Annual Report 2024-2025



SHARP INDUSTRIES PLC

OUR VISION



To become a local market leader in the yarn manufacturing industry.

To become a reliable business partner of Customers and Suppliers.

To protect the interest of shareholders through sustainable growth and value creation.

Preserve the trust of all stakeholders by adopting ethical business practices.

Support the society through Corporate Social Responsibility initiatives.

OUR MISSION



To protect and ensure interest of shareholders, investors, stakeholders and the society at large by achieving target setting of the company as well as remain as socially committed ethical Company.

OUR SPIRIT

We undertake our quest with the enthusiasm of entrepreneurs, excited by the constantly search for innovation. We value performance achieved with integrity. We attain success as world-class leader with each and every one of our people contributing with passion and an Unmatched senses of urgency.

OUR OBJECTIVES



Our corporate objective is to outperform the peers in terms of longevity, customer service, revenue growth, earnings and cash generation.

We will be the employer of choice for all existing and future employees.

Permanently, our objectives are to conduct transparent business operation within the legal & social frame work with aims to attain the mission reflected by our vision.

OUR STRATEGIES

Our strategy is to build long term partnership with the customers. With their support, we aim to maximize the potential of our business through a combination of enhanced quality of product and service, curative marketing, competitive pricing and cost efficiency.

THE COMPANY

SHARP INDUSTRIES PLC (Name Changed from R.N. Spinning Mills Ltd.), one of the highest contributors in the sector of Acrylic & Cotton yarn production in Bangladesh. The rational object came in the mind of its founders in 2003 to ensure value addition within the country by addition of backward linkage of Sweater Industries. Though this sector generated in Bangladesh in 1986 but from the beginning 100% raw materials of Sweater Industry is being imported from different foreign Countries, it means our industrial development as well as economic change completely depend on foreign countries only due to raw materials.

To cover-up the backward linkage as well as increase value addition and decrease lead time of raw materials supply to Sweater Industries in Bangladesh, the sponsors of the Company had decided to establish an Acrylic & Cotton Spinning Mills.

In sequence of that, SHARP INDUSTRIES PLC (Name Changed from R.N. Spinning Mills Ltd.) incorporated in November 2004 as a private limited Company and location of the project was selected in Comilla Export Processing Zone by taking allotment of 16 industrial plots from BEPZA. But it was the very initial stage of producing acrylic in Bangladesh history. Thereafter R.N. Spinning Mills Ltd. converted into Public Limited Company in February 2007. The Company was one of the biggest project of the Country in Acrylic & Cotton yarn production sector involving 30,000 spindles of machine capacity in Acrylic as well as 41,040 spindles of machine capacity in Cotton yarn production having employment opportunities around 1,700 persons.

R.N. Spinning Mills Ltd. was committed for manufacturing, delivering and servicing of high quality of different types of acrylic and cotton yarn to its customer. The object of R.N. Spinning Mills Ltd. was continuously improving its products and services to satisfy the needs of its customers. All employees of the company were expected to conform to these corporate quality needs of the customers. The management was committed to supply all resources and logistic support to attain the corporate quality policy.

A massive fire incident was occurred on 8th April, 2019 at the factory of R.N. Spinning Mills Ltd. at Comilla EPZ. Company's factory including building and other constructions, raw materials and finished yarns in the factory, plant and machineries etc. were damaged by the fire incident. Company's production was shut down from the date of fire incident i.e.; 8th April, 2019 to the date of amalgamation i.e.; 31 October, 2023. The Board of Directors had utmost intention for resumption of operation either in the EPZ Cumilla and/or outside of the EPZ. No final assessment report had got yet from the insurance company and there was no estimation to be recovered from the insurance company. However, management had intension to restore the operation after necessary financing arrangements once necessary formalities from the EPZ and other regulatory authorities is obtained. On the other hand, the company management had intension for resumption of operation at outside the EPZ.

Meantime, amalgamation of Samin Food & Beverage Inds. and Textile Mills Ltd. with R.N. Spinning Mills Ltd. was decided by the company board. The amalgamation process has been approved by the High Court Division of the Supreme Court of Bangladesh. The Shareholders and the Creditors of the Company, R.N. Spinning Mills Ltd. accepted the decision of amalgamation in the EGM and the Creditors Meeting held on 21 April 2022 was conducted as per the order of the Honorable High Court Division of the Supreme Court of Bangladesh. The company has also obtained BSEC consent on October 01, 2023 for completion of amalgamation process by following High Court Order and relating laws, rules & regulations in force in Bangladesh. Accordingly the company has completed the merger activities. Samin Food & Beverage Inds. and Textile Mills Ltd. has been in the business at Factory: Mohona, Vabanipur, Gazipur Sadar, Gazipur, Bangladesh whose corporate office is at House # 11, Road # 12, Block # F, Niketon, Gulshan-1, Dhaka-1212. The principal activities of Samin Food & Beverage Inds. and Textile Mills Ltd are to carry on the business of spinning mills to manufacture all types of Cotton, Viscose and CVC yarn for export to 100% export oriented dyeing/textiles industries and export thereof. The yearly installed production capacity of cotton based yarn in SAMINTL was 17,500 ton. By this time, the name of the company has already been changed from R.N. Spinning Mills Ltd. to SHARP INDUSTRIES PLC.

The fire incident occurred on 8th April, 2019; which were inspected and surveyed by the concerned authorities. Based on the survey report the insurance company agreed to settle the claim by Tk 305, 000,000 out of insurance coverage Tk. 1,324,606,136 and so far as on the date of authorization of the financial statements Tk. 19,000,000 has been recovered from the insurance company. Communication has been continuing with the insurance company to recover rest of the settled claim amount.

OUR PHILOSOPHY

Business is always a dynamic and diversification process. We strive to be at the fore front of change in fashion and trend setting while in continuous pursuit of quality and commitments through total customers focus in all operational areas.

We shall remain as the benchmark in the yarn industry field by:

Delivering world class products ensuring best customer satisfaction through continuous value added services provided by local and foreign highly professional and committed team.

Faith in individual potentiality respect to human values.

Accepting changes as a way of life.

Strict adherence to financial and administrative principles.

That's why we have based our production and marketing philosophy on three basic principles- Stability, Quality and Efficiency.

Picture of 20th Annual General Meeting 2023-2024









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Transmittal Letter

October 26, 2025

The
Shareholders
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Ltd.
Chittagong Stock Exchange Ltd.

Subject: Annual Report for the financial year ended on June 30, 2025.

Dear Sir(s),
We are pleased to enclose herewith a copy of the Annual Report together with the Audited Financial Statements including Statement of Financial Position as at 30th June 2025, Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the financial year ended on 30th June 2025 along with notes thereon for your reference and record.

Sincerely Yours,



A. Raquibul Islam ACMA
Company Secretary

Notice of the 21st Annual General Meeting

Notice is hereby given that the 21st Annual General Meeting of the shareholders of SHARP INDUSTRIES PLC. (Changed from R.N. Spinning Mills Ltd.) will be held on December 21, 2025 (Sunday) 12.30 P.M. (Bangladesh Standard Time) through Hybrid System in combination of Digital Platform through the virtual link https://sharpindustries.bdvirtualagm.com and Physical Presence at Greentech Resort & Convention Center, Pingail, Bhabanipur, Gazipur to transact the following business:

AGENDA

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on 30th June, 2025 together with the reports of the Auditors and the Directors thereon.

2. To declare "No dividend" for the financial year ended on 30th June 2025 as recommended by the Board of Directors.

3. To consider the election/re-election of Directors.

4. To appoint Auditors for the financial year 2025-2026 and to fix their remuneration.

5. To transact any other business of the Company with the permission of the Chair.

By order of the Board,



Place: Dhaka
Dated: October 26, 2025

(A. Raquibul Islam ACMA)
Company Secretary

Notes:

(1) The Shareholders whose name will appear in the Share Register of the Company or in the Depository on the record date i.e. November 16, 2025, will be entitled to attend at the 21st Annual General Meeting and to entitle the dividend, if any.

(2) A member entitled to attend/ Participate and vote in the Annual General Meeting, may appoint a proxy in his/her stead. Scanning copy of the proxy form, duly stamped must be mailed to the e-mail at "sharpindustriesplc@gmail.com" at least 48 hours before the meeting.

(3) Pursuant to the BSEC Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated June 20, 2018, a soft copy of the Annual Report 2024-25 will be sent to the Shareholder's respective email address as available to us. Members are requested to update their email address through their respective Depository participant (DP). The soft copy of the Annual Report 2024-2025 will also be available at www.sharpindustriesplc.com.

(4) Admission to the meeting room will be strictly on production of the attendance slip sent with the Notice as well as verification of signature of Member(s) and/or Proxy-holder(s).

(5) Members may visit and vote through the link https://sharpindustries.bdvirtualagm.com which will remain open prior from 24 hours of the meeting and continue until closure of the meeting.

(6) No gift or benefit in cash or kind shall be paid to the holders of equity securities as per Bangladesh Securities & Exchange Commission Notification No. SEC/CMRRCD/2009-193/154 dated 24 October 2013.

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Chairman	: Mr. Md. Humayun Kabir (Rep. of M.L. Dyeing & Textile Ind. PLC name changed from M.L. Dyeing Ltd.)
Managing Director	: Mr. Md. Abul Kashem (Ex-Officio)
Director	: Mr. Abdul Kader Faruk
Director	: Mrs. Shirin Faruk
Director	: Mr. Faiaz Kader
Director	: Mr. Rezaur Rahman Rajon
Director	: Mr. Abid Mustafizur Rahman
Director	: Mr. Fatin Kader Fardin
Independent Director	: Mr. Md. Anwar Zahid Bhuiyan (Yet to be approved by BSEC)
Independent Director	: Mrs. Rafiza Alam (Lucky) (Yet to be approved by BSEC)

AUDIT COMMITTEE

Chairman	: Independent Director (Yet to be approved by BSEC)
Member	: Mr. Rezaur Rahman Rajon
Member	: Mr. Abid Mustafizur Rahman
Member	: Mr. Fatin Kader Fardin
Member Secretary	: Mr. A. Raquibul Islam ACMA

NOMINATION & REMUNERATION COMMITTEE (NRC)

Chairman	: Independent Director (Yet to be approved by BSEC)
Member	: Mrs. Shirin Faruk
Member	: Mr. Fatin Kader Fardin
Member	: Mr. Rezaur Rahman Rajon
Member Secretary	: Mr. A. Raquibul Islam ACMA

SENIOR CORPORATE OFFICIALS

Chief Financial Officer	: Mr. Md. Mostafa Hasan
Company Secretary	: Mr. A. Raquibul Islam
Head of Internal Audit	: Mr. Md. Jakir Hossain
DGM Marketing	: Mr. Md. Sogirul Karim
GM Factory	: Mr. Kunal Kanti Sarkar

STATUTORY AUDITORS

M.Z. Islam & Co
Chartered Accountants
Head Office: Eastern View (10th Floor) 50 D.I.T Extension Road, Nayapaltan, Dhaka-1000.
Tel: +880 2 222220092, +880 2 48310365, E-mail: mzislam.ca@gmail.com, afakrul@yahoo.com,
Web: www.mzislam.com

CORPORATE OFFICE

House # 11, (7th Floor), Unit # 7B, Road # 12, Block # F, Niketon, Gulshan-1, Dhaka-1212, Bangladesh

REGISTERED OFFICE & FACTORY

Mouja: Mahona Bhabanipur, Gazipur Sadar, Gazipur

WEBSITE

www.sharpindustriesplc.com

BANKERS

SBAC BANK PLC, PRINCIPAL BRANCH, MOTIJHEEL, DHAKA.
SOCIAL ISLAMI BANK PLC, PRINCIPAL OFFICE BRANCH, DILKUSHA, DHAKA.
JAMUNA BANK PLC., FOREIGN EXCHANGE BRANCH, MOTIJHEEL, DHAKA.
JAMUNA BANK PLC., COMILLA BRANCH, COMILLA.
WOORI BANK, LOCAL OFFICE, GULSHAN, DHAKA.
ISLAMI BANK BANGLADESH PLC., LOCAL OFFICE, MOTIJHEEL, DHAKA.

LISTING WITH

- Dhaka Stock Exchange PLC. (DSE)
- Chittagong Stock Exchange PLC. (CSE)

CORPORATE ACHIEVEMENTS

1. Year of Incorporation: 2004
2. Year of Commercial Operation: 2007
3. Year of Conversion to Public Limited Company: 2007
4. Year of Listing with Dhaka Stock Exchange Ltd. (DSE): 2010
5. Year of Listing with Chittagong Stock Exchange Ltd. (CSE): 2010
6. The company has been received final judgment and Order on the 18 December, 2022 (Copy of the Order certified on 05 January, 2023) vide COMPANY MATTER NO. 62 of 2022 for amalgamation of Samin Food & Beverage Ind. and Textile Mills Ltd. (SAMINTL) with R.N. Spinning Mills Ltd. (RNSPIN) according to the terms of the Scheme of Amalgamation.
7. The Company has been amalgamated with Samin Food & Beverage Ind. and Textile Mills Ltd. (Trans feror company) as per the Judgment and Order of the Honorable High Court Division of the Supreme Court of Bangladesh, dated 18 December, 2022 and also the consent of BSEC (Ref: BSEC/LS D/CM-2022/992/1415, Dated 01 October, 2023). In this regard the company declared the date of amalgamation and record date on 31 October, 2023. Accordingly both the companies were amalgamated.
8. Capital: Authorized BDT 5,000 Million, Paid up Capital BDT 3,925.45 Million before amalgamation.
9. Capital: Authorized BDT 7,500 Million, Paid up Capital BDT 3,034.52 Million after amalgamation.
10. Date of Name Change: 14 January, 2024 (Name Change from R.N. Spinning Mills Ltd. to SHARP Industries PLC).
11. Date of Trading Code change in Dhaka Stock Exchange PLC (DSE): 29 October, 2024.
12. Date of Trading Code change in Chittagong Stock Exchange PLC (CSE): 29 October, 2024.

INTRODUCING
BOARD OF DIRECTORS



Mr. Md. Humayun Kabir
Chairman (Nominated Director of M.L. Dyeing & Textile Ind. PLC name changed from M.L. Dyeing Ltd.)
Mr. Md. Humayun Kabir, MBA (DU), aged 58, is the Chairman of the company. He has more than 33 years of experiences in Garments & Textile Industry. He is an Executive Director of M.L. Dyeing & Textile Ind. PLC. He has visited many countries of the world in connection of business and has bagged to his credit a vast experience and knowledge in modern method, technology, production, marketing and management techniques of textiles industries by attaching several courses/ seminars and visiting similar industrial concerns of the world. He engaged himself in various social activities.



Mr. Md. Abul Kashem
Managing Director
Mr. Md. Abul Kashem, is the Managing Director of the company. After completion of his education, he has engaged himself in textile sector and gather vast knowledge and experiences in terms of operations, administration and establishment in this sector. He is a very renowned experienced professional in textile sector of Bangladesh. He has gathered huge experience and knowledge in Modern Methods, Technology, Production and Marketing & Management techniques of textile industries.



Mr. Abdul Kader Faruk
Director
Md. Abdul Kader Faruk aged 65, Director of the Company born in well-known business family in 1959 in Barisal. After completion of Master's Degree, he engages himself in business. He became a successful business man in short time of his business career with his sincerity, honesty, conceptual and practical problem solving minded. During his tenor of business career, he gained business techniques in textile spinning and its manufacturing, operating, marketing and controlling systems. Mr. Faruk is associated with and donors of a number of schools, colleges and different social welfare organizations. He is well acquainted international scenario because of his business tours in many countries including America, Japan, China, India, German, U.K., Australia, Saudi Arabia, Hong Kong, Singapore and many other countries.



Mrs. Shirin Faruk,
Director
Mrs. Shirin Faruk, aged 59, is a Director of the company. She started her career as an officer in a Jute Spinning Mills after completion of Master degree. After gaining technical details and production & factory labor administration of spinning mills, she join in her family business. She is the founder of Aysha Memorial - A health care organization of distress woman and she is associated with and donors of many schools, colleges and different social -welfare organizations. She has traveled many countries like U.K, Malaysia, Singapore, Saudi Arabia etc. She is well knowledged in yarn quality, technical details of spinning machinery and general production process & administration.

Mr. Faiaz Kader
Director



Faiaz Kader, aged 31 is a newly elected Director of the Company after amalgamation. He was born in the year of 1994. Initially he has involved in their family business as Management Trainee. Gradually he shown his skill and by dint of own power he advanced sufficiently in short of time in the line of Garments and Textiles industry and business activities. By course of time he becomes Director with his personal skill, bold leadership, very profound business concept and hardworking nature. He is involved in many social activities.

Mr. Abid Mustafizur Rahman
Director



Mr. Abid Mustafizur Rahaman MBA, aged 36, is a newly elected Director of the Company after amalgamation. He has traveled many countries including Japan, China, Hong Kong, India, Germany, UK and USA to obtain textile dying chemical industry details like its processing, marketing and administrative activities. He is well accepted to all in the company because of his friendly attitude and hardworking nature. He engaged himself in various social activities.

Mr. Rezaur Rahman Rajon
Director



Mr. Rezaur Rahman Rajon, aged 35 is a newly elected Director of the Company after amalgamation. He was born in a high esteemed Muslim business family in the year of 1990. After completion of MBA, he joined in the family business as Management Trainee Officer. By the course of time he became Director of Samin Food & Beverage Ind. and Textile Mills Ltd. with his personal skill, due leadership behavior, very profound business concept and very hard working nature. He is involved in many social activities & related works. By this time, he has also completed Bar-at-law. He traveled many countries including China, Korea, India and Germany for gaining technical know-how of textile industry and latest development of production technology.

Mr. Fatin Kader Fardin
Director



Fatin Kader Fardin, aged 26, is the youngest director of the company. After completion of BBA he engaged himself with family businesses. He already has shown his skills in company's different activities. His interpersonal skills, leadership behavior, analytical ability and hardworking nature made him one of the worthy directors.

Mr. Md. Anwar Zahid Bhuiyan,
Proposed Independent Director



Mr. Anwar Zahid Bhuiyan, Advocate, Bangladesh Supreme Court is the proposed Independent Director of the Company. His appointment is yet to be approved at the end of Bangladesh Securities and Exchange Commission. He was born in a high venerated Muslim family in the year of 1962. He obtained Bachelor of Laws from Dhaka University in 1985. As a Lawyer he is practicing in the High Court Division of Bangladesh Supreme Court since January 22, 1991. He has vast knowledge of Company Laws. He visited to many countries in connection with his profession and has gathered sufficient knowledge.

Mrs. Rafiza Alam (Lucky)
Proposed Independent Director



Mrs. Rafiza Alam Lucky, Advocate, Bangladesh Supreme Court, is the proposed Independent Director of the Company. Her appointment is yet to be approved at the end of Bangladesh Securities and Exchange Commission. After completion of B.Com and L.L.B, Mrs. Rafiza Alam Lucky enrolled herself in the Bangladesh Bar Council in 2006 and Dhaka Bar Association in 2006 bearing membership no 8359. She also enrolled in Bangladesh Supreme Court in 2013 bearing membership no 5572. She also obtained L.L.M degree with 1st Class from the Islami University, Kustia in the year 2023. She is a knowledgeable person in the field of Business and Law as her background is in the both field. She does not hold any share of the company and she has no attachment with any sponsors/shareholders of the Company.

Dated: October 25, 2025

To:
The Board of Directors,
SHARP INDUSTRIES PLC

From: The Audit Committee

Subject: Report of the Audit Committee.

The Audit Committee of SHARP INDUSTRIES PLC (Name changed from R.N. Spinning Mills Ltd.) is appointed by the Board of Directors, as recommended by Bangladesh Securities and Exchange Commission (BSEC) notification. The Audit Committee ensuring good governance of the Company and it is a sub–committee of the Board. The Audit Committee consists of four members, of which one is independent director who is chairperson of the committee.

