462,832,137	112,508,095	
Cash paid to suppliers and employees	(365,767,183)	(175,573,567)	
Cash Generated from Operations	97,064,955	(63,065,472)	
	38,407,520	9,434,483	
Finance Cost	(3,887,947)	(2,866,691)	
Income Tax Paid	(9,856,176)	(1,973,486)	
Interest Income	174,043	729,010	
Cash Incentive	51,852,000	13,460,000	
Miscellaneous Income	125,600	85,650	
Net cash Generated/(Used) in operating activities	135,472,475	(53,630,990)	
Cash flows from investing activities			
Acquisition of Fixed Assets	(6,578,667)	-	
Gain on Sale of Share	304,408	1,785,571	
Changes in Share Investment	(257,703)	(1,824,128)	
Changes in FDR Investment	(67,726,930)	(2,037,999)	
Net cash used in investing activities	(74,258,892)	(2,076,556)	
Cash flows from financing activities			
Long Term Loan	(3,489,044)	(1,113,502)	
Short Term Loan	19,439,575	40,769,036	
Net cash Generated from financing activities	15,950,531	39,655,534	
Increase/(Decrease) in cash and cash equivalents	77,164,113	(16,052,012)	
Cash and cash equivalents at beginning of period	185,800,885	26,395,019	
<i>Effect of Foreign exchange rate Change</i>	20,389,141	120,581	
Cash and cash equivalents at end of period	283,354,138	10,463,588	
	01 Jul 2022 to 30 Sep 2022	30 Jun 2022	01 Jul 2021 to 30 Sep 2021
Closing Cash & Cash Equivalents represents:			
Cash and Cash Equivalents (Note - 12.00)	295,550,100	204,698,453	53,391,090
Bank Over Draft (Note - 16.00)	(12,195,962)	(18,897,568)	(42,927,502)
	283,354,138	185,800,885	10,463,588

Net Cashflow generated from Operations /Per Share (Annexure - B)

The notes are integral part of the Financial Statements.

Approved and authorised for issue by the board of directors on 27 December 2022 and signed for and on behalf of the Board.

S/d Managing Director	S/d Director	S/d Chief Financial Officer As per our report of even date annexed
Place: Dhaka Dated: 27 December 2022		S/d M. J. ABEDIN & CO Chartered Accountants DVC No.: 2212290527AO909523

Scandex (BD) Limited
Notes to the Financial Statements
For the period ended 30 September 2022

1.00 Reporting Entity

1.01 About the Company

Scandex (BD) Ltd (herein after referred as "the Company") was incorporated as private limited Company (Limited by shares) on 10th October 2001 under The Companies Act 1994.

The Company started its commercial operation by December 2001 and had operations on hold by March 2013. Subsequently during October 2018, the business was revived by establishing new factory set up in Gourpur, B-Bangla, Ashulia, Savar, Dhaka. The Company has its office at the Gouripur, B-Bangla, Ashulia, Savar, Dhaka.

The Company had been converted from Private limited Company (Limited by Shares) to Public limited Company (Limited by Shares) on 12th July 2021.

1.02 Nature of Business

The Company is a Hundred percent export oriented company that engaged in manufacturing various types of ready made garments of international standards.

1.03 Statement of Share Position

The authorized capital of the Company is Tk. 500,000,000 divided into 50,000,000 numbers of ordinary shares of Face value Tk. 10 each.

Shareholding of Scandex (BD) Limited is as follows:

Shareholders' Name	Number of Shares		Percentage of Holdings	
	30-Sep-22	30-Jun-22	30-Sep-22	30-Jun-22
Fardeen Ahmed Patwary	19,313,000	19,313,000	91.97%	91.97%
Faisal Ahmed	840,000	840,000	4.00%	4.00%
Mohammed Farruque Ahmed	840,000	840,000	4.00%	4.00%
Ishtique Ahmed Chowdhury	1,400	1,400	0.01%	0.01%
Md. Shoquet Rashed Mamun	1,400	1,400	0.01%	0.01%
Md. Nazmul Haque	1,400	1,400	0.01%	0.01%
M Khairul Alam	1,400	1,400	0.01%	0.01%
Md. Lutfor Rahman	1,400	1,400	0.01%	0.01%
	21,000,000	21,000,000	100%	100%

2.00 Basis of Preparation

2.01 Basis of Measurement

The financial statements of the company have been prepared under International Financial Reporting Standards (IFRSs) based on historical cost convention without taking into account the effect of inflation.

2.02 Statement of Compliance

The financial statements have been prepared in compliance with the requirements of the International Financial Reporting Standards (IFRSs), Companies Act 1994, the Securities and Exchange Rules 2020 and other relevant and applicable local laws and regulations as applicable and in accordance.

These financial statements have been authorized for issue by the Board of Directors of the company on 27 December, 2022.

2.03 Regulatory Compliance

The Financial Reporting Act, 2015 (FRA) was enacted in 2015. The Financial Reporting Council (FRC) under the FRA has been formed in 2017 but the Financial Reporting Standards (FRS) under this council is yet to be issued for public interest entities such as listed and non listed entities.

As the FRS is yet to be issued by FRC hence as per the provisions of the FRA (section-69), the financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and the Companies Act, 1994. The title and format of these financial statements follow the requirements of IFRSs which are to some extent different from the requirements of the Companies Act, 1994. However, such differences are not material and in view of management, IFRS format gives a better presentation to the shareholders.

The Company is required to comply with amongst others, the following laws and regulations with latest amendments:

- § International Financial Reporting Standards (IFRSs)
- § The Companies Act 1994
- § The Income Tax Ordinance 1984 with latest amendments
- § The Income Tax Rules 1984 with latest amendments
- § The Value Added Tax and Supplementary Duty Act, 2012 with latest amendments
- § The Value Added Tax and Supplementary Duty Rules, 2016 with latest amendments

2.04 Presentation of Financial Statements

The presentation of these financial statements is in accordance with the guidelines provided by IAS 1: Presentation of Financial Statements.

The Board of Directors is responsible for the preparation and presentation of Financial Statements under Section 183 of the Companies Act, 1994.

The Financial Statements Comprise of:

- (a) a Statement of Financial Position as at 30 September 2022;
- (b) a Statement of Profit or Loss and Other Comprehensive Income for the period ended 30 September 2022;
- (c) a Statement of Changes in Equity for the period ended 30 September 2022;
- (d) a Statement of Cash Flows for the period ended 30 September 2022 and
- (e) Notes, comprising summary of significant accounting policies and explanatory information.

2.05 Applicable Accounting Standards

The following IASs and IFRSs are applicable for the financial statements for the period under review:

IASs:

IAS-1 Presentation of Financial Statements;

IAS-2 Inventories;

IAS-7 Statements of Cash flows;

IAS-8 Accounting Policies, Changes in Accounting Estimates and Errors;

IAS 10 Events after the reporting Period

IAS 12 Income Taxes

IAS 16 Property, Plant and Equipment

IAS 19 Employee Benefits

IAS 21 The Effects of Changes in Foreign Exchange Rates

IAS 23 Borrowing Costs

IAS 24 Related Party Disclosures

IAS 32 Financial Instruments: Presentations

IAS 33 Earnings per Share

IAS 36 Impairment of Assets

IAS 37 Provisions, Contingent Liabilities and Contingent Assets

IFRSs:

IFRS 7 Financial Instruments: Disclosures

IFRS 9 Financial Instruments

IFRS 13 Fair Value Measurement

IFRS 15 Revenue from Contracts with Customers

IFRS 16 Leases

2.06 Functional and Presentation Currency

The financial statements have been prepared and presented in Bangladesh Currency (Taka/Tk/BDT), which is the company's functional currency. All financial information presented has been rounded off to the nearest Taka except where indicated otherwise.

2.07 Accrual Basis

The financial statements have been prepared, except cash flow information, using the accrual basis of accounting.

2.08 Use of Estimates and Judgments

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Assumptions and Estimation Uncertainties

Information about assumptions and estimation uncertainties at 30 September 2022 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the financial period is included in the following notes:

Property, Plant and Equipment

Inventories

2.09 Going Concern

The financial statements of the Company have been prepared on a going concern basis. As per management assessment there are no material uncertainties related to events or conditions which may cast significant doubt upon Company's ability to continue as a going concern.

Besides, the management is not aware of any other material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern, which is most unlikely though yet considering overall perspectives.

2.10 Reporting Period

The financial period of the Company under audit covers three months period from 01 July 2022 to 30 September 2022.

2.11 Comparative Information

Comparative information has been disclosed in respect of the previous period for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding the current period's financial statements.

Figures for the previous period have been re-arranged wherever considered necessary to ensure better comparability with the current period's financial statements and to comply with relevant IFRSs.

2.12 Segmental Reporting:

As required by IFRS-8 "Operating Segments", if an entity operates business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker and for which discrete financial information is available.

The company considers the operation on aggregate basis and manages the operations as a single operating segment. Hence it is felt that such segment reporting is not required to be disclosed.

