Ref: KMHCO/Consolidated/Audit STxl Plc./Final-2026

SQUARE TEXTILES PLC.
Square Centre
48, Mohakhali C/A
Dhaka-1212.

SQUARE TEXTILES PLC.
CONSOLIDATED AND SEPARATE AUDITOR'S REPORT AND CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
As at and for the year ended 30 June 2026

Contents	Page No.
CONSOLIDATED AND SEPARATE AUDITOR'S REPORT AND CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
*Consolidated Independent Auditor's Report	01-09
*Consolidated Statement of Financial Position	10
* Consolidated Statement of Profit or Loss and Other Comprehensive Income	11
* Consolidated Statement of Changes in Equity	12
* Consolidated Statement of Cash Flows	13
* Consolidated Notes to the Financial Statements	14-31
* Consolidated Schedule of Property, Plant and Equipment: Schedule 01	32
SQUARE TEXTILES PLC.	
* Statement of Financial Position	33
* Statement of Profit or Loss and Other Comprehensive Income	34
* Statement of Changes in Equity	35
* Statement of Cash Flows	36
* Notes to the Financial Statements	37-57
* Schedule of Property, Plant and Equipment: Schedule - A	58
* Schedule of Share Capital: Schedule - B	59

K. M. HASAN & CO.
Chartered Accountatns
Hometown Apartments (8th & 9th Floor)
87, New Eskaton Road, Dhaka-1000
Phone: 08-41032556, 02-41032814
E-mail : info@kmhasan.com.bd
Web : www.kmhasan.com.bd

KMHCO.
SINCE1984

কে. এম. হাসান এন্ড কোং
K. M. HASAN & CO.
Chartered Accountants

Hometown Apartments (8th & 9th Floor)
87, New Eskaton Road, Dhaka-1000
Phone: 02-41032556, 02-41032814
E-mail: info@kmhasan.com.bd
website: www.kmhasan.com.bd

McMillan Woods Worldwide
Professionalism at the forefront

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SQUARE TEXTILES PLC. & It's Subsidiary

REPORT ON THE AUDIT OF THE CONSOLIDATED & SEPARATE FINANCIAL STATEMENTS.

Opinion

We have audited the consolidated financial statements of **SQUARE TEXTILES PLC. and its subsidiary (the 'Group')** as well as the separate financial statements of **SQUARE TEXTILES PLC. (the 'Company')** which comprise the consolidated and separate statement of financial position as at 30 June 2026 and the consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Company as at 30 June 2026, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated and separate Financial Statements section of our report. We are independent auditor of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Key audit matter description	How the scope of our audit responded to the key audit matter.
Property, Plant and Equipment	
The carrying value of the PPE amounted to Taka 10,067,675,923 and Capital work in progress Taka 860,583,595 as at 30 June 2026. The valuation of Property, Plant and Equipment was identified as a key audit matter due to the significance of this balance to the financial statements. Expenditures are capitalized if they create new or enhance the existing assets, and expensed if they relate to repair or maintenance of the assets. Classification of the expenditures involves judgment. The useful lives of PPE items are based on management's estimates regarding the period during which the asset or its significant components will be used. The estimates are based on historical experience and market practice and take into consideration the physical condition of the assets. See note no. 3.1, 3.4, 4 & 5 for details.	Our audit included the following procedures: • We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IFRS and found them to be consistent. • We obtained a listing of capital expenditures incurred during the year and, on a sample basis, checked whether the items were procured based on internal purchase order that had been properly approved by the responsible individuals. • We inspected a sample of invoices and L/ C documents to determine whether the classification between capital and operating expenditure was appropriate. • We evaluated whether the useful lives determined and applied by the management were in line with historical experience and the market practice. • We checked whether the depreciation of PPE items was commenced timely, by comparing the date of the reclassification from capital in progress to ready for use, with the date of the act of completion of the work.

Key audit matter description	How the scope of our audit responded to the key audit matter.
Revenue Recognition	
The Group reported total revenue of Taka 24,093,160,681 Revenue is recognized when the amounts and the related costs are reliably measured and the performance obligation is complete through passing of control to the customers. Revenue from the sale of goods is recognized at the time when the goods are transferred to the buyer and control has passed. We identified revenue recognition as a key audit matter because revenue is one of the key performance indicators of the group and therefore there is an inherent risk of manipulation of the timing of recognition of revenue by management to meet specific targets or expectations. We focused on the proper cut-off sale to the Group's customers There is a risk of differences between the timing of invoicing of products and the dispatch of the products. See note no. 3.7 & 21 for details.	We have tested the design and operating effectiveness of key controls focusing on the following: • We assessed the appropriateness of revenue recognition accounting policy in line with IFRS 15 "Revenue from contracts with customers" • Tested the internal control over financial reporting. We also assessed the existence and accuracy of the sales recorded; • We performed analytical test to understand how the revenue has trended over the year among other parameters, we performed a detailed substantive testing on transactions around the year end to ensure revenues were recognized in the correct accounting period. We also tested journal entries focusing on sales transactions; • Verified VAT return with General Ledger. • We obtained supporting documents for sales, transactions recorded during the year; and • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

Key audit matter description	How the scope of our audit responded to the key audit matter.
Valuation of Receivables	
The Group has a trade receivable of Taka 6,966,822,049 as at 30 June 2026. Trade receivable of the group comprise mainly receivables regarding the sale of yarns which is secured by Letter of Credit (L/C). See note no. 3.13 & 8 for details.	Our substantive procedures in relation to the assessing valuation of receivable comprises the following: • Obtained a list of outstanding receivables; • Reconciliation of receivables ageing to general ledger; • Conducting cut-off testing at the year-end; • Reviewing subsequent receipt of receivables balance.

Valuation of Inventories	
The amount of inventory is Taka 7,178,914,637 as at 30 June 2026 held in warehouses and across multiple product lines in factory. Inventories are carried at the lower of cost and net realizable value. As a result, management has applied judgement in determining the appropriate values for inventories. While excess holding of inventories could impact efficient use of working capital similarly lower level of inventories can result in stock outs or irregular supply to the market. See note no. 3.5 & 7 for details.	We obtained assurance over relevance and appropriateness of management's assumptions applied in calculating the value of the inventories by: • Evaluating the design and implementation of key inventory controls operating across the factory and warehouse; • Reconciling the inventories with opening inventories, purchase, production and sales during the period and with closing inventories; • Testing, on a sample basis the stock expiry dates and the market price used in assessing the net realizable values of inventories of the related supporting documents. • Comparing the net realizable value, obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories.

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

Key audit matter description	How the scope of our audit responded to the key audit matter.
Measurement of deferred tax liability	
The Group reported deferred tax liability is Taka 185,512,623 as at 30 June 2026. Deferred Tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Significant judgment is required in relation to deferred tax liabilities as it is dependent on forecasts of future profitability over a number of years. See note no. 3.14 & 15 for details.	We carried out the following substantive testing for this item. • We checked deferred tax expenses and liabilities in the financial statements and compare them with the Group's calculation and records; • We obtained an understanding, evaluated the design and tested the operational effectiveness of the Group's key controls over the recognition and measurement of deferred tax liabilities and the assumptions used in estimating the Group's future taxable income. • We involved tax specialists to assess key assumptions, controls, recognition and measurement of deferred tax liabilities. • We also assessed the appropriateness of presentation of disclosures against IAS-12 Income Tax.
Long Term Loan and Short Term Loan	
As at 30 June 2026, the reported amount of total long term loan and short term loan is Taka 2,160,490,647 and Taka 12,821,113,411 respectively. We identified the long term loan and short term loan balances as a key audit matter because of the significance of these balances to group's and company's Financial Position. See note no. 3.13,14 & 16 for details.	We carried out the following substantive testing for this item. • Obtaining an understanding of and assessing the design and operating effectiveness of controls designed to ensure that the proper use of loan; • We verified sanction letter, loan schedule and bank statements to confirm the loan outstanding and found that the balance had been reported in the financial statements accurately; • We also sent and obtain the outstanding balance confirmation to the respective bank; • We also checked the financial expenses and classification of loan and repayment schedule as well; and

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

	• We also checked the recording date of transactions and found the recording date is in line with the loan disbursement date. We also confirmed that the company had paid its installments within due time.
Key audit matter description	**How the scope of our audit responded to the key audit matter.**
Related Party Transaction	
The Group has related party transaction and we focused on identification of related parties and disclosure of related party transaction in accordance with IAS-24: Related Party Disclosures. See note no. 3.17 for details.	We carried out the following substantive testing for this item. • Evaluated the design and tested the operating effectiveness of controls over identification and disclosure of related party transaction; • Evaluated the transactions among the related parties and tested material accounting balances; • Evaluated the board of Director's approval for related party transaction; • Sent balance confirmation to the related parties to confirm the accuracy and existence of receivables/payables balance; and • Evaluated the disclosures in the Separate and Consolidated Financial Statements in compliance with IAS-24 "Related Party Disclosures".

Other Matter

The financial statements of **Square Texcom Limited** were audited by **Chowdhury Bhattacharjee & Co.** and expressed an unmodified opinion on those statements on dated 25 September 2026.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the consolidated and separate financial statements and our auditors report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and the separate 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 consolidated and the separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and the separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, 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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation and fair presentation of consolidated and separate financial statements in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 (amendment-2020), The Securities and Exchange Rules 2020, relevant notifications issued by Bangladesh Securities and Exchange Commission and other applicable laws and regulation and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and 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 Group and the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (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 consolidated and separate 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 consolidated and separate 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 Group's and the Company's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

- 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 Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 consolidated and separate 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 (amendment-2020) and the Securities and Exchange Rules-2020, we also report the following:

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 account as required by law have been kept by the Group and the Company so far as it appeared from our examination of these books;
c) the consolidated and the separate 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 and return; and
d) the expenditure incurred was for the purposes of the Group's and the Company's business.

Place: Dhaka
Dated: 26 October 2026

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

Hedayet Ullah FCA
Senior Partner (Enrollment No. 0281)
K. M. HASAN & CO.
Chartered Accountants
DVC: 2610260281AS504941

SQUARE Textiles PLC. & It's Subsidiary
Consolidated Statement of Financial Position
As at 30 June 2026

	Notes	Taka 30 June 2026	Taka 30 June 2025
ASSETS:			
Non-Current Assets			
Property, Plant & Equipment- Carrying Value	04	10,067,675,923	10,714,416,856
Capital Work In Progress and In Transit	05	860,583,595	439,244,430
Goodwill	06	56,283,760	56,283,760
		10,984,543,278	**11,209,945,046**
Current Assets			
Inventories	07	7,178,914,637	7,105,582,658
Trade Receivables	08	6,966,822,049	7,032,165,957
Advances, Deposits & Prepayments	09	977,719,241	890,614,210
Cash & Cash Equivalents	10	1,007,092,070	468,476,140
		16,130,547,997	**15,496,838,965**
TOTAL ASSETS		**27,115,091,275**	**26,706,784,011**
SHAREHOLDERS' EQUITY & LIABILITIES:			
Shareholders' Equity			
Share Capital	11	1,972,520,000	1,972,520,000
Retained Earnings	12	9,302,527,342	9,046,063,305
		11,275,047,342	**11,018,583,305**
Non controlling Interest	13	**15,590,934**	**15,531,836**
TOTAL SHAREHOLDERS' EQUITY		**11,290,638,276**	**11,034,115,141**
Non-Current Liabilities			
Long Term Borrowings	14	2,160,490,647	3,903,457,915
Deferred Tax Liability	15	185,512,623	207,052,342
		2,346,003,270	**4,110,510,257**
Current Liabilities & Provisions			
Short Term Bank Loan (Secured)	16	12,821,113,411	10,801,933,113
Creditors & Other Payables	17	142,615,827	129,500,849
Liabilities for Other Finance	18	292,721,358	355,845,120
Unclaimed Dividend Account	19	14,680,244	13,258,887
Provision for Income Tax	20	207,318,889	261,620,644
		13,478,449,729	**11,562,158,613**
TOTAL LIABILITIES		**15,824,452,999**	**15,672,668,870**
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES		**27,115,091,275**	**26,706,784,011**
Net Asset Value Per Share	31	**57.16**	**55.86**

These financial statements should be read in conjunction with the annexed notes.

Sanjib Baran Roy
Company Secretary

Samuel S Chowdhury
Managing Director

Tapan Chowdhury
Chairman

Signed in terms of our separate report of even date annexed.

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

Hedayet Ullah FCA
Senior Partner (Enrollment No. 0281)
K. M. HASAN & CO.
Chartered Accountants
DVC: 2610260281AS504941

Place: Dhaka
Date: 26 October 2026

SQUARE Textiles PLC. & It's Subsidiary
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2026

Particulars	NOTES	12 Months (Amount in Tk)	
		July to June 2025-26	July to June 2024-25
Sales Revenue	21	24,093,160,681	24,701,348,701
Cost of Goods Sold	22	(21,300,376,655)	(21,405,403,645)
Gross Profit		**2,792,784,026**	**3,295,945,056**
Administrative Overhead	23	(310,512,101)	(301,424,729)
Selling and Distribution Overhead	24	(38,058,392)	(40,222,097)
Profit from Operations		**2,444,213,533**	**2,954,298,230**
Finance Cost	25	(1,403,865,970)	(1,347,161,572)
Non-Operating Income	26	19,687,187	28,971,204
Profit Before W.P.P.F & W.F		**1,060,034,750**	**1,636,107,862**
Allocation for W.P.P.F & W.F	27	(50,477,845)	(77,909,898)
Profit Before Tax		**1,009,556,905**	**1,558,197,964**
Income Tax Expense (Current)	20	(143,367,089)	(197,424,123)
Deferred Tax (Expenses) Income	15	21,539,719	68,046,924
Profit After Tax for The Year		**887,729,535**	**1,428,820,765**
Non-Controlling Interest		(59,098)	(179,630)
Net Income for the Year		**887,670,437**	**1,428,641,135**
Other Comprehensive Income		-	-
Total Comprehensive Income		**887,670,437**	**1,428,641,135**
Earnings Per Share (EPS)	**30**	**4.50**	**7.24**

These financial statements should be read in conjunction with the annexed notes.