The Composition of the Audit C ommittee
The terms of reference of Audit Committee has been set up by the Board of Directors in accordance with BSEC notification. The existing members of the committee are:

Chairman	: Independent Director (Yet to be approved by BSEC)
Member	: Mr. Rezaur Rahman Rajon
Member	: Mr. Abid Mustafizur Rahman
Member	: Mr. Fatin Kader Fardin
Member Secretary	: Mr. A. Raquibul Islam

After May 29, 2024 Mr. Omar Faruque, Independent Director's position has been vacated. As the position of independent director both male and female are vacant and yet to approved at the end of BSEC, Mr. Rezaur Rahman Rajon, member of audit committee signed the report as Chairperson in absence of Independent Director.

Four (4) meetings of Audit Committee were held during the year under review. In all meetings internal auditor gave presentation to the committee which covered internal audit plan, number of audit carried out during the year, audit observations, audit recommendations and status of its implementation. Audit Committee also met external auditor to discuss their observations on statutory audit and their recommendations for improvement.

Role of Audit Committee
The Audit Committee is empowered with Boards oversight responsibility to investigate any activity within its terms of reference. The Committee reports to Board of Directors as per terms of reference, on the activities assigned. The role of the committee includes:

- Review the financial statement with respect to presentation, disclosure and accuracy of data.
- Monitor and review effectiveness of internal and external audit.
- Review effectiveness of the financial internal control of the Company.
- Review effectiveness of risk management system of the Company.
- Review ethical standard and procedures to ensure compliance with regulatory and financial reporting requirements.
- Any other activities as per audit committee charter.

Meeting

There were four meetings during the period. The quorum shall be not less than two directors, one of whom, at least, shall be independent director.

The audit committee may invite such other person (e.g., the CFO, internal auditor) to its meetings, as it deems necessary. The external auditor shall sometimes, normally attend the meetings of the committee at which it communicates audit risks and planning and the full year results. Company Secretary shall act as the secretary of the committee.

Activities carried out by the Audit Committee:

Audit Committee acted as per guideline mentioned in the charter of the Committee. The Committee reviewed effectiveness of internal control and external audit procedures and reports thereon and regularly updates the Board of Directors on their observations and status of control environment. The members of Committee were apprised duly by:

• The external auditor on accounting policies, internal controls, compliance of statutory provisions of law and other regulatory authorities, Compliance of IAS and IFRS and appropriateness of disclosure in the Financial Statements. The committee reviewed the audit findings and management responses.

• The Chief Financial Officer on financial performance of the Company for the period under review.

Reporting

The Audit Committee of Sharp Industries PLC. Oversees the financial reporting process on behalf of the Board of Directors of the Company. The committee reviewed and discussed the financial statements and related schedules with the Company management, accounting principles, control procedures, procedure and task of the internal audit and the external auditors' observations in their reports on the draft financial statements and significant judgment on the preparation & presentation of financial reports of the Company for the financial year ended on 30th June, 2025.

In fulfilling its oversight responsibilities, the Committee discussed with the Company's internal Auditors and Statutory Auditors about the overall scope and plans for their respective audit works. The Committee met with internal auditors, external auditors and management to discuss for the results of their examinations and for their evaluation of the Company's internal control and overall quality of the Company's financial reporting.

Pursuant to condition # 5(6)(a) of the Corporate Governance Code–2018 issued by BSEC, the Committee reports that it did not find any conflict of interest, any fraud, irregularity or material defect in the internal control system. There also are no infringement of laws, rules and regulations. After due verification Audit Committee formed the opinion that adequate financial control and procedures are in place to provide reasonable assurance that the Company's resources are safeguarded and the financial position of the Company is well managed.

On behalf of the Audit Committee.



Rezaur Rahman Rajon
Chairman
Audit Committee
Sharp Industries PLC.

Declaration by MD & CFO

SHARP INDUSTRIES PLC

25 October 2025

The Board of Directors
Sharp Industries PLC.
House-11, Unit-5B, 5th Floor
Niketon, Gulshan-1, Dhaka- 1212

Subject: Declaration on Financial Statements for the year ended on 30 June, 2025.

Dear Sir(s),

Pursuant to the condition No. 1(5) (xxvi) imposed vide the commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated 03 June, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

(1) The Financial Statements of Sharp Industries PLC. for the year ended on 30 June, 2025 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;

(2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;

(3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;

(4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;

(5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and

(6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exist no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern except.

In this regard, we also certify that:-

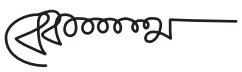
(i) We have reviewed the financial statements for the year ended on 30 June, 2025 and that to the best of our knowledge and belief:

(a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.

(ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



Md. Abul Kashem
Managing Director & CEO



Md. Mostafa Hasan
Chief Financial Officer

Message from the Chairman



Bismillahir Rahmanir Rahim,
Dear Shareholders,
Assalamu Alykum Wa Rahmatullah ,

It is a great pleasure for me to welcome you all, on behalf of the Board of Directors to the 21st Annual General Meeting of your company -"Sharp Industries PLC." and to present the Annual Report for the year ended 30 June 2025. We are delighted at your participation in this Annual General Meeting both physically and virtually.

The textile sectors and readymade garments (RMG) of Bangladesh provides the major source of growth in the economy of Bangladesh. Since the long period of time, textiles and garments exports are the 2nd principal source of foreign earnings. As you may be aware of the textile sector specially, spinning sectors had faced numerous external and internal challenges including unstable raw materials price, shipment delays, decrease of yarn price, hike of utility tariff, which all had direct impact on cost of production and overall profitability of the industry.

The Bangladeshi textile industry has been grappling with a severe crisis throughout the past fiscal year. This, coupled with rising foreign exchange rates, raw material costs, utility expenses, and declining global apparel demand, has put immense strain on the sector. Despite these challenges, we managed to achieve a sales revenue of Tk. 3,949,922,742/-, a gross profit of Tk. 387,678,599/-, a net profit after tax of Tk. 34,811,638/- and the earnings per share of Tk. 0.11/-. The global economic uncertainty and the present financial market instability in the country coupled with the decline in selling prices of finished goods and escalating costs of production has impacted our profitability and accordingly contributed to the decrease in earnings per share.

The Board of Directors is steadfast in its commitment to establishing and maintaining the highest standards of corporate governance, encompassing integrity, transparency, accountability, and responsible business conduct. We are resolute in our dedication to safeguarding the interests of our shareholders and stakeholders, and will continue to pursue strategies that enhance shareholder value.

I would also like to take this opportunity to show my utmost gratitude to all the valued shareholders, customers, well-wishers for their continuous support and my deepest gratitude goes to our regulators especially BSEC, DSE, CSE and RJSC for their prudent guidance and advice. Now let us all move ahead to a greater future though Innovation, Achieving Excellence in Service.

Md. Humayun Kabir
Chairman
SHARP INDUSTRIES PLC.

Message from the Managing Director



Bismillahir Rahmanir Rahim
Dear Shareholders,
Assalamu Alykum,

Respected Directors, Shareholders, Guests, Media Representatives, Ladies & Gentlemen; It is indeed a great honor and privilege for me to greet you all to the 21st Annual General Meeting of your Company. I am also pleased to be able to place before you the Annual Report along with the Auditor's and Director's Reports for Year Ended 30 June 2025, and overall performance of the Company and its prospects for the future.

The Year 2024-2025 has ended with immense expectation and needs for all of us - entrepreneurs, investors, stakeholders and shareholders significantly. It would be our individual as well as group responsibility to fulfill your commitments in our own sphere of activities, that the nation may attain its expected goals leading to extinction of poverty, employment for all, raised bar of living standard for the mass population through our part of contribution to the GDP considering the overall Economy of the Nation.

Now, I would like to highlight some points for your kind information and understanding. The financial period of 2024-2025 was a challenging year for the Company. In the year ended 30th June 2025, the operating results of the company have been decreased compare to the previous year. The company's performance during the fiscal year 2024-2025 was significantly impacted by numerous challenges, including high inflation, higher costs of production, and adverse foreign exchange rates. These factors hindered the company's ability to achieve its desired revenue growth.

Despite to all of the obstacles, the company has successfully completed the amalgamation process to protect the implied adverse business situation. The company has been running with total production capacities in cotton plant of 23,500.00 tons annually by 121000 spindles. In summary, the company generated sales revenue of Tk. 3,948,922,742/-, a gross profit of Tk. 387,678,599/-, and net profit/loss after tax of Tk. 34,811,638/-. Consequently, the earnings per share stood at Tk.0.11/-). The changing international economic condition, local financial market instability combined with the decline in selling prices of finished goods, escalating costs of production eroded profitability and accordingly earning per share has been decreased. Considering all the economic and socio-political circumstances along with other significant matters that may impact on business, the Board of Directors has decided not to recommend any dividend for the year ended on 30th June 2025.

While we are currently facing a challenging period, we remain confident in our company's resilience and ability to overcome these difficulties. Our unwavering commitment to the betterment of the company and its shareholders remains our guiding principle, and we are confident that brighter days lie ahead.

Finally, I would like to express my deepest appreciation to the company's shareholders for their trust and enduring support to the Board of Directors to operate the Company. I would also like to sincerely thank the Banks, Financial and Regulatory Agencies, Suppliers and Customers, various people we have interacted with in course of business, management staff and members of the company at all levels for their loyalty and extensive hard work, and express our hope for prosperity. We are looking forward to better days ahead!

May Allah Grant us success!
With best wishes.

Mr. Md. Abul Kashem
Managing Director
Sharp Industries PLC.

DIRECTORS' REPORT

Bismillahir Rahmanir Rahim,
Dear Shareholders,
Assalamu Alykum,

On behalf of the Board of Directors of your company, I welcome you all to the 21st Annual General Meeting of Sharp Industries PLC. We, the members of the Board are pleased to present Directors' Report, Auditors' Report and Audited Financial Statements for the financial year ended on 30th June 2025 before you for your consideration and approval. In terms of provisions of section 184 of the Companies Act 1994, Rule 12 (and the schedule there under) of the Securities and Exchange Rules 2020 and IAS-1 (International Accounting Standard-1) codes as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), these reports have been prepared and being presented before the shareholders for the financial year ended on 30th June 2025.

Principal Activity: The Principal Activity of the company was that of production and sales of high quality Cotton yarn through export.

Company's Operational Activity: After the amalgamation/merger of Samin Food & Beverage Inds. and Textile Mills Ltd. with R.N. Spinning Mills Ltd. have been successfully accomplished , now The Company's production capacity in cotton plant is 1,21,000 spindles and annual production capacity is 23500 tons. The production during the year ended 30th June, 2025 was 13,579 tons. During the year under review, sales revenue of the company was Tk. 3,949.92 million in comparison to Tk. 4,019.73 million of previous year. And the company was able to achieve Net Profit/(Loss) after Tax Tk.34.81 million in comparison to Tk. 56.98 million in previous year.

CAPACITY / PRODUCTION:

The total installed production capacity during the year ended 30th June, 2020 was as follows:

2024-2025	2023-2024	2022-2023	2021-2022	2020-2021

(i) No. of Spindles (Installed):

A	Acrylic	-	-	-		
B	Cotton	121000	79872	-		

2024-2025 12 months	2023-2024 12 months	2022-2023 12 months	2021-2022 12 months	2020-2021 12 months

(ii) No. of Spindles (in operation):

A	Cotton	121000	79872	-	-	-

After fire accident dated 8th April 2019, the capacity was nil. But after successful completion of amalgamation process, capacity has been restored.

2024-2025 12 months	2023-2024 12 months	2022-2023 12 months	2021-2022 12 months	2020-2021 12 months

(i) Production (kg):

A	Installed Capacity	23,500.000	17,500,000	-	-	-	-
B	Actual Production	13,578,917	10,969,713	-	-	-	-
C	Efficiency (%)	57.78	62.68	-	-	-	-

1. COST OF PRODUCTION:

The cost of production has varied during the past years primarily due to wide fluctuations in the price and availability of raw materials, packing materials, fuel & power, and spare parts which were beyond the control of Management. In the year the effect of fire incident also affected the measurement. The level of costs and their incidences are given below:

2024-2025 12 months	2023-2024 12 months	2022-2023 12 months	2021-2022 12 months	2020-2021 12 months

a)	Production	13,578,917	10,969,713	-	-	-
b)	Cost of Production (BDT):					
Raw Materials Consumed/disposal		3,516,984,605	2,953,239,612	-	42,442,741	256,495,108
Packing Materials Consumed		26,282,784	24,305,400	-	-	4,651,413
WIP-Opening		87,051,281	58,946,408	-	-	-
WIP-Closing		85,563,415	87,051,281	-	-	-
Manufacturing Overhead		647,478,846	576,092,061	-	8,818,556	75,297,664
Depreciation		241,919,197	260,805,474	-	15,856,764	16,456,824
Total		4,434,153,298	3,786,337,674	-	64,118,061	352,901,009

(i) Industry outlook and possible future developments in the industry:

RMG sector is the highest revenue generating sector in Bangladesh. Spinning sector is playing a vital part of RMG value chain, for stabilizing supply chain and control the major costs. The products of spinning are cotton yarn, polyester, synthetic yarn, woolen yarn and blended yarn mixed of cotton with polyester of different counts. Out of total demand of yarns in Bangladesh, almost 85% demand of cotton yarns and 50% demand for synthetic and blended yarn of export-oriented fabric producing mills are being met by the private sector spinning mills.

Contribution of Textiles in Bangladesh:

- Investment in the Primary Textile Sector: over 6.00 billion US$.
- Value addition in knit & woven RMG are over 70% & 35% respectively.
- Textile sector contributes more than 13% in GDP.
- Over 86% of the export earning comes from Textiles & Textile related products.
- Around 90% yarn demand for knit RMG & 35-40% yarn demand for woven RMG are met by Primary Textile Sector (PTS).
- Local fabric demand & the yarn demand for handloom are also met by Primary Textile Sector (PTS).
- Backward & Forward linkage industries provide employment for more than 5 million people where 80% are female. (Source: Bangladesh Textile Mills Association).

While the Bangladeshi economy has been slowly recovering from the effects of COVID-19 and the current Russia-Ukraine conflict, the recent downturn in global economic development has been weighing on the country's progress. Prior to the COVID-19 period, GDP growth in Bangladesh was 7.88 percent in FY 2018-19. The growth rate during the COVID-19 slowed to 3.45 percent in FY 2019–20 before picking up speed to 6.94 percent in FY 2020–21 and 7.10 percent in FY 2021–22. The Bangladesh Bureau of Statistics (BBS) reported that in the current FY 2022-23, the GDP growth rate reached 6.03 percent, as well as the per capita national income reached US$ 2,765. In FY 2023-24 GDP growth rate is 4.22 percent.

The ongoing global economic crisis including COVID 19 and Russia-Ukraine crisis effect having an impact on overall export dependent economies worldwide. Even high performing countries like China and India have recorded slowdowns. Other high performing economies like those of Thailand, Philippines and Indonesia are also suffering badly because of the ongoing crisis. In contrast, export of textile products from Bangladesh surprisingly remains quite buoyant. Readymade Garments exports have affected by significant percent during the year and over the corresponding period of last year.

(ii) **Segment-wise or product –wise performance:**

The following table indicates revenue of major products and its contribution percentage for the last two comparative periods:

Products	12 months ended 30-06-2025		12 months ended 30-06-2024	
	Taka	Percentage	Taka	Percentage
Acrylic	-	-	-	-
Cotton	3,949,922,742	100%	4,019,733,092	100%
Total	-	-	-	-

(iii) Risks and concerns:

You know that your company's products selling is directly depends on the production of garments and textile sector. All sectors of the garments and textile industries face many of the same challenges. The main problems are lack of power and problem with labor unrest causing disruption of production. Price of grid electricity for industries is likely to increase as well. Gas price has increased for the industries but the government has further hinted the raise as well. In the year risk from Covid 19 and Russia-Ukraine crisis has already impacted worldwide. Hence, coming year could be a year when the industries may need to be prepared to pay more for energy and fuel. So, this forcing the sector to be more cost effective in the ever challenging international market.

(iv) Analysis of Cost of Goods sold, Gross Profit Margin and Net Profit Margin:

(a) Cost of Goods Sold:

Cost of Goods Sold (COGS) is the expenses a company incurred in order to manufacture, create or to sell a product. It includes the purchase price of the raw materials as well as the expenses turning it into finished product. The Cost of goods sold for the 12 months ended on 30.06.2025 was Tk. 3,562,244,143. Production capacity utilized during the 12 months ended 30.06.2025 was 57.78%.

(b) Gross Profit:

Gross Profit is the difference between sales and the cost of goods sold.
Gross Profit = (Sales-Cost of Goods Sold)
The company has achieved an export turnover of Tk. 3949.92 million during the 12 months ended 30 June, 2025 which was Tk. 4018.76 million in the last year. Gross profit earned during the 12 months ended 30th June, 2025 was Tk. 387.68 million as compared to last year's profit/loss was Tk. 371.90 million.

(c) Net Profit or loss:

Net Profit/(Loss) after tax earned during the 12 months ended 30th June, 2025 was Tk. 34.81 million as compared to last year's Net Profit/(Loss) after tax of Tk. 56.98 million.

(v) Extra-Ordinary gain or loss:

There is no extraordinary gain or loss occurred during the reporting period.

(vi) Related party transactions:

During the year the company has carried out transactions with related parties besides the normal course of business, details are given below:

(vii) Director Remuneration & Fees:

Particulars	Amount in Taka
Remuneration & benefits to the Managing Director	600,000
Meeting attending fees	118,000
Total	718,000

Other Transaction:

Name of related party	Relationship	Nature of transaction	Transaction type at the end of the period	Outstanding balance as on 30.06.2024
Rahman & Nesa Hospital and Research Center Ltd.	Common Ownership	Short term loan	Short term loan	145,888,000

M.L. Dyeing Limited owns 6,191,603 number of ordinary shares of Tk.10/-each at total amounting Tk. 303,452,109 being 2.04% of total ordinary shares of Sharp Industries PLC (changed from R.N. Spinning Mills Ltd.)

Related Party Transactions are depicted in Note No. 38.00 in the Notes of Accounts.

(viii) The Company has no issue of utilization of proceeds raised through public issues, rights issues and/or any other instruments during the year ended 30 June 2025.

(ix) There is no event of deterioration of the financial results during the year ended 30 June 2025 because none of event incurred in connection with Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing etc. in the reporting period.

(x) Variance between Quarterly Financial performance and Annual Financial Statements:
There is no significant variance between the Quarterly Financial performance and Annual Financial Statements.

(xi) Remuneration to directors including independent directors:
The remunerations of Directors for the 12 months ended 30.06.2025 are as follows:

Director Remuneration & Fees:

Particulars	Amount in Taka
Remuneration & Benefits to the Managing Director	600,000
Meeting attending fees	118,000
Total	718,000

Remuneration of Directors including Independent Directors has been shown in Note no. 38.00 in the Notes of Accounts.

(xii) Statement of Directors on Financial Reports:
a) The financial statements prepared by the management of the company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
b) Proper books of accounts of the company have been maintained.
c) Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
d) International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there- from have been adequately disclosed.
e) The system of internal control is sound in design and has been effectively implemented and monitored.
f) Minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;
g) There are significant doubts upon the issuer company's ability to continue as a going concern with present resources that the fire incident results the inability to continue until restart of factory by further arrangements.