3.00 Significant Accounting Policies

Accounting policies set out below shall be applied consistently to all periods presented in these financial statements:

3.01 Property, Plant and Equipment (note - 4)

(a) Recognition and Measurement

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

Parts of an item of property, plant and equipment having different useful lives, are accounted for as separate items (major components) of property, plant and equipment.

(b) Borrowing Costs

Interest bearing Bank Loans and Overdrafts are recorded at the proceeds received and net off transaction costs. Borrowing cost directly attributable to the acquisition and construction of plant and Equipment are capitalized as part of those assets.

(c) Subsequent Costs

The cost of replacing component 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 component 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 profit or loss as incurred.

(d) Depreciation

All items of property, plant and equipment have been depreciated on reducing balance basis. Depreciation on additions are charged from the period of acquisition. On disposal of an asset, depreciation is charged up to the period prior to the disposal. No depreciation is charged for land and assets under construction. The Company is following this policy consistently from past periods.

During the period evaluation on the utilisation of the assets are undertaken by the Management and found that it would be prudent to have depreciation allocation in ratio of 80% to the factory overheads and 20% to the Administration Expenses.

The rates at which the assets are depreciated per annum are as follows:

Category of asset	Depreciation Rate	
	30-Sep-22	30-Jun-22
Plant & Machinery	20%	20%
Electrical Installation	20%	20%
Office Equipment	10%	10%
Furniture and fittings	10%	10%
Vehicles	20%	20%
Computer & IT Equipment	30%	30%
Factory Fittings	20%	20%

(e) Impairment of Assets

The carrying amounts of the property, plant and equipment are reviewed at each balance sheet date or whenever there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of the asset exceeds its recoverable amount. Impairment losses, if any, are recognized in the statement of profit and loss account and other comprehensive income.

(f) Retirements and Disposals

An asset is derecognised on disposal or when no further economic benefits are expected from its use. Gain or loss on disposal of an asset is determined as the difference of net disposal proceeds and the carrying amount of the asset and is recognised as gain or loss from disposal of asset under other income/expense in the statement of profit or loss and other comprehensive income.

3.02 Leases

The company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

Right-of-Use Assets

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized and lease payments made at or before the commencement date.

Lease Liabilities

At the commencement date, lease liabilities are measured at an amount equal to the present value of the lease payments for the underlying right-of-use assets during the lease term. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or the Company's incremental borrowing rate. Each lease payment is allocated between the liability and finance cost.

Short-Term Leases and Leases of Low-Value Assets

Payments associated with all short-term leases (with a lease term of 12 months or less) and certain leases of all low-value assets are recognized on a straight-line basis as an expense in profit or loss.

Significant judgment in determining the lease term of contracts with renewal options

The company determines the lease term as the non-cancellable period of the lease and determine the period for which the contract is enforceable, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease. If it is reasonably certain not to be exercised.

3.03 Inventories

In compliance with the requirements of IAS-2 Inventories, Inventories have been valued at cost being lower than net realizable value.

The cost of inventories is based on weighted average method, and 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 case of manufactured inventories and work in process, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

3.04 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity, as per IAS-39 "Financial Instruments Recognition and Measurement". Non-derivative financial instruments comprise deposits, trade and other receivables, cash and cash equivalents, trade and other payables, share capital and interest-bearing borrowings.

3.04.1 Financial Assets

The company initially recognises receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the date at which the company becomes a party to the contractual provisions of the transaction.

The company derecognises a financial asset when the contractual rights or probabilities of receiving the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

The company's financial assets include cash and cash equivalents, accounts receivable, other receivables and deposits, Short Term investments.

(a) Trade and Other Receivables

Trade receivables are created at original invoice amount less any provisions for doubtful debts. Provisions are made where there is evidence of a risk of non-payment, taking into account ageing, previous experience and general economic conditions. When an accounts receivable is determined to be uncollected it is written off, firstly against any provision available and then to the statement of profit or loss and other comprehensive income. Subsequent recoveries of amounts previously provided for are credited to the statement of profit or loss and other comprehensive income.

(b) Advances, Deposits and Prepayments

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads.

Deposits are measured at the amount which is actually paid.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less any adjustments or charges to the statement of profit and loss and other comprehensive income.

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash in hand and at banks. Cash and cash equivalents are short-term and highly liquid investments that are readily convertible to known amounts of cash and that are subject to insignificant risk of changes in value.

(d) Investment in Shares

Investment in Shares of listed company is valued at market price (Fair Value) as quoted in the stock exchange at period end. Unrealized gains or losses on these financial assets are recognized in 'Other Comprehensive Income'. At the time of derecognition, related gains or losses are reclassified to 'Profit or Loss' from 'Other Comprehensive Income'.

3.04.2 Financial Liabilities

The company initially recognizes financial liabilities on the transaction date at which the company becomes a party to the contractual provisions of the liability.

The company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired. Financial liabilities include accounts payable, payable to government and autonomous bodies, deposits from agents and subscribers, VAT payables, accrued interests and other payables.

(a) Trade and Other Payables

Trade payables and other financial liabilities (payable to government and autonomous bodies, accrued interest, VAT payables and other liabilities) are recognized when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the company of resources embodying economic benefits.

(b) Loans and Borrowings

The Company derecognises loans and borrowings when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises loans and borrowings when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

(c) Offsetting a Financial Asset and a Financial Liability

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.05 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects, are recognised as a deduction from equity.

Paid up capital represents total amount contributed by the shareholders and bonus shares, if any, issued by the Company to the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

During the financial year 2021-2022, authorized share capital has been increased from 300,000,000 to 500,000,000 and the face value of share has been changed from 100 taka to 10 Taka each.

3.06 Taxation

a) The accounting for taxation (Current & Deferred tax) was made according to the requirement of IAS 12: Income Taxes.

(i) Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period and any adjustment to tax payable or receivable in respect of previous periods. It is measured using applicable tax rate enacted or substantively enacted at the reporting period.

(ii) Deferred Tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose and the amounts used for taxation purposes.

b) Applicable tax rate is 27.50% But as per SRO 158 /Law /Income Tax /2022 dated 01 June 2022, Exporter Company is entitled to reduced tax rate @ 12% on its business income.

As per section 82C (Minimum Tax) of the Finance Act 2017, the "Minimum Tax" shall be the higher of (a) TDS or (b) Computed Tax on disclosed income or (c) 1% on Gross Receipts. In this instant case, the "Source Tax U/S-82C(2)" appears to be higher than the Tax calculated than (b) and (c) above.

3.07 Value Added Tax (VAT)

The company is registered with VAT authority as exporter of ready-made garments vide registration number 001271561-0403. As a 100% exporter, the company is exempted from VAT payment. However, it withholds VAT from applicable payments to its suppliers and service providers as per VAT rule.

3.08 Employee Benefits

The company's employee benefits include the following:

Short-term Employee Benefits

Short-term employee benefits include salaries, bonuses, leave encashment, Service benefit etc. Obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided.

Insurance Scheme

Employees of the company are covered under insurance schemes.

Central Worker's Welfare Fund :

This represents 0.03% from export proceeds deducted by bank for deposit with Central Worker's Welfare fund maintained by the Government.

3.09 Related Party

Parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

In this case, all the companies / individuals disclosed as related parties do not have any influence or control over operational decision making process whatsoever of the reporting entity. The company carried out transactions in the ordinary course of business on an arm's length basis with related parties / inter companies.

3.10 Accruals

Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amongst due to employees. Accruals are reported as part of trade and other payables.

3.11 Provisions

A provision is recognized in the statement of financial position when the Company has a legal or constructive obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate thereof can be made.

3.12 Revenue Recognition

a) The Company has initially applied IFRS 15 Revenue from contracts with customers . The Company recognises as revenue the amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services when (or as) it transfers control to the customer. To achieve that core principle, IFRS 15 establishes a five-step model as follows:

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognise revenue when (or as) the entity satisfies a performance obligation.

Considering the five steps model, the Company recognises revenue when (or as) the Company satisfies a performance obligation by transferring a promised good to a customer. Goods are considered as transferred when (or as) the customer or its agent (forwarder/CFS) obtains control of that goods. Revenue from sale of goods is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts, rebates and Value Added Tax (VAT).

b) Other Income has been recognized on accrual basis in accordance with the requirement of IAS-1: Presentation of Financial Statement.

3.13 Earning Per Share

Earning per share(EPS) is calculated in accordance with IAS-33: Earnings Per Share, By divided by Basic Earnings by the weighted average number of ordinary share outstanding during the period.

Basic Earnings:

This represents profit or loss at the end of the period attributable to ordinary shareholders of the company.

Basic Earnings per Share:

This has been calculated by dividing profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period.

Diluted Earnings per Share:

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and weighted average number of ordinary shares outstanding, for the effect of all dilutive potential ordinary shares.

No diluted earnings per share is required to be calculated for the period presented as the Company has no dilutive potential ordinary shares.

3.14 Foreign Currency Transaction / Translation

The Financial records of the company are maintained and the financial statements are stated in Bangladesh Taka.

a) Foreign currency transactions are recorded at the applicable rates of exchange ruling at the transaction date.

b) The monetary asset and liabilities denominated in foreign currencies at the financial position date are translated at the applicable rates of exchanges ruling at that date.