Sanjib Baran Roy	Samuel S Chowdhury	Tapan Chowdhury
Company Secretary	**Managing Director**	**Chairman**

Signed in terms of our separate report of even date annexed.

Hedayet Ullah FCA
Senior Partner (Enrollment No. 0281)
K. M. HASAN & CO.
Chartered Accountants
DVC: 2610260281AS504941

Place: Dhaka
Date: 26 October 2026

SQUARE Textiles PLC. & It's Subsidiary
Consolidated Statement of Changes in Equity
For the Year Ended 30 June 2026

Amount in Taka

Particulars	Share Capital	Retained Earnings	Total
Balance as at 01 July 2025	1,972,520,000	9,046,063,305	11,018,583,305
Net Profit For the Year Ended 30 June 2026	-	887,670,437	887,670,437
Cash Dividend for 2024-25	-	(631,206,400)	(631,206,400)
Balance As at 30 June 2026	**1,972,520,000**	**9,302,527,342**	**11,275,047,342**

Consolidated Statement of Changes in Equity
For the Year Ended 30 June 2025

Amount in Taka

Particulars	Share Capital	Retained Earnings	Total
Balance as at 01 July 2024	1,972,520,000	8,248,628,570	10,221,148,570
Net Profit For the Year Ended 30 June 2025	-	1,428,641,135	1,428,641,135
Cash Dividend for 2023-24	-	(631,206,400)	(631,206,400)
Balance As at 30 June 2025	**1,972,520,000**	**9,046,063,305**	**11,018,583,305**

These financial statements should be read in conjunction with the annexed notes.

Sanjib Baran Roy
Company Secretary

Samuel S Chowdhury
Managing Director

Tapan Chowdhury
Chairman

Signed in terms of our separate report of even date annexed.

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

Hedayet Ullah FCA
Senior Partner (Enrollment No. 0281)
K. M. HASAN & CO.
Chartered Accountants
DVC: 2610260281AS504941

Place: Dhaka
Date: 26 October 2026

SQUARE Textiles PLC. & It's Subsidiary
Consolidated Statement of Cash flows
For the Year Ended 30 June 2026

Particulars	Amount (Tk)	
	July to June 2025-26	July to June 2024-25
A *Cash Flows from Operating Activities:*		
Receipts from Sales Revenue	24,158,504,589	24,012,851,411
Exchange Fluctuation Gain (Realization from Transaction)	2,926,539	40,687,937
Receipts/ (Payment) from Other Income/ Expenses	17,010,276	18,028,113
Total Receipts	**24,178,441,404**	**24,071,567,461**
Payment for Supplies and Other Services	(16,243,506,883)	(16,784,833,689)
Paid for Operating & Non-operating Expenses	(4,505,033,859)	(4,700,878,069)
Interest Expenses Paid	(1,438,601,246)	(1,280,150,448)
Income Tax Paid	(272,509,477)	(270,642,045)
Total Payments	**(22,459,651,465)**	**(23,036,504,251)**
Net Cash Generated (Used in) from Operating Activities	**1,718,789,939**	**1,035,063,210**
B *Cash Flows from Investing Activities:*		
Purchase of Property, Plant & Equipment	(828,026,025)	(1,192,744,651)
Sales of Property, Plant & Equipment	2,270,000	6,060,000
Net Cash Generated (Used in) from Investing Activities	**(825,756,025)**	**(1,186,684,651)**
C *Cash Flows from Financing Activities:*		
Long Term Loan Received/ (Repaid)	(1,993,886,749)	1,340,730,154
Short Term Bank Loan Received/ (Repaid)	2,270,099,779	(548,481,968)
Payment of Dividend	(629,785,043)	(628,322,407)
Net Cash Generated (Used in) from Financing Activities	**(353,572,013)**	**163,925,779**
D Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)	**539,461,901**	**12,304,338**
E. Net effect of foreign currency translation	(845,971)	(25,499,135)
F. Opening Cash & Cash Equivalents	468,476,140	481,670,937
G. Closing Cash & Cash Equivalents (D+E+F)	**1,007,092,070**	**468,476,140**
Net Operating Cash Flows Per Share	**8.71**	**5.25**

Sanjib Baran Roy
Company Secretary

Samuel S Chowdhury
Managing Director

Tapan Chowdhury
Chairman

Place: Dhaka
Date: 26 October 2026

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

1. Establishment and Operations:

1.1 Legal Form of the Enterprises:

Square Textiles PLC. (Here in after said as the company) is a public limited Company and its subsidiary, Square Texcom Limited incorporated with the Registrar of Joint Stock Companies and Firms, Dhaka, Bangladesh under Companies Act, 1913 and Companies Act, 1994 respectively. The Square Textiles PLC. is listed with the Dhaka Stock Exchange PLC. and Chittagong Stock Exchange PLC. in 2002.

1.2 Address of Registered office and factory of the company:

a) Registered Office: Square Centre 48, Mohakhali C/A, Dhaka -1212,
b) Factory Office:
   i. Saradaganj, Kashimpur, Gazipur
   ii. Olipur, Habiganj, Sylhet.
c) Factory Office of Square Texcom Limited: Kathali, valuka, Mymensingh.

1.3 Nature of Business:

The group owns Six (6) units of spinning mills, and a twisting mill. It's activities and operations are related with manufacturing and marketing of Yarns.

2. Summary of significant accounting policies and other material information:

2.1 Statement of Compliance:

The consolidated financial statements have been prepared in conformity with the provisions of the Companies Act, 1994, The Securities and Exchanges Rules 1987, International Financial Reporting Standard (IFRSs) and other relevant rules and regulations.

2.2 Basis of Consolidation:

These consolidated financial statements comprise the consolidated financial position and the consolidated results of operation of the Company and its subsidiaries (collectively referred as 'Group') on a line by line and non-controlling interest are shown separately as a line item of the statement of financial position and statement of comprehensive income.

Subsidiaries:

Subsidiaries are enterprise controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities. In assessing control, potential voting rights that are presently exercisable are taken into account. The results of operations and total assets and liabilities of subsidiaries are included in the consolidated financial statements on a line by-line basis and the interest of non-controlling shareholders, if any, in results and net assets of subsidiaries are stated separately. The financial statements of subsidiaries are included in consolidated financial statement of the Group from the dated control commence until the date control ceases. Any gain or loss, increase/decrease in non-controlling in subsidiaries without a change control, is recognized as a component of equity.

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

Transactions Eliminated on Consolidation:
Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

2.3 Basis of Preparation:

The consolidated financial statements have been prepared in accordance with the going concern principle and historical cost convention. The significant accounting policies are set out below.

2.4 Statement on Compliance of International Financial Reporting Standards:

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

S/N	Name of the IAS	IAS No.	Status
1	Presentation of Financial Statements	1	Applied
2	Inventories	2	Applied
3	Statement of Cash Flows	7	Applied
4	Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
5	Events after the reporting period	10	Applied
6	Construction Contracts	11	Replaced by IFRS 15
7	Income Taxes	12	Applied
8	Property, Plant and Equipment	16	Applied
9	Leases	17	Replaced by IFRS 16
10	Revenue	18	Replaced by IFRS 15
11	Employee Benefits	19	Applied
12	Accounting for Government Grants and Disclosure of Government Assistance	20	Not Applicable
13	The Effects of Changes in Foreign Exchange Rates	21	Applied
14	Borrowing Costs	23	Applied
15	Related Party Disclosures	24	Applied
16	Accounting and Reporting by Retirement Benefit Plans	26	Applied
17	Separate Financial Statements	27	Applied
18	Investment In Associates and Joint Ventures	28	Not Applicable
19	Financial Reporting in Hyperinflationary Economics	29	Not Applicable
20	Financial Instruments: Presentation	32	Applied
21	Earnings per share	33	Applied
22	Interim Financial Reporting	34	Applied
23	Impairment of Assets	36	Applied
24	Provisions, Contingent Liabilities and Contingent Assets	37	Applied
25	Intangible Assets	38	Applied
26	Financial Instruments: Recognition and Measurement	39	Replaced by IFRS 9
27	Investment Property	40	Not Applicable
28	Agriculture	41	Not Applicable

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

S/N	Name of the IFRS	IFRS No.	Status
1	First time adoption of International Financial Reporting Standards	1	Not Applicable
2	Shares based Payment	2	Not Applicable
3	Business Combinations	3	Not Applicable
4	Insurance Contract	4	Not Applicable
5	Non-current Assets Held for Sale and Discontinued Operations	5	Not Applicable
6	Exploration for and Evaluation of Mineral Resources	6	Not Applicable
7	Financial Instruments: Disclosure	7	Applied
8	Operating Segments	8	Not Applicable
9	Financial Instrument	9	Applied
10	Consolidated Financial Statements	10	Applied
11	Joint Arrangement	11	Not Applicable
12	Disclosure of Interest in other entities	12	Applied
13	Fair Value Measurement	13	Applied
14	Regulatory deferral accounts	14	Not Applicable
15	Revenue from Contracts with Customers	15	Applied
16	Leases	16	Not Applicable

2.5 Going Concern:

As per IAS-1 the group is required to make assessment at the end of each year to assess its capability to continue as going concern. The management of the group makes such assessment each year. The group has adequate resources to continue in operation for the foreseeable future and has wide coverage of its liabilities. For this reason, the Directors continue to adopt the going concern assumption while the financial statements have been prepared.

2.6 Accrual Basis:

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

2.7 Functional and Presentation Currency

These consolidated financial statements are presented in Bangladesh Taka (BDT or Tk.) which is the group functional currency.

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

2.8 Structure Contents and Presentation of Financial Statements:

The presentation of the financial statements is in accordance with the guidelines provided by IAS-1. "Presentation of Financial Statements". A complete set of financial statements comprise:

i) Consolidated Statement of Financial Position as at 30 June 2026;
ii) Consolidated Statement of Profit or Loss and other Comprehensive Income for the year ended 30 June 2026;
iii) Consolidated Statement of Changes in Equity for the year ended 30 June 2026;
iv) Consolidated Statement of Cash Flows for the year ended 30 June 2026 and
v) Notes comprising a summary of significant accounting policies and other explanatory information to the Consolidated Financial Statements for the year ended 30 June 2026.

2.9 Use of Estimates and Judgments:

The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and assumptions are reviewed on an ongoing basis.

The estimates and underlying assumptions are based on past experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

In particular, significant areas of estimation uncertainty and critical judgments in applying accounting policies that has the most significant effect on the amount recognized in the financial statements are income tax provision (both current and deferred tax), depreciation and gratuity provision.

2.10 Statement of Cash Flows:

Statement of cash flows has been prepared as per IAS 7: Statement of Cash Flows using Direct Method as per the requirement of Securities and Exchange Rules 2020.

3.0 Property, Plant and Equipment:

As per IAS-16, Property, Plant and Equipment are stated at their historical cost less accumulated depreciation. No depreciation has been charged on the Freehold Land and on the Capital work in progress. Depreciation is charged on all other assets on straight-line method. Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with IFRS 5 and the date that the assets are derecognized.



Depreciation is computed on the straight-line basis over the estimated useful lives as follows:

Particulars	Useful Life (Years)
Factory Building and other Construction	20
Plant & Machinery	10-15
Laboratory & other Equipment	5-8
Furniture & Fixture	5-8
Motor Vehicles	5
Electrical Installation	5-8

3.1 Subsequent Costs:

The cost of replacing or upgrading part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss.

3.2 Disposal of Fixed Assets:

On disposal of fixed assets, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the statement of profit or loss, which is determined with reference to the net book value of the assets and net sales proceeds.

3.3 Impairment of Asset:

The carrying values of all non-current assets are reviewed for impairment, either on a stand-alone basis or as part of a larger cash generating unit, when there is an indication that the assets might be impaired. Additionally, Goodwill, Intangible Assets with indefinite useful lives and Intangible Assets which are not yet available for use are tested for impairment annually. Any provision for impairment is charged to the profit or loss statement in the year concerned.

3.4 Capital Work in Progress:

Capital work in progress consists of cost incurred for acquisition of new plant and machinery, civil structure, factory shed for warehouse etc. which were not ready for use till reporting date.

3.5 Inventories:

As per IAS-2, Inventories comprises of Raw Materials, Raw Materials in transit, Packing Materials, Work in Progress, Finished Goods, and Spare & Spare Parts in transit. Inventories are valued at the lower of cost and net realizable value. Cost comprises invoice value plus applicable handling charges. Net realizable value is based on estimated selling price less estimated cost to completion and selling expenses.

3.6 Employees' Benefit Scheme:

Provident Fund:

The group has established an approved contributory provident fund scheme. A board of trustees wholly administers the fund. No part of the fund is included in the asset of the group.

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

Gratuity Fund:

Square Textiles PLC establish funded (defined contribution) Gratuity plan and it is approved by NBR.

Group Insurance:

The group has two group insurance schemes for its permanent employees, premium for which is being charged to statement of comprehensive Income.

Worker's Profit & Participation Fund:

The group makes a regular allocation of 5% on net profit before tax to these funds and payment is made to the worker's as per provision of Labor Law 2006 chapter-15.

3.7 Revenue Recognition:

As per IFRS-15, Revenue is recognized as control is passed, either over time or at a point in time an entity recognizes revenue over time if one of the following criteria is met: the customer simultaneously receives and consumes all of the benefits provided by the entity as the entity performs; the entity's performance creates or enhances an asset that the customer controls as the asset is created; or the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

Income refers to increases in economic benefits during the accounting period in the form of inflows or enhancements of assets or decreases of liabilities that result in an increase in equity, other than those relating to contributions from equity participants.

3.8 Other Income:

It is recognized on accrual basis.

3.9 Foreign Currency Transactions:

As per IAS-21 Transactions in Foreign Currencies are translated into BDT at the rate of exchange ruling on date of transaction. Monetary assets and liabilities expressed in foreign currencies are translated into BDT at the rate of exchange ruling at the date of Statement of Financial position.

3.10 Borrowing Costs:

As per IAS-23 Borrowing costs are recognized as expenses in the period in which they incurred and capitalized the same that incurred before commencement of commercial operation.

3.11 Advances, Deposits and Prepayments:

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads such as property, plant and equipment, inventory or expenses.

Deposits are measured at payment value.

3.12 Due to/ Due from Sister Concerns:

These represent balance amounts due to/ from sister concerns which are derived from short term loan.