Auditor's Emphasis of Matter:

The management of the company informed and well concerned about the following Emphasis of Matter given by the Auditor:

- We draw our attention that, the company has not yet established the contributory Provident Fund, Gratuity Fund and WPPF.
- Production plant and warehouse of R.N. Spinning Mills Limited was situated in EPZ-Cumilla which was burnt in a fire incident on 8 April 2019.Property. Due to that fire incident total reported loss were amount to Taka 6,123,281,989. The damaged loss was consisted of inventories amount to Taka 1,475,022,287 and property, Plant & Equipment carrying amount was amount to Taka 4,648,259,702. The Company's fired assets and inventories were covered by Union Insurance Company Limited amounting to Taka 1,324,606,136. The Company reported that the Union Insurance Company has settled the insurance benefits at Tk. 30,50,00,000/- out of the settled amount the company has received Taka 19,000,000 up to 30 June, 2025 which is described in financial statements note- 21.03 as advance received from Union Insurance Company Limited. This amount will be adjusted with final settlement. The whole process has already elapsed for more than (06) six years since 8 April 2019, the date of fire incident, and it seems that uncertain time existed for recovery of the coverage in the company. No legal steps have been taken by the company to expedite the recovery process. The amalgamation information has been given in note-1.01. The company has not been performed the impairment as per IAS 36. As a result, we were unable to obtain sufficient appropriate audit evidence regarding the valuation of Property, Plant & Equipment-Cummila EPZ

(xiii) Deviation from the last year's operating results:

Due to global and local financial crisis, fall of unit selling price, and increase in cost of production overall profitability have been declined compared to last year.

(xiv) Key operating and financial data of last preceding 5 (five) years:

Operational Data:

Particulars	Year ended on				
	30.06.2025	30.06.2024	30.06.2023	30.06.2022	30.06.2021
Turnover (Tk)	3,949,922,742	4,019,733,092	-	-	34,533,557
Gross Profit (Tk)	387,678,599	371,901,726	-	-	(32,584,504)
Net Operating Profit (Tk)	332,589,131	78,693,918	(31,013,306)	(34,766,500)	(82,438,290)
Net Profit or loss before tax (Tk)	76,207,479	88,193,379	(29,278,764)	(33,501,026)	(74,536,465)
Net Profit or loss after tax (Tk)	34,811,638	56,978,211	(31,467,252)	(36,550,832)	(69,865,896)
Net Profit or loss for ordinary shareholders	34,811,638	56,978,211	(31,467,252)	(36,550,832)	(69,865,896)
Basic EPS (Tk)	0.11	0.19	(0.08)	(0.09)	(0.18)
Dividend per share (%)	-	1%	-	-	-

(xv) Key operating and financial data of last preceding 5 (five) years:

Financial Data:

Particulars	Year ended as on				
	30.06.2025	30.06.2024	30.06.2023	30.06.2022	30.06.2021
Authorized Capital (Tk)	7,500,000,000	7,500,000,000	5,000,000,000	5,000,000,000	5,000,000,000
Paid up Capital (Tk)	3,034,521,090	3,034,521,090	3,925,448,340	3,925,448,340	3,925,448,340
Face value per share (Tk)	10	10	10	10	10
Retained Earnings (Tk)	(123,763,182)	(128,229,609)	(4,534,870,419)	(4,503,403,167)	(4,466,852,335)
Current Assets (Tk)	4,072,970,188	3,609,927,087	33,275,293	34,722,726	90,815,488
Current Liabilities	3,887,357,873	3,491,683,106	321,475,220	306,107,691	341,897,014
Current Ratio	1.05	1.03	0.10	0.11	0.27
Quick Ratio	0.57	0.69	0.10	0.11	0.23
Debt-Equity Ratio	0.19	0.20	(32.61)	13.72	5.29
Time Interest Earned Ratio	1.23	1.33	(7.72)	(7.95)	(1.78)
Return on Assets	0.47%	0.84%	(8.48%)	(8.80%)	(14.04%)
Return on Equity	1.14%	1.83%	(258.27%)	(91.15%)	(74.88%)
Earnings per share	0.11	0.19	(0.08)	(0.09)	(0.18)
Dividend per share	-	1%	-	-	-
Inventory Turnover	2.44	4.24	-	-	3.16
Asset Turnover	0.54	0.60	-	-	0.069
Number of Shares	303,452,109	303,452,109	392,544,834	392,544,834	392,544,834
Number of Shareholders	22330	24616	27,327	27,593	27,639

(xvi) Dividend: Our Policy was/is to offer consistent dividends that closely reflect business performance. Considering present economic and socio-political circumstances along with other significant matters that may impact on business, the Board of Directors has decided not to recommend any dividend for the year ended on 30th June 2025.

(xvii) Interim Dividend: Board of Directors confirm that no bonus share or stock dividend or cash dividend has been declared as interim dividend and shall not be declared any stock or bonus share as interim dividend in future.

(xviii) Number of Board Meetings:

The Board met 8 times during year ended 30th June, 2025. The members who could not attend the meeting were granted leave and outside of the country.

(xix) The pattern of shareholding:

a) Parent/ Subsidiary/ Associated Companies and other related parities

Number of shares held: M. L. Dyeing Limited owns 6,191,603 number of ordinary shares of Tk. 10/- each at total amounting Tk. 303,452,109 being 2.04% of total ordinary shares of SHARP INDUSTRIES PLC (Name changed from R.N. Spinning Mills Ltd.)

b) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit and Compliance and their spouses and minor children:

Name	Position	Number of share held in amalgamated company
Mr. Md. Humayun Kabir (Nominee Director of M.L. Dyeing & Textile Ind.PLC, name changed from M.L. Dyeing Ltd.)	Chairman	6,191,604
Mr. Md. Abul Kashem	Managing Director	-
Mr. Abdul Kader Faruk	Director	26,031,511
Mrs. Shirin Faruk	Director	20,342,783
Mr. Faiaz Kader	Director	14,430,400
Mr. Abid Mustafizur Rahman	Director	8,982,880
Mr. Rezaur Rahman Rajon	Director	16,164,672
Mr. Fatin Kader Fardin	Director	18,348,240
Mr. Anwar Zahid Bhuiyan	Propoosed Independent Director	-
Mrs. Rafiza Alam (Lucky)	Propoosed Independent Director	-
Mr. A. Raquibul Islam	Company Secretary	-
Mr. Md. Mostafa Hasan	Chief Financial Officer	-
Mr. Md. Zakir Hossain	Head of Internal Audit	-
Other than above, none of the spouse and minor children hold any shares of the company		

b) Senior Corporate Executives :
Number of shares held : Nil

c) Shareholders holding ten percent (10%) or more voting interest in the company

(xx) Appointment/re-appointment of directors of the company:

Retirement:

1) Mr. Md. Humayun Kabir, Chairman of the company, 2) Mr. Abdul Kader Faruk Director, 3) Mrs. Shirin Faruk, Director and 4) Mr. Faiaz Kader, Director of the Company will retire.

Appointment/Re-appointment:

Being eligible and as they have shown their interest for reappointment, the following Directors Will be re-appointed in the board of Directors of the company:

1) Mr. Md. Humayun Kabir as Chairman.
2) Mr. Abdul Kader Faruk as a Director
3) Mrs. Shirin Faruk as a Director.
4) Mr. Faiaz Kader as a Director

(xxi) Director's involvement in other companies:

Sl. No.	Name of Directors	Position at Sharp Industries Plc	Entities where they have interests	Position in other Companies
1.	Mr. Faiaz Kader	Director	FAR Chemical & Textile Ind. PLC	Director
			Better Life Hospital Ltd.	Director
2.	Mr. Abid Mustafizur Rahman	Director	FAR Chemical & Textile Ind. PLC	Chairman
			Polaris Industries Ltd.	Director
			Neptune Textile Mills Ltd	Managing Director
			F&S Industries Limited	Managing Director
3.	Rezaur Rahman Rajon	Director	Better Life Hospital Ltd.	Managing Director
4.	Mr. Fatin Kader Fardin	Director	FAR Chemical & Textile Ind. PLC	Director

(xxii) Auditors:

Present Auditors M.Z. Islam & Co, Chartered Accounts will retire in the 21 st AGM at the end of 2nd year tenure. M.Z. Islam & Co Chartered Accountants offer themselves for auditing accounts and affairs of the Company's Head Office as well as Factory for the year ended 30th June, 2026 with an honorarium of BDT 4,00,000/- (Four Lac) only excluding VAT.

Accordingly, the Board of Directors of the company has appointed M.Z. Islam & Co Chartered Accountants for the year ended 30th June, 2026 as per order of Bangladesh Securities and Exchange Commission (BSEC) No SEC/CMRRCD/2009-193/174/Admin/61 dated July 08, 2015 as they have conveyed their willingness to accept for appointment, subject to approval of the shareholders in the AGM.

Mujibur Rahman & Co, Cost & Management Accountants were appointed in the last Annual General Meeting as a Corporate Governance Code auditor of the company for the financial year ended on 30th June 2025. Mujibur Rahman & Co, Cost & Management Accountants has expressed their interest for re-appointment as Corporate Governance Code Auditor for the financial year ended on 30th June 2026; accordingly the Board of Directors of the company has re-appointed Mujibur Rahman & Co, Cost & Management Accountants as Corporate Governance Code Auditor for the financial year ended on 30th June 2026 with an honorarium of Tk.50,000/- excluding VAT.

(xxiii) Corporate Governance Compliance Report:

In accordance with the requirement of the Bangladesh Securities and Exchange Commission, Corporate Governance Report is annexed.

(xxiv) Going Concern:
As the company's production plants destroyed by fire, company's production was shut down from the date of fire incident i.e.; 8th April, 2019 to the date of amalgamation i.e.; 31 October, 2023. After the amalgamation, now the Directors consider that the Company has adequate resources to remain in operation for the foreseeable future and has therefore continued to adopt the going concern basis in preparing the financial statements.

(xxv) Internal Control System:
The Company has an internal control system, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Board.

(xxvi) Minority Shareholders' Protection:
The Board is and shall be committed to respect the rights of the minority shareholders to voting, right to information, dividends and appraisal of any alteration in Memorandum and Articles.

(xxvii) Management discussion and analysis:
The Board of Directors converse on the increase /decrease of revenue, cost of goods sold, gross and net profit margin. The Board also takes instant actions on the inquiry as required. A detailed report on discussion in this regard is comprised in the Annual Report.

(xxviii) Subsequent events:
Amounts recognized in the financial statements are adjusted for events after the reporting period that provide evidence of conditions that existed at the reporting period. No adjustment is given in the financial statements for events after the reporting period that are indicative of conditions that arose after the reporting period. Material non-adjusting events, if any, are disclosed in the financial statements.

There are no events identified after the date of the statement of financial position which require adjustment or disclosure in the accompanying financial statements.

(xxix) Audit Committee:
The Board has constituted the Audit Committee as follows:

Chairman	: Independent Director (Yet to be approved by BSEC)
Member	: Mr. Rezaur Rahman Rajon
Member	: Mr. Abid Mustafizur Rahman
Member	: Mr. Fatin Kader Fardin
Member Secretary	: Mr. A. Raquibul Islam

After May 29, 2024 Mr. Omar Faruque, Independent Director's position has been vacated. The position of Independent Directors are in process in the BSEC for approval of the Commission.
During the reporting period under review, the Committee held Four (4) meetings. A detail of the roles and activities of the Audit Committee has been provided in "The Report of The Audit Committee".

(xxx) Nomination and Remuneration Committee (NRC):

Nomination and Remuneration Committee (NRC) has been formed as follows as per provision of Corporate Governance Guidelines notification No: BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 by Bangladesh Securities and Exchange Commission (BSEC). This policy on nomination and remuneration of Directors and top level executives of the company has been formulated by the Nomination and Remuneration Committee (NRC) and has been approved by the Board of Directors. This is a subcommittee of the Board which encompasses by the following:

Chairman	: Independent Director (Yet to be approved by BSEC)
Member	: Mrs. Shirin Faruk
Member	: Mr. Fatin Kader Fardin
Member	: Mr. Rezaur Rahman Rajon
Member Secretary	: Mr. A. Raquibul Islam ACMA

After May 29, 2024 Mr. Omar Faruque, Independent Director's position has been vacated. The position of Independent Directors are in process in the BSEC for approval of the Commission. Mrs. Shirin Faruk, member of Nomination and Remuneration Committee (NRC) was selected unanimously by the committee members to preside over the meeting as chairperson in absence of independent director.

During the reporting period under review, the Committee held One (1) meetings. A detail of the roles and activities of the Nomination and Remuneration Committee (NRC) has been provided below

Nomination and remuneration policy:

The Nomination and Remuneration Policy is prepared and adopted in compliance with Corporate Governance Code 2018 of Bangladesh Securities and Exchange Commission in view to formulate and recommend proper, fair, transparent and non-discriminatory nomination and remuneration for the Directors and Top Level Executives of the SHARP INDUSTRIES PLC. The Nomination and Remuneration Policy of Directors and Top Level Executives have been formulated by the Nomination and Remuneration Committee and have been approved by the Board of Directors of SHARP INDUSTRIES PLC.

The Nomination and Remuneration Committee has been constituted by the Board of Directors of the Company as a subcommittee to assist the Board under the Condition No. 6 of the Corporate Governance Code 2018 of Bangladesh Securities and Exchange Commission.

NRC is independent and responsible or accountable to the Board of Directors and to the Shareholders of Company.

Terms of Reference and objective of the NRC:

The Terms of Reference of the NRC have been defined and adopted by the Board of Directors of the Company. The objective of the NRC is to oversee, assist and guide the Board of Directors:-

- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of Directors and Top Level Executives.
- To devise policy on Board's diversity taking into consideration of age, gender, experience, ethnicity, educational background and nationality.

- To the appointment, fixation of remuneration and removal of Directors and Top Level Executives.
- To formulate the criteria in respect to evaluate performance of the Independent Director and the Board.
- To identify the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria.
- To develop, recommend and review the company's human resources and training policies.
- To retain, motivate and promote talent and to ensure long term sustainability of talented Top Level Executive and create competitive advantage.
- To recommend Code of Conduct for the Chairman and other Members of the Board and Managing Director.
- To Implement and monitor policies and processes regarding principles of corporate governance.

Nomination and Appointment of Directors and Top Level Executives:
The committee is responsible to ensure that the procedures for nomination and appointment of Directors and Top Level Executive are taken place in transparent, rigorous and non-discriminatory way. The committee also responsible to identify and ascertain the combination of age, gender, educational background, experience, knowledge, ethnicity, diversity, nationality and other relevant personal values & attributes for nomination and appointment of Director and Top Level Executives.

Remuneration for Directors and Top Level Executives:

The committee shall oversee, review and make report with recommendation to the Board the level and composition of remuneration is reasonable and sufficient to attract, motivate and retain suitable, dependable and skilled Director and Top Level Executive. They also consider and review the relationship of remuneration to performance is clear and meets appropriate performance benchmarks, remuneration to Director and Top Level Executive involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

Validation of the Policy:

This policy on Nomination and Remuneration of Directors and Top Level Executives of the Company has been formulated by the Nomination and Remuneration Committee and has been approved by the Board of Directors of SHARP INDUSTRIES PLC (changed from R.N. Spinning Mills Ltd.).

Amendments to the Policy:

The Board preserves the rights to amend and review time to time the provisions of the policy depending on the legal and other requirements or for a bona fide purpose.

Evaluation of Performance:

Evaluation of performance of Directors be carried out through completion of a preset confidential questionnaire and/or collective feedback or any other effective criteria adopted by the Board yearly or at such intervals of its work, function and performance as may be considered necessary in order to ascertain the effectiveness and to measure the contribution of the Directors as well as the Top Level Executives of the Company.

Activities of the NRC carried out during the reporting period:

The NRC carried out the following activities in line with Committee's Terms of Reference during the reporting period:

i. Reviewed and recommended the Code of Conduct for the Chairman, other Members of the Board and Managing Director.
ii. Reviewed the Company's existing policy relating to the remuneration of Directors and Top Level Executives.
iii. Discussed and decided in regard to formulate the criteria of evaluation of performance of the Board and Independent Directors.
iv. Reviewed the Company's existing Human Resource and Training policies.

(xxxi) Contribution to national exchequer:
Being a responsible business entity, SHARP INDUSTRIES PLC (Changed from R.N. spinning Mills Ltd.) is contributing and facilitating to Government's revenue. In the reporting period, we have contributed significant amount in this regards.

(xxxii) Corporate social responsibility (CSR):
Over the years, your company's commitment to Corporate Social Responsibility (CSR) activities is part and parcel of the Company's business model. Your Company has been contributing to the welfare of the community, research and development and protection of environment.

(xxxiii) Certification, Awards & Recognition
Since starting your Company received the following certifications, awards and recognitions:

1. Achieved Membership of the Cotton LEADS™
2. Achieved Verified Cotton USA License from Cotton Council International, COTTON USA.
3. Got authorization to use trademark according to STANDARD 100 by OEKO-TEX®
4. Membership of the International Cotton Association Limited, England
5. Membership of the BCI (Better Cotton Initiative)

(xxxiv) WEBSITE:
Company maintains a website namely www.sharpindustriesplc.com which is linked with the websites of the stock exchanges and it is functional from the date of listing and all disclosures and financials are available in the website of the company.

(xxxv) Human Resources:
Human Resources are a fundamental asset across the entire business model. The development of the company builds its competitive advantage on the skills and commitment of its employees, promoting and rewarding pro-activity, goal orientation and teamwork. The HR Department of your company operates with specific policy, manual and plan which is approved by the Board of Directors. We provide on-the-job training and development opportunities to enhance our employees' carrier progression. Through different training, staff's professional knowledge in corporate operations, occupational and management skills are enhanced. SHARP INDUSTRIES PLC is an equal opportunity employer and does not discriminate on the basis of personal characteristics. Company has employee handbooks outlining terms and conditions of employment, expectations for employees' conduct and behavior, employees right and benefits. We establish and implement policies that promote a harmony and respectful workplace.

(xxxvi) Code of conduct:
The underlying philosophy of SHARP INDUSTRIES PLC's code is to conduct the business in an ethical manner as well as create a work environment that is conducive for members and stakeholders alike, based on the Company's values and beliefs. Code of Conduct for Board of Directors was framed and followed accordingly in discharging their duties and responsibilities.

(xxxvii) Directors' responsibilities statement
Pursuant to the BSEC notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 the Directors confirm that:

i) The financial statements prepared by the management of SHARP INDUSTRIES PLC fairly present its state of affairs, the result of its operations, cash flows and changes in equity.

ii) Proper books of Account of the company have been maintained.

iii) Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.

iv) International Accounting Standards (IAS)/International Financial Reporting Standards (IFRS) as applicable in Bangladesh have been followed in preparation of the financial statements and any departure therefrom has been adequately disclosed.

v) The system of internal control is sound in design and has been effectively implemented and monitored.

vi) After the accomplishment of amalgamation process, now there is no doubts upon the Company's ability to continue as a going concern and the accounts have been prepare on going concern basis.

vii) The significant deviations from previous period in the operating results of the company have been highlighted in the report and the reasons thereof have been explained.

viii) The key operating and financial data of last 5 years have been disclosed in this report.

ix) The number of Board Meeting held during the reporting period and the attendance by each director have been disclosed in this report.

x) The pattern of shareholding is disclosed in this report.

xi) A compliance status report with requirements of Corporate Governance as required by BSEC is disclosed in Corporate Governance Report and is disclosed in this report.

xii) Directors' profile is attached in this report and their directorship and business interest in other organizations have been disclosed adequately.

Appreciation:

The board of directors wishes to place on record their appreciation of thanks to shareholders, customers and suppliers for their continued support. Your Directors also wish to place on record their appreciation for the contribution made by the employees at all levels to the continued growth and prosperity of the company.

The Board would also like to thanks all stakeholders including banks, Insurance Companies, BEPZA, BSEC, DSE, CSE, CDBL, RJSC and various government authorities, trade bodies for their extended co-operation.

We look forward to brighter future for all of us.

On behalf of the Board



Md. Humayun Kabir
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

As per condition No 1.5 (XXV) of Corporate Governance Code dated on 3rd June, 2018; a Management's Discussion and Analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others are given

OVERVIEW 2024-2025:
Let us present before you a short review on the total operational and financial performance of your company from 01 July 2024 to 30 June 2025.