All exchange differences are charged /credited to the statement of profit or loss and other comprehensive income.

3.15 Statement of Cash Flows

Statement of cash flows is prepared principally in accordance with IAS-7 "Statements of Cash Flows" and the cash flows from the Operating activities have been presented under direct method.

As per BSEC notification No-BSEC/CMRRCD/2006158/208/Admin/81, dated 20 June 2018, Cash flow from operating activities has been reconciled under indirect method.

3.16 Contingencies

Contingencies arising from claims, litigations, assessments, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Contingent asset is a possible asset that arises from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

3.17 Events After the Reporting Period

Events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue.

Two types of events can be identified:

Adjusting Events: - those that provide evidence of conditions that existed at the end of the reporting period.

Non adjusting Events: - those that are indicative of conditions that arose after the reporting period.

Management of the company has taken close look whether any events after the reporting period exist that need to take into account during the preparation of financial statements. No event after the reporting period exists and management has prepared the financial statements in accordance.

3.18 Directors' Responsibility Statement

The Board of Directors takes the responsibility for the preparation and presentation of these financial statements.

		Amount in Taka	
		30-Sep-2022	30-Jun-2022
4.00	Property, Plant & Equipment		
This represents as follows :			
A. At Cost			
Opening Balance		177,765,841	172,249,423
Add: Addition During the period	(Note: 4.01)	17,962,933	5,516,418
Less: Adjustments		-	-
Closing Balance		195,728,774	177,765,841
4.01 Addition during the period			
Purchased during the period		6,578,667	5,516,418
Transferred from Machinery in Transit		11,384,266	-
		17,962,933	5,516,418
B. Accumulated Depreciation			
Opening Balance		104,732,227	87,157,349
Add: Addition During the period		4,408,268	17,574,879
Less: Adjustments During the period		-	-
Closing Balance		109,140,496	104,732,227
Carrying Amount	(A-B)	86,588,279	73,033,614
Details of fixed asset are shown in Annexure - A			

		30-Sep-2022	30-Jun-2022
5.00	Right-of-Use Asset		
This represents as follows :			
A. At Cost			
Opening Balance		20,895,847	-
Add: Addition During the period		-	20,895,847
Less: Adjustments		-	-
Closing Balance		20,895,847	20,895,847
B. Accumulated Amortization			
Opening Balance		1,223,172	-
Add: Addition During the Period		305,793	1,223,172
Less: Adjustments During the Period		-	-
Closing Balance		1,528,965	1,223,172
Carrying Amount	(A-B)	19,366,883	19,672,676

The Factory building utilized by the company is under lease for a period of 20 years and the Company recognizes a right-of-use asset and a lease liability for this factory building in accordance to IFRS 16 Lease standards

		30-Sep-2022	30-Jun-2022
6.00	Machinery-in-Transit		
This represents as follows :			
Opening Balance		11,384,266	11,384,266
Addition during the period		-	-
Transferred to Plant & Machinery		(11,384,266)	-
Closing Balance		-	11,384,266

7.00 Deferred Tax Asset	30-Sep-2022	30-Jun-2022
This represents as follows :	Refer Annexure C	
Accounting Base Carrying Value of PPE	86,588,278	73,033,614
Tax Base Carrying Value of PPE	109,899,760	97,221,010
Taxable Temporary Difference (A)	23,311,481	24,187,397
Carrying Value Right-of-Use Asset	19,366,883	19,672,676
Carrying Value Lease Liability	21,480,247	21,358,069
Taxable Temporary Difference (B)	2,113,364	1,685,393
Total Temporary Difference (A+B)	25,424,846	25,872,790
Applicable Tax Rate	12.00%	12.00%
Deferred Tax Asset/(Liability)	3,050,981	3,104,735
Closing Deferred Tax Asset	3,050,981	3,104,735
Opening Deferred Tax Asset	3,104,735	3,446,735
Deferred Tax Expense/(Income)	53,753	342,001

The temporary difference figure has been computed by deducting Right-of-use assets from Lease liabilities for lease and multiply by 12% tax rate thereon in order to calculate deferred tax asset/(liability) expense.

8.00 Inventories	30-Sep-2022	30-Jun-2022
This represents as follows :		
Raw materials	43,541,306	16,512,493
Work in Process	179,839,448	161,036,242
Finished Goods	172,515,802	147,764,615
	395,896,556	325,313,349

Finished Goods have been valued at cost being lower than realisable value.

9.00 Trade & Other Receivable	30-Sep-2022	30-Jun-2022
This represents as follows :		
Trade Receivables (in USD 1,710,964.44)	174,005,084	81,516,203
Interest Receivable	973,470	147,632
	174,978,554	81,663,835
Ageing of Trade Receivables		
Less than six months	174,005,084	81,516,203
More than six months	-	-
	174,005,084	81,516,203

Disclosure as per Schedule XI, Part I, Para 4 of the Companies Act, 1994.

A Receivables considered good and in respect of which the Company is fully secured.	174,005,084	81,516,203
B Receivables considered good for which the company holds no security other than the debtor's personal security.	-	-
C Receivables considered doubtful or bad.	-	-
D Receivables due by directors or other officers of the company of any of them either severally or jointly with any other	-	-
E Receivables due by companies under the same management.	-	-
F The maximum amount of receivables due by directors or other officers of the company at any time during the period	-	-
	174,005,084	81,516,203

10.00 Advances, Deposits & Prepayments	30-Sep-2022	30-Jun-2022
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This represents as follows :

Advances	(Note: 10.01)	22,762,400	21,775,036
Prepayments	(Note: 10.02)	33,288	90,000
		22,795,688	21,865,036

10.01 Advances

Advance against Salary	2,662,400	2,773,500
Advance to Party	14,350,000	13,251,536
Advance Against Land	2,750,000	2,750,000
Advance against Factory Rent	3,000,000	3,000,000
	22,762,400	21,775,036

10.02 Prepayments

Prepaid Insurance	33,288	90,000
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Disclosure as per Schedule XI, Part I, Para 6 of the Companies Act, 1994.

A Advance, deposits & prepayments considered good and in respect of which the Company is fully secured.	22,795,688	21,865,036
B Advance, deposits & prepayments considered good for which the company holds no security other than the debtor's personal security.	-	-
C Advance, deposits & prepayments considered doubtful or bad.	-	-
D Advance, deposits & prepayments due by directors or other officers of the company of any of them either severally or jointly with any other person or Advance, deposits &	-	-
E Advance, deposits & prepayments due by companies under the same management.	-	-
F The maximum amount due by directors or other officers of the company at any time during the period / year	-	-
	22,795,688	21,865,036

11.00 Short Term Investments	30-Sep-2022	30-Jun-2022
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This represents as follows :

Investment in Term Deposit - with Bank	(Note - 11.01)	83,061,305	15,334,375
Investment in Shares	(Note - 11.02)	6,101,500	5,271,520
		89,162,805	20,605,895

11.01 Investment in Term Deposit - with Bank :

NCC Bank Limited	33,061,305	15,334,375
LankaBangla Finance Limited	50,000,000	-
	83,061,305	15,334,375

11.02 Investment in shares :

This represents investment in Shares of Listed Companies as follows.

Listed Company	No. of Shares	Cost Value (Tk)	Market Value (Tk)
LANKABANGLA	50,000	1,316,244	1,300,000
NITOLINS	10,000	431,343	429,000
PROVATI	25,000	1,527,586	1,472,500
TUNGHAI	500,000	2,977,968	2,900,000
Total	585,000	6,253,141	6,101,500

12.00 Cash and Cash Equivalents	30-Sep-2022	30-Jun-2022
This consists of:		
Cash in Hand	3,661,698	4,366,332
Cash at BO Account	63,096	17,053
Cash at Bank (Note: 12.01)	291,825,306	200,315,068
	295,550,100	204,698,453

12.01 Cash at Bank

A) In Current Account - BDT :

National Credit & Commerce Bank Ltd-23291	1,771,938	9,682,222
NCC Bank Ltd-Risk Fund - Exports	38,319	1,195,193
NCC Bank Ltd-Risk Fund - Loan	50,374	227,000
NCC Bank Ltd-Risk Fund - (PSC)	10,099,620	-
Al-Arafah Islami Bank Limited- 08225	3,337,981	9,249,056
National Bank Limited- 65173	21,352,202	2,398,325
Mercantile Bank Limited - 79537	3,832,368	1,246,412
State Bank Of India-20211	-	58,215,912
	40,482,801	82,214,119

B) In Current Account - Foreign Currency:

NCC Bank Limited (ERQ)-00349 (in USD 43,720.58)	4,446,383	11,221,333
NCC Bank Limited - FC (in USD 2,427,690.48)	246,896,122	106,879,615
	251,342,505	118,100,948
Total Cash at Bank (A+B)	291,825,306	200,315,068

13.00 Share Capital	30-Sep-2022	30-Jun-2022
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Authorised Capital :

50,000,000 Ordinary shares of Tk. 10 per share as on 30 September 2022	500,000,000	500,000,000
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Paid-up Capital :