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

3.13 Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Receivables:

Trade Receivables are stated at their nominal value and considered good. No provision has been made for doubtful debt and no amount was written off as bad.

Payables:
Trade Payables are stated at their nominal value.

Cash and Cash Equivalents:
Cash and cash equivalents comprises cash in hand, bank currents accounts, other bank deposits free of encumbrance and having maturity dates of three months or less from respective dates of deposit.

Borrowings:

Interest bearing bank loans and overdrafts are recorded at the proceeds received net of direct issue costs. Finance charges are accounted for on an accrual basis.

Financial Risk Management:

The group has exposures to the following risks its use of financial statements:

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of the group risk management framework. The Board oversees how management monitors compliance with risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risks faced by the group. The Board is assisted in its oversight role by Audit Committee. Internal audit, under the purview of Audit Committee, undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Credit Risk:

Credit risk is the risk of financial loss to the group if a buyer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group receivable from customers and investment securities. The group sales are made to renowned RMG Exporting Company. Sales made to the entity are fully secured by Letters of Credit issued by local scheduled banks.

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

Liquidity Risk:

Liquidity risk is the risk that the group will unable to meet its financial obligations as they fall due. The group approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group reputation. In general, management ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of the cash forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date. Moreover, the group seeks to maintain short term lines of credit with scheduled commercial banks to ensure payment of obligations in the event that there is insufficient cash to make the required payment.

The requirement is determined in advance through cash flows projections and credit lines facilities with banks are negotiated accordingly.

Seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The Board also monitors dividend trend to ordinary shareholders.

Market Risk:

Market Risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the group income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Capital Risk Management:

The group objectives when managing capital are to safeguard the group ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The Board also monitors dividend trend to ordinary shareholders.

Money Laundering:

The group considers prevention of money laundering risk not only as a compliance requirement imposed by the law of the country but also as one of its ethical business values.

3.14 Taxation:

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other Comprehensive Income because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group liability for current tax is calculated using tax rates that have been enacted on date of Statement of Financial Position.

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

Deferred Tax:

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted by the date of Statement of Financial Position.

3.15 Lease:

As per IFRS- 16, the entity has no lease. So, there will be no implication regarding IFRS 16 in this financial year.

3.16 Contingent Liabilities and Assets:

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 events which are not within the control of the group.

3.17 Related Party Transaction:

The group has some related party transactions in arm length transactions.

3.18 Segment Reporting:

As per IFRS-8, as there is a single business and geographic segment within which the group operates as such no segment reporting is felt necessary.

3.19 Earnings Per Share:

As per IAS-33, Basis Earning per Share (EPS) has been computed dividing the earnings attributable to the weighted average number of the ordinary shares during the year.

3.20 Comparative Figure:

The comparative figure has been regrouped, reclassified or modified from previously published interim and annual Financial Statements to facilitate any necessary presentational changes to conform to the current year's presentation.

Comparative information has been disclosed in respect of the previous year for all numerical information in the current financial statement. Narrative and descriptive information for comparative information have also been disclosed whenever it is relevant for understanding of current year's financial statements.

3.21 Financial Year:

For this year financial year means, 01 July 2025 to 30 June 2026.

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

3.22 Events after the Reporting Period:

As per IAS-10 "Events after the Reporting Period" are those events favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue.

3.23 Consolidated Financial Statements:

Consolidated Financial Statements comprise the following:

1. Square Textiles PLC.
2. Square Texcom Limited

3.24 General:

Figures have been rounded off to the nearest taka, as it the reporting currency of these financials.

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

4. Consolidated Property, Plant & Equipment:

Details of Property, Plant & Equipment and Depreciation as at June 30, 2026 are shown in the annexed schedule-01. Depreciation for the year charged to Factory Overhead and Administrative Overhead. The break-up of the balances are depicted below:

	Taka 30 June 2026	Taka 30 June 2025
Fixed Assets at Cost		
Opening Balance	19,309,987,847	17,822,261,353
Addition during the Year	406,686,860	1,728,002,327
Sale/ Obsolete during the Year	(97,978,984)	(240,275,833)
Closing Balance(Cost)	**19,618,695,723**	**19,309,987,847**
Accumulated Depreciation		
Opening Balance	8,595,570,991	7,798,671,240
Charged during the Year	1,051,751,945	1,024,582,245
Adjustment for sale/Obsolete	(96,303,136)	(227,682,494)
	9,551,019,800	**8,595,570,991**
Carrying Value	**10,067,675,923**	**10,714,416,856**

5. Consolidated Capital Work In Progress and In Transit:

Opening Balance	439,244,430	974,502,106
Addition during the Year	716,931,249	655,947,551
Transfer to Property, Plant and Equipment	(295,592,084)	(1,191,205,227)
Closing Balance(Cost)	**860,583,595**	**439,244,430**

6. Consolidated GoodWill:

Investment in Square Texcom Ltd. (For 4,330,502 shares of Square Texcom Ltd.)	489,333,960	489,333,960
Less: Face Value of the Shares	433,050,200	433,050,200
	56,283,760	**56,283,760**

7. Consolidated Inventories:

Stocks of Materials		
Raw Materials	6,206,963,200	6,110,008,137
Raw Materials In Transit	219,958,876	143,458,655
Packing Materials	25,124,386	22,823,487
Work - in - process	184,731,769	227,834,296
Finished Goods	205,977,009	266,396,621
	6,842,755,240	**6,770,521,196**
Stocks of Spares		
Spares at Store	329,560,717	330,090,158
Spares in Transit	6,598,680	4,971,304
	336,159,397	**335,061,462**
	7,178,914,637	**7,105,582,658**

The basis of valuation is stated in Note 3.5 Carrying amount of inventories pledged as security. No segmentation of stock is required because of homogenous materials and process.

8. Consolidated Trade Receivables:

This represents invoice value of goods delivered to customer. This is considered good and collectible.

Aging of the above balance is as follows:

Below 60 days	3,879,022,897	3,403,068,351
Within 61-120 days	2,274,407,496	2,567,576,921
Above 120 days	813,391,656	1,061,520,685
	6,966,822,049	**7,032,165,957**

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

	Taka 30 June 2026	Taka 30 June 2025

a) There was no amount due from the Directors (Including Managing Director), Managing Agent, Manager and other Officers of the Group and any of them severally or jointly with any other person.

b) The carrying amount of Trade Receivables pledged as security.

c) Trade Receivable is secured, considered as good and is falling due within one year. Classification schedule as required by Schedule XI of Companies Act 1994.

9. Consolidated Advances, Deposits & Prepayments:

This is made up of the followings:

Advance		
Income Tax (Note: 9.01)	347,248,587	272,407,954
Salary and PF Current account	11,101,332	9,044,000
Other Expenses and VAT	359,593,529	270,122,963
Suppliers and Contractor	36,088,290	91,349,792
	754,031,738	**642,924,709**
Deposits		
Security Deposit	198,197,288	198,197,288
Margin on Bank Guarantee	25,490,215	49,492,213
	223,687,503	**247,689,501**
	977,719,241	**890,614,210**

9.01. Advance Income Tax:

Opening Balance	272,407,954	210,548,304
Addition During The Period	272,509,477	272,407,954
Adjustment During The Period	(197,668,844)	(210,548,304)
Closing Balance	**347,248,587**	**272,407,954**

(a) There was no amount due from the Directors (Including Managing Director), Managing Agent, Manager and other Officers of the Group and any of them severally or jointly with any other person.

(b) There was no amount due by the associated undertaking.

(c) The advances & deposits are considered good & recoverable.

10. Consolidated Cash and Cash Equivalents:

a) Cash in hand	**11,291,457**	**6,755,252**
b) Cash at Bank:		
Standard Chartered Bank	387,100,967	269,478,006
HSBC Bank	246,719,664	34,107,620
Prime Bank	99,014,044	57,962,575
City Bank	69,894,537	25,515,562
Bank Asia	1,135,273	-
Commercial Bank of Ceylon	-	44,464
Bank Alfalah	382,225	387,550
Janata Bank	11,333,255	24,352,109
Mutual Trust Bank	166,339,681	24,562,745
Dutch Bangla Bank	10,874,941	20,081,870
Pubali Bank	3,006,026	5,228,387
	995,800,613	**461,720,888**
	1,007,092,070	**468,476,140**

Foreign currency account balances have been converted to Taka at the ruling rate at the reporting date.

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

	Taka 30 June 2026	Taka 30 June 2025
11. Share Capital:		
This is made up of the followings:		
Authorized: 300,000,000 Ordinary Shares of Tk. 10.00 each	**3,000,000,000**	**3,000,000,000**
Issued, Subscribed and Paid up: (197,252,000 Ordinary Shares of Tk. 10.00 each fully Paid up)	**1,972,520,000**	**1,972,520,000**
Position of Shareholding is given in Schedule-B		
12. Retained Earnings:		
Opening Balance	9,046,063,305	8,248,628,570
Add: Surplus for the Year	887,670,437	1,428,641,135
Less: Cash Dividend paid during the Year	(631,206,400)	(631,206,400)
	9,302,527,342	**9,046,063,305**
13. Non Controlling Interest:		
5,000 shares of Tk 100 at par of Square Texcom Ltd.	500,000	500,000
Shares of Accumulated Profit	15,090,934	15,031,836
	15,590,934	**15,531,836**

(a) This represents the minority share holdings in Square Texcom Ltd. as on June 30, 2026.

(b) Voting power is not different with proportion of ownership interest. The company is using equity method of accounting in preparation of consolidated financial statements.

14. Consolidated Long Term Borrowings (Secured):		
Standard Chartered Bank	2,172,142,857	2,851,190,476
City Bank	759,612,686	1,725,093,969
Dutch Bangla Bank PLC	277,033,545	615,619,862
Infrastructure Development Company (IDCOL)	106,795,655	117,567,185
Less: Current Portion of Long Term Borrowings	(1,155,094,096)	(1,406,013,577)
	2,160,490,647	**3,903,457,915**
15. Consolidated Deferred Tax Liability:		
Opening Balance	207,052,342	275,099,266
Deferred tax Expenses/ (Income)	(21,539,719)	(68,046,924)
Closing Balance	**185,512,623**	**207,052,342**

This represents tax liability payable in future due to accumulated taxable temporary differences (Above deferred tax balance create only from difference between accounting basis depreciation and tax basis depreciation on fixed assets). We don't have any other assets or liabilities except fixed assets for provision of Deferred Tax liabilities to present in details form for unused tax losses and unused tax credits.

a) Deferred Tax Liability is arrived at as follows:

Carrying Value of Depreciable Fixed Assets	9,305,730,227	9,985,478,575
Less: Tax Base Carrying Value	(7,759,791,699)	(8,260,042,392)
Taxable Temporary Difference	**1,545,938,528**	**1,725,436,183**
Tax Rate	12.00%	12.00%
Closing Deferred Tax Liability	**185,512,623**	**207,052,342**
Less: Opening Deferred Tax Liability	(207,052,342)	(275,099,266)
Deferred Tax (Income) / Expense	**(21,539,719)**	**(68,046,924)**

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

	Taka 30 June 2026	Taka 30 June 2025
16. Consolidated Short Term Bank Loan (Secured):		
Revolving Loan	5,200,000,000	1,500,000,000
EDF & UPAS	6,466,019,315	7,895,919,536
Current Portion of Long Term Borrowings	1,155,094,096	1,406,013,577
	12,821,113,411	**10,801,933,113**

These short term loans are secured against hypothecation of Stock and Trade Receivable.

17. Consolidated Creditors & Other Payables:		
Payable for Audit Fees	1,035,000	862,500
Provision for Utility Bill	113,122,360	111,737,407
Provision for Salary & Allowances	21,192,265	6,024,553
Others	7,266,202	10,876,389
	142,615,827	**129,500,849**

This represents amount payable to regular suppliers of packing materials, utilities, and other services rendered to the company. All suppliers were paid on a regular basis.

18. Consolidated Liabilities for Other Finance:		
This is made up of the followings:		
PF, WPPF & Other Fund	51,287,458	79,675,944
Provision for Gratuity (Note: 18.01)	-	-
Others	241,433,900	276,169,176
	292,721,358	**355,845,120**

18.01. Provision for Gratuity:		
Opening Balance	-	-
Provision made for the period	14,500,000	11,652,198
Payment made during the period	(14,500,000)	(11,652,198)
Closing Balance	**-**	**-**

19. Unclaimed Dividend Account:		
Opening Balance	13,258,887	10,374,894
Addition During The Year	631,206,400	631,206,400
Paid During The Year	(629,785,043)	(628,322,407)
Closing Balance	**14,680,244**	**13,258,887**

20. Consolidated Provision for Income Tax:		
Opening Balance	261,620,644	272,978,916
Adjustment with Advance Tax	(197,668,844)	(208,782,395)
Current Year Provision (Note: 20.01)	143,367,089	197,424,123
Closing Balance	**207,318,889**	**261,620,644**

Note: 20.01: Provision made for the period

Higher Amount of Tax Under Company-wise Calculation (Please See the Individual Company-wise Notes):		
A) For SQUARE Textiles PLC.	133,917,131	179,589,920
B) For SQUARE Texcom Ltd.	10,851,190	23,514,043
Total Tax Expenses	**144,768,321**	**203,103,963**
Adjustment of Short/ (Excess) provision for Prior period	(1,401,232)	(5,679,840)
Income Tax Provision for the period	**143,367,089**	**197,424,123**

Calculation of Effective Tax Rate:		
Current Income Tax Expenses	143,367,089	197,424,123
Deferred Tax Expenses/ (Income)	(21,539,719)	(13,067,485)
Total Tax Expenses	**121,827,370**	**184,356,638**
Effective Tax Rate (Total Tax Expenses / Profit Before Tax)	**12.07%**	**11.83%**

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

	Taka 2025-2026	Taka 2024-2025
21. Consolidated Sales Revenue:		
In Quantity (KG)		
Opening Stock	916,142	676,759
Production during the Year	67,758,354	67,078,837
Available for Sale	**68,674,496**	**67,755,596**
Closing Stock	(758,423)	(916,142)
Sales during the year	**67,916,073**	**66,839,454**
(To be accounted for as follows)		
Sales Accounted as follows:		
In Quantity (KG)		
Export Sale of Yarns	67,916,073	66,839,454
	67,916,073	**66,839,454**
In Taka		
Export Sale of Yarns	24,093,160,681	24,701,348,701
	24,093,160,681	**24,701,348,701**

During the period sales decreased by BDT 60.82 (-2.46%) crore due to decrease of yarn price.