ECONOMIC OUTLOOK:
The economic outlook for Bangladesh's RMG and Textile sector in 2025 is mixed, with a strong start to the fiscal year followed by recent declines in exports due to factors like global economic uncertainty and new import restrictions in key markets like India. Despite a recent dip in monthly growth, the industry is focusing on adapting to stricter sustainability requirements from buyers and addressing local challenges like rising costs and logistics to ensure long-term competitiveness. Bangladesh's ready-made garment (RMG) and textile export sector is facing unprecedented uncertainty fueled by political instability, buyers' declining confidence, and other adverse factors. Leading industry representatives warned that major international buyers are withdrawing or delaying orders due to the unstable environment.

The RMG sector is the lifeblood of Bangladesh's economy, serving as a crucial source of foreign exchange and driving economic growth. This industry, along with the primary textile sector, employs a staggering 4.5 million workers, with women making up over 80% of the workforce. From spinning and weaving to knitwear, leisurewear, and high-street fashion, the textile and clothing industry is one of Bangladesh's fastest-growing sectors. The country's unique competitive advantages offer a fertile ground for profitable expansion into new strategic markets. Additionally, Bangladesh's local spinning industry plays a vital role in meeting the yarn demands of the RMG sector, further solidifying the industry's interconnectedness and resilience, still Bangladesh remains the world's second largest garment exporter.

Accounting policies and changes:
The specific accounting policies selected and applied by the company's directors for significant transactions and events that have material effect within the framework of IAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the period and were also consistent with those used in earlier periods. For a proper understanding, these accounting policies are set out in a detailed statement in Note No.: 2.00 of the Financial Statements.

FY 2024-2025 Financial Performance and Position:
The discussions in this section relate to the financial results pertaining to the year that ended June 30, 2025. The financial statements of SHARP INDUSTRIES PLC (Changed from R.N. Spinning Mills Limited) has been prepared in accordance with the International Accounting Standards (referred to as "IAS"), International Financial Reporting Standards (referred to as "IFRS"), as per the Companies Act, 1994, as amended from time to time. Significant accounting policies used in the preparation of the financial statements are disclosed in the notes to the financial statements – 2.00. The following table gives an overview of the financial results of the Company:

Key operating and financial data of last preceding 5 (five) years:

Operational Data:

Particulars	Year ended on				
	30.06.2025	30.06.2024	30.06.2023	30.06.2022	30.06.2021
Turnover (Tk)	3,949,922,742	4,019,733,092	-	-	34,533,557
Gross Profit (Tk)	387.678,599	371,901,726	-	-	(32,584,504)
Net Operating Profit (Tk)	332,589,131	310,508,593	(31,013,306)	(34,766,500)	(82,438,290)
Net Profit before tax (Tk)	76,207,479	88,193,379	(29,278,764)	(33,501,026)	(74,536,465)
Net Profit after tax (Tk)	34,811,638	56,978,211	(31,467,252)	(36,550,832)	(69,865,896)
Net Profit for ordinary shareholders	34,811,638	56,978,211	(31,467,252)	(36,550,832)	(69,865,896)
Basic EPS (Tk)	0.11	0.19	(0.08)	(0.09)	(0.18)
Dividend per share (%)	-	1%	-	-	-

Key operating and financial data of last preceding 5 (five) years:

Financial Data:

Particulars	Year ended as on				
	30.06.2025	30.06.2024	30.06.2023	30.06.2022	30.06.2021
Authorized Capital (Tk)	7,500,000,000	7,500,000,000	5,000,000,000	5,000,000,000	5,000,000,000
Paid up Capital (Tk)	3,034,521,090	3,034,521,090	3,925,448,340	3,925,448,340	3,925,448,340
Face value per share (Tk)	10	10	10	10	10
Retained Earnings (Tk)	(123,763,182)	(128,229,609)	(4,534,870,419)	(4,503,403,167)	(4,466,852,335)
Current Assets (Tk)	4,072,970,188	3,609,927,087	33,275,293	34,722,726	90,815,488
Current Liabilities	3,887,357,873	3,491,683,106	321,475,220	306,107,691	341,897,014
Current Ratio	1.05	1.03	0.10	0.11	0.27
Quick Ratio	0.57	0.69	0.10	0.11	0.23

Debt-Equity Ratio	0.19	0.20	(32.61)	13.72	5.29
Time Interest Earned Ratio	1.23	1.33	(7.72)	(7.95)	(1.78)
Return on Assets	0.47%	0.84%	(8.48%)	(8.80%)	(14.04%)
Return on Equity	1.14%	1.83%	(258.27%)	(91.15%)	(74.88%)
Earnings per share	0.11	0.19	(0.08)	(0.09)	(0.18)
Dividend per share	-	1%	-	-	-
Inventory Turnover	2.44	4.24	-	-	3.16
Asset Turnover	0.54	0.60	-	-	0.069
Number of Shares	303,452,109	303,452,109	392,544,834	392,544,834	392,544,834
Number of Shareholders	22330	24616	27,327	27,593	27,639

Cost of Goods Sold (COGS)

Cost of Goods Sold (COGS) is the expenses a company incurred in order to manufacture, create or to sell a product. It includes the purchase price of the raw materials as well as the expenses turning it into finished product. The Cost of goods sold for the 12 months ended on 30.06.2025 was Tk. 3,562,244,143. Production capacity utilized during the 12 months ended 30.06.2025 was 57.78%.

Gross Profit:
Gross Profit is the difference between sales and the cost of goods sold.
Gross Profit = (Sales-Cost of Goods Sold)
The company has achieved an export turnover of Tk. 3949.92 million during the 12 months ended 30 June, 2025 which was Tk. 4018.76 million in the last year. Gross profit earned during the 12 months ended 30th June, 2025 was Tk. 387.68 million as compared to last year's profit/loss was Tk. 371.90 million.

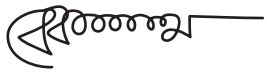
Net Profit or loss:
Net Profit/(Loss) after tax earned during the 12 months ended 30th June, 2025 was Tk. 34.81 million as compared to last year's Net Profit/(Loss) after tax of Tk. 56.98 million.

Risk and Concerns
Board of Directors reviews the risk management practices and actions deployed by the Management with respect to identification, impact assessment, monitoring and mitigation and reporting of key risks while trying to achieve its business objectives.

Forward-Looking Statements

Board of Directors and management of the company are looking forward to keep its progress in alignment with industry's growth and have made all preparation to this end. Despite the industry is focusing on adapting to stricter sustainability requirements and addressing local challenges like rising costs and logistics to ensure long-term competitiveness, overall industry is projected to grow in a steady way in next couple of years and your company will be in forefront to be one of the major player in the future booming market.

SHARP INDUSTRIES PLC.'s management is highly concerned with implementing the essential, achievable plans and strategy in terms of sustainability in its performance and financial position, and promises to continue operations for the foreseeable future.



Mr. Md. Abul Kashem
Managing Director

Dividend Distribution Policy

SHARP INDUSTRIES PLC

1.0 Introduction

The Dividend Distribution Policy is prepared and adopted in compliance with the provisions of the Directive No. BSEC/CMRRCD/2021-386/03 dated 14 January, 2021 of the Bangladesh Securities and Exchange Commission (BSEC) about dividend declaration, pay off, disbursement and compliance.

The Board of Directors (the Board) will consider the directive while declaring/ recommending dividend on behalf of the Company. The Policy is not an alternative to the decision of the Board for declaring/recommending dividend, which takes into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided by the Board.

2.00 Definitions

"the Act" means Companies Act 1994
"the Company" means SHARP INDUSTRIES PLC
"AGM" means Annual General Meeting
"Board" means Board of Directors of SHARP INDUSTRIES PLC
"Shareholders" means Members whose name is registered in the Member Register of the Company/CDBL Report.
"Shares" means Ordinary Equity Shares.

3.00 Concept of Dividend

Dividend is the share of the profit that a Company decides to distribute among its Shareholders in proportion to the amount paid up on shares they hold in the form of Cash and/or Stock (Bonus). The profits earned by the Company can either be retained in the business or can be distributed among the Shareholders as dividend.

4.00 Types of Dividend

The Act deals with two types of dividend - Interim and Final.

- Interim dividend is the dividend declared by the Board between two AGMs as and when considered appropriate. The Act authorizes the Board to declare interim dividend during any financial year out of the profits for the financial year in which the dividend is sought to be declared and/or out of the surplus in the profit and loss account.

- Final dividend is recommended for the financial year at the time of approval of the annual financial statements as well as appropriation of profit. The Board shall have the power to recommend final dividend to the shareholders for their approval at the AGM of the Company. Dividend recommended by the Board of Directors cannot be changed prior to holding of the AGM.

5.00 Declaration of Dividend

Subject to the provisions of the Act, dividend shall be declared and paid out of:

a. Profits of the Company for the year for which the dividend is to be paid after setting off carried over previous losses and depreciation not provided in the previous year(s);

b. Undistributed profits of the previous financial years after providing for depreciation in accordance with law and remaining undistributed.

c. Out of a & b both.
Before declaration of dividend, the Company may transfer a portion of its profits to reserves of the Company as may be considered appropriate by the Board at its discretion.

In the event of inadequacy or absence of profits in any financial year, the Company may declare dividend out of free reserves subject to the compliance with the Act and Rules.

6.00 Factors Governing Declaration of Dividend

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among the shareholders and amount of profit to be retained in business.

The circumstance for dividend pay-out decision depends on various external and internal factors which the Board of Directors shall consider while recommend/ declaring dividend including the following:

6.01 External Factors:

The Board shall endeavor to retain a larger portion of profits to build up reserves, in case of Adverse Economic Scenario.

The Board shall evaluate the market trends in terms of technological changes mandating investments, competition impacting profits, etc., which may require the Company to conserve resources.

The Board shall consider the restrictions, if any, imposed by the Act and other applicable laws with regard to declaration of dividend in order to ensure compliance with the applicable laws.

Dividend distribution tax or any tax deduction at source as required by tax regulations, applicable at the time of declaration of dividend may impact the decision with regard to dividend declaration.

Other factors beyond control of the Management like natural calamities, fire, etc. effecting operations of the Company may impact the decision with regard to dividend declaration.

6.02 Internal Factors:

*Profitability
* Availability and Liquidity of Funds
* Capital Expenditure needs for the existing businesses
* Expansion/Modernization of the business
* Additional investments in subsidiaries/associates of the Company
* Cost of raising funds from alternate sources
*Cost of servicing outstanding debts
*Funds for meeting contingent liabilities
*Mergers and Acquisitions
*Any other factor as deemed appropriate by the Board.

Apart from the above factors, the Board also considers past dividend history and sense of shareholders' expectations while determining the rate of dividend. The Board may additionally recommend special dividend in special circumstances.

7.00 Financial Parameters for Declaring Dividend

The Company is committed to deliver sustainable value to its stakeholders. The Company shall strive to distribute an optimal and appropriate level of the profits among the shareholders in the form of dividend.

To keep investment attractive and to ensure capital appreciation for the shareholders, the Company shall also endeavor to provide consistent return over a period of time. While deciding on the dividend, micro and macroeconomic parameters for the country in general and the Company in particular shall also be considered.

Taking into consideration the aforementioned factors, the Board shall endeavor to maintain a dividend pay-out.

8.00 Utilization of Retained Earnings

Subject to the provisions of the Act and other applicable laws, retained earnings may be utilized as under:

* Issue of fully paid-up bonus shares
* Declaration of dividend-Interim or Final
* Augmenting internal resources
* Funding for capital expenditure/expansion plans/acquisition;
* Repayment of debt
* Any other permitted use as may be decided by the Board.

9.00 Parameters for Various Classes of Shares

Currently, the Company has only one class of shares - Equity Shares. There is no privilege amongst Equity Shareholders of the Company with respect to dividend distribution.

10.00 Circumstances Impacting Dividend Payment

The Company has been paying dividend to its shareholders and shall continue with the dividend payment. Given here in below are some of the circumstances in which shareholders of the Company may or may not expect dividend payout:

10.01 May Expect Dividend:

* Adequate profits and liquidity
* Accumulated profits not warranted for immediate business needs.

10.02 May Not Expect Dividend:

* Non availability of profits for dividend distribution
*Funds available for dividend but need to be conserved due to:
- Business needs;
- Adverse economic /market scenario expected in near future;
- Augmenting internal resources.

11.00 Disclosure

This Dividend Distribution Policy shall be disclosed in the Annual Report of the Company and on the Company's website www.sharpindustriesplc.com.

If the Company proposes to declare dividend on the basis of any additional parameters apart from those mentioned in the Policy or proposes to change the parameters contained in this Policy, it shall disclose such changes along with the rationale for the same in the Annual Report and on the website.

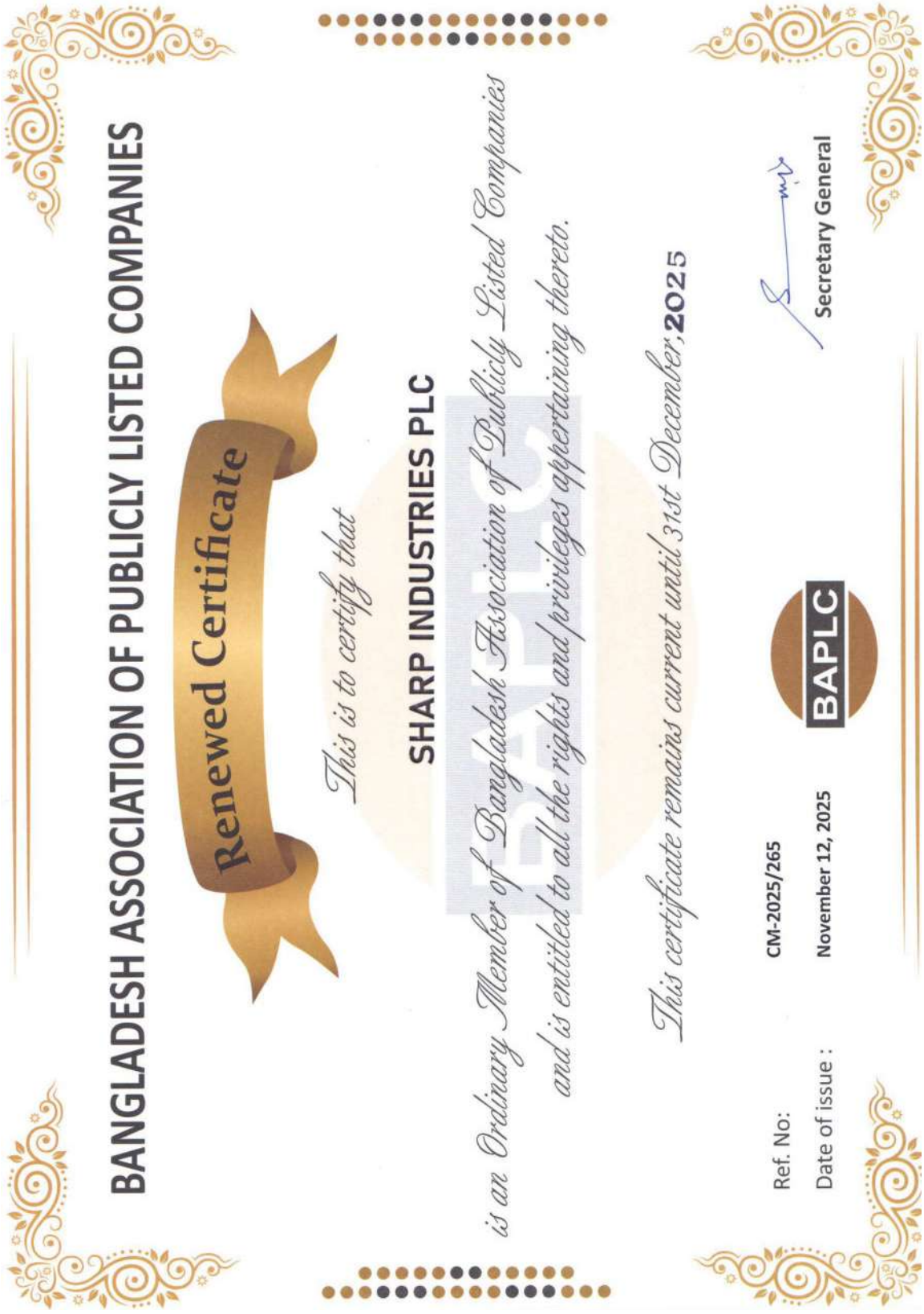
12.00 Effective Date

This Policy has been approved by the Board of Directors of the Company at its meeting held on 16th February, 2021 and shall be effective and applicable for dividend, if any, declared for the Financial Year 2020-21 onwards.

13.00 Review/Amendment

The Board may amend, abrogate, modify or revise any or all provisions of this Policy. However, amendments in the Act or in the Listing Regulations shall be binding even if not incorporated in this Policy.

CERTIFICATE OF BAPLC



SHARP INDUSTRIES PLC

(Name changed from R.N. Spinning Mills Ltd.)

Certificate on Compliance

Under condition # 1(5)(xxvii) of CGC

Report to the Shareholders of SHARP INDUSTRIES PLC on compliance on the Corporate Governance Code

Mujibur Rahman & Co.
Cost & Management Accountants

We have examined the compliance status to the Corporate Governance Code by SHARP INDUSTRIES PLC for the year ended on June 30, 2025. This Code relates to the Notification No. BSEC/CMRRC-D/2006-158/207/Admin/80 dated 3 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our Examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

(a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;

(b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;

(c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and

(d) The governance of the company is satisfactory.

Place: Dhaka
Dated: November 25, 2025

For Mujibur Rahman & Co.

Mohammad Mujibur Rahman FCMA
Cost & Management Accountants

Office:
Saj Bhaban Suite # C-30(15th floor),27, Bijoy Nagar, Dhaka-1000
Cell # 01716-635751,E-mail:mujibcma2005@yahoo.com, mujibfcma2005@gmail.com,Web: www.taxlabbd.com

SHARP INDUSTRIES PLC

(Name changed from R.N. Spinning Mills Ltd.)