30,000 Ordinary shares fully paid up in cash	300,000	300,000
70,000 Ordinary shares fully paid up in cash	700,000	700,000
500,000 Ordinary shares (Bonus)	50,000,000	50,000,000
990,000 Ordinary shares fully paid up	99,000,000	99,000,000
600,000 Ordinary shares (Bonus)	60,000,000	60,000,000
	210,000,000	210,000,000

Shareholders' Name	Number of Shares		Percentage of Holdings	
	30-Sep-22	30-Jun-22	30-Sep-22	30-Jun-22
Fardeen Ahmed Patwary	19,313,000	19,313,000	91.97%	91.97%
Faisal Ahmed	840,000	840,000	4.00%	4.00%
Mohammed Farruque Ahmed	840,000	840,000	4.00%	4.00%
Ishtique Ahmed Chowdhury	1,400	1,400	0.01%	0.01%
Md. Shoquet Rashed Mamun	1,400	1,400	0.01%	0.01%
Md. Nazmul Haque	1,400	1,400	0.01%	0.01%
Md. Khairul Alam	1,400	1,400	0.01%	0.01%
Md. Lutfor Rahman	1,400	1,400	0.01%	0.01%
	21,000,000	21,000,000	100%	100%

14.00 Long Term Loan (Secured) - Net-off Current Maturity	30-Sep-2022	30-Jun-2022
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This represents as follows :

NCC Bank Ltd.-Stimulus Loan	5,364,238	8,778,560
NCC Bank Ltd.-Vehicle Loan	1,259,792	1,334,514
	6,624,030	10,113,074

Less: Current Maturity	(5,682,939)	(9,090,198)
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NCC Bank Ltd.-Stimulus Loan	5,364,238	8,778,560
NCC Bank Ltd.-Vehicle Loan	318,701	311,638
	941,091	1,022,876

Facility : Stimulus Loan
 Bank Name : NCC Bank Ltd.
 Repayment Terms : 18 equal Instalments.
 Security : Secured against the Export Proceeds

Facility : Vehicle Loan
 Bank Name : NCC Bank Ltd.
 Repayment Terms : Repayment to be made by 60 equal monthly rentals
 Security : Hypothecation of Vehicle

15.00 Lease Liability - Net-off Current Maturity	30-Sep-2022	30-Jun-2022
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This represents as follows :

Opening balance of lease liability	21,358,069	-
Add: Addition during the period	-	20,895,847
Add: Interest Charge during the period	478,794	1,888,686
Less: Paid during the period	(356,616)	(1,426,464)
Closing balance lease liability	21,480,247	21,358,069

Less: Current maturity of lease liability	(396,830)	(505,581)
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	21,083,417	20,852,488
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16.00 Bank Overdraft	30-Sep-2022	30-Jun-2022
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This represents as follows :

LankaBangla Finance Limited-Loan against FDR	3,033,299	-
NCC Bank Limited -OD-Export	9,162,663	18,897,568
	12,195,962	18,897,568

Facility : Secured Overdraft (SOD)
 Bank Name : LankaBangla Finance Limited
 Security : Secured against FDR

Facility : Overdraft - Export
 Bank Name : NCC Bank Limited
 Security : Secured against Export Realization

17.00 Short Term Loan	30-Sep-2022	30-Jun-2022
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This represents as follows :

NCC Bank Ltd. - PC Loan	10,521,301	2,692,022
NCC Bank Ltd. - Pre-shipment Credit Loan	9,554,121	-
NCC Bank Ltd. - EDF Loan	40,597,720	38,541,545
	60,673,142	41,233,567

Facility : **Packing Credit (PC) Loan**
 Bank Name : NCC Bank Limited
 Security : Secured against Export Realization
Facility : **Pre-shipment Credit Loan**
 Bank Name : NCC Bank Limited
 Security : Secured against Export Realization
Facility : **EDF Loan**
 Bank Name : NCC Bank Limited
 Security : Secured against Export Realization

18.00 Long Term Loan (Secured) - Current Maturity	30-Sep-2022	30-Jun-2022
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This represents as follows :

NCC Bank Ltd. - Stimulus Loan	5,364,238	8,778,560
NCC Bank Ltd. - Vehicle Loan	318,701	311,638
	<u>5,682,939</u>	<u>9,090,198</u>

Note : Current Maturity of Long Term Loan includes Installment dues during period against the Vehicle Loan & Stimulus Loan mentioned under Long Term Loan.

19.00 Lease Liability - Current Maturity	30-Sep-2022	30-Jun-2022
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This represents as follows :

Lease Liability	396,830	505,581
	<u>396,830</u>	<u>505,581</u>

Note : Current Maturity of Lease liability includes obligations during the period against the total Lease liability of the factory building mentioned under Lease Liability.

20.00 Trade & Other Payables	30-Sep-2022	30-Jun-2022
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This is made up as follows:

Liabilities against Goods (Note 20.01)	445,422,197	345,785,652
Other Trade Payable	-	-
	<u>445,422,197</u>	<u>345,785,652</u>

20.01: Liabilities Against Goods

Accepted Liabilities (in USD 3,877,023.99)	394,293,340	235,062,748
Back to Back Liabilities (in USD 502,741.96)	51,128,857	110,722,905
	<u>445,422,197</u>	<u>345,785,652</u>

21.00 Liabilities for Capital Expenditure	30-Sep-2022	30-Jun-2022
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This represents as follows :

NCC Bank Ltd. - Foreign Accepted Liabilities	12,389,297	11,384,266
Capital Expenditure liabilities	-	-
	<u>12,389,297</u>	<u>11,384,266</u>

Facility : UPAS Letter of Credit for one year
 Bank Name : NCC Bank Limited
 Security : Secured against FDR

22.00 Advance Received from Customer	30-Sep-2022	30-Jun-2022
This represents as follows :		
SOLO INVEST, France (in USD 500,493.5)	50,900,189	-
VELILLA GROUP EUROPE S.L, Spain (in USD 1,079,117.75)	109,746,275	-
	160,646,464	-

Note : These advances were received from Company's Customers against export obligation contracts and shall be settled at the time of export with the value of such exported goods.

23.00 Provision & Accrued Expenses	30-Sep-2022	30-Jun-2022
This is made up as follows:		
AIT Payable	32,832	71,328
VAT Payable	22,500	-
Electricity Bill Payable	384,111	-
Factory Operational Expenses	12,460,344	11,858,250
	12,899,787	11,929,578

24.00 Liabilities /(Assets) for Current Tax	30-Sep-2022	30-Jun-2022
This represents as follows :		
Provision for Income Tax (Note - 24.01)	19,965,141	9,818,430
Advance Income Tax (Note -24.02)	(17,681,595)	(7,825,419)
	2,283,546	1,993,011

24.01 Provision for Income Tax

This is made up as follows:		
Opening Balance	9,818,430	8,141,022
Addition during the period (Note-31.00)	10,146,711	9,818,430
Adjustment during the year For AY 2021-2022	-	(8,141,022)
Closing Balance	19,965,141	9,818,430

24.02 Advance Income Tax

This is made up as follows:		
Opening Balance	7,825,419	7,073,593
Addition during the period (Note-24.02.01)	9,856,176	8,892,847
Adjustment during the year For AY 2021-2022	-	(8,141,022)
	17,681,595	7,825,419

24.02.01 Advance Income Tax Addition

Advance income tax on Export-U/S 53BB	4,621,563	4,426,331
Advance income tax on Cash Incentive-U/S 53DDD	5,185,200	2,899,000
Advance income tax on FDR Interest-U/S 53F (1)	39,913	330,088
Advance Income Tax on Dividend	-	162,500
Advance income tax on Motor Vehicle-U/S 68B	9,500	7,500
Advance income tax For AY-2021-2022	-	1,067,428
	9,856,176	8,892,847

25.00 Turnover	30-Sep-2022	30-Sep-2021
Export (in PCS. 2,684,740)	393,590,890	158,161,117
	393,590,890	158,161,117

26.00 Cost of Goods Sold	30-Sep-2022	30-Sep-2021
This is made-up as follows :		
Opening stock of Raw Materials	16,512,493	4,645,936
Purchased during the period	381,386,616	185,459,038
Raw Material Available for Consumption	397,899,109	190,104,974
Closing stock of Raw Materials	(43,541,306)	(9,030,624)
Raw Materials Consumed	354,357,803	181,074,350
Work in process (Opening)	161,036,242	41,116,907
Factory Overhead (Note - 26.01)	45,632,709	35,410,750
Work in process (Closing)	(179,839,448)	(82,017,845)
Cost of Production	381,187,306	175,584,162
Finished Goods (Opening)	147,764,615	114,796,292
Finished Goods (Closing)	(172,515,802)	(147,153,397)
Cost of Goods Sold	356,436,119	143,227,057

Inventories movement in quantity with value is detailed in Annexure - D.