22. Consolidated Cost of Goods Sold:

This is arrived as follows:

Raw Materials Consumed (Note-22.1)	15,839,514,755	16,043,923,487
Packing Materials Consumed (Note-22.2)	241,350,923	250,439,202
Factory Overhead (Note- 22.3)	5,115,988,838	5,108,956,355
Cost of Goods Manufacturing	**21,196,854,516**	**21,403,319,044**
Work-In-Process (Opening)	227,834,296	276,345,302
Work-In-Progress (Closing)	(184,731,769)	(227,834,296)
Cost of Production	**21,239,957,043**	**21,451,830,050**
Finished Goods (Opening)	266,396,621	219,970,216
Finished Goods (Closing)	(205,977,009)	(266,396,621)
Cost of Goods Sold	**21,300,376,655**	**21,405,403,645**

22.1. Consolidated Raw Materials Consumed:

This is arrived as follows:		
In Quantity(KG)		
Opening Stock	26,457,335	23,864,234
Purchase during the year	74,751,636	74,516,355
Raw Materials Available for Consumption	**101,208,971**	**98,380,589**
Closing Stock	(28,687,207)	(26,457,335)
Raw Materials Consumed	**72,521,764**	**71,923,254**
In Taka		
Opening Stock	6,110,008,137	5,595,798,705
Purchase during the year	15,936,469,818	16,558,132,919
Raw Materials Available for Consumption	**22,046,477,955**	**22,153,931,624**
Closing Stock	(6,206,963,200)	(6,110,008,137)
Raw Materials Consumed	**15,839,514,755**	**16,043,923,487**
Consumption Ratio on Purchase	**99.39%**	**96.89%**

22.2. Consolidated Packing Materials Consumed:

Opening Stock	22,823,487	26,295,509
Purchase during the year	243,651,822	246,967,180
Available for production	**266,475,309**	**273,262,689**
Closing Stock	(25,124,386)	(22,823,487)
Packing Materials Consumed	**241,350,923**	**250,439,202**
Consumption Ratio on Purchase	**99.06%**	**101.41%**

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

	Taka 2025-2026	Taka 2024-2025
22.3. Consolidated Factory Overhead:		
Factory Wages, Salary and Allowances	1,534,220,137	1,451,991,842
Travelling & Conveyance	724,296	901,898
Overseas Travelling	2,019,176	1,678,565
Recruitment & Training Expenses	86,433	225,517
Printing Expenses	876,288	932,909
Stationery Expenses	2,251,393	2,292,531
Software & Hardware Support Expenses	7,035,494	6,403,425
Production Workers' Free Lunch	8,540,202	7,707,417
Uniform & Liveries	587,143	516,898
Fuel, Petrol, Light, Diesel etc.	139,596,384	345,159,439
Electricity, Gas & Water	1,755,243,458	1,667,652,435
Factory Consumable Expense	82,485,539	88,828,207
Medical Expenses	3,680,856	3,495,648
Repairs & Maintenance of Vehicles	32,005,323	29,923,930
Papers, Books and Periodicals	6,836	11,338
Industrial All Risk Insurance Premium	32,964,645	33,832,784
Postage, Telephone, Fax & Telex	2,934,378	1,059,235
Govt.Tax, VAT & License Fees	1,337,736	6,092,271
Security Services	55,686,585	49,248,711
Spare Parts - Machinery	408,395,584	393,492,441
Group Insurance	2,056,641	1,867,370
Depreciation (Schedule-1)	1,043,254,311	1,015,641,544
Total	**5,115,988,838**	**5,108,956,355**

a) Factory Wages, Salary & Allowances increased (Tk 8.22 crore or 5.66%) due increase of Wages and Salary under yearly increment process.

b) Fuel, Gas and Electricity cost decreased (Tk -11.80 crore or -5.86%) due to Installation of solar energy.

23. Consolidated Administrative Overhead:

Salary and Allowances	139,197,822	135,342,112
Directors' Remuneration	72,585,300	65,894,400
Independent Directors' Honorarium	600,000	600,000
Travelling & Conveyance	827,895	909,197
Overseas Travelling	13,011,362	18,013,098
Recruitment & Training Expenses	244,284	216,400
Head Office Employees' Free Lunch	3,682,100	3,462,568
Uniform & Liveries	162,550	152,840
Printing Expenses	300,241	321,760
Stationery Expenses	661,861	624,148
Software & Hardware Support Expenses	3,977,779	3,972,948
Postage, Telephone, Fax & Telex	1,321,467	588,378
Electricity, Gas & Water	2,810,527	2,742,715
Office Consumable Expense	1,335,184	1,568,816
Rental Expenses	17,646,720	16,116,720
Vehicles Running & Maintenance	12,142,241	10,916,202
Medical Expenses	1,250,438	766,787
Group Insurance	631,364	561,862
Bank Charges & Commission	6,032,803	5,699,044
Fees & Subscription	14,946,096	9,971,711
Security Service	3,831,398	4,993,098
Govt. Tax, Stamp Duty & Licence Fees	2,175,396	4,117,898
Annual General Meeting Expenses	1,395,448	1,457,875
Audit Fees	1,242,000	1,185,823
Loss on Disposal on Assets	2,191	2,287,628
Depreciation (Schedule-1)	8,497,634	8,940,701
Total	**310,512,101**	**301,424,729**

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

	Taka 2025-2026	Taka 2024-2025

a) Audit Fees represent auditors' remuneration for audit of the Company's Financial Statements for the Year ended.

b) The Rental Expenses incurred to use two floor spaces for office with two "one-year cancellable" (both parties three months notice period) contacts. The Contracts don't offer any buying option or any assurance of post use minimum market price for the used floors. Considering exemptions allowed in IFRS-16 (Shorter contact tenor and small amount of rental expenses) the rental agreements not considered as finance lease.

c) Directors' Remuneration is not included the Member Director of "Audit Committee" and "Nomination & Remuneration Committee"

24. Consolidated Selling & Distribution Overhead:

This is arrived as follows:

Export Sale Expenses	29,811,346	31,363,937
Loading and Unloading	8,247,046	8,858,160
Total	**38,058,392**	**40,222,097**

25. Consolidated Finance Cost:

This is arrived as follows:

Interest on Deferred LC Loan	496,264,479	665,566,334
Interest on OD	22,492	49,016
Interest on Short Term Loan	431,362,550	165,709,664
Interest on Long Term Loan	476,216,449	515,836,558
	1,403,865,970	**1,347,161,572**

a) Finance cost increased (Tk 5.67 crore or 4.21%) due to increase of working capital loan financing.
b) Interest expenses is derived from short-term loan and is recognized on an accrual basis.The finance cost includes no interest on any sort of borrowing from directors including managing director and managers.

26. Consolidated Non-Operating Income:

Interest Income	13,512,994	15,279,814
Cash Incentive	563,700	-
Forfeited Provident Fund	2,933,581	2,748,299
Gain/ (Loss) on Disposal of Assets	596,343	(4,245,711)
Forex Exchange Rate Fluctuation Gain/ (Loss)	2,080,569	15,188,802
	19,687,187	**28,971,204**

* P.F Forfeiture amount represents the amount forfeited from Employees Provident Fund and returned to the company as per guideline of FRC.

27. Consolidated Allocation for W.P.P.F & W.F :	**50,477,845**	**77,909,898**

This represents 5% of Net Income before Tax after charging the allocation as per provisions of the Companies Profit under Labour Act 2006 (Amended in 2018).

28. Consolidated Provision for Income Tax for the Year:	**143,367,089**	**197,424,123**

This represents estimated Income Tax on Net Income for the Year and adjustment any short/excess provision for prior years.

29. Consolidated Provision for Deferred Tax:	**(21,539,719)**	**(68,046,924)**

This represents tax liability payable in future due to accumulated taxable temporary differences (Above deferred tax balance create only from difference between accounting basis depreciation and tax basis depreciation on fixed assets).

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

	Taka 2025-2026	Taka 2024-2025
30. Consolidated Earnings Per Share (EPS):		
The Computation is given below:		
Earning attributable to Ordinary Shares including other income	887,670,437	1,428,641,135
Number of Ordinary shares	197,252,000	197,252,000
Earnings Per Share	**4.50**	**7.24**
31. Consolidated Net Asset Value (NAV) Per Share:		
The Computation is given below:		
Equity Attributable to the Owners of the Company	11,275,047,342	11,018,583,305
Number of Ordinary shares	197,252,000	197,252,000
Net Asset Value (NAV) Per Share	**57.16**	**55.86**
32. Consolidated Net Operating Cash flows per Share (NOCFPS):		
The Computation is given below:		
Net Cash Generated (Used in) from Operating Activities	1,718,789,939	1,035,063,210
Number of Ordinary shares	197,252,000	197,252,000
Net Operating Cash flows per Share (NOCFPS)	**8.71**	**5.25**
33. Consolidated Reconciliation of Net Profit with Cash Flows from Operating Activities:		
The Computation is given below:		
Profit After Tax	**887,670,437**	**1,428,641,135**
Adjustment to reconcile net profit to net cash provided by operating activities :		
Non-cash Expenses:		
Depreciation	1,051,751,945	1,024,582,245
Deferred Tax	(21,539,719)	(68,046,924)
Net effect of foreign currency translation	845,971	25,499,135
	1,031,058,197	**982,034,456**
Non-Operating Items:		
Gain/ (Loss) on Disposal of Assets	(594,152)	6,533,339
Profit Ratio of Non controlling Interest	59,098	179,630
	(535,054)	**6,712,969**
Changes in working Capital:		
(Increase)/Decrease in Inventories	(73,331,979)	(531,503,169)
(Increase)/Decrease in Trade Receivables	65,343,908	(688,497,290)
(Increase)/Decrease in Advances, Deposits & Prepayments	(87,105,031)	(248,171,761)
Increase/(Decrease) in Creditors & Other Payables	13,114,978	19,010,804
Increase/(Decrease) in Liabilities for Other Finance	(63,123,762)	78,194,338
Increase/(Decrease) in Income Tax Payable	(54,301,755)	(11,358,272)
	(199,403,641)	**(1,382,325,350)**
Net Cash Generated (Used in) from Operating Activities	**1,718,789,939**	**1,035,063,210**

The business (100% export oriented spinning industry) operation is volatile and realization from debtors (100% confirmed back to back LC) also very positively co-related with this, but all import payments should be made as per provision of UCPDC-600, resultant, the per share operating cash flows fluctuates from quarter to quarter, which is very common for the spinning business trend.

34. Event after Balance sheet date:

34.01 The Board of Directors in it's meeting held on October 25, 2026 approved the financial statements for the year ended June 30,2026. The Board of Directors also authorised the same for issue.

34.02 Except above no other significant event occurred till the date of signing the financial statement.

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

Schedule 01

SQUARE Textiles PLC. & It's Subsidiary

CONSOLIDATED SCHEDULE OF PROPERTY, PLANT & EQUIPMENT

As at June 30, 2026

Amount in Taka

Particulars	Cost				Depreciation				Written Down Value as at 30 June 2026
	Opening Balance as at 01 July 2025	During the Year		Closing Balance as at 30 June 2026	Opening Balance as at 01 July 2025	During the Year		Closing Balance as at 30 June 2026	
		Additions	Sales/Obsoletes			Charged	Adjustments		
Factory:									
Land & Land Development	728,938,281	33,007,415	-	761,945,696	-	-	-	-	761,945,696
Building-Factory & Utility	2,160,924,436	-	-	2,160,924,436	878,911,500	95,882,832	-	974,794,332	1,186,130,104
Building-Others	681,340,033	-	-	681,340,033	357,387,541	30,085,256	-	387,472,797	293,867,236
Sheds	50,028,050	-	-	50,028,050	30,838,837	4,134,367	-	34,973,204	15,054,846
Plant & Machinery	14,018,248,999	341,027,790	(86,435,245)	14,272,841,544	6,372,092,072	754,494,187	(85,124,397)	7,041,461,862	7,231,379,682
Laboratory Equipment	153,252,097	10,000	(515,694)	152,746,403	64,369,822	22,631,642	(515,694)	86,485,770	66,260,633
Electrical Installation	904,161,099	31,014	(7,005,145)	897,186,968	508,509,621	82,478,513	(7,005,145)	583,982,989	313,203,979
Gas Line Installation	49,145,684	-	-	49,145,684	41,787,239	2,454,097	-	44,241,336	4,904,348
Motor Vehicles	237,148,663	18,634,664	(3,650,000)	252,133,327	157,207,050	27,330,829	(3,285,000)	181,252,879	70,880,448
Office Equipment	30,590,766	2,589,733	(136,912)	33,043,587	24,631,134	2,173,391	(136,912)	26,667,613	6,375,974
Furniture & Fixture	18,331,968	566,744	-	18,898,712	17,008,480	437,921	-	17,446,401	1,452,311
Computer	5,801,785	782,900	(4,537)	6,580,148	4,774,189	330,891	(4,537)	5,100,543	1,479,605
Boundary Wall	67,971,980	-	-	67,971,980	39,856,047	4,110,782	-	43,966,829	24,005,151
Deep Tube-Well	5,050,800	-	-	5,050,800	4,949,761	84,989	-	5,034,750	16,050
Safety & Security Equipment	17,511,205	-	(31,565)	17,479,640	3,713,088	997,454	(31,565)	4,678,977	12,800,663
Communication and Network Equipment	7,195,200	-	-	7,195,200	6,903,853	130,088	-	7,033,941	161,259
Other Assets	124,625,709	31,000	(199,886)	124,456,823	50,963,796	15,497,072	(199,886)	66,260,982	58,195,841
Sub Total- Factory	**19,260,266,755**	**396,681,260**	**(97,978,984)**	**19,558,969,031**	**8,563,904,030**	**1,043,254,311**	**(96,303,136)**	**9,510,855,205**	**10,048,113,826**
Head Office:									
Motor Vehicles	43,074,417	9,100,000	-	52,174,417	28,387,560	7,336,690	-	35,724,250	16,450,167
Office Equipment	1,816,225	93,500	-	1,909,725	584,665	320,869	-	905,534	1,004,191
Furniture & Fixture	963,936	166,500	-	1,130,436	238,229	203,887	-	442,116	688,320
Computer	1,566,514	645,600	-	2,212,114	430,319	362,376	-	792,695	1,419,419
Hardware & Software	2,300,000	-	-	2,300,000	2,026,188	273,812	-	2,300,000	-
Sub Total- Head Office	**49,721,092**	**10,005,600**	**-**	**59,726,692**	**31,666,961**	**8,497,634**	**-**	**40,164,595**	**19,562,097**
Total as at 30 June 2026	**19,309,987,847**	**406,686,860**	**(97,978,984)**	**19,618,695,723**	**8,595,570,991**	**1,051,751,945**	**(96,303,136)**	**9,551,019,800**	**10,067,675,923**
Total as at 30 June 2025	**17,822,261,353**	**1,728,002,327**	**(240,275,833)**	**19,309,987,847**	**7,798,671,240**	**1,024,582,245**	**(227,682,494)**	**8,595,570,991**	**10,714,416,856**