Status of compliance with the conditions imposed by the Commission's Notification No.SEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 9)

Condition No	Title	Compliance Status		Remarks
		Complied	Not Complied	
1	**Board of Directors**			
1(1)	**Size of the Board:** The total no. of members of the Board shall not be less than 5 (five) and more than 20	√		
1(2)	**Independent Director**			
1(2)(a)	Number of Independent Director [at least 2 (Two) or 1/5 (one-fifth) of the total number of directors of the Board whichever is higher; shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s)director(s)] Provided that the Board shall appoint at least 1(One) female independent director in the Board of Directors of the company.	√		1) Mr. Mohammad Anwar Zahid Bhuiyan was recommended by NRC as independent Director which is yet to be approved at end of BSEC. 2) Mrs. Rafiza Alam Lucky is also recommended by the NRC as female independent director as per notification no BSEC/CMRRCD/2009-193/76/PRD/151 dated 04 April, 2024 which is yet to be approved at the end of BSEC.
1(2)(b)	Without contravention of any provision of any other laws, for the purpose of this clause , an " independent director " means a director -			
1(2)(b)(i)	Who either does not hold any share or holds less than 1% shares of the total paid up shares of the company;	√		

1(2)(b)(ii)	Who is Not a sponsor and connected with any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid up share capital of the company on the basis of family relationship and his or her family members shall not hold above mentioned shares in the company;	√		
1(2)(b)(iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	√		
1(2)(b)(iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	√		
1(2)(b)(v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	√		
1(2)(b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	√		
1(2)(b)(vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	√		
1(2)(b)(viii)	who is not independent director in more than 5 (five) listed companies;	√		
1(2)(b)(ix)	who has not been reported as a defaulter in latest Credit Information Bureau (CIB) report of Bangladesh Bank for non-payment of any loan or advance or obligation to a bank or a Financial Institution; and	√		
1(2)(b)(x)	who has not been convicted for a criminal offence involving moral turpitude;	√		

1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM: "Provided that the Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of recommendation of the Nomination and Remuneration Committee (NRC) of the company;"	√		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90	√		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only.	√		
1(3)	**Qualification of Independent Director**			
1(3)(a)	Shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to business;	√		
1(3)(b)	**Independent Director shall have following qualifications**			
1(3)(b)(i)	Business leader who is or was a promoter or director of an unlisted company having minimum paid up capital of Tk. 100 million or any listed company or a member of any national or international chamber of commerce or registered business association;	-		
1(3)(b)(ii)	Corporate leader who is or was a top level executive not lower than CEO or MD or DMD or CFO or Head of Finance or Accounts or CS or HIAC or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100 million or of a listed company;	-		

1(3)(b)(iii)	"Former or existing official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law: Provided that in case of appointment of existing official as independent director, it requires clearance from the organization where he or she is in service; or"	-		
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law;	-		
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a CA or CMA or CFA or Chartered Certified Accountant or CPA or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	√		
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	√		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the	-	-	No such issue
1(4)	**Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer**			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director and/ or Chief Executive Officer of the companies shall be filled by different individuals;	√		
1(4)(b)	The Managing Director and/ or Chief Executive Officer of a listed company shall not hold the same position in another listed company;	√		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√		

1(4)(d)	The Board shall clearly define respective roles and responsibilities of the chairperson and the Managing Director and/ or Chief Executive Officer;	√		
1(4)(e)	In the absence of the chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as chairperson for that particular Board's meeting; the reason of absence of the regular chairperson shall be duly recorded in the minutes.	-	-	No such issue
1(5)	**The Directors' Report to Shareholders:** The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the companies Act, 1994:-			
1(5)(i)	Industry outlook and possible future developments in the industry;	√		
1(5)(ii)	Segment-wise or product-wise	√		
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin;	√		
1(5)(v)	Discussion on continuity of any Extra-Ordinary activities and their implications (gain or loss);			No such issue
1(5)(vi)	Discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		
1(5)(vii)	Statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;			No such issue
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc;			No such issue

1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performance and Annual Financial statements;	√		
1(5)(x)	Statement of remuneration paid to directors including independent directors.	√		No Remuneration paid to Directors except MD during the period under review
1(5)(xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	√		
1(5)(xii)	Proper books of account of the issuer company have been maintained;	√		
1(5)(xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	√		
1(5)(xiv)	International Accounting Standards (IAS) / International Financial Reporting Standards (IFRS) as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	√		
1(5)(xv)	The system of internal control is sound in design and has been effectively implemented and monitored;	√		
1(5)(xvi)	Minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	√	-	No such issue
1(5)(xvii)	There is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	√		

1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	√	-	
1(5)(xix)	Key operating and financial data of at least preceding 5 (five) years shall be	√		
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	√		Company declared No dividend.
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	√	-	No such issue
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	√		
1(5)(xxiii)	**A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-**			
	(a) Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	√		
	(b) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	√		
	(c) Executives; and	√		

	(d) Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);		-	N/A
1(5)(xxiv)	**In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:-**			
	(a) a brief resume of the director	√		
	(b) nature of his or her expertise in specific functional areas;	√		
	(c) names of companies in which the person also holds the directorship and the membership of committees of the Board;	√		
1(5)(xxv)	**Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:**			
	(a) accounting policies and estimation for preparation of financial statements;	√		
	(b) changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	√		
	(c) comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	√		
	(d) compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√		

	(e) briefly explain the financial and economic scenario of the country and the globe;	√		
	(f) risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company;	√		
	(g) future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	√		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A.	√		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C;	√		
1(5)(xxviii)	The Directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality.	√		
1(6)	**Meetings of the Board of Directors:** The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	√		
1(7)	**Code of Conduct for the Chairperson, other Board members and Chief Executive Officer**			

1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	√		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	√		
2	**Governance of Board of Directors of Subsidiary Company**			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	-	-	N/A
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;	-	-	N/A
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	-	-	N/A
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	-	-	N/A
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	-	-	N/A
3	**Managing Director (MD) or CEO, CFO, Head of Internal Audit and Compliance (HIAC) and Company Secretary**			

3(1)	**Appointment**			
3(1)(a)	The Board shall appoint MD or CEO, CS, CFO and HIAC;	√		
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	√		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time: Provided that CFO or CS of any listed company may be appointed for the same position in any other listed or non-listed company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission: Provided further that the remuneration and perquisites of the said CFO or CS shall be shared by appointing companies proportionately;	√		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	√		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	√		
3(2)	**Requirement to attend Board of Directors' Meetings:** MD/CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board provided that CS, CFO and HIAC shall not attend such part of a meetings of the Board relating to their personal matter.	√		
3(3)	**Duties of MD or CEO and CFO**			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed	√		

	financial statements for the year and that to the best of their knowledge and belief:			
3(3)(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	√		
3(3)(a)(ii)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	√		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members	√		
3(3) (c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√		
4	**Board of Directors' Committee:-** For ensuring good governance in the company, the Board shall have at least following subcommittees:			
4(i)	Audit Committee	√		
4(ii)	Nomination and Remuneration Committee	√		
5	**Audit Committee**			
5(1)	**Responsibility to the Board of Directors**			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	√		
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in	√		

	ensuring a good monitoring system within the business;			
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√		
5(2)	**Constitution of the Audit Committee**			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	√		Independent Director is yet to be approved at the end of BSEC.
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be nonexecutive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	√		Independent Director is yet to be approved at the end of BSEC.
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	√		
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 60 (sixty) days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	√		

5(2)(e)	The company secretary shall act as the secretary of the Committee;	√		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		
5(3)	**Chairperson of the Audit Committee**			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	√		Independent Director is yet to be approved at the end of BSEC
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM):	√		
5(4)	**Meeting of the Audit Committee**			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year	√		
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√		
5(5)	**Role of Audit Committee**: The Audit Committee shall:-			
5(5)(a)	Oversee the financial reporting process;	√		
5(5)(b)	monitor choice of accounting policies and principles;	√		

5(5)(c)	monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	√		
5(5)(d)	oversee hiring and performance of external auditors;	√		
5(5)(e)	hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√		
5(5)(f)	review along with the management, the annual financial statements before submission to the Board for approval;	√		
5(5)(g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	√		
5(5)(h)	review the adequacy of internal audit	√		
5(5)(i)	review the Management's Discussion and Analysis before disclosing in the Annual Report;	√		
5(5)(j)	review statement of all related party transactions submitted by the management;	√		
5(5)(k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	√		
5(5)(l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;	√		
5(5)(m)	oversee whether the proceeds raised through IPO or RPO or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:	√		No Such Issue
5(6)	**Reporting of the Audit Committee**			
5(6)(a)	Reporting to the Board of Directors			

5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√		
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:-			
5(6)(a)(ii)(a)	report on conflicts of interests;			No such incidence arose
5(6)(a)(ii)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			No such incidence arose
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations;			No such incidence arose
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			No such incidence arose
5(6)(b)	**Reporting to the Authorities:** If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			No such reportable incidence arose
5(7)	**Reporting to the Shareholders and General Investors:** Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	√		

6	**Nomination and Remuneration Committee (NRC)**			
6(1)	**Responsibility to the Board of**			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board;	√		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	√		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	√		
6(2)	**Constitution of the NRC**			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	√		
6(2)(b)	At least 02 (two) members of the Committee shall be non-executive directors;	√		
6(2) (c)	Members of the Committee shall be nominated and appointed by the Board;	√		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	√		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee.			No such incidence arose

6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	√		No such incidence arose
6(2)(g)	The company secretary shall act as the secretary of the Committee;	√		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	√		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	√		
6(3)	**Chairperson of the NRC**			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	√		Independent Director is yet to be approved at the end of BSEC
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	√		
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders.	√		
6(4)	**Meeting of the NRC**			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	√		
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	√		No such incidence arose

6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	√		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	√		
6(5)	**Role of the NRC**			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	√		
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board;			
6(5)(b)(i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:			
6(5)(b)(i)(a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	√		
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;	√		
6(5)(b)(i)(c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	√		
6(5)(b)(ii)	devising a policy on Board's diversity taking into consideration age, gender,	√		

	experience, ethnicity, educational background and nationality;			
6(5)(b)(iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	√		
6(5)(b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	√		
6(5)(b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	√		
6(5)(b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;	√		
6(5) (c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual Report.	√		
7	**External or Statutory Auditors**			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-			
7(1)(i)	appraisal or valuation services or fairness opinions;	√		No such incidence arose
7(1)(ii)	financial information systems design and implementation;	√		No such incidence arose
7(1)(iii)	book-keeping or other services related to the accounting records or financial statements;	√		No such incidence arose
7(1)(iv)	broker-dealer services;	√		No such incidence arose
7(1)(v)	actuarial services;	√		No such incidence arose
7(1)(vi)	internal audit services or special audit services;	√		No such incidence arose

7(1)(vii)	any service that the Audit Committee determines;	√		No such incidence arose
7(1)(viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1);	√		No such incidence arose
7(1)(ix)	any other service that creates conflict of interest.	√		No such incidence arose
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company	√		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (AGM or EGM) to answer the Queries of the shareholders.	√		
8	**Maintaining a website by the Company**			
8(1)	The company shall have an official website linked with the website of the stock exchange.	√		
8(2)	The company shall keep the website functional from the date of listing.	√		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√		
9	**Reporting and Compliance of Corporate Governance**			

9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	√		
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	√		

Independent Auditors' Report

To the Shareholders of

SHARP INDUSTRIES PLC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **SHARP INDUSTRIES PLC**, which comprise the Statement of Financial Position as at June 30, 2025; Statement of Profit or Loss and Other Comprehensive Income; Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory information disclosed in notes 1 to 40 and Annexure- A and B.

In our opinion, except the matter stated in the paragraph under the head of "Emphasis of Matters" of the financial position of our report, the accompanying financial statements presents fairly in all material respects the financial position of the company as at June 30, 2025 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange rules 2020 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with the 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 ode), and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter:

We draw attention on the matters disclosed as below:

- We draw our attention that, the company has not yet established the contributory Provident Fund, Gratuity Fund and WPPF.
- Production plant and warehouse of R.N. Spinning Mills Limited was situated in EPZ-Cumilla which was burnt in a fire incident on 8 April 2019. Due to that fire incident total reported loss were amount to Taka 6,123,281,989. The damaged loss was consisted of inventories amount to Taka 1,475,022,287 and property, Plant & Equipment carrying amount was amount to Taka 4,648,259,702. The Company's fired assets and inventories were covered by Union Insurance Company Limited amounting to Taka 1,324,606,136. The Company reported that the Union Insurance Company has settled the insurance benefits at Tk. 30,50,00,000/- out of the settled amount the company has received Taka 19,000,000 up to 30 June, 2025 which is described in financial statements note- 21.03 as advance received from Union Insurance Company Limited. This amount will be adjusted with final settlement. The whole process has already elapsed for more than (06) six years since 8 April 2019, the date of fire incident, and it seems that uncertain time existed for recovery of the coverage in the company. No legal steps have been taken by the company to expedite the recovery process. The amalgamation information has been given in note-1.01. The company has not been performed the impairment as per IAS 36. As a result, we were unable to obtain sufficient appropriate audit evidence regarding the valuation of Property, Plant & Equipment-Cummila EPZ

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements for the year ended on June 30, 2025. These matters were addressed in the context of the audit of the financial statements as a whole and in forming the auditors' opinion thereon and we do not provide a separate opinion on these matters.

We have fulfilled the responsibilities described in the auditors' responsibilities for the audit of the financial statements section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of our financial statements, the results of our audit procedures, including the procedures performed to address the matters below;

Key Audit Matters	How our audit addressed the key audit matters
Revenue	
Revenue is the most financially significant item in the statement of profit and loss and other comprehensive income. The company has reported revenue of **BDT. 3,949,922,742** for the period ended June 30, 2025. Revenue is measured at the fair value of the for the revenue recognized throughout the consideration received, or receivable excluding period, we tested selected key controls, including VAT discounts commission, rebates and other results reviews by management, for their sales taxes where applicable. SHARP INDUSTRIES PLC sales of goods to export customers. The company has taken full contract price as revenue and no warranty provision has been made to the financial statements Our because the full amount is reimbursed by the principal. **See Note No. 26 for details.**	Our procedures included obtaining an understanding of management's revenue recognition process. We tested a sample of transactions to verify whether the revenue was accounted for in accordance with the revenue recognition policy as disclosed in Note-2.17 of the financial statements. In addition, we assessed whether the disclosed revenue accounting policy was in accordance with relevant accounting standards. Our audit procedures on implementation of IFRS 15 Revenue from contracts with Customers, we verified management's conclusion from assessing different types of Contracts and the accuracy of the accounting policies in light of the industry specific circumstances and our understanding of the business. We tested the appropriateness of the accounting treatment on a sample basis. In addition, we verified the accuracy of IFRS 15 related party disclosures. These procedures included reading significant new contracts to understand the terms and conditions and their impact on revenue recognition. We performed enquiries with management to understand their risk assessments and inspected meeting minutes to identify relevant changes in their assessments and estimates.

Valuation of Inventory:	
The Company had inventory of **BDT. 1,765,193,773** at June 30, 2025 held in its warehouses and across multiple production lines. Inventories consisting of finished goods, raw material and work in process, to be valued at lower of cost and net realizable value. Cost for stock of finished goods comprises expenditures Incurred in the normal course of business in bringing such inventories to present condition and includes, whether applicable, appropriate overheads based on normal level of activity The company determines cost of inventories using weighted average method. Where necessary, allowance should be provided for damaged, obsolete and slow-moving items to adjust the carrying amounts of inventories to the lower of cost and net realizable value. Net realizable value is based on estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. **See note- 5.00 for details.**	As part of our audit testing against closing inventories, we performed the following audit procedures in response to the assessed risk of material misstatements: • Evaluating the design and implementation of key inventory controls operated across the company, including those at a sample of, factory production house, warehouse; • Evaluating internal controls to monitor or keep track of inventory movement; • Comparing the net realizable value. obtained through a detailed review of sales subsequent to the period-end, to the cost price of a sample of inventories. • Reviewing the historical accuracy of inventory provisioning, and the level of inventory write-offs during the period. • Reassessing reasonableness and adequacy of provision required to write down the cost of inventories recognized to net realizable value against slow moving. obsolete and damaged items to test both accuracy and valuation of reported amount • Assessing the appropriateness and presentation of disclosures notes to the financial statements with the requirement of IAS 02 and other relevant IFRSs.

Property, Plant and Equipment:	
Property, plant and equipment (PPE) was recognized at carrying value aggregating to **BDT 3,425,148,957 representing** over **45.51%** of total assets of the company on June 30, 2025. Since PPE comprised a significant portion of the company's total assets, it also involves management judgement to determine estimated useful lives to charge depreciation. Besides, PPE is also subject to impairment when any possible indicators exist warranting their impairment review. **See note - 3.00 to the financial statements**	• Our audit procedures performed during the audit to address the risks identified consist of the following: • Obtaining and documenting detailed understanding regarding procurement process of PPE and identified relevant control points and their implementation. • Reviewing recognition, measurement and valuation basis of PPE in compliance with requirement of IAS 16: Property, plant and equipment. • Performing test of details against sampled population with supporting evidence as maintained by the company in test the accuracy, valuation of capitalized amount and ownership of the assets. • Assessing the appropriateness and presentation of disclosures notes to the financial statements with the requirement of IAS 16 and other relevant IFRSs.
Bills Receivable:	
In the financial statements, the company Bills Receivable **BDT. 1,776,684,707** as per Note # 6.00 representing over 23.61 % of total assets of the company as on June 30, 2025 is initially recognized at cost which is the fair value of the consideration given in return. After initial recognition these are carried at cost less impairment losses due to un- collectability of any amount so recognized. **See note no 6.00 to the financial statements**.	• Reviewing recognition, measurement and valuation basis in compliance with requirement of IAS 32: bills receivables. • Performing test of details sampled population with supporting evidence as maintained by the company to test the accuracy, valuation aging receivables, or bills • Assessing the appropriateness and presentation of disclosures notes to the financial statements with the requirement of IAS 39 and other relevant IFRS's 09 • Sending Balance Confirmations requests to selected parties. Verifying subsequent realization against the outstanding balance.

Long Term Borrowings	
In the financial statements, the company reported Long Term Loans of **BDT. 577,148,753** at the reporting date. This element was considered as key audit matter because this external form of credit facilities availed by the company require fulfillment of several terms and conditions as mentioned in loan sanction letter issued by the bank. Hence, there is potential risk that not all such terms and conditions are adequately disclosed in the financial statements. **See note no 15 to the financial statements.**	Our substantive audit procedures adopted during the audit includes the following test or details. • Testing the accuracy and completeness of outstanding at amount carried the reporting date with loans statements, amortization schedule and corresponding sanction letter from the bank. • Testing the existence of outstanding balances with confirmation letter issued against the said loans by the company • Recalculating and testing accuracy and completeness of finance costs recognized during the year with loan statements provided by banks Assessing the adequacy and appropriateness of disclosures made by the company for the loans availed in accordance

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations 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.

Auditors' 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 auditors' 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 judgment 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- 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 auditors' 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 auditors' 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 2020 and relevant notifications issues by Bangladesh Securities and Exchange Commission, we also report that:

a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;

b) In our opinion, proper books of accounts, as records and other statutory books as required by law have been kept by the Company so far as it appeared from our examination of these books;

c) The statements of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts;

d) The expenditure incurred was for the purposes of the Company's business.

Mohammad Fakhrul Alam Patwary FCA
Enrollment No: 1249
Managing Partner
M.Z. Islam & Co.
Chartered Accountants
DVC: 2510261249AS670628

Place: Dhaka
Date: 26 October, 2025

SHARP INDUSTRIES PLC

(Name changed from R.N. Spinning Mills Ltd.)

Statement of Financial Position

As at June 30, 2025

Particulars	Notes	Amount in Taka	
		June 30, 2025	June 30, 2024
ASSETS			
Non-Current Assets		**3,453,517,772**	**3,563,515,300**
Property, Plant & Equipment	**3.00**	3,425,148,957	3,532,949,941
Security Deposits	**4.00**	28,368,815	30,565,359
Current Assets		**4,072,970,188**	**3,609,927,087**
Inventories	**5.00**	1,765,120,420	1,154,627,692
Bills Receivables	**6.00**	1,776,684,707	1,974,361,255
Advances, Deposits and Prepayments	**7.00**	85,987,619	56,800,622
Investment	**8.00**	419,012,006	381,336,955
Cash and Cash Equivalents	**9.00**	25,024,009	41,995,251
STD Account (IPO)	**10.00**	1,141,427	805,312
Total Assets		**7,526,487,960**	**7,173,442,387**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Capital and Reserves		**3,059,037,849**	**3,054,571,422**
Ordinary Shares	**11.00**	3,034,521,090	3,034,521,090
Share Premium	**12.00**	-	-
Capital Reserve	**13.00**	148,279,941	148,279,941
Retained Earnings	**14.00**	(123,763,182)	(128,229,609)
Non-Current Liabilities		**580,092,239**	**627,187,859**
Long Term borrowings	**15.00**	457,148,753	501,132,368
Lease Liability	**16.00**	-	-
Deferred Tax	**17.00**	122,943,486	126,055,491
Current Liabilities		**3,887,357,873**	**3,491,683,106**
Creditors and Accrues	**18.00**	48,901,166	40,185,093
Bills Payables	**19.00**	640,884,356	1,060,202,156
Current portion of Long Term borrowings	**20.00**	120,000,000	120,000,000
Short Term Loan & Advances	**21.00**	2,918,176,523	2,157,319,754
Unclaimed Dividend Account	**22.00**	575,763	-
Income Tax Payable	**23.00**	157,678,638	113,170,791
Refundable Deposit (IPO)	**24.00**	1,141,427	805,312
Total Shareholders' Equity & Liabilities		**7,526,487,960**	**7,173,442,387**
Net Asset Value (NAV) Per Share	**25.00**	**10.08**	**10.07**

The annexed notes form an integral part of these financial statements

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

Signed as per our annexed report on even date.