26.01 Factory Overhead	30-Sep-2022	30-Sep-2021
This is made up as follows:		
Wages and Salary Allowance	35,400,221	26,447,000
Bonus & Incentive	1,054,785	1,023,652
Worker Welfare & Service Benefit	2,055,393	2,254,123
Gas Bill	1,828,460	1,167,010
Electricity Expenses	1,062,125	611,903
Repair & Maintenance	342,606	258,965
Insurance Premium	56,712	27,067
Amortization of Right-of-use Asset	305,793	305,793
Depreciation (Annexure-A)	3,526,615	3,315,237
	45,632,709	35,410,750

27.00 Administrative Expenses	30-Sep-2022	30-Sep-2021
This is made up as follows:		
Salaries & Allowances	3,073,950	2,524,189
Staff Incentive & Bonus	307,853	767,494
Compliance and Safety	309,654	441,583
Printing & Stationary	88,965	84,523
Registration & Renewals	30,000	35,000
Entertainment	185,785	195,623
Mobile, Telephone & Internet	52,154	52,563
Miscellaneous Expenses	147,446	175,985
Audit Fee	150,000	-
Depreciation (Annexure-A)	881,654	828,809
	5,227,461	5,105,769

28.00 Selling Expenses	30-Sep-2022	30-Sep-2021
This is made up as follows:		
Martketing & Sales Salary	784,250	264,500
Postage and Courier	28,652	32,145
Transport and Clearing Charges	114,860	45,852
Freight forwarding Charges	398,547	396,237
	1,326,309	738,734

29.00 Finance Cost	30-Sep-2022	30-Sep-2021
This is made up as follows :		
Bank LC Commission Charge	2,216,230	1,612,865
Bank Charges	1,165,100	845,893
Interest on Leased Liability	478,794	468,316
Interest on Loan	506,617	407,933
	4,366,741	3,335,007
Foreign Exchange Loss /(Gain)	15,665,296	622,040
	20,032,036	3,957,047
30.00 Non-Operating Income	30-Sep-2022	30-Sep-2021
This is made up as follows :		
Gain on Sale of Investments (Listed Equity Shares)	304,408	1,785,571
Interest on FDR	999,881	1,531,187
Cash Incentive	51,852,000	13,460,000
Miscellaneous Income	125,600	85,650
	53,281,889	16,862,408
31.00 Current Tax	30-Sep-2022	30-Sep-2021
This is made up as follows :		
Current tax expenses for the period	10,146,711	2,580,910
	10,146,711	2,580,910
A. Current Tax Calculation at regular rate	6,782,076	2,580,910
B. TDS at Sources	10,146,711	2,523,772
C. Minimum Tax @ 0.6% on Gross Receipts	6,223,110	1,773,691
Whichever is higher from above Calculation (A, B, C)	10,146,711	2,580,910
32.00 Cashflow from Operating Activities under Indirect Method (Reconciliation)	30-Sep-2022	30-Sep-2021
Profit before Tax	63,756,288	21,960,095
Adjustment: Gain on Sale of Shares- Considered as Investing activity	(304,408)	(1,785,571)
Non-cash expenses		
Add : Effect of Exchange (Gain) /Loss	15,665,296	622,040
Add : Amortization of Right-of-use Asset	305,793	305,793
Add : Lease Obligation during the period	122,178	111,700
Add : Depreciation	4,408,268	4,144,047
	83,953,415	25,358,103
Change in Working Capital		
(Increase) /Decrease in Inventories Balances	(70,583,207)	(77,642,731)
(Increase) /Decrease in Trade Receivables	(78,373,424)	(42,087,222)
(Increase) /Decrease in Other Receivables	(825,838)	(802,177)
(Increase) /Decrease in Advance, Deposit & Prepayments	(930,652)	(3,248,243)
(Increase) /Decrease in Trade Payables	63,503,476	52,141,746
(Increase) /Decrease in Advance from Customers	147,614,672	(3,565,800)
(Increase) /Decrease in Provision & Accrued Expenses	970,209	(1,811,180)
Income Tax Paid	(9,856,176)	(1,973,486)
	51,519,060	(78,989,093)
Net Cash flow generated from Operating Activities	135,472,475	(53,630,990)

33.00 Payment information to Directors as per requirement of Schedule XI, Part II, Para 4

No Payment has been paid to Directors during the period ended 30 September, 2022 in any of the following:

- (a) Managerial Remuneration paid or Payable during the financial period to the directors, including managing director, a managing agent or manager;
- (b) Expenses reimbursed to the managing agent;
- (c) Commission or other remuneration payable separately to a managing agent or his associate;
- (d) Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company;
- (e) The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial period;
- (f) Any other perquisites or benefits in cash or in kind stating, approximate money value where practicable;
- (g) Other allowances and commission including guarantee commission;
- (h) Pensions, Gratuities, Payments from a Provident Funds, in excess of own subscription and interest thereon, Compensation for loss of Office, Consideration in connection with retirement from office;

34.00 Related Party Disclosures

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party, or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

There are no related party transactions during the period.

35.00 Employees : Disclosure as per requirement of Schedule XI, Part II, Note 5 of Para 3

Number of Employees whose salary below minimum wages Tk 8,000.00 is nil as on 30.09.2022

Number of Employees whose salary above minimum wages Tk 8,000.00 is 647 as on 30.09.2022

36.00 Production Capacity and Actual Production

The production status (business wise) for three month period ended 30 Sep 2022 are as follows:

Business Segment	Capacity @ 100%	Unit	Actual	%
Knitwear Garments	3,750,000	Pcs	3,201,065	85%
	for three months			

37.00 Contingent Liabilities

There was no sum for which the Company is contingently liable as on 30 September 2022.

38.00 Capital Management

For the purpose of the company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

To maintain or adjust capital structure, the Company may adjust the amount of dividend, return on capital, issue new share or obtain long term-debt. All major investment and financing decisions, as a part of its capital management, are evaluated and approved by its Board of Directors.

No changes were made in the objectives, policies or processes for managing capital during the period ended 30 September 2022.

39.00 Capital Expenditure Commitment

There was no capital expenditure contracted but not incurred or provided for on 30 September 2022.

40.00 Claim not Acknowledged as Debt

There was no claim against the company not acknowledged as debt as on 30 September 2022.

41.00 Credit Facility Not Availed

There was no credit facility available to the company under any contract but not availed of as on 30 September 2022 other than trade credit available in the ordinary course of business.

42.00 Events After the Reporting Period

As per IAS - 10 "Events after the Reporting Period" events after the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of event can be identified:

(a) Adjusting events after the reporting period which provide evidence of conditions which existed at the end of the reporting period; and

(b) Non adjusting events after the reporting period, are those that are indicative of conditions that arose after the reporting period.

There is no significant events between financial statements closing date and auditors report signing date.

No indications of the possible impact of COVID-19 and ongoing bargaining issue of Russia and Ukraine war was evident on the reporting date and hence none of the subsequent events caused by that were considered to be adjusted events. The Company is closely monitoring the impact of the developments on the Company's businesses.

43.00 Manegerial Remuneration

Total remuneration of directors aggregates during the period was Taka Nil.

Total remuneration of Managing director aggregates during the period was Taka Nil.

44.00 Income Tax Assessment Status

Income tax assessment status are as follows:

Accounting Year	Assessment Year	Assessment Status
30-Jun-2021	2021-2022	Assessment Completed U/s 82BB
30-Jun-2022	2022-2023	Return submission under process

45.00 General

These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.

S/d	S/d	S/d
Managing Director	Director	Chief Financial Officer

Place: Dhaka

Dated: 27 December 2022

4.00 Property, Plant & Equipment

Annexure - A

Particulars	Cost			Depreciation				Written Down Value
	Opening Balance	Addition during the period	Closing Balance	Rate	Opening Balance	Charged during the period	Closing Balance	
1	2	3	5 = (2+3-4)	6	7	8	10 = (7+8-9)	11= 5-10
Plant & Machinery	148,757,119	12,145,941	160,903,060	20%	91,656,185	3,462,344	95,118,529	65,784,531
Electrical Installation	13,346,809	2,455,748	15,802,557	20%	5,968,475	491,704	6,460,179	9,342,378
Office Equipment	2,268,679	-	2,268,679	10%	813,094	36,390	849,484	1,419,195
Furniture and fittings	5,769,130	672,477	6,441,607	10%	1,819,575	115,551	1,935,126	4,506,480
Motor Vehicles	2,295,000	2,649,767	4,944,767	20%	826,200	205,928	1,032,128	3,912,639
Computer & IT Equipment	757,100	39,000	796,100	30%	380,842	31,144	411,986	384,114
Factory Fittings	4,572,005	-	4,572,005	20%	3,267,856	65,207	3,333,063	1,238,942
Total as at 30 September 2022	177,765,841	17,962,933	195,728,774		104,732,227	4,408,268	109,140,496	86,588,278
Plant & Machinery	146,926,047	-	146,926,047	20%	77,380,951	3,477,255	80,858,206	66,067,840
Electrical Installation	11,140,990	-	11,140,990	20%	4,123,892	350,855	4,474,747	6,666,243
Office Equipment	1,875,429	-	1,875,429	10%	651,363	30,602	681,964	1,193,465
Furniture and fittings	4,899,653	-	4,899,653	10%	1,380,736	87,973	1,468,709	3,430,944
Motor Vehicles	2,295,000	-	2,295,000	20%	459,000	91,800	550,800	1,744,200
Computer & IT Equipment	540,300	-	540,300	30%	219,588	24,053	243,641	296,659
Factory Fittings	4,572,005	-	4,572,005	20%	2,941,819	81,509	3,023,328	1,548,677
Total as at 30 September 2021	172,249,423	-	172,249,423		87,157,349	4,144,047	91,301,396	80,948,028
Total as at 30 June 2022	172,249,423	5,516,418	177,765,841		87,157,349	17,574,879	104,732,227	73,033,614
Allocation of Depreciation	30-Sep-22	30-Sep-21						
Factory overhead (Note-26.01)	3,526,615	3,315,237						
Administrative overhead (Note-27)	881,654	828,809						
Total	4,408,268	4,144,046						