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

SQUARE Textiles PLC.
Statement of Financial Position
As at 30 June 2026

	Notes	Taka 30 June 2026	Taka 30 June 2025
ASSETS:			
Non-Current Assets			
Property, Plant & Equipment- Carrying Value	04	9,205,304,047	9,779,802,943
Capital Work In Progress and In Transit	05	825,352,534	405,001,743
Investment - Long Term (At Cost)	06	489,333,960	489,333,960
		10,519,990,541	**10,674,138,646**
Current Assets			
Inventories	07	6,873,181,778	6,568,082,728
Trade Receivables	08	6,565,814,576	6,507,477,106
Advances, Deposits & Prepayments	09	910,010,460	829,759,974
Cash & Cash Equivalents	10	943,831,312	372,175,799
		15,292,838,126	**14,277,495,607**
TOTAL ASSETS		**25,812,828,667**	**24,951,634,253**
SHAREHOLDERS' EQUITY & LIABILITIES:			
Shareholders' Equity			
Share Capital	11	1,972,520,000	1,972,520,000
Retained Earnings	12	8,463,297,528	8,258,018,534
		10,435,817,528	**10,230,538,534**
Non-Current Liabilities			
Long Term Borrowings	13	2,160,490,647	3,903,457,915
Deferred Tax Liability	14	164,673,141	182,401,008
		2,325,163,788	**4,085,858,923**
Current Liabilities & Provisions			
Short Term Bank Loan (Secured)	15	12,430,380,152	9,942,451,737
Creditors & Other Payables	16	128,802,228	116,792,052
Liabilities for Other Finance	17	283,197,619	326,308,110
Unclaimed Dividend Account	18	14,680,244	13,258,887
Provision for Income Tax	19	194,787,108	236,426,010
		13,051,847,351	**10,635,236,796**
TOTAL LIABILITIES		**15,377,011,139**	**14,721,095,719**
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES		**25,812,828,667**	**24,951,634,253**
Net Asset Value Per Share	29	**52.91**	**51.87**

These financial statements should be read in conjunction with the annexed notes.

Sanjib Baran Roy	Samuel S Chowdhury	Tapan Chowdhury
Company Secretary	**Managing Director**	**Chairman**

Signed in terms of our separate report of even date annexed.

Hedayet Ullah FCA
Senior Partner (Enrollment No. 0281)
K. M. HASAN & CO.
Chartered Accountants
DVC: 2610260281AS504941

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

Place: Dhaka
Date: 26 October 2026

SQUARE Textiles PLC.

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2026

Particulars	NOTES	Amount in Tk	
		July to June 2025-26	July to June 2024-25
Sales Revenue	20	21,719,541,116	22,650,211,890
Cost of Goods Sold	21	(19,058,788,833)	(19,617,672,416)
Gross Profit		**2,660,752,283**	**3,032,539,474**
Administrative Overhead	22	(295,248,436)	(287,501,364)
Selling and Distribution Overhead	23	(34,119,779)	(35,667,897)
Profit from Operations		**2,331,384,068**	**2,709,370,213**
Finance Cost	24	(1,351,941,765)	(1,279,664,335)
Non-Operating Income	25	19,394,794	28,756,299
Profit Before W.P.P.F & W.F		**998,837,097**	**1,458,462,177**
Allocation for W.P.P.F & W.F	26	(47,563,671)	(69,450,580)
Profit Before Tax		**951,273,426**	**1,389,011,597**
Income Tax Expense (Current)	19	(132,515,899)	(173,910,080)
Deferred Tax (Expenses)/ Income	14	17,727,867	57,961,648
Profit After Tax for The Period		**836,485,394**	**1,273,063,165**
Other Comprehensive Income		-	-
Total Comprehensive Income		**836,485,394**	**1,273,063,165**
Earnings Per Share (EPS)	28	**4.24**	**6.45**

These financial statements should be read in conjunction with the annexed notes.

Sanjib Baran Roy	Samuel S Chowdhury	Tapan Chowdhury
Company Secretary	**Managing Director**	**Chairman**

Signed in terms of our separate report of even date annexed.

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

Hedayet Ullah FCA
Senior Partner (Enrollment No. 0281)
K. M. HASAN & CO.
Chartered Accountants
DVC: 2610260281AS504941

Place: Dhaka
Date: 26 October 2026

SQUARE Textiles PLC.
Statement of Changes in Equity
For the Year Ended 30 June 2026

Amount in Taka

Particulars	Share Capital	Retained Earnings	Total
Balance as at 01 July 2025	1,972,520,000	8,258,018,534	10,230,538,534
Net Profit For the Year Ended 30 June 2026	-	836,485,394	836,485,394
Cash Dividend for 2024-25	-	(631,206,400)	(631,206,400)
Balance As at 30 June 2026	**1,972,520,000**	**8,463,297,528**	**10,435,817,528**

Statement of Changes in Equity
For the Year Ended 30 June 2025

Amount in Taka

Particulars	Share Capital	Retained Earnings	Total
Balance as at 01 July 2024	1,972,520,000	7,616,161,769	9,588,681,769
Net Profit For the Year Ended 30 June 2025	-	1,273,063,165	1,273,063,165
Cash Dividend for 2023-24	-	(631,206,400)	(631,206,400)
Balance As at 30 June 2025	**1,972,520,000**	**8,258,018,534**	**10,230,538,534**

Sanjib Baran Roy
Company Secretary

Samuel S Chowdhury
Managing Director

Tapan Chowdhury
Chairman

Place: Dhaka
Date: 26 October 2026

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

Hedayet Ullah FCA
Senior Partner (Enrollment No. 0281)
K. M. HASAN & CO.
Chartered Accountants
DVC: 2610260281AS504941

SQUARE Textiles PLC.
Statement of Cash Flows
For the Year Ended 30 June 2026

Particulars	Amount in Taka	
	July to June 2025-26	July to June 2024-25
A. Cash Flows from Operating Activities:		
Receipts from Sales Revenue	21,661,203,646	21,891,281,771
Exchange Fluctuation Gain (Realization from Transaction)	1,727,103	28,734,865
Receipts/ (Payment) from Other Income/ Expenses	16,753,525	17,736,042
Total Receipts	**21,679,684,274**	**21,937,752,678**
Payment for Supplies and Other Services	(14,724,010,403)	(15,573,965,377)
Paid for Operating & Non-operating Expenses	(4,088,204,495)	(4,284,892,790)
Interest Expenses Paid	(1,372,120,702)	(1,213,801,462)
Income Tax Paid	(246,731,558)	(247,051,966)
Total Payments	**(20,431,067,158)**	**(21,319,711,595)**
Net Cash Generated (Used in) from Operating Activities	**1,248,617,116**	**618,041,083**
B. Cash Flows from Investing Activities:		
Purchase of Property, Plant & Equipment	(794,705,530)	(1,090,262,059)
Sales of Property, Plant & Equipment	2,250,000	5,730,000
Net Cash Generated (Used in) from Investing Activities	**(792,455,530)**	**(1,084,532,059)**
C. Cash Flows from Financing Activities:		
Long Term Loan Received/ (Repaid)	(1,993,886,749)	1,340,730,154
Short Term Bank Loan Received/ (Repaid)	2,738,847,896	(270,422,458)
Payment of Dividend	(629,785,043)	(628,322,407)
Net Cash Generated (Used in) from Financing Activities	**115,176,104**	**441,985,289**
D.Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	**571,337,690**	**(24,505,687)**
E. Net effect of foreign currency translation	317,823	(17,714,608)
F. Opening Cash & Cash Equivalents	372,175,799	414,396,094
G. Closing Cash & Cash Equivalents (D+E+F)	**943,831,312**	**372,175,799**
Net Operating Cash flows per Share	**6.33**	**3.13**

Sanjib Baran Roy
Company Secretary

Samuel S Chowdhury
Managing Director

Tapan Chowdhury
Chairman

Place: Dhaka
Date: 26 October 2026

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

SQUARE Textiles PLC.
Notes to the Separate Financial Statements
As at and for the year ended 30 June 2026

1. Establishment and Operations:

1.1 Legal Form of the Enterprises:

Square Textiles PLC. (Here in after said as the company) was formed and incorporated with the Registrar of Joint Stock Companies and Firms in Bangladesh in 1994 under the Companies Act, 1913 (Now operating under Companies Act, 1994) as public company limited by shares. The company is listed with the Dhaka Stock Exchange PLC. and Chittagong Stock Exchange PLC. in 2002.

1.2 Address of Registered Office and Factory of The Company:

a) Registered Office: Square Centre 48, Mohakhali C/A, Dhaka -1212.
b) Factory Office:

i) Saradaganj, Kashimpur, Gazipur.
ii) Olipur, Habiganj, Sylhet.

1.3 Nature of Business:

The company owns Five (5) units of spinning mills, and a twisting mill. It's activities and operations are related with manufacturing and marketing of Yarns.

2. Summary of Significant Accounting Policies and Other Material Information:

2.1 Statement of Compliance:

The financial statements have been prepared in conformity with the provisions of the Companies Act 1994 (ammendend-2020), The Securities and Exchanges Rules 2020, International Financial Reporting Standard and other relevant rules and regulations.

2.2 Basis of Preparation:

The financial statements have been prepared in accordance with the going concern principle and historical cost convention. The significant accounting policies are set out below.

2.3 Statement on Compliance of International Financial Reporting Standards

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

SL	Name of the IAS	IAS No.	Status
1	Presentation of Financial Statements	1	Applied
2	Inventories	2	Applied
3	Statement of Cash Flows	7	Applied
4	Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
5	Events after the reporting period	10	Applied
6	Construction Contracts	11	Replaced by IFRS 15
7	Income Taxes	12	Applied
8	Property, Plant and Equipment	16	Applied
9	Leases	17	Replaced by IFRS 16
10	Revenue	18	Replaced by IFRS 15

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

11	Employee Benefit	19	Applied
12	Accounting for Government Grants and Disclosure of Government Assistance	20	Not Applicable
13	The Effects of Changes in Foreign Exchange Rates	21	Applied
14	Borrowing Costs	23	Applied
15	Related Party Disclosures	24	Applied
16	Accounting and Reporting by Retirement Benefit Plans	26	Not Applicable
17	Separate Financial Statements	27	Applied
18	Investment In Associates and Joint Ventures	28	Not Applicable
19	Financial Reporting in Hyperinflationary Economics	29	Not Applicable
20	Financial Instruments: Presentation	32	Applied
21	Earnings per share	33	Applied
22	Interim Financial Reporting	34	Applied
23	Impairment of Assets	36	Applied
24	Provisions, Contingent Liabilities and Contingent Assets	37	Applied
25	Intangible Assets	38	Not Applicable
26	Financial Instruments: Recognition and Measurement	39	Replaced by IFRS 9
27	Investment Property	40	Not Applicable
28	Agriculture	41	Not Applicable

SL	Name of the IFRS	IFRS No.	Status
1	First time adoption of International Financial Reporting Standards	1	Not Applicable
2	Shares based Payment	2	Not Applicable
3	Business Combinations	3	Not Applicable
4	Insurance Contract	4	Not Applicable
5	Non-current Assets Held for Sale and Discontinued Operations	5	Not Applicable
6	Exploration for and Evaluation of Mineral Resources	6	Not Applicable
7	Financial Instruments: Disclosure	7	Applied
8	Operating Segments	8	Not Applicable
9	Financial Instrument	9	Applied
10	Consolidated Financial Statements	10	Applied
11	Joint Arrangement	11	Not Applicable
12	Disclosure of Interest in other entities	12	Applied
13	Fair Value Measurement	13	Applied
14	Regulatory deferral accounts	14	Not Applicable
15	Revenue from Contracts with Customers	15	Applied
16	Leases	16	Applied

2.4 Going Concern:

As per IAS-1 a company is required to make assessment at the end of each year to assess its capability to continue as going concern. The management of the Company makes such assessment each year. The company has adequate resources to continue in operation for the foreseeable future and has wide coverage of its liabilities. For this reason, the Directors continue to adopt the going concern assumption while the financial statements have been prepared.

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

2.5 Accrual Basis:

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

2.6 Structure Contents and Presentation of Financial Statements:

The presentation of the financial statements is in accordance with the guidelines provided by IAS-1: "Presentation of Financial Statements". A complete set of financial statements comprise:

i) Statement of Financial Position as at 30 June 2026;
ii) Statement of Profit or Loss and other Comprehensive Income for the year ended 30 June 2026;
iii) Statement of Changes in Equity for the year ended 30 June 2026;
iv) Statement of Cash Flows for the year ended 30 June 2026 and;
v) Notes comprising a summary of significant accounting policies and other explanatory information to the Financial Statements for the year ended 30 June 2026.

2.7 Use of Estimates and Judgments:

The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and assumptions are reviewed on an ongoing basis.

The estimates and underlying assumptions are based on past experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

In particular, significant areas of estimation uncertainty and critical judgments in applying accounting policies that has the most significant effect on the amount recognized in the financial statements are income tax provision (both current and deferred tax), depreciation and gratuity provision.