Place: Dhaka
Dated: October 26, 2025

Mohammad Fakhrul Alam Patwary FCA
ICAB Enrollment No. 1249
Managing Partner
M. Z. Islam & Co.
Chartered Accountants
DVC: 2510261249AS670628

SHARP INDUSTRIES PLC

(Name changed from R.N. Spinning Mills Ltd.)

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2025

Particulars	Notes	Amount in Taka	
		June 30, 2025	June 30, 2024
Revenue	**26.00**	3,949,922,742	4,019,733,092
Less: Cost of Goods Sold	**27.00**	3,562,244,143	3,647,831,366
Gross Profit/(Loss)		**387,678,599**	**371,901,726**
Less: Operating Expenses	**28.00**	55,089,468	61,119,467
Operating Income/(Loss)		**332,589,131**	**310,782,259**
Less: Other Operating Expenses		**-**	**273,666**
Welfare Expenses		-	273,666
Net Operating Income/(Loss)		**332,589,131**	**310,508,593**
Less: Financial Expenses	**29.00**	269,483,279	233,309,916
Add/(Less): Foreign Exchange Gain/(loss)	**30.00**	480,260	1,495,241
Net Operating Profit/(Loss)		**63,586,112**	**78,693,918**
Add: Other Income/(loss)	**31.00**	12,621,368	9,499,461
Net Profit/(Loss) Before Tax		**76,207,479**	**88,193,379**
Provision for Taxation	**32.00**	**41,395,841**	**31,215,168**
Current Tax		44,507,847	33,542,512
Deferred Tax		(3,112,006)	(2,327,344)
Profit/(Loss) After Tax		**34,811,638**	**56,978,211**
Earnings per Share (EPS)	**34.00**	**0.11**	**0.19**

The annexed notes form an integral part of these financial statements

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

Signed as per our annexed report on even date.

Place: Dhaka
Dated: October 26, 2025

Mohammad Fakhrul Alam Patwary FCA
ICAB Enrollment No. 1249
Managing Partner
M. Z. Islam & Co.
Chartered Accountants
DVC: 2510261249AS670628

SHARP INDUSTRIES PLC

(Name changed from R.N. Spinning Mills Ltd.)

Statement of Changes in Equity

For the year ended June 30, 2025

Particulars	Amount in Taka				
	Ordinary Share Capital	Capital Reserve	Share Premium	Retained Earnings	Total Equity
As at 01 July 2024	3,034,521,090	148,279,941	-	(128,229,609)	3,054,571,422
Less: Dividend	-	-	-	(30,345,211)	(30,345,211)
Addition during the period	-	-	-	34,811,638	34,811,638
As at June 30, 2025	**3,034,521,090**	**148,279,941**	**-**	**(123,763,182)**	**3,059,037,849**

SHARP INDUSTRIES PLC

(Name changed from R.N. Spinning Mills Ltd.)

Statement of Changes in Equity

For the year ended June 30, 2024

Particulars	Amount in Taka				
	Ordinary Share Capital	Capital Reserve	Share Premium	Retained Earnings	Total Equity
As at 01 July 2023	**3,925,448,340**	-	**599,780,490**	**(3,674,293,639)**	**850,935,191**
Transfer during the year	(3,222,793,090)	3,222,793,090	-	-	-
Transfer during the year	-	599,780,490	**(599,780,490)**	-	-
Transfer during the year	-	**(3,674,293,639)**	-	3,674,293,639	-
Addition during the year	-	-	-	(185,207,820)	**(185,207,820)**
Addition during the year	2,331,865,840	-	-	56,978,211	**2,388,844,051**
As at June 30, 2024	**3,034,521,090**	**148,279,941**	**-**	**(128,229,609)**	**3,054,571,422**

The annexed notes form an integral part of these financial statements

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

Signed as per our annexed report on even date.

SHARP INDUSTRIES PLC

(Name changed from R.N. Spinning Mills Ltd.)

Statement of Cash Flows

For the period ended June 30, 2025

Particulars	Amount in Taka	
	June 30, 2025	June 30, 2024
A. Cash Flows from Operating Activities		
Collection from customers and others	4,149,422,883	3,124,435,348
Collection from Other Income	12,621,368	9,499,461
Payment to Suppliers, emplyee & othrs	(4,378,163,724)	(3,689,831,234)
Payment for Other Operating Activities	-	(273,666)
Payment for Income tax	(43,380,652)	(32,584,092)
Payment for Financial Expenses	(269,483,279)	(233,309,916)
Net Cash Flows from Operating Activities	**(528,983,405)**	**(822,064,099)**
B. Cash Flows from Investing Activities		
Purchase of Fixed Assets	(139,634,469)	(91,176,408)
Security Deposit	2,196,544	-
Sales porceeds of fixed assests	-	42,021,000
Investment in other company	(37,675,051)	41,895,612
Net Cash Flows from Investing Activities	**(175,112,976)**	**(7,259,796)**
C. Cash Flows from Financing Activities		
Increase / (Decrease) in Short Term Loan & advances	760,856,769	254,311,618
Increase / (Decrease) in Long Term Loan & advances	(43,983,615)	514,249,109
Dividend paid	(29,769,448)	-
Payment of Lease liability	-	(160,205)
Net Cash Flows from Financing Activities	**687,103,706**	**768,400,522**
D. Increase/(Decrease) Cash and Cash Equivalents (A+B+C)	**(16,992,675)**	**(60,923,374)**
E. Opening Cash and Cash equivalents	41,995,251	102,889,876
F. Foreign Exchange Gain/(Loss)	21,433	28,748
G. Closing Cash and Cash Equivalents (D+E+F)	**25,024,009**	**41,995,251**
Net operating cash flow per share (Note-33.00)	**(1.74)**	**(2.71)**

The annexed notes form an integral part of these financial statements

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

Signed as per our annexed report on even date.

SHARP INDUSTRIES PLC

(Name changed from R. N. Spinning Mills Ltd.)

Notes, summary of significant accounting policies and other explanatory information

For the year ended June 30, 2025

1.00 The Company and its operations

1.01 Legal form of the Company

R.N. Spinning Mills Ltd. was incorporated on November 4, 2004 as a 'Private' Limited Company by shares registered under the Companies Act 1994 vide certificate of incorporation No.C-54808 (1493)/04. The company was converted to 'Public' Limited Company on February 20, 2007 and started commercial production on August 28, 2007. The company amalgamated with Samin Food Beverage Ind. & Textile Mills Ltd. on 31st October 2023 as per the final judgment & order of honorable High Court division of Supreme Court of Bangladesh and BSEC consent on October 01, 2023. The name of company has been changed from R.N. Spinning Mills Ltd. to Sharp Industries PLC as on January 14, 2024.

1.02 Address of the Registered and Corporate office

The registered office & factory is located at Mahona, Bhabanipur, Gazipur Sadar, District: Gazipur, Bangladesh.

The Corporate office of the company is located at House # 11, (7th Floor), Unit # 7B, Road # 12, Block # F, Niketon, Gulshan-1, Dhaka-1212, Bangladesh.

1.03 Nature of Business activities

Presently the principal activity of the Company is to produce 100% Cotton Yarn for exporting to 100% export oriented Dyeing/Textiles industries.

1.04 Capital Structure of the Company

Particulars	Taka
Post-Amalgamated Authorized Capital: 750,000,000 ordinary shares of Taka 10/= each. (500,000,000 ordinary share of Tk. 10/= each of R.N. Spinning Mills Ltd and 250,000,000 ordinary shares of Tk. 10/= each of Samin Food Beverage Ind. & Textile Mills Ltd.)	7,500,000,000
Issued, subscribed, called-up and paid-up capital (after amalgamation) 303,452,109 Ordinary Shares of Tk 10/= each fully paid-up	3,034,521,090

Issued, subscribed, called-up and paid-up capital

Name of Company	Pre-Amalgamation	Post Amalgamation
Sharp Industries PLC.	3,925,448,340	702,655,250
Samin Food Beverage Ind. & Textile Mills Ltd	2,331,865,840	2,331,865,840
Total:	6,257,314,180	3,034,521,090

Shareholding of Sharp Industries PLC as detailed shown in N**ote # 11.02**.

1.05 Production Unit

Production unit of the company was situated at Cumilla Export Processing Zone, Cumilla. The production unit has been destroyed by fire incident dated on 8 April, 2019. Due to amalgamation with Samin food & Beverage Ind. & Textile Mills Ltd, the Production plant is now located at Bhabanipur, Gazipur.

2.00 Summary of significant accounting policies

2.01 Basis of preparation and presentation of the financial statements

The financial statements have been prepared and the disclosures of information made in accordance with the requirements of the Companies Act 1994, the Securities and Exchange Rules, 2020 and International Accounting Standard (IAS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), International Financial Reporting Standard (IFRS) as far as applicable for the company. The Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income have been prepared according to IAS 1 Presentation of Financial Statements based on accrual basis of Accounting following going concern assumption and Statement of cash flows according to IAS – 7: Statements of Cash flows.

2.02 Regulatory Compliances

As required by the company, the management complies with the following major legal provisions in addition to the Companies Act 1994 and other applicable laws and regulations:
The Income Tax Act 2023;
The Value Added Tax and Supplementary Duty Act 2012;
The Value Added Tax and Supplementary Duty Act Rules 2016;
The Customs Act, 2023;
Bangladesh Labor Law, 2006 (Amended);
The Securities and Exchange Rules, 2020 and etc.

2.03 Components of the Financial Statements

According to the International Accounting Standards (IAS)-1 "Presentation of Financial Statements" the complete set of financial statements includes the following components.

i. Statement of financial position as at June 30, 2025;
ii. Statement of profit or loss and other comprehensive income for the year ended June 30, 2025;
iii. Statement of changes in equity for the year ended June 30, 2025;
iv. Statement of cash flows for the year ended June 30, 2025; and
v. Notes, summary of significant accounting policies and other explanatory information for the year ended June 30, 2025.

2.04 Accounting convention and assumption

The financial statements are prepared under historical cost convention and on accrual basis.

2.05 Principal Accounting Policies

The specific accounting policies have been selected and applied by the company's management for significant transactions and events that have a material effect within the Framework for the preparation and presentation of Financial Statements. Financial Statements have been prepared and presented in compliance with applicable IFRS & IAS. Previous year's

figures were re-arranged for comparisons. There were no significant changes in the accounting policies and valuation policies affecting the financial position and performance of the Company. However, changes made to the presentation are explained in the note for each respective item.

Accounting and valuation methods are disclosed for reasons of clarity. The company classified the expenses using the function of expenses method as per IAS -1.

2.06 IAS and IFRS Adopted by the Management

The following IAS and IFRS are applicable and adopted by management for preparation of financial statements for the year ended June 30, 2025.

IASs:

IAS	1	Presentation of Financial Statements
IAS	2	Inventories
IAS	7	Statement 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	26	Accounting and Reporting by Retirement Benefit Plans
IAS	28	Investment in Associates and Joint Ventures
IAS	33	Earnings per Share (EPS)
IAS	36	Impairment of Assets
IAS	37	Provisions, Contingent liabilities and Contingent Assets

IFRSs:

IFRS	7	Financial Instruments: Disclosures
IFRS	8	Operating Segments
IFRS	9	Financial Instruments
IFRS	15	Revenue from Contracts with Customers
IFRS	16	Leases

2.07 Property, Plant and Equipment

Tangible fixed assets are accounted for according to IAS -16 Property, Plant and Equipment at Historical cost less accumulated depreciation and the Capital work-in-progress is stated at cost. Both tangible and intangible assets are depreciated/ amortized according to the Written down Value method.

2.08 Depreciation of Fixed Assets

Depreciation has been charged on additions respective to the date available for use.

The depreciation / amortization rate(s) are as follows:

Category of fixed assets	Rate %
Vehicles	10

The depreciation / amortization rate(s) of Fixed Assets located on Gazipur are as follows:

Sl.	Category of Fixed Assets	Rate
1.	Land & Development	-
2.	Land Development	3.33%
3.	Building	5%
4.	Plant & Machinery	10%
5.	A/C Plant	10%
6.	Furniture & Fixture	10%
7.	Water line Installation	10%
8.	Office Equipment	10%
9.	Electrical Installation	10%
10.	Computer	20%
11.	Transformer	10%
12.	Vehicles	10%
13.	Fire Extinguisher	20%
14.	Air Condition (AC)	20%

2.09 Valuation of Inventory

Inventories are stated at the lower of cost or net realizable value in compliance with the requirements of Para 21 and 25 of IAS - 2.

Category of inventory		Basis of valuation
Raw & packing materials including w-i-p	:	Moving average (Weighted) Cost
Finished Goods at Factory	:	At lower of cost or estimated net realizable value
At warehouses	:	At cost
Stores Items	:	At cost
Materials in-transit	:	Book value i.e. cost so far incurred

Cost comprises of the value of materials and all other distributable direct labor & production overheads including depreciation.

Recognition of Inventory loss:

As per Para 34 of IAS 2 when inventories are sold, the carrying amount of those inventories shall be recognized as an expense in the period in which the related revenue is recognized. The amount of any write-down of inventories to net realizable value and all losses of inventories shall be recognized as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realizable value, shall be recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs.

2.10 Bills Receivable

Bills Receivable is carried at invoice amount without making any provision for doubtful debts, because of the fact that sales / exports are being based on 100% confirmed letter of credit basis with fixed maturity dates by L/C opening bank.

2.11 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, cash at banks, term deposits etc. which are available for use by the company without any restrictions. There is an insignificant risk of change in value of the same.

2.12 Foreign Currency Transaction

Foreign currency transactions are recorded at the applicable rates of exchange ruling at the transaction date in accordance with IAS 21 (the Effects of changes in Foreign Exchange Rates). Foreign currency transactions translated at the financial position date are charged/credited to the statement of Profit or Loss and Other Comprehensive Income whenever arise.

2.13 Creditors and Accrued Expenses

2.13.1 Trade and Other Payables

Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the company.

2.13.2 Provision

The preparation of financial statements in conformity with International Accounting Standards (IAS) - 37 Provisions, Contingent Liabilities and Contingent Assets requires management to make estimates and assumption that affect the reported amounts of revenues and expenses, assets and liabilities, and the disclosure requirements for contingent assets and liabilities during and at the date of the financial statements.

In accordance with the guidelines as prescribed by IAS - 37 provisions were recognized in the following situations:

- When the Company has a present obligation as a result of past event;
- When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- Reliable estimates can be made of the amount of the obligation.

An appropriate level with regard to an adequate provision for risks and uncertainties has been shown in the Statement of Financial Position. An amount recorded as a provision represents the best estimate of the probable expenditure required to fulfill the current obligation on the date of Statement of Financial Position.

2.14 Employee Benefits

The Company offers a number of benefits which include Short term employee benefits like Salaries, Wages, House Rent and Annual Sick Leave. Non Monetary Benefits like Medical care, Car Facilities.

The company will contribute to the Central Fund after established of the fund by relevant authority as per provisions of the Bangladesh Labor Law (amended) and is payable to workers as defined in the said law.

2.15 Taxation:

i) Current Tax

Taxes have been charged @ 15.00% on business income and @ 25.00% on other operating income as per Income Tax Act 2023.

ii) Deferred Tax

Deferred tax is recognized in compliance with IAS 12: Income Taxes, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

2.16 Contingent Liabilities and Assets

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the company. In accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets are disclosed in the notes to the financial statements.

2.17 Revenue

In compliance with the requirements of IFRS 15 Revenue from contracts with customers, Entity recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue is recognized only when following steps match with a transaction;

a) Identification of the contract(s) with a customer;
b) Identification of the performance obligation in a contract;
c) Determine the transaction price;
d) Allocate the transaction price to the performance obligations in the contract;
e) Recognition revenue when (or as) the entity satisfies a performance obligation by transferring control over goods or services to a customer;

2.18 Borrowing Costs

In compliance with the requirements of IAS-23 Borrowing Costs, borrowing costs of operational period on short term loan and overdraft facilities was charged off as revenue expenditure as they incurred.

2.19 Intangible Assets

In compliance with the requirements of IAS - 38, Intangible Assets, are usually absorbed as revenue charges as and when incurred, as being not that material in the company's and / or local context.

2.20 Repairs, upkeep and maintenance charges

These are usually charged out as revenue expenditure in the period in which it is incurred.

2.21 Bad and doubtful debts

No provision made for bad and doubtful debts because sales / export are based on 100% confirm letter of credit with fixed maturity date by L/C opening by bank.

2.22 Advertising and promotional expenses

All costs associated with advertising and promotional activities are charged in the period they were incurred.

2.23 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 operating activities have been presented under direct method as required by the Securities and Exchange Rules 2020 and considering the provisions that 'Enterprises are Encouraged to Report Cash Flows from Operating Activities using the Direct Method". Reconciliation of Cash flows from operating activities under indirect method have been presented in the notes to the accounts.

2.24 Earnings Per Share

The Management calculates Earnings per Share (EPS) in accordance with IAS - 33, Earnings per share, which has been shown on the face of Statement of Profit or Loss and Other Comprehensive Income; the same has been calculated dividing surplus available for ordinary shareholders by weighted average number of ordinary shares outstanding at the end of the period (note- 34.00).

2.24.1 Basic Earnings Per Shares

This represents earnings for the period attributable to the ordinary shareholders. As there was no minority interest or extra ordinary items, the net profit after tax for the period has been considered as fully attributable to ordinary shareholders.

2.24.2 Weighted Average Number of Ordinary Shares Outstanding

Computations of weighted average number of ordinary shares has been shown in note no. 34.01.

2.25 Net Asset Value (NAV)

The net asset value (NAV) represents the net value of an entity and is calculated as the total value of the entity's assets minus the total value of its liabilities has been shown in note no. 33.00. Formula-

NAV = (Assets - Liabilities) / Total number of outstanding shares

2.26 Related Party Disclosure

The company carried out a number of transactions with related parties in the normal course of business and on arms' length basis. The information as required by IAS 24: Related Party Disclosures has been disclosed in a separate note (note no: 38.00) to the accounts.

2.27 Segment Reporting

No segmental reporting is applicable for the company as required by "IFRS 08: Operating Segments" as the company operates in a single industry segment and within as geographical segment.

2.28 Proposed Dividend

The Board of Directors has recommended "No Dividend" for the year ended 30 June, 2025. The dividend decision is subject to final approval by the shareholders at the forthcoming annual general meeting of the company.

2.29 Reporting period

The financial period of the Company covers the period from 1 July 2024 to 30 June 2025 consistently.

2.30 Presentation Currency

The annexed financial statements are presented in Bangladeshi currency (Taka), which have been rounded off to the nearest Taka.

2.31 Insurance coverage, insurance benefit and recognition of fire loss:

Company's factory including building, generator, plant-machineries and Equipment, Raw materials & Finished Goods inventory were coverage by Union Insurance Company Limited. The fire incident occurred on 8th April, 2019; which were inspected and surveyed by the concerned authorities. Based on the survey report the insurance company agreed to settle the claim by Tk 305, 000,000 out of insurance coverage Tk. 1,324,606,136 and so far as on the date of authorization of the financial statements Tk. 19,000,000 has been recovered from the insurance company. Communication has been continuing with the insurance company to recover rest of the settled claim amount.

As per BEPZA rule and requirement of insurance authority, Company has no authority to carry out valuation by independent valuer, thus the company had to wait for the report from valuation specialist appointed by BEPZA and insurance authority and from the insurance company and accordingly financial statements for relevant period been presented reflecting the results of valuation.

2.32 Events after the reporting period

Amounts recognized in the financial statements are adjusted for events after the reporting period that provide evidence of conditions that existed at the reporting period. No adjustment is given in the financial statements for events after the reporting period that are indicative of conditions that arose after the reporting period. Material non-adjusting events, if any, are disclosed in the financial statements.