Scandex (BD) Limited
Annexure - B

	Notes	Amount in Taka	
I) Earnings Per Share		01 Jul 2022 to 30 Sep 2022	01 Jul 2021 to 30 Sep 2021
Earnings per Share (Weighted)			
Net Profit after Tax		53,555,824	19,286,605
Weighted Average Shares (Refer IV)		21,000,000	21,000,000
		<u>2.55</u>	<u>0.92</u>
II) Net Asset Value (NAV) per Share	As on 30 Sep 2022	As on 30 Jun 2022	As on 30 Sep 2021
Total Asset Value	1,087,389,845	761,341,859	566,638,308
Less : Total Liabilities	734,614,672	462,694,786	319,182,973
Net Asset Value	352,775,173	298,647,072	247,455,335
Weighted Average Shares (Refer IV)	21,000,000	21,000,000	15,000,000
	<u>16.80</u>	<u>14.22</u>	<u>16.50</u>
III) Net Operating Cash Flows per Share		01 Jul to 30 Sep 2022	01 Jul to 30 Sep 2021
Weighted			
Net cashflow generated from Operations		135,472,475	(53,630,990)
Weighted Average Shares (Refer IV)		21,000,000	21,000,000
		<u>6.45</u>	<u>(2.55)</u>
IV) Weight Average Shares			

Workings for Weighted Average Share

Particulars	No of Shares	Weight	Weighted Average nos
Shares at 30 September 2021	21,000,000	92 / 92 days	21,000,000
Shares at 30th June 2022	21,000,000	365 / 365 days	21,000,000
Shares at 30th September 2022	21,000,000	92 / 92 days	21,000,000

Scandex (BD) Limited
Deferred Tax Calculation

Annexure - C

<u>Deferred Tax Asset /(Liability)</u>	<u>30-Sep-2022</u>	<u>30-Jun-2022</u>	<u>30-Sep-2021</u>
i) Deferred tax asset is arrived at as follows:			
Accounting Base Carrying Value of PPE	86,588,278	73,033,614	80,948,028
Tax Base Carrying Value of PPE	109,899,760	97,221,010	108,481,828
Taxable Temporary Difference	<u>23,311,481</u>	<u>24,187,397</u>	<u>27,533,800</u>
Effective Tax Rate	12.00%	12.00%	12.00%
Deferred Tax Asset (A)	<u>2,797,378</u>	<u>2,902,488</u>	<u>3,304,056</u>
Right -of-Use Assets	19,366,883	19,672,676	20,590,054
Lease Liability	21,480,247	21,358,069	21,007,547
	<u>2,113,364</u>	<u>1,685,393</u>	<u>417,493</u>
Effective Tax Rate	12.00%	12.00%	12.00%
Deferred Tax Assets (B)	<u>253,604</u>	<u>202,247</u>	<u>50,099</u>
Net Deferred Tax Asset (A+B)	<u><u>3,050,981</u></u>	<u><u>3,104,735</u></u>	<u><u>3,354,155</u></u>
<u>Deferred Tax Expense /(Income)</u>			
Closing Deferred Tax Asset	3,050,981	3,104,735	3,354,155
Opening Deferred Tax Asset	3,104,735	3,446,735	3,446,735
Deferred Tax Expense /(Income)	<u>53,753</u>	<u>342,001</u>	<u>92,580</u>

Scandex (BD) Ltd.

For the Period Ended 30 Sep, 2022

Inventory Movements during 1st July 2022 to 30th September 2022**Annexure-D**

Particulars	UOM	Opening as on 1st July 2022		Receive / Purchase		Issue / Sales		Closing as on 30th September 2022	
		Qty	Value (Tk)	Qty	Value (Tk)	Qty	Value (Tk)	Qty	Value (Tk)
Raw Materials	Kgs	28,436	16,512,493	554,263	381,386,616	507,433	354,357,803	75,267	43,541,306
Work In Process	Kgs	227,357	161,036,242	507,433	354,357,803	493,862	381,187,306	240,928	179,839,448
Add : Conversion Operational Cost	Pcs				45,632,709	2,886,914			
Finished Goods	Pcs	1,086,094	147,764,615	2,886,914	381,187,306	2,684,740	356,436,119	1,265,356	172,515,802
Less: Rejected Goods						22,912	-		
Total			<u>325,313,350</u>		<u>427,019,325</u>		<u>356,436,119</u>		<u>395,896,556</u>

Note : Refer to Notes 26.00

1 Operation Cost includes the Direct expenses detailed under the head Factory Overheads

2 Fabrics are converted into Garments and this conversion results in change of UOM (unit of measurement), ie, from Kgs to Pcs

(b) Information as is required under section 186 of কোম্পানি আইন, ১৯৯৪ relating to holding company

The Company is not a holding company.

(c) Selected ratios on liquidity, profitability and solvency of the issuer as specified in Annexure D
SCANDEX (BD) LIMITED
Statements of Ratio Analysis

This is to certify that Scandex (BD) Limited has maintained the following ratios as computed on the basis of the audited financial statements for the period ended 30th September 2022, year ended 30th June 2022, year ended 30 June 2021, year ended 30th June 2020, year ended 30th June 2019 and year ended 30th June 2018.

Statement of Ratio Analysis:

I. Liquidity Ratios	30th Sep 2022	30th Jun 2022	30th Jun 2021	30th Jun 2020	30th Jun 2019	30th Jun 2018
Current Ratio (Times) <i>Formula : Current Assets / Current Liability</i>	1.37	1.48	1.85	1.52	2.22	0.02
Current Assets	978,383,703	654,146,569	349,628,390	215,891,014	107,413,314	1,652,503
Current Liability	712,590,165	440,819,423	189,403,276	141,809,022	48,349,596	72,005,790
Quick Ratio (Times) <i>Formula : Current Assets-Inventory / Current Liability</i>	0.82	0.75	1.00	0.88	0.17	0.02
Current Assets Less Inventory	582,487,146	328,833,219	189,069,255	124,356,758	8,250,069	1,652,503
Current Liability	712,590,165	440,819,423	189,403,276	141,809,022	48,349,596	72,005,790
II. Operating Efficiency Ratios	30th Sep 2022	30th Jun 2022	30th Jun 2021	30th Jun 2020	30th Jun 2019	30th Jun 2018
Receivable Turnover Ratio (Times) <i>Formula : Net Sales / Average Receivables</i>	3.07	23.64	-	-	-	-
Net Sales	393,590,890	965,343,144	446,729,940	281,599,303	105,149,432	-
Average Receivables	128,321,194	40,831,918	-	-	-	-
Inventory Turnover Ratio (Times) <i>Formula : Cost of Goods Sold / Average Inventory</i>	0.99	3.60	3.22	2.59	1.79	-
Cost of Goods Sold	356,436,119	874,112,221	405,625,284	247,212,278	88,654,832	-
Average Inventory	360,604,953	242,936,242	126,046,696	95,348,751	49,581,623	18,772,433
Assets Turnover Ratio (Times) <i>Formula : Sales / Average Total Assets</i>	0.43	1.61	1.18	1.15	0.79	-
Sales	393,590,890	965,343,144	446,729,940	281,599,303	105,149,432	-
Average Total Assets	924,365,852	599,754,530	377,789,138	245,588,931	132,879,223	110,871,140

III. Profitability Ratios	30th Sep 2022	30th Jun 2022	30th Jun 2021	30th Jun 2020	30th Jun 2019	30th Jun 2018
Gross Margin Ratio (%) <i>Formula : Gross Profit / Net Sales</i>	9.4%	9.5%	9.2%	12.2%	15.7%	0.0%
Gross Profit	37,154,771	91,230,923	41,104,656	34,387,025	16,494,600	-
Net Sales	393,590,890	965,343,144	446,729,940	281,599,303	105,149,432	-
Operating Profit Ratio (%) <i>Formula : Operating Profit / Net Sales</i>	7.8%	6.8%	5.8%	8.4%	8.2%	0.0%
Operating Profit	30,601,001	65,318,545	25,891,908	23,714,979	8,633,982	(10,000)
Net Sales	393,590,890	965,343,144	446,729,940	281,599,303	105,149,432	-
Net Profit Ratio (%) <i>Formula : Net Profit after Tax / Net Sales</i>	13.6%	7.4%	13.1%	14.2%	5.5%	0.0%
Net Profit after Tax	53,555,824	71,046,438	58,737,806	40,025,901	5,731,319	(10,000)
Net Sales	393,590,890	965,343,144	446,729,940	281,599,303	105,149,432	-
Return on Assets Ratio (%) <i>Formula : Net Profit after Tax / Average Total Assets</i>	5.8%	11.8%	15.5%	16.3%	4.3%	0.0%
Net Profit after Tax	53,555,824	71,046,438	58,737,806	40,025,901	5,731,319	(10,000)
Average Total Assets	924,365,852	599,754,530	377,789,138	245,588,931	132,879,223	110,871,140
Return on Equity Ratio (%) <i>Formula : Net Profit after Tax / Total Shareholders Equity</i>	15.2%	23.8%	25.7%	60.2%	21.7%	-0.1%
Net Profit after Tax	53,555,824	71,046,438	58,737,806	40,025,901	5,731,319	(10,000)
Share Holders Equity	352,775,173	298,647,072	228,324,552	66,443,090	26,417,189	19,985,870

	30th Sep 2022	30th Jun 2022	30th Jun 2021	30th Jun 2020	30th Jun 2019	30th Jun 2018
Basic Earnings per Share (EPS) (BDT Value) <i>Formula : Net Profit after Tax / Weighted Average number of Ordinary Shares Outstanding (Restated)</i>	2.55	3.38	2.80	1.91	0.38	(0.00)
Net Profit after Tax	53,555,824	71,046,438	58,737,806	40,025,901	5,731,319	(10,000)
Weighted Average number of Ordinary Shares Outstanding	21,000,000	21,000,000	21,000,000	21,000,000	15,174,902	11,045,726
Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) Margin (%) <i>Formula : EBITDA / Net Sales</i>	17.6%	10.8%	20.0%	24.4%	21.7%	0.0%
EBITDA	69,455,761	104,538,061	89,417,140	68,635,489	22,867,140	(10,000)
Net Sales	393,590,890	965,343,144	446,729,940	281,599,303	105,149,432	-

IV. Solvency Ratios	30th Sep 2022	30th Jun 2022	30th Jun 2021	30th Jun 2020	30th Jun 2019	30th Jun 2018
Debt to Total Assets Ratio (Times) <i>Formula : Total Debt / Total Assets</i>	0.08	0.11	0.24	0.09	-	0.00
Total Debt (Short + Long Term)	91,882,431	81,628,476	105,679,082	29,695,436	-	15,150
Total Assets	1,087,389,845	761,341,859	438,167,200	317,411,076	173,766,785	91,991,660
Debt to Equity Ratio (Times) <i>Formula : Total Debt / Total Equity</i>	0.26	0.27	0.46	0.45	-	0.00
Total Debt	91,882,431	81,628,476	105,679,082	29,695,436	-	15,150
Total Equity	352,775,173	298,647,072	228,324,552	66,443,090	26,417,189	19,985,870
Times Interest Earned Ratio <i>Formula : Earnings before Interest and Taxes / Financial Expenses</i>	65.70	18.91	58.76	-	-	-
Earnings before Interest and Taxes	64,741,699	85,740,011	68,745,599	43,877,212	6,524,213	(10,000)
Financial Expenses (Interest on Loan)	985,411	4,533,142	1,169,851	-	-	-
Debt Service Coverage Ratio (Times) <i>Formula : Net Operating Profit / Total Debt Service</i>	0.33	0.77	0.30	1.21	-	(0.66)
Net Operating Profit	30,601,001	65,318,545	25,891,908	23,714,979	8,633,982	(10,000)
Total Debt Service	91,926,751	85,138,741	86,409,561	19,536,472	-	15,150
IV. Cashflow Ratios	30th Sep 2022	30th Jun 2022	30th Jun 2021	30th Jun 2020	30th Jun 2019	30th Jun 2018
Net Operating Cashflow per Share (Value) <i>Formula : Net Operating Cashflow / Number of Ordinary Shares Outstanding (Restated)</i>	6.45	4.56	0.07	7.88	(6.78)	(0.02)
Net Operating Cashflow	135,472,475	95,808,662	1,402,594	165,541,514	(102,885,443)	(214,094)
Number of Ordinary Shares Outstanding	21,000,000	21,000,000	21,000,000	21,000,000	15,174,902	11,045,726
Net Operating Cashflow per Share to EPS Ratio (Times) <i>Formula : Net Operating Cashflow per Share / Earnings per Share (EPS) (Restated)</i>	2.53	1.35	0.02	4.14	(17.95)	21.41
Net Operating Cashflow per Share	6.45	4.56	0.07	7.88	(6.78)	(0.02)
Earnings per Share (EPS)	2.55	3.38	2.80	1.91	0.38	(0.00)

Workings for the above Ratios**I. Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)**

Particulars	30th Sep 2022	30th Jun 2022	30th Jun 2021	30th Jun 2020	30th Jun 2019	30th Jun 2018
Profit after Taxes	53,555,824	71,046,438	58,737,806	40,025,901	5,731,319	(10,000)
Add : Interest on Loan	506,617	2,644,456	1,169,851	-	-	-
Add : Interest on Leased Liability	478,794	1,888,686	-	-	-	-
Add : Amortization of Right-of-use Asset	305,793	1,223,172	-	-	-	-
Add : Depreciation Charge	4,408,268	17,574,879	20,671,541	24,758,277	16,342,927	-
Add : Taxes	10,200,464	10,160,431	8,837,942	3,851,311	792,894	-
	69,455,761	104,538,061	89,417,140	68,635,489	22,867,140	(10,000)

II. Earnings before Interest and Taxes

Particulars	30th Sep 2022	30th Jun 2022	30th Jun 2021	30th Jun 2020	30th Jun 2019	30th Jun 2018
Profit after Taxes	53,555,824	71,046,438	58,737,806	40,025,901	5,731,319	(10,000)
Add : Internal on Loan	506,617	2,644,456	1,169,851	-	-	-
Add : Interest on Leased Liability	478,794	1,888,686	-	-	-	-
Add : Taxes	10,200,464	10,160,431	8,837,942	3,851,311	792,894	-
	64,741,699	85,740,011	68,745,599	43,877,212	6,524,213	(10,000)

III. Debit Service

Particulars	30th Sep 2022	30th Jun 2022	30th Jun 2021	30th Jun 2020	30th Jun 2019	30th Jun 2018
Loan repayment within One year	90,941,340	80,605,600	85,239,711	19,536,472	-	15,150
Interest on Loan	506,617	2,644,456	1,169,851	-	-	-
Interest on Leased Liability	478,794	1,888,686	-	-	-	-
	91,926,751	85,138,741	86,409,561	19,536,472	-	15,150

IV. Equity Share Capital - nos

Particulars	30th Sep 2022	30th Jun 2022	30th Jun 2021	30th Jun 2020	30th Jun 2019	30th Jun 2018
Equity Capital at the year end - nos	21,000,000	21,000,000	15,000,000	100,000	100,000	30,000
Weighted Average Capital - nos	21,000,000	21,000,000	21,000,000	21,000,000	15,174,902	11,045,726

The face value of Equity Shares is converted from Tk 100 to Tk 10 per Share on 18th July 2021. Accordingly, for the purpose of computation, number of shares have been restated as required dividing the ordinary share capital by Tk. 10.

Place : Dhaka

Date : 27 December 2022

S/d

Kamrul Abedin FCA

Partner

M. J. ABEDIN & CO

Chartered Accountants

(d) Comparative income statements and balance sheet:

SCANDEX (BD) LIMITED

Auditors' report in pursuance of Section-135 (1) and Para-24(1) of Part-II of Schedule-III of the Companies Act, 1994

As required under section 135(1), Para 24(1), Part II of the Third Schedule of Companies Act 1994, we appended below the financial information of SCANDEX (BD) LIMITED for the period ended 30 Sept. 2022, 30 June 2022 & 30 June 2021 audited by us (M. J. Abedin & Co., Chartered Accountants), 30 June 2020, 30 June 2019 & 30 June 2018 audited by Mohammad Ata Karim & Co, Chartered Accountants.

A. Statement of Financial Position:	30th Sep 2022	30th June 2022	30th June 2021	30th June 2020	30th June 2019	30th June 2018
I. ASSETS						
(1) Non-current assets						
(a) Fixed assets						
(i) Property, Plant & Equipment	86,588,279	73,033,614	85,092,075	101,463,435	66,296,844	90,282,530
(ii) Right-of-use Asset	19,366,883	19,672,676				
(ii) Machinery-in-Transit	-	11,384,266	-	-	-	-
(b) Non-current investments	-		-	-	-	-
(c) Deferred tax assets (net)	3,050,981	3,104,735	3,446,735	-	-	-
(e) Other non-current assets	-	-	-	56,627	56,627	56,627
	109,006,143	107,195,290	88,538,810	101,520,062	66,353,471	90,339,157
(2) Current assets						
(a) Inventories	395,896,556	325,313,349	160,559,135	91,534,256	99,163,245	-
(b) Trade receivables	174,978,554	81,663,835	-	-	-	-
(c) Advance, Deposits and Prepayments	22,795,688	21,865,036	21,044,462	3,293,586	2,962,507	807,107
(d) Investment in FDR	83,061,305	15,334,375	93,512,277	58,918,925	-	-
(e) Investments in Shares	6,101,500	5,271,520	5,454,994	-	-	-
(f) Cash and Cash Equivalents	295,550,100	204,698,453	69,057,522	62,144,247	5,287,562	845,396
	978,383,703	654,146,569	349,628,390	215,891,014	107,413,314	1,652,503
Total Assets	1,087,389,845	761,341,859	438,167,200	317,411,076	173,766,785	91,991,660

II. EQUITY AND LIABILITIES						
(1) Shareholder's Funds						
(a) Share Capital	210,000,000	210,000,000	150,000,000	1,000,000	1,000,000	300,000
(b) Retained Earnings	142,926,814	89,370,990	78,324,552	65,443,090	25,417,189	19,685,870
(c) FVOCI Reserve	(151,641)	(723,918)	-	-		
	352,775,173	298,647,072	228,324,552	66,443,090	26,417,189	19,985,870
(2) Share application money pending allotm						
	-	-	-	99,000,000	99,000,000	-
(3) Non-Current Liabilities						
(a) Long-term borrowings	941,091	1,022,876	20,439,372	10,158,964	-	-
(b) Lease Liabilities (Net)	21,083,417	20,852,488	-	-	-	-
(c) Deferred tax liabilities (Net)	-	-	-	-	-	-
	22,024,508	21,875,364	20,439,372	10,158,964	-	-
(4) Current Liabilities						
(a) Bank Overdraft	12,195,962	18,897,568	42,662,503	-	-	-
(b) Short-term Loan	60,673,142	41,233,568	42,294,420	19,536,472	-	15,150
Long Term Loan (Secured) - Current Maturity	5,682,939	9,090,198	282,787	-	-	-
Liabilities for Capital Expenditure	12,389,297	11,384,266	-	-	-	-
Lease Liability-Net-off Current Maturity	396,830	505,581	-	-	-	-
(c) Trade payables	445,422,197	345,785,652	90,187,028	120,896,818	47,395,796	71,980,640
(d) Advance from Customer	160,646,464	-	8,405,100	-	-	-
(e) Provisions & Accrued Expenses	12,899,787	11,929,578	4,504,009	1,375,732	953,800	10,000
(f) Liabilities / (Assets) for Current Tax	2,283,546	1,993,012	1,067,428	-	-	-
	712,590,165	440,819,423	189,403,276	141,809,022	48,349,596	72,005,790
Total Equity and Liabilities	1,087,389,845	761,341,859	438,167,200	317,411,076	173,766,785	91,991,660
Net Asset Value (NAV) per Share	16.80	14.22	15.22	664.43	264.17	666.20

B. Statement of Operation Results:	Jul-Sep 2022	2021-22	2020-21	2019-20	2018-19	2017-18
Net Sales Revenue	393,590,890	965,343,144	446,729,940	281,599,303	105,149,432	-
Less : Cost of Goods Sold	356,436,119	874,112,221	405,625,284	247,212,278	88,654,832	-
Gross Profit	37,154,771	91,230,923	41,104,656	34,387,025	16,494,600	-
Less : Administrative Expenses	5,227,461	18,304,874	15,212,748	10,672,046	7,860,618	10,000
Less : Selling Expenses	1,326,309	7,607,504	-	-	-	-
Operating Profit	30,601,001	65,318,545	25,891,908	23,714,979	8,633,982	(10,000)
Less : Finance Cost	20,032,036	18,139,566	7,203,210	5,141,643	2,109,770	-
Add : Other Income	53,281,889	34,296,405	49,020,842	25,303,876	-	-
Profit before Contribution to Central Worker Welfare funds	63,850,854	81,475,384	67,709,539	43,877,212	6,524,212	(10,000)
Less : Contribution to Central Worker Welfare funds	94,565	268,514	133,791	-	-	-
Profit before tax	63,756,288	81,206,870	67,575,748	43,877,212	6,524,213	(10,000)
Less : Income Tax expense:						
(1) Current year tax	10,146,711	9,818,430	8,141,022	3,851,311	792,894	-
(2) Deferred tax	53,753	342,001	696,921	-	-	-
Profit/(Loss) for the period	53,555,824	71,046,438	58,737,806	40,025,901	5,731,319	(10,000)
Change in fair value of FVOCI financial asset	572,277	(723,918)	-	-	-	-
Total Comprehensive Income for the period	54,128,101	70,322,520	58,737,806	40,025,901	5,731,319	(10,000)
Earning per equity share:						
(1) Basic EPS (Restated)	2.55	3.38	2.80	1.91	0.38	(0.00)
(2) Diluted EPS	2.55	3.38	2.80	1.91	0.27	(0.00)

C. Statement of Cashflow:	Jul-Sep 2022	2021-22	2020-21	2019-20	2018-19	2017-18
Cash flows from Operating activities						
Receipt from Customer	462,832,137	876,861,132	455,021,190	281,599,303	105,149,432	-
Payments to Suppliers and Operational Exp	(365,767,183)	(792,638,340)	(488,397,512)	(132,368,711)	(205,132,211)	(214,094)
Cash Generated from Operations	97,064,955	84,222,792	(33,376,321)	149,230,592	(99,982,779)	(214,094)
Receipts from Other Income	52,151,643	34,148,773	49,020,842	25,303,876	-	-
Finance Expenses paid	(3,887,947)	(13,670,056)	(7,168,333)	(5,141,643)	(2,109,770)	-
Income Tax Paid	(9,856,176)	(8,892,847)	(7,073,593)	(3,851,311)	(792,894)	-
Net cashflows (used in) /from operating activities	135,472,475	95,808,662	1,402,594	165,541,514	(102,885,443)	(214,094)
Cashflows from Investing activities						
Purchase of property, plant and equipment assets	(6,578,667)	(5,516,418)	(4,300,181)	(59,924,867)	-	-
Disposal of Property, plant and equipment assets	-	-	-	-	7,642,759	-
Capital Advances - Land	-	-	(2,750,000)	-	-	-
Advance against - Factory Building Rent	-	-	(1,000,000)	-	-	-
Increase / Decrease in Investments / FDR	(67,726,930)	78,177,902	(34,593,352)	(58,918,925)	-	-
Increase / Decrease in Shares and Gain on s	46,705	(540,444)	(5,454,994)	-	-	-
Net Cashflows (used in) /from investing activities	(74,258,892)	72,121,040	(48,098,527)	(118,843,792)	7,642,759	-
Cashflows from Financing activities						
Proceeds from issue of Share capital	-	-	-	-	99,700,000	-
Proceeds/(Repayments) from long-term borrowings	(3,489,044)	(19,416,496)	10,280,408	10,158,964	(15,150)	-
Proceeds/(Repayments) from short-term borrowings	19,439,575	8,807,411	282,787	-	-	-
Net cashflows from/(used in) financing activities	15,950,531	(10,609,085)	10,563,195	10,158,964	99,684,850	-
Net Increase/(decrease) in cash and cash equivalents (A + B + C)	77,164,113	157,320,617	(36,132,737)	56,856,686	4,442,166	(214,094)
Effect of Foreign exchange rate change	20,389,141	2,085,249	383,509	-	-	-
Net Increase/(decrease) in cash and cash equivalents	97,553,254	159,405,866	(35,749,229)	56,856,686	4,442,166	(214,094)
Cash and cash equivalents at the beginning of the year	185,800,885	26,395,019	62,144,248	5,287,562	845,396	1,059,490
Cash and cash equivalents at the end of the	283,354,138	185,800,885	26,395,019	62,144,248	5,287,562	845,396
Net Cashflow generated from Operations / Per Share (Restated)	6.45	4.56	0.07	7.88	(6.78)	(0.02)

D. Dividend Declared	2021-22	2021-22	2020-21	2019-20	2018-19	2017-18
Cash Dividend %	Nil	Nil	Nil	Nil	Nil	Nil
Stock Dividend % (Bonus Shares)	Nil	Nil	40 %	5000 %	Nil	Nil

E. Scandex (BD) Limited was incorporated in Bangladesh as a Private Limited Company with the issuance of Certificate of incorporation bearing Reg. No. C-44171/14 dated on October 10, 2001 by the Registrar of Joint Stock Companies & Firms. Scandex (BD) Ltd converted into public Limited Company on July 12, 2021

F. The Company started its commercial operation during December, 2001. The operations was temporarily kept on hold during 2013 to 2018 and operations resumed from October 2018.

G. The Company has no subsidiary as on the balance sheet date.

H. No proceeds or part of the proceeds of the issue of shares would be applied directly by the company in the purchase of any business.

I. The Company did not prepare any statement of accounts for the period subsequent to September 30, 2022.

J. Figures related to previous years have been re-arranged whenever considered necessary.

Place : Dhaka
Date : 27 December 2022

S/D
Kamrul Abedin FCA
Partner
M. J. ABEDIN & CO
Chartered Accountants