2.8 Statement of Cash Flows:

Statement of cash flows has been prepared as per IAS 7: Statement of Cash Flows using Direct Method as per the requirement of Securities and Exchange Rules 2020.

3.0 Property, Plant and Equipment:

As per IAS-16, Property, Plant and Equipment are stated at their historical cost less accumulated depreciation. No depreciation has been charged on the Freehold Land and on the Capital work in progress. Depreciation is charged on all other assets on straight-line method. Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with IFRS 5 and the date that the assets are derecognized.

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

Depreciation is computed on the straight-line basis over the estimated useful lives as follows:

Particulars	Useful Life (Years)
Factory Building and other Construction	20
Plant & Machinery	10-15
Laboratory & other Equipment	5-8
Furniture & Fixture	5-8
Motor Vehicles	5
Electrical Installation	5-8

3.1 Subsequent Costs:

The cost of replacing or upgrading part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss.

3.2 Disposal of Fixed Assets:

On disposal of fixed assets, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the statement of profit or loss, which is determined with reference to the net book value of the assets and net sales proceeds.

3.3 Impairment of Asset:

The carrying values of all non-current assets are reviewed for impairment, either on a stand-alone basis or as part of a larger cash generating unit, when there is an indication that the assets might be impaired. Additionally, Goodwill, Intangible Assets with indefinite useful lives and Intangible Assets which are not yet available for use are tested for impairment annually. Any provision for impairment is charged to the profit or loss statement in the year concerned.

3.4 Capital Work in Progress:

Capital work in progress consists of cost incurred for acquisition of new plant and machinery, civil structure, factory shed for warehouse etc. which were not ready for use till reporting date.

3.5 Inventories:

As per IAS-2, Inventories comprises of Raw Materials, Raw Materials in transit, Packing Materials, Work in Progress, Finished Goods, Comber Noil, and Spare & Spare Parts in transit. Inventories are valued at the lower of cost and net realizable value. Cost comprises invoice value plus applicable handling charges. Net realizable value is based on estimated selling price less estimated cost to completion and selling expenses.

3.6 Employees' Benefit Scheme:

Provident Fund:

The company has established an approved contributory provident fund scheme. A board of trustees wholly administers the fund. No part of the fund is included in the asset of the group.

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

Gratuity Fund:

The company establish funded (defined contribution) Gratuity plan and it is approved by NBR.

Group Insurance:

The group has two group insurance schemes for its permanent employees, premium for which is being charged to statement of profit or loss and other comprehensive income.

Worker's Profit & Participation Fund:

The company makes a regular allocation of 5% on net profit before tax to these funds and payment is made to the worker's as per provision of Labor Law 2006 chapter-15.

3.7 Revenue Recognition:

As per IFRS-15, Revenue is recognized as control is passed, either over time or at a point in time an entity recognizes revenue over time if one of the following criteria is met: the customer simultaneously receives and consumes all of the benefits provided by the entity as the entity performs; the entity's performance creates or enhances an asset that the customer controls as the asset is created; or the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

Income refers to increases in economic benefits during the accounting period in the form of inflows or enhancements of assets or decreases of liabilities that result in an increase in equity, other than those relating to contributions from equity participants.

3.8 Other Income:

It is recognized on accrual basis.

3.9 Foreign Currency Transactions:

As per IAS-21 Transactions in Foreign Currencies are translated into BDT at the rate of exchange ruling on date of transaction. Monetary assets and liabilities expressed in foreign currencies are translated into BDT at the rate of exchange ruling at the date of Statement of Financial position.

3.10 Borrowing Costs:

As per IAS-23 Borrowing costs are recognized as expenses in the period in which they incurred and capitalized the same that incurred before commencement of commercial operation.

3.11 Advances, Deposits and Prepayments

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads such as property, plant and equipment, inventory or expenses.

Deposits are measured at payment value.

3.12 Due to / Due from Sister Concerns:

These represent balance amounts due to /from sister concerns which are derived from short term loan.

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

3.13 Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Receivables:

Trade Receivables are stated at their nominal value and considered good. No provision has been made for doubtful debt and no amount was written off as bad debt.

Payables:

Trade Payables are stated at their nominal value.

Due to / Due from Related Parties:

Due to /due from related parties are stated at their nominal value.

Investment in Subsidiary:

This is initially stated at cost and subsequently at cost less impairment, if any.

Cash and Cash Equivalents:

Cash and cash equivalents comprises cash in hand, bank currents accounts, other bank deposits free of encumbrance and having maturity dates of three months or less from respective dates of deposit.

Borrowings:

Interest bearing bank loans are recorded at the proceeds received net of direct issue costs. Finance charges are accounted for on an accrual basis.

Financial Risk Management:

The company has exposures to the following risks its use of financial statements:

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The Board oversees how management monitors compliance with risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risks faced by the group. The Board is assisted in its oversight role by Audit Committee. Internal audit, under the purview of Audit Committee, undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

Credit Risk:

Credit risk is the risk of financial loss to the Company if a buyer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivable from customers and investment securities. The Company's sales are made to renowned RMG Exporting Company. Sales made to the entity are fully secured by Letters of Credit issued by local scheduled banks.

Liquidity Risk:

Liquidity risk is the risk that the Company will unable to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. In general, management ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of the cash forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date. Moreover, the Company seeks to maintain short term lines of credit with scheduled commercial banks to ensure payment of obligations in the event that there is insufficient cash to make the required payment.

The requirement is determined in advance through cash flows projections and credit lines facilities with banks are negotiated accordingly.

Seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The Board also monitors dividend trend to ordinary shareholders.

Market Risk:

Market Risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Company's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Capital Risk Management:

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The Board also monitors dividend trend to ordinary shareholders.

Money Laundering:

The company considers prevention of money laundering risk not only as a compliance requirement imposed by the law of the country but also as one of its ethical business values.

3.14 Lease:

As per IFRS- 16, the entity has no lease. So, there will be no implication regarding IFRS 16 in this financial year.

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

3.15 Taxation:

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of Profit or Loss and other Comprehensive Income because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted on date of Statement of Financial Position.

Deferred Tax:

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.
Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted by the date of Statement of Financial Position.

3.16 Contingent Liabilities and Assets:

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 events which are not within the control of the company.

3.17 Related Party Transaction:

The objective of Related Party Disclosure IAS 24 is to ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

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

The Company transacts with related parties and recognize as per IAS 24 'Related Party Disclosures'. Related party transactions have been disclosed under Note- 40.

3.18 Segment Reporting:

As per IFRS-8, as there is a single business and geographic segment within which the company operates as such no segment reporting is felt necessary.

3.19 Earnings per Share:

As per IAS-33, Basis Earning per Share (EPS) has been computed dividing the earnings attributable to the weighted average number of the ordinary shares during the year.

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

3.20 Comparative Figure:

The comparative figure has been regrouped, reclassified or modified from previously published interim and annual Financial Statements to facilitate any necessary presentational changes to conform to the current year's presentation.

Comparative information has been disclosed in respect of the previous year for all numerical information in the current financial statement. Narrative and descriptive information for comparative information have also been disclosed whenever it is relevant for understanding of current year's financial statements.

3.21 Financial Year:

For this year financial year means, 01 July 2025 to 30 June 2026.

3.22 Events after the Reporting Period:

As per IAS-10 "Events after the Reporting Period" are those events favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue.

3.23 General:

Figures have been rounded off to the nearest taka, as it the reporting currency of these financials.



	Taka 30 June 2026	Taka 30 June 2025

4. Property, Plant & Equipment:

Details of Property, Plant & Equipment and Depreciation as at June 30, 2026 are shown in the annexed schedule-02. Depreciation for the year charged to Factory Overhead and Administrative Overhead. The break-up of the balances are depicted below:

A. Fixed Assets at Cost		
Opening Balance	17,629,286,774	16,299,752,748
Addition during the Year	374,354,739	1,562,030,408
Sale/ Obsolete during the Year	(96,784,482)	(232,496,382)
Closing Balance(Cost)	**17,906,857,031**	**17,629,286,774**
B. Accumulated Depreciation		
Opening Balance	7,849,483,831	7,149,424,841
Charged during the Year	947,199,978	924,537,744
Adjustment for sale/Obsolete	(95,130,825)	(224,478,754)
	8,701,552,984	**7,849,483,831**
C. Carrying Value (A-B)	**9,205,304,047**	**9,779,802,943**

5. Capital Work In Progress and In Transit:

Opening Balance	405,001,743	876,770,092
Addition during the Year	681,700,188	596,952,679
Transfer to Property, Plant & Equipment	(261,349,397)	(1,068,721,028)
Closing Balance(Cost)	**825,352,534**	**405,001,743**

The Capital work in progress includes Plant & Machinery (Tk/ 22.10 crore) and Land & Civil Work (Tk/ 4.03 crore). This year it has been transferred to Non-current assets is completed and ready for use as per management intention.

6. Investment- Long Term (At Cost):

This represents investments in share of Square Texcom Ltd.

a) Investment in share of Square Texcom Ltd. (4,330,502 shares of Tk. 100 each)	489,333,960	489,333,960
	489,333,960	**489,333,960**

Square Texcom Limited, a private limited company incorporated under Companies Act 1994. a subsidiary company of the company holding 99.88% shares.

7. Inventories:

Stocks of Materials		
Raw Materials	5,954,010,919	5,647,028,066
Raw Materials In Transit	201,848,445	126,488,736
Packing Materials	20,217,394	18,358,507
Work - in - process	173,334,391	205,204,452
Finished Goods	198,401,970	253,730,210
	6,547,813,119	**6,250,809,971**
Stocks of Spares		
Spares at Store	319,253,445	312,611,950
Spares in Transit	6,115,214	4,660,807
	325,368,659	**317,272,757**
	6,873,181,778	**6,568,082,728**

The basis of valuation is stated in Note 3.5 of page no-40,carrying amount of inventories pledged as security.

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

	Taka 30 June 2026	Taka 30 June 2025

8. Trade Receivables:

This represents invoice value of goods delivered to customer. This is considered good and collectible.

Aging of the above balance is as follows:

Below 60 days	3,581,138,040	2,990,507,157
Within 61-120 days	2,187,455,071	2,476,560,371
Above 120 days	797,221,465	1,040,409,578
	6,565,814,576	**6,507,477,106**

a) There was no amount due from the Directors (Including Managing Director), Managing Agent, Manager and other Officers of the Company and any of them severally or jointly with any other person.

b) The carrying amount of Trade Debtors pledged as security.

c) Trade Receivable is secured, considered as good and is falling due within one year.

9. Advances, Deposits & Prepayments:

This is made up of the followings:

Advance		
Income Tax (Note- 9.01)	321,394,632	248,817,875
Salary & PF Current account	11,096,332	9,019,000
Other Expenses and VAT	334,546,507	248,637,252
Suppliers & Contractor	32,707,258	88,979,684
	699,744,729	**595,453,811**
Deposits		
Security Deposit	185,829,488	185,829,488
Margin on Bank Guarantee	24,436,243	48,476,675
	210,265,731	**234,306,163**
	910,010,460	**829,759,974**

9.01. Advances Income Tax:

Opening Balance	248,817,875	191,379,345
Addition During The Period	246,731,558	248,817,875
Adjustment During The Period	(174,154,801)	(191,379,345)
Closing Balance	**321,394,632**	**248,817,875**

(a) There was no amount due from the Directors (Including Managing Director), Managing Agent, Manager and other Officers of the Company and any of them severally or jointly with any other person.
(b) There was no amount was due by the associated undertaking.
(c) The advances & deposits considered good & recoverable.

10. Cash & Cash Equivalents:

This is made up of the followings:

a) Cash in hand	**9,304,160**	**5,556,192**
b) Cash at Bank:		
Standard Chartered Bank	344,945,514	228,840,841
HSBC Bank	239,106,616	23,436,235
Prime Bank	93,905,640	27,122,310
City Bank	69,894,537	25,515,562
Commercial Bank of Ceylon	-	44,464
Bank Alfalah	382,225	387,550
Janata Bank	11,333,255	24,352,109
Mutual Trust Bank	166,339,681	24,562,745
Dutch Bangla Bank	4,478,385	7,129,404
Pubali Bank	3,006,026	5,228,387
Bank Asia	1,135,273	-
	934,527,152	**366,619,607**
	943,831,312	**372,175,799**

Foreign currency account balances have been converted to Taka at the ruling rate at the reporting date.

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

	Taka 30 June 2026	Taka 30 June 2025
11. Share Capital:		
This is made up of the followings:		
Authorized: 300,000,000 Ordinary Shares of Tk. 10.00 each	**3,000,000,000**	**3,000,000,000**
Issued, Subscribed and Paid up: (197,252,000 Ordinary Shares of Tk. 10.00 each fully Paid up)	1,972,520,000	1,972,520,000
	1,972,520,000	**1,972,520,000**
Position of Shareholding is given in Annexure- II		
12. Retained Earnings:		
Opening Balance	8,258,018,534	7,616,161,769
Add: Net income during the Year	836,485,394	1,273,063,165
Less: Cash Dividend paid during the Year	(631,206,400)	(631,206,400)
	8,463,297,528	**8,258,018,534**
13. Long Term Borrowings (Secured):		
Standard Chartered Bank	2,172,142,857	2,851,190,476
City Bank	759,612,686	1,725,093,969
Dutch Bangla Bank PLC	277,033,545	615,619,862
Infrastructure Development Company (IDCOL)	106,795,655	117,567,185
Less: Current Portion of Long Term Borrowings	(1,155,094,096)	(1,406,013,577)
	2,160,490,647	**3,903,457,915**
14. Deferred Tax Liability:		
Opening Balance	182,401,008	240,362,656
Deferred Tax Expenses (Income)	(17,727,867)	(57,961,648)
Closing Balance	**164,673,141**	**182,401,008**

This represents tax liability payable in future due to accumulated taxable temporary differences (Above deferred tax balance create only from difference between accounting basis depreciation and tax basis depreciation on fixed assets).we don't have any other assets or liabilities except fixed assets for provision of Deferred Tax liabilities to present in details form for unused tax losses and unused tax credits.

a) Deferred Tax Liability is arrived at as follows:

Carrying Value of Depreciable Fixed Assets	8,483,287,215	9,090,793,526
Less: Tax Base Carrying Value	(7,111,011,040)	(7,570,785,130)
Taxable Temporary Difference	**1,372,276,175**	**1,520,008,396**
Tax Rate	12.00%	12.00%
Closing Deferred Tax Liability	**164,673,141**	**182,401,008**
Less: Opening Deferred Tax Liability	182,401,008	(240,362,656)
Deferred Tax (Income) / Expense	**(17,727,867)**	**(57,961,648)**
15. Short Term Bank Loan (Secured):		
Revolving Loan	5,200,000,000	1,500,000,000
EDF & UPAS	6,075,286,056	7,036,438,160
Current Portion of Long Term Borrowings	1,155,094,096	1,406,013,577
	12,430,380,152	**9,942,451,737**

These short term loans are secured against hypothecation of Stock and Trade Receivable.