There are no other events identified after the date of the statement of financial position which require adjustment or disclosure in the accompanying financial statements.

2.33 Comparative Information

Comparative figures have been re-arranged where considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

Notes	Particulars		Amount in Taka	
			June 30, 2025	June 30, 2024
3.00	**Property, Plant & Equipment**			
	A. At Cost		**4,887,761,039**	**4,748,126,570**
	Opening balance		4,748,126,570	5,062,702,166
	Addition during the year		139,634,469	91,176,408
	Disposal during the year		-	(405,752,004)
	Total Cost			
	B. Accumulated depreciation:		**1,462,612,082**	**1,215,176,629**
	Opening balance		1,215,176,629	1,068,714,720
	Charge during the year		247,435,453	283,740,870
	Disposal during the year		-	(137,278,961)
	Written Down Value as at June 30, 2025		**3,425,148,957**	**3,532,949,941**
	Details shown in Annexure-A			
4.00	**Security Deposits**			
	Land Leases at BEPZA, Plot # 100-107		-	1,032,827
	Land Leases at BEPZA, Plot # 127-134		-	1,039,302
	Flat Rent of BEPZA Flat # A-2/8 & B-2/2		-	124,415
	Bakhrabad Gas System Ltd. (BGSL)- Gas line		13,189,852	13,189,852
	Bakhrabad Gas System Ltd. (BGSL)- Gas line		139,932	139,932
	Electricity		15,039,031	15,039,031
			28,368,815	**30,565,359**
5.00	**Inventories**			
	Raw Materials	**5.01**	331,661,779	576,237,903
	Work in process	**5.02**	85,563,415	87,051,281
	Packing Materials	**5.03**	4,182,947	6,396,421
	Finished goods	**5.04**	1,341,347,031	469,437,876
	Store items	**5.05**	2,365,248	15,504,211
			1,765,120,420	**1,154,627,692**

Raw Materials: It consists of import value and local expenses incurred upto warehouse. Inventory system maintained on FIFO basis.

Work-in-Process: It consists of cost of raw materials only.

Finished Goods: It includes the cost incurred upto cost of goods available for sale.

Store Items: It consists of the total cost of spare parts, loose tools and consumable items.

5.01	**Raw Materials**		
	The balance is made up as follows:		
	Opening balance	576,237,903	165,036,009
	Add: Purchase during the year	3,272,408,481	3,364,441,506
	Raw materials available for production	**3,848,646,384**	**3,529,477,515**
	Less: Input to production	3,516,984,605	2,953,239,612
	Closing balance	**331,661,779**	**576,237,903**

Notes	Particulars	Amount in Taka	
		June 30, 2025	June 30, 2024
5.02	**Work in process**		
	The balance is made up as follows:		
	Opening balance	87,051,281	58,946,408
	Add: Current year	3,543,267,389	2,977,545,012
	Total available	**3,630,318,670**	**3,036,491,420**
	Less: Transfer to finished goods	3,544,755,255	2,949,440,139
	Closing balance	**85,563,415**	**87,051,281**
5.03	**Packaging Materials**		
	The balance is made up as follows:		
	Opening balance	6,396,421	3,254,081
	Add: Purchase during the year	24,069,310	27,447,740
	Total available	**30,465,731**	**30,701,821**
	Less: Consumption during the year	26,282,784	24,305,400
	Closing balance	**4,182,947**	**6,396,421**
5.04	**Finished Goods**		
	The balance is made up as follows:		
	Opening	469,437,876	330,931,568
	Add: Production during the year	4,434,153,298	3,783,877,994
	Production available for export	**4,903,591,174**	**4,114,809,562**
	Less: Cost of goods sold	3,562,244,143	3,645,371,686
	Closing balance	**1,341,347,031**	**469,437,876**
5.05	**Store items**		
	The balance is made up as follows:		
	Opening balance	15,504,211	9,208,418
	Add: Purchase during the year	23,390,890	36,841,668
	Total available	**38,895,101**	**46,050,086**
	Less: Consumption during the year	36,529,853	30,545,875
		2,365,248	**15,504,211**
6.00	**Bills Receivables**		
	Opening balance	1,974,361,255	1,076,144,914
	Add: Revenue during the year	3,949,922,742	4,019,733,092
		5,924,283,997	**5,095,878,006**
	Less: Realized during the year	4,147,599,290	3,121,516,751
		1,776,684,707	**1,974,361,255**

The above is the amount of receivable against export bills as on June 30, 2025. This was considered as good & realizable and was secured by export letter of credit duly accepted by L/C opening bank.

Notes	Particulars	Amount in Taka	
		June 30, 2025	June 30, 2024
	Aging Schedule		
	Receivables due over six months	398,826,043	197,821,427
	Receivables due below six months	1,377,858,664	1,776,539,828
		1,776,684,707	**1,974,361,255**

This was considered as fully secured and guaranteed payment based on 100% confirm export letter of credit with fixed maturity date by L/C opening bank against export order. Therefore, this was good & realizable as per the terms of export letter of credit. The classification of receivables as required by the Schedule XI of the Companies Act, 1994 are given below:

Particulars	Amount in Taka	
	June 30, 2025	June 30, 2024
i. Receivables considered good and in respect of which the company is fully secured.	1,776,684,707	1,974,361,255
ii. Receivables considered good for which the company holds no security other than the debtor's personal security	-	-
iii. Receivables considered doubtful or bad	-	-
iv. Receivables due by directors or other officers of the company or any of them either severally or jointly with any other person or receivables due by firms or private companies respectively in which any director is a partner or a director or a member.	-	-
v. Receivables due by companies under same management.	-	-
vi. The maximum amount due by directors or other officers of the company at any time during the year.	-	-
Total	**1,776,684,707**	**1,974,361,255**

7.00	**Advances, Deposits & Prepayments**			
	Sundry Advances	**7.01**	10,022,875	24,216,530
	Advance Income Tax	**7.02**	75,964,744	32,584,092
			85,987,619	**56,800,622**

Notes	Particulars		Amount in Taka	
			June 30, 2025	June 30, 2024
7.01	**Sundry Advances**			
	Advance against factory		869,858	331,404
	L/C Margin		1,185,879	12,490,241
	Gazi Enterprise		-	37,000
	Accordia Global Compliance group		154,200	124,200
	GSCS International Limited		162,000	162,000
	Anwar Ispat		166,000	-
	Himalaya Logistic service		-	52,100
	Unique Ceramic Ind. Ltd.		40,500	-
	Delta Transport service		22,400	136,400
	Modina Transport agency		100,000	-
	Safiqul Enterprise		690,000	690,000
	MLD C & F		2,141,130	6,216,974
	Karim Carrier service		-	71,000
	FR Trade Enterprise		54,700	54,700
	Shah Cement		90,000	-
	Sattar Enterprise		140,000	-
	Top 4 Logistic		65,900	112,400
	Khan Enterprise		385,500	385,500
	JM Transport Agency		-	97,800
	Uttom Kumar		3,754,808	3,254,811
			10,022,875	**24,216,530**
7.02	**Advance Income Tax**			
	Opening Balance		32,584,092	92,536,799
	Add: Tax deduction at source - From Export		41,395,841	31,215,168
	Add: Tax deduction at source - Interest Income		1,811,465	992,279
	Add: Tax deduction at source - Dividend Income		173,346	376,645
	Total Advance Income Tax		**75,964,744**	**125,120,891**
	Less: Adjustment during the year		-	92,536,799
	Closing Balance		**75,964,744**	**32,584,092**
8.00	**Investment**			
	The balance is made up as follows:			
	Investment in Shares	**8.01**	239,500,000	239,500,000
	Advances	**8.02**	41,636,964	41,636,964
	FDR		137,875,042	100,199,991
			419,012,006	**381,336,955**
8.01	**Investment in Shares**			
	The balance is made up as follows:			
	M.L. Dyeing & Textile Ind. PLC		69,500,000	69,500,000
	FAR Chemical & Textile Ind. PLC		170,000,000	170,000,000
			239,500,000	**239,500,000**

Notes	Particulars	Amount in Taka	
		June 30, 2025	June 30, 2024
8.02	**Advances**		
	The balance is made up as follows:		
	FAR Chemical & Textile Ind. PLC	41,636,964	41,636,964
		41,636,964	**41,636,964**
9.00	**Cash and Cash Equivalents**		
	Cash in hand	569,034	665,520
	Cash at Bank -Islami BanK BD Ltd, A/C: 1166004	102,185	94,709
	Cash at Bank -Islami BanK BD Ltd, A/C: 59309	7,535,386	5,446,891
	Cash at Bank -Islami BanK BD Ltd, A/C: 74409	8,304,026	13,398
	Cash at Bank -Islami BanK BD Ltd, A/C: 31507	54,663	357,599
	Cash at Bank -Islami BanK BD Ltd, A/C: 5313	548,412	161,506
	Cash at Bank - SBACBL, A/C: 00153	1,044,312	1,014,228
	Cash at Bank - SBACBL, A/C: 00692	1,358	994,724
	Cash at Bank - SBACBL, A/C: 4778/4425	23,141	26,831
	Cash at Bank - SIBL	51,217	51,907
	Cash at Bank - Jamuna Bank (CD)	671	671
	Cash at Bank - Jamuna Bank, Foreign Exchange Branch (Convertible A/C)	89,172	79,264
	Cash at Bank - SBACBL, Principal Branch (CD)	189,294	189,789
	Cash at Bank-SBACBL, Principal Branch (Convertible A/C)	5,590,135	2,955,622
	Cash at Bank - SBACBL, Principal Branch (SND)	36,475	47,991
	Cash at Bank - SBACBL	884,528	-
	Cash at Bank - Woori Bank (CD A/C)	-	54
	Cash at Bank - Woori Bank (Convertible A/C)	-	104
	FDR-0002242047734- SBACBL, Principal Branch	-	4,918,555
	FDR-0002244007845-SBACBL, Principal Branch	-	11,036,160
	FDR-0002244007854-SBACBL, Principal Branch	-	7,187,328
	FDR-0002244007881-SBACBL, Principal Branch	-	6,752,400
		25,024,009	**41,995,251**
10.00	**STD Account (IPO)**		
	Balance as at 30.06.2025	1,141,427	805,312
		1,141,427	**805,312**
	The balance shown in the following bank accounts of The City Bank Ltd., Principal Office, Dhaka:		
	A/C: 5121113482001 (USD)	1,085,995	764,162
	A/C: 5121113482002 (GBP)	55,432	41,150
		1,141,427	**805,312**

This amount has not been transferred to Capital market Stabilization fund due to Non avialabilty of Foreign currency account.

Notes	Particulars	Amount in Taka	
		June 30, 2025	June 30, 2024

11.00 Share Capital

11.01 Authorized Capital

75,00,00,000 ordinary shares of Taka 10/= each.	**7,500,000,000**	**7,500,000,000**
(R.N Spinning Mills Ltd Tk. 5,000,000,000)		
(Samin Food & Beverage Inds. and Textile Mills Ltd Tk 2,500,000,000)		

11.02 Issued, subscribed, called-up and paid-up capital

303,452,109 Ordinary Shares of Tk 10/= each fully paid-up	3,034,521,090	3,034,521,090
	3,034,521,090	**3,034,521,090**

The shareholding position of the company are as under:

Name	No. of Shares	Percentage (%)	Amount
Al-Haj Mustafizur Rahman	5,715	0.00%	57,150
Abdul Kader Faruk	26,031,511	8.58%	260,315,110
Md. Abdul Quyum Mamun	656,697	0.22%	6,566,970
M.L. Dyeing Ltd.	6,191,603	2.04%	61,916,030
Mrs. Shirin Faruk	20,342,783	6.70%	203,427,830
Rezaur Rahman Rajon	16,164,672	5.33%	161,646,720
Fatin Kader Fardin	18,348,240	6.05%	183,482,400
General Shareholders	215,710,888	71.09%	2,157,108,880
	303,452,109	**100%**	**3,034,521,090**

11.03 Paid up Capital

Paid up Capital at the beginning of the year	3,034,521,090	3,925,448,340
Less : Transfer to capital reserve during the year	-	(3,222,793,090)
Add : Addition during the year**	-	2,331,865,840
	3,034,521,090	**3,034,521,090**

**No of 233,186,584 Ordinary shares of Tk 10. each has been alloted to shareholder of Samin Food & Beveage Ind. and Textile Mills Ltd. as per amalgation scheme.

12.00 Share Premium

Opening Balance	-	599,780,490
Less: Transfer to capital reserve	-	599,780,490
	-	-

Notes	Particulars		Amount in Taka	
			June 30, 2025	June 30, 2024
13.00	**Capital Reserve**			
	Tranfer in from paid up capital		148,279,941	3,222,793,090
	Tranfer in from Share Premium		-	599,780,490
	Total		**148,279,941**	**3,822,573,580**
	Less: Transfer from retained earnings		-	3,674,293,639
			148,279,941	**148,279,941**
14.00	**Retained Earnings**			
	Opening balance		(128,229,609)	(3,674,293,639)
	Less: Dividend		(30,345,211)	-
	Less: Transfer to capital reserve		-	3,674,293,639
	Less: Loss on sale/dispose off assests	**(Notes:14.01)**	-	(185,207,820)
	Add: Current year profit/(loss)		34,811,638	56,978,211
	Closing balance		**(123,763,182)**	**(128,229,609)**
14.01	**Loss on sale/dispose off various Fixed Assets:**			
	Proceeds realization from sale of factory shade & other assets etc.		-	42,021,000
	Accumulated Depreciation of various assets		-	137,278,961
	Cost of disposal of Assets as mentioned in the fixed assets sch.		-	(405,752,004)
	Lease liability		-	41,244,223
			-	**(185,207,820)**
15.00	**Long Term borrowings**			
	HPSM		577,148,753	621,132,368
	Less: Current portion of long term borrowings		120,000,000	120,000,000
			457,148,753	**501,132,368**
16.00	**Lease Liability**			
	Opening balance		-	41,404,428
	Add: Current year charged		-	1,876,397
	Less: Payment		-	2,036,602
	Less: Disposal of lease liability		-	41,244,223
			-	**-**
17.00	**Deferred Tax**			
	Opening balance		126,055,491	128,382,835
	Add: Current year charged	**32.00**	(3,112,006)	(2,327,344)
			122,943,486	**126,055,491**

Notes	Particulars		Amount in Taka	
			June 30, 2025	June 30, 2024
18.00	**Creditors and Accrues**			
	Electricity Bill		21,938,984	16,832,704
	Water Bill		-	-
	Medical subscription -BEPZA		-	-
	Worker Welfare fund		-	-
	Salary & Wages		23,451,893	15,657,664
	Director Remuneration & Fees		100,000	100,000
	Sundry Creditors	**18.01**	2,698,289	2,519,789
	Audit & Professional Fees		450,000	350,000
	Subscription & Fees		262,000	2,612,000
	Lease Liability		-	2,112,936
			48,901,166	**40,185,093**
18.01	**Sundry Creditors**			
	M/S. Azmi Enterprise		714,410	714,410
	Mr. Karim Carrier		36,400	-
	M/S. JM Transport		79,700	-
	M/S. Gaxi Enterprise		6,000	
	M/S. Mita Engineering		1,600,000	1,600,000
	M/S. Himalaya Logistic		56,400	
	M/S. Shathi Enterprise		191,092	191,092
	M/S. Jubair Construction		14,287	14,287
			2,698,289	**2,519,789**
19.00	**Bills Payables**			
	Bills Payables		640,884,356	1,060,202,156
			640,884,356	**1,060,202,156**

Liabilities are recorded at the amount of bills payable for settlement in respect of goods and services received by company.

20.00	**Current portion of Long term borrowings**			
	Long term borrowings		120,000,000	120,000,000
			120,000,000	**120,000,000**
21.00	**Short Term Loan & advances**			
	Short Term Loan (Secured)	**21.01**	2,717,329,523	1,956,472,754
	Short Term Loan (Unsecured)	**21.02**	181,847,000	181,847,000
	Advances	**21.03**	19,000,000	19,000,000
			2,918,176,523	**2,157,319,754**
21.01	**Short Term Loan (Secured)**			
	Short Term Loan - UPAS/EDF		2,292,720,601	1,372,151,163
	FDBP/MDB		424,608,922	584,321,591
			2,717,329,523	**1,956,472,754**

Notes	Particulars	Amount in Taka	
		June 30, 2025	June 30, 2024

21.02 Short Term Loan (Unsecured)

The Liabilites has been made by loan taken as follows:

Particulars	June 30, 2025	June 30, 2024
Rahman & Nesa Hospital and Research Center Ltd.	103,867,000	103,867,000
F & S Industries Limited	77,980,000	77,980,000
Total	**181,847,000**	**181,847,000**

21.03 Advances

Received in advance from Union Insurance Co.Ltd. (Adjustable with final of insurance claim for fire loss)	19,000,000	19,000,000
	19,000,000	**19,000,000**

22.00 Unclaimed Dividend Account

Dividend payble	575,763	-
	575,763	**-**

23.00 Income Tax Payable

Income Tax Payable -Opening	113,170,791	172,165,078
Add: Charge for the year	44,507,847	33,542,512
	157,678,638	**205,707,590**
Less: Adjustment during the year	-	92,536,799
	157,678,638	**113,170,791**

24.00 Refundable Deposits (IPO)

Balance as at 30.06.2025	1,141,427	805,312
	1,141,427	**805,312**

This amount has not been transferred to Capital market Stabilization fund due to Non avialabilty of Foreign currency account.

25.00 Net Asset Value Per Share (NAV)

A. Net Asset Value	3,059,037,849	3,054,571,422
B. Number of Ordinary Share Outstanding	303,452,109	303,452,109
Net Asset Value Per Share (A/B)	**10.08**	**10.07**

Notes	Particulars		Amount in Taka	
			June 30, 2025	June 30, 2024
26.00	**Sales**			
	Revenue from Export		3,949,922,742	4,019,733,092
	Total:		**3,949,922,742**	**4,019,733,092**
27.00	**Cost of goods sold**			
	Raw materials consumed	27.01	3,516,984,605	2,953,239,612
	Packing Materials consumed	27.02	26,282,784	24,305,400
			3,543,267,389	**2,977,545,012**
	Work in process- opening		87,051,281	58,946,408
	Work in process- closing		85,563,415	87,051,281
	Change in work in process		**1,487,866**	**(28,104,873)**
	Total consumption		**3,544,755,255**	**2,949,440,139**
	Add: Manufacturing Overhead	27.03	647,478,846	576,092,061
	Add: Depreciation (Annexure-A)		241,919,197	260,805,474
	Cost of production		**4,434,153,298**	**3,786,337,674**
	Finished goods - opening		469,437,876	330,931,568
	Finished goods - closing		1,341,347,031	469,437,876
	Change of finished goods stock		**(871,909,155)**	**(138,506,308)**
	Total:		**3,562,244,143**	**3,647,831,366**
27.01	**Raw materials consumed**			
	Opening Stock		576,237,903	165,036,009
	Add: Purchase during the period		3,272,408,481	3,364,441,506
	Raw materials available for production		**3,848,646,384**	**3,529,477,515**
	Less: Closing Stock		331,661,779	576,237,903
	Total:		**3,516,984,605**	**2,953,239,612**
27.02	**Packing Materials Consumed**			
	Opening Stock		6,396,421	3,254,081
	Add: Purchase during the period		24,069,310	27,447,740
	Consumable Item available for packing		**30,465,731**	**30,701,821**
	Less: Closing Stock		4,182,947	6,396,421
	Total:		**26,282,784**	**24,305,400**
27.03	**Manufacturing overhead**			
	This has been arrived as under;			
	Salary, Wages & allowance		227,595,933	186,704,332
	Medical Expenses		460,450	381,649
	Food & Tiffin		1,731,366	790,471
	Conveyance		5,524,390	5,770,555
	Labor Charge		122,999	133,030
	Internet,Telephone & Postage		67,240	79,500
	Insurance & Others		5,870,085	5,870,085
	Carrying Charge		1,077,540	1,148,525
	Power & Fuel		358,256,209	341,590,106
	Printing & Stationery		410,943	239,290
	Rent, Rates and Taxes		-	31,000
	Repairs & Maintenance		8,585,679	1,904,904
	Store & Spare Consumed	5.05	36,529,853	30,545,875
	Other Overhead		1,246,159	902,739
	Total:		**647,478,846**	**576,092,061**

Notes	Particulars		Amount in Taka	
			June 30, 2025	June 30, 2024
28.00	**Operating Expenses**			
	Warehouse, Distribution & Selling Exp.	**28.01**	25,317,171	18,911,433
	Administrative Expenses	**28.02**	29,772,297	42,208,034
	Total:		**55,089,468**	**61,119,467**
28.01	**Warehouse, Distribution & Selling Exp.**			
	Salary & allowances		9,619,702	7,159,764
	Transportation and Handling expenses		7,484,703	6,943,750
	Repair and Maintenance		736,085	227,753
	Electricity, water and gas		514,566	947,184
	Sales promotion expenses		3,184,560	1,303,193
	Traveling Expenses		2,102,618	616,448
	Entertainment Expenses		339,207	207,166
	Printing & Stationery		95,754	97,000
	Sample Test and Analysis		11,960	17,020
	Depreciation (Annexure-A)		1,228,016	1,392,155
	Total:		**25,317,171**	**18,911,433**
28.02	**Administrative Expenses**			
	Salary & Welfare		11,757,413	7,774,905
	Advertising Expenses		351,204	257,800
	Postage & Telecommunication		331,258	257,672
	Traveling, Haulage & passage		1,055,797	790,055
	Repair & Maintenance		100,899	327,753
	Electricity, Fuel & Water		582,342	1,232,129
	Printing and Stationery		695,864	702,762
	Rent, Rates and Taxes		4,987,734	2,332,396
	Subscription & Donation		10,000	290,500
	Entertainment		243,479	253,610
	Fees and Charges		3,152,401	2,133,332
	News paper & periodicals		2,560	2,508
	Audit & Professional fees		634,500	1,411,700
	Miscellaneous Expenses		364,856	472,940
	AGM/EGM Expenses		335,000	86,600
	Legal & Professional Charge		160,750	-
	Directors' Remuneration & Fees		718,000	948,000
	CEPZ factory operating and maintenance **(Note:28.02.A)**		-	20,126,306
	Depreciation (Annexure-A)		4,288,240	2,807,066
	Total:		**29,772,297**	**42,208,034**
28.02.A	**CEPZ factory operating and maintenance**			
	Salary, Wages & Allowances		-	763,675
	Fuel, Water, Power & others		-	481,509
	Rent, Rates and other taxes		-	8,500
	Travelling & Conveyance		-	95,351
	Bank Charges		-	1,380
	Depreciation (Annexure-A)		-	18,736,175
	Other Overhead		-	39,716
	Total:		**-**	**20,126,306**

Notes	Particulars		Amount in Taka	
			June 30, 2025	June 30, 2024
29.00	**Financial Expenses**			
	Interest on lease liability		-	3,843,054
	Bank charge & Interest on Loan		269,483,279	229,466,862
	Total:		**269,483,279**	**233,309,916**
30.00	**Foreign Exchange gain / (loss)**			
	Foreign Exchange gain / (loss)		480,260	1,495,241
	Total:		**480,260**	**1,495,241**
31.00	**Other income**			
	Sale of Wastage		891,920	301,527
	Other Income - Dividend		866,728	1,883,224
	Interest Income		10,862,720	7,314,710
	Total:		**12,621,368**	**9,499,461**
32.00	**Income tax expenses**			
	Current tax		44,507,847	33,542,512
	Deferred tax		(3,112,006)	(2,327,344)
	Total:		**41,395,841**	**31,215,168**
32.01	**Current tax**			
	Current tax on operating income	24.01.A	41,395,841	31,215,168
	Current tax on Sales of wastage		222,980	75,382
	Current tax on Interest income		2,715,680	1,875,317
	Current tax on Dividend income		173,346	376,645
	Total:		**44,507,847**	**33,542,512**
24.01.A	**Current tax on operating income**			
	Net Profit before tax		76,207,479	88,193,379
	Add: Deprecitaion as per accounting base		247,435,453	283,740,870
	Less: Depreciatoin as per tax base		220,946,236	374,368,645
	Less: other income		12,621,368	9,499,461
	Taxable operating income		**90,075,329**	**(11,933,857)**
	Income tax @ 15%		13,511,299	(1,790,079)
	Tax deducted u/s 163 of Income Tax Act 2023.		**41,395,841**	**31,215,168**
	Current tax , minimum tax		**41,395,841**	**31,215,168**
	Current tax (Net of deferred tax)		**41,395,841**	**31,215,168**
32.02	**Deferred tax**			
	This has been arrived as under;			
	Property, Plant & Equipment			
	Carrying amount as Accounting base		3,425,148,957	3,532,949,941
	Carrying amount as Tax base		2,603,386,510	2,634,410,296
	Difference		**821,762,447**	**898,539,645**
	Tax Rate		15%	15%
	Total maximum deferred tax liability at the end of the year		**123,264,367**	**134,780,947**
	Total deferred tax liability at the beginning of the year		126,055,491	128,382,835
	Total maximum deferred tax for the year		**(2,791,124)**	**6,398,112**
	Total tax on operating income for the year		41,395,841	31,215,168
	Less: Current tax on operating income for the year		44,507,847	33,542,512
	Deferred tax as per total tax liability		**(3,112,006)**	**(2,327,344)**
	Deferred tax for the period		**(3,112,006)**	**(2,327,344)**

Notes	Particulars	Amount in Taka	
		June 30, 2025	June 30, 2024
33.00	**Net Asset Value (NAV) per share**		
	Net Asset value at the end of the year	3,059,037,849	3,054,571,422
	No. of Share outstanding at the end of the year	303,452,109	303,452,109
	Net Asset value (NAV) per share	**10.08**	**10.07**
34.00	**Earnings per Share**		
	Net profit after tax during the year	34,811,638	56,978,211
	No.of share outstanding	303,452,109	303,452,109
	Earnings per share	**0.11**	**0.19**
	Earnings per share - Re stated	**0.11**	**0.19**

34.01 Weighted average number of shares outstanding
For the period ended 30-06-2025

Particlulars	No. of Share	Date of allotment	Weight	Weighted average no. of share
Opening Shares	303,452,109	-	1	303,452,109
Additional Shares	0	-	0	
Total	**303,452,109**	-		303,452,109

35.00	**Net operating cash flows per share**		
	Net operating cash flows	(528,983,405)	(822,064,099)
	No. of outstanding share at the end of period	303,452,109	303,452,109
	Net operating cash flows per share	**(1.74)**	**(2.71)**
36.00	**Reconcilation of cash generated by operations**		
	Profit before Income tax	76,207,479	88,193,379
	Add: Depreciation charged	247,435,453	283,740,870
	Less: Income Tax paid	(43,380,652)	(32,584,092)
	Add(Less): Increase or decrease in inventory	(610,492,728)	(587,251,208)
	Add(Less): Increase or decrease in trade receivable	197,676,548	(898,216,341)
	Add(Less): Increase or decrease in trade payable	(419,317,800)	327,531,706
	Add(Less): Increase or decrease in advance, deposit and pre payments	14,193,655	(1,472,757)
	Add(Less): Increase or decrease in Foreign	(21,433)	(28,748)
	Add(Less): Increase or decrease in creditors and accrues	8,716,073	(1,976,908)
		(528,983,405)	**(822,064,099)**

Notes	Particulars	Amount in Taka	
		June 30, 2025	June 30, 2024

37.00 Disclosure as per requirment of the Companies Act, 1994.

37.A Quantity wise schedule as required under Para 3(a) & (d), Schedule XI, Part II of the Companies Act,

Quantity wise schedules of sales, raw material consumed and opening and closing stock of finished goods relating to the financial statements for the period ended June 30, 2025 are given below:

i) Sales

Particulars	June 30, 2025	June 30, 2024
Amount in Taka	3,949,922,742	4,019,733,092
Quantity in Kg	10,984,212	10,695,331

ii) Raw Materials - Consumed in Quantities (Kg):

Opening Stock	2,402,493	773,737
Purchase	14,051,279	14,217,552
Total available	**16,453,772**	**14,991,289**
Less: Closing Stock	1,373,000	2,402,493
Raw Materials - consumed	**15,080,772**	**12,588,796**

iii) Particulars in respect of Opening Stock and Closing Stock of Inventories

Particulars	Opening Stock		Closing Stock as on June 30, 2025	
	Quantity	Amount in Tk.	Quantity	Amount in Tk.
Raw Materials	2,402,493	576,237,903	1,373,000	331,661,779
Work in Process	371,074	87,051,281	367,733	85,563,415
Finished goods	1,407,721	469,437,876	4,002,525	1,341,347,031

37.B Disclosure as per requirment of Schedule XI, part II, para 4 of Companies Act, 1994.

No.	Particualrs	June 30, 2025	June 30, 2025
a)	Managerial Remuneration paid or payable during the period to the directors, including managing directors, a managing agent or manager	600,000	600,000
b)	Expenses reimbursed to Managing Agent	Nil	Nil
c)	Commission or other Remuneration payable separately to a managing agent or his associate	Nil	Nil
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	Nil	Nil
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 year.	Nil	Nil
f)	Any other perquisite or benefits in cash or in kind stating, approximate money value where practicable.	Nil	Nil
g)	Other allowances and commission including guarantee commission	Nil	Nil
h)	Pensions etc.	Nil	Nil
	(i) Pensions	Nil	Nil
	(ii) Gratuities	Nil	Nil
	(iii) Payments from provident funds, in excess of own subscription and interest thereon	Nil	Nil
	(iv) Compensation for loss of office	Nil	Nil
	(v) Considerdation in connection with retirement from office	Nil	Nil

37.C Disclosure as per requirment of Schedule XI, part II, note 5 of para 3

Employee Position (as on June 30, 2025)

Salary Range	Officer & Staff		Worker	Total Employee
	Factory	Head Office		
Below 9000	0	0	317	317
Above 9000	75	16	1761	1852
Total	**75**	**16**	**2078**	**2169**

37.D Disclosure as per requirment of Schedule XI, part II, para 7

Details of Capacity as given below:

Particulars	Installed Capacity	Actual Production	Percentage of Capacity Utilization
Yearly Production of Cotton based Yarn in Kg	23,500,000	13,578,917	57.78%
Total	**23,500,000**	**13,578,917**	**57.78%**

37.E Disclosure as per requirement of Schedule XI, Part II, para 8 of Companies Act,1994.

a) During the year ended June 30 , 2025 total value of import in respect of raw material, spare parts calculated on CIF basis are given as below:

Particulars	Amount (Tk.)
Raw Materials	3,272,408,481
Store Items	16,667,449

b) The company has not incurred any expenditure in foreign currencies during the period of 01 July, 2024 to 30 June, 2025 on account of royalty, know-how, professional fees, consultancy fees, interest and other matters.

c) Value of both imported and indigenous raw materials, spare parts and components consumed and the percentage of each to the total consumption during the year of 01 July, 2024 to June 30, 2025 are given as below:

Particulars	Total Comsumption	Imported Taka.	(%)	Local Taka.	(%)
Raw Materials	3,516,984,605	3,516,984,605	100%	0	0.00%
Packing Materials	26,282,784	-	0%	26,282,784	100.00%
Store Items	36,529,853	24,152,678	66%	12,377,175	33.88%
Total	3,579,797,242	3,541,137,283		38,659,959	

d) The company has not remitted any amount during the year of 01 July, 2024 to June 30, 2025 in foreign currencies on account of dividend for non-resident shareholders.

e) Earnings in foreign exchange classified under the following heads as follows:

i) Total Export for the year ended 30 June 2025 is US$ 32,651,883 which equivalent to BDT.3,961,652,487

ii) No royalty, know-how, professional and consultancy fees were received.

iii) No interest and dividend received.

iv) No other income received.

38.00 Related Party Transaction

During the year, the Company carried out a number of transactions with related parties in the normal course of business on an arms' length basis. Names of those related parties, nature of those transactions and their total value have been set out in accordance with the provisions of IAS-24: Related Party Disclosures.

Director Remuneration & Fees:

Particulars	Amount in Taka
Remuneration & Benefits to the Managing Director	600,000
Meeting attending fees	118,000
Total	**718,000**

Transaction:

Name of Company	Relationship	Nature of transaction	Amount as at 30.06.2025 (Tk.)
Rahman & Nesa Hospital and Research Center Ltd.	Common Ownership	Short term loan	145,888,000

Equity Participation:

M. L. Dyeing Limited owns 6,191,603 number of ordinary shares of Tk. 10/- each at total amounting Tk.303,452,109 being 2.04% of total ordinary shares of Sharp Industries PLC (R.N. Spinning Mills Ltd.)

39.00 Capital Expenditure Commitment:

The Company has no capital expenditure commitment at the reporting date.

40.00 Directors' interest in contracts with the company :

There was no other transaction resulting in Directors' interest with the Company and no leasing facilities have been made available to the Directors which mentioned in accounts.

41.00 Events after the Reporting Period (IAS-10)

There was no significant event that has been occurred between the statement of financial position date and the date on which the financial statements are authorised for issue.

SHARP INDUSTRIES PLC

(Name changed from R.N Spinning Mills Ltd.)

SCHEDULE OF FIXED ASSETS - Gazipur

AS AT JUNE 30, 2025

Annexure-A

Particulars	Cost			Rate of Depreciation (%)	Depreciation			Written Down Value as at June 30, 2025
	Balance as on July 01, 2024	Addition during the year	Balance as on June 30, 2025		Balance as on July 01, 2024	Charge during the year	Balance as on June 30, 2025	
Land & Land Development	594,009,730	-	594,009,730		-	-	-	594,009,730
Land Development	27,677,668	-	27,677,668	3.33%	5,047,873	753,572	5,801,445	21,876,223
Building	1,202,795,257	103,866,015	1,306,661,272	5.00%	255,961,878	48,639,994	304,601,872	1,002,059,400
Plant & Machinery	2,593,785,363	35,005,637	2,628,791,000	10%	806,477,034	179,605,974	986,083,008	1,642,707,992
A/C Plant	102,556,521	-	102,556,521	10%	46,024,933	5,653,159	51,678,092	50,878,429
Furniture & Fixture	5,857,015	-	5,857,015	10%	2,435,839	342,118	2,777,957	3,079,058
Water line Installation	4,315,295	-	4,315,295	10%	1,983,366	233,193	2,216,559	2,098,736
Office Equipment	1,012,908	163,000	1,175,908	10%	405,404	64,825	470,229	705,679
Electrical Installation	98,547,684	599,817	99,147,501	10%	39,645,869	5,905,177	45,551,046	53,596,455
Computer	1,836,469	-	1,836,469	20%	1,313,483	104,597	1,418,080	418,389
Transformer	56,221,053	-	56,221,053	10%	23,857,759	3,236,329	27,094,088	29,126,965
Vehicles	13,356,329	-	13,356,329	10%	5,666,720	768,961	6,435,681	6,920,648
Fire Extingusher	4,464,624	-	4,464,624	20%	3,093,570	274,211	3,367,781	1,096,843
Air Condition	349,887	-	349,887	20%	244,214	21,135	265,349	84,538
Balance as on June 30, 2025	**4,706,785,803**	**139,634,469**	**4,846,420,272**		**1,192,157,942**	**245,603,245**	**1,437,761,187**	**3,408,659,085**
Balance as on June 30, 2024	**4,615,609,395**	**91,176,408**	**4,706,785,803**		**927,380,811**	**264,777,131**	**1,192,157,942**	**3,514,627,861**

Allocation of depreciation		
Manufacturing Expenses	98.50%	241,919,197
Administrative Expenses	1.00%	2,456,032
Selling & Distribution Expenses	0.50%	1,228,016
	100.00%	**245,603,245**

SHARP INDUSTRIES PLC

(Name changed from R.N Spinning Mills Ltd.)

SCHEDULE OF FIXED ASSETS - Cumilla

AS AT JUNE 30, 2025

Annexure-A

Particulars	Cost			Rate of Depreciation (%)	Depreciation			Written Down Value as at June 30, 2025
	Balance as on July 01, 2024	Addition during the year	Balance as on June 30, 2025		Balance as on July 01, 2024	Charge during the year	Balance as on June 30, 2025	
Vehicles	41,340,767		41,340,767	10%	23,018,687	1,832,208	24,850,895	16,489,872
Balance as on June 30, 2025	**41,340,767**	**-**	**41,340,767**		**23,018,687**	**1,832,208**	**24,850,895**	**16,489,872**
Balance as on June 30, 2024								

Allocation of depreciation		
Manufacturing Expenses	0.00%	-
Administrative Expenses	100.00%	1,832,208
Selling & Distribution Expenses	0.00%	-
	100.00%	**1,832,208**

SHARP INDUSTRIES PLC

(Name Changed From R.N. Spinning Mills Ltd.)
Corporate Office: House # 11 (7th Floor), Unit # 7-B
Road # 12, Block # F, Niketon, Gulshan-1, Dhaka-1212

PROXY FORM

I/We……of ……..being a shareholder of SHARP INDUSTRIES PLC (Changed From R.N. Spinning Mills Limited) and entitled to vote hereby appoint Mr./Mrs. …….. as my/our proxy to attend and vote for me/us on my/our behalf at the 21st Annual General Meeting of the Company to be held on Sunday, the 21st December, 2025 at 12:30 p.m. Physically at Greentech Resort & Convention Center, Bhabanipur, Gazipur and virtually through the link: https://sharpindustries.bdvirtualagm.com. and at any adjournment thereof.

As witness my/our hand this ……day of……2025.

Affix Twenty Taka Revenue Stamp

(Signature of the Shareholder) (Signature of Proxy)

Folio No./BO ID No. | | | | | | | | | | | | | | | |

NO. of Shares held ……Dated ……

Note :

01. A member entitled to attend and vote at the Annual General Meeting may appoint a Proxy to attend and vote in his/her behalf.
02. The Proxy Form, duly stamped, must reach at the share office Located at House # 11 (7th Floor), Unit # 7-B, Road # 12, Block # F, Niketon, Gulshan-1, Dhaka-1212 of the company not less than 48 hours before of the meeting.

SHARP INDUSTRIES PLC

(Name Changed From R.N. Spinning Mills Ltd.)
Corporate Office: House # 11 (7th Floor), Unit # 7-B
Road # 12, Block # F, Niketon, Gulshan-1, Dhaka-1212

SEAL

ATTENDANCE SLIP

I/We hereby record my/our attendance at the 21st Annual General Meeting of the company being held on 21st December, 2025 at 12:30 p.m., Physically at Greentech Resort & Convention Center, Bhabanipur, Gazipur and virtually through the link: https://sharpindustries.bdvirtualagm.com.

Name of Shareholder/Proxy ……

Folio No./BO ID No. | | | | | | | | | | | | | | | |

NO. of Shares held ……

(Signature of Proxy) (Signature of the Shareholder)

N.B: Please present this slip duly signed at the entrance of the Meeting Hall.



SHARP INDUSTRIES PLC

[An Oeko-Tex & BCI Certified Company]

Corporate Office : House # 11 (7th Floor), Unit # 7-B, Road # 12, Block # F, Niketon Gulshan-1,Dhaka-1212, Bangladesh.Tel : 88-02-48810053, Fax : 88-02-48810054
E-mail : sharpindustriesplc@gmail.com, Web : www.sharpindustriesplc.com
Registered Office & Factory: Mouja: Mahona Bhabanipur, Gazipur Sadar, Gazipur.

SB Communication
Cell: 01718 230 234