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

	Taka 30 June 2026	Taka 30 June 2025
16. Creditors & Other Payables:		
Payable for Audit Fees	920,000	805,000
Provision for Utility Bill	100,927,781	101,138,881
Provision for Salary & Allowances	20,582,332	5,926,542
Others	6,372,115	8,921,629
	128,802,228	**116,792,052**

This represents amount payable to regular suppliers of packing materials, utilities, and other services rendered to the company. All suppliers were paid on a regular basis.

17. Liabilities for Other Finance:		
PF, WPPF & Other Fund	47,955,506	70,887,060
Provision for Gratuity (Note: 17.01)	-	-
Others	235,242,113	255,421,050
	283,197,619	**326,308,110**
17.01. Provision for Gratuity:		
Opening Balance	-	-
Provision made for the period	12,500,000	9,152,198
Payment made during the period	(12,500,000)	(9,152,198)
Closing Balance	**-**	**-**
18. Unclaimed Dividend Account:		
Opening Balance	13,258,887	10,374,894
Addition During The Year	631,206,400	631,206,400
Paid During The Year	(629,785,043)	(628,322,407)
Closing Balance	**14,680,244**	**13,258,887**
Year-wise Unclaimed Dividend:		
Year: 2021-22	-	3,807,349
Year: 2022-23	3,546,843	3,669,369
Year: 2023-24	5,565,975	5,782,169
Year: 2024-25	5,567,426	-
Total Balance	**14,680,244**	**13,258,887**
19. Provision for Income Tax:		
Opening Balance	236,426,010	252,129,366
Adjustment with Advance Tax	(174,154,801)	(189,613,436)
Provision made for the period (Note: 19.01)	132,515,899	173,910,080
Closing Balance	**194,787,108**	**236,426,010**
Note: 19.01:Provision made for the period		
A) Net Current Tax Liability on Profit Basis	133,917,131	179,589,920
B) Tax Liability on Sales Revenue Basis	115,940,992	120,954,497
C) Advance Income Tax (Source Tax) Paid Under ITO-1984	246,731,558	248,817,875
Higher Amount of Tax Under Above Calculation (A:B)	**133,917,131**	**179,589,920**
Adjustment of Short/ (Excess) provision for Prior period	(1,401,232)	(5,679,840)
Income Tax Provision for the period	**132,515,899**	**173,910,080**

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

	Taka 30 June 2026	Taka 30 June 2025
A) Net Current Tax Liability on Profit Basis:		
Profit Before Tax	951,273,426	1,389,011,597
Less: Non-Operating Income	19,394,794	28,756,299
Net Operating Income Before Tax	**931,878,632**	**1,360,255,298**
Tax Rate on Net Operating Income Before Tax (as per NBR)	12.00%	12.00%
Tax Rate on Non-Operating Income (as per NBR)	22.50%	22.50%
Income Tax Liability on Operating Profit	111,825,435	163,230,636
Add: Tax Liability on Non-Operating Income	4,363,829	6,470,167
Total Tax Liability on Profit	**116,189,264**	**169,700,803**
Adjustment of Deferred Tax Asset / (Liability)	17,727,867	9,889,117
Net Current Tax Liability on Profit Basis	**133,917,131**	**179,589,920**
B) Tax Liability on Sales Revenue Basis:		
i) Minimum Tax Rate on Sales Revenue Under ITA-2023	1.00%	1.00%
ii) Applicable For Textiles Business as Per NBR (1.00%/22.50%*12%)	0.53%	0.53%
Sales Revenue and Other Income	21,738,935,910	22,678,968,189
Minimum Tax Amount on Sales Revenue	**115,940,992**	**120,954,497**
C) Advance Income Tax (Source Tax) Paid Under ITA-2023:	**246,731,558**	**248,817,875**

Since the applicable tax on Profit before tax (Tk. 133,917,131) is higher than the minimum Tax on Revenue under ITA-2023 (Tk. 115,940,992), so the higher is provided as Tax Expense for the period ended June 30, 2026.

Calculation of Effective Tax Rate:		
Current Income Tax Expenses	132,515,899	173,910,080
Deferred Tax Expenses/ (Income)	(17,727,867)	(9,889,117)
Total Tax Expenses	**114,788,032**	**164,020,963**
Effective Tax Rate (Total Tax Expenses / Profit Before Tax)	**12.07%**	**11.81%**

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

		Taka 2025-2026	Taka 2024-2025
20. Sales Revenue:			
Sales Comprises the following:			
In Quantity (KG)			
Opening Stock		873,727	554,097
Production during the Year		60,645,288	61,316,551
Available for Sale	**Kg.**	**61,519,015**	**61,870,648**
Closing Stock		(730,698)	(873,727)
Sales during the year	**Kg.**	**60,788,317**	**60,996,921**
(To be accounted for as follows)			
Sales Accounted as follows:			
Export Sale of Yarns		60,788,317	60,996,921
	Kg.	**60,788,317**	**60,996,921**
In Taka			
Export Sale of Yarns		21,719,541,116	22,650,211,890
		21,719,541,116	**22,650,211,890**

During the period sales decreased by BDT 93.07 (-4.11%) crore due to decreased of yarn production and yarn price.

21. Cost of Goods Sold:			
This is arrived as follows:			
Raw Materials Consumed (Note-21.1)		14,135,491,213	14,805,890,746
Packing Materials Consumed (Note-21.2)		216,327,917	227,984,436
Factory Overhead (Note- 21.3)		4,619,771,402	4,623,183,813
Cost of Goods Manufacturing		**18,971,590,532**	**19,657,058,995**
Work-In-Process (Opening)		205,204,452	237,866,325
Work-In-Progress (Closing)		(173,334,391)	(205,204,452)
Cost of Production		**19,003,460,593**	**19,689,720,868**
Finished Goods (Opening)		253,730,210	181,681,758
Finished Goods (Closing)		(198,401,970)	(253,730,210)
Cost of Goods Sold		**19,058,788,833**	**19,617,672,416**
21.1 Raw Materials Consumed:			
This is arrived as follows:			
In Quantity(KG)			
Opening Stock		24,391,112	21,785,098
Purchase during the year		68,028,604	68,469,794
Raw Materials Available for Consumption		**92,419,716**	**90,254,892**
Closing Stock		(27,541,235)	(24,391,112)
Raw Materials Consumed	**Kg.**	**64,878,481**	**65,863,780**
In Taka			
Opening Stock		5,647,028,066	5,101,175,763
Purchase during the year		14,442,474,066	15,351,743,049
Raw Materials Available for Consumption		**20,089,502,132**	**20,452,918,812**
Closing Stock		(5,954,010,919)	(5,647,028,066)
Raw Materials Consumed		**14,135,491,213**	**14,805,890,746**
Consumption Ratio on Purchase		**97.87%**	**96.44%**

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

	Taka 2025-2026	Taka 2024-2025

21.2. Packing Materials Consumed:

This is arrived as follows:

Opening Stock	18,358,507	23,317,542
Purchase during the year	218,186,804	223,025,401
Available for production	**236,545,311**	**246,342,943**
Closing Stock	(20,217,394)	(18,358,507)
Packing Materials Consumed	**216,327,917**	**227,984,436**
Consumption Ratio on Purchase	**99.15%**	**102.22%**

21.3. Factory Overhead:

Factory Wages, Salary & Allowances	1,360,850,077	1,293,570,327
Travelling & Conveyance	459,117	622,813
Overseas Travelling	2,019,176	1,678,565
Recruitment & Training Expenses	64,277	171,103
Printing Expenses	755,048	779,580
Stationery Expenses	1,925,324	1,977,168
Software & Hardware Support Expenses	6,162,489	5,579,685
Production Workers' Free Lunch	7,793,115	7,026,424
Uniform & Liveries	557,460	489,498
Fuel, Petrol, Light, Diesel etc.	132,899,709	336,539,112
Electricity, Gas & Water	1,601,009,498	1,507,646,706
Factory Consumable Expense	77,675,065	83,288,534
Medical Expenses	3,236,355	3,029,537
Repairs & Maintenance of Vehicles	29,661,628	26,789,276
Papers, Books and Periodicals	6,836	11,338
Industrial All Risk Insurance Premium	24,743,655	25,750,314
Postage, Telephone, Fax & Telex	2,528,992	948,768
Govt.Tax, VAT & License Fees	561,894	5,256,777
Security Services	48,172,800	42,447,398
Spare Parts - Machinery	378,183,911	362,342,687
Group Insurance	1,802,632	1,641,160
Depreciation (Schedule-A)	938,702,344	915,597,043
	4,619,771,402	**4,623,183,813**

Factory Wages, Salary & Allowances increased (Tk 6.73 crore or 5.20%) due impact of yearly increment.
Fuel, Gas and Electricity cost decreased (Tk -11.03 crore or -5.98%) due to Installation of solar energy.

22. Administrative Overhead:

Salary and Allowances	127,321,143	123,827,648
Directors' Remuneration	72,585,300	65,894,400
Independent Directors' Honorarium	600,000	600,000
Travelling & Conveyance	762,048	847,014
Overseas Travelling	12,973,538	18,013,098
Recruitment & Training Expenses	244,284	216,400
Head Office Employees' Free Lunch	3,615,880	3,382,947
Uniform & Liveries	157,250	124,800
Printing Expenses	294,257	312,402
Stationery Expenses	650,423	607,099
Software & Hardware Support Expenses	3,405,515	3,436,266
Postage, Telephone, Fax & Telex	1,257,870	571,508
Electricity, Gas & Water	2,810,527	2,742,715
Office Consumable Expense	1,317,280	1,527,662

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

	Taka 2025-2026	Taka 2024-2025
Rental Expenses	17,646,720	16,116,720
Vehicles Running & Maintenance	11,615,337	10,472,792
Medical Expenses	1,167,458	760,794
Group Insurance	607,864	540,845
Bank Charges & Commission	5,182,977	5,386,209
Fees & Subscription	14,343,050	9,443,019
Security Service	3,831,398	4,993,098
Govt. Tax, Stamp Duty & Licence Fees	1,941,735	3,972,901
Annual General Meeting Expenses	1,395,448	1,457,875
Audit Fees	1,023,500	1,024,823
Loss on Disposal on Assets	-	2,287,628
Depreciation (Schedule-A)	8,497,634	8,940,701
Total	**295,248,436**	**287,501,364**

a) Audit Fees represent auditors' remuneration for audit of the Company's Financial Statements for the Year ended.

b) The Rental Expenses incurred to use two floor spaces for office with two "one-year cancellable" (both parties three months notice period) contacts. The Contracts don't offer any buying option or any assurance of post use minimum market price for the used floors. Considering exemptions allowed in IFRS-16 (Shorter contact tenor and small amount of rental expenses) the rental agreements not considered as finance lease.

c) Directors' Remuneration is not included the Member Director of "Audit Committee" and "Nomination & Remuneration Committee"

23. Selling & Distribution Overhead:

This is arrived as follows:

Export Sale Expenses	26,822,914	28,160,989
Loading & Unloading	7,296,865	7,506,908
Total	**34,119,779**	**35,667,897**

24. Finance Cost:

Interest on Deferred LC Loan	459,655,346	598,069,097
Interest on OD	22,492	49,016
Interest on Short Term Loan	416,047,478	165,709,664
Interest on Long Term Loan	476,216,449	515,836,558
	1,351,941,765	**1,279,664,335**

a) Finance cost increased (Tk 7.23 crore or 5.65%) due to increase of working capital loan financing.

b) Interest expenses is derived from Long Term Loan, Short Term Loan and is recognized on an accrual basis.The finance cost includes no interest on any sort of borrowing from directors including managing director and managers.

25. Non-Operating Income:

Interest Income	13,464,656	15,237,636
Cash Incentive	563,700	-
Forfeited Provident Fund	2,725,168	2,498,406
Gain on Disposal of Assets	596,343	-
Forex Exchange Rate Fluctuation Gain/ (Loss)	2,044,927	11,020,257
	19,394,794	**28,756,299**

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

	Taka 2025-2026	Taka 2024-2025

* P.F Forfeiture amount represents the amount forfeited from Employees Provident Fund and returned to the company as per guideline of FRC.

26. Allocation for W.P.P.F & W.F:	**47,563,671**	**69,450,580**

This represents 5% of Net Income before Tax after charging the allocation as per provisions of the Companies Profit under Labour Act 2006 (Amended in 2018).

27. Provision for Income Tax for the Year:	**132,515,899**	**173,910,080**

This represents estimated Income Tax on Net Income for the Year and adjustment any short/excess provision for prior years.

28. Earnings Per Share (EPS):

The Computation is given below:

Earning attributable to Ordinary Shares including other income	836,485,394	1,273,063,165
Number of Ordinary shares	197,252,000	197,252,000
Earnings Per Share	**4.24**	**6.45**

During the period EPS decreased by BDT 2.21 (34.26%) due to decreased of yarn price and increase of finance cost.

29. Net Asset Value (NAV) Per Share:

The Computation is given below:

Equity Attributable to the Owners of the Company	10,435,817,528	10,230,538,534
Number of Ordinary shares	197,252,000	197,252,000
Net Asset Value (NAV) Per Share	**52.91**	**51.87**

30. Net Operating Cash flows per Share (NOCFPS):

The Computation is given below:

Net Cash Generated (Used in) from Operating Activities	1,248,617,116	618,041,083
Number of Ordinary shares	197,252,000	197,252,000
Net Operating Cash flows per Share (NOCFPS)	**6.33**	**3.13**

The business (100% export oriented spinning industry) operation is volatile and realization from debtors (100% confirmed back to back LC) also very positively co-related with this, but all import payments should be made as per provision of UCPDC-600, resultant, the per share operating cash flows fluctuates from quarter to quarter, which is very common for the spinning business trend.

31. Reconciliation of Net Profit with Cash Flows from Operating Activities:

The Computation is given below:

Profit After Tax	**836,485,394**	**1,273,063,165**
Adjustment to reconcile net profit to net cash provided by operating activities :		
Non-cash Expenses:		
Depreciation	947,199,978	924,537,744
Deferred Tax	(17,727,867)	(57,961,648)
Net effect of foreign currency translation	(317,823)	17,714,608
	929,154,288	**884,290,704**

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

	Taka 2025-2026	Taka 2024-2025
Non-Operating Items:		
(Gain)/ Loss on Disposal of Assets	(596,343)	2,287,628
	(596,343)	**2,287,628**
Changes in working Capital:		
(Increase)/Decrease in Inventories	(305,099,050)	(627,081,695)
(Increase)/Decrease in Trade Receivables	(58,337,470)	(758,930,119)
(Increase)/Decrease in Advances, Deposits & Prepayments	(80,250,486)	(237,319,385)
Increase/(Decrease) in Creditors & Other Payables	12,010,176	24,422,979
Increase/(Decrease) in Liabilities for Other Finance	(43,110,491)	73,011,162
Increase/(Decrease) in Income Tax Payable	(41,638,902)	(15,703,356)
	(516,426,223)	**(1,541,600,414)**
Net Cash Generated (Used in) from Operating Activities	**1,248,617,116**	**618,041,083**

32.Number of Employees:

The Number of employees and expenses incurred for employees during the year as follows:

No. of Employees:		
Below Tk. 120,012.00 p.a	-	-
Tk. 120,012.00 and Above	4,749	4,757
	4,749	**4,757**
Amount in Taka		
Below Tk. 120,012.00 p.a	-	-
Tk. 120,012.00 and Above	1,488,171,220	1,417,397,975
	1,488,171,220	**1,417,397,975**

There is no Salary/Wages/Remuneration below Tk.10,001/- per month with w.e.f March-2024.

33. Key Management Personnel Compensation:

During the year, the amount of compensation paid to Key Management Personnel including Board of Directors is as under (As para 17 of IAS 24):

Short Term Employee Benefits	108,978,592	106,132,822
Post Employment Benefits	364,500	1,570,980
Other Long Term Benefits	-	-
Termination Benefits	-	-
Share Based Payment	-	-

34.Capital Expenditure Commitment:

Contract for capital expenditure are being executed by the Contractors and running bills are accounted for, but the unfinished contracts has not been reflected in this Financial Statements.

35. Claim Acknowledgement:

There was no claim against the Company not acknowledged as debt as on June 30, 2026.

36. Contingent Liability:

Contingent liabilities at the Balance Sheet date are as follows;

36.1 Guarantee Issued by Bank in favor of Vendor (Utility, Insurance etc):

Standard Chartered Bank	5,316,582	5,316,582
HSBC Bank	7,689,570	4,011,670
Prime Bank	147,908,748	146,766,537
City Bank	113,462,378	102,575,901
Bank Alfalah	10,443,827	17,138,808
Total	**284,821,105**	**275,809,498**

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

	Taka 2025-2026	Taka 2024-2025
36.2 Contingent Liability under Import LC:		
Standard Chartered Bank	1,045,993,229	895,665,612
HSBC Bank	1,661,346,073	624,014,076
Prime Bank	904,025,914	603,274,128
City Bank	369,187,745	459,045,860
Total	**3,980,552,961**	**2,581,999,676**
37. Production Capacity and Utilization:		
Capacity Installed:		
No. of Spindles Installed	173,950	173,950
No. of Rotor Heads Installed	5,192	5,192
No. of Vortex Heads Installed	3,168	3,168
Capacity Utilised:		
No. of Spindles Operated	173,950	173,950
No. of Rotor Heads Operated	5,192	5,192
No. of Vortex Heads Operated	3,168	3,168
Production Target (In Kg):		
-At Equivalent 30s Count (Ring Yarn)	29,804,231	29,787,436
- At Equivalent 14s Count (O/E Yarn)	13,406,287	13,568,427
- At Equivalent 30s Count (Vortex Yarn)	11,330,496	11,342,657
	54,541,014	**54,698,520**
Actual Production (In Kg):		
-At Equivalent 30s Count (Ring Yarn)	28,069,178	28,007,220
- At Equivalent 14s Count (O/E Yarn)	12,706,882	12,838,866
- At Equivalent 30s Count (Vortex Yarn)	10,759,824	10,754,239
	51,535,884	**51,600,325**

During the last few years we had to face hard competition in the national & international market. To cope with the situation we have adopted multiple product mix to attain high margin as strategy of value addition through product differentiation. Hence, we have restated the production capacity installation criterion and actual production quantity to make them (The production data) equivalent & comparable.

38. Dividend Paid to the Shareholders:

During the year under review total cash dividend amounting to Tk. 631,206,400/- has been paid to the shareholders.

39. Credit Facility:

There was no credit facility available to the Company under any contract other than bank credit facility and trade credit available in the ordinary course of business.

40. Related Party Transaction:

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

Transaction with Square Pharma. PLC(SPL):		
Opening	-	-
Total	5,696,893,100	9,425,550,000
Total	(5,696,893,100)	(9,425,550,000)
Closing Balance- Receivable/ (Payable)	**-**	**-**

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

	Taka 2025-2026	Taka 2024-2025
Transaction with Aegis Services Ltd. (ASL):		
Opening Balance	-	-
Total Service Received	(57,688,960)	(46,931,294)
Total	57,533,097	46,931,294
Closing Balance- Receivable/ (Payable)	**(155,863)**	**-**
Transaction with Square Informatix Ltd. (SIL):		
Opening Balance	-	-
Total Service Received	(8,599,413)	(5,882,202)
Total	8,599,413	5,882,202
Closing Balance- Receivable/ (Payable)	**-**	**-**
Transaction with Square Hospitals Ltd. (SHL):		
Opening Balance	-	-
Total Service Received	(3,056,602)	(2,525,142)
Total	3,056,602	2,525,142
Closing Balance- Receivable/ (Payable)	**-**	**-**
Transaction with Square Fashions Ltd. (SFL):		
Opening Balance	358,534,248	556,785,609
Total Goods Delivered	1,276,642,435	1,513,149,956
Total Received	(1,250,251,986)	(1,711,401,317)
Closing Balance- Receivable/ (Payable)	**384,924,697**	**358,534,248**
Transaction with Square Denims Ltd. (SDL):		
Opening Balance	808,065,292	770,974,557
Total Goods Delivered	3,208,574,285	3,273,759,920
Total Received	(2,919,549,898)	(3,236,669,185)
Closing Balance- Receivable/ (Payable)	**1,097,089,679**	**808,065,292**
Transaction with Square Apparels Ltd. (SApL):		
Opening Balance	205,638,628	96,067,177
Total Goods Delivered	858,059,420	884,332,483
Total Received	(803,151,690)	(774,761,032)
Closing Balance- Receivable/ (Payable)	**260,546,358**	**205,638,628**

41. Event after Balance sheet date:

41.01 The Board of Directors in it's meeting held on October 25, 2026 approved the financial statements for the year ended June 30, 2026. The Board of Directors also authorised the same for issue.

41.02 The Board of Directors of SQUARE Textiles PLC. as it's board meeting held on 25 October 2026 has recommended @ 32% cash dividend {i.e. Tk. 3.20 (Tk Three and Twenty Paisa) per share} for the year ended June 30, 2026. These dividends are subject to the approval by the shareholders at the forthcoming Annual General Meeting of the company. The total amount of Proposed Cash Dividend for the year 2025-26 is calculated at Tk. 631,206,400/-.

41.03 Except above no other significant event occurred till the date of signing the financial statements.

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

Schedule- A

SQUARE Textiles PLC.
SCHEDULE OF PROPERTY, PLANT & EQUIPMENT
As at June 30, 2026

Amount in Taka

Particulars	Cost				Depreciation				Written Down Value as at 30 June 2026
	Opening Balance as at 01 July 2025	During the Year		Closing Balance as at 30 June 2026	Opening Balance as at 01 July 2025	During the Year		Closing Balance as at 30 June 2026	
		Additions	Sales/ Obsoletes			Charged	Adjustments		
Land & Land Development	689,009,417	33,007,415	-	722,016,832	-	-	-	-	722,016,832
Building-Factory & Utility	1,951,936,860	-	-	1,951,936,860	795,479,465	85,751,050	-	881,230,515	1,070,706,345
Building-Others	566,656,092	-	-	566,656,092	297,177,537	22,846,262	-	320,023,799	246,632,293
Sheds	42,291,522	-	-	42,291,522	23,102,309	4,134,367	-	27,236,676	15,054,846
Plant & Machinery	12,834,647,090	309,063,349	(85,413,757)	13,058,296,682	5,858,931,019	677,207,190	(84,125,100)	6,452,013,109	6,606,283,573
Laboratory Equipment	152,789,631	-	(515,694)	152,273,937	63,907,356	22,631,475	(515,694)	86,023,137	66,250,800
Electrical Installation	829,137,824	31,014	(7,005,145)	822,163,693	461,323,995	77,184,012	(7,005,145)	531,502,862	290,660,831
Gas Line Installation	43,678,531	-	-	43,678,531	36,900,864	2,087,291	-	38,988,155	4,690,376
Motor Vehicles	222,118,663	18,634,664	(3,650,000)	237,103,327	144,203,717	26,690,829	(3,285,000)	167,609,546	69,493,781
Office Equipment	28,834,116	2,372,053	-	31,206,169	23,004,529	2,131,143	-	25,135,672	6,070,497
Furniture & Fixture	17,083,907	566,744	-	17,650,651	15,792,431	413,981	-	16,206,412	1,444,239
Computer	5,238,423	642,900	-	5,881,323	4,264,710	312,858	-	4,577,568	1,303,755
Hardware & Software	-	-	-	-	-	-	-	-	-
Boundary Wall	58,890,429	-	-	58,890,429	35,247,109	3,471,537	-	38,718,646	20,171,783
Deep Tube-Well	2,730,800	-	-	2,730,800	2,708,913	5,837	-	2,714,750	16,050
Safety & Security Equipment	17,205,322	-	-	17,205,322	3,407,205	997,454	-	4,404,659	12,800,663
Communication and Network Equipment	7,007,669	-	-	7,007,669	6,739,895	114,374	-	6,854,269	153,400
Other Assets	110,309,386	31,000	(199,886)	110,140,500	45,625,816	12,722,684	(199,886)	58,148,614	51,991,886
Sub Total- Factory	**17,579,565,682**	**364,349,139**	**(96,784,482)**	**17,847,130,339**	**7,817,816,870**	**938,702,344**	**(95,130,825)**	**8,661,388,389**	**9,185,741,950**
Head Office:									
Motor Vehicles	43,074,417	9,100,000	-	52,174,417	28,387,560	7,336,690	-	35,724,250	16,450,167
Office Equipment	1,816,225	93,500	-	1,909,725	584,665	320,869	-	905,534	1,004,191
Furniture & Fixture	963,936	166,500	-	1,130,436	238,229	203,887	-	442,116	688,320
Computer	1,566,514	645,600	-	2,212,114	430,319	362,376	-	792,695	1,419,419
Hardware & Software	2,300,000	-	-	2,300,000	2,026,188	273,812	-	2,300,000	-
Sub Total- Head Office	**49,721,092**	**10,005,600**	**-**	**59,726,692**	**31,666,961**	**8,497,634**	**-**	**40,164,595**	**19,562,097**
Total as at 30 June 2026	**17,629,286,774**	**374,354,739**	**(96,784,482)**	**17,906,857,031**	**7,849,483,831**	**947,199,978**	**(95,130,825)**	**8,701,552,984**	**9,205,304,047**
Total as at 30 June 2025	**16,299,752,748**	**1,562,030,408**	**(232,496,382)**	**17,629,286,774**	**7,149,424,841**	**924,537,744**	**(224,478,754)**	**7,849,483,831**	**9,779,802,943**

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

SQUARE Textiles PLC.
Position on Shareholding
As at 30 June 2026

Schedule-B

Position of shareholding of ordinary shares as at 30 June 2026

Amount in Taka

SL. No.	Shareholder's Group	Number of Shares	% of Holding 2025-2026	Number of Shares	% of Holding 2024-2025
1	Sponsors	121,959,707	61.83	121,959,707	61.83
2	Foreign Investors	5,421,273	2.75	5,421,273	2.75
3	Financial and other Institutions	47,971,930	24.32	46,870,360	23.76
4	General Public	21,899,090	11.10	23,000,660	11.66
Total		**197,252,000**	**100.00**	**197,252,000**	**100.00**

Distribution schedule of each class of equity security setting out the number of holders and percentage as on 30 June 2026:

SL.	Range of Holdings	As per Folio		As per BO ID		%	Total Share Holding
		No. of Holders	Holdings	No. of Holders	Holdings		
1	Less than 500 shares	3,241	280,068	7,418	898,425	0.60%	1,178,493
2	500 to 5,000 shares	237	265,707	3,267	5,194,848	2.77%	5,460,555
3	5001 to 10,000 shares	7	49,127	341	2,456,949	1.27%	2,506,076
4	10,001 to 20,000 shares	3	40,701	177	2,515,665	1.30%	2,556,366
5	20,001 to 30,000 shares	1	25,820	50	1,258,589	0.65%	1,284,409
6	30,001 to 40,000 shares	1	35,070	34	1,193,808	0.62%	1,228,878
7	40,001 to 50,000 shares	3	144,849	21	959,469	0.56%	1,104,318
8	50,001 to 100,000 shares	3	208,598	35	2,640,141	1.44%	2,848,739
9	100,001 to 1,000,000 shares	6	3,321,345	52	17,376,616	10.49%	20,697,961
10	Over 1,000,000 shares	7	61,895,160	9	96,491,045	80.30%	158,386,205
Total		**3,509**	**66,266,445**	**11,404**	**130,985,555**	**100%**	**197,252,000**

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA