



EVOLVING TIME

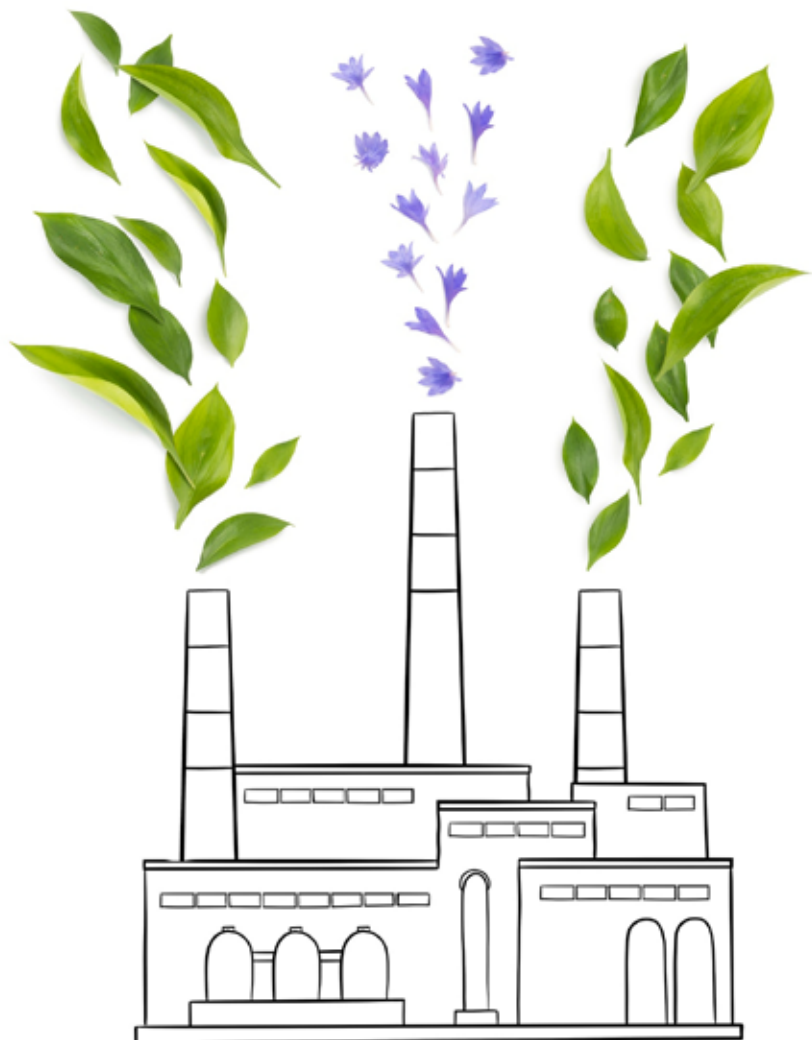
ANNUAL REPORT
2024-2025

Esquire Knit Composite PLC

A purpose-led organization, our ethic is centered around giving back more than what we take. For the past twenty four years, this has enabled our transformative journey, which has delivered superior value for all our stakeholders.



Being socially responsible
for a sustainable
environment, Esquire Knit
has a mission of becoming a
Green Company



GROUP PROFILE

Company Overview

The Esquire Group is a prominent Bangladeshi conglomerate that has been operating since 1977. It is a diversified business group with over 10 companies operating primarily in the Ready-Made Garments (RMG), consumer electronics, and consumer plastics industries.

OVERVIEW AND HISTORY

The group began its journey in the late 1977s with Esquire Electronics Ltd., which focused on trading electronic goods from brands like General, Sharp, and Mitsubishi. In the 1990s, the group diversified into the manufacturing sector, starting with textile operations and gradually expanding its industrial footprint. Today, the group employs over 12,000 plus people and has a significant global export presence, particularly in the apparel market, supplying major brands and retailers in Europe and the Americas.

KEY BUSINESS AREAS AND CONCERNS

The Esquire Group's operations are divided into several key concerns:

This is a major focus, encompassing a fully vertical manufacturing process from yarn dyeing to finished garments.

◆ READY-MADE GARMENTS & TEXTILES

This is a major focus, encompassing a fully vertical manufacturing process from yarn dyeing to finished garments.

❖ Esquire Knit Composite PLC

A public listed company and a core part of the group, known for its world-class knit garment manufacturing facilities.

❖ L' Esquire Limited

Specializes in high-performance lingerie, apparel, including intimates, activewear, and sportswear.

❖ Esquire Dyeing Industries Limited

One of the first automated yarn dyeing projects in Bangladesh, established in 1993.

❖ Esquire Accessories Limited

Manufactures accessories like hangers, cartons, and labels for the garment industry

◆ CONSUMER ELECTRONICS

❖ Esquire Electronics Limited

A leading name in the local market for the distribution and sales of high-quality household electronics, including air conditioners, refrigerators, televisions, and other appliances.

◆ PLASTICS

❖ Esquire Plastics Limited

Manufactures a variety of household plastic products.

◆ OTHER VENTURES

The group also has interests in other sectors such as chemicals, cosmetics, and information systems.



CORPORATE RESPONSIBILITY

The group emphasizes ethical business practices, sustainability, and employee welfare. Their manufacturing facilities often hold various international certifications for quality, environment, and safety management systems (e.g., ISO 9001, ISO 14001, ISO 18001, GOTS). They are noted for their use of eco-friendly technology, such as the “Nano-Dye™” system in fabric dyeing, which significantly reduces water and energy usage.

For further information, you can visit the

www.esquireknit.com

Letter Of Transmittal

To

The Members
Bangladesh Securities and Exchange Commission
Register of Joint Stock Companies & Firms
Dhaka Stock Exchange PLC
Chittagong Stock Exchange PLC

Subject: The annual report for the financial year ended on June 30, 2025.

Dear Sir /Madam,

We are pleased to enclose a copy of the Annual Report containing the Directors' Report. Auditors' Report along with the Audited Financial Statements comprising Statement of Financial Position as of June 30, 2025, Statement of Profit or Loss and Other Comprehensive Income, Changes in Equity and Cash Flows for the year ended June 30, 2025 along with notes thereon, all other Consolidated and Standalone Financial Statements, Corporate Governance Compliances and others of the company for your kind information, records, and necessary measures.

Thanking You
Yours faithfully,



Md. Monir Hossain
Company Secretary

Sunday & Dhaka
October 26, 2025

N. B: The Annual Report 2024-2025 is also available on the company's website at www.esquireknit.com

The *founder*



Md. Mofazzal Hossain

Founder Chairman of Esquire Group
1946-2023

Our Commitment to *Esquire knit*

Esquire Knit Composite PLC (EKCPLC) has publicly declared a strong commitment to its stakeholders, focusing on integrity, quality, sustainability, and employee welfare. This commitment extends to its customers, employees, the community, and the environment.



CORE COMMITMENTS

INTEGRITY AND ACCOUNTABILITY

The company commits to fulfilling responsibilities with integrity, passion, and ownership, and holding itself accountable for outcomes.

QUALITY AND EXCELLENCE

A key focus is on demonstrating quality and striving for excellence in all actions and products, with an emphasis on attention to detail and flawless performance. The goal is to be a champion among suppliers by delivering quality products on time and ensuring customer satisfaction.

STAKEHOLDER RELATIONSHIPS

EKCPLC is committed to maintaining strong relationships with all stakeholders, including investors, customers, suppliers, and employees, and supporting their views.



EMPLOYEE WELFARE AND DEVELOPMENT

The company values its employees and treats them with respect and dignity. Commitments include creating employment opportunities, improving quality of life, enhancing capabilities, and providing opportunities for advancement within the company. They ensure fair and safe working conditions and have documented policies against child labor and forced labor.

ENVIRONMENTAL RESPONSIBILITY

EKCPLC is dedicated to building an environment-friendly and socially responsible company. This includes adopting the “Go Green” concept, working towards LEED certification for its facilities, using eco-friendly machinery, and implementing an Effluent Treatment Plant (ETP) to manage wastewater.

Community and Social Involvement

The company actively participates in initiatives that benefit society, such as programs that focus on employment and employability of young people, sponsoring various social and educational development program.

These commitments are embedded in the company's vision and are monitored through internal and external audits and various international certifications such as ISO 9001, ISO 14001, and OHSAS 18001.

About *This report*

This is Esquire Knit's 25th Annual General Meeting

Over the last 25 years, Esquire Knit has stayed true to the founders' vision—to earn the respect of our stakeholders. It is no wonder that a holistic appreciation of progress, inclusive of the universe of stakeholders, from clients to communities, employees, suppliers, investors, and the government, has continued to inform our collective efforts and results since inception.

This is Esquire Knit's Integrated Report, reflecting our performance and strategy aligned to the current business context. It encompasses both qualitative and quantitative disclosures regarding our financial performance, critical sustainability impact, and socially inclusive activities conducted during the year.

The sustainability impacts section of this Report sketches out our targets for 2030 in material areas, reinforcing our commitment to sustainability as an industry leader and global corporate citizen. Further, it reflects upon the responsible practices and initiatives undertaken during the year to reduce the environmental footprint and encourage social upliftment. The Report is aimed at transparently communicating to our stakeholders our business progress as well as reflecting our ongoing efforts to assess our most significant environmental, social, and governance (ESG) impacts, risks, and opportunities.



Reporting frameworks

The financial statements and statutory disclosures including the Board's Report, Management Discussion and Analysis (MDA), and Corporate Governance Report are presented in conformance to the requirements of the Companies Act, 1994 (and the rules made thereunder), Bangladesh Financial Reporting Standards (BFRS), International Financial Reporting Standards (IFRS), the BSEC (Listing Obligations and Disclosure Requirements) Regulations, 2015, Corporate Governance Code-2018 and Secretarial Standards issued by the Institute of Chartered Secretaries of Bangladesh. The non-financial section is guided by the Standard Reporting framework.

Reporting boundary

The financial metrics and information presented in the 2024-2025 financial year Integrated Report pertain to Esquire Knit Composite PLC, including its business operations and subsidiaries. The company's non-financial disclosures are limited to the Company's operation in Bangladesh unless otherwise specified in relevant sections.

Reporting Period

The report covers the financial and non-financial performance of the company and its subsidiary from July 1, 2024 to June 30, 2025.

Management responsibility statement

The Management of Esquire Knit acknowledges its responsibility to ensure the integrity, transparency and accuracy of information presented in the Integrated Report. The Management also confirms that the report addresses all business-critical material issues about the organization and its stakeholders, and communicates the organization's ability to pursue prospects and mitigate risks.

Reporting Element	Assurance Status
Financial Information	The company presented the audited financial statements by Pinaki & Company, Chartered Accountants.
All other non-financial performance information	Internally verified and assured by the company's Management and maintained International Reporting Standards.
Compliance with the Corporate Governance	The company presented the audited compliance with the corporate governance code by M/s. Chowdhury Bhattacharjee & Co. in the report.



Notice of the 25th Annual General Meeting

Notice of the 25th Annual General Meeting

Notice is hereby given that the 25th Annual General Meeting of the Shareholders of Esquire Knit Composite PLC will be held virtually using a Digital Platform on Sunday, January 25, 2026, at 11:00 a.m. (Dhaka time) to transact the following business:

AGENDA

1. To receive, consider and adopt the Audited Financial Statements (both Standalone and Consolidated) of the company for the financial year ended June 30, 2025, together with the Reports of the Board of Directors and the Auditors.
2. To declare a Dividend for the financial year ended June 30, 2025. The Board of Directors has recommended a Dividend of Tk. 1.00 per share of Tk. 10.00 each (excluding sponsors and directors), i.e., 10% cash dividend.
3. To elect/re-elect Mr. Md. Ehsanul Habib and Mr. Md. Muddasar Hossain, Directors of the company, in terms of the relevant provision of the Articles of Association, who retire by rotation and are eligible, offer themselves for re-election.
4. To approve the appointment of independent directors
5. To appoint M/s. Anil Salam Idris & Co., Chartered Accountants, as Statutory Auditors for the 2025-2026 financial year, and fix their remuneration.
6. To appoint M/s. Chowdhury Bhattacharjee & Co., Chartered Accountants, as Corporate Governance Compliance Auditors for the 2025-2026 financial year, and fix their remuneration.
7. To approve the appointment of Mr. Md. Ehsanul Habib as Managing Director of the company.

All shareholders of the Company are requested to kindly attend the meeting accordingly.

By order of the Board



Md. Monir Hossain
Company Secretary

Sunday and Dhaka
October 26, 2025

Notes:

1. The 'Record Date' of the Company shall be on Tuesday, December 2, 2025. The shareholders whose names will appear in the Share Register of the Company or the Depository Register on the 'Record Date', i.e., December 2, 2025, will be entitled to attend the Annual General Meeting.
2. A Member entitled to attend and vote at the Annual General Meeting may appoint a Proxy to attend and vote in his/her stead. The proxy form, duly stamped, valuing Tk. 20/- must be deposited at the Company's registered office before 48 hours of the time fixed for the meeting.
3. The Annual Report for the 2024-2025 financial year will be sent to the e-mail address of the shareholders and will be available on the Company's website at www.esquireknit.com.
4. The shareholders will join the Virtual Annual General Meeting through the link <https://esquireknit.bdvirtualagm.com>. The Shareholders will be able to submit their questions/comments and vote electronically 24 (twenty-four) hours before commencement of the AGM and during the AGM. To log in to the system, shareholders need to put their 16-digit Beneficial Owner (BO) ID/Folio Number and other credentials as proof by visiting the link.
5. Members whose names, TIN, Bank Account Number, e-mail addresses and mobile numbers have not been updated/changed in the meantime, are requested to update the same.
6. The concerned Brokerage House/DPs are requested to provide us with the statement (both the hard & soft copies) on or before December 22, 2025, with details of their margin loan holders entitled to dividends for the financial year ended on June 30, 2025.
7. We encourage the members to log into the system before the meeting starts. Please allow ample time to log in and establish your connectivity. For IT-related guidelines, Shareholders may contact Mobile Number +8801713-335876 or e-mail: cs@esquire.com.bd.
8. In compliance with the circular No. SEC/CMRRCD/2009-193/154 dated 24 October 2013 issued by BSEC, no benefit in cash or kind shall be offered to the members during the Annual General Meeting.

This is *Esquire Knit*

Esquire Knit Composite PLC a major Bangladeshi knit garments manufacturer.

We are globally renowned for designing, sourcing, and manufacturing fashion that excites customers and inspires confidence.

Here is a summary of the key information about the company:

Industry Ready-Made Garments (RMG) and Textiles (100% export-oriented)	Parent Group Part of the larger Esquire Group conglomerate in Bangladesh	Business Model Vertically integrated, meaning they handle all stages of production from yarn dyeing and knitting to garment finishing, all under one roof.
Key Products Knit apparel for men, women, and children, including basics, activewear, and intimates.	Major Clients Suppliers to prominent international brands such as Michael Kors, Celio, Mascot, Tee Jays, Riachuelo, Gloria Jeans, O'stin, Lc Waikiki, Aura, Sports Group Denmark, UCB and Primark.	Key Objectives Focus on customer satisfaction, operational efficiency, environmental sustainability (ISO 14001, Oeko-Tex Standard 100), and leveraging technology like automated machinery and ERP systems to maintain a competitive edge.

The company is listed on both the Dhaka Stock Exchange (DSE) and the Chittagong Stock Exchange (CSE) in Bangladesh.

Revenue	Total Assets	Shareholder's Equity	NAV with and without revaluation reserve	Factory Premises
BDT 10,070.59 million	BDT 16,820.35 million	BDT 8,933.61 million	BDT 66.23 and 38.51	Kanchpur, Sonargaon, Bhaluka, Mymensingh

Fulltime Employee	Subsidiary company	Female Employee	Listing with DSE & CSE	Year of Incorporation
6,635	L' Esquire Limited	3,807	2019	2000

Inside *The Report*

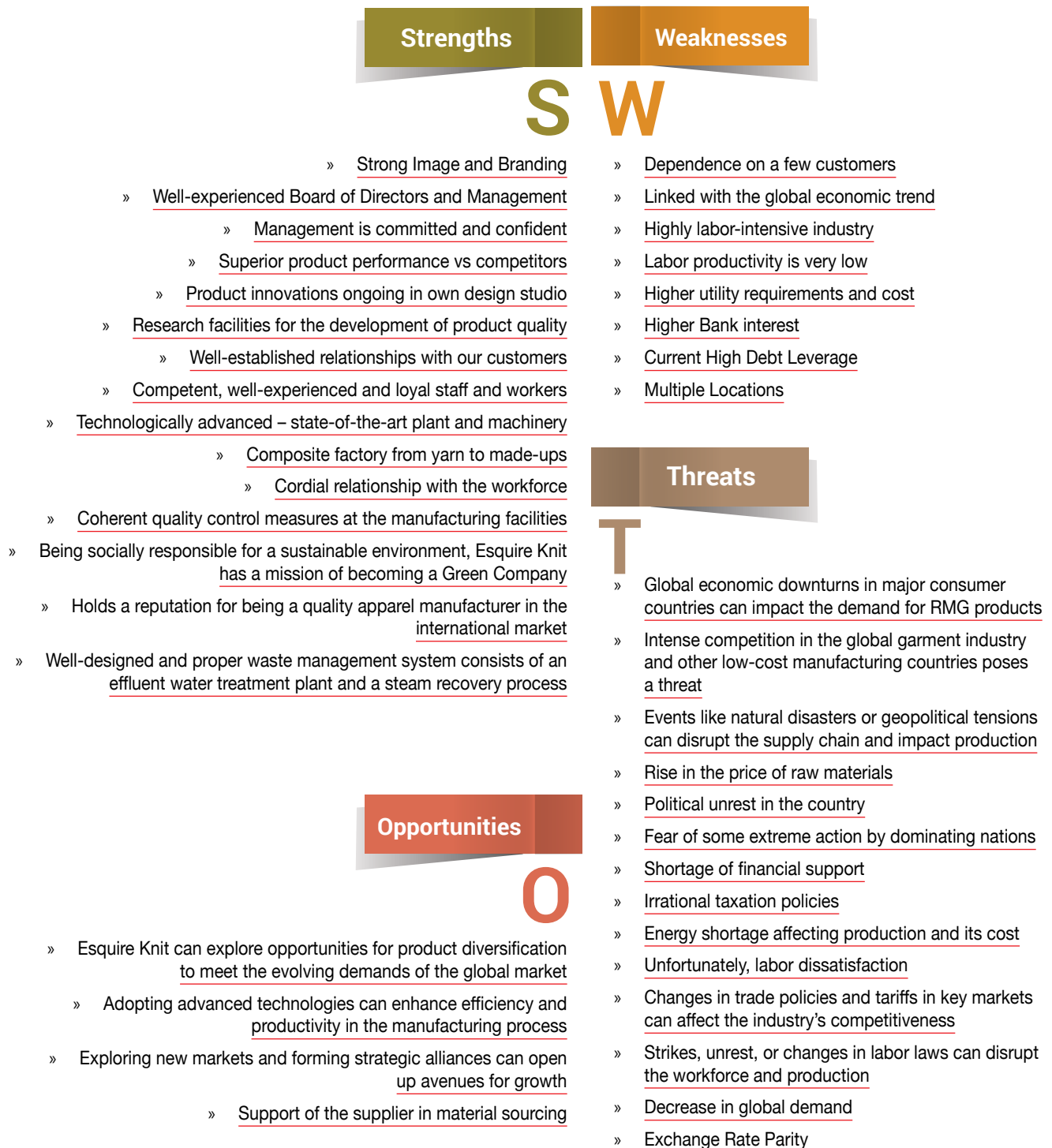
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SWOT Analysis

SWOT Analysis is a useful technique for understanding a company's Strengths and Weaknesses and identifying Opportunities and Threats. SWOT analysis helps us create a strong business strategy by ensuring that we consider all the strengths and weaknesses of our business, as well as the opportunities and threats it faces in the marketplace.



Mission

To become a leading manufacturer of Knit Garments Products in the international market and to explore a new era to achieve the highest level of success. At the same time, our mission is to ensure quality products and services to the customers within the shortest possible lead time based on the optimum utilization of the resources to achieve sustainable growth. We want to make sure that the overall purpose and scope of the business are meeting shareholders'/stakeholders' expectations through maintaining business ethics, caring for the environment and striving for a green planet.

Vision

A premier quality company providing quality products and maintaining an excellent level of ethical and professional standards. At the same time, our vision is to work for continuous self-improvement to serve our customers with the best possible products and services and emerge as one of the most admired companies in the textiles and knit garment arena.

Core Objectives

The core objectives of Esquire Knit Composite PLC are centered around being a world-class, 100% export-oriented manufacturer while ensuring profitability for investors and contributing positively to society and the environment

Key objectives include

Manufacturing and Export	To operate a fully integrated, composite knit garments factory (including knitting, dyeing, printing, and sewing units) to produce high-quality apparel for export to global brands and retailers in Europe and the Americas.
Customer Satisfaction	To be a "champion among suppliers" by consistently delivering quality products on time and achieving high levels of buyer satisfaction.
Financial Performance	To protect shareholder investments and provide good dividends at the end of each financial year.
Operational Excellence	To make optimal use of resources, achieve maximum efficiency, and utilize state-of-the-art, eco-friendly technology and machinery
Employee Welfare	To create employment opportunities, improve the quality of life of employees, and ensure fair, safe, and respectful working conditions.
Sustainability and Ethics	To build an environmentally friendly and socially responsible company, adhering to international compliance standards and "Go Green" concepts.
National Contribution	To earn foreign exchange and help keep the country's economy moving by exporting manufactured readymade garments.

Ultimately, the company aims to establish itself as a unique and leading global garment manufacturer with a strong reputation for quality and commitment.

Core Values

Esquire Knit Composite PLC operates based on a clear set of corporate values and commitments outlined in its official reports and company information.

The core values focus on:

Integrity and Honesty	Emphasizing dignity and honesty, holding themselves and colleagues accountable for actions and responsibilities.
Quality and Excellence	Striving for flawless performance and continuous self-improvement in products and services to meet customer satisfaction.
Respect and Teamwork	Treating all employees and business partners with mutual respect and trust, celebrating diversity, and working as a unified team

CORE OBJECT

Passion	Maintaining high standards and the drive to constantly evolve and adopt the latest technology to provide innovative service offerings.
Commitment & Ownership	Fulfilling all responsibilities with a strong sense of ownership and commitment to all stakeholders.
Sustainability & Social Responsibility	Building an environment-friendly and socially responsible company, with a vision to offer sustainable clothing and minimize environmental impact.
Efficiency and Time Management	Placing high value on effective time management and meeting deadlines to ensure quick and efficient client experience.

Commitment to Product Quality

Esquire Knits Composite PLC's commitment to product quality is a cornerstone of its business strategy, focusing on "flawless performance" to meet stringent international standards and customer satisfaction.

Core Commitments & Practices

Zero Deviation & Flawless Performance	A core value is to strive for excellence and flawless performance in all actions, aiming for 100% perfect products through increased emphasis on attention to detail. The yarn dyeing process, for instance, targets "virtually zero deviation" from customer standards.
Adherence to International Standards	The company adopts industry best practices in all operations to ensure the highest quality standards. This commitment is validated by various international certifications and compliance with buyer-specific requirements.
Integrated Quality Control	Quality management is integrated throughout the entire vertical manufacturing process, from raw material sourcing to final packaging.
In-house Laboratory	Esquire operates an advanced, in-house testing lab equipped with sophisticated equipment for various tests (wash tests, pilling tests, color fastness, shrinkage, etc.). This lab is accredited by major global brands/institutes.
Rigorous Inspection Regimens	Quality control involves strict inspection procedures at every stage: incoming raw materials (AQL 1.5, 4-point inspection for fabrics), cutting (checking 10% of cut panels), sewing (traffic light system for in-process inspection), and finishing/packing.
Technology Integration	The use of state-of-the-art machinery, including automated cutting machines, computerized embroidery, and advanced CAD systems, helps ensure precision and consistency.

Certifications and Compliance

The company holds several key certifications that demonstrate its commitment to quality management:

- » **ISO 9001** (Quality Management System).
- » **BSCI** (Business Social Compliance Initiative), **C-TPAT**, and **WRAP** compliance, which include quality evaluations by third-party evaluators like SGS and ITS.
- » **Organic Content Standard (OCS-IN)** and **Global Organic Textile Standard (GOTS)** certifications for sustainable and quality material sourcing.

This robust framework ensures that all products meet the rigorous quality standards required by their global customer base in Europe and America.

Customer Satisfaction

Customer satisfaction for Esquire Knit Composite PLC is primarily measured in a Business-to-Business(B2B) context, focusing on quality, efficiency, and reliability to meet the stringent demands of major global apparel brands.

Key Drivers of B2B Customer Satisfaction

EKCPLC aims to satisfy its international clients by focusing on several operational aspects:

Quality and Compliance	The company operates highly sophisticated testing labs accredited by major buyers like Michael Kors, Celio, Mascot, Tee Jays, Riachuelo, Gloria Jeans, O'stin, Lc Waikiki, Aura, Sports Group Denmark, UCB and Primark. It holds numerous international certifications (ISO 9001, GOTS, OEKO-TEX Standard 100), ensuring products meet global standards and environmental/social compliance, which is a major requirement for global brands.
Time Management and Efficiency	The company emphasizes “quick and efficient completion of work” and meeting deadlines as an essential component of a satisfactory client experience. The implementation of specialized planning software (FastReactPlan) led to a 6% factory efficiency improvement and a 5% improvement in “Ship to Cut” ratio, directly impacting timely delivery and client satisfaction.
Integrated Solutions	Offering a “one-stop solution” with in-house facilities for knitting, dyeing, printing, embroidery, and accessories production makes the process more convenient and reliable for customers.
Long-Term Partnerships	The company maintains a “sound & strong customer base” with long-term partners, including major brands like Michael Kors, Celio, Mascot, Tee Jays, Riachuelo, Gloria Jeans, O'stin, Lc Waikiki, Aura, Sports Group Denmark, UCB and Primark., indicating sustained client trust and satisfaction over many years.
Attention to Detail	EKCPLC stresses “flawless performance” and an increased emphasis on attention to detail, positioning itself as a reliable manufacturer in the global market.

Summary

For its B2B clients, Esquire Knit Composite PLC's customer satisfaction is robust, built on a foundation of operational excellence, certified quality control, and reliable delivery times that meet complex international requirements.

Public Focus

The public focus on **Esquire Knit Composite PLC (EKCPLC)** largely revolves around its identity as a major, compliant, and technologically advanced exporter in Bangladesh's ready-made garment (RMG) sector, its financial performance as a publicly listed company, and its corporate social responsibility (CSR) initiatives.

Key Areas of Public Focus

Financial Performance and Shareholder Value	As a public limited company listed on the Dhaka and Chittagong Stock Exchanges, a significant portion of public (investor) focus is on its financial results. This includes the declaration of dividends for the 2024-2025 financial year (10% cash dividend for general shareholders), earnings per share (EPS), Net Asset Value (NAV), and the company's ability to protect investor investments.
Operational Excellence and Technology	EKCPLC is publicly recognized for its use of “state-of-the-art” and eco-friendly machinery, which sets it apart from many peers in the industry. The focus is often on its “one-stop solution” for garment manufacturing, from yarn dyeing to finished products, which enhances efficiency and client appeal.
Sustainability and Compliance (ESG)	There are substantial public and client focus on the company's commitment to being a “Green Company”. This includes: <ul style="list-style-type: none">» Various international certifications such as ISO 14001 (Environmental Management System), GOTS, and OEKO-TEX Standard 100.» Initiatives like tree plantation programs (“Pollution Free Earth, Our Right”) and plans to develop indigenous capabilities for Zero-Discharge water systems.» Adherence to buyer-led compliance audits by bodies like BSCI, ensuring social and ethical standards are met.

CORE OBJECT

Employment and Workforce	The company is a major employer, providing jobs for over 6,600 people and contributing significantly to the national economy by earning foreign exchange. Public focus also includes its initiatives in training and development, such as partnering to source skilled female operators and implementing digital wage payments to empower workers.
Market Position and Partnerships	Public attention is drawn to its strong base of international clients (Michael Kors, Celio, Mascot, Tee Jays, Riachuelo, Gloria Jeans, O'stin, Lc Waikiki, Aura, Sports Group Denmark, UCB and Primark., etc.) and participation in global events, which solidifies its image as a world-class manufacturer.

In essence, the public sees EKCPLC as a professionally managed, compliant, and environmentally conscious market leader within the competitive Bangladeshi RMG sector.

Accountability

Esquire Knit Composite PLC is subject to a multi-layered system of accountability driven by its status as a publicly listed company, its B2B relationships with international brands, and its own stated corporate values.

Regulatory and Financial Accountability

As a public limited company listed on the Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE), EKCPLC has strict regulatory obligations:

Securities Regulators	The company must adhere to the Corporate Governance Code stipulated by the Bangladesh Securities and Exchange Commission (BSEC). Compliance auditors examine and certify their adherence to these codes annually.
Financial Audits and Reporting	EKCPLC is required to publish transparent financial statements (quarterly and annually) that present a true and fair view of its financial position in accordance with International Financial Reporting Standards (IFRSs). These reports are audited by independent external auditors.
Shareholder Responsibility	The Board of Directors is ultimately responsible to the shareholders for the overall success and strategic direction of the company, and they work to ensure effective communication with all stakeholders.

The Operational and Ethical Accountability

The company also holds itself accountable to its customers, employees, and the environment:

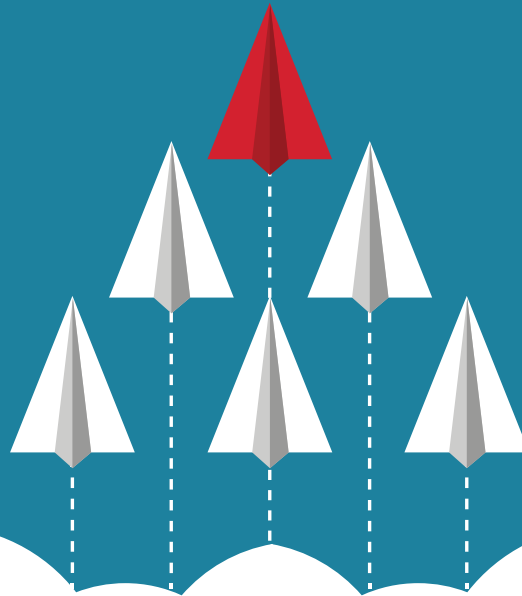
Stakeholder Commitment	In its annual reports, the company makes explicit commitments to “fulfil all our responsibilities with integrity, passion, and ownership” and to maintain a strong relationship with all stakeholders.
Compliance and Certifications	Accountability for product quality, safety, and ethical labor practices is ensured through compliance with numerous international certifications and codes, which are audited by clients and third parties:
	Factory Rules and Regulations, Fire and Safety Policy, Labour Law, and Environmental Policy.
	Certifications such as GOTS, OEKO-TEX Standard 100, ISO 9001, and ISO 14001.
	Compliance with buyer-specific codes and industry initiatives like the RMG Sustainability Council (RSC).
Business Ethics	The company encourages transparency in all actions and explicitly states, “We are accountable for our own actions and responsible for corporate reputation”.
Environmental Responsibility	EKCPLC takes steps to manage operations with concern for environmental protection, including working on developing Zero-Discharge water systems and sponsoring tree plantation programs, making them publicly accountable for their environmental impact.

In summary, EKCPLC's accountability framework is a blend of mandatory regulatory compliance, voluntary adherence to international ethical and quality standards required by its B2B clients, and self-proclaimed commitments to transparency and social responsibility.

Financial Spread Sheet Analysis

FOR FIVE YEARS OF AUDITED FINANCIAL STATEMENTS

Particulars	30-Jun-25		30-Jun-24		30-Jun-23		30-Jun-22		30-Jun-21	
	Amount (BDT)	% on Total Assets	Amount (BDT)	% on Total Assets	Amount (BDT)	% on Total Assets	Amount (BDT)	% on Total Assets	Amount (BDT)	% on Total Assets
Non-current Assets	8,775,729,835	52.17	9,038,712,651	52.18	9,173,042,782	56.09	8,857,148,816	57.04	8,342,503,179	55.76
Property, plant and equipment	5,953,800,565	35.4	6,216,583,381	35.89	6,480,082,550	39.62	6,432,000,664	41.42	6,511,975,328	43.53
Capital Work in Process	2,770,129,270	16.47	2,770,129,270	15.99	2,550,960,233	15.6	2,272,873,152	14.64	1,682,752,850	11.25
Investment in shares	52,000,000	0.31	52,000,000	0.3	142,000,000	0.87	152,275,000	0.98	147,775,000	0.99
Current Assets	8,044,422,839	47.83	8,284,881,093	47.82	7,181,081,813	43.91	6,671,497,178	42.96	6,618,709,277	44.24
Inventories	3,920,377,694	23.31	3,722,575,650	21.49	3,599,858,687	22.01	3,738,209,728	24.07	3,392,689,572	22.68
Accounts receivables	1,597,380,764	9.5	1,544,532,346	8.92	632,365,842	3.87	1,297,557,977	8.36	1,236,543,152	8.26
Other receivables	55,593,342	0.33	71,501,406	0.41	38,551,047	0.24	4,146,703	0.03	3,818,089	0.03
Advance deposit and payment	2,323,388,221	13.81	2,374,264,472	13.71	2,338,918,719	14.3	1,017,833,764	6.55	1,210,102,389	8.09
Investment	137,720,994	0.82	118,134,276	0.68	136,704,117	0.84	102,180,441	0.66	98,507,093	0.66
Cash and cash equivalents	9,961,824	0.06	453,872,943	2.62	434,413,402	2.66	511,568,565	3.29	677,048,982	4.53
Total Assets	16,820,352,674	100	17,323,593,744	100	16,354,124,596	100	15,528,645,994	100	14,961,212,455	100
Equity & Liabilities										
Shareholders' Equity	8,933,609,271	53.11	8,928,083,092	51.54	8,857,403,770	54.16	8,811,173,323	56.74	8,769,762,527	58.62
Share capital	1,348,958,330	8.02	1,348,958,330	7.79	1,348,958,330	8.25	1,348,958,330	8.69	1,348,958,330	9.02
Minority interest	-	0	-	-	-	-	-	-	359,823	0
Share premium account	1,086,653,150	6.46	1,086,653,150	6.27	1,086,653,150	6.64	1,086,653,150	7	1,086,653,150	7.26
Revaluation surplus	3,739,289,135	22.23	3,739,289,135	21.58	3,739,289,135	22.86	3,739,289,135	24.08	3,857,804,160	25.79
Retained earnings	2,758,708,565	16.4	2,753,182,477	15.89	2,682,503,155	16.4	2,336,272,708	15.04	2,475,987,064	16.55
Non-Current Liabilities	3,059,031,640	18.19	2,327,236,786	13.43	2,276,181,242	13.92	2,705,875,205	17.43	2,691,517,822	17.99
Deferred Tax liabilities	271,819,438	1.62	280,266,175	1.62	285,544,999	1.75	277,513,981	1.79	277,800,049	1.86
Long term loan net off current maturity	2,787,212,202	16.57	2,046,970,611	11.82	1,990,636,243	12.17	2,427,474,711	15.63	2,410,210,984	16.11
Finance lease obligation net off current maturity	-	-	-	-	-	-	886,513	0.01	3,506,788	0.02
Current Liabilities	4,827,711,762	28.7	6,068,273,865	35.03	5,220,539,583	31.92	4,011,597,466	25.83	3,499,932,107	23.39
Short term loan	3,008,155,581	17.88	4,616,632,172	26.65	3,341,819,932	20.43	2,173,862,378	14	1,479,436,051	9.89
Current portion of long term loan	649,287,319	3.86	451,069,640	2.6	464,594,631	2.84	291,839,388	1.88	638,302,027	4.27
Current portion of finance lease obligation	16,648,192	0.1	18,322,174	0.11	4,282,137	0.03	5,049,509	0.03	8,461,764	0.06
Unclaimed dividend	2,260,380	0.01	2,371,333	0.01	1,983,588	0.01	3,475,908	0.02	4,176,706	0.03
Accounts payable	796,985,402	4.74	510,719,411	2.95	974,131,816	5.96	1,185,400,836	7.63	1,008,849,576	6.74
Liabilities for expenses	354,374,888	2.11	469,159,136	2.71	433,727,480	2.65	351,969,446	2.27	360,705,982	2.41
Total Equity & Liabilities	16,820,352,674	100	17,323,593,744	100	16,354,124,596	100	15,528,645,994	100	14,961,212,455	100



Management *Responsibility statement*

The management responsibility statement for the annual report of Esquire Knit Composite PLC typically includes several key confirmations as required by the Bangladesh Securities and Exchange Commission (BSEC) Corporate Governance Code and other applicable laws.

Management Responsibility Statement

The management of Esquire Knit Composite PLC acknowledges its responsibilities in ensuring the integrity of the Annual Report and confirms the following:

- ◆ The financial statements present fairly the company's state of affairs, results of its operations, cash flows, and changes in equity.
- ◆ Proper books of account of the company have been maintained.
- ◆ Appropriate accounting policies, consistent with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as applicable in Bangladesh, have been applied in the preparation of the financial statements, and any departure from these standards has been adequately disclosed.
- ◆ Accounting estimates are based on reasonable and prudent judgment.
- ◆ The system of internal control is sound in design and has been effectively implemented and monitored.
- ◆ The company's ability to continue as a going concern is assessed, and related matters are disclosed as applicable.
- ◆ The Report addresses all material matters pertaining to the company and its stakeholders, and communicates the company's ability to pursue prospects and mitigate risks.
- ◆ Minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly, and have effective means of redress.

The management of the company is also responsible for establishing and executing the company's operating plan necessary to achieve its objectives and for the overall control on the company's day-to-day affairs.

Dividend and Payout Statements

Dividend

Financial year	Declared dividend	Total dividend
2024-2025	10% Cash	BDT 71.54 million
2023-2024	10% Cash	BDT 71.54 million
2022-2023	10% Cash	BDT 71.54 million
2021-2022	10% Cash	BDT 71.54 million
2020-2021	15% Cash	BDT 202.34 million
2019-2022	15% Cash	BDT 202.34 million
2018-2019	15% Cash	BDT 202.34 million

Note: In the 2021-2022, 2022-2023, 2023-2024 and 2024-2025 financial years, the Company declared a 10% cash dividend only for the general shareholders.

Average dividend

12.14%

Our Company has declared an average dividend of 12.14% since listing, based on its net profit after tax. This average is based on seven years from the 2018-2019 financial year.

Average payout

92.83%

Since listing, our company's average dividend payout ratio has been 92.83%. This average is based on seven years from the 2018-2019 financial year.

Objectives & Strategies

OUR PRIMARY OBJECTIVE IS TO DELIVER A SATISFACTORY RETURN TO SHAREHOLDERS



OBJECTIVES

We are committed to delivering sustainable excellence in business performance by focusing on the following:

1. Be the apparel industry leader of the Country;
2. Be innovative in fashion;
3. Manufacture premium products to meet the customer requirements;
4. Create new opportunities for business growth and diversification;
5. Maintain operational, technological and managerial excellence;
6. Be an environment-friendly and socially responsible Company;
7. Benefit our Shareholders;
8. Maintain and make Esquire Knit's position as a foreign currency earner of the Country.

STRATEGIES

1. Improving HR policies and practices enabling hiring and retaining competent individuals on competitive remuneration, thus ensuring willingness to work and quality output;
2. Prioritizing female worker force in certain areas to benefit from their acumen and dedication;
3. Leading through innovation both by the technology acquisition and phased-out balancing;
4. Adding facilities essential to our business and eliminating capacity imbalance thus improving smooth supply and reducing production cost;
5. Adding new product range to our customers;
6. Diversification of products is the core strategy. The Company focuses on fulfilling the requirements of different customers in line with the latest fashion trends;
7. Invest in the state-of-the-art machinery to ensure quality;
8. Nurturing creative talent and skills in relevant human resources who can visualize and create new fashion trends;
9. Strong quality management system to ensure that products not only meet the customer's requirements but are also safe for use both by adults and children;
10. Creating shareholder value by securing the highest growth rates in terms of sales and earnings per share.

TACTICS

1. Investing in state-of-the-art machinery and the latest technology to ensure quality, higher output and lower wastage besides economies' cost of production;
2. Continuous improvement of systems and processes either by replacement or balancing, to enable greater output at minimum cost, especially in areas of utility consumption;
3. Ensure that the workforce is fully aware of the safety measures required while performing daily assigned jobs and/or in case of any emergency, thus avoiding accidents and creating a sense of a secure work environment;
4. Retain and develop a green environment;
5. Ensuring maximum recycling of waste, saving of energy and water and minimum possible carbon emissions;
6. Implement and upgrade periodically the Enterprise Resource Planning software to integrate all the operations of the Company, and reduce reliance on manual controls and reporting while ensuring data security and integrity.

Statement of Business

Conduct and ethics code

Esquire Knit Composite PLC integrates its business and ethical commitments within its Corporate Governance Framework and various policy statements found in its annual reports and corporate communications. The company's approach emphasizes transparency, integrity, social responsibility, and compliance with national and international standards.

The following statement of business conduct and ethics is the foundation of our business principles:

Ethical decision making

General guidelines may include using good judgement and avoiding even the appearance of improper behavior. If ever in doubt about an action whether it is compliant with/is consistent with the guidelines of the Code, ask yourself:

- » **Is it consistent with the Code?**
- » **Is it ethical?**
- » **Is it legal?**
- » **If it were made public, would I be comfortable?**

If the answer is "NO" to any of these questions, don't do it.

If you are still uncertain, ask for guidance. You can seek help from any of the following:

1. The Management
2. Legal Department
3. Human Resource Department
4. Company Secretary

Compliance with laws, policies and procedures

1. Directors/employees shall not make, recommend or cause to be taken any action known or believed to violate any law, regulation, or corporate policy;
2. Directors/employees shall not make, recommend or cause to be made any expenditure of funds known or believed to violate any law, regulation, or corporate policy;

Integrity and respect for others

1. Directors/employees shall conduct their activities with the highest principles of integrity, truthfulness, objectivity, and honor;
2. Directors/employees shall neither use their position to engage in unfair, deceptive or misleading practices nor shall they offer, promise or provide anything to a customer or supplier in exchange for an inappropriate advantage for himself or even for the company;
3. Any person representing the company to the third parties shall not allow himself/herself to be placed in a position in which an actual or apparent conflict of interest exists;

Confidentiality

1. Directors/employees shall not use or disclose the Company's business secrets, proprietary information, or any other confidential information gained in the performance of duty;
2. Every employee must be cautious and discreet when using information categorized as "classified" or "confidential-restricted access." Such information should be shared only with the company's employees who have a legitimate "need to know." Outside parties should have access to such information only if they are under binding confidentiality agreements and have a "need to know";
3. Similarly, when handling sensitive information that has been entrusted to our company by others, we must always treat it with the utmost care. Doing so can protect the company from potential liability.;

Statement of Business Conduct and ethics code

4. We must also comply with all laws, regulations, and contractual commitments regarding the valid and enforceable intellectual property rights of third parties, including patents, copyrights, trade secrets, and other proprietary information.

Avoiding conflict of interest

It is always expected from every director/employee to act in the best interests of the company. This means that business decisions should be made free from any conflict of interest. They should also appear impartial. Decisions must be made on sound business reasoning.

1. Directors and employees and their close relatives must never;
 - a. Compete against the company;
 - b. Use their position or influence to secure an importer's benefit for themselves or others;
 - c. Use company information, assets or resources for their personal; gain or the unauthorized benefit of others;
 - d. Take advantage of inside information;
2. It is also a conflict of interest for a director or employee to give or receive gifts or cash in any amount to or from people or companies doing or seeking to do business with the company. Therefore, we must not:
 - a. Accept fees or honoraria in exchange for service provided on behalf of the company;
 - b. Provide or accept gifts or entertainment from anyone doing or seeking business with the company or any of its affiliates. Generally, modest forms of gifts and entertainment (like souvenirs of the Company or magazines and lunch/dinner in connection with performing their duties to the Company) received from vendors are acceptable and do not create a conflict of interest. Consult with the legal department to learn about the guidelines.

Insider trading

1. It is illegal to purchase or sell securities of the company if you have "material nonpublic information" concerning the company;
2. If anybody engages in insider trading then he/she will face disciplinary actions including significant civil and criminal penalties.



Company records and internal controls

1. The company's books and records must be prepared accurately and honestly, both by our accountants who prepare records of transactions and by any of us who contribute to the creation of business records;
2. The company shall maintain accounting records and issue financial statements as required by the local laws to ensure transparency of information on the company's financial performance;
3. Reliable internal controls are critical for the security of the company's assets, proper, complete and accurate accounting, and financial reporting. Everyone must understand the internal controls relevant to his/her position and follow the policies and procedures related to those controls. Everyone is encouraged to talk to their managers or supervisors immediately if ever in doubt that control is not adequately detecting or preventing inaccuracy, waste, or fraud;
4. Audits performed by internal and external auditors help ensure compliance with established policies, procedures, and controls. Audits also help identify potential weaknesses so these may be fixed promptly. Everyone is required to cooperate fully with internal and external auditors. This means always providing clear and truthful information and cooperating fully during the audit process;
5. Engaging in any scheme to defraud anyone — of money, property or honest services — violates the company's policy and carries severe penalties. These consequences apply to all dishonest or fraudulent activities, including misusing or stealing assets. The company relies on its internal controls and the personal integrity of all its directors, employees and contractors to protect assets against damage, theft and other unauthorized use.

Dealing with various stakeholders

Every business unit or section of the company shall follow policies and procedures which are consistent with the Code while dealing with different stakeholders.

1. Customers

- a. Treat customers fairly and honestly.;
- b. Provide high standards of services and quality products;
- c. Operate effective complaint processes to deal with situations where these standards are challenged;
- d. Aim to provide and promote a range of products and services that meet customer requirements and needs;
- e. Maintain the confidentiality of customer information, except where the law requires/permits disclosure, or the customer has given prior written consent.

2. Employees

- a. The company has maintained a suitable working environment that provides appropriate training, transparent career growth opportunities and competitive remuneration packages including benefits that are also in compliance with the employment-related laws and regulations of Bangladesh as well as other relevant countries;
- b. It is ensured that all the values and standards required by our business practices are communicated to each employee.
- c. Provide a clean, healthy and safe work environment, stressing the obligation of all employees to take every reasonable precaution to avoid injury to themselves, colleagues and members of the public;
- d. Provide appropriate facilities to fulfil the needs of special employees;
- e. The company follows the laws that prohibit discrimination in employment practices. It is the company's policy to provide equal employment opportunities and to treat applicants and employees without bias. It is our policy that no one is ever subject to discrimination based on:
 - » Race
 - » Religion
 - » Color
 - » National origin
 - » Age
 - » Sex
 - » Disability
 - » Personal/Political preference

Statement of Business Conduct and ethics code

3. Suppliers of Goods and Services

- a. Encourage dealing with those suppliers/vendors who operate with values and standards similar to those of the company;
- b. Work together with suppliers /vendors following the laws and policies to improve all aspects of performance;
- c. Agree with terms of payment when orders for goods and services are placed and pay following those terms;
- d. No one shall engage in unfair, deceptive or misleading practices including receiving or demanding any favors or benefits from a supplier as an advantage for him to win a bid or contract.

4. Communities

- a. Contribute to the social and economic well-being of communities connected to the places of business of the company;
- b. Encourage employees to participate in projects and initiatives for the welfare of these communities;
- c. Work and plan the operation of the business to minimize adverse environmental impact.

5. Competitors

- a. Conduct business under the Code and compete vigorously but honestly;
- b. Avoid disclosing any confidential information except as required by the law;
- c. The company competes fairly and complies with all applicable competition laws wherever the company operates. These laws often are complex and vary considerably from country to country. Penalties for violation can be severe. Therefore, directors/employees should seek legal advice.

6. Governments and Regulators

- a. Comply with all applicable laws, rules and regulations under which the company operates;
- b. Maintain a constructive and open relationship with regulators to foster mutual trust, respect and understanding.



Credit Rating *Report*

Esquire Knit Composite PLC has been rated by the Credit Rating Agency of Bangladesh Limited (CRAB) based on Audited Financial Statements for the year ended June 30, 2025, June 30, 2024, and June 30, 2023, and Bank Liability position as on September 30, 2025 and other relevant as complied from client & Banks.



The summary of the rating is presented below:

Valid From	Valid Till	Company Rating	Long Term Rating	Short-Term Rating (funded & non-funded)	Outlook
November 26, 2025	November 30, 2026	AA3	AA3	ST-3	Stable
November 13, 2024	November 25, 2025	AA3	AA3	ST-3	Stable
November 15, 2023	October 25, 2024	AA3	AA3	ST-3	Stable
November 20, 2022	October 25, 2022	AA3	AA3	ST-3	Stable
December 5, 2021	October 25, 2022	AA3	AA3	ST-3	Stable

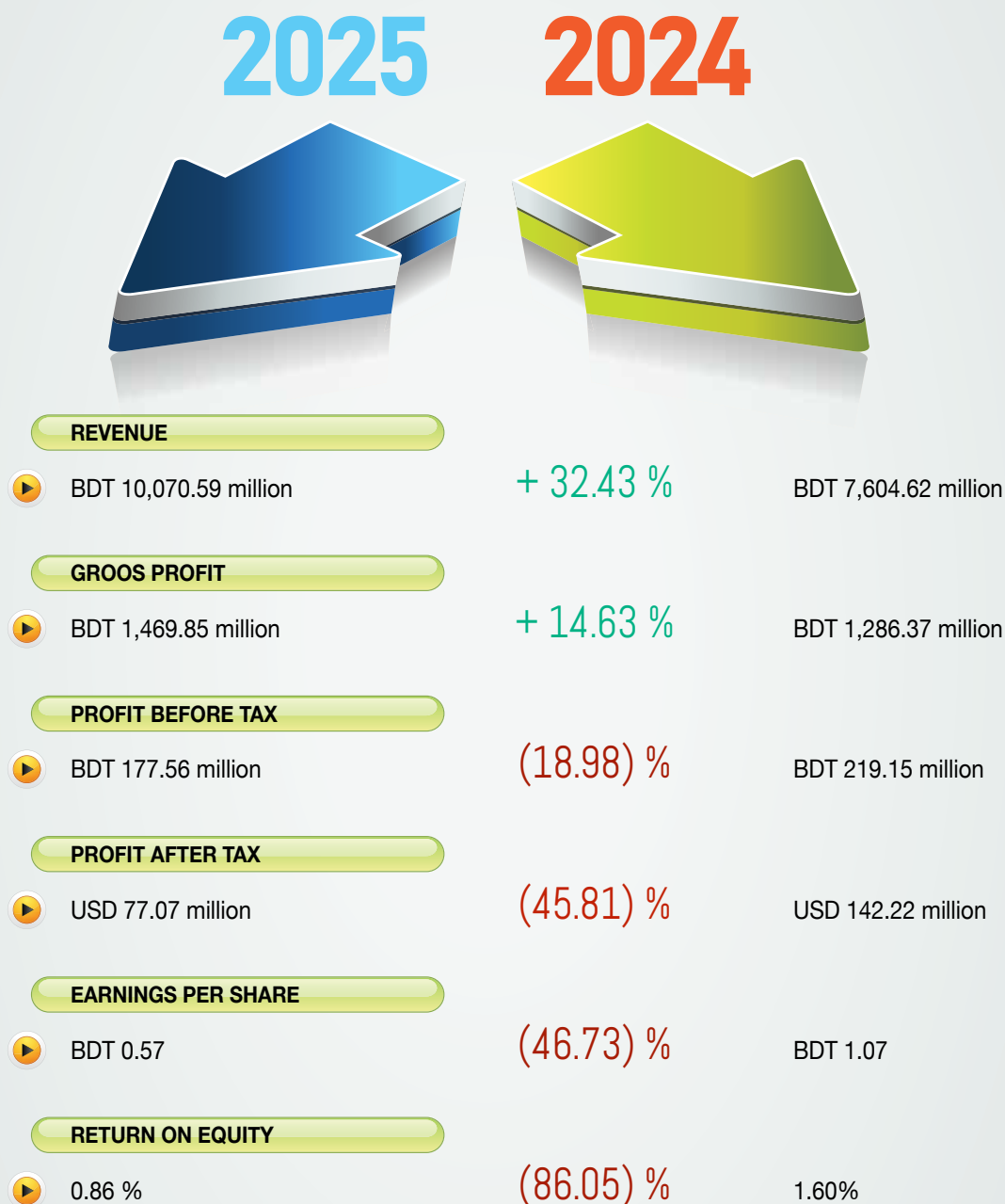
Means of

- AA3** Esquire Knit Composite PLC rated AA3 as having a very strong capacity to meet financial commitments. These companies are judged to be very high quality, subject to very low CREDIT RISK.
- ST-3** Esquire Knit Composite PLC is rated in this category and the rating indicates that the degree of safety regarding timely payments on the loans/facilities are adequate; however, the issues are more vulnerable to the adverse effects of changing circumstances than issues rated in the two higher categories.

Key Performance Indicators

Financial Performance Indicators

Objective: Increase shareholder's wealth







Non-financial *performance indicators*

Esquire Knit Composite PLC measures its non-financial performance through several key indicators primarily related to environmental management, social responsibility (labor and human resources), and operational efficiency/quality control.

Environmental Performance Indicators

The company's environmental performance is a major area of non-financial reporting, focusing on sustainable practices and resource management:

- » Effluent Treatment Plant (ETP) Efficiency:
- » EKCPLC operates an ETP to treat its wastewater, with ongoing work on another ETP to potentially achieve zero discharge, recycling and reusing water to minimize natural resource use and environmental impact.
- » Water and Energy Efficiency
- » The use of "Nano-Dye™" technology and steam recovery processes in its dyeing facilities demonstrates efforts to reduce water and energy consumption.
- » Waste Management
- » Implementation of a well-designed and proper waste management system is a stated performance aspect.
- » Certifications
- » Adherence to international environmental management standards like ISO 14001 and pursuit of the "Green Company" mission through certifications like the US Green Building Council's (USGBC) LEED (Leadership in Environmental and Energy in Design) is a key indicator of environmental performance.

Non-financial performance indicators

Social and Human Resource Indicators

EKCPLC measures its social performance through its relationship with employees and the community:

» **Workforce Relations and Morale**

The company emphasizes maintaining “cordial relationship[s] with the workforce”.

» **Employment and Employability**

A key CSR tactic involves providing employment opportunities, particularly to young people, and offering internships/work placements to enhance job skills.

» **Health and Safety**

Adherence to occupational health and safety (OHS) standards is monitored, and the facilities undergo regular safety assessments and audits (e.g., structural, electrical, and fire safety) as part of buyer and compliance requirements (BSCI, SMETA audits).

» **Training and Development**

The success of internal training programs (e.g., two-thirds of senior management starting as trainees) is a measure of human capital development.

» **Community Welfare**

Participation in social initiatives and financial assistance to employees and community are non-financial contributions to the community.

Operational and Quality Indicators

Operational efficiency and product quality are crucial non-financial metrics for maintaining a competitive edge and customer loyalty:

» **Capacity Utilization**

The overall stability and utilization of production capacity (sewing lines, knitting, dyeing, etc.) is monitored and reported on.

» **On-Time Delivery**

Striving to ensure timely delivery of products to achieve customer satisfaction is a critical performance measure.

» **Quality Control**

Measuring performance through adherence to stringent quality control measures, which includes in-house laboratories accredited by major international buyers (e.g., Michael Kors, Celio, Mascot, Tee Jays, Riachuelo, Gloria Jeans, O'stin, Lc Waikiki, Aura, Sports Group Denmark, UCB and Primark., etc.).

» **Efficiency Metrics**

Implementation of lean manufacturing techniques to measure and reduce non-productive time (NPT) and wastage.

While many of these metrics are qualitative descriptions in the annual reports, they represent the core non-financial performance areas the company tracks to demonstrate its commitment to sustainability and operational excellence.

Sustainability

Report

“Above all, we believe that for tomorrow’s enduring businesses, sustainability will be about making money by meeting real and fundamental human needs.”

While sustainability is about the future of our society, for today’s industries and businesses, it is also about commercial success. The mandate to transform businesses to respect environmental limits while fulfilling social wants and needs has become an unparalleled platform for innovation in strategy, design, manufacturing and brand, offering massive opportunities to compete and adapt to a rapidly evolving world.

This is a big challenge, and not just for business and economics. It calls for a massive social, political, technological, cultural and behavioral transition. To achieve this transformation, we need the business’s capacity to innovate and execute, meeting market needs swiftly, effectively and on a global scale. This will mean managing for the long-term as well as the short-term, developing strategies that balance competition and cooperation, designing and delivering products and services that meet social and environmental needs for the international market, and shifting to more resilient business models based on closed-loop, open-source, peer-to-peer or service-based principles incorporating the true costs of environmental and social resources, and seeing transparency and collaboration as sources of competitive advantage.

For these businesses, sustainability means not only eco-efficiency but also eco-effectiveness. Sustainability is absolutely about marketing and branding – when that means identifying market needs based on long-term prosperity and creating tribes of sustainable consumers. Sustainability must be about ‘greening’ – because businesses and communities depend on healthy, productive ecosystems. Sustainability can also encompass corporate philanthropy – when that philanthropy is strategic. Above all, we believe that for tomorrow’s enduring businesses, sustainability will be about making money by meeting real and fundamental human needs.

As a socially responsible entity, Esquire Knit Composite PLC (the Company) recognizes its duty towards the safety and protection of the environment. Safeguarding the environment for the human race is of utmost importance to the Company. The Company’s Sustainability Policy provides guidelines for maintaining coherence to conduct nature-friendly practices. This report updates the stakeholders about the steps taken by the Company to ensure compliance.

Contribution to the National Exchequer

The Company contributes to national growth by sharing its revenues in the form of taxes, rates and duties and exports also contribute towards improving foreign reserves.

Women Empowerment

The Company believes women make the most of every opportunity that comes their way, therefore the management has proudly stepped up to bring a change in society by introducing numerous Women’s Empowerment programs. These include aiding a Pita festival, Pahela Baisakh, May Day and Women’s Day in Esquire Knit Composite PLC.

Conservation of Resources

Bangladesh is facing a severe energy crisis and efforts to increase power generation are yet to fully materialize. This resulted in load-shedding and power shutdowns in all the sectors whether Industrial or Residential. Considering the importance of energy and water to cater for energy and water needs, the Company has been heavily investing in power generation which includes the installation of turbines, fuel-efficient generators and the addition of energy-efficient machines to our various manufacturing units, as well as using and converting to processes and machinery that require less water consumption. Every decision of machine acquisition involves due consideration for energy savings and conservation.

Solar Power Generation

As part of green initiatives, the Company has installed a 539 KW Solar Power project in the 2023-2024 financial year on the Bhaluka Project site.

Pollution Prevention and Control

The Company recognizes the significance of pollution prevention programs in providing economic and environmental benefits and is actively reducing water usage and using efficient processing chemicals for cleaner production processes and pollution prevention measures.

To contribute in this area, our activities are:

- » Using good quality surfactants and avoiding using less-degradable surfactants (in washing and scouring operations).
- » Using transfer printing for synthetics and water-based printing pastes to reduce and control water and chemical (dyes) usage.
- » Using Dyeing Pad Steam which helps to reduce water and energy consumption. Using jet dyers instead of winch dyers to reduce water consumption.
- » Avoid the use of benzidine-based azo dyes and dyes containing cadmium and other heavy metals.
- » Avoid using chlorine-based dyes.
- » Recovering and reusing process chemicals and dye solution.
- » Using peroxide-based bleaches instead of Sulphur and chlorine-based in its processing process.

Governance and Ethics

The company maintains high standards of corporate governance to ensure ethical operations and transparency:

» **Compliance**

EKCPLC is a highly compliant industry regarding factory safety and value-chain responsibility, adhering to national regulations and international buyer codes of conduct.

» **Transparency**

The company emphasizes transparency in all its dealings and encourages accountability across all levels of management.

Nano Dye Technology

The Nano Dye Technology is another initiative taken by Esquire Knit to ensure a less hazardous, water-efficient, and environment-friendly fabric dyeing process.

Bangladesh PaCT (Partnership for Cleaner Textiles)

IFC-led Advisory Partnership for Cleaner Textile (PaCT) is a holistic program that supports the entire textile value chain – spinning, weaving, wet processing, and garment factories in adopting Cleaner Production (CP) practices and engages with brands, technology suppliers, industrial associations, financial institutions, government to bring about systemic and positive environmental change for the Bangladesh textile sector and contribute to the sector's long-term competitiveness and environmental sustainability.

Esquire Knit has been an IFC-PaCT advisory services client since 2016. The factory underwent a Cleaner Production assessment, had invested in low-cost and no-cost resource efficiency measures including condensate recovery, insulation, energy-efficient lighting, and trigger nozzles for water and compressed air lines. Esquire Knit has been a front-runner in the PaCT Program, displaying enthusiasm for utilizing cutting-edge technology, and taking part in panel discussions at various workshops and events.

In 2018, Esquire Knit signed up with IFC-PaCT to conduct a rooftop solar pre-feasibility study to diversify energy sources. We are playing a lead role with support from IFC-PaCT to promote cluster-based industrial solar solutions.



Financial Highlights

			2024-2025	2023-2024	2022-2023	2021-2022	2020-2021
Profit & Loss							
Revenue	BDT	Million	10,070.59	7,604.62	7,514.77	10,014.28	7,905.84
Gross profit	BDT	Million	1,469.85	1,286.37	1,356.10	1,597.63	1,416.19
Operating profit	BDT	Million	163.88	195.98	213.47	337.11	337.75
Profit/Loss before tax	BDT	Million	177.56	219.15	229.13	398.22	365.36
Profit/Loss after tax	BDT	Million	77.07	142.22	117.77	327.49	301.86
Cash dividend	BDT	Million	71.54	71.54	71.54	71.54	202.34
Bonus share	BDT	Million	Nil	Nil	Nil	Nil	Nil
Balance Sheet							
Property, plant and equipment	BDT	Million	5,853.80	6,216.58	6,480.08	6,432.00	6,315.58
Capital work-in-process	BDT	Million	2,770.13	2,770.13	2,550.96	2,272.87	1,671.58
Current assets	BDT	Million	8,044.42	8,284.88	7,181.08	6,671.50	6,319.37
Represented by							
Share capital	BDT	Million	1,348.96	1,348.96	1,348.96	1,348.96	1,348.96
Revaluation surplus	BDT	Million	3,739.29	3,739.29	3,739.29	3,739.33	3,739.29
Retained earnings	BDT	Million	2,758.71	2,753.18	2,682.50	2,636.27	2,487.33
Shareholders' equity	BDT	Million	8,933.61	8,928.08	8,857.40	8,811.17	8,662.23
Liabilities							
Long-term loans (Current portion)	BDT	Million	649.29	451.07	464.59	291.84	638.3
Deferred tax expenses	BDT	Million	(8.45)	(5.28)	8.03	4.65	8.65
Non-current liabilities	BDT	Million	3,059.03	2,959.72	2,276.18	2,705.88	2,420.84
Current liabilities	BDT	Million	4,827.71	5,435.79	5,220.54	4,011.60	3,413.22
Cash Flow Statement							
Operating activities	BDT	Million	324.96	(1,084.55)	(229.06)	440.61	(173.07)
Investment activities	BDT	Million	(12.03)	(147.77)	(321.3)	(1,057.84)	(1,158.15)
Financing activities	BDT	Million	(743.34)	1,238.13	780.5	445.69	287.76
Cash and bank balance at the end of the year	BDT	Million	9.95	441.4	434.41	511.57	682.94

Financial Ratios analysis

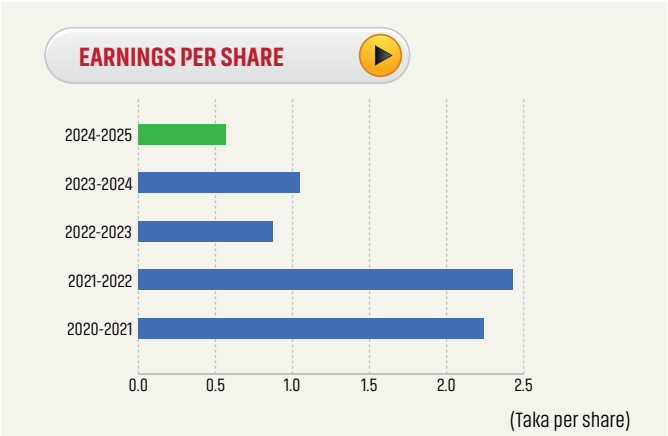
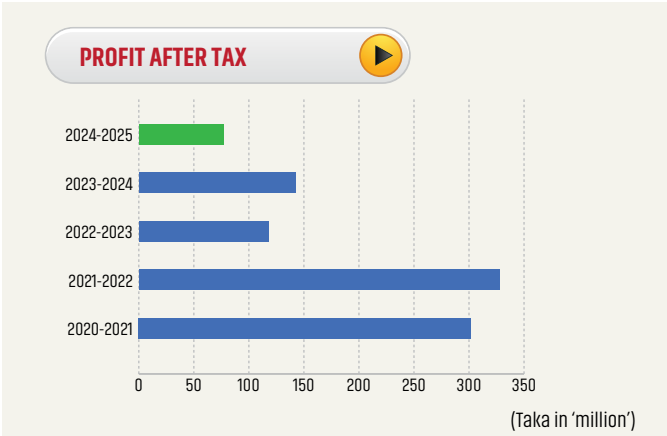
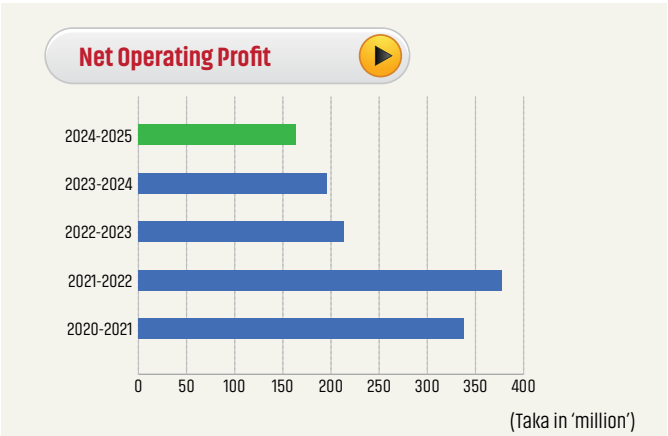
Particulars	Ratios	2024-2025	2023-2024	2022-2023	2021-2022	2020-2021
Liquidity Ratios						
Current Ratio	Times	1.67	1.52	1.38	1.66	1.85
Quick Ratio	Times	0.33	0.33	1.01	0.73	0.86
Debt/Equity Ratio	Times	0.75	0.83	0.69	0.59	0.52
Operating Efficiency Ratios						
Accounts Receivable Turnover Ratio	Times	6.41	6.99	7.79	7.9	9.26
Inventory Turnover Ratio	Times	2.25	1.73	1.68	2.36	2
Asset Turnover Ratio	Times	0.59	0.45	0.47	0.67	0.6
Profitability Ratios						
Gross Margin Ratio	%	14.60%	16.92%	18.04%	15.95%	17.91%
Operating Profit Ratio	%	8.08%	8.35%	7.68%	7.09%	7.64%
Net Profit Ratio (Before tax)	%	1.76%	2.88%	3.05%	3.98	4.62
Net Profit Ratio (After tax)	%	0.77%	1.87%	1.57%	3.27	3.82
Return on Assets (ROA) Ratio	%	0.45%	0.84%	0.74%	2.18%	2.28%
Return on Equity (ROE) Ratio	%	0.86%	1.60%	1.33%	3.75%	4.00%
Solvency Ratios						
Debt to Total Assets Ratio	Times	0.4	0.43	0.37	0.33	0.31
Debt to Equity Ratio	Times	0.75	0.83	0.69	0.59	0.52
Time Interest Earned Ratio	Times	1.28	1.51	1.64	2.21	2.37
Cash Flow Ratios						
Operating Cash Flow	Times	0.07	(0.2)	(0.18)	0.11	(0.05)
Cash Flow Margin Ratio	Times	3.23	(14.26)	(3.05)	4.4	(2.19)
Cash Flow Adequacy Ratio	Times	(14.17)	(11.32)	(0.35)	0.71	0.67
Cash Ratio	Times	0.0021	0.08	0.08	0.13	0.2

Graphical Analysis

METRICS OF PROGRESS

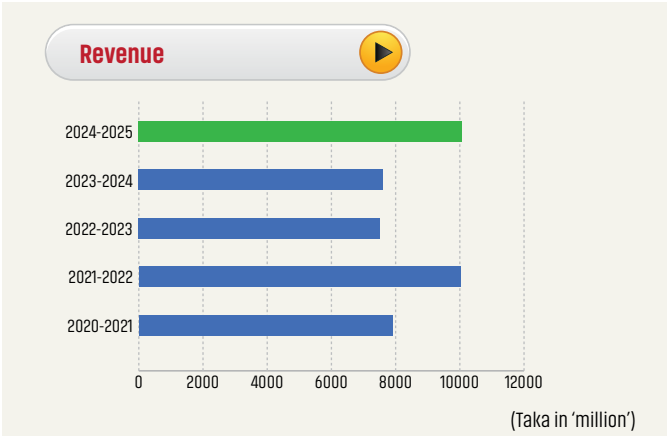
Profit and loss metrics

A robust topline and margins similar to year-ago levels ensured that we continue to deliver on the business front, delivering enhanced net profit.



Operational metrics

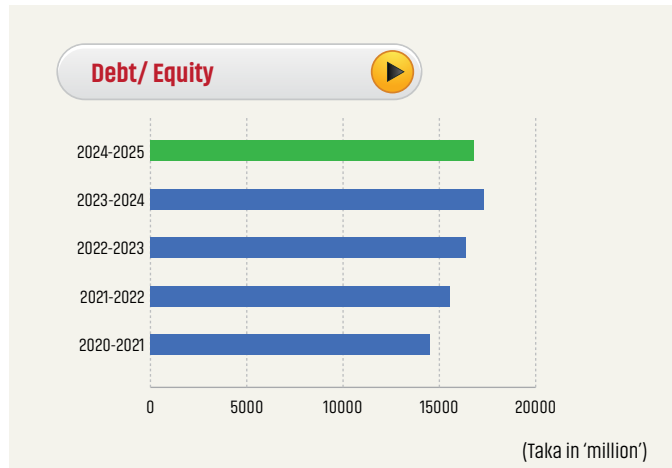
With new product innovations and a strong base of established brands, we were able to increase our sales volume and value during the year, while maintaining the share of international business in our portfolio.



METRICS OF PROGRESS

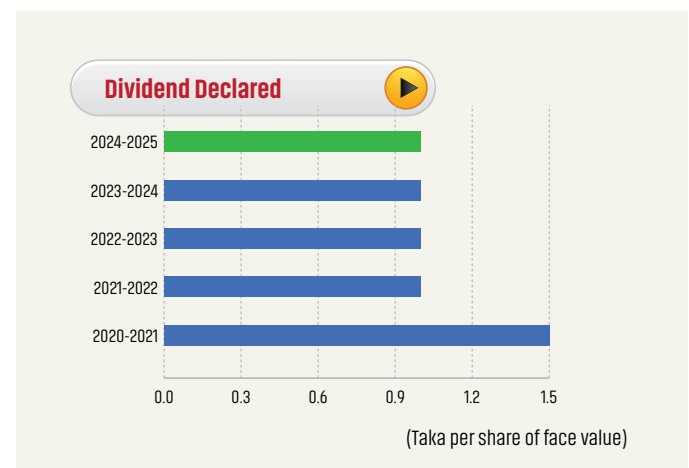
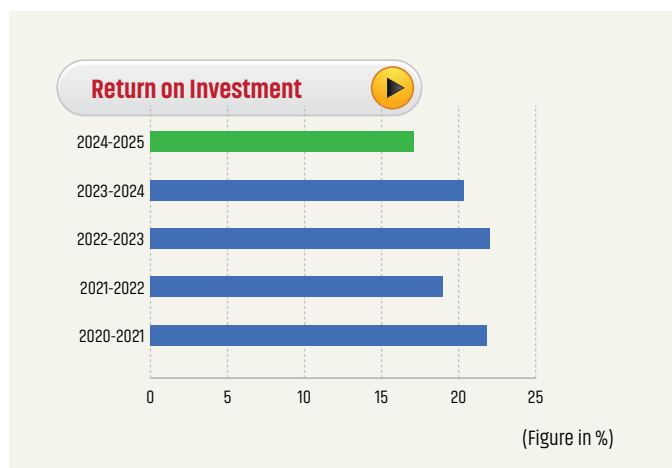
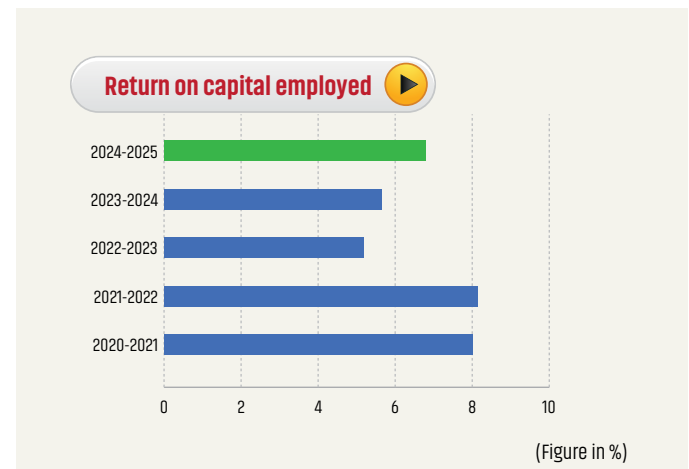
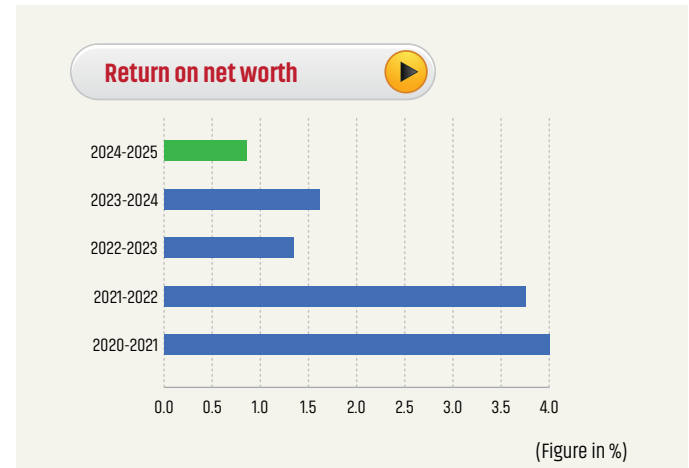
Balance sheet metrics

We operate our business with minimal debt on our books and fund our capital expenditure and operations through internal accruals and cash flows.



Shareholder's metrics

We continue to create increased shareholder value, led by wealth appreciation, dividend distribution, and enhanced returns.



[Note: For the 2024-2025 financial year, the Company declared a 10% cash dividend only for general shareholders.]

BAPLC Certificate



Socio-economic *impact*

Esquire Knit Composite PLC (EKCPCLC) has a significant socio-economic impact in Bangladesh, primarily through large-scale job creation, skills development, export earnings, and various community development and environmental initiatives.

Economic Impact

◆ Employment Generation

EKCPCLC employs a large workforce (5,485 workers and 1,150 staff), providing a vital source of income for thousands of families and contributing to poverty reduction and social mobility in Bangladesh.

◆ Export Earnings

As a 100% export-oriented garment and textile manufacturer, the company contributes significantly to the national economy by bringing in foreign currency. Its products are exported to over 25 countries across Europe, North America, and Asia, which strengthens the country's balance of payments and foreign reserves.

◆ Economic Growth

The company's operations, along with the broader Ready-Made Garment (RMG) sector, contribute substantially to Bangladesh's GDP (the sector accounts for over 13% of GDP).

◆ Value Chain Development

Through its integrated facilities (knitting, dyeing, sewing, finishing, etc.), EKCPCLC supports a vast local supply chain, indirectly benefiting many other local businesses and service providers.

Social Impact

◆ Skills Development and Employability

EKCPCLC focuses heavily on human capital development through internal training programs and apprenticeships. The success of this approach is evident as a majority of its senior management team started as trainees.

◆ Women's Empowerment

The company is involved in projects aimed at empowering women. Initiatives include potential various facilities for female workers and the project (providing training, housing, and job placement to vulnerable women from disadvantaged districts).

◆ Health and Safety

Adherence to international standards like ISO 45001 and regular compliance audits ensures a safe working environment, which improves the quality of life for its workforce.

Environmental Impact

While focusing on economic growth, the company also acknowledges its environmental responsibility, contributing positively to the local ecology:

◆ Water Resource Management

The operation of an Effluent Treatment Plant (ETP) and research into zero-discharge systems help minimize water usage and environmental pollution in the areas where it operates.

◆ Green Initiatives

The company's commitment to building LEED-certified green factories and organizing tree plantation programs promotes environmental awareness and sustainable industrial practices in the community.

Health Safety and *environment* (HSE)

Esquire Knit Composite PLC (EKCPCLC) places a high priority on health, safety, and environmental (HSE) management, integrating robust systems verified by international certifications and third-party audits.

Health and Safety (H&S)

EKCPCLC maintains a strong commitment to the occupational health and safety of its employees through a comprehensive management system and continuous monitoring:

+ CERTIFICATIONS

The company is certified to ISO 45001 (formerly OHSAS 18001), an international standard for occupational health and safety management systems.

+ COMPLIANCE & AUDITS

Facilities undergo frequent, random evaluations by world-renowned compliance institutes like the Business Social Compliance Initiative (BSCI) and SEDEX Members Ethical Trade Audit (SMETA), which cover labor and safety standards. They also comply with the safety standards set by the Accord on Fire and Building Safety in Bangladesh.

+ LIFE AND FIRE SAFETY (L&FS)

Facilities are equipped with centralized smoke detection and alarm systems, fire hydrants, fire extinguishers, and sprinklers in high-rise buildings. Regular fire drills and training programs are conducted for workers.

+ WORKER WELFARE AND MEDICAL FACILITIES

- ◆ An occupational health center (OHC) with a 24-hour nurse and regular doctor visits is provided.
- ◆ An ambulance is available for medical emergencies.
- ◆ Personal Protective Equipment (PPE) is provided to workers in areas handling chemicals or machinery.

+ SAFETY PROCEDURES

The company has documented safety policies, risk assessments for machinery, and a health and safety committee with worker and management representatives that meets regularly.

Environment

EKCPCLC has a mission to become a “Green Company” and integrates environmental protection into its operations:

+ ENVIRONMENTAL MANAGEMENT SYSTEM

The company holds ISO 14001 certification for its environmental management system.

+ WASTEWATER TREATMENT

A high-capacity Effluent Treatment Plant (ETP) is operational to treat industrial wastewater. EKCPCLC is actively researching and working with technical experts to develop a zero-discharge system to recycle and reuse water and minimize the use of natural resources.

+ CHEMICAL MANAGEMENT

Only environment-friendly dyes and chemicals are used, verified by the Oeko-Tex Standard 100 certification and in-house laboratory testing. A robust chemical management system is in place for storage, handling, and disposal.

+ GREEN FACILITIES

The company is developing a new facility in Bhaluka designed to meet the U.S. Green Building Council's (USGBC) LEED (Leadership in Energy and Environmental Design) certification requirements.

+ WASTE MANAGEMENT

A well-designed system for managing solid and hazardous waste is implemented, and recyclable waste is sold to external agencies for proper recycling.

+ RESOURCE EFFICIENCY

Initiatives include steam recovery processes and the use of modern, eco-friendly machinery to optimize energy and water consumption.

What Make us *Different?*

Esquire Knit Composite PLC differentiates itself from other Bangladeshi companies through several key factors, primarily its extensive vertical integration, heavy investment in state-of-art and eco-friendly machinery, and a strong emphasis on operational efficiency methodologies.

Key Differentiators

+ VERTICAL INTEGRATION

Esquire offers a complete “one-stop solution” for customers by managing all production stages in-house. This full composite facility includes:

- ◆ Yarn dyeing
- ◆ Knitting
- ◆ Fabric dyeing and finishing
- ◆ Cutting, sewing, and industrial laundry
- ◆ Embroidery and printing

This integrated approach allows for better control over quality, production timelines, and lead times compared to companies that outsource various stages.

+ ADVANCED & ECO-FRIENDLY TECHNOLOGY

The company uses fully automated, state-of-the-art machinery from global suppliers. It is also committed to sustainable practices, operating as a “Green Company” with an advanced effluent water treatment plant and steam recovery processes, which is a significant advantage for environmentally conscious international buyers.

+ STRINGENT QUALITY CONTROL & CERTIFICATIONS

Esquire boasts an advanced in-house testing laboratory that is accredited by major international brands and organizations such as Michael Kors, Celio, Mascot, Tee Jays, Riachuelo, Gloria Jeans, O’stin, Lc Waikiki, Aura, Sports Group Denmark, UCB and Primark., etc. They hold various international certifications, including ISO 9001, ISO 14001, GOTS, and OEKO-TEX Standard 100, which builds a high level of trust with global clients.

+ OPERATIONAL EFFICIENCY SYSTEMS

Esquire has implemented the internationally proven system for continual improvement, focusing on lean manufacturing, waste minimization, and efficient time management. This structured approach to efficiency helps reduce non-productive time (NPT) and waste, directly impacting profitability and reliability.

+ PRODUCT DIVERSIFICATION

Beyond typical knit garments like polo shirts and t-shirts, Esquire has diversified into specialized niche areas through its subsidiary, L’ Esquire Limited, which produces lingerie, activewear, and intimate apparel. This specialization helps capture higher-value market segments.

+ IN-HOUSE DESIGN STUDIO

Esquire Knit Composite PLC operates an in-house design studio that serves as a key part of its vertically integrated production process. This studio focuses on product development and provides design support to its international customers.

This studio employs a team of designers with international experience who are kept up-to-date with the latest global trends.

In summary, while many Bangladeshi garment factories are export-oriented, Esquire’s combination of full vertical control, technological investment, commitment to sustainability, and implementation of internationally proven advanced efficiency systems sets it apart as a world-class manufacturer for premiere global brands.

Esquire's *in-house design studio*

Esquire Knit Composite PLC operates an in-house design studio that serves as a key part of its vertically integrated production process. This studio focuses on product development and provides design support to its international customers.

Design studio capabilities

+ TALENTED DESIGNERS

The studio employs a team of designers with international experience who stay up-to-date with the latest global trends.

+ ADVANCED TECHNOLOGY

Designers utilize state-of-the-art computerized equipment and software, including advanced software like CLO for 3D simulation. The use of 3D modeling helps reduce the need for physical samples during the initial stages of design.

+ TREND ANALYSIS AND INNOVATION

The team continuously monitors fashion trends and uses innovative techniques to create designs that offer business opportunities for clients.

+ DIVERSE DESIGN SUPPORT

The studio has graphic designers, 3D designers, and pattern engineers who work closely with the product development and research (R&D) teams.

+ HIGH DESIGN HIT RATE

Since its inception in 2012, the design team has a strong track record, with its own designs having a high acceptance rate globally.

+ CONSIDERATION FOR WEARABILITY

The design team focuses on creating functional and aesthetically pleasing garments suitable for their intended purpose and end users.



Participation in International Fairs and Expos

Esquire Knit Composite PLC actively participates in major international textile fairs and expos across the globe. These events help the design and product development teams stay aligned with global trends, explore new technologies, and showcase Esquire's capabilities to international brands.

Key fairs include:

- ◆ Première Vision (Paris, France)
- ◆ Munich Fabric Start (Munich, Germany)
- ◆ Texworld Paris (Paris, France)
- ◆ Barcelona Textile Expo (BTE), Spain
- ◆ Milano Unica (Milan, Italy)

Values and *achievements*

Esquire Knit Composite PLC (EKCPLC) measures its success not only through financial performance but also by the core values it upholds and its significant achievements in operational excellence, sustainability, and social responsibility.

Core Values

EKCPLC's values revolve around quality, compliance, ethics, and innovation:

+ QUALITY AND EXCELLENCE

A fundamental value is the commitment to delivering high-quality products. This is ensured through stringent quality control measures and in-house laboratories accredited by major international buyers.

+ ETHICAL PRACTICES AND COMPLIANCE

The company is fully committed to national and international labor laws, safety regulations, and buyer codes of conduct. This value underpins its reputation as a reliable and responsible manufacturer.

+ SUSTAINABILITY

EKCPLC values environmental stewardship, striving to minimize its ecological footprint through initiatives like the zero-discharge water project, green factory concepts, and efficient resource use.

+ HUMAN CAPITAL DEVELOPMENT

The company values its employees as its greatest asset, emphasizing a safe working environment, fair treatment, and providing extensive opportunities for training and career advancement.

Key Achievements

EKCPLC has achieved significant milestones over its history, solidifying its position in the global apparel market:

+ VERTICAL INTEGRATION

A major achievement is the successful establishment of a fully composite facility that integrates knitting, dyeing, finishing, and garment manufacturing under one roof, providing a “one-stop solution” for clients and enhancing operational efficiency.

+ INTERNATIONAL CERTIFICATIONS

The company has attained internationally recognized certifications, demonstrating compliance with global standards:

- ◆ ISO 9001 (Quality Management)
- ◆ ISO 14001 (Environmental Management)
- ◆ ISO 45001 (Occupational Health & Safety)
- ◆ Oeko-Tex Standard 100 (Product safety and eco-friendly chemicals)

+ GLOBAL CLIENTELE AND MARKET PENETRATION

EKCPLC has successfully secured long-term partnerships with major global fashion brands (e.g., Michael Kors, Celio, Mascot, Tee Jays, Riachuelo, Gloria Jeans, O'stin, Lc Waikiki, Aura, Sports Group Denmark, UCB and Primark., etc.) and exports its products to over 25 countries.

+ “GREEN FACTORY” MISSION:

The company is in the process of achieving LEED (Leadership in Energy and Environmental Design) certification from the U.S. Green Building Council for its new factory in Bhaluka, a notable step in sustainable manufacturing in Bangladesh.

+ SOCIAL AND COMMUNITY INITIATIVES

The company (providing training and transitional housing for vulnerable women) and extensive employee training programs are significant achievements in social responsibility and human development.

Certificate Received

Esquire Knit Composite PLC holds a comprehensive range of international certifications for quality, environmental management, social compliance, and organic textile standards. These certifications demonstrate their commitment to global standards and ethical manufacturing practices.

Key certifications include

- + **QUALITY MANAGEMENT: ISO 9001**
- + **ENVIRONMENTAL MANAGEMENT: ISO 14001**
- + **OCCUPATIONAL HEALTH & SAFETY**
 - ◆ ISO 45001 (previously OHSAS 18001)
- + **ORGANIC TEXTILES & RECYCLED CONTENT**
 - ◆ Global Organic Textile Standard (GOTS)
 - ◆ Organic Content Standard (OCS)
 - ◆ Recycled Content Standard (RCS)
 - ◆ Global Recycled Standard (GRS)
- + **PRODUCT SAFETY & CHEMICALS**
 - ◆ OEKO-TEX Standard 100 (Product Class-1) for environmentally friendly dyes and chemicals
 - ◆ OEKO-TEX STeP (Sustainable Textile Production)
 - ◆ ZDHC (Zero Discharge of Hazardous Chemicals)
- + **SOCIAL & ETHICAL COMPLIANCE**
 - ◆ Business Social Compliance Initiative (BSCI)
 - ◆ Worldwide Responsible Accredited Production (WRAP)
 - ◆ C-TPAT (Customs-Trade Partnership Against Terrorism)
 - ◆ Better Work
- + **OTHER ACCREDITATIONS & MEMBERSHIPS**
 - ◆ Supima Cotton

These certifications provide a high degree of assurance to international buyers regarding the company's commitment to quality, environmental responsibility, and ethical practices.



Esquire Knit Composite PLC strongly emphasizes Corporate Social Responsibility (CSR) and sustainability, integrating these principles into its core business model. The company's approach to sustainability is characterized by its focus on environmental stewardship, ethical labor practices, and the use of eco-friendly technology.

Key aspects of Esquire Knit Composite PLC's sustainability and CRS efforts:

Environmental Sustainability

+ GREEN OPERATIONS

Esquire operates a "Green Company" model, utilizing advanced infrastructure designed for efficiency and minimal environmental impact.

+ WASTEWATER MANAGEMENT

The company operates an Effluent Treatment Plant (ETP) to ensure all discharged water is treated to the required standards, preventing environmental contamination.

+ RESOURCE EFFICIENCY

Esquire utilizes a steam recovery process to optimize energy usage and reduce waste.

+ ECO-FRIENDLY CERTIFICATIONS

The company has achieved several environmental certifications, including ISO 14001 (Environmental Management System) and OEKO-TEX STeP (Sustainable Textile Production).

+ CHEMICAL MANAGEMENT

They follow the ZDHC (Zero Discharge of Hazardous Chemicals) protocol and the DETOX standard, using only environmentally friendly dyes and chemicals in their processes.

Social and Ethical Responsibility (CSR)

+ ETHICAL COMPLIANCE

Esquire maintains high social compliance standards, evident in their attainment of certifications like BSCI (Business Social Compliance Initiative), WRAP (Worldwide Responsible Accredited Production), and Better Work.

+ EMPLOYEE WELL-BEING

The company provides a safe and healthy working environment, adhering to national labor laws and international standards regarding fair wages, working hours, and the prevention of child or forced labor.

+ COMMUNITY ENGAGEMENT

While specific details on community programs vary, the general CSR framework of the company aims to have a positive impact on the local community surrounding its facilities.

Sustainable Products

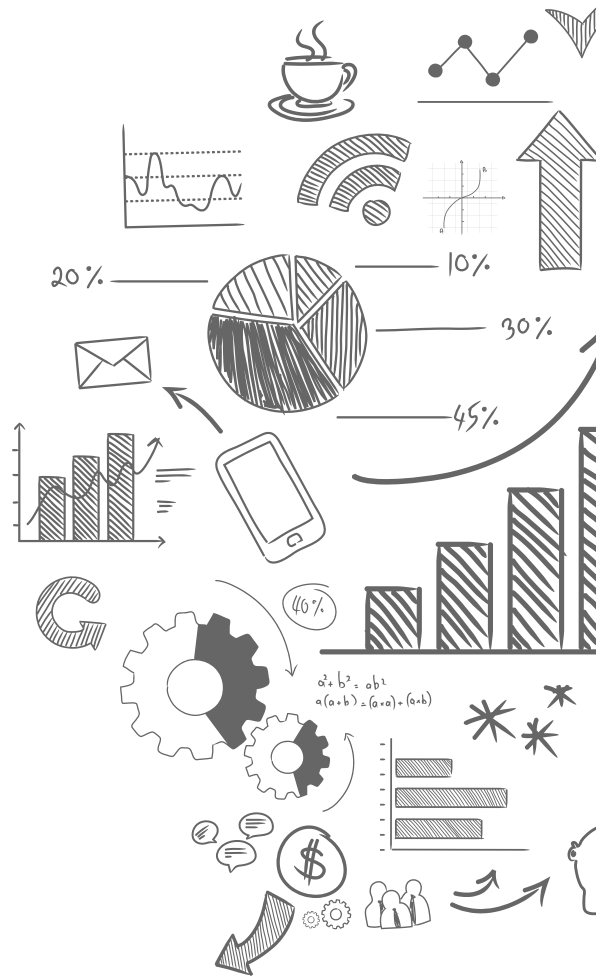
+ ORGANIC & RECYCLED MATERIALS

Esquire is certified for the use of sustainable materials, holding certifications for the Global Organic Textile Standard (GOTS), Organic Content Standard (OCS), and the Global Recycled Standard (GRS). This allows them to produce garments using organic cotton and recycled fibers for environmentally conscious brands.

Esquire's comprehensive approach to CSR and sustainability has helped them build strong relationships with international buyers who prioritize ethical and green supply chains.

Milestones of *esquire knit's*

Esquire Knit Composite PLC has achieved several key milestones throughout its history, from its establishment as part of the broader Esquire Group to becoming a publicly traded, world-class garment manufacturer.



INCORPORATION OF
ESQUIRE KNIT
COMPOSITE LIMITED

2000



Commenced
Commercial
Operation

2001



Certified to ISO 9001:2000
Awarded ISO 9000 Series
(Quality Management
System)

2002

2005

2012



Factory License
and certified to ISO 9002:1994

Awarded ISO 9000 Series
(Quality Management System)



Certified to ISO
9001:2000 Awarded
ISO 9000 Series
(Quality Management
System)

ONGOING

Consistently achieved numerous international certifications, including ISO 9001, ISO 14001, GOTS, OCS, WRAP, and BSCI, establishing itself as a highly compliant and sustainable manufacturer



Converted as a Public Listed Company

Certified to ISO 9001:2015
Awarded ISO 9000 Series (Quality Management System)



Awarded Oeko -Tex Garments Product Class 1 Certified
Awarded GOTS
Awarded OCS-In
Awarded RCS
Award Amfrori BSCI

2015

2016

2017

2019



BGMEA Membership Certificate
Awarded OHSAS 18001: 2007 Certified (Occupational Health & Safety Management System)
Certified to ISO 14001:2004
Certified to ISO 14001:2015
Awarded ISO 14001:2015 Certificate



Awarded Oeko -Tex Garments Product Class 1 Certified
Awarded GOTS
Awarded OCS-In
Awarded RCS

2024-2025

Expanded its dyeing facility capacity to 10,920 MT annually from 6,360 MT.



Change of Company's Name
From Esquire Knit Composite Limited to Esquire Knit Composite PLC
Alcumus'
ISOQAR Certificate of Registration
Higg Index
Completion of Verified Module Sustainable Apparel Coalition
etko
Global Recycled Standard
Better Works
Compliance Assessment Report

FAMA ID
Facility and Merchandise Authorization Certificate
OEKO-TEX
STANDARD 100



Winning "ICMAB Best Corporate Award-2001", under Textiles Category

2022

General Secretarial *Compliance calendar*

The company's compliance calendar generally involves the following recurring obligations:

Quarterly/Half-Yearly Compliances

+ BOARD MEETINGS

Regular board meetings are held to approve un-audited quarterly and half-yearly financial statements. The schedules for these meetings are announced in advance as Price Sensitive Information (PSI).

+ FINANCIAL STATEMENT FILINGS

The company must publish and file un-audited financial statements with the BSEC and the stock exchanges within 45 days of the end of each quarter (excluding the fourth quarter, which is part of the annual audit).

+ SHAREHOLDING REPORTS

Submission of quarterly financial and shareholding information (showing holdings by sponsors, directors, institutions, and 5% or more shareholders) within 15 days of the end of the quarter.

Annual Compliances

+ AUDITED FINANCIAL STATEMENTS

Publication and filing of audited annual financial statements within three months of the financial year-end (June 30).

+ ANNUAL GENERAL MEETING (AGM)

The company must hold its AGM within six months of the financial year-end to receive and adopt the audited financial statements, approve dividends, and appoint auditors. The AGM for the financial year ended June 30, 2024 was held on January 25, 2025.

+ RECORD DATE

The record date, which determines the eligible shareholders for dividends, is announced in advance of the AGM. For the 2024 financial year, the record date was December 2, 2024.

+ DIVIDEND DISTRIBUTION

The company is required to disburse cash dividends to entitled shareholders through the Bangladesh Electronic Fund Transfer Network (BEFTN) and submit a compliance report within seven working days of completion.

+ ANNUAL REPORT

The publication of a comprehensive annual integrated report that includes audited financial statements, directors' reports, corporate governance reports, and the secretarial compliance calendar.

+ CORPORATE GOVERNANCE COMPLIANCE REPORT

A report on the status of compliance with the BSEC's Corporate Governance Code must be submitted.

Ongoing/Event-Based Compliances

+ PRICE SENSITIVE INFORMATION (PSI) DISCLOSURE

The company is obligated to immediately disclose any information that may affect the share price (e.g., changes in EPS, board meeting schedules, dividend declarations).

+ BOARD & COMMITTEE MEETINGS

Regular meetings of the Board of Directors, Audit Committee, and Nomination and Remuneration Committee are held throughout the year.

+ UPDATING INFORMATION

Ensuring that all shareholder information, including bank account details, email addresses, and mobile numbers, is updated for efficient communication and dividend disbursement.

For the most current and specific dates for the ongoing financial year, stakeholders should refer to the official announcements on the websites of the Dhaka Stock Exchange (DSE) and the Chittagong Stock Exchange (CSE), as well as the "Investor Relations" section of the company's official website esquireknt.com.



Risk Management

Esquire Knit Composite PLC (EKCPCLC) actively manages a range of financial, operational, and external risks inherent to the ready-made garments (RMG) industry, as outlined in its annual reports and credit rating documents.

KEY RISKS AND MITIGATION STRATEGIES

EKCPCLC's risk management approach involves identifying and mitigating potential threats to its operations and financial stability.

Financial Risks

+ BORROWING AND DEBT LEVERAGE

The company utilizes external credit facilities for operations and expansion, leading to a high debt leverage. Non-compliance with loan terms could result in the withdrawal of facilities.

» MITIGATION

The company ensures all borrowings are properly documented, traced with supporting evidence (sanction letters, statements), and approved by the board.

+ EXCHANGE RATE FLUCTUATIONS

As an export-oriented company, EKCPCLC is exposed to exchange rate risks.

» MITIGATION

The company's diversified clientele across various regions (Europe, USA, Asia) helps balance this risk.

+ FINANCIAL REPORTING RISKS

Management acknowledges the responsibility of ensuring the integrity of financial statements and mitigating risks of material misstatement due to fraud or error.

» MITIGATION

Audited financial statements and compliance with corporate governance codes are verified by external auditors (e.g., M/S. Pinaki & Company, Chartered Accounts) to ensure accuracy and transparency.

Operational Risks

+ RAW MATERIAL PROCUREMENT

Price volatility and supply chain disruptions can impact production.

» MITIGATION

The company uses diversified raw material procurement sources, including buyer-nominated sources, to mitigate concentration risk and price volatility.

+ PRODUCTION DISRUPTIONS

The highly labor-intensive nature of the industry and high utility requirements pose operational challenges. The company is also vulnerable to labor dissatisfaction, strikes, and unrest.

» MITIGATION

The company ensures a continuous power supply using a combination of generators and a connection to the Rural Electricity Board (REB) to prevent production obstacles. Management also works to maintain a cordial relationship with the workforce.

+ DEPENDENCE ON KEY CUSTOMERS

A reliance on a few large customers is a potential risk.

» MITIGATION

A worldwide and diversified clientele across numerous countries and major fashion brands helps mitigate this concentration risk.

External & Strategic Risks

+ GLOBAL ECONOMIC TRENDS AND TRADE POLICIES

The company is linked to global economic trends and changes in trade policies, tariffs, and international trade barriers can affect competitiveness. The aftermath of events like the COVID-19 pandemic and the Russia-Ukraine war has negatively impacted business.

» MITIGATION

The company focuses on product innovation and diversification to meet evolving global demands, aiming for a strong international reputation as a quality apparel manufacturer.

+ REGULATORY & COMPLIANCE RISKS

The garment industry must adhere to numerous norms and regulations, including labor laws, health, safety, and environmental standards.

» MITIGATION

EKCPLC emphasizes compliance with the Bangladesh Labour Act, ILO standards, and BSEC (Bangladesh Securities and Exchange Commission) corporate governance codes. It also invests in a robust Effluent Treatment Plant (ETP) and eco-friendly practices to meet environmental standards and achieve “Green Company” status.

+ INVESTMENT RISKS

Investment in the capital market involves a degree of risk.

» MITIGATION

The company’s management is committed to protecting investor investments and providing good dividends, while also advising investors to carefully assess risk factors before making decisions.



Corporate *profile*

Esquire Knit Composite PLC (EKCPLC) is a prominent, 100% export-oriented knit garment manufacturer in Bangladesh and a key part of the Esquire Group. The company is known for its fully vertical integrated production facilities and strong international customer base.

COMPANY OVERVIEW

+ ESTABLISHED

2001 (incorporated as a private company in 2000, converted to a public limited company in 2015)

+ REGISTERED AND CORPORATE OFFICE

Esquire Tower, 21, Shaheed Taj Uddin Ahmaed Sarani, Tejgaon Industrial Area, Dhaka, Bangladesh

+ BUSINESS

Manufacture and export of various knit garments and related services

+ KEY MARKETS

Major European and American chain stores, fashion brands, and supermarkets (e.g., Michael Kors, Celio, Mascot, Tee Jays, Riachuelo, Gloria Jeans, O'stin, Lc Waikiki, Aura, Sports Group Denmark, UCB and Primark., etc.).

+ PRODUCTION CAPACITY

1.6 to 2.0 million pieces of garments per month

+ WORKFORCE

Approximately 6,635 employees (as of June 30, 2025)

+ STOCK EXCHANGE

Listed on the Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) since 2019

Core Business Activities

EKCPLC operates a comprehensive, “one-stop solution” composite factory that handles the entire garment manufacturing process in-house:

+ YARN DYEING

The company operates Bangladesh's first automated yarn dyeing plant.

+ KNITTING & FABRIC DYEING

Produces a wide range of knit fabrics, including single and double jersey, interlock, and fleece.

+ FINISHING & PROCESSING

Includes industrial laundry, washing, printing (using modern machines from the USA, UK, and Japan), and embroidery.

+ GARMENT MAKING:

Cutting, sewing, and finishing of final products.

+ DESIGN & LAB TESTING

Features an in-house design studio and an advanced testing lab accredited by international bodies like Michael Kors, Celio, Mascot, Tee Jays, Riachuelo, Gloria Jeans, O'stin, Lc Waikiki, Aura, Sports Group Denmark, UCB and Primark., etc.

Certifications and Compliance

EKCPLC emphasizes quality, environmental, and social responsibility, holding certifications such as ISO 9001, ISO 14001, and ISO 18001. They also have OEKO-TEX Standard 100, GOTS, and OCS-IN certifications and undergo regular evaluations by international bodies.

Recent Financial Performance

For the fiscal year ending June 30, 2025, EKCPLC's consolidated EPS was Tk 0.44, up slightly from Tk 0.41 in FY24. The company has proposed a 10% cash dividend for general shareholders for the same period.



Corporate *information*

Esquire Knit Composite PLC is a 100% export-oriented knit garments manufacturer in Bangladesh, forming a key part of the larger Esquire Group. It is a publicly listed company on the Dhaka Stock Exchange (DSE) and the Chittagong Stock Exchange (CSE), specializing in comprehensive textile production from yarn dyeing to finished apparel.

General Corporate Information

Legal Name

Esquire Knit Composite PLC

Founded

Incorporated in February 2000; converted to a public limited company in January 2015.

Registered and Corporate Office

Esquire Tower, 21 Shaheed Tajuddin Ahmed Sarani, Tejgaon I/A, Dhaka-1208, Bangladesh.

Stock Listing

Dhaka Stock Exchange (DSE)
Chittagong Stock Exchange (CSE)

Statutory Auditor

Pinaki & Company

Chartered Accountants
AHSANDELL, 2/A,
Mymensingh Road (2nd Floor)
Shahbag, Dhaka-1000.

Compliance Auditor

Chowdhury Bhattacharjee & Co.
Chartered Accountants
47/8, Indira Road (Fr. Floor)
Dhaka-1215, Bangladesh

Legal Advisor

Mr. Md. Sameer Sattar, Barrister
Unit-E3, House-/A, Road-35,
Gulshan-2, Dhaka-1212, Bangladesh

Advisor (Tax & VAT)

Mr. Mesbah Uddin, FCA

Bankers

Al Arafat Islami Bank Limited
United Commercial Bank Limited
Eastern Bank Limited

Insurance

Pragati Insurance Limited

Membership

Bangladesh Garments Manufacturers & Exporters Association (BGMEA)

Bangladesh Knitwear Manufacturers & Exporters Association (BKMEA)

Bangladesh German Chamber of Commerce & Industry (BGCCI)

Spain Bangladesh Chamber of Commerce and Industry

Bangladesh Association of Public Listed Company (BAPLC)

Web & E-mail address

WWW.esquireknit.com

Core Business

Manufacture and export of various knit garment products (e.g., polo shirts, T-shirts, sweat shirts, hoodies).

Production Capacity

Approximately 32 million pieces of garments annually across 85 sewing lines.

Global Reach

Supplies major brands and retailers in the EU, USA, and Canada, including Michael Kors, Celio, Mascot, Tee Jays, Riachuelo, Gloria Jeans, O'stin, Lc Waikiki, Aura, Sports Group Denmark, UCB and Primark., etc.

Board of Directors

The Board of Directors of Esquire Knit Composite PLC is composed of a mix of executive, non-executive, and independent directors.

The current members of the Board are:

Mrs. Piara Hossain

Chairman (non-executive)

Md. Ehsanul Habib

Director & Managing Director

Arifur Rahman

Director (non-executive)

Md. Muddasar Hossain

Director (non-executive)

A.K.M. Shamsul Areefin

Director (Independent Non-Executive)

Ms. Masuda Sultana ACA, FCS

Director (Independent Non-Executive)

Audit Committee Members

The current members of the Audit Committee for Esquire Knit Composite PLC are:

Ms. Masuda Sultana ACA, FCS

Independent Non-Executive Director and Chairman of the Audit Committee

Mr. A.K.M. Shamsul Areefin

Independent Non-Executive Director and Member

Md. Muddasar Hossain

Non-Executive Director and Member

Md. Monir Hossain

Company Secretary and Member

The Company Secretary, Mr. Md. Monir Hossain, acts as the Member Secretary to the Committee.

Nomination and Remuneration Committee (NRC)

The current members of the Nomination and Remuneration Committee are:

Mr. A.K.M. Shamsul Areefin

Independent Non-Executive Director and Chairman of the NRC.

Ms. Masuda Sultana ACA, FCS

Independent Non-Executive Director and Member

Md. Muddasar Hossain

Non-Executive Director and Member

Md. Monir Hossain

Company Secretary and Member

The Company Secretary, Mr. Md. Monir Hossain, acts as the Member Secretary to the Committee.

Key personnel

The current key personnel of the company, where they attend the company's board meeting along with the company's day-to-day works. This presence is ensured by the Corporate Governance Code.

They are:

Md. Mustafizur Rahman

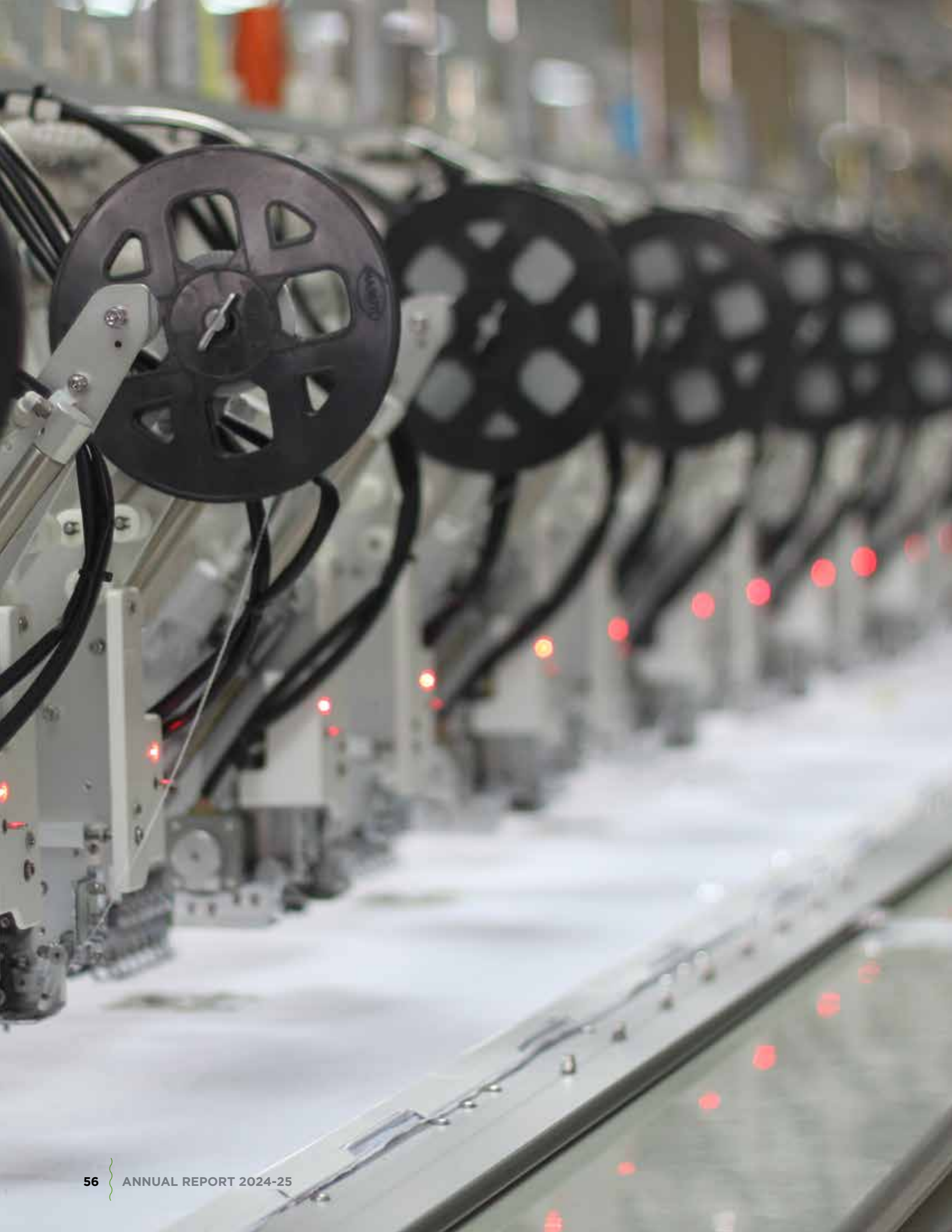
Chief Financial Officer (CFO)

Md. Monir Hossain

Company Secretary

Md. Rakibur Rahman

Head of Internal Audit & Compliance



Stakeholder engagement and

investor relations

Esquire Knit Composite PLC maintains a strong commitment to transparent communication and ethical practices with its various stakeholders, including investors, customers, employees, and regulators.

Stakeholder Engagement Practices

Esquire Knit believes that good ethics and good business produce the best long-term results for all stakeholders. The company's engagement approach focuses on:

+ TRANSPARENCY AND ACCOUNTABILITY

The company emphasizes transparency in all operations and adheres to high ethical standards, believing that good governance helps in building trust among all stakeholders, including the Bangladesh Securities and Exchange Commission (BSEC).

+ EMPLOYEE WELFARE

Esquire Knit focuses on improving the quality of life for its employees, providing employment opportunities, and offering on-site medical services. They foster a cordial relationship with the workforce and offer development programs and internships.

+ CUSTOMER SATISFACTION

The company's vision includes being a "champion among suppliers" by providing quality products and ensuring on-time delivery, thereby achieving customer satisfaction with major international brands like Michael Kors, Celio, Mascot, Tee Jays, Riachuelo, Gloria Jeans, O'stin, Lc Waikiki, Aura, Sports Group Denmark, UCB and Primark., etc.).

+ ENVIRONMENTAL RESPONSIBILITY

Esquire engages with the community on environmental protection initiatives, such as using a water-saving "Nano-Dye" technology and exploring zero-discharge water recycling capabilities in its Effluent Treatment Plant (ETP).

+ COMMUNITY INVOLVEMENT

The company actively takes part in programs that benefit society, including sponsoring educational centers and engaging with universities for research and development.

+ FINANCIAL REPORTING

Esquire Knit regularly publishes its financial information, including quarterly and annual reports, which are accessible on its website. This ensures investors have access to timely and accurate performance data.

+ ANNUAL GENERAL MEETINGS (AGMS)

The company holds AGMs, which shareholders can attend and participate in, including electronic voting options, to address company affairs and approve key decisions like dividend payouts and auditor appointments.

+ DIVIDEND POLICY

The Board aims to protect the investment of shareholders and provide good dividends based on performance, having consistently recommended a 10% cash dividend only general shareholders in recent years.

+ PRICE SENSITIVE INFORMATION (PSI)

Key information that might affect the share price is disseminated to the stock exchanges promptly.

Investor Contact

For direct inquiries or communication, investors can reach out via the following contact information:

+ COMPANY SECRETARY

Md. Monir Hossain

+ DEPUTY COMPANY SECRETARY

Md. Mijanur Rahman

+ ADDRESS

Esquire Tower (7th floor), 21 Shaheed Tajuddin Ahmed Sarani, Tejgaon I/A, Dhaka-1208, Bangladesh

E-mail: cs@esquire.com.bd

Mobile: 01713-333040

Phone: +8809612443322

Investors can access all necessary information via the Investors Information section of the company website.

Investor Relations

The company provides clear channels and platforms for investors to stay informed and engaged, as it is a publicly listed entity on the Dhaka Stock Exchange (DSE) and the Chittagong Stock Exchange (CSE).

Successful companies and brands are the fruit of the hard work and efforts of their employees; therefore, they prove to be the greatest asset of a company.

Esquire Knit Composite PLC emphasizes the importance of its Human Resources (HR) department as a crucial asset in managing its large workforce, which numbers around 6,700 employees.

HR Department Overview

The HR department at Esquire Knit Composite PLC (EKCPCLC) is designed to be efficient and meet the business needs through managing its employees effectively. It is responsible for a wide range of functions that cover the entire employee lifecycle and ensure compliance with relevant standards.

Key aspects of their Human Resources management include:

+ SKILLED WORKFORCE

The company prides itself on employing a highly skilled workforce, considering its workers its “true driving force”.

+ TRAINING AND DEVELOPMENT

EKCL focuses on employee development, conducting various training programs for staff at different levels, including management.

+ COMPLIANCE AND CERTIFICATIONS

The company maintains high standards for social compliance and quality management, holding certifications like ISO 9001 (Quality), ISO 14001 (Environmental), and OHSAS 18001 (Occupational Health & Safety). These certifications demonstrate a commitment to well-managed HR practices, health, and safety standards.

+ RECRUITMENT

The company actively recruits for various positions in production, planning, and other departments. They often list job openings on their official career portal and professional networking sites.

Key HR Disciplines

The HR department at Esquire Knit Composite manages its operations through six major disciplines:

- » Recruitment and selection
- » Training and development
- » Compensation and benefits
- » Performance management
- » Employee relations
- » Health, safety, and compliance

The Human Resources department at Esquire Knit Composite PLC implements structured procedures for both employee selection and training, focusing on acquiring skilled talent and continuously developing its workforce at all levels.

Selection and Recruitment

Esquire Knit Composite employs a defined recruitment and selection process that aims to find the best fit for specific roles while adhering to compliance and a minimum standard of education.

- » Minimum Educational Standards
- » Background Verification
- » Targeted Recruitment
- » Internship Programs
- » Application Process

Training and Development

The company places a strong emphasis on employee development across all levels, from management to office support staff and operators.

- » Management and Soft Skills Training
- » International Exposure
- » Technical and Operational Training
- » Support Staff Grooming
- » Industry Collaboration
- » Continuous Improvement

Compensation and benefits

Esquire Knit Composite PLC provides a comprehensive compensation and benefits package for all employees, designed to be competitive within the Bangladeshi RMG sector, attract skilled talent, and foster a positive work environment. The package is generally structured “as per company policy” and is subject to yearly reviews.

Compensation Components

- » Competitive Base Salary
- » Performance-Based Salary Review
- » Festival Bonuses
- » Service Benefit
- » Benefits and Perks

The company offers several non-monetary and ancillary benefits to improve the quality of life and well-being of its workforce:

- » Provident Fund
- » Insurance
- » Mobile Bill Allowances
- » Leave Encashment
- » On-site Amenities

The facilities at the factory locations include:

- » On-site medical center.
- » Day-care center for employees' children.
- » Dining/canteen facilities.
- » Transport facilities (specifics may vary).
- » Shower facilities and community halls.
- » Safe Working Environment
- » Career and Development Opportunities

Esquire Knit Composite PLC's approach to compensation and benefits reflects a commitment to both regulatory compliance and employee welfare, aiming to be a responsible employer in the industry.

Performance Management

Esquire Knit Composite PLC manages the performance of its HR function through a blend of established best practices focused on employee development, compliance, and strategic alignment with business needs. While a specific, detailed internal performance management document is not publicly available, the company's annual reports and corporate information highlight key areas of focus and implicit performance indicators for the HR department.

Key Aspects of HR Performance Management

The performance of the HR department is likely measured and managed based on its effectiveness in the following areas:

- » Talent Acquisition and Skilled Workforce
- » Training and Development
- » Compliance and Ethical Standards
- » Employee Relations and Culture:
- » Operational Alignment
- » Performance Appraisal Analysis

In essence, the performance management of HR at Esquire Knit Composite PLC involves a results-oriented approach that links HR initiatives (recruitment, training, compliance) directly to the company's operational goals, quality standards, and overall business success.

Employee relations

Esquire Knit Composite PLC prioritizes strong employee relations rooted in core values of respect, integrity, and social responsibility, while also ensuring strict compliance with national labor laws and international standards.

Core Principles and Values

The company's approach to employee relations is guided by the following commitments:

- » Respect and Dignity
- » Integrity and Responsibility
- » Teamwork and Support

Key Practices

- » Compliance and Certifications
- » Business Social Compliance Initiative (BSCI)
- » ISO 18001

Communication and Engagement

- » Training and Development
- » CSR Activities

Welfare and Amenities

- » On-site medical centers and day-care facilities.
- » Canteen/dining and transport facilities.
- » A strong emphasis on a safe working environment.

Health, safety, and compliance

Esquire Knit Composite PLC places a strong emphasis on health, safety, and compliance, viewing it as a core component of its business ethics and a requirement for serving international buyers. The company has a robust system demonstrated through certifications and frequent independent evaluations.

Health and Safety

Esquire is committed to providing a safe and healthy working environment for its employees and has implemented internationally recognized management systems:

+ CERTIFIED MANAGEMENT SYSTEMS

The company is certified to:

- » ISO 18001
- » ISO 45001:2018

+ ON-SITE FACILITIES

+ SAFETY TRAINING

+ INFRASTRUCTURE

Compliance

Compliance is integral to Esquire's operations, driven by both ethical commitments and the strict requirements of international buyers. The company ensures compliance with local labor laws and numerous global standards:

+ INTERNATIONAL AUDITS

- o Business Social Compliance Initiative (BSCI)

+ TEXTILE AND ENVIRONMENTAL CERTIFICATIONS

- » OEKO-TEX Standard 100
- » Global Organic Textile Standard (GOTS) and Organic Content Standard (OCS-IN).
- » ISO 14001

+ QUALITY MANAGEMENT

Esquire Knit Composite PLC views strong ethics and good business practices as naturally linked to produce the best long-term results for all stakeholders, maintaining transparency and accountability in all its operations.



Board of Directors

Esquire Knit Composite PLC (EKCPLC) has publicly declared a strong commitment to its stakeholders, focusing on integrity, quality, sustainability, and employee welfare. This commitment extends to its customers, employees, the community, and the environment.

The current Board of Directors of Esquire Knit Composite PLC consists of the following members:



Profile of *board members*

The Board of Directors of Esquire Knit Composite PLC is composed of a mix of sponsor directors from the founding family and independent directors with finance and management expertise.

Mrs. Piara Hossain

Chairman (non-executive)

MRS. HOSSAIN is the Chairman of the Board of Directors of Esquire Knit Composite PLC. She is a non-executive director of the Company. She is the wife of the Late Mr. Md. Mofazzal Hossain, the founder and Chairman of the Esquire Knit Composite PLC and the Esquire Group.

Mrs. Piara Hossain has long experience in running industrial units successfully. She has contributed to the Group through her leadership skills and managerial decision-making. She has a successful track record of managing the business. She has been contributing a lot to the development of the group. Her contribution and enthusiasm behind the Esquire Group coming to this stage today are worth remembering.

Her role involves overall governance and strategic direction for these key group companies.

She is also serving on the Boards of the following organizations:

- » Esquire Electronics Limited
- » Esquire Dyeing Industries Limited
- » Esquire Accessories Limited

Mrs. Piara Hossain came from a novel Muslim family. The family legacy and his inherent qualities gave him a great sense of value and direction and made him a successful personality in every sphere of life.

Mr. Md. Ehsanul Habib

Director & Managing Director

A new-generation entrepreneur, MR. HABIB has served as the Managing Director since 2000. He has also a Sponsor Director and Managing Director of Esquire Knit Composite PLC since its inception in 2000. He is the eldest son of Mr. Md. Mofazzal Hossain, Founder, and Chairman of the Esquire Group. He studied in the USA and obtained his Bachelor's degree in Business Administration. After completing his education, he joined Esquire Group with his visionary leadership. He is among new generation entrepreneurs who have nourished and successfully flourished the country's export-oriented RMG and Knit Garments industry. By his own merit and dynamic decision-making capacity, he has been able to materialize several successful ventures. He is keenly interested in the latest developments in the textiles and knit garments sector and gathered advanced knowledge in management, marketing, and technical know-how. Mr. Habib is entrusted with the responsibility of overall management.

He is also serving on the Boards of the following organizations

- » Esquire Electronics Limited
- » Esquire Dyeing Industries Limited
- » L' Esquire Limited
- » Thakral Information System (Pvt) Limited
- » Thakral One Private Limited
- » Esquire Accessories Limited
- » Esquire Plastic Limited
- » Esquire Testing Service (BD) Limited
- » Best Life Insurance Company Limited
- » Bangladesh German University
- » Shah Garments International Limited
- » Esquire Customer Care Limited
- » Alpha Plastic & Packing Limited
- » Trust Solution Private Limited
- » Esquire Heavy Industries Limited
- » Sharp Media Limited

He keeps social attachments with renowned professional and socio-cultural associations.

Mr. Arifur Rahman

Director (non-executive)

Mr. RAHMAN is a Sponsor Director of Esquire Knit Composite PLC since its inception in 2000. Also, Mr. Arifur Rahman is a Sponsor Director as well as Managing Director of Esquire Electronics Limited. He is the second eldest son of Mr. Md. Mofazzal Hossain, Founder, and Chairman of the Esquire Group. He studied in the United Kingdom and obtained a Bachelor's degree in Business Administration. After completing his education, he joined Esquire Group with a focus on implementing strategic business planning and corporate management practices in the organizations and has a rich experience of more than eighteen years in the dyeing, readymade garments, textiles, garments accessories, electronics, plastic household products & IT. He played a pivotal role in establishing a successful export-oriented industry in the country as he gathered a lot of experience in the textile and electronics field.

He is also serving on the Boards of the following Organizations:

- » Esquire Electronics Limited
- » Esquire Dyeing Industries Limited
- » L' Esquire Limited
- » Thakral Information System (Pvt) Limited
- » Thakral One Private Limited
- » Esquire Accessories Limited
- » Esquire Plastic Limited
- » Esquire Testing Service (BD) Limited
- » Shah Garments International Limited
- » Esquire Customer Care Limited
- » Trust Solution Private Limited
- » Esquire Heavy Industries Limited
- » Sharp Media Limited

Mr. Md. Muddasar Hossain

Director (non-executive)

MR. HOSSAIN is a Sponsor Director of Esquire Knit Composite PLC since its inception in 2000. Also, Mr. Md. Muddasar Hossain is a Sponsor Director as well as Managing Director of Esquire Accessories Limited. He is the youngest son of Mr. Md. Mofazzal Hossain, Founder, and Chairman of the Esquire Group. He studied Law and obtained a Bachelor's degree. After his graduation, he engaged himself in the electronics and garment business and quickly acquired the required knack to run the overall business.

He is also serving on the Boards of the following organizations:

- » Esquire Electronics Limited
- » Esquire Dyeing Industries Limited
- » L' Esquire Limited
- » Thakral Information System (Pvt) Limited
- » Thakral One Private Limited
- » Esquire Accessories Limited
- » Esquire Plastic Limited
- » Esquire Testing Service (BD) Limited
- » Shah Garments International Limited
- » Esquire Customer Care Limited
- » Trust Solution Private Limited
- » Esquire Heavy Industries Limited

Mr. A.K.M. Shamsul Areefin

Director (Independent Non-Executive)

MR. AREEFIN provides an independent perspective to the board's decision-making process. Independent directors play a crucial role in ensuring good corporate governance and accountability to all shareholders.

Mr. Areefin was the Additional Secretary of the Government of the People's Republic of Bangladesh. He completed his M.A. in English from Dhaka University and his M.A. in Islamic Studies from People's University.

During his tenure as Additional Secretary in the Ministry of Industries, Mr. Areefin was involved as a director on the board of many non-listed companies including BRB Cables Limited.

Mr. Areefin is a Non-Executive Independent Director of Esquire Knit Composite PLC as well as the Chairperson of the Nomination and Remuneration Committee (NRC) and Corporate Governance Committee. He is also a Member of the Audit Committee, and Risk Management Committee and a representative director on the board of L, Esquire Limited on behalf of Esquire Knit Composite Limited, where L' Esquire is a subsidiary of Esquire Knit Composite Limited. Mr. Areefin joined the Board of Directors of Esquire Knit Composite Limited from the date of 1 July 2022.

Ms. Masuda Sultana ACA, FCS

Director (Independent Non-Executive)

MRS. SULTANA provides an independent perspective to the board's decision-making process. Independent directors play a crucial role in ensuring good corporate governance and accountability to all shareholders.

Mrs. Sultana who holds the titles of CA (Chartered Accountant) and FCS (Fellow Chartered Secretary) indicates she is a highly qualified finance and corporate governance professional. As a Chartered Accountant (CA) and Fellow Chartered Secretary (FCS), she has expertise in accounting, auditing, finance, and company secretarial practices. Her career history includes roles such as Chief Financial Officer (CFO) and Head of Finance and Company Secretary at various organizations, including EBL Investments Ltd.

Her designations indicate that she has completed the rigorous professional programs offered by the Institute of Chartered Accountants of Bangladesh (ICAB) and the Institute of Chartered Secretaries of Bangladesh (ICSB). In October 2025, she was congratulated for becoming a qualified Chartered Accountant, reflecting a milestone in her professional development.

Mrs. Sultana, is an Independent Non-Executive Director of Esquire Knit Composite PLC as well as the Chairperson of the Audit Committee and member of the NRC from July 1, 2025.

leadership *Team*

The leadership team of Esquire Knit Composite PLC is guided by a core philosophy that centers on sustainable growth, stakeholder value creation, social responsibility, and maintaining high-quality manufacturing standards. Their collective mission is articulated through the company's vision and values, rather than a single leadership-specific mission statement.

Key elements of their mission include:

+ TO BECOME AN INSPIRED SOLUTION FOR SUSTAINABLE CLOTHING

The company is committed to operating in a manner that stays “True to Humanity and The Planet” while delivering quality and commitment to all stakeholders.

+ ENSURING SHAREHOLDER VALUE

A primary objective is to protect investor investments and provide good dividends by ensuring profitability and responsible growth.

+ ACHIEVING CUSTOMER SATISFACTION

The leadership aims to be a “champion among suppliers” by providing all-around services, producing high-quality products, delivering them on time, and meeting customer expectations.

+ EMPLOYEE WELFARE AND DEVELOPMENT

The mission includes creating employment opportunities, improving employees' quality of life, empowering women in the workforce, and fostering an environment of respect and dignity within the workplace.

+ ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

The leadership is committed to building an environment-friendly and socially responsible company, contributing to the national exchequer, and helping move the country's economy forward.

+ MAINTAINING INTEGRITY AND EXCELLENCE

The leadership team commits to fulfilling their responsibilities with integrity, passion, and ownership, striving for excellence in all actions, and holding themselves accountable for outcomes.

The Managing Director, Mr. Md. Ehsanul Habib, is specifically tasked with driving business operations, executing long-term strategies to create shareholder value, and providing the necessary leadership to ensure business objectives are met.



Md. Ehsanul Habib
Managing Director



Md. Mustafizur Rahman
Chief financial Officer



Md. Monir Hossain
Company Secretary



Tarun Kumar Mistry
Chief Operating Officer



Md. Aminur Rahman
Chief Marketing Officer



Islam-Un-Nabi (Tuhin)
Senior General Manager
(Head of Knitting)



Md. Saidur Rahman
Senior General Manager
(Head of Supply Chain)



Md. Rakibur Rahman
General Manager
(Finance Department)



Musfuq-U-Salahin
General Manager
(Accounts & Treasury)



Md. Wahedul Ameen
Deputy General Manager
(Marketing & Merchandising)



Md. Al-Amin Mian
Deputy General Manager
(Head of Fabric Dyeing & Washing)



Rashedul Hasnat
Assist. General Manager
(HR, Admin & Compliance)

Chairman's Statements



Mrs. Piara Hossain
Chairman

We will enhance our market presence and deepen customer relationships while remaining committed to environmental and social responsibility. By staying agile and forward-thinking, we aim to seize emerging opportunities and navigate challenges effectively, ensuring long-term value for our stakeholders and reinforcing our industry leadership.

বিসমিল্লাহির রাহমানির রাহিম, পরম করুণাময় ক্ষমাশীল আল্লাহর নামে শুরু করছি।

Dear Shareholders,

আসসালামু আলাইকুম, ওয়া রাহমাতুল্লাহি ওয়াবরকাতুহ।

It is my pleasure to present the Chairman's Review for the financial year ended June 30, 2025, in compliance with the Companies Act 1994 and the Listed Companies (Code of Corporate Governance-2018) Regulations, 2015. This review reflects our commitment to transparency, governance, and strategic direction.

Our company has navigated a year of significant challenges with resilience and strategic foresight. For the 2024-2025 financial year, we reported a record-high turnover of BDT equivalent 10,070 million+ (USD equivalent 83 million+), showcasing our ability to adapt and thrive in a dynamic market environment. This performance underscores the effectiveness of our strategies and the dedication of our team. However, high interest rates, escalating energy costs, and inflation put considerable strain on profit margins.

Our commitment to the highest standards of governance and ethical conduct is central to our operations. The Board of Directors rigorously upholds transparency, accountability, and integrity, ensuring that best practices in governance are consistently applied. We have established robust frameworks for risk management and internal controls, and we remain dedicated to regulatory compliance and ethical business practices, reinforcing stakeholder trust and enhancing our corporate reputation. We ensure that our governance practices align with relevant laws and regulations, with clearly defined roles and responsibilities. Throughout the 2024-2025 financial year, the Board and committee convened a total of eight board meetings, four audit committee meeting and three NRC meetings, ensuring consistent oversight of our performance and that of our sub-committees.

The Board's annual self-evaluation for the 2024-2025 financial year has yielded satisfactory results. This self-assessment is integral to measuring our performance and identifying areas for improvement. Our evaluation process focuses on several key components:

- ✦ **The Board members bring a diverse range of backgrounds and experiences, comprising both independent and non-executive directors who are equally engaged in all critical decisions. This diverse composition ensures that the Board has the necessary skills, capabilities, and experience to effectively achieve the company's objectives.**
- ✦ **The Board's effectiveness in shaping and guiding the company's strategic goals. This involves reviewing how well the Board contributes to the formulation and execution of strategic plans and its role in ensuring that the company adapts to changing market conditions.**
- ✦ **The Board has established a strong governance framework, ensuring transparency, adherence to best practices, and the promotion of ethical behavior throughout the company.**
- ✦ **Board's dynamics, including the quality of interactions and collaboration among directors. Effective communication, teamwork, and the ability to manage conflicts constructively are key focus areas to ensure a cohesive and functioning board.**

In the end of 2025, our company is pleased to appoint two independent directors at the board meeting of the company in compliance with the Corporate Governance Code-2018. Out of which, Ms. Masuda Sultana ACA, FCS, has been appointed as the Chairperson of the Audit Committee and Member of the NRC, and Mr. A.K.M. Shamsul Areefin, has been appointed as the Chairperson of the NRC, and Member of the Audit Committee. The two newly appointed independent directors at the company's board are both experienced in their respective areas. Mr. A.K.M. Shamsul Areefin, has successfully completed his first tenure as an independent director as a member of the Board.

After serving as an Independent Director for three years, the company has relieved Mr. Md. Mozammel Hossain, FCA, effective July 1, 2025. On behalf of the Board, I would like to thank Mr. Mozammel for his significant contributions during that period.

As we chart our course forward, our strategic focus is on driving sustainable growth through innovation and operational excellence. Our investments in subsidiary company are designed to drive sustainable growth and enhance shareholder value.

We will enhance our market presence and deepen customer relationships while remaining committed to environmental and social responsibility. By staying agile and forward-thinking, we aim to seize emerging opportunities and navigate challenges effectively, ensuring long-term value for our stakeholders and reinforcing our industry leadership.

Our whole team is working hard to bring about a step-change in Esquire Knit's performance. To that end, we can point to some decent signs of progress in 2025, as reflected in the company's full-year results. Critically, our task now under Mr. Ehsanul Habib's leadership is to find ways to accelerate the execution of the GAP 2030 (Growth Action Plan 2030) and to ensure we deliver improvements on a consistent basis over many years. The Board and management of the company are all fully focused on this imperative.

In closing, I extend my sincere gratitude to our shareholders, employees, and partners for their unwavering support and dedication. Together, we will advance our strategic objectives and build on our achievements with confidence and integrity.

I pray for good health for everyone in the coming days. We hope that in the coming year, we will be able to achieve a better future through our relentless efforts and come out stronger than before.

May the Almighty Allah help us and be with us always here and hereafter, Ameen.

Mrs. Piara Begum

Mrs. Piara Hossain
Chairman

Sunday & Dhaka
October 26, 2025



Managing Director's *Statements*



“বিসমিল্লাহির রাহমানির রাহিম, পরম করুণাময় ক্ষমাশীল আল্লাহর নামে শুরু করছি”

Dear Shareholders,

আসসালামু আলাইকুম, ওয়া রাহমাতুল্লাহি ওয়াবরকাতুহ।

It is a profound honor for me to address you once again as the Managing Director of this esteemed institution. As ever, over the past year, my journey with Esquire Knit Composite PLC (Esquire Knit) has allowed me to witness firsthand the powerful legacy we have built, the immense potential for continued industry leadership, and the unwavering support of our valued stakeholders.

I have observed a deep alignment between our organizational values and the actions of every member of the Esquire Knit family. These values are not merely stated in our charter; they are lived daily. They define our strategic thinking, our operational excellence, and the transparency with which we engage with all our partners.

Performance and Financial Review

2024-2025 financial year

The journey of Esquire Knit during the 2024-2025 financial year was marked by resilience, passion, and a steadfast commitment to growth. Despite a period of moderated global demand from international buyers, we successfully crossed the milestone of over BDT 1,000 Crore in turnover. This represents a robust 32.43% growth over the previous year, supported by our strong presence across all operational fields. This remarkable achievement is a testament to our continuous improvements in operational efficiency and our ability to thrive in a global market environment. It underscores the effectiveness of our core strategies and the dedication of our entire team. More significantly, our profitability declined compared to last year as high interest rates, rising energy costs and global inflationary trends put pressure on our net profit.

Challenges and Strategic Outlook

While our performance remains strong, we remain mindful of the internal and external economic pressures. High interest rates,

rising energy costs, and global inflationary trends have placed pressure on our net margins. However, we firmly believe that we can proactively mitigate these challenges through technology integration, cost-optimization initiatives, and strategic diversification.

Subsidiary -L' Esquire Limited

L' Esquire Limited is a Subsidiary Company of Esquire Knit Composite PLC, where Esquire Knit holds a 99.01% share of the total shares of the subsidiary Company and obtained the incorporation certificate on June 20, 2019 from RJSC.

The Company is specially established for the production and 100% export of Lingerie products, which are in huge demand in the global market. The Company has also established and run for the manufacturing of Activewear, Intimex, Sportswear, Knitwear, and Readymade-Garments including Knitting, Dyeing, Sewing, Printing, and Embroidery.

The Company's location is in Jamirdia, Baluka, Mymensingh. During the 2022-2023 financial year, the Company started its Operation and Export activities on a limited scale (trial basis) because we have not obtained a

“

Our goal is to stay ahead of the times and deliver quality by prioritizing the changing needs of our customers. We are consciously addressing the challenges of the current apparel market situation and are fully prepared to make our position in the market stronger than ever. Our esteemed customers are at the heart of every initiative.

”



Managing Director's statements

Compliance Certificate from RSC or Accord, other Social Audits and gas connections. Titas Gas has not yet been able to provide a gas connection to our factory to start commercial production.

In this regard, we inform you for the information that, in 2021, we got permission from Titas Gas Transmission and Distribution PLC to connect the gas line to our factory as a fuel source at our own cost. We paid the full deposit of the demand note, submitted a Bank Guarantee as per Titas' requirements and purchased all the equipment including pipes at our costs to get the gas connection. Despite such a huge expenditure on the part of the Company, Titas Gas has not yet been able to provide a gas connection in our factory due to some of Titas' complications.

In this connection, we are working with Titas on this issue regularly. We hope that we will be able to start commercial operation after the solution of these issues, Insha'Allah.

The Company earned reported revenue of BDT 1,023.87 million during the financial year ended June 30, 2025 and a Net Profit after tax BDT of (4.13) million. The Board of L' Esquire Limited has not declared any dividend for the 2024-2025 financial year.

The Annual Report along with the Audited Financial Statements (consolidated and separate) of the Company and its subsidiary are also available on the website of the Company at www.esquireknit.com

Outlook 2026 of Bangladesh

The 2026 outlook for Bangladesh is centered on a high-stakes transition towards political democracy and a gradual economic recovery following years of volatility.

Political Outlook: Landmark 2026 Elections

A national election is officially scheduled for February 12, 2026. This will be the first general election since the student-led uprising in 2024 and is viewed as a critical test for the country's long-term stability.

Economic Outlook: Growth & Inflation

The economy is projected to see a modest recovery in 2026, with GDP growth expected to rise compared to the previous fiscal year.

+ GDP GROWTH PROJECTIONS:

- » **ADB:** 5.0% for FY2026.
- » **IMF:** 4.9% for FY2026.
- » **World Bank:** 4.8% for FY2026, with a projected leap to 6.3% by FY2027.

+ INFLATION

Rates are expected to ease but remain elevated. The IMF projects inflation will drop to 8.42% in FY2026 from higher peaks in previous years, while the ADB forecasts it around 8%.

+ REMITTANCES

Strong remittance inflows, which rose significantly in late 2025, are expected to remain a key pillar supporting household consumption and economic stability into 2026.

Trade & Industry Outlook

+ RMG SECTOR

The Ready-Made Garment (RMG) industry is expected to remain the primary export anchor. Strategic focuses for 2026 include

leadership in sustainability (LEED-certified factories) and moving into higher-value technical apparel.

+ LDC GRADUATION

2026 marks a crucial preparation year for Bangladesh's graduation from Least Developed Country (LDC) status, requiring the industry to proactively strengthen cost efficiency and market diversification.

+ SOURCING SHIFTS

As of late 2025, Bangladesh has diversified its raw material sources, with Brazil becoming its top cotton supplier, overtaking India.

Credit Rating

Credit Rating Agency of Bangladesh Limited (CRAB) has reaffirmed the AA3 rating of our Company, and the AA3 (Lr) rating of BDT 4,495.1 million long-term outstanding (LTO) availed by the Company in the Long Term. CRAB has also assigned an ST-3 rating to the BDT 2,138.6 million short-term funded limit and BDT 7,140.00 short-term non-funded limit availed by the Company based on three years audited financial statements (financial year ending June 30, 2023, June 30, 2024 and June 30, 2025), Bank Liability position as on September 30, 2025 and other relevant as complied from client & bankers. This rating will be valid up to November 30, 2026 from November 26, 2025.

Looking Ahead

2026 presents us with a unique opportunity to transform the strong foundation we laid in 2025 into sustainable profitable growth. We are striving to achieve excellence at every level of our operations by further strengthening our 'One Team' collaboration, building a skilled workforce and investing in modern digitization or digital transformation. We deeply understand the importance of innovation and newness to survive in a dynamic market.

Our goal is to stay ahead of the times and deliver quality by prioritizing the changing needs of our customers. We are consciously addressing the challenges of the current apparel market situation and are fully prepared to make our position in the market stronger than ever. Our esteemed customers are at the heart of every initiative.

I express my sincere gratitude to our Board of Directors, dedicated workforce, buyers, suppliers and shareholders for their unwavering support and cooperation in this journey."

May the Almighty Allah help us and be with us always here and hereafter, Ameen

With my warmest regards,



Sunday & Dhaka
October 26, 2025

Md. Ehsanul Habib
Managing Director

Directors' Report

to the shareholders

The directors of your Company are pleased to present the Annual Report and the audited financial statements for the year ended June 30, 2025 together with the auditors' report.

Performance Overview

Esquire Knit Composite PLC demonstrated an improved financial performance on a both standalone and consolidated basis for the financial year ended June 30, 2025 (FY 2024-2025), primarily driven by increased net profit and positive revenue growth.

Consolidated Financial Highlights (FY 2024-2025)

The key financial metrics are as follows:

- **Earnings Per Share (EPS)**

The consolidated EPS was Tk 0.44, a slight increase from Tk 0.41 in the previous 2023-2024 financial year.

- **Net Asset Value (NAV) per share (with revaluation reserve)**

The consolidated NAV per share was Tk 65.10 as of June 30, 2025, compared to Tk 65.19 a year earlier.

- **Net Operating Cash Flow Per Share (NOCFPS)**

The consolidated NOCFPS was Tk 1.72, a significant improvement from the negative Tk (9.67) reported for 2023-2024 financial year.

- **Dividend**

The Board of Directors recommended a 10% cash dividend for general shareholders only (excluding sponsors and directors).

Performance Drivers

The improved results were attributed to:

- Remarkable increase in revenue compared to the previous year.
- An increase in net profit compared to the previous year.
- Positive revenue growth and improved collection procedures, which led to a substantial positive shift in NOCFPS.

For detailed audited financial statements, stakeholders can access the official company website at the Esquire Knit Composite PLC financial statements page.



Results of our operations and state of affairs

Amount in BDT (million)

Particulars	Standalone		YoY	Consolidated		YoY
	For the year ended 30th June		growth	For the year ended 30th June		growth
	2025	2024	(%)	2025	2024	(%)
Total income	10,087.05	7,629.42	32.21	11,111.07	7,958.58	39.61
Revenue from operations	10,070.59	7,604.62	32.43	11,094.46	7,933.68	39.84
Other income, net	16.46	24.8	(33.63)	16.61	24.9	(33.29)
Total expenses	9,257.23	6,969.48	32.83	10,187.54	7,333.11	38.93
Cost of goods sold	8,600.74	6,318.24	36.13	9,531.05	6,681.87	42.64
Office and administrative expenses	257.11	271.03	(5.14)	257.11	271.03	(5.14)
Selling and distribution expenses	399.38	380.21	5.04	399.38	380.21	5.04
Gross operating profit	813.35	635.13	28.06	847.38	577.41	46.76
Financial cost	649.48	439.15	47.89	695.24	465.64	49.31
Profit before tax	177.56	219.15	(18.98)	165.97	135.03	22.91
Profit before tax (% of revenue)	1.76	2.87	(38.72)	1.49	1.7	(11.96)
Tax expenses	100.5	76.93	30.64	106.24	79.52	33.6
Profit after tax	77.07	142.22	(45.81)	59.73	55.52	7.58
Profit after tax (% of revenue)	0.76	1.86	(59.01)	0.54	0.7	(22.94)
Total comprehensive income/loss, net of tax	77.07	142.22	(45.81)	59.56	54.65	8.98
Profit attributable to owners of the company	-	-	-	59.73	55.52	7.58
Non-controlling interests	-	-	-	(0.17)	(0.87)	(80.46)
Total Comprehensive income attributable to:	-	-	-	59.56	54.65	8.98
Earning per share (EPS)	-	-	-	-	-	-
Basic	0.57	1.05	(45.71)	0.44	0.41	7.32



Directors' Report

Financial Position

Amount in BDT (million)

Particulars	Standalone		YoY	Consolidated		YoY
	For the year ended 30 June		growth	For the year ended 30 June		growth
	2025	2024	%	2025	2024	%
Non-current assets	8,776	9,039	(2.91)	10,600.08	10,866.19	(2.45)
Property, plant and equipment	5,954	6,217	(4.23)	6,165.21	6,431.32	(4.14)
Capital Work-in-progress	2,770	2,770	-	4,424.87	4,424.87	0
Investment in shares	52	52	-	10	10	-
Current assets	8,044	8,285	(2.9)	6,560.59	6,783.72	(3.29)
Inventories	3,920	3,723	5.31	4,234.95	3,901.77	8.54
Accounts receivables	1,597	1,545	3.42	1,805.96	1,719.48	5.03
Other receivables	56	72	(22.25)	55.59	71.5	(22.25)
Advance, deposit and prepayments	2,323	2,374	(2.14)	248.33	477.78	(48.03)
Investment	138	131	5.45	137.72	118.13	16.58
Cash and cash equivalents	10	441	(97.74)	78.04	495.05	(84.24)
Total assets	16,820	17,324	(2.9)	17,160.67	17,649.91	(2.77)
Shareholders' equity	8,934	8,928	0.06	8,781.68	8,793.48	(0.13)
Share capital	1,349	1,349	-	1,348.96	1,348.96	0
Non-controlling interest	-	-	#DIV/0!	(1.1)	(0.93)	18.93
Share premium account	1,087	1,087	-	1,086.65	1,086.65	0
Revaluation surplus	3,739	3,739	-	3,739.29	3,739.29	0
Retained earnings	2,759	2,753	0.2		2,619.51	(100)
Opening balance	2,753	2,683	2.63	2,619.52	2,634.67	(0.58)
Add: Net profit after tax for the year	77	142	(45.81)	59.907056	56.38	6.26
Less: Cash dividend	71.54	72	-	71.539863	71.54	0
Non-current liabilities	3,059	2,960	3.36	3,069.49	2,966.56	3.47
Non-current lease liabilities	-	-	#DIV/0!	9.14	7.06	29.53
Other non-current liabilities	3,059	2,960	3.36	3,060.34	2,959.50	3.41
Current liabilities	4,828	5,436	(11.19)	5,309.50	5,889.87	(9.85)
Short term loan	3,008	3,984	(24.5)	3,318.71	4,320.64	(23.19)
Current portion of long-term loan	649	451	43.94	649.29	451.06	43.95
Current portion of finance lease obligation	17	18	(9.14)	22.65	23.8	(4.83)
Unclaimed Dividend	2	2	(4.68)	2.26	2.37	(4.63)
Accounts payable	797	511	56.05	891.11	564.29	57.92
Liabilities for expenses	354	469	(24.47)	425.48	527.68	(19.37)
Total equity and liabilities	16,820	17,324	(2.9)	17,160.67	17,649.91	(2.77)
Net asset value per share						
with revaluation reserve	66.23	65.66	0.87	65.1	65.19	(0.14)
without revaluation reserve	38.51	38.47	0.1	37.38	37.47	(0.24)

The above results were achieved despite huge challenges in Bangladesh and globally, continued increases in raw material prices, increases in utility prices, challenges in the logistics front, enhanced supply chain cost, and continuously growing inflation.

Dividend Declaration

Esquire Knit Composite PLC has declared a 10% cash dividend for its general shareholders for the 2024-2025 financial year. The board approved the dividend on October 26, 2025, and the dividend is payable to general shareholders only; sponsors and directors are not entitled to it.

Key details for the 2024-2025 dividend

Dividend Type	10% Cash Dividend.
Eligible Shareholders	General shareholders only.
Excluded Shareholders	Sponsors and Directors are not entitled to this dividend.
Record Date	The record date was set for December 2, 2025.
Annual General Meeting (AGM)	The AGM is scheduled for January 25, 2026, and will be held on a digital platform.

Note

The Company declares and pays dividends in Bangladeshi Taka. Companies are required to pay/distribute dividends after deducting applicable withholding income taxes. The remittance of dividends outside Bangladesh is governed by Bangladesh law on foreign exchange and is also subject to withholding applicable tax rates.

Management Objectives and Strategies

Esquire Knit Composite PLC's management objectives and strategies are centered around achieving operational excellence, customer satisfaction, sustainable growth, and social responsibility through technological advancement and efficient resource utilization.

Core Objectives

The management of Esquire Knit Composite PLC aims to:

Achieve Customer Satisfaction	To serve customers with high-quality products and meet their needs through continuous self-improvement and a one-stop solution approach.
Ensure Stakeholder Value	To protect investor interests and provide good dividends, while maintaining strong relationships with all stakeholders.
Be a Global Leader	To establish the company as an international brand and a role model in the manufacturing industry.
Promote Socio-Economic Growth	To accelerate the economic growth of Bangladesh, contribute to earning foreign currency, create employment opportunities, and empower women in the workforce.

Key Strategies

To achieve these objectives, the company employs several key strategies:

Vertical Integration and One-Stop Solution	Operating a fully integrated composite facility that covers the entire production process from yarn dyeing to finished garments (knitting, fabric dyeing, printing, embroidery, washing, etc.) provides a competitive advantage and convenience for customers.
Technological Advancement and Automation	The company invests in state-of-the-art, fully automated, and eco-friendly machinery to enhance efficiency, productivity, and product quality.
Implementation of Lean Manufacturing	Esquire Knit has adopted the standard philosophy and "5S" program to minimize cost, reduce waste and non-productive time (NPT), and improve overall efficiency and safety in the workplace.

Directors' Report

Quality Control and Compliance	The company maintains rigorous quality control measures and has an in-house laboratory accredited by international brands (e.g., Michael Kors, Celio, Mascot, Tee Jays, Riachuelo, Gloria Jeans, O'stin, Lc Waikiki, Aura, Sports Group Denmark, UCB and Primark etc). It adheres strictly to ethical standards and social compliance requirements (like BSCI, SGS, etc.) to meet the demands of global buyers.
Product Diversification	Management is focused on expanding its product portfolio to meet evolving market demands, including high-end intimates, activewear, and sportswear through its subsidiary L' Esquire Ltd.
Human Resource Development and CSR	The company focuses on improving the skills and quality of life of its employees through training programs and various social responsibility initiatives.
Sustainability and Environmental Responsibility	Esquire Knit is committed to becoming a "Green Company" by employing a well-designed waste management system including an effluent treatment plant (ETP) and exploring technologies for zero-discharge water recycling.

Change in Capital Structure of the Company

No changes in authorized capital	The Authorized Share Capital of the company as of June 30, 2025 stood at BDT 2,000.00 million divided into 200,000,000 ordinary shares of BDT 10.00 each.
Stable Paid-up Capital	The company's issued, subscribed, and paid-up share capital has remained constant for several years at BDT 1,348,958,330.00 divided into 134,895,833 ordinary shares of BDT 10.00 each. There were no changes in the Paid-up Capital Structure of the during the 2024-2025 financial year.

Retained Earnings

The company has transferred an amount of BDT 5.53 million to the Retained Earnings during the financial year ended June 30, 2025. As a result, the company's retained earnings stood at BDT 2,758,708,656.00 at the end of the 2024-2025 financial year.

Credit Rating

Credit Rating Agency of Bangladesh Limited (CRAB) has reaffirmed the AA3 rating of our Company, and the AA3 (Lr) rating of BDT 4,495.1 million long-term outstanding (LTO) availed by the Company in the Long Term. CRAB has also assigned an ST-3 rating to the BDT 2,138.6 million short-term funded limit and BDT 7,140.00 short-term non-funded limit availed by the Company based on three years audited financial statements (financial year ending June 30, 2023, June 30, 2024 and June 30, 2025), Bank Liability position as on September 30, 2025 and other relevant as compiled from client & bankers. This rating will be valid up to November 30, 2026 from November 26, 2025.

Particulars of Loans, Guarantees, and Investments

Details of the Loans and Investments made by our company have been disclosed in Notes No. 18, 19, 20, and 6 of the notes to financial statements for the financial year ended June 30, 2025, which forms part of this Annual Report. Our company has not given any guarantee or provided any security during the year under review.

Subsidiary

The subsidiary of Esquire Knit Composite PLC is L' Esquire Limited. Esquire Knit Composite PLC holds a majority stake of 99.01% in this subsidiary.

L' Esquire Limited is a 100% export-oriented ready-made garment (RMG) industry, specializing in manufacturing:

- » Lingerie
- » Intimex (Intimate apparel)
- » Activewear and sportswear
- » Various other knitwear products

The establishment of L' Esquire Limited was part of an expansion plan to meet increased export opportunities, with a large factory complex located in Bhaluka, Mymensingh, Bangladesh.

Operation of Subsidiary Company

During the 2022-2023 financial year, the Company started its Operation and Export activities on a limited scale (trial basis) because we have not obtained a Compliance Certificate from RSC or Accord, other Social Audits and gas connections. Titas Gas has not yet been able to provide a gas connection to our factory to start commercial production.

In this regard, we inform you for the information that, in 2021, we got permission from Titas Gas Transmission and Distribution PLC to connect the gas line to our factory as a fuel source at our own cost. We paid the full deposit of the demand note, submitted a Bank Guarantee as per Titas' requirements and purchased all the equipment including pipes at our costs to get the gas connection. Despite such a huge expenditure on the part of the Company, Titas Gas has not yet been able to provide a gas connection in our factory due to some of Titas' complications.

In this connection, we are working with Titas on this issue regularly. We hope that we will be able to start commercial operation after the solution of these issues, Insha'Allah.

The Annual Report along with the Audited Financial Statements (consolidated and separate) of the Company and its subsidiary are also available on the website of the company at www.esquireknit.com

Consolidation of Accounts

The Audited Consolidated Financial Statements of our Company for the financial year ended June 30, 2025, prepared in compliance with applicable rules by the Institute of Chartered Accountants of Bangladesh (ICAB).

In terms of BSEC Regulations, the company has consolidated the financial statements following the codes of International Accounting Standard-28 & IFRS-10 referring to shareholders' gross benefits/value of investments.

The financial performance of L' Esquire Limited, which has been merged with Esquire Knit Composite PLC, was considered in consolidating Esquire Knit Composite PLC's financial statements.

Economic and Industrial Overview

Global Economy

The global economy in 2025 is characterized by subdued growth, persistent inflationary pressure in many regions, and significant uncertainty driven by geopolitical tensions and shifting trade policies. Major international bodies project global GDP growth to remain below pre-pandemic averages.

Key Economic Indicators (2025 Projections)

Forecasts from institutions like the IMF, World Bank, and OECD indicate a moderate pace of expansion with notable variations across regions:

Global GDP Growth	Projections generally range from 2.8% to 3.2%. While not a recession, growth is slower than 2024 and vulnerable to downside shocks.
Inflation	Global headline inflation is expected to continue its downward trend, but core inflation remains a concern in many advanced economies. The European Central Bank (ECB) has successfully brought inflation near its 2% target, but the US is projected to stay slightly above target.
Employment	Labor markets have shown resilience in many developed economies, but job creation is slowing. Youth unemployment remains a significant structural problem globally, and many workers remain in vulnerable, informal sectors in developing countries.
Monetary Policy	Central banks are expected to continue vigilant monetary policies to manage inflation, with interest rate cuts anticipated in many major advanced economies as price pressures ease.

Major Global Challenges

Directors' Report

The global economy faces several substantial headwinds:

Geopolitical Tensions and Trade Wars	Ongoing conflicts (such as the Russia-Ukraine war) and escalating trade policy uncertainty, particularly related to potential US tariffs, pose major risks to supply chains and investment decisions. Trade fragmentation could reduce global GDP significantly over the next decade.
High Debt Levels	Many nations, particularly developing economies, are grappling with high levels of public debt and rising debt-serving costs, which limit their fiscal space for essential investments in infrastructure, healthcare, and education.
Climate Crisis	The increasing frequency of climate-related disasters is growing economic risk, undermining resilience and development prospects.
Policy Uncertainty	Shifting policies regarding trade, immigration, and fiscal sustainability are creating an unpredictable environment for business and investors.

Regional Snapshots

United States	Growth is expected to decelerate slightly, but the economy remains relatively strong. The primary risks include persistence inflation and impact of trade barriers.
Europe	The EU experiencing subdued but recovering growth, constrained by the ongoing impact of the Ukraine war and tight monetary policy.
China	Economic growth is projected to slow gradually due to a weak property market and demographic shifts. Policymakers are emphasizing domestic consumption to counter export headwinds.
Developing Economies	Growth prospects are varied. South Asia is poised to be the fastest-growing region, driven by Indian's expansion, while low-income countries face significant vulnerabilities from food inflation, debt, and limited access to financing.

Bangladesh Economy

The economy of Bangladesh is a rapidly growing, lower-middle-income economy, ranked as the world's 34th largest by nominal GDP in 2025. While it has shown remarkable resilience and progress in poverty reduction, it currently faces significant macroeconomic challenges, including high inflation and financial sector vulnerabilities.

Key Economic Drivers

Bangladesh's economic transformation is primarily driven by three main sectors:

Ready-Made Garments (RMG)	The cornerstone of the economy, the RMG sector accounts for over 80% of total export earnings, making Bangladesh the world's second-largest apparel exporter after China.
Remittances	Inflows from the large Bangladeshi diaspora are a vital source of foreign exchange and help finance the country's trade deficits.
Agriculture	Historically the backbone of the economy and the largest employer (around 40% of the labor force), agriculture ensures food self-sufficiency and contributes significantly to poverty reduction.
Services and Emerging Industries	The services sector is the largest contributor to GDP (over 51%). Other growing industries include pharmaceuticals, leather goods, shipbuilding, and the digital/IT sector, contributing to economic diversification.

Current Economic Landscape (as of late 2025)

GDP Growth	Real GDP growth has moderated in recent years, projected at around 4.0% for FY2025. Growth is expected to rebound gradually in the medium term, with the IMF forecasting 4.9% for FY2026.
Inflation	Inflation has remained stubbornly high, reaching 8.6% in July 2025, eroding real incomes and purchasing power for the majority of the population. The central bank has implemented tight monetary policies to curb price increases.

External Balances	The current account has improved, moving into a surplus in FY2025, supported by robust exports and a significant increase in remittance inflows. Foreign exchange reserves have stabilized somewhat after being under strain, reaching around \$26.2 billion in August 2025.
Infrastructure	Major infrastructure projects like the Padma Bridge, Dhaka Metro Rail, and MatarBari Deep Sea Port are expected to enhance connectivity and boost future GDP growth.

Key Challenges and Outlook

Despite a promising long-term trajectory toward becoming an upper-middle-income country by 2031, Bangladesh faces critical challenges:

Financial Sector Weakness	The banking sector is burdened by a high volume of non-performing loans, posing a significant risk to the economy.
Energy Crisis	Declining domestic gas production, rising import dependence, and outdated infrastructure contribute to a deepening energy crisis.
Revenue Mobilization	The government faces a persistent challenge with low tax collection, limiting fiscal space for necessary public investment and social spending.
External Shocks	The economy remains vulnerable to global economic headwinds, including potential trade disruptions (such as new US tariffs on garments) and climate change impacts.

Comprehensive structural reforms in governance, the financial sector, and revenue collection are considered essential to sustain inclusive growth and navigate current vulnerabilities.

Economic and Industrial Forecast 2024-2025

Global Economy

While global growth has proven more resilient than expected in 2025, it is projected to moderate in 2026 amid persistent risks, including trade tensions, elevated inflation, and policy uncertainty. Key trends shaping the economic and industrial forecast include the strategic necessity of artificial intelligence (AI), shifts in consumer behavior towards wellness and value, and the increasing influence of emerging economies.

Global Economic Forecast 2025–2026

Major economic institutions forecast a slight deceleration in global growth, though projections have been revised upward due to a stronger first half of 2025.

GDP Growth Projections

International Monetary Fund (IMF):	Forecasts global real GDP to be 3.2% in 2025, moderating to 3.1% in 2026.
Organization for Economic Co-operation and Development (OECD)	Projects global GDP growth to slow from 3.2% in 2025 to 2.9% in 2026.
United Nations (UN)	Forecasts a more subdued global growth of 2.5% in both 2025 and 2026.
World Bank	Predicts global growth to be 2.7% for both 2025 and 2026.

Key Regional Outlooks

United States	Expected to see growth moderate in 2025 and 2026 as high-tech sector investment is countered by tariffs and softening consumption.
Euro Area	Growth is projected to pick up gradually, assuming financial conditions loosen, though hampered by trade friction and geopolitical risk.
China	Growth is set to slow in 2026 as front-loading of goods production ahead of tariffs unwinds and the property market correction continues.
Emerging Markets	Expected to remain a key driver of growth, though with divergent outcomes based on domestic factors. South Asia is projected for strong growth, with India continuing to be a major contributor.

Directors' Report

Factors influencing the economic outlook

Inflation	While expected to decline in most G20 economies as growth moderates, headline inflation is projected to remain higher than previously anticipated through 2026 in OECD countries. Persistent services inflation and supply chain disruptions contribute to price pressures.
Trade Policy	Heightened trade tensions and uncertainty, particularly regarding US tariffs, are dampening investment and global trade flows. Agility and efficiency will be key for businesses to navigate these headwinds.
Financial Markets	While market conditions eased in the first half of 2025, concerns about fiscal risk and elevated asset valuations, especially in technology and crypto-assets, remain. Central banks are expected to continue with gradual policy rate reductions in advanced economies.

Global Industrial Trends 2025-2026

Several industrial trends are emerging or accelerating, defining the competitive landscape.

Technological Integration:

Artificial Intelligence (AI)	AI is shifting from a productivity tool to a critical business-wide infrastructure. Companies are integrating it into various functions, from customer service and marketing to manufacturing, though talent acquisition and process redesign are necessary to maximize its potential.
AI and Human Capabilities	As AI becomes more integrated, distinctly human capabilities like creativity, communication, and authenticity will become more valuable for brands.

Consumer Behavior:

Well-being Focus	Consumers are increasingly prioritizing well-being, driving demand for products that offer emotional reassurance, simplify life, or boost confidence. This is leading brands to integrate wellness holistically into their offerings and explore new adjacent markets.
Value and Authenticity	Amid economic uncertainty, value-conscious consumers are pushing brands to either differentiate with quality and experiences or compete on price. Consumers also seek authentic self-expression, prompting companies to focus on hyper-segmentation and genuine community connections.
Rise of the "AI Shopper"	AI is transforming e-commerce and marketing as consumers use large language models for product discovery and recommendations. Brands need to adapt their digital strategies to remain visible to these AI-driven shopping agents.
Secondhand Market Growth	The resale market for fashion and luxury goods is forecast to outpace first-hand sales as consumers look for value and accessible price points.

Industry-Specific Trends:

Fashion	Facing persistent low growth and tariff-induced costs, the fashion industry must adapt quickly. AI integration and agility are critical, with jewelry and smart eyewear showing particular strength. Luxury brands are recalibrating by refocusing on creativity and craftsmanship to regain trust.
Technology	AI development and adoption will be a primary driver of growth and competitive advantage. Technology trends will also define the future of work and how consumers interact with products.

Bangladesh Economy

Forecasts for Bangladesh's economy in 2025-2026 project a moderate rebound in GDP growth, with expectations of inflation easing from

currently elevated levels. However, the outlook is clouded by persistent challenges, including vulnerabilities in the banking sector, the impact of LDC graduation, and ongoing high costs of doing business.

Economic Forecast 2025–2026

GDP Growth	The World Bank and ADB project moderate growth, with the World Bank forecasting 4.8% for FY26 and the ADB estimating 5%. This follows an expected 4% in FY25, which was affected by political uncertainty and high costs. The IMF, on the other hand, provides a more cautious estimate of 4.9% for FY26.
Inflation	Inflation is expected to ease, though projections vary. The IMF forecasts a drop to 8.8% in FY26 before easing further to 5.5% in FY27. The World Bank projects inflation to ease to 7.4% in FY26, while the ADB forecasts it at 8%. Independent think tanks like the Centre for Policy Dialogue (CPD) suggest that meeting targets may require significant reforms.
External Sector	Supported by strong export growth and record remittance inflows, the external sector showed signs of recovery in the second half of FY25. Foreign exchange reserves stabilized, and the current account deficit narrowed. However, global policy uncertainty could pose future trade risks.

Industrial Outlook 2025–2026

RMG Sector	As the main export driver, the Ready-Made Garment (RMG) sector is expected to remain resilient. The industry continues to focus on diversifying products and markets, with experts hoping to increase exports to non-traditional markets. The sector, however, faces challenges related to post-LDC graduation, including stricter compliance with international labor and environmental standards to retain preferential access to markets.
Construction	The construction industry is set for a recovery, supported by government investment in mega-projects like the Padma Bridge and various power and rail infrastructure projects. The government aims to boost renewable energy capacity significantly by 2030.
Challenges in Investment	Private investment remains subdued due to political uncertainty and vulnerabilities in the banking sector. According to a Light Castle Partners survey, a significant portion of business leaders cite the high cost of credit as a key obstacle. Industrial growth in non-RMG sectors is likely to be constrained by elevated costs and energy supply uncertainty.

Risks and Challenges

LDC Graduation	Bangladesh's graduation from Least Developed Country (LDC) status in 2026 will end many trade benefits, potentially making exports less competitive. This necessitates export diversification and compliance with new trade standards.
Financial Sector Instability	The banking sector faces a crisis marked by a high and rising level of non-performing loans (NPLs), with one report indicating NPLs at 34.6% as of June 2025. The Bangladesh Bank is undertaking reforms, but strengthening governance and recapitalizing struggling banks is crucial to restore stability.
Energy Supply	Declining domestic gas production and dependence on imports present a deepening energy crisis that could weigh on industrial output.
Weak Revenue Mobilization	Weak tax revenue limits the government's ability to fund essential public services and investments, exacerbating fiscal strain.

Ready-Made Garment Sector

Bangladesh's Garment Industry: Future growth in a changing world

Bangladesh's garment industry is poised for continued growth in a changing world, driven by significant investments in sustainability, technology, and compliance, while navigating challenges like the loss of trade performances post-LDC graduation and global competition. The sector aims to transition from a volume-driven, low-cost model to a value-added, sustainable manufacturing hub.

Directors' Report

Key Growth Drivers and Future Opportunities

Sustainability and Green Manufacturing	Bangladesh leads the world in LEED-certified green garment factories, a major asset as global brands demand eco-friendly practices and circular fashion. This commitment to reducing carbon footprints and water usage attracts conscious consumers and helps meet strict EU regulations.
Technological Adoption	The industry is embracing Industry 4.0 technologies, including automation, AI, and data analytics, to boost efficiency, reduce lead times, and improve quality. This move enhances productivity and helps counter rising labor costs.
Product Diversification	To capture higher margins, manufacturers are shifting focus from basic apparel to high-value-added items like activewear, formalwear, sportswear, and technical textiles.
Market Expansion	Efforts are underway to diversify export destinations beyond traditional markets (US and EU), targeting high-potential regions like Asia, Latin America, and Africa to mitigate risks associated with over-reliance on a few buyers.
Global Supply Chain Shifts	Geopolitical tensions and rising labor costs in China present an opportunity for Bangladesh to attract more orders as brands adopt a “China Plus One” sourcing strategy.

Challenges and Strategic Imperatives

LDC Graduation (2026)	Upon graduating from Least Developed Country (LDC) status, Bangladesh risks losing preferential trade benefits (duty-free access) in key markets like the EU and Japan. This necessitates proactive trade diplomacy to secure new agreements (e.g., GSP Plus) and enhance overall competitiveness.
Competition	Intense competition from regional rivals such as Vietnam, India, Turkey, and Cambodia, which are also investing in their textile sectors, requires Bangladesh to continuously innovate and improve efficiency.
Infrastructure and Energy Gaps	Deficiencies in port facilities, transportation, and a stable energy supply (gas and power shortages) continue to disrupt production and increase operational costs.
Labor Conditions	While safety standards have improved significantly since the Rana Plaza collapse, ongoing issues around labor rights and the need for a skilled workforce remain crucial areas for improvement to maintain international compliance and attract buyers.

In conclusion, the future of Bangladesh's RMG sector depends on its ability to leverage its resilience and adaptability by investing in a holistic transformation, focusing on environmental and social responsibility, technological upgrades, and market diversification to secure its position as a global leader in sustainable and ethical fashion manufacturing.

Forward-looking Statement

Esquire Knit Composite PLC outlines its future growth trajectory through visions, missions, and strategic objectives rather than a single standardized forward-looking statement. Key areas of focus include becoming a global leader in sustainable knit garment manufacturing, technological advancement, capacity expansion through a “Green” project, sustainability and compliance, product diversification, and stakeholder value.

Risk & Concern

Esquire Knit Composite PLC faces several risks and concerns stemming from general industry factors and specific operational/financial issues, as highlighted in its annual reports and credit ratings. These include global demand volatility, energy shortages, exchange rate fluctuations, and financial support limitations.

Operational and Industry Risks

Global Demand Decrease	The company is an export-oriented manufacturer, making it vulnerable to global economic downturns and fluctuations in demand from key consumer countries (e.g., US and EU).
Energy Shortage and Cost	A significant concern is the unstable energy supply (gas and power shortages) in Bangladesh, which affects production and increases operational costs, despite the company using backup generators.
Intense Competition	The global garment industry is highly competitive. The company faces threats from other low-cost manufacturing countries like Vietnam, India, and Cambodia.
Supply Chain Disruptions	Events like natural disasters, geopolitical tensions (such as the Russia-Ukraine war), or price volatility of raw materials can disrupt the supply chain and impact production.
Labor Issues	Risks of labor dissatisfaction, strikes, unrest, and changes in labor laws can disrupt the workforce and production.
Trade Policy Changes	Changes in trade policies, tariffs, and the potential withdrawal of GSP (Generalized System of Preferences) facilities in key markets post-Bangladesh's LDC (Least Developed Country) graduation can affect the industry's competitiveness.
Infrastructure Gaps	General infrastructure issues in Bangladesh, such as port facilities and transportation bottlenecks, can impact the efficiency of logistics.

Financial and Compliance Risks

Financial Support Shortage	Access to adequate financial support and working capital is a recurring concern.
Borrowing Conditions	The company relies on external credit facilities. Non-compliance with the terms and conditions stipulated by lending banks could result in the withdrawal of facilities and pose a threat to ongoing operations.
Exchange Rate Parity	Fluctuations in exchange rates, particularly involving the US Dollar, can impact profitability and financial performance.
Taxation Policies	Unpredictable or irrational taxation policies can affect the company's financial planning and profitability.
Liquidity and Profitability	While the company has a strong capacity to meet long-term financial commitments, credit rating reports have noted concerns regarding recent liquidity trends and a decline in profitability.

Esquire Knit Composite PLC works to mitigate some of these risks through product and market diversification, establishing strong buyer relationships, and using modern technology to improve efficiency.

Profit and its Appropriation

Esquire Knit Composite PLC's profit appropriation involves allocating its net profit to specific funds and distributing a portion to shareholders as dividends, in line with its dividend policy and legal requirements.

The Board of Directors propose the appropriation of profit as follows:

Amount in 'BDT'

Particulars	Esquire Knit Composite PLC (stand-alone)	
	2024-2025	2023-2024
Net Profit After Tax	77,066,042	142,219,186
Adjustment for depreciation of Revalued Assets	-	-
Profit Brought Forward	2,753,182,476	2,682,503,154
Profit Available for Appropriation	2,830,248,518	2,824,722,340
Proposed Dividend:		
Cash Dividend	71,539,863	71,539,863
Profit Carried Forward	2,758,708,655	2,753,182,477

Directors' Report

Contribution to the National Exchequer

Esquire Knit Composite PLC (EKCPLC) significantly contributes to the National Exchequer of Bangladesh primarily through payments of **Income Tax**, **Value Added Tax (VAT)**, and **Customs Duties**. The company's annual financial reports detail these contributions.

Financial Contributions to the National Exchequer

The company's payments have varied in recent years based on profitability and operational scale.

Financial Year (FY)	Contribution Amount (BDT Million)
2024-2025	BDT 109.84 million (Income Tax Paid/Deducted at Source)
2023-2024	BDT 80.47 million (Income Tax Paid/Deducted at Source)
2022-2023	BDT 104.48 million (Income Tax Paid/Deducted at Source)
2021-2022	BDT 60.06 million (Income Tax Paid/Deducted at Source)
2020-2021	BDT 54.85 million (Total contribution to exchequer)

Note: Figures for FY 2022-2023 and FY 2023-2024 specifically reflect income tax payments, while earlier figures may encompass a broader range of taxes and duties.

Types of Contributions

The primary ways EKCPLC contributes to the national revenue include:

Corporate Income Tax	As a profit-making entity, the company pays corporate tax on its earnings.
Customs Duties and Import Taxes	The company imports machinery, raw materials, and other goods for its manufacturing process, incurring duties and advance income tax (AIT) at import stage.
Value Added Tax (VAT)	While exports are zero-rated, the company incurs VAT on domestic procurements and services utilized in operations.
Employment-related Taxes	The company remits taxes related to employee salaries and benefits.

Role in the Wider Economy

Beyond direct tax payments, EKCPLC makes substantial indirect contributions to the national exchequer and economy:

Export Earnings	As a 100% export-oriented company, it is a significant foreign exchange earner, which strengthens the national economy. The Ready-Made Garment (RMG) sector as a whole account for over 80% of Bangladesh's total export earnings.
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Employment Generation

The company employs thousands of people, contributing to national employment statistics and economic stability.

Economic Growth	The company is a key player in the RMG sector, which contributes up to 20% of Bangladesh's Gross Domestic Product (GDP).
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For detailed breakdowns of all taxes and duties, the audited annual financial statements are available on the Esquire Knit Composite PLC website.

Company's Operation

Esquire Knit Composite PLC (EKCPLC) is a 100% export-oriented, vertically integrated knit garments manufacturer, providing a “one-stop solution” for its international clients. The company operates a comprehensive production chain, from raw materials processing to finished apparel.

Core Operations and Facilities

The company's operations are divided into several specialized units, primarily located at Kanchpur, Sonargaon, Narayangonj, and Bhaluka, Mymensingh.

Yarn Dyeing	Automated yarn dyeing processes are used to prepare colored yarn for knitting. The company expanded its dyeing capacity in 2023.	
Knitting	High-tech knitting machines from Germany, Italy, and Japan produce various fabrics like single and double jersey, interlock, pique, fleece, and terry, using blends of cotton, polyester, modal, and viscose.	
Fabric Dyeing & Finishing	The facility is capable of dyeing fabrics at high temperatures using modern techniques and has a capacity of processing about 28-30 tons per day.	
Cutting	The cutting department uses sophisticated automatic and manual computer-aided cutting machines to ensure precision and accuracy in garment components.	
Sewing	With 85 sewing lines, the company has the capacity to produce approximately 49.92 million pieces of garments annually.	
Ancillary Services	EKCPCL operates in-house facilities for:	
	Printing	Offering various types of prints including photo, digital, sublimation, and high-density.
	Embroidery	Utilizing fully computerized machines for precise customer requirements.
	Industrial Laundry/Washing	Providing various washing and finishing effects.
	Design Studio	An in-house team designs functional and aesthetically pleasing clothes.
	Testing Laboratory	An accredited lab ensures quality control measures are met according to international standards (e.g., NABL, OEKO-TEX, GOTS certified).

Key Business Strategies and Clients

EKCPCL's business model focuses on quality, compliance, and efficiency:

Export Orientation	The company is 100% export-oriented, primarily serving markets in Europe and the United States.
Major Clients	EKCPCL supplies globally recognized brands and retailers such as Michael Kors, Celio, Mascot, Tee Jays, Riachuelo, Gloria Jeans, O'stin, Lc Waikiki, Aura, Sports Group Denmark, UCB and Primark etc.
Compliance & Certifications	The company holds ISO 9001 (Quality), ISO 14001 (Environmental), and ISO 18001 (Health & Safety) certifications and adheres to international compliance standards (BSCI, ITS, SGS).
Efficiency Initiatives	EKCPCL has implemented lean manufacturing and "slandered" principles (continuous improvement) to minimize waste and maximize time efficiency in its production lines.

Production Capacity & Utilization

Details of production capacity & utilization

Particulars	Installed Capacity	Actual Production	Production Efficiency in %	Installed capacity	Actual Production	Production Efficiency In %
Financial Year	2024-2025			2023-2024		
Unit	Kgs	Kgs		Kgs	Kgs	
Textiles	12,775,000	8,400,364	65.76%	12,775,000	6,316,063	49.44%
Unit	Pcs	Pcs		Pcs	Pcs	
Apparels	49,920,000	45,653,185	91.45%	49,920,000	26,562,033	53.21%

Directors' Report

Capital Expenditures

Esquire Knit Composite PLC (EKCPLC) consistently engages in capital expenditures (CAPEX) to maintain, upgrade, and expand its manufacturing capacity. These expenditures are primarily directed towards property, plant, and equipment, as well as significant investments in ongoing projects recorded as “Capital Work in Progress”.

Esquire Knit Composite PLC did not make any capital expenditure under capital work in progress in the 2024-2025 financial year, compared to 243.86 million in the 2023-2024 financial year.

Foreign Exchange Earned/Saved

As a 100% export-oriented company, Esquire Knit Composite PLC earns its foreign exchange primarily through the sale of knit garments to international buyers.

Esquire Knit Composite PLC has contributed substantially to the Foreign Exchange Reserve of the Country. During the year BDT 3,769.63 million was earned/saved and contributed through its export marketing operation, which is depicted below:

“Amount in million Taka”

	2024-2025	2023-2024
Earnings from export	10,070.60	7,604.62
Less: Import Costs	3,769.63	2,877.72
Yarn	3,031.80	2,277.93
Dyes	225.19	177.86
Chemicals	397.92	276.75
Spare Parts	114.72	145.17
Misc. (with BMRE)	-	-
Net Export Earnings	6,300.95	4,726.90

Capital Machinery

During the reporting year 2024-2025, the Company spent BDT 2.70 million on purchasing capital machinery.

Segment Information

Esquire Knit Composite PLC primarily operates in a single, vertically integrated business segment related to the export-oriented knit garments industry. The company explicitly states in its financial reports that it has no separate reportable operating segments as per the requirements of IFRS 8, “Operating Segments”.

Primary Business Segment

Knit Garments Manufacturing

The core operations of EKCPLC and its subsidiary, L' Esquire Limited, are entirely focused on the production and export of various knit garments. The company operates a composite facility that covers the entire production chain:

- » Knitting units
- » Fabric dyeing units
- » Yarn dyeing
- » Printing
- » Embroidery
- » Industrial laundry/Washing
- » Garment making units (cutting, sewing, finishing)

Product Range

Within this single segment, the company produces a wide variety of knitwear products for foreign buyers across Europe, the USA, and Asia, including brands like C&A, Next, Celio, and Puma. Products include:

- » Polo shirts
- » T-shirts
- » Sweatshirts
- » Hoodies
- » Jackets
- » Leggings
- » Lingerie, activewear, and sportswear (via subsidiary L' Esquire Ltd.)

Geographical Information

While not segmented by product line, the company's revenue streams are geographically diverse due to its 100% export orientation. EKCPLC exports to over 25 countries. The primary markets are:

- » Europe
- » United States of America
- » Asia

Consolidated Reporting

The company prepares consolidated financial statements that combine the results of Esquire Knit Composite PLC and its subsidiary L' Esquire Limited, presenting a unified view of the entire garment manufacturing business as one operational unit.

For detailed financial breakdowns, the official annual reports are available on the Esquire Knit Composite PLC website

Disclosure of extra-ordinary Gain or Loss

Esquire Knit Composite PLC has not reported any one-off, non-recurring "extraordinary" gains or losses in the 2024-2025 financial year. All gains and losses reported stem from the normal, albeit sometimes volatile, operations of the ready-made garments business.

Capital Infusion

During the financial year 2024-2025, there was no equity capital infusion in the Company. The existing Paid-up capital of the Company is BDT 1,348,958,330. The Company declared no stock/bonus dividend in the last financial year; as a result, the paid-up capital of the Company stood at BDT 1,348,958,330.

Disclosure Regarding Utilization of Proceeds from Public Issues (IPO)

The Company has raised BDT 150 crores from the market and as mentioned in the prospectus, it is committed to spending the funds expanding the business and equity collection cost. The IPO proceeds have been utilized in line with the condition of the commission's consent letter within the stipulated time.

In this connection, we would like to inform all concerned that, we have always been and still are vigilant in implementing all the rules approved by the Commission on the utilization of IPO proceeds. We are informing everyone that 100% utilization of IPO proceeds of our Company has been completed by 31st December 2021, which was approved and fixed by the Commission.

Risk Management

Risk Management refers to the practice of identifying potential risks in advance, analyzing those, and taking precautionary steps to reduce/curb the risk. In the textiles industry, various risks encompassed it.

The risk may hurt the Company's sales and profit etc. Mostly, the risk arises from falling demand for the product, shortage of power, shortage of workers, worker unrest, and Raw material shortage along with other related risks such as Interest Rate Risk, Foreign Exchange Risk, Technology Risk, Market Risk, Political Risk, and other regulatory Risk, etc. The Company is aware of its risk concerns and is well prepared to meet those through systematic control.

Details of the Risk Management of the Company are disclosed Separately by the Management of the Company in Annexure-XIII.

The Risk Management Philosophy of o EKCPLC's are

Esquire Knit Composite PLC believes in the principle- "A Company is only as good as the people it keeps" and we have one of the best, most

Directors' Report

devoted, and most skilled teams of personnel in the country. These are the individuals with the best aptitudes, commitments, and expertise with a combination of experience and enthusiasm. They work hard closely with the clients and are entirely devoted to providing the best results, ensuring customer satisfaction encouraged by the Esquire Knit Composite PLC.

Good Governance

Esquire Knit Composite PLC emphasizes its commitment to good governance as a vital component of its sustainability and regulatory compliance. The company operates within a robust framework designed to meet the requirements of the Bangladesh Securities and Exchange Commission (BSEC) Corporate Governance Code and other applicable laws.

Key Pillars of Governance

The company's approach to good governance is built on several foundational practices:

Regulatory Compliance	EKCPLC views compliance with various laws, rules, and regulations (including the Companies Act 1994, BSEC codes, and DSE/CSE listing regulations) as the fundamental element of good governance.
Transparency and Disclosure	The company is committed to transparent disclosures and provides complete financial statements and relevant documents to all regulatory bodies (BSEC, DSE, CSE, NBR, etc.) periodically.
Ethical Standards	The company's internal values emphasize honesty, integrity, respect, and accountability, encouraging transparency in all operations and adherence to the highest ethical standards.

Board Structure and Practices

The Board of Directors is structured to ensure oversight and strategic direction in compliance with BSEC guidelines:

Board Composition	The board typically consists of seven directors, including at least two independent directors, which meets the requirement of having one-fifth independent directors.
Independent Directors	Independent directors are carefully selected to meet strict criteria, ensuring they do not hold significant shares (less than 1%), are not sponsors, and have no other material relationships that could compromise their independence.
Separation of Roles	The posts of Chairperson and Managing Director (MD) are held by separate individuals, and their respective roles and responsibilities are clearly defined, which is a key governance practice to ensure balanced authority.
Rotation of Directors	Directors are subject to retirement by rotation at every Annual General Meeting (AGM) as per the Companies Act, 1994.

Audit and Compliance Mechanisms

To ensure accountability, specific committees and auditors oversee compliance:

Audit Committee	The company has an effective audit committee in place to oversee financial reporting processes, internal controls, and risk management.
Compliance Audit	EKCPLC appoints separate auditors specifically to examine and certify the company's compliance status with the BSEC Corporate Governance Code annually.
Internal Controls and Risk Management:	The corporate governance framework incorporates internal control policies and risk management procedures to address business challenges effectively.

Related Party Transactions

Esquire Knit Composite PLC engages in various related party transactions, which are fully disclosed in the notes to their financial statements, specifically under the section "Related party disclosures" (Note no. 32 in the 2024-2025 financial statements).

Key related parties and the nature of transactions include:

L'Esquire Limited	<p>This is a major subsidiary of Esquire Knit Composite PLC, which holds a 99.01% ownership stake. The transactions between the parent company and this subsidiary primarily involve:</p> <ul style="list-style-type: none"> » Consolidated financial reporting, as required by accounting standards. » Manufacturing and export activities, where L'Esquire Limited operates production units for lingerie, activewear, sportswear, and general knitwear.
Esquire Electronics Limited. and Esquire Accessories Limited.	These are other entities within the broader Esquire Group. Esquire Electronics and Esquire Accessories have been involved in shareholding matters with Esquire Knit Composite PLC, for instance, subscribing to shares during the IPO process.
Directors and Key Management Personnel	Transactions involve remuneration and benefits paid to directors and key management. The financial reports detail the particulars of directorship and any associated benefits or dealings.
Other Esquire Group Entities	The company may have transactions with other group companies like Esquire Plastics Limited, Esquire Dyeing Industries Limited and Esquire Testing Services (BD) Limited, which are detailed in the comprehensive notes to the financial statements available on the company's website.

The specific amounts and details of these transactions for the 2024-2025 financial year are detailed in the audited financial reports published on the Esquire Knit Composite PLC investors relations website, which can be accessed for the most current and complete information. These reports provide a breakdown of opening balances, purchases/receipts, payments, and outstanding balances with each related party.

Material Changes and Commitments Affecting Financial Position between the end of the Financial Year and the date of this Report

Except for those disclosed in this Annual report, no material changes and commitments are affecting the financial position of the company between the end of the financial year ended June 30, 2025 and the date of this Report.

Management

The management of Esquire Knit Composite PLC is composed of a strategic Board of Directors and an experienced Top Management team responsible for operational execution. The company emphasizes corporate governance, accountability, and ethical business practices, with a seasoned board having an average tenure of over 14 years.

The Management of Esquire Knit tries to improve the production process and human resources by conducting R&D and internal training programs. Esquire Knit management is led by its Managing Director who has achieved multi-dimensional experiences including business policy formulation and strategic management & been rewarded with several awards & recognitions for contributing tremendously in the different business arenas.

The Managing Director keeps track records in leading the team and the company from the beginning till the present and is responsible for overseeing the day-to-day operations of the business.

The Managing Director is the Head of the factory and head office, including day-to-day operations of the business; he also oversees the company's merchandising, procurement and production and directly reports to the Board.

The company has different departments to perform different activities. All department heads have significant experience in related business areas and are liable to monitor the respective operations of Esquire Knit. The company is managed by a team of qualified and experienced professionals.

The company formed various committees to oversee different internal issues. Esquire Knit has around 5,485 workers in the factory and 1,150 officers and staff in the head office and factory total of 6,635 employees were working in Esquire Knit Composite PLC on June 30, 2025.

Audit and Auditors

Appointment of Statutory Auditors

The tenure of the present Auditors M/S. Pinaki & Company, Chartered Accountants, AHSANDELL, 2/A, Mymensingh Road (2nd floor), Shahabag, Dhaka-1000, of the company will expire during the 25th Annual General Meeting. The said Auditor performed their responsibilities 3 times at a stretch. As per the rules of BSEC, no Auditor can perform the designated responsibilities more than 3 times at a stretch.

According to the provisions of Bangladesh Securities and Exchange Commissions, the term of our present auditor M/S. Pinaki & Company,

Directors' Report

Chartered Accountants., will complete three consecutive years on the day of the 25th Annual General Meeting, which will be held on January 25, 2026. Therefore, the company needs to appoint a new statutory auditor for the financial year 2025-2026, who will be able to conduct the audit work of the company till the financial year 2027-2028.

The Board of Directors of the company, based on the recommendation of the audit committee, at its meeting held on October 26, 2025, appointed M/s, ANIL SALIM IDRIS & CO. (ASICO), Chartered Accountants, Address: House # 1/B (3rd floor), Road # 8, Block # 1, Banani, Dhaka# 1213, Bangladesh, as the Statutory Auditor of the company to hold office for a first term of three consecutive years from the conclusion of the 26th AGM till the conclusion of the 28th AGM to be held in the year 2029 and will be placed for the approval in the meeting of shareholders, whereby the fee shall be fixed at Taka 750,000/- (Taka seven lac fifty thousand only) plus VAT.

The Board requested the Shareholders to confirm the appointment of M/s, ANIL SALIM IDRIS & CO. (ASICO) Chartered Accountants as a Statutory Auditor at their 25th Annual General Meeting.

Appointment of Compliance Auditors

The existing Compliance Auditors of the Company M/S. Chowdhury Bhattacharjee & Co., Chartered Accountants, retired at this 25th Annual General Meeting on completion of their audit works for the year ended on June 30, 2025.

They are, however, eligible for re-appointment as per BSEC notification. M/S. Chowdhury Bhattacharjee & Co., Chartered Accountants, expressed their interest to be re-appointed as Compliance Auditors of the Company for the 2025-2026 financial year at a fee of Tk. 50,000/- (taka fifty thousand) plus VAT.

The Board of Members unanimously recommended M/s. Chowdhury Bhattacharjee & Co., Chartered Accountants, 47/8, Indira Road (Gr. Floor), Dhaka-12015 for the appointment as Compliance Auditors for Audit of Compliance of the Company for the 2025-2026 financial year at an agreed fee of Tk. 50,000.00 (Taka fifty thousand) only plus VAT. The matter is placed for the shareholders' approval in the 25th Annual General Meeting.

The Board requested the Shareholders to confirm the appointment of M/s. Chowdhury Bhattacharjee & Co., as a Compliance Auditor at their 25th Annual General Meeting.

Audit Committee

The Board of Directors of our company has duly constituted in compliance with the provisions of the Corporate Governance Code-2018 issued by the Bangladesh Securities and Exchange Commission. The recommendations made by the Audit Committee are accepted by our company.

Name of the audit Committee Members, number of meetings held during the year under review, terms of reference and other requisite details have been provided in the Corporate Governance Report which forms part of this Annual Report.

Significant and Material Litigations/Orders

During the financial year under review, there were no significant material orders passed by the Regulations/Courts and no litigation was outstanding as of June 30, 2025, which would impact the ongoing concern status and future operations of our Company.

Board of Directors, Board and Sub-Committee Meetings, Retirement and Re-election, Director's fees and Remuneration, Board Meeting and attendance and Key Managerial Personnel.

Composition of the Board of Directors

Our Company's Board is duly constituted and complies with the requirements of the Companies Act 1994, the listing Regulations and Provisions of the Articles of Association of the Company, and the Corporate Governance Code-2018, issued by the Bangladesh Securities and Exchange Commission. Our Board has been constituted with requisite diversity, wisdom, expertise and experience commensurate to the scale of operations of our company.

The Board comprised Six Directors including Managing Director and three Key Personnel as of June 30, 2025. Among the Directors, Mr. A.K.M Shamsul Areefin and Mr. Md. Mozammel Hossain, FCA are the Independent Directors of the company and Mr. Md. Mustafizur Rahman, Chief Financial Officer, Mr. Md. Monir Hossain, Company Secretary and Mr. Md. Rakibur Rahman, Head of Internal Audit & Compliance are the Board Member of the Company as per BSEC notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3rd June 2018 for three years term.

Board and Sub-Committee Meetings

During the year under review, a total of eleven meetings of the Board of Members, four meetings of the Audit Committee and two meetings of the NRC. Details are given below in comparison to the last four years.

Name of the Meeting	2024-2025	2023-2024	2022-2023	2021-2022	2020-2021
Board of Directors	8	11	7	8	5
Audit Committee	4	4	4	4	4
NRC Committee	3	2	1	2	2

Retirement and Re-election

Mr. Md. Ehsanul Habib and Mr. Md. Muddasar Hossain, Directors of the Company, retire as per the Article of Association of the Company and being eligible offer themselves for re-election. A brief resume and other information of the above-mentioned Directors are depicted in the profiles of Directors page no 140.

Director's Fees and Remuneration

The Director who engaged in the Company's day-to-day operations is receiving remuneration and other benefits from the Company as disclosed in the Financial Statement at note 35(B). Non-Executive Directors including Independent Directors are paid only an attendance fee of BDT 10,000/- (BDT ten thousand) for attending per Board Meeting.

Board Meetings and Attendance

During the year 8 (eight) Board Meetings were held. The attendance record of the Board Members is as follows:

Name of Directors and Position of the Company	Position of the Board	Meeting Held	Attended the Meeting	Percentage
Sponsor Directors				
Mrs. Piara Hossain Non-Executive Director	Chairman	8	8	100%
Mr. Md. Ehsanul Habib Managing Director	Director	8	8	100%
Mr. Arifur Rahman Non-Executive Director	Director	8	8	100%
Mr. Md. Muddasar Hossain Non-Executive Director	Director	8	8	100%
Independent Directors				
Mr. A. K. M. Shamsul Areefin Independent & Non-Executive Director	Director	8	8	100%
Mr. Md. Mozammel Hossain, FCA Independent & Non-Executive Director	Director	8	8	100%
Key Personnel				
Mr. Md. Mustafizur Rahman Chief Financial Officer	Member	8	8	100%
Mr. Md. Monir Hossain Company Secretary	Member	8	8	100%
Mr. Md. Rakibur Rahman Head of Internal Audit & Compliance	Member	8	8	100%

Directors' Report

Key Managerial Personnel

As of the date of this Report, Mr. Md. Ehsanul Habib, Managing Director, Mr. Md. Mustafizur Rahman, Chief Financial Officer, Mr. Monir Hossain, Company Secretary, and Mr. Md. Rakibur Rahman, Head of Internal Audit and Compliance are the Key Managerial Personnel (KMP) of our Company.

Relieved from the post of Independent Director

As per the unanimous decision of the 151st Board Meeting of the Company held on June 28, 2025, Mr. Md. Mozammel Hossain, FCA, the Independent Director of the Board of the Company, has been relieved of his position and duties with effect from July 1, 2025.

Appointment of Independent Directors

The Board of Directors of the company, in its 155th and 152nd meeting held on January 14, 2026 and September 21, 2025 respectively, approved the decision to appoint Mr. K.M. Shamsul Areefin, Additional Secretary (Retired), and Ms. Masuda Sultana ACA, FCS, as new independent directors on the Board of the Company, based on the recommendations of the NRC and the consent of the Bangladesh Securities and Exchange Commission (BSEC).

The Board requested the Shareholders to confirm the appointment of the above two independent directors at their 25th Annual General Meeting.

Appointment of Managing Director

As per the recommendation of the NRC Committee of the company, Mr. Md. Ehsanul Habib was re-appointed as the Managing Director of the company for the next 5 years with effect from February 11, 2026, in the 153rd Board Meeting held on October 26, 2025 of the company.

This unanimous decision of the Board Meeting will be presented to the shareholders for approval at the 25th Annual General Meeting.

Committees of the Board

According to various requirements under the Act, the Listing Regulations, and the Notifications of Bangladesh Securities and Exchange Commission (no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018, the Board of Directors has constituted various committees, such as the Audit Committee, Nomination, and Remuneration Committee, Internal Audit Committee, Corporate Governance Compliance Committee, Risk Management Committee and Management Committee. The details of composition, terms of reference, etc., about these committees are mentioned in the Corporate Governance Report.

Code of Conduct

Esquire Knit Composite PLC adheres to a comprehensive code of conduct integrated within its corporate governance framework, ethical policies, and international certifications. The company operates based on core values that guide its interactions with employees, business partners, and stakeholders.

Management Committee

The day-to-day Management of the company is entrusted to the Managing Director and the Management Committee. The members of the Management Committee are jointly accountable for the entire management of the Company and decide on the basic issues of business policy and corporate strategies.

Declaration by Independent Directors

The Independent Directors of Esquire Knit Composite PLC have submitted requisite declarations that they continue to meet the criteria of Independence as laid down in the applicable Corporate Governance Code issued by the BSEC and there is no change in the status of their Independence and have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

The Board of Directors further confirms that the Independent Directors also meet the criteria of expertise, experience, integrity, and proficiency in terms of the applicable rules.

Compliance with Secretarial Standards

During the year under review, the Company has duly complied with the applicable provisions of the Secretarial Standards on Meetings of the Board of Directors and General meetings issued by the Institute of Chartered Secretaries of Bangladesh.

Information on shareholders who hold above 10% of Shares

In compliance with condition No. 4 of the Commission's Notification No. BSEC/CMRRCD/2009193/10/Admin/118 dated 22 March 2021.

Shareholding information of the Directors or Shareholders who have availed any loan or credit facility by lien or pledge of their shares to the lender(s) at the time of borrowing.

Company information

As of June 30, 2025, the following directors or shareholders who hold 10% shares of our Company have taken a loan or credit facility from the following financial and non-financial institution by keeping their share in lien or pledge or have pledged to other associate company to take loans:

Name of the Shareholders	BOLD Number	Number of Shareholdings	Percentage of holding	Number of Share Pledge	Pledging status	Taking credit facility
Esquire Dyeing Industries Limited	1604420062000449	29,581,343	21.93%	29,581,343	Pledged entire holding	Bank Asia Limited
Mr. Md. Mofazzal Hossain	1604420062000612	28,791,667	21.34%	10,000,000	Pledged Part Holding	Community Bank Bangladesh Limited

Shareholding information of the said Directors or Shareholders who have availed margin loan from the stockbroker or portfolio manager.

Company information

As of June 30, 2025, no directors or shareholders of the Company, who hold 10% shares of Esquire Knit Composite PLC has not taken any margin loan from the stockbroker or portfolio manager against his/her share.

Nomination and Remuneration Policy

The Board of the Company has adopted a Nomination and Remuneration Policy for the identification, selection, and appointment of Directors, Key Managerial Personnel, and Senior Management personnel of our company. The policy provides criteria for fixing the remuneration of the Directors, Key Managerial Personnel, Senior Management Personnel as well as other employees of the Company. The Policy enumerates the powers, roles, and responsibilities of the Nomination and Remuneration Committee.

Our Board, on the recommendations of the Nomination and Remuneration Committee, appoints Director(s) of the Company based on his / her eligibility, experience, and qualifications and such appointment has approved the Members of the Board as well as the Members of the company at Annual General Meeting. The Policy also provides for Board Diversity criteria.

Please refer to page 135 of the Annual Report, where “ The Policy of NRC” is annexed as Annexure X and is also uploaded on the website of the company at www.esquireknit.com has been provided in the Corporate Governance Report which forms part of this Annual report.

Confirmation of Compliance on Prevention of Sexual Harassment of Women at Workplace

Esquire Knit is committed to providing a safe and secure environment to its women employees across its functions and other women stakeholders, as they are considered an integral and important part of the organization.

In terms of the Sexual Harassment of Women at Workplace Act and Rules framed thereunder, our Company has duly adopted a Policy and has also complied with the provisions relating to the constitution of the Internal Complaints Committee.

Our Company has been conducting an awareness campaign across all its manufacturing units, warehouses, and office premises to encourage its employees to be more responsible and alert while discharging their duties.

Gender Equality in the Workplace

Esquire Knit Composite PLC demonstrates a clear commitment to gender equality and the welfare of its female employees, which aligns with the broader push for social compliance within the global garment industry. The company has published specific policies and implemented concrete initiatives through its Corporate Social Responsibility (CSR) programs to support women in the workplace.

Workplace gender equality will be achieved when people can access and enjoy equal rewards, resources, and opportunities regardless of gender. It will require the Removal of barriers to the full and equal participation of men and women in the workforce.

Esquire Knit Composite PLC complied with these issues in the workplace very sincerely, and therefore we can safely say that our employees are not victims of gender discrimination.

Going Concerned

Esquire Knit Composite is considered a “going concern,” and there are no significant doubts reported by management or external credit rating agencies regarding its ability to continue operations in the foreseeable future.

Directors' Report

Key points from recent financial reports and ratings are:

Auditor's Opinion	The independent auditors' report for the financial year ended June 30, 2025, did not express a qualified opinion related to the company's going concern status. The auditors concluded that the financial statements give a true and fair view in accordance with International Financial Reporting Standards (IFRSs).
Management Disclosure	The company's corporate governance report explicitly states that there is no significant doubt about the issuer company's ability to continue as a going concern. Management is responsible for this assessment and has used the going concern basis of accounting.
Credit Rating	In November 26, 2025 (based on the June 2023, 2024 and 2025 audited financial statements), bank Liability position as on September 30, 2025 and other relevant as complied from client & bankers, the Credit Rating Agency of Bangladesh Limited (CRAB) assigned the company a long-term rating of "AA3" with a Stable outlook. A rating of "AA3" indicates a very strong capacity to meet financial commitments and a very low credit risk, which supports the company's stability and going concern status.
Financial Performance	Esquire Knit Composite PLC's financial performance showed significant improvement in the 2024-2025 financial year compared to the previous 2023-2024 financial year, with growth in revenue, earnings per share (EPS), and net operating cash flow per share (NOCFPS).
Operational Strengths	The company is a vertically integrated, 100% export-oriented knit garment manufacturer with a "state-of-the-art" composite factory and established relationships with major international brands such as Michael Kors, Celio, Mascot, Tee Jays, Riachuelo, Gloria Jeans, O'stin, Lc Waikiki, Aura, Sports Group Denmark, UCB and Primark etc). These operational strengths contribute to its long-term viability.

Disclosure Regarding Variance between Quarterly Financial Performance & Annual Financial Statements

Statements Quarterly Financial Statements are given separately. There were some variances in the financial results from quarter to quarter. But they are not of a very significant or material nature.

Board's Statement to the effect that no bonus shares or stock dividend has been or shall be declared as an interim dividend

The Board of Directors of the company declares that the company has not declared any interim cash dividend and bonus shares or stock dividends for the financial year under review.

Minority Interests

In Compliance with condition number 1 (5) (xvi) of the Corporate Governance Code 2018 of BSEC, the Board hereby confirms that the interests of the Minority Shareholders have been duly protected in the company.

Unclaimed or undistributed or unsettled dividend

Bangladesh Securities and Exchange Commission issued a directive no. BSEC/CMRRCD/2021-386/03 dated 14 January 2021 and Bangladesh Securities and Exchange Commission (Capital Market Stabilization Fund) Rules, 2021 to transfer unclaimed or undistributed dividends to the capital market stabilization fund. In compliance with the circular, Esquire Knit deposited the unclaimed IPO subscription share and unclaimed dividend amount for the 2018-2019, 2019-2020 and 2020-2021 financial year to the "Capital Market Stabilization Fund" on June 12, 2023, April 23, 2024 and August 31, 2025.

Details of the deposited amount are given below:

Unclaimed /undistributed IPO and dividend deposited to the capital market stabilization fund.

Nature of Fund	Financial Year	Amount of Taka or Number of Shares	Pay order details	Transfer to the account or BOID number of CMSF
Unclaimed Final dividend	2020-2021	BDT 765,369.00	P.O. No. 3534168 Dated August 28, 2025 Dutch-Bangla Bank PLC	Capital Market Stabilization Fund Date: August 31, 2025
Unclaimed Final dividend	2019-2020	BDT 735,776.00	P.O. No. 3253408 Dated 23rd April 2024 Dutch-Bangla Bank PLC	Capital Market Stabilization Fund Date: April 23, 2024
Unclaimed IPO Shares	2018-2019	100 Shares		1201530074571230
Unclaimed Final Dividend	2018-2019	BDT 1,940,529.00	P.O. No. 3166797 Dated 12th June 2023 Dutch-Bangla Bank PLC	Capital Market Stabilization Fund Date: June 12, 2023

The name and BOID number of Shareholders whose dividends remain unclaimed/unpaid are given on the company's website under Dividend-Unpaid.

Preference Share

We (the Management) are informing on behalf of the Company that as per decision of the 130th Board Meeting of the Company dated 21st December 2023, the decision of the Company to issue and offer 100,000,000 preference shares at a face value of BDT 10.00 each for an amount of BDT 1,000.00 million to finance the project expansion and relevant procurement of machinery (up to BDT 650.00 million) as well as redeeming high-cost Bank borrowing (up to BDT 350.00 million) to increase the production capacity and reduce the financial cost, which is approved by the shareholders present at the 22nd Annual General Meeting of the Company as Special Business agenda.

Esquire Knit Composite PLC as of June 30, 2025 has not yet offered and issued these preference shares in the market despite the approval given by the Shareholders in the 22nd Annual General Meeting on January 25, 2023.

Declaration by Managing Director and CFO

Please refer to page 114 of the Annual Report, where a "Declaration by the Managing Director and Chief Financial Officer (CFO)" on the company's Financial Statement is attached as Annexure-I.

Declaration by MD or CEO, CS, CFO, and HIAC of a listed Company shall not hold any executive position in any other Company at the same time

The MD & CEO, CS, CFO, and HIAC of Esquire Knit Composite PLC did not hold any executive position in any other company at the same time.

The Pattern of Shareholding

Please refer to page 115 of the Annual Report, where a statement of the "The Shareholding of Directors, Managing Director, Chief Financial Officer (CFO), Company Secretary, Key Executives, and their Spouses and Children" are provided in Annexure II.

The shareholding pattern is shown as of June 30, 2025 as per BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018.

Key Operating and Financial Data

Please refer to page 116 of the Annual Report, where a statement of the "The summarized Key Operating and Financial Data" for 2024-2025 and the immediately preceding five years is provided in Annexure-III.

Management Discussion and Analysis

Please refer to page 117 of the Annual Report, where a detailed discussion on the Operating and Financial Performance of the Company along

Directors' Report

with other disclosures as required under the corporate governance Code issued by Bangladesh Securities and Exchange Commission through Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 3 June 2018, has been Separately reported by the Managing Director as Annexure -IV.

Status of Corporate Governance Compliance Report

Please refer to page 119 of the Annual Report, where a detailed report on the “Corporate Governance Compliance” under the requirement of Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 3 June 2018, is provided in Annexure-V.

Website

The Company maintains a website namely www.esquireknit.com. All disclosures, audited financial statements, and annual reports are available from our company here.

Business Conduct and Ethics Code

Please refer to page 23 of the Annual Report, where a detailed statement of the “Business Conduct and Ethics Code” has been Separately reported by the Company as Annexure -VI.

Health Safety and Environment (HSE)

Please refer to page 40 of the Annual Report, where a detailed statement of the “Health Safety and Environment (HSE)” has been Separately reported by the Company as Annexure -VII.

Human Resource

Please refer to page 58 of the Annual Report, where a detailed statement of the “Human Resource” has been Separately reported by the Company as Annexure -VIII.

Outlook 2025 of Bangladesh

According to October 2025 forecasts from the International Monetary Fund (IMF), World Bank, and Asian Development Bank (ADB), Bangladesh's economy is projected to see a modest recovery in the 2025–2026 fiscal year (FY26), with GDP growth ranging from 4.8% to 5%. However, this is amidst persistent challenges, including high inflation, a stressed banking sector, and the complexities of graduating from Least Developed Country (LDC) status.

Key economic indicators for FY26

GDP Growth	The IMF has projected a 4.9% growth, while the World Bank and ADB forecast growth of 4.8% and 5% respectively. These figures represent a modest improvement over the performance of FY25.
Inflation	While expected to ease, inflation is projected to remain elevated. The IMF predicts inflation will fall to 8.42% in FY26, but local think tanks like the Centre for Policy Dialogue (CPD) believe it will stay above the government's target without major reforms.
Budgetary Policy	The interim government has implemented a contractionary budget for FY26, signaling a focus on fiscal consolidation and managing inflation. This includes a reduced Annual Development Programme (ADP).
GDP in US Dollars	Statista projects Bangladesh's GDP to reach \$513.12 billion in 2026.

Major challenges in FY26

LDC Graduation	As Bangladesh prepares for its graduation from LDC status in November 2026, it faces challenges including the loss of preferential trade benefits, reduced access to concessional financing, and intensified competition in export markets.
Persistent Inflation	High and persistent inflation continues to erode the purchasing power of citizens and poses a risk to economic stability.
Financial Sector Weakness:	The banking sector remains stressed with high non-performing loans (NPLs) and governance issues.
Global Headwinds	Global economic uncertainties, including potential trade barriers, fluctuating commodity prices, and high interest rates, could impact export demand and investment.

Opportunities for growth

Structural Reforms	The new administration has an opportunity to implement crucial reforms in the financial sector, taxation, and bureaucracy to enhance efficiency and investor confidence.
Diversification	To mitigate the effects of LDC graduation, the country must diversify its export base beyond the ready-made garment (RMG) sector and attract new investments.
Enhanced Remittance	Strong remittance inflows, coupled with increased exports, are expected to support foreign exchange reserves and economic recovery.
Infrastructure Investment	Continued, albeit targeted, investment in infrastructure, particularly in transport and energy, could drive long-term growth and productivity.

Outlook 2026 of Bangladesh (ready-made garment)

While the Bangladesh government has set an ambitious apparel export target for fiscal year 2025-2026, the ready-made garment (RMG) sector faces significant challenges in 2026, primarily due to the country's scheduled graduation from Least Developed Country (LDC) status. The loss of preferential trade benefits, coupled with increased competition, sustainability demands, and rising costs, will test the industry's resilience.

Key challenges for the RMG sector in 2026

LDC graduation impact	Bangladesh's graduation from LDC status in November 2026 will lead to the gradual withdrawal of duty-free quota-free access to major export markets, including the EU. This could result in higher tariffs, especially in markets like Japan and India. While the WTO has provided a three-year transition period, the eventual loss of preferences presents a major competitive threat.
Intensified global competition	The loss of tariff benefits will increase competition from other garment-exporting countries, such as Vietnam, which has secured Free Trade Agreements (FTAs) with major markets like the EU. This will put pressure on Bangladeshi exporters to maintain market share.
Stricter compliance and sustainability standards	International buyers, especially in the EU, are imposing more rigorous environmental, social, and governance (ESG) standards, including requirements for clean energy, carbon neutrality, and waste management. Meeting these demands will require significant investment in green technology and sustainable practices.
Rising production costs and inflation	The RMG sector is grappling with increased production costs due to higher wages, energy price hikes, and volatile raw material costs. These factors, combined with high domestic inflation, are squeezing profit margins for manufacturers.
Product and market concentration	The sector's heavy reliance on a few core products like trousers and t-shirts and key markets like the EU and the US leaves it vulnerable. Recent factory closures in hubs like Chittagong indicate the financial strain on some manufacturers.

Directors' Report

Opportunities and mitigating strategies

Market and product diversification	To counter the loss of preferences, the industry is focusing on expanding into new, non-traditional markets in South America, Africa, and East Asia, and moving towards higher-value, more complex products.
Focus on high-value products	Increased investment in diversifying into more value-added garments, such as sportswear and high-end fashion, is aimed at attracting premium buyers and improving profit margins.
Sustainability and innovation	The move toward green and smart factories is seen as a way to enhance competitiveness by meeting international sustainability standards and improving efficiency.
Strategic policy support	The government and trade bodies like the BGMEA are engaging in economic diplomacy to secure preferential trade agreements, like the GSP+ with the EU, and extend transition periods.
Infrastructure and skill development	Improving supply chain infrastructure, investing in automation, and upskilling the workforce are essential for long-term competitiveness.

Company's Outlook 2026

Esquire Knit Composite PLC's (EKCPLC) outlook for 2026 is stable, underpinned by its operational strengths and strategic measures to navigate industry challenges, particularly those associated with Bangladesh's LDC graduation. The company has a "Stable" credit rating outlook.

Key Strategic Outlooks and Factors

Stable Financial Position and Credit Rating	The Credit Rating Agency of Bangladesh (CRAB) assigned EKCPLC a long-term rating of "AA3" with a "Stable" outlook in November 2025, valid until November 30, 2026. This rating indicates a very strong capacity to meet financial commitments and low credit risk.
Operational Efficiency and Integration	The company will continue leveraging its vertically integrated operations, which provide a "one-stop solution" from yarn dyeing to garment manufacturing, a key strength in controlling costs and quality. Its facilities are equipped with modern, efficient machinery to enhance productivity.
Capacity Expansion and Green Initiatives	EKCPLC previously secured long-term financing for capacity expansion, with plans to increase sewing capacity in phases. The company is also committed to its "Go Green" concept, working towards LEED certification and implementing advanced Effluent Treatment Plants (ETPs), which positions it favorably with international buyers who demand sustainable practices.
Strong Customer Base	EKCPLC maintains strong, established relationships with major international brands and chain stores in Europe and America (e.g., Michael Kors, Celio, Mascot, Tee Jays, Riachuelo, Gloria Jeans, O'stin, Lc Waikiki, Aura, Sports Group Denmark, UCB and Primark etc). This stable customer base provides reliable demand, which is crucial amidst global economic uncertainties.

Challenges and Mitigating Factors

The primary challenge in 2026 relates to Bangladesh's LDC graduation, which is scheduled for November 2026.

Loss of Trade Preferences	The graduation means the eventual loss of duty-free access to key markets. EKCPLC will face increased competition and potential tariffs.
Mitigation Strategy	<p>The company is part of an industry-wide effort to adapt. Strategies include focusing on higher-value products, improving overall efficiency, and meeting stringent international ESG (Environmental, Social, and Governance) compliance standards to remain competitive even with tariffs. The EU's GSP+ scheme may offer a future avenue if Bangladesh demonstrates commitment to sustainability and labor rights.</p> <p>In summary, Esquire Knit Composite PLC enters 2026 with a solid foundation, a positive credit outlook, and proactive strategies to manage the evolving global trade landscape and sustain its growth trajectory.</p> <p>Annexures forming part of this Report</p>

In summary, Esquire Knit Composite PLC enters 2026 with a solid foundation, a positive credit outlook, and proactive strategies to manage the evolving global trade landscape and sustain its growth trajectory.

Annexures forming part of this Report

The Annexures referred to in this Report and other information which is required to be disclosed are annexed herewith and form part of this Report:

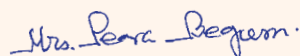
Annexure	Particulars
I	Declaration of MD and CFO
II	Shareholding Patterning
III	Key Operating Financial Data
IV	Management Discussion and Analysis Report
V	Corporate Governance Compliance Report
VI	Directors Declaration
VII	Audit Committee Report
VIII	Nomination and Remuneration Committee Report
IX	Board of Director Involvement Report
X	NRC Policy
XI	Profile of the Directors
XII	Dividend Distribution Policy

Acknowledgement

We acknowledge and recognize the outstanding performance of our employees and the continued support of our customers, financial institutions, regulatory authorities of the Governments in Bangladesh, shareholders, and members of the Board of Directors.

May Allah SWT (Subhanahu Wa Ta'ala) bless us all.

For and on behalf of the Board



Mrs. Piara Hossain
Chairman

Sunday & Dhaka
October 26, 2025



Md. Ehsanul Habib
Managing Director

Corporate Governance Report

[In terms of the BSEC Notification no. BSEC/CMMRRCD/2006-158/2007/admin/80 dated 3 June 2018 issued by Securities and Exchange Commission]

Date of Report

The information provided in this Report on Corporate Governance for unanimity is as of June 30, 2025. This Report is updated as of the date of the Report wherever applicable.

Company's Philosophy on Code of Governance

Esquire Knit Composite PLC's philosophy on the Code of Governance centers on maintaining transparency, accountability, fairness, and responsibility to all its stakeholders. The company views good governance as fundamental to strengthening its sustainability, organizational effectiveness, and long-term success.

Key aspects of their philosophy and framework include:

Compliance with Regulations	The company is fully guided by the Corporate Governance Principles stipulated by the Bangladesh Securities and Exchange Commission (BSEC) and complies with the Companies Act 1994, listing regulations of local stock exchanges (Dhaka and Chittagong), and all other applicable laws and regulations.
Stakeholder Trust and Interest	The Board operates with the conviction that it must protect the interests of all stakeholders, not just shareholders. Transparent policies and open communication are used to build and maintain the faith of investors, employees, customers, and the community.
Effective Internal Controls and Risk Management	The governance framework is designed to ensure a sound system of internal control is effectively implemented and monitored, which is crucial for managing risks and ensuring compliance with policies.
Ethical Conduct and Integrity	Integrity, respect, and professionalism are core values guiding the actions of all employees. The company is committed to operating ethically and holding individuals accountable for their behavior.
Transparent Disclosure	The company focuses on the timely and accurate disclosure of financial performance, governance practices, and operational results to enable informed decision-making by stakeholders.
Board Oversight	The Board of Directors is collectively responsible for the company's strategic direction, value system, and governance frameworks, ensuring leadership that meets business objectives responsibly.

The company continually reviews its corporate governance frameworks to ensure they remain relevant, effective, and capable of addressing future business challenges in a responsible manner.

Board of Directors

The Board of Directors of the Company (the "Board") has an optimum combination of Executive and Non-Executive Directors and is duly constituted under the Chairmanship of a Non-Executive Director. The Board Members possess adequate qualifications, knowledge, expertise, and experience to provide strategic guidance to the Company. The BSEC (BSEC notification No. BSEC/CMMRRCD/2006-158/2007/admin/80 dated 3 June 2018) Regulations mandate that for a company with a Non-Executive Chairman, at least one-fifth of the Board should comprise Independent Directors.

As of June 30, 2025, the Board comprised 6 (six) directors, of which 5 (five) were Non-Executive Directors including the Chairman. Apart from this, there are 2 (two) Independent Directors among these five Non-Executive Directors. Two female Directors out of the total composition of the Board.

The composition of the Board as of June 30, 2025 the number of committees of which a director is a Member/Chairperson, and the attendance of each director at the Board Meeting's as follows:

Name of the Directors & Position of the Company	Position of the Board	No. on membership on Board committees	No. on Chairpersonship on Board committees	No. of Board Meetings attended during the 2024-2025 financial year
Mrs. Piara Hossain Non-Executive Directive Director	Chairman	N/A	N/A	8 out of 8
Mr. Md. Ehsanul Habib Managing Director	Director	N/A	N/A	8 out of 8
Mr. Arifur Rahman Non-Executive Director	Director	N/A	N/A	8 out of 8
Mr. Md. Muddasar Hossain Non-Executive Director	Director	4	N/A	8 out of 8
Mr. A. K. M. Shamsul Areefin Independent & Non-Executive Director	Director	4	3	8 out of 8
Mr. Md. Mozammel Hossain, FCA Independent & Non-Executive Director	Director	4	1	8 out of 8

The Committee positions are based on the latest disclosures received by the Company. The last AGM (24th) held on January 25, 2025 through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM") was attended by all the above-named directors excluding Mrs. Piara Hossain.

Board Meetings and Attendance

The Board met 8th(eighth) time during the financial year that ended on June 30, 2025. At least one meeting of the Board was held in every quarter and the time gap between any two consecutive board meetings did not exceed 120 days during the financial year that ended on June 30, 2025. The details are as follows:

Meeting Number	Date of Board Meetings	Board Strength (No. of Directors)	No. of Directors Present	No. of Independent Directors Present
144th	Wednesday, July 3, 2024	6	6	2
145th	Saturday, October 26, 2024	6	6	2
146th	Wednesday, November 6, 2024	6	6	2
147th	Tuesday, November 12, 2024	6	6	2
148th	Thursday, January 30, 2025	6	6	2
149th	Wednesday, March 19, 2025	6	6	2
150th	Monday, April 28, 2025	6	6	2
151st	Monday, January 28, 2025	6	6	2

The Directors have access to the complete agenda for meetings along with all relevant annexures and other information on their respective e-mail through the secretarial department and offline modes as well as functionality to make private notes and comments ahead of the meetings and many other advanced features.

Corporate Governance Report

Board Committees

The Board has promulgated various committees and has delegated specific responsibilities to them. The Committees review items in great detail before they are placed at the Board meetings for consideration. The Committees follow the defined guidelines and establish the framework for their operations. The terms of reference of the committees comply with the Act (BSEC guidelines) and the Listing Regulations.

During the financial year ended June 30, 2025, the Board has constituted its committees and no terms of reference of the committees have been amended, as applicable, in compliance with the BSEC regulations dated 3 June 2018.

The committees are-

1. Audit Committee
2. Nomination and Remuneration Committee

Structure of the Committee

The Board has delegated certain responsibilities to these committees to assist in the discharge of its duties.

1. Audit Committee

This committee oversees the company's financial reporting process, internal controls, and the audit process. The members are typically independent directors to ensure objectivity.

- **Chairman**
An Independent Director typically chairs the Audit Committee.
- **Members**
This committee also primarily consists of independent and non-executive directors, following the guidelines set by the Bangladesh Securities and Exchange Commission (BSEC).

2. Nomination and Remuneration Committee (NRC)

The NRC is responsible for formulating the criteria for determining qualifications, positive attributes, and independence of a director, as well as recommending the board structure and remuneration policies.

- **Chairman**
An Independent Director typically chairs the Audit Committee.
- **Members**
This committee also primarily consists of independent and non-executive directors, following the guidelines set by the Bangladesh Securities and Exchange Commission (BSEC).

The above two committees are regulatory requirements and the terms of reference of these committees are limited by BSEC's regulation dated 3 June 2018.

3. Corporate Governance Compliance Committee

4. Risk Management Committee

3. Management Committee

The above three committees are constituted to ensure improvement, accountability and good governance in the Company and Management of the Company.

The Committees is provided, on a timely basis, with requisite information and detailed agenda papers, together with necessary supporting papers, as required.

Role & Responsibilities of the Board

The Board of Directors of Esquire Knit Composite PLC is collectively responsible to the shareholders for the company's overall success, strategic direction, and governance. Its roles are defined by the Companies Act, 1994, BSEC Corporate Governance Code, Listing Regulations, and other applicable laws of Bangladesh.

Key roles and responsibilities include:

Strategic and Leadership Functions

Determining Strategy	Evaluating and developing the company's strategies, vision, mission, and work plan to enhance effectiveness and efficiency.
Providing Leadership	Offering the necessary leadership to ensure business objectives are met within the established framework of internal controls.
Supervising Management	Supervising the management of the business and leading and directing the company's affairs.

Governance and Compliance

Ensuring Compliance	Ensuring strict compliance with the Companies Act 1994, the BSEC Corporate Governance Code, Listing Regulations, labor laws, and all other applicable regulations.
Risk Management & Internal Control	Reviewing the adequacy and integrity of the company's internal control and risk management systems.
Ethical Standards	Adhering to the highest ethical standards and promoting accountability and transparency in all operations.
Forming Committees	Constituting committees (e.g., Board Audit Committee, Nomination and Remuneration Committee) and delegating responsibilities to assist the Board in effective governance.

Financial and Reporting

Approving Financial Statements	Reviewing and approving the annual and quarterly financial statements, ensuring they present a true and fair view of the company's affairs and comply with International Financial Reporting Standards (IFRS), as applicable in Bangladesh.
Appropriating Profit and Declaring Dividends	Approving the appropriation of profit and recommending or declaring dividends for shareholders' approval at the Annual General Meeting (AGM).
Reporting to Shareholders	Reporting to shareholders on the company's stewardship and performance.

Corporate Governance Report

Stakeholder Relations

Protecting Shareholder Investment	Acting to protect the investment of investors and providing good dividends.
Maintaining Stakeholder Relationships	Understanding and taking into account the interests of all stakeholders, including employees, customers, suppliers, and government authorities.
Promoting Goodwill	Working to promote the goodwill and support of all stakeholders.

The Board maintains oversight but does not typically interfere with the day-to-day administration or operational affairs, which are the primary responsibilities of the Managing Director.

Functioning of the Board

The Directors meet together for the dispatch of the business and regulate the meetings and proceedings according to the needs of the Company. Every Board Meeting is preceded by a service of notice well ahead of the scheduled time. Notice with agenda supported by working papers for every meeting of the Board is sent to all Directors well in advance so that they can come up with their considered views and can actively participate in the deliberations. During the meeting, the Board gets a thorough review of the performance of the Company by the Managing Director.

All pertinent matters are discussed in detail and decisions are taken based on thorough considerations. Questions arising at any meeting are decided by a majority of votes. However, there is a procedure supported by the Articles of Associations of the Company which allows taking care of any urgent matter through Resolution by Circulation. Such circular resolution is adopted by the Directors present in Bangladesh, without having to call a formal Board Meeting. To make it transparent, such resolutions passed by circulation are subsequently tabled immediately following the board meeting and included in the minutes accordingly.

Separate Role of the Chairman and Managing Director

The roles of the Chairman and the Managing Director (MD) at Esquire Knit Composite PLC are distinctly separated, in compliance with the Bangladesh Securities and Exchange Commission (BSEC), Corporate Governance Code. This separation prevents a concentration of power and ensures a balance between board leadership and executive management.

The Role and Responsibilities of the Chairman

The Chairman is a non-executive director focused on overall governance and compliance. Key responsibilities include presiding over Board and General Meetings, ensuring the company operates within legal and regulatory frameworks, and maintaining relations with stakeholders. The Chairman does not interfere in the company's daily operations.

The Role and Responsibilities of the Managing Director (MD)

The Managing Director is an executive director who leads the management team and is responsible for running the organization and implementing the board's strategy. The MD is responsible for developing and executing long-term strategies, overseeing day-to-day management decisions, acting as the head of the business group, serving as the liaison between the Board and management, and communicating on behalf of the company.

Essentially, the Chairman focuses on setting governance standards and strategic direction, while the Managing Director manages daily operations and executes the approved strategy.

Independent Director

To ensure the good governance of the Company, according to the guidelines of the Bangladesh Securities and Exchange Commission. Esquire Knit Composite PLC has two independent directors serving on its Board of Directors.

The independent directors are:

- » A.K.M Shamsul Areefin
- » Md. Mozammel Hossain, FCA (Relieved from July 1, 2025)
- » Ms. Masuda Sultana ACA, FCS (Appointed from July 1, 2025)

These directors are non-executive and do not hold more than 1% of the company's shares, ensuring their independence and ability to provide objective oversight and governance, in compliance with the BSEC Corporate Governance Code. They play a crucial role in safeguarding stakeholder interests and contributing to strategic guidance and risk management.

Audit Committee

The Audit Committee of Esquire Knit Composite PLC is a sub-committee of the main Board of Directors, established to assist the Board in fulfilling its oversight responsibilities, particularly regarding reporting and internal controls.

Composition

The committee is composed of at least three members, who must be non-executive directors. The Chairperson of the Audit Committee is an independent director.

The composition and attendance of the members of the Audit Committee are-

Meeting Number	Date of Meeting	Name of the Committee Members & Position of the Board	Position of the Committee	No. of meetings attended
33rd 34th 35th 36th	12-Oct-24 12-Nov-24 30-Jan-25 28-Apr-25	Mr. Md. Mozammel Hossain, FCA Independent & Non-Executive Director	Chairperson	4 out of 4
		Mr. A. K. M. Shamsul Areefin Independent & Non-Executive Director	Member	4 out of 4
		Mr. Md. Muddasar Hossain Non-Executive Director	Member	4 out of 4
		Mr. Md. Monir Hossain Company Secretary	Member Secretary	4 out of 4

The Company Secretary acts as the Member Secretary of the Audit Committee.

Functioning and Responsibilities

The Audit Committee is responsible to the Board and operates based on clearly defined written duties. Key functions include:

Financial Statement Review	Assisting the Board in ensuring that the annual and quarterly financial statements reflect a “true and fair view” of the company’s state of affairs.
Internal Control and Risk Management	Reviewing the adequacy and effectiveness of the company’s internal control systems, internal audit functions, and risk management procedures to detect errors, frauds, and other deficiencies.
Liaison with Auditors	Coordinating with both internal and external auditors, reviewing their reports, and monitoring the integrity of the audit process.
Compliance Oversight	Monitoring compliance with all applicable laws, rules, regulations, and the BSEC Corporate Governance Code.
Ethical Conduct	Preventing conflict of interest issues between the company and its directors, officials, customers, and suppliers.
Meetings	The committee is required to conduct at least four meetings in a financial year. The Chairperson of the Audit Committee must also be present at the Annual General Meeting (AGM) to answer shareholder queries.

Corporate Governance Report

Nomination and Remuneration Committee (NRC)

The Nomination and Remuneration Committee (NRC) of Esquire Knit Composite PLC is a Board sub-committee responsible for establishing a formal and transparent process for the appointment, re-appointment, and remuneration of the company's directors and key management personnel.

Composition

The NRC is comprised of at least three non-executive directors, with a majority required to be independent directors. The Chairperson of the committee must be an independent director.

The composition and attendance of the members of the Audit Committee are-

Meeting Number	Date of Meeting	Name of the Committee Members & Position of the Board	Position of the Committee	No. of meetings attended
27th 28th 29th	11-Nov-24 29-Jan-25 28-Jun-25	Mr. A.K.M. Shamsul Areefin Independent & Non-Executive Director	Chairperson	3 out of 3
		Mr. Md. Mozammel Hossain, FCA Independent & Non-Executive Director	Member	3 out of 3
		Mrs. Piara Hossain Non-Executive Director	Member	3 out of 3
		Mr. Md. Monir Hossain Company Secretary	Member Secretary	3 out of 3

The Company Secretary typically acts as the Member Secretary of the Committee.

Key Responsibilities

The committee functions according to a Nomination and Remuneration Policy and its key responsibilities include:

Formulating Policy	Developing and recommending to the Board a policy on the nomination and remuneration of directors and key executives.
Identifying Candidates	Identifying individuals qualified to become directors and who may be appointed to top management positions, and recommending their appointment or removal to the Board.
Determining Remuneration	Recommending the remuneration structure for executive and non-executive directors, including the Managing Director, ensuring it is competitive, fair, and reflects performance and legal requirements.
Board Evaluation	Assisting the Board in the evaluation of its own performance and the performance of individual directors and committees.
Ensuring Compliance	Ensuring that the appointment and remuneration processes comply with all relevant regulations, including the Companies Act 1994 and the BSEC Corporate Governance Code.

Corporate Governance Compliance Committee

The Board has constituted a Corporate Governance Compliance Committee to ensure improvement, accountability, and good governance in the Company and Management of the Company.

Composition, Meetings, and Attendance

The Committee met two (2) time during the financial year 2024-2025. The Corporate Governance Compliance Committee is comprised of 3 (three) Non-Executive Directors including 2 (two) Independent Directors. The Company Secretary acts as the Secretary to the Committee.

The details of the composition, meetings, and attendance of the members of the corporate governance compliance committee are as follows:

Name of the Committee Members	Position of the Board	Position of the Committee	Number of meetings attended
Mr. A.K.M. Shamsul Areefin	Independent & Non-Executive Director	Chairperson	2 out of 2
Mr. Md. Mozammel Hossain, FCA	Independent & Non-Executive Director	Member	2 out of 2
Mr. Md. Muddasar Hossain	Non-Executive Director	Member	2 out of 2
Mr. Monir Hossain	Company Secretary	Member Secretary	2 out of 2

Risk Management Committee

Risk Management is the process of identifying, assessing and controlling financial, legal, strategic and security risks to the Company's capital and earnings. The Board has constituted a Risk Management Committee to ensure improvement, accountability and minimize risk in the Company and Management of the Company.

Composition, Meetings and Attendance

The Committee met two (2) time during the financial year 2043-2025. The Corporate Governance Compliance Committee is comprised of 3 (three) Non-Executive Directors, where 2 (two) Independent Directors. The Company Secretary acts as the Secretary to the Committee.

The details of the composition, meetings, and attendance of the members of the risk management committee are as follows:

Name of the Committee Members	Position of the Board	Position of the Committee	Number of meetings attended
Mr. A.K.M. Shamsul Areefin	Independent & Non-Executive Director	Chairperson	2 out of 2
Mr. Md. Mozammel Hossain, FCA	Independent & Non-Executive Director	Member	2 out of 2
Mr. Md. Muddasar Hossain	Non-Executive Director	Member	2 out of 2
Mr. Monir Hossain	Company Secretary	Member Secretary	2 out of 2

Management Committee

The Management Committee is led by the Managing Director, Mr. Md. Ehsanul Habib, who is appointed by the Board of Directors for a term of five years (renewable) with the approval of shareholders in the Annual General Meeting. The Management Committee comprises senior executive members of the Company. Within the limits of delegated authority and responsibility by the Board of Directors, Executive Management operates through further delegation of authority at every echelon of the line management.

The Management Committee operates within the framework; policy & planning strategies set by the Top management with parodic performance reporting for guidance.

The Management Committee is responsible for the preparation of segment plans/sub-segment plans for every profit center with budgetary targets for every item of goods & services and is held accountable for deficiencies, with an appreciation for outstanding performance. These operations are continuously carried out by the Management Committee through a series of Committees, Sub-Committees, Adhoc Committees & Standing Committees assisting the line Management.

Relationship

Relationship with shareholders & Public

The Shareholders as owners are required to be provided the material information on the company's operation every quarter and annually, the latter at the Annual General Meeting. They are also provided with routine services by the Company affairs division in matters of their various queries, share transfer, dematerialization, rematerialize ion of shares, payment of dividends, etc.

The Board is however responsible to the public for the publication of any price-sensitive information as per BSEC regulation. A qualified Secretary is in charge of all these responsibilities as a Company Secretary.

Corporate Governance Report

Relationship with Government

In its role of accountability to the government, the Board of Directors ensures payment of all dues to the government in the form of import duty, custom duty and port charges, VAT, corporate Taxes, and other levels as and when they became due based on actual operations and make sure to avoid corruption. This has enabled the Company to enhance its contribution to the National Exchequer at a progressive rate year after year.

Relationship with Financier/Bankers

The Board oversees the financial transactions to the lenders without default. This has resulted in securing lower interest rates from them.

Relationship with Suppliers

As the Company has to import plant, machinery and spare parts and almost all the raw materials from abroad, it maintains cordial and mutually beneficial interests with its international as well as local suppliers. This has enabled the Company to avoid any legal disputes in international/ local courts and enhanced the Company's image as a good customer.

Corporate Social Responsibilities (CSR)

The Board of Directors is also aware of the Corporate Social Responsibilities (CSR), especially in the areas of gender equality, race-religion, regional equality, non-employment of child labor, human rights, environmental pollution, social-marketing, social activities (promotion of sports & culture, health care and participation in charitable activities, etc.)

Chief Financial Officer, Company Secretary, and Head of Internal Audit and Compliance

The Company has appointed the following persons as Chief Financial Officer, Company Secretary and Internal Audit and Compliance of the Company as per the requirement of the Corporate Governance Code of Bangladesh Securities and Exchange Commission:

Mr. Md. Mustafizur Rahman	- Chief Financial Officer
Mr. Md. Monir Hossain	- Company Secretary
Mr. Md. Rakibur Rahman	- Head of Internal Audit and Compliance

Separate Roles

Esquire Knit Composite PLC assigns distinct and separate roles to the Chief Financial Officer (CFO), Company Secretary, and Head of Internal Audit and Compliance to ensure proper governance, accountability, and financial integrity, as required by the BSEC Corporate Governance Code.

Chief Financial Officer (CFO)

The CFO is the top financial executive, accountable for the company's financial and accounting operations and fund management.

Financial Management	Oversees all financial planning, budgeting, control, and cash flow management to achieve the highest service advantage with minimum cost impact.
Reporting	Presents monthly, quarterly, and annual financial statements, ensuring they are accurate, compliant with IFRS/IAS (International Financial Reporting Standards/International Accounting Standards), and provide a "true and fair view" of the company's affairs.
Compliance & Tax	Ensures record-keeping meets auditor and government requirements, managing aspects of income tax, VAT, customs, and international trade (LC, import/export).
Liaison	Acts as a key liaison for banking partners, external auditors, and government agencies, and is required to attend Board meetings and certify the financial reports with the Managing Director.

Company Secretary (CS)

The Company Secretary (CS) is key personnel responsible for ensuring the company's compliance with statutory and regulatory requirements, as well as managing administrative aspects of governance.

Governance & Compliance	Coordinates and implements timely corporate compliance for all group companies, including maintaining statutory registers and annual compliance filings.
Board Administration	Manages the board process, including preparing agendas, circulating board materials, and taking detailed minutes of Board, Audit Committee, and shareholder meetings.
Shareholder Communication	Manages communication with shareholders and handles processes related to dividend disbursement (cash/stock), right shares, and other corporate actions.
Advisory Role	Advises the board of directors on legal and corporate governance issues.

Head of Internal Audit and Compliance (HIAC)

The Head of Internal Audit and Compliance is responsible for evaluating and improving the effectiveness of the company's governance, risk management, and internal control processes.

Internal Controls	Reviews and verifies accounting documents and financial records for accuracy and adherence to accounting standards, and evaluates the efficiency of business processes.
Audit and Investigation	Conducts specialized audits (e.g., physical verification of assets and stock) and special investigations into suspected fraud or misconduct as directed by senior management or the Audit Committee.
Regulatory Adherence	Assesses compliance with the Bangladesh Labor Act, tax laws, corporate governance requirements, and other relevant statutory regulations.
Reporting	Reports directly to the Audit Committee, providing feedback on the progress and results of audits, and ensuring corrective actions are implemented for any non-compliance issues.

The clear separation of these roles ensures checks and balances within the organization's financial and operational management

Subsidiary Company

Composition, Board Meetings and Attendance of the Board of Subsidiary Company

The Board is comprised of 4 (four) Directors, of which 2 (two) are representatives of Esquire Knit Composite PLC. During the financial year 2024-2025, the Board of Directors of L' Esquire Limited met 5 (five) times.

The details of the composition, meetings and attendance of the members of the board of the subsidiary company named L' Esquire Limited. are as follows:

Meeting Number	Date of Meeting	Name of Directors	Position of the Board	Meeting Attendance
23rd 24th 25th 26th 27th	July 3, 2024 October 24, 2024 November 11, 2024 January 29, 2025 April 28, 2025	Mr. Md. Ehsanul Habib	Chairman	5 out of 5
		Mr. Arifur Rahman	Director	5 out of 5
		Mr. Md. Muddasar Hossain	Director	5 out of 5
		Mr. Md. Ehsanul Habib (Representative of EKCPLC)	Director	5 out of 5
		Mr. A.K.M. Shamsul Areefin (Representative of EKCPLC)	Director	5 out of 5

Corporate Governance Report

Activities of Subsidiary Company during the Year

Esquire Knit Composite PLC has one subsidiary company and according to the corporate governance guidelines, activities are also followed in the subsidiary company relating to: -

- » Composition of the Board of Directors of Esquire Knit Composite PLC should be composed including the requirement to appoint independent directors.
- » Independent Director of Esquire Knit Composite PLC is also appointed in the Subsidiary company.
- » Minutes of Subsidiary company are also placed in the Board Meeting of Esquire Knit Composite PLC for review.
- » Reviewing the Financial Statements of the Subsidiary company in the Audit Committee Meeting of Esquire Knit Composite PLC.

Other Governance Apparatus

The company, in its efforts for Corporate Good Governance Practices, uses a series of top-ranking professional service providers including Legal experts, bankers, Insurers and Technical experts who continuously assist the Board of Directors and the Executive management in properly discharging their duties to all the shareholders, stakeholders, the Government and the Public as highlighted below:

Legal Advisor

To avail the best legal service for Good Corporate Governance, the company has empaneled the following top-ranking legal professionals:

Mr. Md. Sameer Sattar, Bar-at-Law	- Legal Advisor
Mr. Md. Mesbah Uddin, FCA	- Advisor-Vat & Tax

The two advisors take care of long-term basic/fundamental support for the good governance of the company.

Statutory Auditors

The role of the Statutory Auditors in the certification of the financial statement is the most significant aspect of Corporate Governance and the protection of the interest of investors. As evident from the Annual Reports, the company rigidly follows the code of International Accounting Standards (IAS) and International Auditing (ISA) with legally required disclosures of Accounts and Financial Statements. This has been possible due to the high-level capability and integrity of Pinaki & Company, Chartered Accountants whose unchallenging performance has played a very trustworthy role in the protection of the interest of the investors.

Internal Audit and Control

Esquire Knit Composite PLC considers that internal audit is one of the important regular functions of the company. The company has an independent internal audit department under the control of the Audit Committee of the Board. This department makes an effort to bring a methodical and disciplined approach to evaluate and improve the effectiveness of the organizations risk management process, the system of internal control and governance.

Compliance Auditors

The Compliance Auditors are responsible for the certificate of Compliance of Conditions of Corporate Governance Code 2018 of Bangladesh Securities and Exchange Commission as well as the provisions of relevant Bangladesh Secretarial Standards of the Institute of Chartered Secretaries of Bangladesh.

M/S. Chowdhury Bhattacharjee & Co., Chartered Accountants is the Compliance Auditors of Esquire Knit Composite Limited appointed by its Shareholders in the Annual General Meeting.

Compliances

EKCPCL has established procedures to ensure compliance with all applicable statutory and regulatory requirements. Respective officers are responsible for ensuring proper compliance with applicable laws and regulations.

Dividend Distribution Policy

In accordance with the requirement of Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRD/2006-158/207/Admin/80, dated 3 June 2018, is provided in Annexure – XI.

Shareholders' Relationship

Esquire Knit Composite PLC prioritizes an effective and transparent relationship with its shareholders, founded on clear communication, regulatory compliance, and accountability. The company's approach to shareholder relations involves several key activities and policies:

Key Principles

Accountability	The Board of Directors is directly accountable to the shareholders for the company's overall success and strategic direction.
Transparency and Disclosure	The company maintains a culture of robust disclosure, ensuring shareholders are fully informed about relevant information in a timely manner. This includes regular dissemination of price-sensitive information, quarterly accounts, and annual reports.
Protection of Investment	A core objective is to protect the investment of investors and provide good dividends.
Ethical Standards	The company is committed to adhering to high ethical standards and promoting accountability and transparency in all operations.

Modes of Communication and Engagement

» Annual General Meetings (AGM)

The AGM is a primary platform for shareholder engagement. Shareholders receive reports on company performance, future plans, and strategies, and participate in voting on key resolutions like director re-elections and dividend declarations. The company facilitates both physical and virtual meetings to ensure broad access, allowing electronic voting and question submission.

» Dividend Policy

The company has a formal, disclosed Dividing Distribution Policy to provide transparency regarding the circumstances and factors that influence dividend payout decisions, aiming for a consistent approach to rewarding shareholders while retaining funds for growth.

» Website and Investor Information

A dedicated "Investors Information" section on the company website provides easy access to all important documents, including annual reports, quarterly accounts, financial spread sheets, prospectuses, and notices of AGMs/EGMs.

» Contact Points

The company maintains specific contact information, including a dedicated email address and phone number for the Company Secretary, to handle shareholder queries and IT-related guidelines.

» Regulatory Compliance

The company strictly follows the regulations set by the Bangladesh Securities and Exchange Commission (BSEC) and the stock exchanges (DSE and CSE) regarding information disclosure and communication to ensure regulatory adherence and investor confidence.

The Board actively monitors relations with shareholders and stakeholders to ensure their interests are understood and taken into account, fostering goodwill and support for the company.

Segment Report

The Company's operations are carried out on an aggregate basis and are managed as a single operating segment. Accordingly, the Company operates in one segment of developing, manufacturing and marketing of different types RMG for humans.

Nature of Business

Esquire Knit Composite PLC is a cent per cent export-oriented Company. It produces different types of Knit Garments through its six units namely knitting units, fabric dyeing units, printing units, embroidery units, industrial laundry and garments units and sells the same to foreign buyers.

Risk Perception

The Company management perceives investment risk within the national and international economic perspectives about legal and moral

Corporate Governance Report

requirements involving inter alia, intellectual property rights, scientific invention, WTO Regulation, MFA, etc. and monetary and fiscal investment policies and has prepared its production & marketing strategies to meet the challenges from these risks.

Secretarial Standard

Esquire Knit tries its best to maintain the Secretarial Standard in the meetings of the Board of Directors, Members (shareholders), Minutes and dividends issued by the Institute of Chartered Secretariates of Bangladesh.

Listing of Equity Shares on the Stock Exchanges with Scrip Code

The Equity Shares of the Company are listed on the following Stock Exchanges

Stock Exchange Name	Address	Trading Code	Scrip Code	Sector
Dhaka Stock Exchange Limited	Stock Exchange Building 9/F, Motijheel Commercial Area Dhaka-1000, Bangladesh.	ESQUIRENIT	17481	Textile
Chittagong Stock Exchange PLC.	Head Office CSE Building, 1080, Sk. Mujib Road Agrabad, Chittagong, Bangladesh. Dhaka Office 52-53, Dilkusha C/A, (level-15), Dhaka-1000, Bangladesh.	ESQUIRENIT	12069	Textiles and Clothing

Corporate Socialization

To play a model role for Good Governance characteristics in the corporate sector, the Company has become a member of the country's leading Bangladesh Garments Manufacturers & Exporters Association (BGMEA), Bangladesh Knitwear Manufacturers & Exporters Association (BKMEA), Bangladesh German Chamber of Commerce & Industry (BGCCI), Spain Bangladesh Chamber of Commerce and Industry, Bangladesh Association of Publicly Listed Companies (BAPLC), Central Depository Bangladesh Limited (CDBL), Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE). These memberships have provided scope to the Company for improvement of Corporate Governance Practices for the benefit of the shareholders/Stakeholders.



Our Value Addition and *its distribution*

Esquire Knit Composite PLC creates significant value through its vertically integrated readymade garments (RMG) manufacturing and export operations. This value, generated from global apparel sales, is distributed among its key stakeholders.

The following Statement of Value Added and its distribution are:

Value addition	2025		2024	
	BDT '000s	%	BDT '000s	%
Net revenue	10,070,591	99.84	7,604,616	99.67
Non-operating income	16,462	0.16	24,796	0.33
	10,087,053	100	7,629,412	100
Value distribution				
Cost of sales (excluding employees' salary, wages, duties and taxes)	5,814,746	58.06	4,111,138	54.4
Distribution and administration expenses (excluding employees' salary, wages, and taxes)	494,857	4.94	472,064	6.25
Employees' salary and wages	2,947,632	29.43	2,386,278	31.57
Government taxes (including income tax, WPPF, WF, duties and sale tax)	103,274	1.03	78,562	1.04
Providers of cost (finance cost)	649,475	6.48	439,149	5.81
Profit retained	5,526	0.06	70,679	0.93
	10,015,510	100	7,557,870	100

Declaration of MD and CFO

Annexure-I
to the directors' report

The declaration by the Managing Director (MD) and Chief Financial Officer (CFO) of Esquire Knit Composite PLC is a formal certification included in the company's annual report, as required by the corporate governance code of Bangladesh Securities and Exchange Commission.

This declaration serves as an assurance of the accuracy, integrity, and compliance of the financial information provided to stakeholders.

The Board of Members
Esquire Knit Composite PLC
Esquire Tower, 21 Shaheed Tajuddin Ahmed Sarani
Tejgaon, Dhaka-1208, Bangladesh.

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

Dear Sirs/Madam,

Under condition No. 1(5) (xxvi) imposed vide the Commission's Notification No. D/2006-158/207/Admin/80 Dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

1. The Financial Statements of Esquire Knit Composite PLC for the financial year ended on June 30, 2025 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh and any departure therefrom has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure the above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
6. The Management's use of the going concerns basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- i. We have reviewed the financial statements for the financial year that ended on June 30, 2025 and to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements collectively present a true and fair view of the Company's affairs and comply with existing accounting standards and applicable laws.
- ii. There are to the best of my knowledge and belief, no transactions entered into by the Company during the year which is fraudulent, illegal, or in violation of the code of conduct for the company's Board of Directors or its members.

For and on behalf of the Company



Md. Ehsanul Habib
Managing Director



Md. Mustafizur Rahman
Chief Financial Officer

Sunday, Dhaka
October 26, 2025

The Shareholding Pattern of Esquire Knit Composite PLC shows Parent/Subsidiary/Associated Companies and other related parties as of June 30, 2025.

i. Shares held by Parent/Subsidiary/Associate Companies

: NIL

Shares held by other related parties

Name of the related parties	Number of Shares	% of Shares
Esquire Dying Industry Limited	29,581,343	21.93
Esquire Accessories Limited	1,214,677	0.90
Esquire Electronics Limited	5,848,010	4.34
Total Shares held	36,644,030	27.17

ii. Shares held by Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouse and minor children

b. Shares held by Directors of the Board

Name of the Sponsors & Directors and their spouse and minor children	Position of the Board	Number of Shares	% Of Shares
Md. Mofazzal Hossain	Sponsor & Chairman	28,791,667	21.34
Md. Ehsanul Habib	Sponsor & Managing Director	15,032,960	11.14
Arifur Rahman	Sponsor & Director	7,925,000	5.87
Md. Muddasar Hossain	Sponsor & Director	7,925,000	5.87
Mrs. Piara Hossain	Director	3,681,343	2.73
A.K.M. Shamsul Areefin	Independent Director	NIL	0.00
Md. Mozammel Hossain, FCA	Independent Director	NIL	0.00
Total shares held		63,355,970	46.95

c. Shares held by the Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouse and minor children

Name of the Member of the Board and their spouse and minor children	Position of the Company	Number of Shares
Mr. Md. Mustafizur Rahman	Chief Financial Officer	NIL
Mr. Md. Monir Hossain	Company Secretary	NIL
Mr. Md. Rakibur Rahman	Head of Internal Audit & Compliance	NIL

iii. Shares held by Executives of the Company

: NIL

iv. Shareholders holding ten percent (10%) or more voting interest in the Company

Name of the Shareholders	Number of Shares	% Of Shares
Mr. Md. Mofazzal Hossain	27,791,667	20.60
Mr. Md. Ehsanul Habib	15,032,960	11.14
Esquire Dying Industry Limited	29,581,343	21.93
Total Shares held	72,405,970	53.67

Key Operating and financial data

[five Years Comparative Statistics (separate)]

Annexure-iii
to the directors' report

Revenue and results from the operation

(BDT in Million)

	2024-2025	2023-2024	2022-2023	2021-2022	2020-2021
Total Revenue	10,070.59	7,604.62	7,514.77	10,014.28	7,905.84
Gross Profit	1,469.85	1,286.37	1,356.10	8,416.65	6,489.64
Gross Operating Profit	813.35	635.13	577.02	1,597.63	603.72
Net Operating Profit	163.88	195.98	213.47	377.11	337.75
Net Profit before tax	177.56	219.15	229.13	398.22	365.36
Net Profit after tax	77.07	142.22	117.77	327.49	301.86
Earnings per share (EPS)	0.57	1.05	0.87	2.43	2.24

Statement of financial position

(BDT in Million)

	30-Jun-25	30-Jun-24	30-Jun-23	30-Jun-22	30-Jun-21
Total Assets	16,820.35	17,323.59	16,354.12	15,528.65	14,496.30
Total non-current assets	8,775.93	9,038.71	9,173.04	8,857.15	8,176.94
Total Current Assets	8,044.42	8,284.88	7,181.08	6,671.50	6,319.37
Shareholders' Equity	8,933.61	8,928.08	8,857.40	8,811.17	8,662.23
NAV per share with revaluation reserve	66.23	66.19	65.66	65.32	64.21
NAV per share without revaluation reserve	38.51	38.47	37.93	37.59	36.48

Changes in the financial position

(BDT in Million)

	30-Jun-25	30-Jun-24	30-Jun-23	30-Jun-22	30-Jun-21
Share capital	1,384.96	1,384.96	1,348.96	1,348.96	1,348.96
Revaluation surplus	3,739.29	3,739.29	3,739.29	3,739.29	3,739.29
Retained earnings	2,758.71	2,753.18	2,682.50	2,636.27	2,487.33

Statements of cash flows

(BDT in Million)

	2024-2025	2023-2024	2022-2023	2021-2022	2020-2021
Net cash flow from operating activities	324.96	(1,084.55)	(229.06)	440.61	(173.07)
Net cash flow from investing activities	(12.03)	(135.3)	(621.3)	(1,057.84)	(1,158.15)
Net cash flow from financing activities	(743.34)	1,238.13	780.5	445.69	287.76
Net Operating Cash Flow per share (NOCFPS)	2.41	(8.04)	(1.7)	3.27	(1.3)

Statements of Shareholding

(Figure in Million)

	30-Jun-25	30-Jun-24	30-Jun-23	30-Jun-22	30-Jun-21
Total Number of Shares	134.9	134.9	134.9	134.9	134.9
Sponsors	63.36	63.36	63.36	63.36	63.36
Institutions	55.68	54.55	53.94	52.81	54.01
General Public	15.86	16.99	17.6	18.73	17.53

Statements of Employees

	30-Jun-25	30-Jun-24	30-Jun-23	30-Jun-22	30-Jun-21
Number of Employees	6,635	6,635	6,820	8,428	8,418
Officers & Staff	1,150	1,150	1,226	1,435	1,435
Workers	5,487	5,485	5,594	6,993	6,983

Management Discussion and Analysis Report

Annexure-iv
to the directors' report

Under Condition No. 1 (5) (xxv) of the Corporate Governance Code 2018 of Bangladesh Securities and Exchange Commission, the Management Discussion and analysis for the year ended June 30, 2025 of the Company are presented hereunder:

It is a statutory requirement to explain the Company's business performance with a detailed discussion and analysis of financial statements.

The Management Discussion and Analysis (MD&A) Report of Esquire Knit Composite PLC is a crucial component of its annual report, providing a comprehensive narrative by management on the company's financial condition, results of operations, liquidity, and future outlook.

Key Areas Covered in the MD&A Report (Based on 2024-2025 financial data)

The MD&A report is designed to help investors understand the dynamics of the business and the reasoning behind its financial performance.

1. Financial Performance Analysis (FY 2024-2025 vs. FY 2023-2024):

The report details the year-over-year financial performance:

❖ Revenue Growth

Analysis of revenue trends, which may have shown an increase in the 2024-2025 financial year compared to previous financial year, often linking this to global economic positive trends and buyer positive behavior.

❖ Profitability

Explanation for changes in net profit after tax, Earnings Per Share (EPS), and gross profit margins. For instance, in 2024-2025, consolidated EPS slightly increased due to increased net profit and revenue.

❖ Cash Flow

Discussion of Net Operating Cash Flow Per Share (NOCFPS), noting improvements and attributing changes to factors like revenue collection efficiency.

❖ Net Asset Value (NAV)

Explanation of changes in NAV per share (both with and without revaluation reserve) due to factors like net profit variations.

2. Operational Review and Capacity Utilization:

❖ Production Facilities

Discussion of the utilization of composite facilities, including knitting, dyeing, printing, and sewing capacity, and the use of state-of-the-art machinery.

❖ Product Innovation

Highlights on the role of their design studio and research facilities in developing new products to meet evolving global demands.

❖ Supply Chain

Review of supply chain management, time management protocols, and customer relationship management with major international brands.

3. Risk Management and Future Outlook

The MD&A addresses key risks and uncertainties

❖ Market Risk

Acknowledging the dependence on a few key international customers and the impact of global economic fluctuations (e.g., impact of COVID-19 aftermath, Russia-Ukraine war).

❖ Operational Risk

Addressing challenges such as high utility costs, labor intensity, and raw material price volatility.

❖ Future Strategy

Outlining management's plans to mitigate risks and leverage opportunities, such as exploring product diversification, adopting advanced technology, and focusing on sustainable (green factory) practices which are increasingly prioritized by buyers.

❖ Liquidity and Capital Structure

A discussion of the company's debt leverage, liquidity position, and credit ratings from agencies like CRAB.

4. Corporate Governance and Ethics

❖ A management responsibility statement confirming the integrity and reliability of the information presented in the annual report, and adherence to the BSEC Corporate Governance Code.

Teamwork makes the dream work

The company's management discusses their future outlook and collective efforts within the framework of their established corporate values.

For the 2025-2026 financial year, the company's approach is guided by principles of:

❖ Continuous Improvement

The company focuses on "improving the quality of [its] products and services and looking forward to introduce a wider range of products" to meet evolving customer needs.

❖ Stakeholder Relationships

A primary commitment is to "maintain a strong relationship with all its stakeholders and support their views".

❖ Operational Excellence

The management continues to emphasize efficiency, quality, and timely delivery, relying on their state-of-the-art, eco-friendly machinery and a skilled workforce.

❖ Growth and Stability

Management's goal for the fiscal year is to stabilize performance amid global economic challenges, as indicated by recent credit ratings (AA3 long-term, ST-3 short-term with a stable outlook).

Sunday & Dhaka
October 26, 2025



Md. Ehsanul Habib
Managing Director

Corporate Governance *Compliance report*

Annexure-v
to the directors' report



চৌধুরী ভট্টাচার্য্য এন্ড কোং
CHOWDHURY BHATTACHARJEE & CO.
CHARTERED ACCOUNTANTS

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E-mail : saptamcbc@gmail.com, bimalcbc@gmail.com
Web : www.chowdhurybhattacharjee.com

Esquire Knit Composite PLC.
Certificate of Compliance
Under Condition # 1(5) (xxvii) of CGC

Report to the Shareholders' of Esquire Knit Composite PLC.
on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by **Esquire Knit Composite PLC.** for the year ended on **30th June, 2025**. This Code relates to the Notification No. BSEC/ CMRRCD/2006-158/207/Admin/80 Dated 3 June, 2018 of the Bangladesh Securities and Exchange Commission.

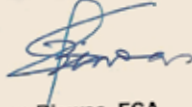
Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

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

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

- The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission or not complied (if not complied, specify non-compliances);
- The company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- The governance of the company is satisfactory.

Place: Dhaka
Date : 04 January, 2026


Saptam Biswas, FCA
Partner
Enrollment No: 1615
Chowdhury Bhattacharjee & Co.
Chartered Accountants



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Status of Compliance on *Corporate Governance*

Under condition No. 1(5)(xxvii) of CGC

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

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1	Board of Directors			
1.1	Board Size (minimum - 5 and maximum - 20)	√		
1.2	Independent Directors			
1.2 (a)	At least 2 (two) or 1/5th of total as Independent Director (ID)	√		
1.2 (b)	"Without contravention of any provision of any other laws, for the purpose of this clause, an "independent director" means a director-"			
1.2 (b) (i)	Does not hold any share of less than 1% shares in the Company	√		
1.2 (b) (ii)	Not a Sponsor of the Company	√		
1.2 (b) (iii)	Who has not been an executive of the company	√		
1.2 (b) (iv)	Does not have other relationship	√		
1.2 (b) (v)	Not a Member or TREC, Director or Officer of any Stock Exchange	√		
1.2 (b) (vi)	Not a Shareholder/Director/Officer of any Member/TREC holder of Stock Exch.	√		
1.2 (b) (vii)	Not a partner or an Executive or was not a partner or an Executive during the preceding 3 (Three) years of the concerned Company's statutory audit firm.	√		
1.2 (b)(viii)	Not an Independent Director in more than 5 (five) listed Companies.	√		
1.2 (b)(ix)	who has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for non- payment of any loan or advance or obligation to a bank or a financial institution; and	√		
1.2 (b)(x)	Not convicted for a Criminal Offence	√		
1.2 (c)	Appointed by the Board and approved by the shareholders in AGM	√		
1.2 (d)	Post cannot remain vacant more than 90 days.	√		
1.2 (e)	Tenure of the Independent Director shall be for a period of 3 (three) years which may be extended for 1 (one) tenure only.			N/A
1.3	Qualification of Independent Director			
1.3(a)	Independent Director shall be a knowledgeable individual.	√		
1.3(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk.100.00 million or any listed company or a member of any national or international chamber of commerce or registered business association; or"			N/A
1.3(b)(ii)	Should be a Corporate Leader			N/A
1.3(b)(iii)	Former or existing official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law: Provided that in case of appointment of existing official as independent director, it requires clearance from the organization where he or she is in service; or"	√		
1.3(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law.			N/A
1.3(b)(v)	Professional Chartered Accountant/ Secretary or equivalent qualification.	√		
1 (3) (c)	The independent director shall have at least 10 (ten) years of experiences.	√		
1 (3) (d)	Relaxation in special cases.			N/A
1.4	Quality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			

Status of Compliance on Corporate Governance

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1(4)(a)	The posts of Chairperson of the board and CEO are different individuals.	√		
1(4)(b)	MD and/or CEO of a listed Company shall not hold the same position in another listed Company.	√		
1(4)(c)	The Chairperson shall be elected from among the non-executive directors.	√		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or CEO.	√		
1(4)(e)	In absence of Chairperson of the Board etc.	√		
1.5 The Directors' Report to Shareholders				
1(5)(i)	Industry outlook and possible future developments in the industry.	√		
1(5)(ii)	Segment-wise or product-wise performance	√		
1(5)(iii)	Risks and concerns including internal and external risk factor.	√		
1(5)(iv)	Discussion on Cost of Goods sold, Gross profit Margin and Net Profit Margin.	√		
1(5)(v)	Discussion on continuity of any extraordinary activities and implications.			N/A
1(5)(vi)	Detailed discussion and statement on related party transactions.	√		
1(5)(vii)	Utilization of proceeds from public/rights issues and/or through any others.	√		
1(5)(viii)	Explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Offer, Direct Listing, etc.	√		N/A
1(5)(ix)	Explanation by the Management if significant variance occurs between Quarterly Financial Performance and Annual Financial Statements.	√		N/A
1(5)(x)	Remuneration to Directors including Independent Director.	√		
1(5)(xi)	Statement that financial statements prepared by the management of the issuer present fairly its state of affairs, the result of its operations, cash flows and changes in equity.	√		
1(5)(xii)	Proper books of account of the issuer company have been maintained.	√		
1(5)(xiii)	Appropriate accounting policies have been consistently applied in preparation to the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	√		
1(5)(xiv)	International Accounting Statement (IAS) or International Financial Reporting standard (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any Departure there-from has been adequately disclosed.	√		
1(5)(xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	√		
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress.	√		
1(5)(xvii)	There are no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	√		
1(5)(xviii)	Significant deviations from the last year's operation results of the issuer company shall be highlighted and the reasons there of should be explained.			N/A
1(5)(xix)	Key operating and financial data of at least preceding 5 (Five) years shall be summarized.	√		
1(5)(xx)	If the issuer company has not declared dividend (cash or stock) for the Year, the reasons there of shall be given.			N/A
1(5)(xxi)	Board's statement to the effect that no bonus shares or stock dividend paid as interim dividend.			N/A
1(5)(xxii)	The number of Board meetings held during the year and attendance by each Director shall be disclosed.	√		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	(if any)
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate (name wise details).	√		
1(5)(xxiii)(a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details).	√		
1(5)(xxiii)(b)	Directors, CEO, Company Secretary, and CFO, HIAC and their spouses and minor children (name wise details).	√		
1(5)(xxiii)(c)	Executives	√		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	√		
1(5)(xxiv)(a)	A brief resume of the director in case of appointment or reappointment.	√		
1(5)(xxiv)(b)	Nature of his/her expertise in specific functional areas.	√		
1(5)(xxiv)(c)	Names of the companies in which the person also holds the directorship and the memberships of committees of the board.	√		
1(5)(xxv)	Management discussion and analysis signed by CEO/MD presenting detail analysis of the company's position and			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements.	√		
1(5)(xxv) (b)	Changes in accounting policies and estimation as well as cash flows on absolute figure for such changes.	√		
1(5)(xxv) (c)	Comparative analysis and financial position as well as cash flow for current financial year with immediately preceding five years explaining reasons.	√		
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario.	√		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and globe.	√		
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements.	√		
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation shall be explained to the shareholders in the next AGM	√		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A;	√		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed.	√		
1(5)(xxviii)	The Directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality.			N/A
1(6)	Meeting of the Board of Directors			
1(6)	Compliance under Bangladesh Secretarial Standards (BSS)	√		
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee(NRC)	√		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior...	√		
2	Governance of Board of Directors of Subsidiary Company			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary.	√		
2(b)	Independent Director of holding company also in the subsidiary company.	√		
2(c)	Minutes of subsidiary to be placed in the meeting of holding company.	√		

Status of Compliance on Corporate Governance

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company.	√		
2(e)	The Audit Committee of the holding company shall also review the financial statements in particular the investments made by the subsidiary company.	√		
3 Managing Director (MD) or Chief Executive Officer, Chief Financial Officer (CFO), Head of Internal Audit and Company Secretary				
3.1 Appointment				
3(1)(a)	Board shall appoint a MD or CEO, Company Secretary, CFO, and HIAC.	√		
3(1)(b)	The positions of the MD, CEO, CS, CFO & HIAC shall be filled by different individuals.	√		
3(1)(c)	The MD or CEO, CS, CFO, and HIAC of a listed company shall not hold any executive position in any other company at the same time: Provided that CFO or CS of any listed company may be appointed for the same position in any other listed or non-listed company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission: Provided further that the remuneration and perquisites of the said CFO or CS shall be shared by appointing companies proportionately;"	√		N/A
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS.	√		
3(1)(e)	MD or CEO, CS, CFO, and HIAC shall not be removed from their position without approval of the Board and be disseminated to the commission and exchange.	√		
3.2 Requirement to attend Board of Directors' Meetings				
3 (2)	MD or CEO, CS, CFO and HIAC shall attend the meetings of the Board.	√		
3.3 Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)				
3(3)(a)(i)	The statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.	√		
3(3)(a)(ii)	The statements together present a true and fair view of the company's affairs and are in compliance.	√		
3(3)(b)	The MD or CEO and CFO to certify on due diligence in the Report.	√		
3(3) (c)	The certification of the MD/CEO and CFO shall be disclosed in the Annual Report.	√		
4 Board of Directors' Committee				
4 (i)	Audit Committee	√		
4 (ii)	Nomination and Remuneration Committee	√		
5 Audit Committee				
5.1 Responsibility to the Board of Directors				
5(1) (a)	Company shall have an Audit Committee as a sub-committee of the Board.	√		
5(1) (b)	Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company.	√		
5(1) (c)	Audit Committee shall report on its activities to the Board of Directors.	√		
5.2 Constitution of the Audit committee				
5(2) (a)	The Audit Committee shall be composed of at least 3 (three) members.	√		
5(2) (b)	Board shall appoint members of the Audit Committee who shall be non- executive director.	√		
5(2) (c)	All members of the Audit Committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial.	√		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	(if any)
5(2) (d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 60 (sixty) days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;"	√		
5(2) (e)	The Company Secretary shall act as the Secretary of the Audit Committee	√		
5(2)(f)	Quorum of Audit Committee meeting, at least One independent director.	√		
5.3 Chairperson of the Audit Committee				
5(3)(a)	The Board shall select Chairperson of the Audit Committee who will be ID.	√		
5(3)(b)	Absence of the Chairperson of the Audit Committee members to elect one.	√		
5(3)(c)	Chairperson of the Audit Committee shall remain present in the AGM.	√		
5.4 Meeting of the Audit Committee				
5(4)(a)	The Audit Committee shall conduct at least 4 meetings in a financial year.	√		
5(4)(b)	Quorum of Audit Committee, presence of 2 or 2/3 members whichever is higher.	√		
5.5 Role of the Audit Committee				
5(5)(a)	Oversee the financial reporting process.	√		
5(5)(b)	Monitor choice of accounting policies and principles.	√		
5(5)(c)	Internal Audit and Compliance process to ensure that it is adequately resourced.	√		
5(5)(d)	Performance of external auditors.	√		
5(5)(e)	Hold meeting with the auditors, review the annual financial statements before submission to the Board for approval or adoption.	√		
5(5)(f)	Review with the management, the annual financial statements before submission to the Board for approval.	√		
5(5)(g)	Review with the management, the Quarterly and half yearly financial statements before submission to the Board for approval.	√		
5(5)(h)	The review adequacy of internal audit function.	√		
5(5)(i)	Review the management's discussion and analysis before disclosing in the Annual Report.	√		
5(5)(j)	Review statement of all related party transactions submitted by the Mgt.	√		
5(5)(k)	Review management letters or letter of Internal Control weakness issued by statutory auditors.	√		
5(5)(l)	Oversee determination of audit fees based on scope and magnitude.	√		
5(5)(m)	Oversee whether IPO proceeds utilized as per the published Prospectus.	√		
5.6 Reporting of the Audit Committee				
5.6 (a) Reporting to the Board of Directors				
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√		
5(6)(a)(ii)(a)	Report on conflicts of interests.			N/A
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process.			N/A
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliance including securities related laws, relies and regulation.			N/A

Status of Compliance on Corporate Governance

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately.			N/A
5.6 (b)	Reporting to the Authorities			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from 5 (7) the date of first reporting to the Board, whichever is earlier.			N/A
5.7	Reporting to the Shareholders and General Investors			
5(7)	Reporting to the Shareholders and General Investors	√		
6	Nomination and Remuneration Committee (NRC)			
6.1	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a NRC as a sub-committee of the Board.	√		
6(1)(b)	NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications	√		
6(1)(c)	The Terms of Reference of the NRC shall be clearly set forth in writing.	√		
6.2	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an ID.	√		
6(2)(b)	At list 02 (two) members of the Committee shall be non-executive directors.	√		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board.	√		
6(2)(d)	Board have authority to remove and appoint any member of the committee.	√		
6(2)(e)	Board shall fill the vacancy within 180 days of such vacancy in the Committee.	√		
6(2)(f)	The Chairperson of the Committee may appoint/co-opt any external expert.	√		
6(2)(g)	The company secretary shall act as the secretary of the committee.	√		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director.	√		
6(2)(i)	No member of the NRC shall receive any remuneration/advisory, other than Director's fees or honorarium form the company.	√		
6.3	Chairperson of the NRC			
6(3)(a)	Board shall select 1 member of the NRC to be Chairperson of the Committee	√		
6(3)(b)	Absence of chairperson, the remaining members may elect one of them.	√		
6(3)(c)	Chairperson of the NRC shall attend the AGM.	√		
6.4	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year.	√		
6(4)(b)	The Chairperson of the NRC, may convene any emergency meeting.	√		
6(4)(c)	Quorum of NRC meeting, presence of 2 or 2/3 members whichever is higher.	√		
6(4)(d)	Proceedings of NRC meeting shall be recorded in the minutes and such minutes shall be confirmed in the next meeting.	√		
6.5	Role of NRC			
6(5)(a)	NRC shall be independent and responsible/accountable to the Board and to the shareholders.	√		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	(if any)
6(5)(b)(i)(a)	Level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully.	√		
6(5)(b)(i)(b)	Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.	√		
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long term performance.	√		
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, experience etc.	√		
6(5)(b)(iii)	Identifying persons who are qualified the criteria laid down and recommend their appointment and removal to the Board.	√		
6(5)(b)(iv)	Formulating criteria for evaluation of performance of independent directors and the Board.	√		
6(5)(b)(v)	Identifying company's needs for employees at different levels and determine their selection, transfer or replacement.	√		
6(5)(b)(vi)	Developing recommending and reviewing annually the company's human resources and training policies.	√		
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC at a glance in its annual report.	√		
7 External or Statutory Auditors				
7(1)	Issuer company shall not engage its external auditors to perform the following:	√		
7(1)(i)	Appraisal or valuation services or fairness opinions.	√		
7(1)(ii)	Financial information systems design and implementation.	√		
7(1)(iii)	Book keeping or other service related to the account ion records.	√		
7(1)(iv)	Broker-dealer services	√		
7(1)(v)	Actuarial services	√		
7(1)(vi)	Internal/special audit services.	√		
7(1)(vii)	Any services that the Audit Committee may determine.	√		
7(1)(viii)	Certification services on compliance of corporate governance as required under condition No 9(1).	√		
7(1)(ix)	Any other service that may create conflict of interest.	√		
7(2)	No partner or employees of the External/Statutory Auditors audit firms shall possess any share of the company they audit at least during the tenure.	√		
7(3)	Representative of External Auditors shall remain present in the AGM.	√		
8 Maintaining a website by the company				
8(1)	The company shall have an official website linked with that of the stock exchange.	√		
8(2)	The company shall keep the website functional from the date of listing.	√		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchanges.	√		
9 Reporting and Compliance of Corporate Governance				
9(1)	The company shall obtain a certificate from a practicing professional firm on yearly basis regarding compliance of conditions of Corporate. Governance and such certificate shall be disclosed in the Annual Report	√		
9(2)	The professional who will provide the certificate on compliance of Corporate Governance shall be appointed by the Shareholders in the AGM.	√		
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the director's report whether the company has complied with these conditions or not.	√		

Directors Declaration

Annexure-vi
to the directors' report

The Directors' Declaration of Esquire Knit Composite PLC is a formal statement contained within the company's annual report, typically appearing just before the independent auditor's report or the financial statements themselves.

This declaration is a legal and regulatory requirement in Bangladesh, affirming that the directors have prepared the financial statements in accordance with applicable accounting standards and legal requirements.

The Directors Also Report that:

Statement of Directors on Financial Reports

The Directors following BSEC Notification NO. BSEC/CMMCD/2006-158/207/Admin/80 dated 3 June 2018 confirms compliance with the financial reporting framework for the following

1. The financial statements together with notes thereon have been drawn up in conformity with the Companies Act 1994, Financial Institution Act 1993 and the Bangladesh Securities and Exchange Commission Rules 1987, the rules and regulations issued by the Bangladesh Bank from time to time and other applicable laws and regulations.
These statements present fairly the Company's state of affairs, the result of its operation, cash flows and statement of changes in shareholders/ equity.
2. Proper books of accounts of the Company have been maintained.
3. Appropriate Accounting Policies have been consistently applied in the preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment.
4. The International Accounting Standards as applicable in Bangladesh have been followed in the preparation of the financial statements.
5. The Internal Control System is sound in design and has been effectively implemented and monitored.
6. There are no significant doubts about the ability of the Company to continue as a going concern.
7. There are no significant deviations in operating results compared to the last year.
8. The summarized key operating financial data of the last five preceding years on annexed as "Comparative Statistics" in the Annual Report.
9. The related party transaction has been disclosed in preparation for the financial statement.
10. The Pattern of Shareholding

The Board of Directors of Esquire Knit Composite PLC

Sd/-
Mrs. Piara Hossain
Chairman

Sd/-
Md. Ehsanul Habib
Managing Director

Sd/-
Arifur Rahman
Non-Executive Director

Sd/-
Md. Muddasar Hossain
Non-Executive Director

Sd/-
A. K. M. Shamsul Areefin
Independent & Non-Executive Director

Sd/-
Ms. Masuda Sultana ACA, FCS
Independent & Non-Executive Director

Audit Committee Report

Annexure-vii to the directors' report

The Audit Committee Report of Esquire Knit Composite PLC is a formal document included in its annual reports, providing an overview of the committee's activities and oversight of financial reporting and internal controls. The report is presented to the Board of Directors and subsequently to the shareholders.

The audit committee ("the Committee") comprises two Independent and one Non-Executive director. As of June 30, 2025, the Committee comprised:

- | | |
|------------------------------------------------------------------------------|--------------------|
| 1. Md. Mozammel Hossain, FCA
Independent & Non-Executive Director | - Chairperson |
| 2. Mr. A.K.M. Shamsul Areefin
Independent & Non-Executive Director | - Member |
| 3. Mr. Muddasar Hossain
Non-Executive Director | - Member |
| 4. Md. Monir Hossain
Company Secretary | - Member Secretary |



MS. MASUDA SULTANA ACA, FCS
Chairperson
(appointed from July 1, 2025)

The Company Secretary acts as the Member Secretary to the Audit Committee.

Objectives of the Committee

The primary objective of the Committee is to assist the Board with oversight of:

1. The accuracy, integrity and transparency of the company's financial statements with adequate and timely disclosures;
2. Compliance with legal and regulatory requirements;
3. The company's independent auditors' professional qualifications and independence;
4. The performance of the Company's independent auditors and internal auditors; and
5. Acquisitions and investments made by the Company.

Responsibility of the audit committee

The Board of Directors of Esquire Knit Composite PLC is primarily responsible for ensuring that a proper and effective control system is in place to run the operations of the company. It is meant to ensure the smooth functioning of the company along with compliance with all internal and external rules and regulations.

Effective internal control also ensures that measures are taken to minimize operational risk and detect errors in various operational areas to ensure timely rectification. Although a full-scale control system is not possible to establish, it helps the Management to keep effective control over operations and minimize deviations as possible.

The audit committee among others is also responsible for:

Assisting the Board in its oversight of

- i. the integrity and reporting of the company quarterly and reporting of company's quarterly, half-yearly and annual financial statements;
- ii. the qualifications, independence and performance of the Company's internal and external auditors.

Assisting the Board with internal control, accounting policies, auditing and external reporting practices.

Overseeing the performance of the company's internal audit function, independent audits and regulatory inspections.

Overseeing the company's compliance with the rules of good corporate governance.

Audit Committee Report

Internal control and compliance

The company has a separate department for internal control and compliance. The department operates independently and has given responsibilities of the audit department is under:

- » to ensure that the Company operates within the principles, policies, framework and procedures formulated by the Audit Committee.
- » to ensure regulatory compliance in its day-to-day activities.
- » to provide the Board and Management with detailed information regarding the business activities of the company

Composition and attendance

100%	3	4	100%
Independence	Members	Meetings	Attendance

The proceedings of the meeting were appropriately recorded.

Functions and Activities

The main activities of the Audit Committee in the year under review were as follows:

Control Issue

- » Reviewed Internal Control and Risk management system.
- » Considered the effectiveness of the Company's Internal Controls over financial reporting.

Financial Results

- » Reviewed reports from the Chief Financial Officer on the quarterly, half-yearly and annual financial statements, including other financial statements and disclosures before their publication.
- » Reviewed the Annual Report, these reviews incorporated the accounting policies and key judgments and estimates underpinning the financial statements as disclosed in Notes to the Accounts.

Internal Audit Matters

- » Received reports from the internal auditors.
- » Monitored the performance of the internal audit function.
- » Reviewed appropriate systems and controls in place for the effectiveness of the internal audit function.
- » Monitored the Independence of Audit Work.

Governance and Compliance

- » Reviewed compliance with existing laws and regulations.
- » Reviewed financials of the subsidiary.

External Audit Matters

- » Reviewed the effectiveness and independence of the statutory Auditors.
- » Recommend appointment and remuneration of the Statutory Auditor.
- » Reviewed the Annual Audit Activities and Audit Report.

Recommendations of the Committee

Based on its discussion with the Management and the auditors, and a review of the representations of the Management and the report of the auditors, the Committee has recommended the following to the Board:

- » The Company's quarterly financial statements, prepared following the Bangladesh Accounting Standards (BAS) as specified under the Companies Act, 1994, read with the relevant rules thereunder and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.
- » The audited financial statements of Esquire Knit Composite PLC, prepared following BAS, for the year ended June 30, 2025 be accepted by the Board as a true and fair statement of the financial status of the Company.

- » The audited consolidated financial statements of Esquire Knit Composite PLC and its subsidiaries, prepared following BAS, for the year ended June 30, 2025, be accepted by the Board as a true and fair statement of the financial status of the Group.
- » The audited consolidated financial statements of Esquire Knit Composite PLC and its subsidiaries, prepared in Bangladeshi taka in accordance with IFRS, for the year ended June 30, 2025, be accepted by the Board as a true and fair statement of the financial status of the Group.
- » The appointment of M/s. Anil Salam Idris & Co., Chartered Accountants as the statutory auditors of the Company for the financial year 2025-2026 under the Companies Act, 1994 and Corporate Governance Code-2018 subject to the approval of the Shareholders of the Company in the 25th AGM at an agreed fee of Tk. 750,000/- (taka seven lac fifty thousand only) plus VAT. /s. Anil Salam Idris & Co., Chartered Accountants will hold office for a term of three consecutive years.

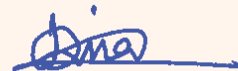
Relying on its review and the discussions with the Management and the independent auditors, the Committee believes that the Company's financial statements are fairly presented in conformity with BAS and IFRS and that there is no significant deficiency or material weakness in the Company's internal control over financial reporting. In conclusion, the Committee is sufficiently satisfied that it has complied with its responsibilities as outlined in the audit committee role. The Board accepted all recommendations made by the audit committee.

Acknowledgement

The members of the Audit Committee express their gratitude and thanks to the Board of Directors, Management and Internal Auditors and External Auditors for their cooperation while performing their duties and responsibilities.

On behalf of the Audit Committee

Sunday, Dhaka
October 26, 2025



Ms. Masuda Sultana ACA, FCS
Chairperson

Nomination and Remuneration Committee report

Annexure-viii
to the directors' report

The Nomination and Remuneration Committee (NRC) Report for Esquire Knit Composite PLC is included in the company's annual financial reports, as mandated by the Bangladesh Securities and Exchange Commission (BSEC) Corporate Governance Code.

The nomination and remuneration committee ("the Committee") comprises two Independent and one Non-Executive director. As of June 30, 2025, the Committee comprised:

- | | |
|-----------------------------------------------|------------------|
| 1. Mr. A.K.M. Shamsul Areefin | Chairperson |
| Independent & Non-Executive Director | |
| 2. Mrs. Muddasar Hossain | Member |
| Non-Executive Director | |
| 3. Mr. Md. Mozammel Hossain, FCA | Member |
| Independent & Non-Executive Director | |
| 4. Md. Monir Hossain | Member Secretary |
| Company Secretary | |



A. K. M. SHAMUSL AREEFIN
Chairperson
(appointed from July 1, 2025)

The Company Secretary acts as the Member Secretary to the NRC

Composition and attendance

100%	3	3	100%
Independence	Members	Meeting	Attendance

The proceedings of the meeting were appropriately recorded.

Objectives of the Committee

The main objectives and responsibilities of the nomination and remuneration committee of the Board of Directors are to:

1. Assist the Board in the formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executives as well as a policy for the formal process of considering remuneration of directors, top-level executives;
2. Oversee the Company's remuneration policy for the Directors and top-level executives and make appropriate recommendations to the Board.
3. Assist the Board in selecting persons qualified to be a director or hold top-level executive positions fulfilling the pre-sett nomination criteria and recommending for their appointment.
4. Devise a policy on the Board's diversity taking into consideration age, gender, experience, ethnicity, educational background, etc.
5. Review the code of conduct of the Board periodically and recommend any amendments for the Board's consideration.
6. Assist the Board in devising the criteria for the evaluation of the performance of Independent Directors and other Board Members.
7. Develop, recommend and review annually the company's human resources and training policies.

Nomination and Remuneration Policy

The company has a written policy on the nomination and appointment of Directors on the Board. The policy sets out the detailed qualification and other eligibility norms for the members and the process of their nomination.; The policy is fair and non-discriminative.

The Board of Directors of the company in its 136th Board Meeting held on 30th October 2023 has declared all the Board of Directors except Mr. Md. Ehsanul Habib, the Managing Director of the Company as Non-Executive Directors.

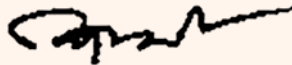
The company has a well-structured policy on the selection, recruitment and promotion of senior-level executives which is duly authorized by the Board.

Activities of the Committee during the year

The committee carried out the following activities in line with its terms of reference during the reporting period:

- a. Evaluated the code of conduct for the Chairman and other Board Members and made the appropriate recommendations.
- b. Reviewed the company's existing policy on remuneration to Directors and top executives.
- c. Studied the company's human resource and training policies.
- d. Conducted an assessment of the qualification and other details of the Independent Director and made the appropriate recommendations to the Board.

On behalf of the Committee of NRC



A.K.M. Shamsul Areefin
Chairperson

Sunday & Dhaka
October 26, 2025

Statement of *Market Value-added*

As of June 30, 2025, Esquire Knit Composite PLC had a positive Market Value Added (MVA). The MVA was calculated by finding the difference between the company's total market value and its total capital invested. While the exact total capital invested was not explicitly stated in the financial reports, a positive MVA indicates that the company has created shareholder wealth, with its market value exceeding the capital contributed by investors.

Market Value Added (MVA) Details

- **MVA Formula**

The Market Value Added is the difference between a company's market value and the capital contributed by investors. A positive MVA suggests effective management that has created value beyond the initial investments.

- **Market Capitalization**

As of June 30, 2025, Esquire Knit Composite PLC had a market capitalization of BDT 2.87 billion. This serves as the "Market Value" in the MVA calculation.

- **Significance**

A positive MVA shows that the company has generated more wealth for its shareholders than the book value of the capital they have invested, making it an attractive prospect for investors.

The following statement illustrates how the Market Value has been calculated for the year ended June 30, 2025 and June 30, 2024.

	2024-2025 Amount in BDT	2023-2024 Amount in BDT
Market Price per Share	21.3	18.7
Number of Shares	134,895,833	134,895,833
Market Value of the Company	2,873,281,242	2,522,552,007



Board of Directors Involvement

in other organizations

Annexure-ix
to the directors' report

The member of the Board of Directors of the Esquire Knit Composite PLC primarily involved the following within the various associated companies of the esquire group:

Mrs. Piara Hossain Chairman Non-Executive Director	Esquire Electronics Limited
	Esquire Dyeing Industries Limited
	Esquire Accessories Limited
Md. Ehsanul Habib Managing Director	Esquire Electronics Limited
	Esquire Dyeing Industries Limited
	L' Esquire Limited
	Thakral Information System (Pvt) Limited
	Thakral One Private Limited
	Esquire Accessories Limited
	Esquire Plastic Limited
	Esquire Testing Service (BD) Limited
	Best Life Insurance Company Limited
	Bangladesh German University
	Shah Garments International Limited
	Esquire Customer Care Limited
	Alpha Plastic & Packing Limited
	Trust Solution Private Limited
	Esquire Heavy Industries Limited
	Sharp Media Limited

Arifur Rahman Non-Executive Director	Esquire Electronics Limited
	Esquire Dyeing Industries Limited
	L' Esquire Limited
	Thakral Information System (Pvt) Limited
	Thakral One Private Limited
	Esquire Accessories Limited
	Esquire Plastic Limited
	Esquire Testing Service (BD) Limited
	Shah Garments International Limited
	Esquire Customer Care Limited
	Trust Solution Private Limited
	Esquire Heavy Industries Limited
Md. Muddasar Hossain Non-Executive Director	Sharp Media Limited
	Esquire Electronics Limited
	Esquire Dyeing Industries Limited
	L' Esquire Limited
	Thakral Information System (Pvt) Limited
	Thakral One Private Limited
	Esquire Accessories Limited
	Esquire Plastic Limited
	Esquire Testing Service (BD) Limited
	Shah Garments International Limited
	Esquire Customer Care Limited
	Trust Solution Private Limited
A.K.M. Shamsul Areefin Independent & Non-Executive Director	Esquire Heavy Industries Limited
	Sharp Media Limited
Ms. Masuda Sultana ACA, FCS Independent & Non-Executive Director	A.K.M. Shamsul Areefin is not involved with any other Company
	Ms. Masuda Sultana ACA, FCS is not involved with any other Company



Quarterly Analysis

Un-audited

Statement Of Profit or Loss and Other Comprehensive Income to the directors' report

Esquire Knit Composite PLC (EKCPCLC) experienced a notable financial recovery and positive turnaround throughout the 2024-2025 financial year, moving from significant losses in the previous fiscal year to positive earnings.

The company's performance improved sequentially across the quarters, driven by increased revenue, better collections of receivables, and overall net profit growth.

Quarterly Performance Summary (FY2024-2025)

Metric	Q1 (July-September)	Q2 (October-December)	Q3 (January-March)	Audited Financial Statements (July 2024- June 2025)
EPS 2024-2024	Tk. (0.05)	Tk. 0.34	Tk. 0.09	Tk. 0.57
EPS 2023-2024	Tk. (0.38)	Tk. (0.39)	Tk. (0.51)	Tk. 1.05
Performance Deviation	Improved (smaller loss)	Significant Profit Turnaround	Significant Profit Turnaround	Profits have decreased compared to the previous year

Key Analysis Points

❖ Profitability Turnaround

The most striking feature of 2024-2025 financial year was the shift from a net loss position in Q1 of 2023-2024 to positive earnings per share (EPS) in Q2 and Q3 FY25. The company's net profit increased significantly compared to the corresponding periods in the previous year.

❖ Revenue Growth

The increase in EPS was explicitly attributed by management to "positive revenue growth and net profit growth". The company reported robust sales in the whole of the year.

❖ Improved Cash Flow

The Net Operating Cash Flow Per Share (NOCFPS) also showed positive growth and improved collections of receivables, moving from negative figures in the previous year to positive in FY25.

❖ Annual Results (FY25)

❖ The positive quarterly momentum culminated in a final consolidated EPS of Tk. 0.44 for the full fiscal year ended June 30, 2025, which was slightly up from Tk. 0.41 in FY24.

❖ Dividend:

Based on the improved performance in FY25, the board recommended a 10% cash dividend for general shareholders.

Overall, the 2024-2025 financial year marked a strong recovery phase for Esquire Knit Composite PLC, overcoming previous operational hurdles to re-establish profitability.

Detailed quarterly reports are available for review on the **Esquire Knit Composite PLC. Quarterly Accounts** section of their website.

The Board of Directors ('the Board') of Esquire Knit Composite PLC ("the Company") approved the renaming of its Nomination, Governance & Compensation Committee to "Nomination and Remuneration Committee" at the Board Meeting held on 30th November 2020 with immediate effect.

The Board, upon the recommendation of the Nomination and Remuneration Committee ("the Committee"), approved the Nomination and Remuneration Policy in terms of Section 6 of the Corporate Governance Code issued the Bangladesh Securities and Exchange Commission (BSEC) to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018. The Policy has been reviewed and revised by the Board at its Meeting held on 29 April 2021 based on the recommendation of the Committee.

1. Objective

The Nomination and Remuneration Committee shall act following Section 6 of the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission (BSEC). The Key objective of the Committee shall be:

- 1.1 To guide the Board about the appointment and removal of Directors, Key Managerial Personnel, and Senior Management.
- 1.2 To evaluate the performance of the members of the Board and provide the necessary reports to the Board for further evaluation of the Board.
- 1.3 To recommend to the Board Remuneration payable to the Directors, Key Managerial Personnel Senior Management.
- 1.4 To provide Key Managerial Personnel and Senior Management rewards linked directly to their efforts, performance, dedication and achievement relating to the Company's operations.
- 1.5 To retain, motivate and promote talent and to ensure the long-term sustainability of talented managerial persons and create competitive advantage.
- 1.6 To devise a policy on Board diversity.
- 1.7 To develop a succession plan for the Board and for the Senior Management and to regularly review the plan;
- 1.8 To ensure the policy includes the following guiding principles:
 - 1.8.1 The level and composition of remuneration are reasonable and significant to attract, retain and motivate Directors of the quality required to run the Company successfully,
 - 1.8.2 The relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
 - 1.8.3 Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

2. Review and interpretation

This Policy may be reviewed, amended, or substituted by the Board on the recommendation of the Committee as and when required and where any statutory changes necessitate any change in the Policy. Any subsequent notifications, circulars, guidelines, or amendments under the Act, the Listing Regulations and the BSEC's Notification as may be issued from time to time shall be applicable without any further modification or amendment in this Policy. Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neutral gender.

3. Role of the Committee

The Committee shall:

- 3.1 NRC shall be independent and responsible or accountable to the Board and to the shareholders;
- 3.2 NRC shall oversee, among others, the following matters and make a report with recommendations to the Board:
 - 3.2.1 formulating the for determining qualifications, positive attributes and independence of a director and recommending a policy to the Board, relating to the remuneration of the Directors, Top Level Executive (Key Managerial Personnel and Senior Management) considering the following:
 - 3.2.1. (a) the level and composition of remuneration are reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;

- 3.2.1. (b) the relationship of remuneration to performance is clear and meets appropriate performance benchmarks: and
- 3.2.1. (c) remuneration to directors and top-level executives (Key Managerial Personnel and Senior Management) involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
- 3.2.1 devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;
- 3.2.3 identifying persons who are qualified to become directors and who may be appointed to the top-level executive (Key Managerial Personnel and Senior Management) positions following the criteria laid down, and recommending their appointment and removal to the Board;
- 3.2.4 formulating the criteria for evaluation of the performance of independent directors and the Board:
- 3.2.5 identifying the company's needs for employees at different levels and determining their selection, transfer, or replacement and promotion criteria; and
- 3.2.6 developing, recommending and reviewing annually the company's human resources and training policies;
- 3.3 The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.
- 3.4 Policy for appointment and removal of a director, Key Managerial Personnel and Senior Management

3.4.1 Appointment criteria and qualifications

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, Key Managerial Personnel, or Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess the adequate qualifications, expertise and experience for the position he/she is considered for appointment. The Committee has the discretion to decide whether qualification, expertise and experience possessed by a person are sufficient/satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as a Whole-time Director who has attained the age of eighty-five years.
- d) A person shall be considered for appointment as an Independent Director on the Board of the Company, only if he/she discloses in writing his/her independence in terms of Section 1(2) and 1(3) of the Corporate Governance Code issued by Bangladesh Securities and Exchange Commission.

3.4.2 Term / Tenure

- a) Managing Director / Whole-time Director:
The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director for a term not exceeding five years at a time.
- b) Independent Director: -
- An Independent Director shall hold office for 3 (three) years, which may be extended for 1 (one) tenure only;
- Provided that a former independent director may be considered for reappointment for another tenure after a time, gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e., six years].

3.4.3 Evaluation

The Committee shall advise the process to carry out the evaluation of the performance of every Director, KMP, Senior Management Personnel, and other employees at regular intervals (yearly). The evaluation process shall be conducted for the Board as a whole, Board Committees and also for the Directors individually.

Performance evaluation of the KMPs, Senior Management Personnel, and other employees shall be carried out by their respective reporting Executives and Functional Heads, based on the Key Results Area (KRA) set at the beginning of the financial year and reviewed at least once during the year to modify such KRAs if required. Performance evaluation of the Independent Directors shall be carried out by the entire Board, except the Independent Directors being evaluated.

3.4.4 Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder,

the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP, or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

3.4.5 Retirement

The Director, KMP, and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, and Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company, subject to compliance with all applicable legislation.

3.5. Policy relating to the remuneration for the whole-time Director, KMP, and Senior Management Personnel

3.5.1. General:

- a) The remuneration/compensation/commission etc. to the Whole-time Director, KMP, and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration/compensation/commission etc. shall be subject to the prior/post approval of the shareholders of the Company, wherever required.
- b) The remuneration and commission to be paid to the Whole-time Director shall follow the percentage/slabs /conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.
- c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of a Whole-time Director.
- d) Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration. However, proportionate Insurance Premiums paid for the Group Medclaim Policy or the Group Personal Accident Policy shall be considered as part of the overall remuneration for the individual director/employee of the Company.

3.5.2. Remuneration to whole-time/Executive/Managing Director, KMP and Senior Management Personnel:

a) Fixed pay:

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F., pension scheme, medical expenses, club fees, etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders.

b) Minimum Remuneration:

If in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the existing applicable rules.

c) Provisions for excess remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums over the limits prescribed under the Act, he shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless approved by the Company by special resolution within two years from the date the sum becomes refundable.

3.5.3 Remuneration to Non-Executive / Independent Director:

- a) No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than the Director's fees or honorarium from the company.

Provided that the amount of such fees shall not exceed the prescribed limits per meeting of the Board or Committee or such amount as may be decided by the Board of Directors from time to time.

3.5.4 Remuneration of Other Employees

The remuneration of other employees is fixed from time to time as per the guiding principles outlined above and considering industry standards and cost of living. In addition to basic salary, they are also provided perquisites and retirement benefits as per schemes of the Company and statutory requirements, where applicable. The policy of motivation/reward/severance

payments applies to this category of personnel as in the case of those in the management cadre.

3.5.5. Criteria for determining remuneration

While determining the remuneration of the directors, the Committee shall ensure that the level and composition of remuneration are reasonable and sufficient to attract, retain and motivate such directors of the quality required to run the Company successfully; the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and the remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goal.

4. Constitution of the NRC

- 4.1 The Committee shall comprise at least three members including an independent director;
- 4.2 All members of the Committee shall be non-executive directors;
- 4.3 Members of the Committee shall be nominated and appointed by the Board;
- 4.4 The Board shall have the authority to remove and appoint any member of the committee;
- 4.5 In case of death, resignation, disqualification, or removal of any member of the Committee or any other cases of vacancies, the Board shall fill the vacancy within 180 (one hundred eighty) days of the occurrence of such vacancy in the Committee;
- 4.6 The chairperson of the Committee may appoint or co-opt any external expert and/or member (s) of staff to the Committee as an advisor who shall be a non-voting member if the Chairperson feels that advice or suggestion from such external expert and/or member (s) of staff shall be required or valuable for the Committee;
- 4.7 The company secretary shall act as the secretary of the Committee;
- 4.8 The quorum of the NRC meeting shall not constitute without the attendance of at least an independent director;

5. Chairperson

- 5.1 Chairperson of the Committee shall be an Independent Director.
- 5.2 The Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- 5.3 In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- 5.4 The Chairperson of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

6. Frequency of meetings

The meeting of the Committee shall be held at such regular intervals as may be required but at least once a year.

7. Committee members' interests

- 7.1 A member of the Committee is not entitled to be present when his or her interest is discussed at a meeting or when his or her performance is being evaluated.
- 7.2 The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

8. Secretary

The Company Secretary of the Company shall act as Secretary of the Committee.

9. Voting

- 9.1 Matters arising for determination at Committee meetings shall be decided by a majority of votes of the Members present and voting and any such decision shall for all purposes be deemed a decision of the committee.

10. Nomination duties

The duties of the Committee regarding nomination matters include:

- 10.1 Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;

- 10.2 Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment following the Guidelines provided under the Act;
- 10.3 Identifying and recommending Directors who are to be put forward for retirement by rotation.
- 10.4 Determining the appropriate size, diversity and composition of the Board;
- 10.5 Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- 10.6 Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- 10.7 Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from a business and compliance perspective;
- 10.8 Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- 10.9 Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- 10.10 Recommend any necessary changes to the Board; and
- 10.11 Considering any other matters, as may be requested by the Board.

11. Duties of the Committee

The duties of the Committee regarding remuneration matters include

- 11.1 To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- 11.2 To approve the remuneration of the Senior Management including Key Managerial Personnel of the Company maintaining a fixed pay reflecting short- and long-term performance objectives appropriate to the working of the Company.
- 11.3 To delegate any of its powers to one or more of its members or the Secretary of the Committee.
- 11.4 To consider any other matters as may be requested by the Board.
- 11.5 Professional indemnity and liability insurance for Directors and senior management.

12. Minutes of Committee meetings

Proceedings of all meetings must be minute and signed by the Chairperson of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting. The Company reserves the right to modify the aforesaid Policy as and when required to adopt the best practices in the industry and to comply with the requirements of the applicable regulations.

13. Explanation of top-level executive (Key Managerial Personnel and Senior Management)

Top-level executive (Key Managerial Personnel and Senior Management) includes Managing Director (MD) or Chief Executive Officer (CEO), Additional or Deputy Managing Director (AMD or DMD), Chief Operating Officer (COO), Chief Financial Officer (CFO), Company Secretary (CS), Head of Internal Audit and Compliance (HIAC), Head of Administration and Human Resources or equivalent positions and same level or ranked or salaried officials of the company.

Profile of the *directors*

(election/appointment and re-appointment of directors)

Annexure-xi
to the directors' report



MD. EHSANUL HABIB
Managing Director

A new-generation entrepreneur, **MR. HABIB** has served as the Managing Director since 2000. He has also a Sponsor Director and Managing Director of Esquire Knit Composite PLC since its inception in 2000. He is the eldest son of Mr. Md. Mofazzal Hossain, Founder, and Chairman of the Esquire Group. He studied in the USA and obtained his Bachelor's degree in Business Administration. After completing his education, he joined Esquire Group with his visionary leadership. He is among new generation entrepreneurs who have nourished and successfully flourished the country's export-oriented RMG and Knit Garments industry. By his own merit and dynamic decision-making capacity, he has been able to materialize several successful ventures. He is keenly interested in the latest developments in the textiles and knit garments sector and gathered advanced knowledge in management, marketing, and technical know-how. Mr. Habib is entrusted with the responsibility of overall management.

He is also serving on the Boards of the following organizations

- » Esquire Electronics Limited
- » Esquire Dyeing Industries Limited
- » L' Esquire Limited
- » Thakral Information System (Pvt) Limited
- » Thakral One Private Limited
- » Esquire Accessories Limited
- » Esquire Plastic Limited
- » Esquire Testing Service (BD) Limited
- » Best Life Insurance Company Limited
- » Bangladesh German University
- » Shah Garments International Limited
- » Esquire Customer Care Limited
- » Alpha Plastic & Packing Limited
- » Trust Solution Private Limited
- » Esquire Heavy Industries Limited
- » Sharp Media Limited

He keeps social attachments with renowned professional and socio-cultural associations



MD. MUDASSAR HOSSAIN
Non-Executive Director

MR. MD. MUDDASSAR HOSSAIN is a Sponsor Director of Esquire Knit Composite PLC since its inception in 2000. Also, Mr. Md. Muddasar Hossain is a Sponsor Director as well as Managing Director of Esquire Accessories Limited. He is the youngest son of Mr. Md. Mofazzal Hossain, Founder, and Chairman of the Esquire Group. He studied Law and obtained a Bachelor's degree. After his graduation, he engaged himself in the electronics and garment business and quickly acquired the required knack to run the overall business.

He is also serving on the Boards of the following organizations:

- » Esquire Electronics Limited
- » Esquire Dyeing Industries Limited
- » L' Esquire Limited
- » Thakral Information System (Pvt) Limited
- » Thakral One Private Limited
- » Esquire Accessories Limited
- » Esquire Plastic Limited
- » Esquire Testing Service (BD) Limited
- » Shah Garments International Limited
- » Esquire Customer Care Limited
- » Trust Solution Private Limited
- » Esquire Heavy Industries Limited



A.K.M. SHAMSUL AREEFIN
Non-Executive Director

MR. AREEFIN provides an independent perspective to the board's decision-making process. Independent directors play a crucial role in ensuring good corporate governance and accountability to all shareholders.

Mr. Areefin was the Additional Secretary of the Government of the People's Republic of Bangladesh. He completed his M.A. in English from Dhaka University and his M.A. in Islamic Studies from People's University.

During his tenure as Additional Secretary in the Ministry of Industries, Mr. Areefin was involved as a director on the board of many non-listed companies including BRB Cables Limited.

Mr. Areefin is a Non-Executive Independent Director of Esquire Knit Composite PLC as well as the Chairperson of the Nomination and Remuneration Committee (NRC) and Corporate Governance Committee. He is also a Member of the Audit Committee, and Risk Management Committee and a representative director on the board of L, Esquire Limited on behalf of Esquire Knit Composite Limited, where L' Esquire is a subsidiary of Esquire Knit Composite Limited. Mr. Areefin joined the Board of Directors of Esquire Knit Composite Limited from the date of July 1, 2025.



MS. MASUDA SULTANA ACA, FCS
Non-Executive Director

MRS. SULTANA provides an independent perspective to the board's decision-making process. Independent directors play a crucial role in ensuring good corporate governance and accountability to all shareholders.

Mrs. Sultana who holds the titles of CA (Chartered Accountant) and FCS (Fellow Chartered Secretary) indicates she is a highly qualified finance and corporate governance professional. As a Chartered Accountant (CA) and Fellow Chartered Secretary (FCS), she has expertise in accounting, auditing, finance, and company secretarial practices. Her career history includes roles such as Chief Financial Officer (CFO) and Head of Finance and Company Secretary at various organizations, including EBL Investments Ltd.

Her designations indicate that she has completed the rigorous professional programs offered by the Institute of Chartered Accountants of Bangladesh (ICAB) and the Institute of Chartered Secretaries of Bangladesh (ICSB). In October 2025, she was congratulated for becoming a qualified Chartered Accountant, reflecting a milestone in her professional development.

Mrs. Sultana, is an Independent Non-Executive Director of Esquire Knit Composite PLC as well as the Chairperson of the Audit Committee and member of the NRC from July 1, 2025.

Dividend Distribution policy

Annexure-xii
to the directors' report

POLICY INTRODUCTION

Bangladesh Securities and Exchange Commission (BSEC) issued Directive No. BSEC/CMRRCD/2021-386/03 dated 14 January 2021 for listed Companies to formulate their Dividend Distribution Policy and disclose the policy in the Company's Annual Report and official website. In compliance with this directive, "Esquire Knit Composite PLC ("Esquire Knit Composite" or the "Company") publishes this statement as a guiding framework for the shareholders about the Companies Dividend Policy.

This statement provides a brief outline of the legal and regulatory provisions relating to the dividend, key issues in dividend considerations, and procedure for the declaration, approval, and payment of the dividend.

THE POLICY OF ESQUIRE KNIT COMPOSITE PLC

The Dividend Distribution Policy of Esquire Knit Composite PLC recommends a set of principles/guidelines about the declaration and payment of dividends and matters incidental thereto or connected therewith. The said policy is formulated to ensure proper distribution of declared dividends (final/interim) to the shareholders of the Company. The Board of Audit Committee reviewed the policy in its 23rd Committee Meeting dated 30th January 2022 which was finally approved by the Board of Directors in its 120th Board Meeting held on 30th January 2022.

Major highlights of the Dividend Distribution Policy are as follows:

1. Procedure for declaration of dividends

The dividend would be recommended by the Board of Directors based on the Company's audited financial statements. Where necessary, all requisite approvals and clearances shall be obtained before the dividend declaration. Dividends shall be approved by the Shareholders at an Annual General Meeting (AGM) based on the recommendation of the Board of Directors but no dividend shall exceed the amount recommended by the Directors.

No dividend shall be paid other than out of profits of the year or any other undistributed profits of the Company. No dividend shall be declared out of the capital reserve account or the revaluation reserve account or any unrealized gain or out of profit earned before the incorporation of the Company if any, or through reducing paid-up capital or through doing anything so that the post-dividend retained earnings become negative or a debit balance.

Interim dividend

The Company's Board of Directors shall make decisions about recommending interim dividends for the shareholders based on audited financial statements and declaring to the shareholders who shall be entitled to such dividends.

No stock or bonus entitlement shall be declared as an interim dividend. The Board of Directors may from time to time pay interim dividends to shareholders if it appears to the Board of Directors to be justified by the profits of the Company. The decision about recommending an interim dividend and entitlement for such dividends cannot be changed.

Final dividend

The Company's Board of Directors shall recommend a final dividend for the shareholders based on annual audited financial statements and declare the shareholders who shall be entitled to such dividend. The decision about recommending or not recommending the final dividend and entitlement for such dividend, if recommended, shall be taken after considering the interim dividend already distributed and cannot be changed before holding the AGM.

In case of declaration of stock dividend for the year, the Company shall explain the reason for declaring stock dividend and utilization of such retained amount as capital (stock dividend) shall be disclosed in the annual report.

2. Entitlement to dividend

The Shareholders whose names would appear in the Register of Members of the Company and/or in the Depository on the 'Record Date' would be entitled to receive the Company's interim dividend. The Shareholders whose names would appear in the Register of Members of the Company and/or in the Depository on the 'Record Date' would be eligible to join the AGM and entitled to receive the annual/ final dividend of the Company.

3. Schedule for payment of dividends

Esquire Knit Composite PLC shall pay off the interim dividend to the entitled shareholders, within 30 (thirty) days of the record date. Esquire Knit Composite PLC shall pay off the Annual or final dividend to the entitled shareholders, within 30 (thirty) days from the date of approval by shareholders in the AGM.

3.1 Cash dividend

Cash dividends shall be distributed in the following manner and procedures:

3.1.1. Within 10 (ten) days of the declaration of a cash dividend by the Board of Directors, an amount equivalent to the declared cash dividend payable for the concerned year shall be kept in a separate bank account of Esquire Knit Composite PLC;

3.1.2. The Company shall pay off cash dividend directly to the bank account of the entitled shareholders as available in the BO account maintained with the depository participant (DP), or the bank account as provided by the shareholders in paper form, through Bangladesh Electronic Funds Transfer Network (BEFTN):

The Company may pay off such cash dividend through bank transfer or any electronic payment system as recognized by the Bangladesh Bank, if not possible to pay off through BEFTN;

4.1.3 Upon receiving the claim on cash dividend from a stock broker or a merchant banker or a portfolio manager for the margin client or customer who has a debit balance or margin loan, or as per the intention of the client of a stock broker or merchant banker or portfolio manager, EKCPCL shall pay off such cash dividend to the Consolidated Customers' Bank Account (CCBA) of the stock broker or the separate bank account of the merchant banker or portfolio manager through BEFTN:

The Company shall collect detailed information (e.g., BO account number, code Number, bank account number, intention, etc. of the client or customer including CCBA of stockbroker or separate bank account of merchant banker or portfolio manager) from the stockbroker or merchant banker or portfolio manager for such claim;

4.1.4 In case of non-availability of bank account information or if not possible to distribute cash dividends through BEFTN or an electronic payment system, EKCPCL shall issue a cash dividend warrant and shall send it by post to the shareholders;

4.1.5 The Company shall pay off cash dividends to non-resident sponsors, directors, shareholders, unit holders, or foreign portfolio investors (FPI) through the security custodian in compliance with the rules or regulations in this regard;

4.1.6 The Company, immediately after disbursement of cash dividend and issuance of a certificate of tax deducted at source, if applicable, shall intimation to the shareholder through a short message service (SMS) to the mobile number or email address as provided in the BO account or as provided by the shareholder;

4.1.7 EKCPCL shall maintain detailed information of unpaid or unclaimed cash dividend and rationale thereof, as per BO account (number-wise or name-wise or folio number-wise) of the shareholders, and shall also disclose the summary of aforesaid information in the annual report and shall also report in the statements of financial position (Quarterly/annually) as a separate line item 'Unclaimed Dividend Account';

The Company shall publish the year-wise summary of its unpaid or unclaimed dividends on the website.

Any unpaid or unclaimed cash dividend including accrued interest (after adjustment of bank charge, if any) thereon, if remains, shall be transferred to a separate bank account of the issuer as maintained for this purpose, within 1 (one) year from the date of approval by shareholders in AGM;

4.1.8 If any cash dividend remains unpaid or unclaimed or unsettled including accrued interest (after adjustment of bank charge, if any) thereon for 3 (three) years from the date of approval by shareholders in AGM, shall be transferred by the issuer to the Fund as directed or as prescribed by the Commission.

4.1.9 The Company shall provide detailed information to the manager of the Fund during the transfer of cash dividends as directed or prescribed by the Commission.

If any shareholder claims his/her cash dividend after the transfer of such dividend to the fund within 15 (fifteen) days of receiving such claim. In that case, the Company shall, after proper verification of the claim, recommend to the manager of the Fund to pay off such dividend from the Fund and the manager of the Fund shall pay off such cash dividend to the claimant by the provisions and procedures as directed or prescribed by the Commission.

4.2 Stock dividend

The stock dividend shall be distributed in the following manner and procedures:

3.2.1. EKCPCL shall credit stock dividend directly to the BO account or issue the bonus share certificate of the entitled

Dividend Distribution policy

shareholders, as applicable, within 30 (thirty) days from the date of approval by shareholders in AGM, subject to clearance of the exchange(s) and the Central Depository Bangladesh Limited (CDBL).

- 3.2.2. EKCPCL shall follow the provisions of cÖweavb 46 of the wWcwRUwi (e'envwiK) cÖweavbgvjv, 2003 for issuance of bonus shares. EKCPCL shall maintain a Suspense BO Account for undistributed or unclaimed stock dividends or bonus shares and shall also follow the under-mentioned procedures for ensuring the rightful ownership:

- a) EKCPCL shall send at least 3 (three) reminders to the entitled shareholders.
- b) The Suspense BO Account shall be held under the Block Module and such undistributed or unclaimed stock dividend or bonus shares shall not be transferred in any manner except to allot the bonus shares as and when the allottee approaches the issuer.
- c) Any corporate benefit of shares accrued on such undistributed or unclaimed stock dividend or bonus shares shall be credited to the Suspense BO Account.
- d) EKCPCL shall, upon receiving an application from the allottee and after proper verification of identity and his entitlement, credit the bonus shares lying with the Suspense BO Account to the BO account of the allottee, or issue bonus shares to the allottee, as applicable, within 15 (fifteen) days of receiving application with an intimation to the Bangladesh Securities and Exchange Commission (BSEC) and Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE).
- e) Any voting rights on such undistributed or unclaimed stock dividend or bonus shares shall remain suspended till the rightful ownership claim of the shareholders is established.

- 4.2.3 If any stock dividend or bonus shares remain unclaimed or unsettled, including corporate benefit in terms of bonus share thereon, for 3 (three) years from the date of approval by shareholders in the AGM, they shall be transferred in dematerialized form to the Fund's BO Account.

- 4.2.4 The Company shall provide detailed information to the manager of the Fund during the transfer of stock dividends or bonus shares as directed or prescribed by the Commission:

If any shareholder claims his/her stock dividend or bonus shares after the transfer of such dividend or bonus shares to the BO Account of the Fund, within 15 (fifteen) days of receiving such claim. In that case, the Company shall, after proper verification of the claim, recommend to the manager of the Fund to pay off or transfer such stock dividend or bonus shares from the BO Account of the Fund and the manager of the Fund shall pay off or transfer such stock dividend or bonus shares to the claimant's Bo Account by the provisions and procedures as directed or prescribed by the Commission.

5. Payment of unclaimed or unpaid cash dividends and stock dividend

EKCPCL shall not forfeit any unclaimed cash dividend or stock dividend till the claim becomes barred by the law of the land in force. EKCPCL shall follow the rules & regulations of the regulators issued from time to time regarding payment of unclaimed or unpaid cash dividends and stock dividends to the entitled shareholders

6. Submission of dividend distribution compliance report

EKCPCL shall submit a dividend distribution compliance report to BSEC, DSE & CSE in a specified format issued by the regulator(s) within 7 (seven) working days of completion of dividend distribution to the entitled shareholders.

The Company shall publish the compliance report on its website.

7. Policy Review and Amendment

Apart from mandatory revision, modification, or amendment as necessitated by legal and regulatory requirements, the Company shall review this policy periodically and make necessary revisions or amendments to keep it relevant and up to date. The Company's Board of Directors shall approve the revision and/or amendment as it deems fit.

8. Disclaimer

The above Policy Statements neither give an assurance of dividend to be declared by the Company nor does it constitute a commitment for any future dividend and thus be read as a general guideline on different dividend-related issues. The policy upholds the Board's absolute/complete liberty to recommend any dividend in deviation from the policy.

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY

Auditor's report

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AUDITED FINANCIAL STATEMENTS

For the year ended 30 June, 2025

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF ESQUIRE KNIT COMPOSITE PLC
REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Esquire Knit Composite PLC and its subsidiary (the Group) as well as the separate financial statements of Esquire Knit Composite PLC (the Company) which comprise the consolidated and separate statement of financial position as at 30 June 2025, 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 ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements of the Company give a true and fair view of the financial position of the Company as at 30 June 2025, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987, and other applicable laws and regulations.

Basis for Opinion

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

Key Audit Matters

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

The key audit matters are discussed below together with an explanation of how the risk and our audit response were tailored to address these specific areas.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF ESQUIRE KNIT COMPOSITE PLC
REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Annexure-1

Key audit matter description	How the scope of our audit responded to the key audit matter.
Property, plant and Equipment	
<p>The carrying value of the PPE amounted to Tk. 6,165,211,537 as at 30 June, 2025.</p> <p>There is a risk of:</p> <ul style="list-style-type: none"> determining which costs meet the criteria for capitalization; determining the date on which the assets is recognized to property, plant and equipment and depreciation commences; the estimation of economic useful lives and residual values assigned to Fixed asset. <p>We identified the carrying value of property, plant and equipment as a key audit matter because of the high level of management judgment involved and because of its significance to the financial statements.</p> <p>See note no. 4 for details.</p>	<p>Our audit procedures to assess the carrying value of property, plant and equipment included the following:</p> <ul style="list-style-type: none"> 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 make it ready for use, with the date of the completion of the work.
Revenue Recognition	
<p>The Company has reported sales revenue of Tk. 11,094,464,674</p> <p>All of the Company's sales are made under sales invoice, delivery challan. Its products primarily comprise sale of Denim Fabric. Revenue is recognized at the point of generating invoice.</p> <p>We identified revenue recognition as a key audit matter because revenue is one of the key performance indicators of the company and therefore there is an inherent risk of manipulation of the timing of recognition of revenue by management to meet specific targets or expectations.</p> <p>As all sales are translated from USD currency to BDT, there is a risk that foreign exchange gain/loss might not be correctly recognized in the Financial Statements.</p> <p>See note no. 24 for details.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> Tested the internal control over financial reporting. We also assessed the existence and accuracy of the sales recorded; We assessed the appropriateness of revenue recognition accounting policy in line with IFRS 15 "Revenue from contracts with customers" 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.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF ESQUIRE KNIT COMPOSITE PLC
REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Key audit matter description	How the scope of our audit responded to the key audit matter.
Valuation of Receivables	
<p>The Company has accounts receivable of Tk. 1,805,961,079 as at 30 June 2025.</p> <p>Accounts receivable of the company comprise mainly receivables regarding the sale of RMG which is secured by Letter of Credit (L/C).</p> <p>See note no. 08 for details.</p>	<p>Our substantive procedures in relation to the assessing valuation of receivable comprises the following:</p>
	<ul style="list-style-type: none"> • Obtained a list of outstanding receivables;
	<ul style="list-style-type: none"> • Reconciliation of receivables ageing to general ledger;
	<ul style="list-style-type: none"> • Conducting cut-off testing at the year-end;
	<ul style="list-style-type: none"> • Reviewing subsequent receipt of receivables balance.
Capital Work in Progress	
<p>The Company's assets held under capital work in progress as on the closing date are amounted to BDT 4,424,872,569 equivalent to 41.74 % of total non-current assets. Due to the high value of transactions, utilization of IPO proceeds, terms and valuation of these assets, it was significant to our audit.</p> <p>See note no. 05 for details.</p>	<ul style="list-style-type: none"> • Our audit procedures to address the risk of material misstatement relative to capital work in progress includes obtaining understanding of the internal control over capital work in progress, assessing the risk of material misstatement. Our audit procedures address the risk material statement relating to capital work in progress to the financial statements included:
	<ul style="list-style-type: none"> • Obtaining and assessing the movement of the capital work in progress.
	<ul style="list-style-type: none"> • Verifying the records to ensure that the assets under construction or pending installation and not yet ready for intended use are classified as work in progress.
	<ul style="list-style-type: none"> • Verifying the supporting documents with reference to the underlying contractor bills, work orders, certification of work performed by expert personal, comparison of the progress and the cost incurred up-to-date with the budgets, policy and plan.
	<ul style="list-style-type: none"> • Reconciling the movement of capital working progress from opening to closing, specially verifying additions during the year and transfer to Property, Plant and Equipment during the year.
	<ul style="list-style-type: none"> • Verify the dates on which the assets are moved from the capital work in progress account to the fixed assets so that the depreciation on fixed assets may be computed correctly, and;
	<ul style="list-style-type: none"> • Site visit and physical observation of the work on-going for capital work in progress.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF ESQUIRE KNIT COMPOSITE PLC
REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Key audit matter description	How the scope of our audit responded to the key audit matter.
Valuation of Inventories	
<p>The amount of inventory is Tk. 4,234,947,563 as at 30 June, 2025</p> <p>which amounted to 64.55% of the total current assets. As per IAS 2, inventories are required to be valued at the lower to cost and net realizable value. Cost of inventories includes purchase cost and cost incurred in bringing inventories to its present location and condition. IAS 2 specifically prohibits certain costs from being excluded from the cost of inventories.</p> <p>EKCPCL valued its inventories at cost or net realizable value whichever is lower.</p> <p>See note no. 07 for details.</p>	<p>We obtained assurance over relevance and appropriateness of management's assumptions applied in calculating the value of the inventories by:</p>
	<ul style="list-style-type: none">• We observed EKPLC's year-end inventory count, performed test counts and reconciled count sheet records to inventory valuation report in order to verify the existence of inventories reported in the accounts;
	<ul style="list-style-type: none">• We tested the purchase costs of a sample of inventory items by inspecting invoices;
	<ul style="list-style-type: none">• We assessed the components of the costs included within inventory items to ensure that they are in conformity with the requirements of IAS 2;
	<ul style="list-style-type: none">• We assessed the movement of inventories and analyzed whether closing inventories were valued using the weighted average method;
	<ul style="list-style-type: none">• 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.
<ul style="list-style-type: none">• 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.	
Bank Loan	
<p>The company reported short term & long-term loan Tk. 3,318,712,096 & 2,787,212,202 respectively in the statement of financial position at the reporting date.</p> <p>The above borrowing were considered as key audit matter because this external form of credit facilities availed by the company required fulfillment of several terms and conditions as mentioned in sanction letter issued by lending bank. Any non-compliance with those stipulated terms and conditions might result in subsequent withdrawal and pose a threat to ongoing operation of the company. Besides, risk of material misstatement also lies due to non-disclosure of all those terms and conditions in the financial statements.</p> <p>See note no. 18,19,20 & 18 for details.</p>	<p>Our substantive audit procedures adopted during the audit includes the following test or details.</p>
	<p>Inspecting relevant board minutes in support of bank loan reported in the financial statements.</p>
	<p>Tracing existence and completeness of reported borrowings with supporting evidence such as sanction letters, loan certificates and statements.</p>
	<p>Sending out and obtaining confirmation from the lenders.</p>
	<p>Recalculating and testing accuracy and completeness of finance costs charged by the company during the year with corresponding loan statements provided by bank.</p>

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF ESQUIRE KNIT COMPOSITE PLC

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Other Information:

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's 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 financial statements does not cover the other information and we do not express any observation to that effect. 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 Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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

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

Auditor's Responsibilities for the Audit of Financial Statements

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF ESQUIRE KNIT COMPOSITE PLC
REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules, 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, 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 purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Company and so far as it appeared from our examination of these books;
- c) the statement 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 account; and
- d) the expenditure incurred was for the purposes of the Company's business.

Place: Dhaka
Dated: 29 October 2025
DVC: N/A

Pinaki Das

Pinaki Das FCA
Senior Partner
ICAB Enroll. No. 0151
FRC Enlistment No.: CA-001-133
Pinaki & Company
Chartered Accountants
FRC Firm Enlistment No.: CAF-001-113

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

Particulars	Notes	Amount in Taka	
		30-Jun-2025	30-Jun-2024
Assets			
Non-Current Assets		10,600,084,106	10,866,197,778
Property, plant and equipment	4	6,165,211,537	6,431,325,208
Capital work-in-progress	5	4,424,872,569	4,424,872,569
Investment in shares	6	10,000,000	10,000,000
Current Assets		6,560,585,348	6,783,720,225
Inventories	7	4,234,947,563	3,901,772,012
Accounts receivables	8	1,805,961,079	1,719,481,830
Other receivables	9	55,593,342	71,501,406
Advance, deposit and prepayments	10	248,325,350	477,780,117
Investment	11	137,720,994	130,608,284
Cash and cash equivalents	12	78,037,020	482,576,577
TOTAL ASSETS		17,160,669,454	17,649,918,003
EQUITY & LIABILITIES			
Shareholders' Equity		8,781,681,513	8,793,489,671
Share capital	13	1,348,958,330	1,348,958,330
Non-Controlling Interest	13	(1,104,884)	(929,533)
Share Premium Account	14	1,086,653,150	1,086,653,150
Revaluation surplus	15	3,739,289,135	3,739,289,135
Retained earnings	16	2,607,885,782	2,619,518,589
Non Current Liabilities		3,069,487,343	2,966,556,271
Deferred Tax liabilities	17	273,131,772	280,040,513
Long term loan net of current maturity	18	2,787,212,202	2,679,456,717
Finance lease obligation net of current maturity	19	9,143,369	7,059,041
Current Liabilities		5,309,500,597	5,889,872,060
Short term loan	20	3,318,712,096	4,320,642,425
Current portion of long term loan	18	649,287,319	451,069,640
Current portion of finance lease obligation	19	22,649,943	23,809,204
Unclaimed Dividend	21	2,260,380	2,371,333
Accounts payable	22	891,106,484	564,292,624
Liabilities for expenses	23	425,484,375	527,686,834
TOTAL EQUITY & LIABILITIES		17,160,669,454	17,649,918,003
Net Asset Value (NAV) per share with revaluation reserve		65.10	65.19
Net Asset Value (NAV) per share without revaluation reserve		37.38	37.47

The annexed notes form an integral part of these financial statements


Chairman


Managing Director


Director


Company Secretary


Chief Financial Officer

Signed as per our annexed report of even date


Pinaki Das, FCA

Senior Partner

ICAB Enrollment No. 151

FRC Enlishment No.: CA-001-133

Pinaki & Company

Chartered Accountants

FRC Firm Enlishment No.: CAF-001-113

Place: Dhaka, Bangladesh

Date: 29 October 2025

DVC: N/A

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

Particulars	Notes	Amount in Taka	
		30-Jun-2025	30-Jun-2024
Revenue	24	11,094,464,674	7,933,680,241
Less: Cost of Goods Sold	25	9,531,050,176	6,681,866,012
Gross profit		1,563,414,499	1,251,814,229
Less: Operating expenses	26	716,034,245	674,402,656
Gross operating profit		847,380,254	577,411,573
Less: Financial expenses	27	695,243,391	465,644,499
Net operating profit		152,136,863	111,767,074
Add: Non-Operating income	28	16,614,678	24,901,621
Profit before WPPF & WF		168,751,541	136,668,695
Less: Provision for contribution to WPPF & WF	23.01	2,778,776	1,635,373
Profit before tax		165,972,765	135,033,322
Less: Income tax expenses		106,241,060	79,515,929
Current Tax	23.02	113,149,802	85,305,315
Deferred Tax	17.02	(6,908,741)	(5,789,386)
Profit after tax		59,731,704	55,517,393
Total comprehensive income for the year, net of tax			
Profit attributable to:			
Owners of the Company		84,294,752	55,517,393
Non-controlling Interest		(334,756)	(867,018)
		83,959,996	54,650,375
Total Comprehensive Income attributable to:			
Owners of the Company		84,294,752	55,517,393
Non-controlling Interest		(334,756)	(867,018)
		83,959,996	54,650,375
Earnings Per Share (EPS) - Basic	29.01	0.44	0.41

The annexed notes form an integral part of these financial statements


Chairman


Managing Director


Director


Company Secretary


Chief Financial Officer

Signed as per our annexed report of even date

Place: Dhaka, Bangladesh
Date: 29 October 2025
DVC: N/A


Pinaki Das, FCA

Senior Partner
ICAB Enrollment No. 151
FRC Enlishment No.: CA-001-133
Pinaki & Company
Chartered Accountants
FRC Firm Enlishment No.: CAF-001-113

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2025

Amount in Taka

Particulars	Share Capital	Share premium	Revaluation Surplus	Non-controlling interest	Retained Earnings	Total Equity
Balance at 01 July 2024	1,348,958,330	1,086,653,150	3,739,289,135	-	2,619,518,589	8,794,419,204
Net profit for the year	-	-	-	-	59,907,056	59,907,056
Non-controlling interest				(1,104,884)	-	(1,104,884)
Dividend paid	-	-	-	-	(71,539,863)	(71,539,863)
Balance at 30 June 2025	1,348,958,330	1,086,653,150	3,739,289,135	(1,104,884)	2,607,885,782	8,781,681,513
Balance at 01 July 2023	1,348,958,330	1,086,653,150	3,739,289,135	-	2,634,674,042	8,809,574,657
Net profit for the year		-	-	-	56,384,411	56,384,411
Non-controlling interest				(929,533)	-	(929,533)
Dividend paid	-	-	-	-	(71,539,863)	(71,539,863)
Balance at 30 June 2024	1,348,958,330	1,086,653,150	3,739,289,135	(929,533)	2,619,518,589	8,793,489,671

Mrs. Pearl Begum.

Chairman

Managing Director

Director

Company Secretary

Chief Financial Officer

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

Particulars	Notes	Amount in Taka	
		30-Jun-2025	30-Jun-2024
A. Cash flows from operating activities			
Cash receipts from customers		11,007,985,426	6,996,948,605
Cash receipt from other income		32,522,741	(8,048,738)
Payment to suppliers for import of Raw materials		(5,924,846,104)	(4,556,677,716)
Payment to others		(4,100,306,595)	(3,193,076,691)
Interest paid		(673,808,270)	(459,686,938)
Income tax paid		(109,845,189)	(83,569,416)
Net cash flow from operating activities		231,702,008	(1,304,110,894)
B. Cash flows from investing activities			
Acquisition of property, plant and equipment		(28,393,908)	(48,439,503)
Investment in capital work in progress		0	(219,169,037)
Advance paid to Valuka project		-	-
Investment in shares		-	90,000,000
Investment in FDR		(7,112,710)	6,095,833
Net cash used in investing activities		(35,506,618)	(171,512,707)
C. Cash flows from financing activities			
Dividend & TDS paid		71,650,816	(71,152,122)
Receipt of Long Term Loan		330,581,206	59,919,041
Receipt/(Repayment) of Short Term Loan		(1,001,930,330)	1,476,444,355
Net cash flow from/(used in) financing activities		(599,698,308)	1,465,211,275
D. Net cash surplus during the year (A+B+C)		(403,502,917)	(10,412,327)
E. Cash and bank balances at beginning of the year		482,576,577	491,816,393
Effect of movements in exchange rates on cash held		(1,036,640)	1,172,510
F. Cash and bank balances at the end of the year		78,037,020	482,576,577
Cash and bank balances			
Cash in hand		3,022,759	4,739,643
Cash at bank		75,014,261	477,836,934
Total		78,037,020	482,576,577
Net Operating Cash Flow Per Share (NOCFPS)	30.00	1.72	(9.67)

Mrs. Pearl Begum.

Chairman

[Signature]

Managing Director

[Signature]

Director

[Signature]

Company Secretary

[Signature]

Chief Financial Officer

NOTES, COMPRISING A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

AS AT AND FOR THE YEAR ENDED 30 JUNE 2025

1.00 Incorporation and Business Activities

Reporting entity

EsquireKnitCompositePLC(EKCPLC)(hereinafter referred to as EKCPLC or the Company) was incorporated [C-39663(1631)/2000] as a Private Limited Company on 16 February 2000 under the Companies Act 1994 and the company commenced commercial operation in 2001. The company has its registered office at 21 Shaheed Tajuddin Ahmed Sarani, (old: 30, Tejgaon I/A) Dhaka and its Factory is located at 22/58, Kanchpur, Sonargaon, Narayanganj.

The company was converted into a public limited company on 22 January 2015.

Nature of business

Esquire Knit Composite PLC is a 100% export oriented Company. It produces different types of Knit garments through its six units namely, knitting units, fabric dyeing unit, printing, embroidery, industrial laundry and garments units and sells the same to foreign buyers including C&A buying KG, Best seller, Mascot, Tchibo, Esprit, Tee Jays, Celio, Next, etc.

2.00 Basis of Preparation of Financial Statements

2.01 Statement of compliance

The financial statements have been prepared in compliance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

2.02 Other regulatory compliance

In addition to the above, EKCPLC is also required to comply and has complied with the following laws and regulations:

- The Income Tax Act 2023;
- The Value Added Tax and Supplementary Duty Act 2012;
- The Value Added Tax Rules, 2016;
- The Bangladesh Labor (Amendment) Act 2013;
- Customs Act 1969;
- Sale of Goods Act 1930;
- Negotiable Instrument Act 1881; and
- The Securities and Exchange Ordinance, 1969;
- The Securities and Exchange Rules, 1987; and
- Other applicable rules and regulations.

2.03 Basis of measurement

These financial statements have been prepared under the historical cost convention applying accrual basis of accounting in accordance with International Financial Reporting Standards (IFRSs).

2.04 Components of financial statements

The financial statements of the Company consist of the following components:

- Statement of Financial Position;
- Statement of Profit or Loss and Other Comprehensive Income;
- Statement of Changes in Equity;
- Statement of Cash Flows; and
- Notes, Comprising a Summary of Significant Accounting Policies and Other Explanatory Informations.

2.05 Use of estimates and judgments

The preparation of the financial statements of the Company requires management to make and apply consistently the judgments, estimates and assumptions for records and balances that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

2.06 Functional and presentation currency

These financial statements are presented in Bangladeshi Taka (Tk/BDT) which is the functional currency of the company. The amounts in these financial statements have been rounded off to the nearest integer.

NOTES, COMPRISING A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

AS AT AND FOR THE YEAR ENDED 30 JUNE 2025

2.07 Reporting period

These financial statements of the company cover a period of twelve months from 01 July 2024 to 30 June 2025.

3.00 Significant Accounting Policies

3.01 Property, plant and equipment (PPE)

3.1.1 Recognition and measurement

Property, plant and equipment are stated at cost or revalued amount, if any, less accumulated depreciation in compliance with International Accounting Standard IAS-16: Property, Plant and Equipment. The cost of acquisition of an asset comprises its purchase price and any direct attributable cost of bringing the assets to its working condition for its intended use.

3.1.2 Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to the Statement of Profit or Loss and Other Comprehensive Income during the financial period in which they incurred.

3.1.3 Depreciation

Depreciation is charged on property (except land), plant and equipment using 'straight line method' over the estimated useful life of each item of property, plant and equipment. Depreciation on addition to property, plant and equipment is charged from the date when the asset is put into use for commercial operation. Knit Composite Limited, considering the useful lives, decided to charge depreciation at 15% p.a. No depreciation is charged on the assets from the month in which such assets are disposed. The rates of depreciation varies from 5% to 13% p.a. based on useful lives and nature of the assets. Rates of depreciation are:

Particulars	Rate	
Building	5.00%	p.a.
Plant and Machinery	7.00%	p.a.
Furniture and Fixtures	10.00%	p.a.
Office Equipment	10.00%	p.a.
Motor Vehicle	13.00%	p.a.
Software & IT	10.00%	p.a.

3.02 Inventories

3.2.1 Nature of inventories

Inventories consist of yarn, dyes, chemical, packing materials, accessories, sewing thread, printing & embroidery materials, stores and spare parts, etc.

3.2.2 Valuation of inventory

Inventories are valued in accordance with IAS- 2: Inventories i.e. at cost or estimated net realizable value whichever is lower. The cost of inventories includes expenditure for acquiring the inventories and bringing them to their existing location and condition. Net realizable value is estimated upon selling price in the ordinary course of business less estimated cost of completion of the sale. When the inventories are used, the carrying amount of those inventories are recognized as expenses in the period in which the related revenue is recognized.

3.03 Advance, deposit and prepayments

Advances are initially measured at cost. After initial recognition advances are carried at cost less deductions or adjustments. Deposits are measured at payment value. Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost less charges to Statement of Profit or Loss and Other Comprehensive Income.

3.04 Cash and cash equivalents

Cash and bank balances comprise cash in hand and cash at bank which are held and available for use by the company without any restriction.

NOTES, COMPRISING A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

AS AT AND FOR THE YEAR ENDED 30 JUNE 2025

3.05 Accounts receivable and other receivables

Accounts receivables are carried at original invoice amount. EKCPLC is a 100% export oriented company and all the sales/ exports are done through L/C by banks. Receivables are considered as good and realizable. Other receivable represents accrued interest on FDR.

3.06 Accounts payable and other payables

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

3.07 Loans and borrowings

Borrowings repayable after twelve months from the date of statement of financial position are classified as non-current liabilities whereas the portion of borrowings repayable within twelve months from the date of statement of financial position, unpaid interest and other charges are classified as current liabilities.

3.08 Income tax expense

Income tax expenses comprise current tax and deferred tax. Income taxes are recognized in statement of profit or loss and other comprehensive income except to the extent that relates to items recognized directly in equity or in other comprehensive income.

3.8.1 Current Tax

Taxation is provided in accordance with fiscal regulations applicable. The company taxation is under final settlement of tax liability under section 163 of the Income Tax Act 2023 except other income. Income tax has been deducted at source under section 123 of the Income Tax Act 2023 on export from 1 July 2024 to June 30, 2025.

3.8.2 Deferred Tax

Deferred tax has been recognized in accordance with the provision of IAS 12: Income Taxes, based on the deductible or taxable temporary difference between the carrying amount of assets / liabilities and its tax base. Deferred tax asset or liability is the amount of income tax recoverable or payable in the future periods recognized in the current period. Deferred tax asset or liability does not create a legal recoverability or liability from or to tax authority. Related deferred tax income / expense is recognized in the statement of profit or loss and other comprehensive income. Deferred tax assets and liabilities are offsetted if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilised. Deferred tax assets are reviewed at each date of statement of financial position and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.09 Revenue recognition

i. Export Revenue

In accordance with the provisions of the IFRS-15 "Revenue from Contracts with Customers"; revenue from contracts with customers represents the amount that reflects the considerations to which entity expects to be entitled in exchange for goods supplied and service provided to customers during the period. Revenue from contracts with customers is recognized in the statement of Profit or Loss and Other comprehensive income when the performance obligation (supply of promised goods and services) is satisfied. Performance obligation is satisfied at a point in time when customer obtains the control of goods and services. Revenue from export is recognized at ex-factory date.

Revenue from the sale of goods is recognized when all the following conditions are satisfied:

- The company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the company; and
- The cost incurred or to be incurred in respect of the transaction can be measured reliably.

NOTES, COMPRISING A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

AS AT AND FOR THE YEAR ENDED 30 JUNE 2025

ii. Cash Incentive

Cash incentive income is recognized when Proceed Relialization Certificate (PRC) received from the bank against realization of cash incentive.

3.10 Financial expenses

Financial expenses comprise interest expense on long term loan, short term loan, finance lease and other borrowings, bank commission and charges etc. All such costs are recognized in the statement of profit or loss and other Comprehensive Income except those are capitalized in accordance with IAS 23.

3.11 Statement of Cash flows

Statement of cash flows is prepared principally in accordance with IAS-7: Cash Flows Statement and the cash flows from operating activities are presented under direct method.

3.12 Foreign currency transactions

The financial statements are presented in Bangladeshi taka (Tk./BDT), which is the company's functional currency. Transactions in foreign currencies are recorded in the books at the exchange rate prevailing on the date of the transaction. Assets and liabilities in foreign currencies as on the reporting date are converted into Bangladeshi taka at the closing rate. Exchange gain or loss is recognised in Statement of Profit or Loss and Other Comprehensive Income as per IAS 21: The Effects of Changes in Foreign Exchange Rates.

3.13 Leases

Leases in terms of which the company assumes substantially all the risks and rewards incidental to ownership are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value or the present value of the minimum lease payments. The interest rate implicit in the lease has been used to calculate the present value of minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

3.14 Earnings Per Share (EPS)

The company presents basic and diluted (when dilution is applicable) Earnings Per Share (EPS) for its ordinary shares. Basic EPS is calculated dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for the effect of change in number of shares for bonus issue, share split and reverse split. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding and for the effects of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for this financial statements as there was no dilutive potential ordinary shares during the relevant periods.

3.15 Events after the reporting period

Events after the reporting period that provide additional information about the Company's position at the date of statement of financial position or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. There are no material events that had occurred after the reporting period to the date of issue of these financial statements, which could affect the figures presented in the financial statements.

3.16 Provision

A provision is recognized on the date of financial position if, as a result of past events, the company has a present legal obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation.

3.17 Employee Benefit

i. Workers' profit participation fund and welfare fund / Contribution to Central Fund (RMG Sector):

This represent 5% of net profit before tax contributed by the company as per provisions of the Bangladesh Labour (Amendment) Act 2013 (Bangladesh Labour Law, 2006) and is payable to workers as defined in the said law complied in replaced by the Act No. 30, Para 63 of the year 2013 as Central Fund at the rate applicable for RMG sector (0.03%) on realized revenue which is deducted at source by banks.

NOTES, COMPRISING A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

AS AT AND FOR THE YEAR ENDED 30 JUNE 2025

ii. Gratuity

Regular confirmed employee of the company who have completed minimum 5 (five) years of continuous service from the date of joining are eligible to gratuity payment at the time of separation of employment with the company

3.18 Interest Income

Interest income is accrued at the applicable interest rate on bank deposits in the period in which it is incurred.

3.19 Finance costs

Finance costs comprise interest expenses on bank loan and other borrowings and are recognised as expenses in the period in which they are incurred using applicable interest rate.

3.20 Revaluation surplus

This represents the difference between book value and revalued amount of land and land development. As per IAS 16: Property, Plant and Equipment, revaluation is done with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. The fair value of land was determined from market-based evidence by an appraisal as on July 20,2020 by Masih Muhith Haque & Co. which is a professionally qualified valuer.

3.21 Impairment

(a) Financial assets

Accounts receivable and other receivable are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effects on the estimated future cash flows of that asset, that can be estimated reliably. Objective evidence that financial assets are impaired can include default or delinquency by a debtor, indications that a debtor or issuer will enter bankruptcy, etc.

(b) Non-financial assets

An asset is impaired when its carrying amount exceeds its recoverable amount. The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Carrying amount of the assets is reduced to its recoverable amount by recognizing an impairment loss if, and only if, the recoverable amount of the asset is less than its carrying amount. Impairment loss is recognized immediately in profit or loss, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease.

3.22 Comparative information

Comparative information has been disclosed in respect of year 2018-19 for all numerical information of the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period's financial statements. Last year figures have been rearranged where considered necessary to conform to current years presentation.

**NOTES, COMPRISING A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
AND OTHER EXPLANATORY INFORMATION**

AS AT AND FOR THE YEAR ENDED 30 JUNE 2025

3.23 Compliance with Financial Reporting Standards as applicable in Bangladesh:

IASs	Title	Remarks
1	Presentation of Financial Statements	Complied
2	Inventories	Complied
7	Statement of Cash Flows	Complied
8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
10	Events after the Reporting Period	Complied
12	Income Taxes	Complied
16	Property, Plant & Equipment	Complied
19	Employee Benefits	Complied
21	The Effects of Changes in Foreign Exchange Rates	Complied
23	Borrowing Costs	Complied
24	Related Party Disclosures	Complied
32	Financial Instruments: Presentation	Complied
33	Earnings per Share (EPS)	Complied
34	Interim Financial Reporting	Complied
36	Impairment of Assets	Complied
37	Provisions, Contingent Liabilities and Contingent Assets	Complied
38	Intangible Assets	Complied
IFRS	Title	Remarks
7	Financial Instruments: Disclosures	Complied
9	Financial Instruments	Complied
12	Disclosure of Interests in Other Entities	Complied
13	Fair Value Measurement	Complied
15	Revenue from Contracts with Customer	Complied
16	Leases	Complied

3.24 General

- i. Figures have been rounded off to the nearest Taka.
- ii. Previous year's figures have been rearranged wherever considered necessary to conform to the current year's presentation.

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENT
AS AT 30 JUNE 2025

SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024
4.00	Property, plant and equipment		
	(A) Cost/ Revaluation		
	i) Freehold assets		
	Opening balance	9,433,667,375	9,408,969,897
	Add: Addition during the year	4,903,800	24,697,477
		9,438,571,174	9,433,667,375
	ii) Leasehold assets		
	Opening balance	99,420,368	99,420,368
	Add: Addition during the year	-	-
		99,420,368	99,420,368
	Total (A)	9,537,991,542	9,533,087,743
	Add: Property Plant and Equipment of L'Esquire Ltd	300,299,909	280,140,656
		9,838,291,451	9,813,228,399
	(B) Accumulated depreciation		
	i) Freehold assets		
	Opening balance	3,219,498,706	2,943,729,605
	Add: Charged during the year	265,271,904	275,769,100
		3,484,770,609	3,219,498,706
	ii) Leasehold assets		
	Opening balance	97,005,656	84,578,110
	Add: Charged during the year	2,414,712	12,427,546
		99,420,368	97,005,656
	Total (B)	3,584,190,978	3,316,504,362
	Add: Property Plant and Equipment of L'Esquire Ltd	88,888,937	65,398,829
		3,673,079,914	3,381,903,191
	(C) Written Down Value (A-B)	6,165,211,537	6,431,325,208
	A schedule of property, plant and equipment is given in Annexure-A .		
5.00	Capital work-in-progress		
	Opening balance	2,770,129,271	2,550,960,234
	Add: Addition during the year	-	243,866,514
		2,770,129,271	2,794,826,748
	Less: Transferred to Property, Plant & Equipment		24,697,477
		2,770,129,271	2,770,129,271
	Add: Work in Progress of L'Esquire Ltd	1,654,743,298	1,654,743,298
		4,424,872,569	4,424,872,569
5.01	Addition during the year		
	Valuka Project		43,162,000
	Machineries in work in process		-
	New ETP Building		200,704,514
		-	243,866,514
	A schedule of capital work in progress addition during the year is given in Annexure-B .		

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENT
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SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024
6.00	<u>Investment in shares</u>		
	L'Esquire Ltd	42,000,000	42,000,000
	Investment in ICL Unit Fund	10,000,000	10,000,000
		52,000,000	52,000,000
	Less: Investment of L'Esquire Ltd	42,000,000	42,000,000
		10,000,000	10,000,000

7.00 Inventories

	Quantity		30.06.2025 Taka	30.06.2024 Taka
	30.06.2025	30.06.2024		
Yarn (kg)	1,966,397	2,100,338	1,072,343,222	649,033,593
Dyes (kg)	217,280	225,237	260,873,160	256,328,990
Chemical (kg)	400,284	857,069	272,439,857	235,793,946
Finishing Materials	-	-	1,014,395,176	1,192,856,805
Materials in transit	-	-	214,970,588	206,820,025
Spare parts and consumable items	-	-	178,904,377	234,953,115
Work in process	-	-	710,616,073	760,666,074
Finished goods (pcs.)	575,986	566,507	195,835,241	186,123,101
			3,920,377,694	3,722,575,650

A schedule of inventories is given in **Annexure-C**.

Add: Inventories of L'Esquire Ltd

314,569,868	179,196,362
4,234,947,563	3,901,772,012

7.01 Finishing Materials

Packing materials	151,211,280	416,369,166
Accessories	715,685,387	614,570,159
Sewing Thread	147,498,509	147,498,509
Printing & Embroidery materials	(0)	14,418,971
	1,014,395,176	1,192,856,805

A schedule of finishing materials is given in **Annexure-C**.

7.02 Materials in transit

	Quantity		Amount in Taka	Amount in Taka
	30.06.2025	30.06.2024		
Yarn (kg)	13,774	13,887	90,247,065	82,042,787
Dyes (kg)	8,489	9,292	29,032,209	29,624,703
Chemical (kg)	11,635	1,377	34,725,446	36,906,628
Machine	-	-	23,091,327	18,244,999
Finishing Materials	-	-	13,136,968	13,684,342
Spare Parts	-	-	24,737,573	26,316,567
			214,970,588	206,820,025

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENT
 AS AT 30 JUNE 2025

SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024
7.03	Spare parts and consumable items		
	Spareparts & Consumable items	178,904,377	234,953,115
		178,904,377	234,953,115
	A schedule of spare parts and consumable items is given in Annexure-D .		
7.04	Work in Process		
		Quantity	Amount in Taka
		30.06.2025	30.06.2024
	Knitting (kg)	1,134,106	591,019
	Finished Fabric (kg)	693,612	953,418
	Cutting (Pcs)	2,865,177	618,773
	Embroidery (Pcs)	627,137	131,401
	Printing (Pcs)	413,713	366,631
	Sewing (Pcs)	1,684,424	743,974
			710,616,073
			760,666,074
	A schedule of work in process is given in Annexure-E.		
7.05	Finished Goods (pcs.)		
		Quantity	Amount in Taka
		30.06.2025	30.06.2024
	Opening	566,507	1,215,613
	Add: Production during the year	45,653,185	26,562,033
		46,219,692	27,777,646
	Less: Delivered during the year	45,643,706	27,211,139
		575,986	566,507
			195,835,241
			186,123,101
8.00	Accounts receivables	1,597,380,764	1,544,532,346
	A schedule of account receivable is given in Annexure-F.		
	Add: Accounts Receivables of L Esquire Ltd	208,580,315	174,949,484
		1,805,961,079	1,719,481,830
	Disclosure as per Schedule XI, Part I, Para (F) of the Companies Act 1994:		
I.	Debt considered good in respect of which the company is fully secured		
	The debtors occurred in the ordinary course of business are considered good and secured against confirmed L/C.		
II.	Debt considered good for which the company hold no security other than the debtors' personal security		
	There is no such debt in this respect as on 30 June 2025.		
III.	Debt considered doubtful or bad		
	The company does not make any provision for doubtful debts as on 30 June 2025, because of the fact that sales/export are being made on 100% confirmed L/C basis with fixed maturity dates.		
IV.	Debt due by directors or other officers of the company		
	There is no such debt in this respect as on 30 June 2025.		
V.	Debt due by Common Management		
	There are no amount due from sister company under common management as on 30 June 2025.		
VI.	The maximum amount due by directors or other officers of the company		
	There is no such debt in this respect as on 30 June 2025.		

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENT
AS AT 30 JUNE 2025

SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024
	Aging of accounts receivable		
	The aging of gross trade receivables as at the statement of financial position date was:		
	Past due 0-90 days	1,597,380,764	1,544,532,346
	Past due 91-180 days	-	-
	Past due 181 -365 days	-	-
	Past due more than 365 days	-	-
		1,597,380,764	1,544,532,346
9.00	Other receivables		
	Cash incentive	33,351,600	55,586,915
	Rental Income	22,143,887	14,762,591
	Accrued interest on FDR	97,855	1,151,899
		55,593,342	71,501,406
10.00	Advance, deposit and prepayments		
	Advance	212,479,244	403,960,473
	Deposit	17,019,124	45,997,801
	Prepayments	385,727	385,727
		229,884,096	450,344,002
	Add: Advance ,deposit and Prepayments of L Esquire Ltd	18,441,254	27,436,115
		248,325,350	477,780,117
10.01	Advance		
	Advance to creditors	80,537,804	107,389,220
	Advance against salaries	21,316,092	5,191,062
	Payment to L'esquire for Valuka project	2,093,504,124	1,923,920,470
	Advance Income Tax	110,625,349	291,380,191
		2,305,983,369	2,327,880,943
	A schedule of advance given to creditors is given in Annexure-G .		
	Less: Payment to L'Esquire Ltd	2,093,504,125	1,923,920,470
		212,479,244	403,960,473
10.1.1	Advance Income Tax		
	Opening balance	291,380,191	210,909,989
	Add: Addition during the year	109,845,189	80,470,202
		401,225,380	291,380,191
	Less: Adjustment for assessment year-2021-22	46,895,541	-
	Less: Adjustment for assessment year-2022-23	60,060,668	-
	Less: Adjustment for assessment year-2023-24	103,173,620	-
	Less: Adjustment for assessment year-2024-25	80,470,202	-
		-	-
		110,625,349	291,380,191
10.1.1.1	Advance Income Tax addition		
	Advance Income Tax on Car	2,330,000	1,781,362
	Advance Income Tax on FDR Interest	1,796,677	1,790,679
	TDS on Cash Incentive	3,415,670	10,486,140
	TDS on Import Stage	891,305	891,305
	TDS on Export Proceeds	101,411,537	65,520,716
		109,845,189	80,470,202

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
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AS AT 30 JUNE 2025

SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024
10.02	Deposit		
	Guarantee margin & LC margin	4,327,770	4,327,770
	Security deposit	12,691,354	12,691,354
	FBPAR & margin account	-	28,978,677
		17,019,124	45,997,801
10.2.1	Security deposit		
	Rural Electrification Board (REB) for electricity	7,295,517	7,295,517
	Security Deposit-BSCIC	1,455,000	1,455,000
	PIL Bangladesh Ltd	400,000	400,000
	Mobile phone	60,000	60,000
	Lease rental	691,260	691,260
	Titas Gas Transmission & Distribution Company Limited for gas	2,789,577	2,789,577
		12,691,354	12,691,354
10.2.2	FBPAR & margin account		
	FBPAR A/C with DBBL -in Dollar (783)	-	-
	FBPAR A/C with DBBL -in Dollar (63)	-	-
	FBPAR A/C with DBBL -in EURO	-	-
	FBPAR A/C with EBL -in Dollar	-	28,978,677
	FBPAR A/C with EBL -in EURO	-	-
	Margin A/C with EBL -in Dollar	-	-
	Margin A/C with EBL -in EURO	-	-
		-	28,978,677
10.03	Prepayments		
	Insurance premium	385,727	385,727
		385,727	385,727
10.04	Aging of advance, deposit & prepayment		
	The aging of advance, deposit & prepayment as at the statement of financial position date was as follows:		
	Past due 0-90 days	2,305,983,369	2,408,351,145
	Past due 91-180 days	101,411,537	65,520,716
	Past due 181 -365 days	(2,190,202,164)	(1,955,749,012)
	Past due more than 365 days	12,691,354	12,691,354
		229,884,096	450,344,001
10.05	The details breakup of advance, deposit and prepayment as per requirement of Schedule XI, part I, para (J) of the Companies Act, 1994 stated below:		
	Advance, deposit and prepayments exceeding 6 months	(2,177,510,810)	(1,943,057,658)
	Advance, deposit and prepayments not exceeding 6 months	101,411,537	65,520,716
	Other advance, deposit and prepayments less provision	17,019,124	45,997,801
	Advance, deposit and prepayments considered good and secured	2,267,648,153	2,357,162,282
	Advance, deposit and prepayments due by Other Officers (against Salary)	21,316,092	5,191,062
11.00	Investment		
	Investment in FDR	137,720,994	130,608,284
		137,720,994	130,608,284

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
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AS AT 30 JUNE 2025

SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024

11.01 Investment in FDR

Bank Name	A/C No	Principle	Term (Months)	Maturity Date	Amount in Taka	Amount in Taka
IPDC	1001251000027868	5,000,000	12	03.02.26	5,831,534	5,488,284
IPDC	1001251000038986	7,500,000	12	17.04.26	8,549,410	7,965,000
IPDC	100125000038987	7,500,000	12	17.04.26	8,549,410	7,965,000
IPDC	1001251000050866	5,000,000	12	09.05.26	5,367,000	5,000,000
IPDC	1001251000051513	5,000,000	12	09.05.26	5,367,000	5,000,000
UCBLPLC	07814040000002026	10,000,000	12	14.11.2025	10,650,240	10,320,000
UCBLPLC	07814040000002037	2,500,000	12	14.11.2025	2,662,560	2,580,000
UCBLPLC	07814040000002048	10,000,000	12	14.11.2025	10,650,240	10,320,000
UCBLPLC	07814040000002059	10,000,000	12	14.11.2025	10,650,240	10,320,000
UCBLPLC	07814040000002068	2,500,000	12	14.11.2025	2,662,560	2,580,000
Shimanto	1001344001080	60,000,000	12	23.05.26	66,780,800	63,070,000
					137,720,994	130,608,284

These FDRs have been liened with above Banks and Financial Institutions for complied with the terms of sanctioned loan liabilities.

12.00 Cash and cash equivalents

Cash in hand	12.01	3,022,759	4,739,643
Cash at bank	12.02	6,939,065	436,659,292
		9,961,824	441,398,935
Add: Cash and Cash Equivalents of L Esquire Ltd		68,075,196	41,177,642
		78,037,020	482,576,577

12.01 Cash in hand

Head Office	800,000	800,000
Factory	2,222,759	3,939,643
	3,022,759	4,739,643

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NOTES TO THE FINANCIAL STATEMENT
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SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024
12.02	Cash at bank		
	Bank Name Branch A/C Type A/C No.		
	Dutch Bangla Bank PLC Local office FCAD(\$)	101.117.163	62,178
	Dutch Bangla Bank PLC Local office FCAD(€)	101.119.20	16,262
	Dutch Bangla Bank PLC Local office FCAD(\$)	1011100006900	33,968
	Dutch Bangla Bank PLC Kawran Bazar CD	101.110.36941	32,845
	Dutch Bangla Bank PLC Kawran Bazar CD	101.120.5645	15,588
	Dutch Bangla Bank PLC Kawran Bazar CD	101.120.5692	1,112,589
	Eastern Bank PLC. Principal CD	10.1106000016	38,765
	Eastern Bank PLC. Principal FCAD(\$)	101.305.3310	127,573
	Eastern Bank PLC. Principal EOQ(\$)	1013100605881	9,203
	Dutch Bangla Bank PLC. Kawran Bazar CD	107.120.484	58,019
	Jamuna Bank PLC Mohakhali CD	102.100.15098	512,726
	NCC Bank PLC CD A/C Baridhara CD	1070210001597	-
	One Bank PLC Agrabad, Ctg. CD	0031050001366	1,015,939
	AI -Arafah Islami Bank PLC VIP Road CD	141020047786	3,739,032
	AI -Arafah Islami Bank PLC Gulshan CD	541020010677	8,614
	AI -Arafah Islami Bank PLC Gulshan FCAD(\$)	0549580000352	7,147
	AI -Arafah Islami Bank PLC Gulshan FCAD(\$)	0549880000366	1,276
	AI -Arafah Islami Bank PLC Gulshan FCAD(\$)	0549850000453	20,198
	Bank Asia PLC Tower CD	62733000256	20,888
	Dutch Bangla Bank PLC. Kawran Bazar CD	1071100031497	63,278
	Shahajalal Islamic Bank PLC Eskaton CD	0331100000679	63,278
	South Bangla Ariculture PLC Gulshan CD	0010111005482	4,226
	United Commercial Bank PLC Mohakhali CD	1101000002124	5,261
	United Commercial Bank PLC Mohakhali SND	1301000000653	8,556,620
	United Commercial Bank PLC Mohakhali SND	1301000000700	494,972
	United Commercial Bank PLC Mohakhali SND	1301000000584	119,946
	United Commercial Bank PLC Mohakhali FCAD (\$)	1184000000267	51,011
	UCBPLC -FACD in USD A/C Mohakhali FCAD (\$)	1181000000193	35,513
	HSBC PLC Management Office CD	001-011576011	1,650,905
	Dutch Bangla Bank PLC. Local office CD	1011200013502	350,504,919
	Dutch Bangla Bank PLC. Local office CD	1011200007676	2,448
	One Bank PLC Agrabad, Ctg. CD	0031020009947	249,583
	Dutch Bangla Bank PLC. Local office CD	1011200007863	-
	Shimanto Bank PLC Corporate office CD	1005241000165	-
	City Bank PLC Gulshan CD	1103309469001	8,614
	Mutual Trust Bank PLC Progati Sarani CD	80210017599	108,787
	One Bank PLC Mirpur CD	110039901005	108,787
		6,939,065	436,659,292

13.00 Share capital

Authorized capital

200,000,000 Ordinary shares of Tk.10 each

2,000,000,000

2,000,000,000

Issued, subscribed and paid-up capital

134,895,833 Ordinary shares of Tk.10 each fully paid

1,348,958,330

1,348,958,330

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SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024

Details of the shareholdings are as under:

Name of Shareholders	% held	No. of shares		30.06.2025 Taka	30.06.2024 Taka
		30.06.2025	30.06.2024		
Md. Mofazzal Hossain	21.34%	28,791,667	28,791,667	287,916,670	287,916,670
Md. Ehsanul Habib	11.14%	15,032,960	15,032,960	150,329,600	150,329,600
Arifur Rahman	5.87%	7,925,000	7,925,000	79,250,000	79,250,000
Md. Muddasar Hossain	5.87%	7,925,000	7,925,000	79,250,000	79,250,000
Mrs. Piara Hossain	2.73%	3,681,343	3,681,343	36,813,430	36,813,430
Esquire Dyeing Industries Ltd.	21.93%	29,581,343	29,581,343	295,813,430	295,813,430
Esquire Accessories Ltd.	0.90%	1,214,677	1,214,677	12,146,770	12,146,770
Esquire Electronics Ltd.	4.34%	5,848,010	5,848,010	58,480,100	58,480,100
General Public and Institution	25.87%	34,895,833	34,895,833	348,958,330	348,958,330
	100.00%	134,895,833	134,895,833	1,348,958,330	1,348,958,330

The company increased its authorised capital from 1,500 million to 2,000 million by passing a special resolution in the company's Extra Ordinary General Meeting (EGM) held on 22 December 2016.

13.01 Non-controlling Interest

Share Capital (42000 Ordinary shares @ Tk.10 each)	420,000	420,000
Retained Earnings		
Opening balance	(1,349,533)	(482,515)
Add: Net profit after tax for the year	(175,351)	(867,018)
	(1,524,884)	(1,349,533)
	(1,104,884)	(929,533)

14.00 Share premium

Share premium	1,086,653,150	1,086,653,150
Less: IPO Expense	-	-
	1,086,653,150	1,086,653,150

In 2018-19, total amount of share share premium tk 1,151,041650 (20,833,332 shares @ Tk 35 premium for Eligible Investor & 14,962,501 shares @ Tk 30 premium for General Public) was received as share premium in respect of issued to share holder through IPO

15.00 Revaluation surplus

	3,739,289,135	3,739,289,135
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16.00 Retained earnings

Opening balance	2,619,518,589	2,634,674,042
Add: Net profit after tax for the year	59,907,056	56,384,411
Less: Cash dividend	71,539,863	71,539,863
	2,607,885,782	2,619,518,589

17.00 Deferred Tax liabilities

Deferred tax liabilities have been recognized and measured in accordance with the provisions of IAS 12: Income Taxes.

Deferred tax liabilities related to Profit and Loss A/C	17.01	116,015,724	124,462,461
Deferred tax Liabilities related to other comprehensive income		155,803,714	155,803,714
		271,819,438	280,266,175
Add: Deferred Tax of L' Esquire Ltd		1,312,334	(225,662)
		273,131,772	280,040,513

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENT

AS AT 30 JUNE 2025

SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024
17.01	Deferred tax liabilities		
	As at 30 June 2025		
	Deferred tax liabilities related to Profit and Loss A/C		
	Property, plant and equipment excluding land	1,935,254,564	968,456,863
	Applicable tax rate		966,797,702 12.00%
	Deferred tax liability		116,015,724
	Deferred tax Liabilities related to other comprehensive income		
	Revaluation reserve for land	3,895,092,849	Nil
	Applicable tax rate		3,895,092,849 4.00%
	Deferred tax liability		155,803,714
	As at 30 June 2024		
	Deferred tax liabilities related to Profit and Loss A/C		
	Property, plant and equipment excluding land	2,198,037,380	1,160,850,201
	Applicable tax rate		1,037,187,179 12%
	Deferred tax liability		124,462,461
	Deferred tax Liabilities related to other comprehensive income		
	Revaluation reserve for land	3,895,092,849	Nil
	Applicable tax rate		3,895,092,849 4.00%
	Deferred tax liability		155,803,714
17.02	Deferred Tax Expenses		
	Deferred Liabilities at the end of the period	116,015,724	124,462,461
	Deferred Liabilities at the beginning of the period	124,462,461	129,741,285
	Deferred Tax expenses	(8,446,737)	(5,278,824)
	Add: Deferred Tax of L'Esquire Ltd	1,537,996	(510,562)
		(6,908,741)	(5,789,386)

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENT
AS AT 30 JUNE 2025

SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024
18.00	Long term loan net of current maturity		
	International Finance Corporation 18.01	1,230,302,066	809,328,252
	Jamuna Bank PLC 18.02	2,997,798	12,715,640
	Infrastructure Development Company Limited (IDCOL)	606,030,445	632,486,106
	Al arafah Islamic Bank PLC 18.03	1,597,169,212	1,675,996,359
		3,436,499,521	3,130,526,357
	Less: Current portion of long term loan	649,287,319	451,069,640
	International Finance Corporation	117,632,823	117,632,823
	Al arafah Islamic Bank PLC	421,856,698	333,436,817
	Jamuna Bank PLC	2,997,798	-
	IDCOL	106,800,000	-
		2,787,212,202	2,679,456,717
	Add: Long Term Loan of L'Esquire Ltd	-	-
		2,787,212,202	2,679,456,717
18.01	International Finance Corporation	1,230,302,066	809,328,252

Particulars of the term loans are given below.

(Amount in USD)

Bank Name	Loan Account	Particulars	Outstanding as on 30.06.2025
International Finance Corporation	IFC	Long term loan for Expansion project	Limit: 14000000 Tenor: 8 period/years Interest Rate: 3.50(LIBOR+Margin)

Collateral: A first ranking registered Mortgage on all land and Buildings of the Company. A first raking hypothecation on all present and future movable assets(other than current assets and stocks) of the Company by executing a deed of the hypothecation. Personal joint and several first demand payment guarantee from the Sponsors.Joint and several first demand payment guarantee from the Companies.

18.02	Jamuna Bank PLC	2,997,798	12,715,640
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Details of the term loan with Jamuna Bank Limited are as under:

Bank Name	Facilities	Particulars
Jamuna Bank PLC	Term Loan	Limit: 30,000,000 Tenor: 60 months Pricing: 9.00% p.a.
Jamuna Bank PLC	Term Loan	Limit: 20,000,000 Tenor: 60 months Pricing: 9.00% p.a.

Collateral: Security cheque covering the Term Loan amount with letter of approach duly signed by the authorized person. Personal Guarantee of all the Directors of the company, supported by duly signed individual personal net worth statement. Corporate Guarantee of Shah Garments Limited, supported by MOA, AOA and Board resolution.

NOTES TO THE FINANCIAL STATEMENT

AS AT 30 JUNE 2025

SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024
18.03	Al arafa Islamic Bank PLC	1,597,169,212	1,675,996,359
	Details of the banking facilities with Dutch Bangla Bank PLC are as under:		
Bank Name	Facilities	Particulars	
AIBPLC	Back to Back LC (Foreign/Local-Sight/Deferred/UPAS/EDF) / Bills	Limit: 2,850,000,000 Tenor: 01 Year (On Revolving Basis) Pricing: 0.20% 1st Qtr. EDF LC Max. 100 Cr. And LC for Capital Machinery & SP & Equipment will be 15 Cr. EDF interest will be As per Bangladesh Bank Circular	
	Bai-Salam & Bai-Istisna (Inner Limit of Bai-Muajjal)	Limit: (550,000,000) Tenor: Bai-Istisna-60 days & Bai-Salam-120 days Pricing: 7.00% p.a.	
	Bai-Muajjal	Limit: 600,000,000 Tenor: 01 Year (On Revolving Basis) Pricing: 9.00% p.a.	
	HPSM - (Machinery -1)	Limit: 106,900,000, Tenor: Sight/Deferred/360 days UPAS Pricing: 0.20% 1st Qtr.	
	Term Loan - HPSM (Industrial) Facility	Limit: 1,460,000,000 Tenor: 8 Years Pricing: 9.00% p.a.	
	Term Loan - HPSM (Transport) Facility	Limit: 9,600,000 Tenor: 2.5 Years Pricing: 9.00% p.a.	
	Term Loan - HPSM (RE) Facility	Limit: 2,72,400,000 Tenor: 6 Years Pricing: 9.00% p.a.	
	Loan against trust receipt (LTR)	Limit: 100,000,000 Tenor: 01 Year (On Revolving Basis) Pricing: 8.75% p.a.	
	Letter of Guarantee - 1	Limit: 50,000,000 Pricing: 0.40% per quarter.	
Bank Name	Facilities	Particulars	
AIBPLC	Letter of Guarantee - 1 (One Off)	Limit: 350,000,000 Pricing: Nil	
	Letter of Guarantee - 1 (Single Case)	Limit: 2,273,600,000 Pricing: Nil	
	MDB/MDB-FC	Limit: 100,000,000 Tenor: 01 Year (On Revolving Basis) Pricing: 9.00% p.a.	
	FBP/FBC/Quard against cash assistance	As per Export Policy	

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENT
AS AT 30 JUNE 2025

Collateral: i) Registered mortgage (to be executed) of 851.85 decimal land and Factory structures thereon (458145 sft) having forced sale value of Tk. 142.96 Cr. & market value of TK. 178.70 Cr. (As per branch valuation dated 22.09.2021 & 28.10.2021) schedule of the said property is depicted below: 223.00 decimals at kanchpur, Narayanganj (129 decimals in the name of Esquire Knit Composite Ltd; 60 decimals in the name of New Dhaka Ceramic Industries Limited and 34 decimals in the name of Md. Mofazzal Hossain & Ehsanul Habib. 381.60 decimals at Mouza- Zamaldi, P. S- Gajaria, Dist.- Munshiganj (203.10 decimals in the me of Esquire Knit Composite Ltd; 178.50 decimals in the name of (i) Md. Mofazzal Hossain, (ii) Md. Ehsanul Habib, (iii) Md. Arifur Rahman, (iv) Md. Muddasar Hossain. 245.00 decimals at Mouza- Zamirdia, P. S- Vhaluka, Dist.- Mymensingh in the name of (i) Md. Mofazzal Hossain, (ii) Md. Arifur Rahman, (iv) Md. Muddasar Hossain. 7130+7130 = 14,260 (Fourteen Thousand Two Hundred Sixty) square feet on the 9th & 10th floor and 10 car parking space no. 1,2,3,4,5,6,11,21 & 22 on the basement- 2 floor of the commercial building namely "Ideal Trade Center" at Mouza- Begunbari, Tejgaon, Dhaka in the name of Esquire Knit Composite Ltd. ii) First Charge shall be created with Registrar of Joint Stock Company on the fixed & floating assets & book debts of the company both present & future within 21 days from the date of execution of documentation and certificate to be submitted from RJSC against limited company. iii) Personal Guarantee of all the directors of the company. iv) Personal Guarantee of owners mortgaged properties.

SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024
19.00	Finance lease obligation net of current maturity		
	IDLC Finance PLC	-	-
	LankaBangla Finance PLC	-	18,322,174
	IPDC Finance PLC	16,648,192	-
		-	18,322,174
	Less: Current portion of finance lease obligation-IDLC	16,648,192	-
	Less: Current portion of finance lease obligation-LankaBangla Finance PLC -	18,322,174	-
	Less: Current portion of finance lease obligation-IPDC	-	-
		-	18,322,174
		-	-
	Net Changes of L'Esquire Lease	9,143,369	7,059,041
		9,143,369	7,059,041
19.01	Lease Liabilities (Current Portion)		
		16,648,192	18,322,174
	Add: Lease Liability of L'Esquire Ltd	6,001,751	5,487,030
		22,649,943	23,809,204

IDLC Finance Limited

Esquire Knit Composite PLC entered into lease agreement with IDLC Finance Limited from the year 2016 to 2022 for vehicles. Esquire Knit Composite PLC pays fixed monthly installments which comprise principal and interest in return.

IPDC Finance Limited

Particulars of the above lease finance(vehicle) are given below.

Name of the lender	Name of Facilities	Particulars
IPDC Finance Limited	Lease Finance	Limit: 8,700,000 Tenor: 60 months Pricing: 14.00% p.a.
IPDC Finance Limited	Lease Finance	Limit: 2,750,000 Tenor: 60 months Pricing: 14.00% p.a.

NOTES TO THE FINANCIAL STATEMENT

AS AT 30 JUNE 2025

Collateral: The Security arrangements will include but are not limited to:

1. Registration & Comprehensive Insurance of the vehicles in favor of IPDC. 2. Personal Guarantee of all sponsor Directors of the Lessee(s). 3. Cross Corporate Guarantee of the Lessee(s) (Supported by Board Resolution and undertaking to amend MEMART by incorporating the clause empowering to provide corporate guarantee, if not Legally enforceable by MEMART). 4. Security cheque. 5. Post-Dated cheques (PDCs) for monthly rental payment. 6. Demand Promissory Note along with Letter of Continuation. 7. Other usual charge documents.

Details of Lease Agreement

(Amount in Taka)

Lease From	Purpose	Finance Amount	Lease Term	Monthly Rental	Rental Paid	Future Payment
IDLC	Vehicle	29,000,000	5 Years		29,000,000	-
		29,000,000		-	29,000,000	-

SL. No.	Particulars	Amount in Taka			
		30-Jun-2025	30-Jun-2024		
20.00	Short term loan				
	Al arafa Islamic Bank PLC	20.01	1,384,780,438	1,310,035,780	
	Eastern Bank PLC	20.02	334,816,561	561,181,532	
	United commercial Bank PLC	20.03	482,129,185	928,316,533	
	Bank Asia PLC		145,173,565	196,872,116	
	Alliance Finance		288,635,373	310,024,985	
	South Bangla Agriculture PLC		27,999,365	268,594,549	
	IFIL		-	50,053,023	
	Shimanto Bank PLC		276,453,381	257,495,589	
	IPDC Finance Limited		51,519,521	100,656,916	
	Mutual Trust Bank PLC			915,042	
	Lanka Bangla Finance PLC		16,648,192	-	
			3,008,155,581	3,984,146,066	
	Add: Short term Loan of L Esquire Ltd		310,556,515	336,496,359	
			3,318,712,096	4,320,642,425	
20.01	Al arafah Islamic Bank PLC				
	HPSM (Transport) Short Term			1,536,486	
	LTR- MPI (Trust Receipt)		-	-	
	Loan against EDF		707,432,948	663,668,036	
	Overdraft	20.01.01	677,347,490	644,831,258	
			1,384,780,438	1,310,035,780	
20.01.01	Overdraft				
	Name of the Bank	Branch	Account #	Amount in Taka	Amount in Taka
	OD- Bai-Muazzal (Gen) MEF			677,347,490	644,831,258
				677,347,490	644,831,258

Particulars such as the terms & conditions of the above short term loans are same as stated under Note # 17.3.

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENT
AS AT 30 JUNE 2025

SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024
20.02	Eastern Bank PLC		
	Overdraft	30,957,005	30,838,285
	Time loan normal	112,794,135	123,526,622
	Export cash credit	128,976,256	105,417,369
	Loan against EDF	62,089,164	301,399,256
		334,816,561	561,181,532

Particulars of the above banking facilities are given below:

Bank Name	Facilities	Particulars
Eastern Bank PLC	Back to Back LC (Usance/sight under EDF Including acceptance liability)	Limit: 1,800,000,000 Tenor: 180 days Pricing: 0.15% PQ.
	Acceptance (Raw Materials) [Within Line # 1]	Limit: (1,800,000,000) Tenor: 180 days Pricing: 0.15% PQ.
	Sight Letter of Credit-I (Financed through EDF) [Within Line # 1]	Limit: (1,200,000,000) Tenor: 180 days Pricing: 0.15% PQ.
	EDF Loan [Within Line # 1]	Limit: (1,200,000,000) As per Bangladesh Bank Circular
	Sight Letter of Credit (Machineries)	Limit: 50,000,000 Tenor: 360 days Pricing: 0.15% PQ.
	Usance Letter of Credit (Machineries) [Within Line # 2]	Limit: (50,000,000) Tenor: 360 days Pricing: 0.15% PQ.
	Acceptance (Machineries) [Within Line # 2]	Limit: (50,000,000) Tenor: 360 days Pricing: 0.15% PQ.
	Time Loan (Machineries) [Within Line # 2]	Limit: (45,000,000) Tenor: 360 days Pricing: 9.00% p.a.
	Letter of Guarantee	Limit: 10,000,000 Tenor: Up to 5 years Pricing: 0.20% PQ/ Minimum tk. 2500
	Packing Credit	Limit: 125,000,000 Tenor: 120 days Pricing: 7.00% p.a.

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENT
AS AT 30 JUNE 2025

Bank Name	Facilities	Particulars
Eastern Bank PLC	Pre Shipment Credit	Limit: (125,000,000) Tenor: 180 days Pricing: As per BB Circular
	Manufacturer's Demand Loan	Limit: 85,000,000 Tenor: 120 days Pricing: 9.00% p.a.
	Overdraft (OD)	Limit: 30,000,000 Tenor: 360 days Pricing: 9.00% p.a.
	Time Loan [Within Line # 7]	Limit: (50,000,000) Tenor: 180 days Pricing: 9.00% p.a.
	FDBP	Limit: 150,000,000 Tenor: 45 days for Sight & 120 days for Deferred Pricing: As per schedule of the bank
	LDBP [Within Line # 7]	Limit: (50,000,000) Tenor: 45 days for Sight & 120 days for Deferred Pricing: 9.00% p.a. for BDT and 6MI+3.5% p.a. for USD

Collateral: 1) Registered Mortgage & Registered Power of Attorney on 5.97 bigha (197) decimal land and building thereon (Solely with Eastern Bank Limited), located at Mouza: Jamaldi, P.S. & SRO: Gazaria, District: Munshiganj, owned by Esquire Knit Composite PLC. Registered Mortgage as well as subsequent EBL charge to be created with RJSC for BDT 430.00 Million, which will continue. 2) 1st Registered Mortgage & Registered Power of Attorney on 1.00 bigha (33.25) decimal land and building thereon (Solely with Eastern Bank Limited), located at Mouza: Jamaldi, P.S. & SRO: Gazaria, District: Munshiganj, owned by Esquire Knit Composite PLC. Registered Mortgage as well as subsequent EBL charge to be created with RJSC for BDT 50.00 Million.

20.03 United Commercial Bank PLC

	Branch	A/C #	Amount in Taka	Amount in Taka
Overdraft		0781749000000347	107,857,150	99,446,633
Time loan normal			301,179,709	267,594,937
Export cash credit			1,378,100	-
EDF			71,714,227	561,274,963
			482,129,185	928,316,533

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENT
AS AT 30 JUNE 2025

Particulars of the above banking facilities are given below:

Bank Name	Facilities	Particulars
United Commercial Bank PLC	Back to Back LC (Usance/sight under EDF Including acceptance liability)	Limit: 1,600,000,000 Tenor: 120 days Pricing: 0.25% PQ.
	Letter of Credit(Sight/Usance/UPAS)	Limit: 200,000,000 Tenor: 180 days Pricing: 9.00% PQ.
	Letter of Credit(Sight/Usance/UPAS)-Machinery (Inner of SLC/ULC/UPAS Limit of 20 Crore)	Limit: (50,000,000) Tenor: 360 days Pricing: 9.00% PQ.
	Loan against trust receipt (LTR)	Limit: 50,000,000 Tenor: 120 days Pricing: 9.00% PQ.
	Time Loan (Inner of LTR Limit)	Limit: (40,000,000) Tenor: 360 days Pricing: 9.00% PQ.
	LBPD	Limit: 100,000,000 Tenor: 120 days Pricing: 9.00% PQ.
	Letter of Guarantee	Limit: 50,000,000 Tenor: As per requirement Pricing: 0.25% PQ
	FBPD/OBU Discounting	Limit: 150,000,000 Tenor: 21 days Pricing: 9.00% p.a.
	Time Loan (Inner Limit of FBPD)	Limit: 80,000,000 Tenor: 90 days Pricing: 9.00% p.a.
	Time Loan	Limit: 150,000,000 Tenor: 150 days Pricing: 9.00% p.a.
	Packing Credit (Inner Limit With Time Loan)	Limit: (150,000,000) Tenor: 120 days Pricing: 7.00% p.a.
	Overdraft (OD)	Limit: 50,000,000 Tenor: 360 days Pricing: 9.00% p.a.

Collateral: Registered Mortgage of 96.00 decimal Land with 04 storied building (57,400 sft) at Mouza: Jamaldi, P.S. & SRO: Gazaria, District: Munshiganj, owned by Esquire Knit Composite PLC. Pari-passu security sharing with other lenders: AIBL, & EBL) over floating assets of the company. Personal Gurantee of all director of Esquire Knit Composite Ltd. & Esquire Dyeing Industries Limited except independent directors of Esquire Knit Composite Ltd. Corporate gurantee of Esquire Electronics Ltd., Esquire Dyeing Industries Ltd. & Esquire Accessories Ltd. with duly adopted board resolution. Post-dated MICR cheques (mode wise) signed by the authorized signatory of the company.

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENT
AS AT 30 JUNE 2025

SL. No.	Particulars	Amount in Taka																																											
		30-Jun-2025	30-Jun-2024																																										
21.00	Unclaimed Dividend	2,260,380	2,371,333																																										
	<table><tr><th>SL #</th><th>Account Number</th><th>Bank</th><th>Branch</th><th>AGM No</th><th>Taka</th><th>Taka</th></tr><tr><td>1</td><td>101-120-000-7863</td><td>DBBL</td><td>Local Office</td><td>21th</td><td></td><td>754,622</td></tr><tr><td>2</td><td>078-130-100-000-0653</td><td>UCBL</td><td>Mohakhali</td><td>22th</td><td>448765.59</td><td>448,766</td></tr><tr><td>3</td><td>078-130-100-000-0700</td><td>UCBL</td><td>Mohakhali</td><td>23th</td><td>1167945.1</td><td>1,167,945</td></tr><tr><td>4</td><td>1011200013502</td><td>DBBL</td><td>Local Office</td><td>24th</td><td>643669.75</td><td>-</td></tr><tr><td colspan="5"></td><td>2,260,380</td><td>2,371,333</td></tr></table>	SL #	Account Number	Bank	Branch	AGM No	Taka	Taka	1	101-120-000-7863	DBBL	Local Office	21th		754,622	2	078-130-100-000-0653	UCBL	Mohakhali	22th	448765.59	448,766	3	078-130-100-000-0700	UCBL	Mohakhali	23th	1167945.1	1,167,945	4	1011200013502	DBBL	Local Office	24th	643669.75	-						2,260,380	2,371,333		
SL #	Account Number	Bank	Branch	AGM No	Taka	Taka																																							
1	101-120-000-7863	DBBL	Local Office	21th		754,622																																							
2	078-130-100-000-0653	UCBL	Mohakhali	22th	448765.59	448,766																																							
3	078-130-100-000-0700	UCBL	Mohakhali	23th	1167945.1	1,167,945																																							
4	1011200013502	DBBL	Local Office	24th	643669.75	-																																							
					2,260,380	2,371,333																																							
22.00	Accounts payable																																												
	Import liability and other creditors	796,985,403	510,719,411																																										
	A schedule of import liability and other creditors is given in Annexure-H .																																												
	Add: Accounts Payable of L Esquire Ltd	94,121,081	53,573,213																																										
		891,106,484	564,292,624																																										
23.00	Liabilities for expenses																																												
	Directors' remunerations	12,000,000	35,164,000																																										
	Salary and wages	76,040,116	52,576,062																																										
	Gas Bills	56,802,162	12,320,188																																										
	Electricity	7,344,199	3,421,964																																										
	Telephone bill	77,000	77,000																																										
	WPPF payable 23.01	-	-																																										
	Wasa bill	56,692	25,000																																										
	Provision for Income Tax 23.02	149,837,914	331,495,103																																										
	Provision for Head office Floors	1,837,169	1,837,169																																										
	Financial Interest	21,435,121	5,957,561																																										
	TDS on Dividend and Expenses	19,372,141	22,378,589																																										
	Audit fees	1,725,000	862,500																																										
	Regulatory fees	1,759,376																																											
	Head office rent	6,088,000	3,044,000																																										
		354,374,890	469,159,136																																										
	Add: Liabilities for Expenses	71,109,485	58,527,698																																										
		425,484,375	527,686,834																																										
23.01	WPPF payable																																												
	Opening Balance	-	-																																										
	Add: Addition during the year	2,778,776	1,635,373																																										
		2,778,776	1,635,373																																										
	Less: Payment during the year	2,778,776	1,635,373																																										
		-	-																																										

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENT
AS AT 30 JUNE 2025

SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024
23.02	Provision for Income Tax		
	Opening balance	331,495,103	249,289,002
	Add: Provision made for the year	108,942,842	82,206,101
		440,437,945	331,495,103
	Less: Adjustment for assessment year-2021-22	46,895,541	
	Less: Adjustment for assessment year-2022-23	60,060,668	
	Less: Adjustment for assessment year-2023-24	103,173,620	
	Less: Adjustment for assessment year-2024-25	80,470,202	-
		149,837,914	331,495,103
	Income Tax provision		
	Export	104,827,207	76,006,856
	Non operating income	4,115,634	6,199,245
		108,942,842	82,206,101
	Add: Current tax of L Esquire Ltd	4,206,960	3,099,214
		113,149,802	85,305,315
24.00	Sales		
	Export sales	10,070,591,111	7,604,616,487
	Add: Export of L Esquire Ltd	1,023,873,563	329,063,754
		11,094,464,674	7,933,680,241
	Disclosure as per Schedule XI, Part II, Para 8 (e) of the Companies Act 1994:		
	i. The quantity of the company's export of knit garments in pieces:	45,643,706	27,211,139
	ii. Foreign currency earned against export on FOB Basis:		
	In USD	83,962,523	68,049,623
	In BDT	10,070,591,111	7,604,616,487
	iii. The Company has not earned any foreign exchanges for royalty, know-how, professional fees andconsultancy fees.		
	iv. The value of export for the year ended on 30 June 2024.		

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED 30 JUNE 2025

SL. No.	Particulars	Amount in Taka																				
		30-Jun-2025	30-Jun-2024																			
25.00	Cost of Goods Sold																					
	Cost of materials consumed 25.01	4,946,803,740	3,174,580,516																			
	Cost of direct labor 25.02	2,785,997,303	2,207,106,738																			
	Prime cost	7,732,801,043	5,381,687,254																			
	Factory overheads 25.03	827,605,100	795,276,320																			
	Cost of Goods put into Process	8,560,406,143	6,176,963,574																			
	Opening Work -in- process	760,666,075	868,014,023																			
	Closing Work- in- process 25.04	(710,616,073)	(760,666,075)																			
	Cost of Goods Manufactured	8,610,456,145	6,284,311,523																			
	Opening Finished Goods	186,123,101	220,056,353																			
	Cost of Goods Available for Sale	8,796,579,246	6,504,367,876																			
	Closing Finished Goods 25.05	(195,835,241)	(186,123,101)																			
		8,600,744,005	6,318,244,775																			
	Add: Raw Materials Consumption of L Esquire Ltd	930,306,171	363,621,237																			
		9,531,050,176	6,681,866,012																			
	Raw Materials Consumption																					
	Yarn 25.1.1	3,031,801,833	2,277,928,904																			
	Dyes 25.1.2	225,186,678	177,859,714																			
	Chemical 25.1.3	397,925,626	276,754,422																			
	Finishing Materials 25.1.4	1,291,889,603	442,037,476																			
		4,946,803,740	3,174,580,516																			
	Add: Raw Materials Consumption of L Esquire Ltd																					
		4,946,803,740	3,174,580,516																			
25.1.1	Yarn Consumption																					
		<table><tr><th colspan="2">Quantity in kg</th></tr><tr><th>2024 -25</th><th>2023 -24</th></tr><tr><td>Opening</td><td>2,100,338</td><td>2,423,761</td></tr><tr><td>Add: Purchase during the year</td><td>7,941,641</td><td>6,618,034</td></tr><tr><td></td><td>10,041,979</td><td>9,041,795</td></tr><tr><td>Less: Closing stock</td><td>1,966,397</td><td>2,100,338</td></tr><tr><td></td><td>8,075,582</td><td>6,941,457</td></tr></table>		Quantity in kg		2024 -25	2023 -24	Opening	2,100,338	2,423,761	Add: Purchase during the year	7,941,641	6,618,034		10,041,979	9,041,795	Less: Closing stock	1,966,397	2,100,338		8,075,582	6,941,457
Quantity in kg																						
2024 -25	2023 -24																					
Opening	2,100,338	2,423,761																				
Add: Purchase during the year	7,941,641	6,618,034																				
	10,041,979	9,041,795																				
Less: Closing stock	1,966,397	2,100,338																				
	8,075,582	6,941,457																				
		649,033,593	853,886,704																			
		3,455,111,462	2,073,075,793																			
		4,104,145,055	2,926,962,497																			
		1,072,343,222	649,033,593																			
		3,031,801,833	2,277,928,904																			
25.1.2	Dyes Consumption																					
		<table><tr><th colspan="2">Quantity in kg</th></tr><tr><th>2024 -25</th><th>2023 -24</th></tr><tr><td>Opening</td><td>225,237</td><td>227,552</td></tr><tr><td>Add: Purchase during the year</td><td>1,607,268</td><td>236,360</td></tr><tr><td></td><td>1,832,505</td><td>463,911</td></tr><tr><td>Less: Closing stock</td><td>217,280</td><td>225,237</td></tr><tr><td></td><td>1,615,224</td><td>238,674</td></tr></table>		Quantity in kg		2024 -25	2023 -24	Opening	225,237	227,552	Add: Purchase during the year	1,607,268	236,360		1,832,505	463,911	Less: Closing stock	217,280	225,237		1,615,224	238,674
Quantity in kg																						
2024 -25	2023 -24																					
Opening	225,237	227,552																				
Add: Purchase during the year	1,607,268	236,360																				
	1,832,505	463,911																				
Less: Closing stock	217,280	225,237																				
	1,615,224	238,674																				
		256,328,990	224,161,620																			
		229,730,848	210,027,084																			
		486,059,838	434,188,704																			
		260,873,160	256,328,990																			
		225,186,678	177,859,714																			

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED 30 JUNE 2025

SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024
25.1.3	Chemical Consumption		
		Quantity in kg	
		2024 -25	2023 -24
	Opening	857,069	1,062,218
	Add: Purchase during the year	3,466,052	1,733,026
		4,323,121	2,795,245
	Less: Closing stock	400,284	857,069
		3,922,837	1,938,176
25.1.4	Finishing materials Consumption		
	Opening	1,192,856,805	867,065,866
	Add: Purchase during the year	1,113,427,974	767,828,415
		2,306,284,779	1,634,894,281
	Less: Closing stock	1,014,395,176	1,192,856,805
		1,291,889,603	442,037,476
	Disclosure as per requirement of Schedule XI, Part II, Para 8		
	Raw Materials, Spare Parts, Packing Materials and Capital Machinery		
		Purchase	
	Items	Import	Local (BBLC)
	Yarn	2,764,188,724	690,922,738
	Dyes & Chemical	647,147,723	17,154,662
	Packing Materials	42,704,740	251,372,167
	Accessories	490,938,360	335,162,889
	Store & Spare-Parts	57,256,579	1,416,717
		4,002,236,126	2,592,058,346
25.02	Cost of direct labor		
	Workers wages	1,770,658,925	1,433,399,794
	Workers overtime	425,326,344	263,193,246
	Daily labor	5,255,514	8,331,343
	Salary	505,068,312	426,288,823
	Festival bonus and Provident Fund	79,688,209	75,893,532
	Add: Direct labor of L Esquire Ltd	2,785,997,303	2,207,106,738
		2,785,997,303	2,207,106,738
25.03	Factory overheads		
	Gas and electricity	447,985,868	372,012,225
	Insurance premium	5,664,492	6,787,852
	Tiffin expenses for workers	10,005,465	11,175,564
	Spare Parts Consumption	114,722,035	145,175,269
	Vehicle running (Oil and fuel)	13,245,848	13,712,397
	Local conveyance	2,747,083	2,482,047
	Telephone & Mobile bills	2,443,970	2,423,360
	Depreciation	230,790,339	241,507,606
		827,605,100	795,276,320
	Add: Factory Overheads		
		827,605,100	795,276,320

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED 30 JUNE 2025

SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024
25.04	Work in Process		

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED 30 JUNE 2025

SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024
26.02	Selling & distribution expenses		
	Inspection & certificate issue expenses	9,973,505	8,065,559
	Export permission	3,518,849	9,829,884
	Foreign Travel for marketing	6,858,814	11,068,796
	Sample and courier expenses	56,330,210	60,716,510
	Bank charges on export proceeds	204,132,405	202,651,456
	Freight charges on export	63,250,661	50,245,527
	C&F expenses on export	24,923,816	16,620,449
	Carriage outward on export(Transportation)	30,395,199	21,009,427
		399,383,459	380,207,608
27.00	Financial expenses		
	Interest on Short term loan	340,353,596	205,249,011
	Interest on Long term loan	309,122,342	231,685,380
	Interest on Finance lease		2,215,590
		649,475,938	439,149,981
	Add: Financial expenses of L Esquire Ltd	45,767,453	26,494,518
		695,243,391	465,644,499
28.00	Non operating income	16,462,537	24,796,980
	FDR Interest	9,081,241	7,003,394
	Gain/(Loss) on Surrender of unit Fund-ICL		10,412,290
	Dividend on unit Fund-ICL		-
	Rental income	7,381,296	7,381,296
	Add: Other Income of L Esquire Ltd	152,141	104,641
		16,614,678	24,901,621
29.00	Net Asset Value (NAV) Per Share		
	Total assets	17,160,669,454	17,649,918,003
	Total Liabilities	(8,378,987,940)	(8,856,428,330)
	Net Asset Value (NAV) (A)	8,781,681,513	8,793,489,673
	Revaluation reserve	(3,739,289,135)	(3,739,289,135)
	Net Asset Value (NAV) without revaluation reserve (B)	5,042,392,378	5,054,200,538
	Weighted Average Number of shares (C)	134,895,833	134,895,833
	Net Asset Value (NAV) per share with revaluation reserve (A÷C)	65.10	65.19
	Net Asset Value (NAV) per share without revaluation reserve (B÷C)	37.38	37.47
	<i>NAV with revaluation has increased due to the receivable decrease; NAV without revaluation has also decreased due to the receivable decrease.</i>		
29.01	Earnings Per Share (EPS)		
	Earning attributable to ordinary shareholders (Taka)	59,731,704	55,517,393
	Weighted Average Number of shares	134,895,833	134,895,833
	Earnings Per Share (Taka)	0.44	0.41

EPS has increased due to an increase in net profit, as well as increase in revenue compared to last year.

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED 30 JUNE 2025

SL. No.	Particulars	Amount in Taka																																																									
		30-Jun-2025	30-Jun-2024																																																								
30.00	Net Operating Cash Flow Per Share (NOCFPS)																																																										
	Net operating cash flows	231,702,008	(1,304,110,894)																																																								
	Weighted Average Number of shares	134,895,833	134,895,833																																																								
	Net operating cash flows per shares	1.72	(9.67)																																																								
	NOCFPS has increased due to an increase in revenue collection and net profit.																																																										
	Caculation of Weighted Average Number of shares																																																										
	<table><tr><th>Particulars</th><th>Formula</th><th>No of shares</th><th>No of shares</th></tr><tr><td>Allotment of Existing shares</td><td>100000000/365*365</td><td>100,000,000</td><td>100,000,000</td></tr><tr><td>Allotment of new shares</td><td>34895833/365*365</td><td>34,895,833</td><td>34,895,833</td></tr><tr><td>Allotment date: Februray 07,2019</td><td></td><td></td><td></td></tr><tr><td>Weighted Average Number of shares</td><td></td><td>134,895,833</td><td>134,895,833</td></tr></table>	Particulars	Formula	No of shares	No of shares	Allotment of Existing shares	100000000/365*365	100,000,000	100,000,000	Allotment of new shares	34895833/365*365	34,895,833	34,895,833	Allotment date: Februray 07,2019				Weighted Average Number of shares		134,895,833	134,895,833																																						
Particulars	Formula	No of shares	No of shares																																																								
Allotment of Existing shares	100000000/365*365	100,000,000	100,000,000																																																								
Allotment of new shares	34895833/365*365	34,895,833	34,895,833																																																								
Allotment date: Februray 07,2019																																																											
Weighted Average Number of shares		134,895,833	134,895,833																																																								
31.00	Clause No. 5 (2) (e) of Notification No. BSEC/CMRRCD/2006-158/208/Admin/81, Dated: 20 June 2018:																																																										
	Reconciliation of net profit with cash flow from operating activities																																																										
	Net profit after tax for the year	59,731,704	55,517,393																																																								
	Adjustment for non-cash items:																																																										
	Depreciation	291,176,724	312,056,850																																																								
	Deferred Tax Adjustment	(6,908,741)	(5,789,386)																																																								
	Changes in Working Capital:																																																										
	(Increase)/decrease in Inventory	(333,175,551)	(276,479,385)																																																								
	Decrease in Accounts receivable	(70,571,185)	(969,681,995)																																																								
	(Increase)/decrease in Advance deposit and Payments	66,837,658	128,356,286																																																								
	Increase in Accounts payable	326,813,860	(601,887,887)																																																								
	Decrease in Accrued Expenses	(102,202,459)	53,797,230																																																								
	Net cash flow from operating activities	231,702,008	(1,304,110,894)																																																								
32.00	Related party disclosures																																																										
	i) Related party transactions		(Amount in Taka)																																																								
	<table><tr><th>Name</th><th>Nature of relationship</th><th>Nature of Transaction</th><th>Opening Balance</th><th>Purchase/ receipts</th><th>Payment</th><th>Outstanding as on 30.06.2025 (Receivable)/ Payable</th></tr><tr><td>Esquire Accessories Limited</td><td>Common Management</td><td>Purchase</td><td>72,755,797</td><td>258,944,440</td><td>252,876,236</td><td>78,824,000</td></tr><tr><td>Esquire Electronics Limited</td><td>Common Management</td><td>Purchase</td><td></td><td></td><td></td><td>-</td></tr><tr><td>Esquire Dyeing Industries Limited</td><td>Common Management</td><td>Dyeing</td><td>77,390,022</td><td>99,071,138</td><td>146,516,472</td><td>29,944,688</td></tr><tr><td>Esquire Testing Services (BD) Limited</td><td>Common Management</td><td>Fabric testing fees</td><td></td><td>227,157,109</td><td>227,157,109</td><td>-</td></tr><tr><td>L'Esquire Ltd</td><td></td><td></td><td>(1,923,920,470)</td><td>-</td><td>169,583,654</td><td>(2,093,504,125)</td></tr><tr><td>Esquire Plasic Ltd</td><td>Common Management</td><td>Purchase</td><td>-</td><td>424,953</td><td>424,953</td><td>-</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td>(1,984,735,437)</td></tr></table>	Name	Nature of relationship	Nature of Transaction	Opening Balance	Purchase/ receipts	Payment	Outstanding as on 30.06.2025 (Receivable)/ Payable	Esquire Accessories Limited	Common Management	Purchase	72,755,797	258,944,440	252,876,236	78,824,000	Esquire Electronics Limited	Common Management	Purchase				-	Esquire Dyeing Industries Limited	Common Management	Dyeing	77,390,022	99,071,138	146,516,472	29,944,688	Esquire Testing Services (BD) Limited	Common Management	Fabric testing fees		227,157,109	227,157,109	-	L'Esquire Ltd			(1,923,920,470)	-	169,583,654	(2,093,504,125)	Esquire Plasic Ltd	Common Management	Purchase	-	424,953	424,953	-							(1,984,735,437)		
Name	Nature of relationship	Nature of Transaction	Opening Balance	Purchase/ receipts	Payment	Outstanding as on 30.06.2025 (Receivable)/ Payable																																																					
Esquire Accessories Limited	Common Management	Purchase	72,755,797	258,944,440	252,876,236	78,824,000																																																					
Esquire Electronics Limited	Common Management	Purchase				-																																																					
Esquire Dyeing Industries Limited	Common Management	Dyeing	77,390,022	99,071,138	146,516,472	29,944,688																																																					
Esquire Testing Services (BD) Limited	Common Management	Fabric testing fees		227,157,109	227,157,109	-																																																					
L'Esquire Ltd			(1,923,920,470)	-	169,583,654	(2,093,504,125)																																																					
Esquire Plasic Ltd	Common Management	Purchase	-	424,953	424,953	-																																																					
						(1,984,735,437)																																																					

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED 30 JUNE 2025

ii) Particulars of Directors of Esquire Knit Composite PLC as at 30 June 2025

Name of Directors	BOD of Esquire Knit Composite PLC	Entities where they have interests
Md. Ehsanul Habib	Managing Director	Esquire Knit Composite PLC
		Esquire Dyeing Industries Limited
		Esquire Electronics Limited
		Esquire Testing Services (BD) Limited
		Esquire Accessories Limited
		Esquire Plastics Limited
		Alpha Plastic & Packaging Limited
		Esquire Customer Care Limited
		Esquire Chemical Industries Limited
		Shah Garments International Limited
		Meghna Plastic Industries (Pvt) Limited
		New Dhaka Ceranic Industries (Pvt.) Limited
		Synthia Multi-Fibre Limited
		MMH Textiles Limited
		Esquire Sourcing Limited
		Sharp Media Limited
		Bangladesh German University
		Best Life Insurance Company Limited
		Thakral Information Systems (Pvt.) Limited
		Trust Solution Private Limited
		Thakral One Private Ltd
		T.M Chemical Limited
		Olive Tree Foods Limited
		Esquire Travels Ltd.
		Securex (Pvt) Ltd.
		L'Esquire Ltd
		Esquire Heavy Industries Ltd.
Md. Mofazzal Hossain	Chairman	Esquire Knit Composite PLC
		Esquire Dyeing Industries Limited
		Esquire Electronics Limited
		Esquire Testing Services (BD) Limited
		Esquire Accessories Limited
		Esquire Plastics Limited
		Esquire Customer Care Limited
		L'Esquire Ltd
		Esquire Chemical Industries Limited
		Shah Garments International Limited
		Meghna Plastic Industries (Pvt) Limited
		New Dhaka Ceramic Industries (Pvt.) Limited
		Synthia Multi-Fibre Limited
		MMH Textiles Limited
		Sharp Media Limited
		Thakral Information Systems (Pvt.) Limited
		Trust Solution Private Limited
		Thakral One Private Ltd
		Esquire Travels Ltd.

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED 30 JUNE 2025

Name of Directors	BOD of Esquire Knit Composite PLC	Entities where they have interests
Mrs. Piara Begum	Director	Esquire Knit Composite PLC
		Esquire Dyeing Industries Limited
		Esquire Electronics Limited
		Esquire Accessories Limited
Arifur Rahman	Director	Esquire Knit Composite PLC
		Esquire Dyeing Industries Limited
		Esquire Electronics Limited
		Esquire Testing Services (BD) Limited
		Esquire Accessories Limited
		Esquire Plastics Limited
		Alpha Packaging Limited
		Esquire Customer Care Limited
		L'Esquire Ltd
		Esquire Chemical Industries Limited
		Shah Garments International Limited
		Meghna Plastic Industries (Pvt) Limited
		New Dhaka Ceramic Industries (Pvt.) Limited
		Synthia Multi-Fibre Limited
		MMH Textiles Limited
		Esquire Sourcing Limited
Md. Muddasar Hossain	Director	Sharp Media Limited
		Trust Solution Private Limited
		Esquire Travels Ltd.
		Esquire Knit Composite PLC
		Esquire Dyeing Industries Limited
		L'Esquire Ltd
		Esquire Electronics Limited
		Esquire Testing Services (BD) Limited
		Esquire Accessories Limited
		Esquire Plastic Limited
		Esquire Chemical Industries Limited
		Meghna Plastic Industries (Pvt) Limited
		New Dhaka Ceramic Industries (Pvt.) Limited
		Synthia Multi-Fibre Limited
		MMH Textiles Limited
		Esquire Customer Care Limited
		Esquire Travels Ltd.

33.00 Capital expenditure commitment

Details of capital expenditure commitment as of 30 June 2025 are as under:

Particulars	Total Cost value estimated	Paid till 30.06.25	to be paid
Valuka Project	2,800,000,000	2,770,129,271	29,870,729

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED 30 JUNE 2025

34.00 Disclosure as per Schedule XI, Part II, Para 3 of the Companies Act 1994

Number of employee

Factory:

Textile and Apparels:

Number of full-time employee (Officers & Staff)

Number of full-time employee (Workers)

Head Office:

Number of full-time employee (Officers & Staff)

Number of full-time employee (Workers)

All the aforesaid employees engaged by the Company for the whole year or part thereof individually received a total salary of Tk. 70,055 or above.

No. of Employee	No. of Employee
985	1,046
5,485	5,594
165	180
-	-

SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024

35.00 Disclosure as per Schedule XI, Part II, Para 4 of the Companies Act 1994

Directors are also executives of the company. Their executive compensation for the year ended on 30 June 2025 is given below:

Managing Director's remuneration and benefit

35.01

Other Directors' salary and benefit

35.02

Other key management personnels' salary and benefit

35.03

6,000,000	6,000,000
12,000,000	4,000,000
37,995,319	26,349,829
55,995,319	36,349,829

35.01 Managing Director's remuneration and benefit

Salary

6,000,000	6,000,000
-----------	-----------

35.02 Other Directors' salary and benefit

Salary

12,000,000	4,000,000
------------	-----------

35.03 Other key management personnels' salary and benefit

Salary

Allowance

Bonus

Providend fund

31,951,685	23,951,685
590,274	439,395
3,530,615	1,958,749
1,922,745	
37,995,319	26,349,829

Board Meeting attendance fees have been provided to the directors of the company for the year.

The Directors of the company did not take any benefit from the company other than the remuneration and -

a.	Expense reimbursed to the managing agent -	Nil
b.	Commission or other remuneration payable separately to a managing agent or his associate -	Nil
c.	Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into such concerns with the company -	Nil
d.	The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year -	Nil
e.	Any other perquisites or benefit in cash or in kind stating -	Nil
f.	Other allowances and commission including guarantee commission -	Nil
	1) Pensions	
	2) Gratuities	
	3) Payment from Provident Fund	
	4) Compensation for loss of office	
	5) Consideration in connection with retirement from office	

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED 30 JUNE 2025

SL. No.	Particulars	Amount in Taka		
		30-Jun-2025	30-Jun-2024	
36.00	Disclosure as per Schedule XI, Part II, Para 7of the Companies Act 1994			
	Particulars			
	<u>Textiles:</u>			
	Installed Capacity (Kg)	12,775,000	12,775,000	
	Actual Production (Kg)	7,919,463	6,316,063	
	Utilization	61.99%	49.44%	
	<u>Apparels:</u>			
	Installed Capacity (Pcs)	49,920,000	49,920,000	
	Actual Production (Pcs)	45,653,185	26,562,033	
	Utilization	91.45%	53.21%	
37.00	Transaction in foreign currency			
	C & F value of import			
	Finishing Materials	7,035,541	5,216,186	
	Yarn	19,228,540	19,374,540	
	Dyes & Chemicals	5,703,564	5,344,131	
	Capital Machinery	2,574,850	205,224	
		34,542,494	30,140,081	
	FOB Value of Export (USD)	75,919,079	64,996,722	
38.00	Financial risk management			
	The management of the company has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies have been established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The company has exposure to the following risks from its use of financial instruments.			
	*Credit Risk			
	*Interest Rate Risk			
	*Currency Risk			
	*Liquidity/funding risk			
	*Market risk			
38.01	Credit risk			
	Credit risk is the risk of a financial loss to the company if a client or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables.			
	As the company is involved in 100% export oriented business, all the sales are made against Letter of Credit (L/C). L/Cs provide guarantee against credit sales and minimise the credit risk to an acceptable level. Bills receivable arises due to the time difference between submission of bills to the bank for collection of proceeds and actual realisation of the proceeds.			
	The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:			
	Accounts receivables	8.00	1,805,961,079	1,719,481,830
	Advance, deposit and prepayments	10.00	248,325,350	477,780,117
	Cash & Bank Balances	12.00	78,037,020	482,576,577
			2,132,323,449	2,679,838,526

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED 30 JUNE 2025

The maximum exposure to credit risk for trade and other receivables as at the statement of financial position date by geographic regions was:

Domestic	2,044,417,028	2,367,333,572
Foreign	87,906,421	324,978,960
	2,132,323,449	2,679,838,526

38.02 Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they falls due. The company's approach to managing liquidity (cash and cash equivalents) 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. Typically, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast 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.

The following are the contractual maturities of financial liabilities of the company:

As on 30 June 2025

	Contractual cash flows (Taka)	1 year or less Taka	More than 1 year Taka
Long term loan	3,436,499,521	-	3,436,499,521
Finance Lease obligation	31,793,312	-	31,793,312
Short term loan	3,318,712,096	1,991,227,257	1,327,484,838
Provision for income tax	149,837,914	149,837,914	-
Liabilities for expenses	204,536,976	204,536,976	-
Accounts payable	891,106,484	891,106,484	-
	8,032,486,302	3,236,708,631	4,795,777,672

As on 30 June 2024

	Contractual cash flows (Taka)	1 year or less Taka	More than 1 year Taka
Long term loan	2,498,040,251	-	2,498,040,251
Finance Lease obligation	30,868,245	-	30,868,245
Short term loan	4,953,128,531	2,971,877,119	1,981,251,412
Provision for income tax	331,495,103	331,495,103	-
Liabilities for expenses	137,664,033	137,664,033	-
Accounts payable	564,292,624	564,292,624	-
	8,515,488,786	4,005,328,879	4,510,159,908

38.03 Market risk

Market risk is the risk that any change in market prices, such as foreign exchange rates and interest rates will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

In the past, in some occasion large buyers of different RMG exporters has decided to withdraw business, or has become bankrupt or were subject to regulatory injunction from importing from Bangladesh, creating a strong impact on the exporter. For EKCPLC single buyer concentration is not a major issue and they have longstanding relationship with overseas buyers. All of them regard EKCPLC as their global partners and the relationship can only be disrupted if EKCPLC fails to perform its commitments. Also, because of its dominant position in the export market it is always sought after by many buyers.

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED 30 JUNE 2025

38.04 Currency risk

The company is exposed to currency risk on receiving of sales proceeds and payments made for raw materials purchase as well. Maximum of the company's foreign currency transactions are denominated in USD.

i) Exposure to currency risk

The company's exposure to foreign currency risk was as follows based on notional amounts:

Foreign currency denominated assets

Accounts Receivable
FBPAR A/C with DBBL-in USD(78)3
FBPAR A/C with Dutch Bangla Bank PLC(USD)
FBPAR A/C with Dutch Bangla Bank PLC(Euro)
Margin A/C with Eastern Bank PLC(USD)
Margin A/C with Eastern Bank PLC(Euro)
Dutch Bangla Bank PLC FCAD (USD account)
Dutch Bangla Bank PLC FCAD (Euro account)
DBBL FCAD-in Dollar
Eastern Bank PLC (USD account)

Foreign currency denominated liabilities

AIBL-EDF
EBL-EDF
UCBL-EDF
IFC Loan
Accounts Payable

Net exposure

The following rate has been applied:
Taka/USD
Taka/EURO

30.06.2025	30.06.2024
USD	USD
5812530.712	13,201,131
-	
-	
-	139
-	
-	247,681
167,600	
-	
281	281
-	
5,980,411	13,449,232
-	(5,672,376)
	(2,576,062)
	(4,797,222)
	(6,917,335)
(8,645,845)	(4,365,123)
(8,645,845)	(24,328,119)
(2,665,433)	(10,878,887)
30.06.2025	30.06.2024
Taka	Taka
121.00	117.00
125.00	125.00

38.05 Business Risk

Managing Compliance – Currently RMG buyers specially the large buyers are very demanding and constantly tightening the compliance criteria. EKCPCL has been in the forefront of compliance among the RMG exporters in the county. They have compliant plants with effluent water treatment facility, childcare facility, adequate ventilation, spacious infrastructure lay out, etc. Till now they were able to meet all the compliance challenge in their 30 year plus business experience and is likely to do so in the coming years. EKCPCL mitigates compliance risk since it is WRAP certified and passed other audits from Department of Environment (DOE) and overseas buyers.

Achievement of sales volume – Historically, EKCPCL has been successful to achieve its sales target after expansion as most of its expansions are planned after receiving order indications from its buyers.

38.06 Interest Rate Risk

EKCPCL is enjoying banks finance in the form of working capital as well as term loan. As a bank fund borrower, the entity has to pay a significant amount of loan interests and charges. Bangladesh Bank has moved to remove the interest rate ceiling on lending in the wake of a massive liquidity crisis in the financial market letting the price to be determined by functioning of demand-supply interaction. This measure may invite interest rate instability, which may create volatility in the profitability of business like EKCPCL. It is the company risk of gain or losses on assets and liabilities due to changes in interest rates.

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENT
 FOR THE YEAR ENDED 30 JUNE 2025

Exposure of Interest Rate Risk

Fixed Rate Bearing
 Term Loan
 Short Term Loan

30.06.2025	30.06.2024
Taka	Taka
3,468,292,833	2,528,908,496
3,318,712,096	4,953,128,531

38.07 Operation Risk

Technology is a continuous process of development. Innovation of new and cost effective technology may obsolete existing technology, which may cause negative impact on the business. The project is equipped with good machineries and technology to cope with the modern textile world. The management both in head office and production premises seem to be competent and maintain the standard level of quality and to run the operations effectively. However, in order to reduce the operational risk, the company is yet to ensure an external control mechanism. The company has minimum exposure to operational risk.

38.08 Raw Material Supply Risk

The company receives yarn, dyes & chemicals both from local as well as foreign suppliers. Import based supplies are likely to be affected by any uncontrollable event or country risk to transaction or political barrier. Since inception the company did not face any such uncontrollable events so far because of maintaining good supply chain relationship with the suppliers of raw materials and in exceptional cases, it is confident to make alternative arrangement at shorter notice.

38.09 Exchange Rate Risk

Exchange rate risk arises from currency fluctuation in international trade. If Bangladeshi Taka is devalued and/or foreign currency revalued than the price of imported raw materials will go up which will decrease the overall profit margin. As the company is dependent upon the import for yarn, dyes, chemicals & accessories and in future it will be the same, volatility of exchange rate will have an impact on profitability of the company. For last couple of years, Bangladeshi Taka found carrying floated value and expected to follow the same which expose the company to significant exchange rate risk.

38.10 Power Generation Risk

The industrial bases of Bangladesh are mainly aided by natural gas-driven power generation which causes disruption occasionally and the weaving industry is not an exception. Smooth availability of gas will ensure the maximum functioning of the machineries. EKCPCLC uses natural gas to produce power from captive power plant. Currently a circular from government has emerged to arrange alternate of gas due to recent acute gas crisis. The company is connected with 15 PSI gas line and currently does not any problem of gas pressure. So other things being constant, EKCPCLC does not foresee significant risk for power generation.

39.00 Date of Authorisation

The Board of directors has authorised these financial statements for issue on 30 October 2025.



Chairman



Managing Director



Director



Company Secretary



Chief Financial Officer

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT

AS AT 30 JUNE 2025

(Annexure-A)

Name of the assets	Cost			Rate (%)	Depreciation			Written Down Value as on
	Balance as on	Addition During the period	Balance as on		Balance as on	Charges for	Balance as on	
	01.07.2025		30.06.2025		01.07.2025	the period	30.06.2025	30.06.2025
a. Freehold assets								
Land & Land development	123,453,152		123,453,152	-	-	-	-	123,453,152
Building	1,222,820,029		1,222,820,029	5%	721,671,635	61,141,001	782,812,636	440,007,392
Plant & Machinery	3,820,791,953	2,703,100	3,823,495,053	7%	2,188,665,996	169,649,338	2,358,315,334	1,465,179,719
Furniture and Office Equipment	310,174,189	2,200,700	312,374,889	10%	259,802,378	31,237,489	291,039,867	21,335,022
Motor Vehicle	28,894,445		28,894,445	13%	28,894,445		28,894,445	-
Software & IT	32,440,757		32,440,757	10%	20,464,251	3,244,076	23,708,327	8,732,430
Sub-Total	5,538,574,524	4,903,800	5,543,478,324		3,219,498,705	265,271,904	3,484,770,609	2,058,707,715
b. Revalued assets								
Land & Land Development	3,895,092,849		3,895,092,849	-	-	-	-	3,895,092,849
Sub-Total	3,895,092,849	-	3,895,092,849		-	-	-	3,895,092,849
c. Leasehold assets								
Motor Vehicle	99,420,368		99,420,368	13%	97,005,656	2,414,712	99,420,368	0
Sub-Total	99,420,368	-	99,420,368		97,005,656	2,414,712	99,420,368	0
Grand total as on 30 June 2025	9,533,087,741	4,903,800	9,537,991,541		3,316,504,361	267,686,616	3,584,190,977	5,953,800,565
Grand total as on 30 June 2024	9,508,390,265	24,697,477	9,537,991,541		3,028,307,715	288,196,646	3,316,504,361	6,221,487,180

Break-up of Land and Land Development:

 Land acquisition cost
 Land development cost

 83,297,266
 40,155,886
123,453,152
Allocation of depreciation:

 Factory overhead
 Office & Administrative Expenses

 230,790,339
 36,896,277
267,686,616

Note: Land and land development has been revalued on 20 July 2020 by an independent valuer

 i) **Name of Valuer :** Masih Muhith Haque & Co. Chartered Accountants

 ii) **Valuation method :** Estimated Net Realizable Value Method (the market approach).

 iii) **Date of Capitalization:** Revaluation surplus capitalized on 20 July 2020

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY

ADDITION OF CAPITAL WORK IN PROGRESS

AS AT 30 JUNE 2025

(Annexure-B)

Particulars	Total Cost	Cost incurred
Valuka Building construction	2,900,000,000	2,770,129,271
Total	2,900,000,000	2,770,129,271

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY

STORE LEDGER SUMMARY

AS AT 30 JUNE 2025

(Annexure-C)

Sl #	Particulars	Opening		Purchase		Issue/Consumption		Closing Balance	
		Qty	BDT	Qty	BDT	Qty	BDT	Qty	BDT
Raw material									
1	Yarn	2,100,338	649,033,593	7,941,641	3,455,111,462	8,075,582	3,031,801,833	1,966,397	1,072,343,222
2	Dyes	225,237	256,328,990	1,607,268	229,730,848	1,615,224	225,186,678	217,280	260,873,160
3	Chemical	857,069	235,793,946	3,466,052	434,571,537	3,922,837	397,925,626	400,284	272,439,857
Finishing Materials									
4	Packing materials	-	416,369,166	-	294,076,907	14,998,084	559,234,793	-	151,211,280
5	Accessories	-	614,570,159	-	811,682,278	-	710,567,050	-	715,685,387
6	Sewing Thread	-	147,498,509	-	-	-	-	-	147,498,509
7	Printing & Embroidery materials	-	14,418,971	-	7,668,789	-	22,087,760	-	(0)
WIP and Finished Goods									
8	Work in Process	-	760,666,075	-	-	-	-	-	710,616,073
9	Finished goods-pcs	566,507	186,123,101	-	-	-	-	575,986	195,835,241
10	Materials in transit	-	206,820,025	-	-	-	-	-	214,970,588
Sub-Total		3,749,151	3,487,622,535	13,014,961	5,232,841,821	28,611,727	4,946,803,740	3,159,948	3,741,473,317
Factory overhead (Repair and Maintenance)									
1	Spare parts & consumable items	-	234,953,115	-	58,673,296	-	114,722,035	-	178,904,377
Sub-Total		-	234,953,115	-	58,673,296	-	114,722,035	-	178,904,377
Grand Total		3,749,151	3,722,575,650	13,014,961	5,291,515,117	28,611,727	5,061,525,774	-	3,920,377,694

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY

SPARE PARTS ITEMS

AS AT 30 JUNE 2025

(Annexure-D)

Sl. No.	Items	Unit	30.06.2025		30.06.2024	
			Qty	Amount	Qty	Amount
1	Air Conditioner	BOTTLE	2	91,517	5	61,517
2	Air Conditioner	PCS	11	86,715	11	86,715
3	Air Conditioner	SET	5	614,270	5	614,270
4	Ball Bearing	PCS	2,958	925,286	2,958	925,286
5	Timing Belt	MTR	85	10,141	85	10,141
6	Timing Belt	PCS	965	673,866	965	673,866
7	Toothed Belt	PCS	452	759,603	452	759,603
8	V-Belt	PCS	3,565	881,338	3,565	881,338
9	Common (All)	KG	8	1,505	8	1,505
10	Common (All)	LBS	735	873,002	735	873,002
11	Common (All)	PCS	4,577	230,727	4,577	230,727
12	Common (All)	SET	20	10,919	20	10,919
13	Band Knife M/C	SET	21	4,411	21	4,411
14	Common M/C (Cutting)	PCS	6,536	691,199	6,536	691,199
15	FK Spreading Machine 590	PCS	22	2,273	22	2,273
16	FK Top Cut 9 M/C	PCS	202	420,820	202	420,820
17	Manual M/C	PCS	5,288	7,128,665	5,288	7,128,665
18	Spreader M/C (Brio 100)	PCS	377	541,397	377	541,397
19	VT-7000 M/C	BOX	1,228	471,045	1,228	471,045
20	VT-7000 M/C	PCS	1,559	1,000,052	1,559	1,000,052
21	VT-MX M/C	PCS	1,130	2,068,299	1,130	2,068,299
22	VT-MX M/C	PAIR	9	27,918	9	27,918
23	Automatic Tubular Emb M/C	PCS	1,278	300,052	1,278	300,052
24	Laser Cutter M/C	PCS	52	243,582	52	243,582
25	MG M/C	MTR	21	10,727	21	10,727
26	MG M/C	PCS	6,224	609,847	6,224	609,847
27	MG M/C	SET	9	2,248	9	2,248
28	Sunstar M/C	PCS	1,228	108,799	1,228	108,799
29	Tajima M/C	PCS	4,073	202,286	4,073	202,286
30	Auto Brass M/C	PCS	41	3,199	41	3,199
31	Biancalani Dryer Machine	PCS	12	328,221	12	328,221
32	Corino Slitting Machine	PCS	701	200,582	701	200,582
33	Dozzatex M/C	PCS	8	48,372	8	48,372
34	Egalizing Dryer M/C	PCS	11	518,823	11	518,823
35	Ferraro Compacting M/C	FEET	136	29,621	136	29,621
36	Ferraro Compacting M/C	PCS	203	811,524	203	811,524
37	Ferraro Compacting M/C	ROLL	22	257,020	22	257,020

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY

SPARE PARTS ITEMS

AS AT 30 JUNE 2025

Sl. No.	Items	Unit	30.06.2025		30.06.2024	
			Qty	Amount	Qty	Amount
38	Ferraro Compacting M/C	SET	8	506	8	506
39	Fongs M/C (F/D)	PCS	86	58,807	86	58,807
40	Fongs M/C (F/D)	SET	79	42,373	79	42,373
41	Lafer Compacting M/C	PCS	23	500,850	23	500,850
42	Lafer Sueding M/C	MTR	707	200,844	707	200,844
43	Mario Crosta(Brassing) M/C	MTR	126	37,887	126	37,887
44	Mario Crosta(Brassing) M/C	PCS	9	10,513	9	10,513
45	NPL M/C	PCS	40	591	40	591
46	NPL M/C	SET	16	591	16	591
47	Q Sun M/C	PCS	34	32,599	34	32,599
48	Robolab M/C	PCS	1,295	447,129	1,295	447,129
49	Santex M/C	FEET	121	1,895	121	1,895
50	Santex M/C	PCS	170	162,503	170	162,503
51	Sclavos M/C	PCS	1,186	245,649	1,186	245,649
52	Sclavos M/C	SET	124	22,818	124	22,818
53	Slitting M/C	FEET	124	49,559	124	49,559
54	Slitting M/C	MTR	68	8,537,756	202	8,537,756
55	Slitting M/C	PCS	308	2,572,227	308	2,572,227
56	Slitting M/C	SET	114	206,052	114	206,052
57	Smartex M/C	FEET	131	5,561	131	5,561
58	Smartex M/C	PCS	174	71,362	174	71,362
59	Soft Flow Dyeing M/C	PCS	116	121,901	116	121,901
60	Soft Flow Dyeing M/C	SET	114	18,165	114	18,165
61	Stenter M/C	COIL	109	17,092	109	17,092
62	Stenter M/C	FEET	171	11,305	171	11,305
63	Stenter M/C	MTR	912	187,129	912	187,129
64	Stenter M/C	PCS	2,130	587,016	2,130	587,016
65	Tube Tex M/C	FEET	355	85,460	355	85,460
66	Tube Tex M/C	PCS	244	3,814,464	244	3,814,464
67	Tube Tex M/C	SET	116	118,273	116	118,273
68	Ultra Soft M/C	PCS	133	39,961	133	39,961
69	Washing M/C	PCS	111	63,832	111	63,832
70	Bartack M/C	PCS	115	411	115	411
71	Bartack M/C	SET	113	3,281	113	3,281
72	Button Hole & Stitch M/C	PCS	1,538	255,323	1,538	255,323
73	Button Hole & Stitch M/C	SET	119	23,789	119	23,789
74	Common (Garments)	PCS	1,241	243,032	1,241	243,032
75	Common (Garments)	POT	109	3,057	109	3,057
76	Feet of the Arm M/C	PCS	111	923	111	923
77	Feet of the Arm M/C	SET	115	10,523	115	10,523

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY

SPARE PARTS ITEMS

AS AT 30 JUNE 2025

Sl. No.	Items	Unit	30.06.2025		30.06.2024	
			Qty	Amount	Qty	Amount
78	Finishing Section	PCS	748	135,170	748	135,170
79	Finishing Section	SET	119	111	119	111
80	Flat Lock M/C	PCS	3,574	442,813	3,574	442,813
81	Flat Lock M/C	SET	179	62,661	179	62,661
82	Flat Seamer M/C	PCS	150	10,139	150	10,139
83	Fusing M/C	PCS	111	27,548	111	27,548
84	Kancai M/C	PCS	119	5,507	119	5,507
85	Kancai M/C	SET	105	41,031	105	41,031
86	Needle (Garments)	PCS	138	205	138	205
87	Needle (Garments)	PKT	10,050	466,310	10,050	466,310
88	Over Lock M/C	PCS	1,383	234,279	1,383	234,279
89	Over Lock M/C	SET	143	44,154	143	44,154
90	Pattern Cutting M/C	PCS	113	8,291	113	8,291
91	Plain M/C	PCS	5,055	258,994	5,055	258,994
92	Plain M/C	SET	208	75,620	208	75,620
93	Rib Cutter M/C	PCS	2,111	206,078	2,111	206,078
94	Rib Cutter M/C	SET	259	133,881	259	133,881
95	Snap Button M/C	PCS	107	40,973	107	40,973
96	Snap Button M/C	SET	112	-	112	-
97	8 Needles Cord Knitting Machin	PCS	112	-	112	-
98	Fukuhara M/C	PCS	1,136	1,260,820	1,136	1,260,820
99	Jack	PCS	2,424	163,594	2,424	163,594
100	Mayer & Cie M/C	BOX	119	167	119	167
101	Mayer & Cie M/C	PCS	2,542	635,828	2,542	635,828
102	Mayer & Cie M/C	PKT	101	1,150	101	1,150
103	Mayer & Cie M/C	SET	107	13,712	107	13,712
104	Needle (Knitting)	PCS	135,107	561,407	135,107	561,407
105	Orizo M/C	FEET	-	-	-	-
106	Orizo M/C	PCS	20	732,403	20	732,403
107	Orizo M/C	SET	383	82,827	383	82,827
108	Pailung M/C	PCS	9	2,319	9	2,319
109	Re-winder M/C	PCS	1,035	116,131	1,035	116,131
110	Santoni Machine	PCS	121	233,014	121	233,014
111	Shima Shiki M/C	LTR	108	32,344	108	32,344
112	Shima Shiki M/C	PCS	201	911,985	201	911,985
113	Shima Shiki M/C	SET	1,998	44,165	1,998	44,165
114	Sinker	PCS	99	948,647	99	948,647
115	Stoll M/C	KG	4,388	114,032	4,388	114,032
116	Stoll M/C	LTR	106	195,269	106	195,269
117	Stoll M/C	SET	212	36,050	212	36,050

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY

SPARE PARTS ITEMS

AS AT 30 JUNE 2025

Sl. No.	Items	Unit	30.06.2025		30.06.2024	
			Qty	Amount	Qty	Amount
118	Photo Copier	PCS	91	116,317	91	116,317
119	Injection Moulding M/C SA-3	PCS	89	117,458	89	117,458
120	Label Cutting(Hy-2080) M/C	PCS	113	129,784	113	129,784
121	Label Printer(PT-6/2) M/C	PCS	109	314,416	109	314,416
122	Thermal Printer(SP4011-R) M/C	PCS	121	63,499	121	63,499
123	Alpha-8 26 Station 12Color M/C	PAIR	72	70,393	72	70,393
124	Alpha-8 26 Station 12Color M/C	PCS	76	633,423	76	633,423
125	Auto M/C	PCS	170	758,248	170	758,248
126	Caynne Quartz Flash "D" M/C	PCS	291	259,000	291	259,000
127	Caynne Quartz Flash "E" M/C	PCS	118	215,273	118	215,273
128	Challenger M/C	PCS	92	117,783	92	117,783
129	Chamelion M/C (Manual)	PCS	105	284,975	105	284,975
130	Diamond Back M/C	PCS	185	264,658	185	264,658
131	Exposer M/C (Manual)	PCS	121	295,500	121	295,500
132	Gas Dryer M/C	PCS	176	145,613	176	145,613
133	Hit Press M/C	PCS	95	145,635	95	145,635
134	Motif Setter Machine	SET	104	98,196	104	98,196
135	Performa-18 Colour Auto M/C	PCS	172	394,950	172	394,950
136	Takana Quartz Flash (CE03) M/C	PCS	312	170,459	312	170,459
137	Value Jet 1638 Printer (Sublim)	PCS	170	2,231,667	170	2,231,667
138	Rubber & Seal Items	COIL	167	11,421	167	11,421
139	Rubber & Seal Items	FEET	90	59,417	90	59,417
140	Rubber & Seal Items	LBS	1,207	37,517	1,207	37,517
141	Rubber & Seal Items	PCS	403	3,178,066	403	3,178,066
142	Rubber & Seal Items	SET	15,337	520,649	15,337	520,649
143	Tools	BOX	129	582,028	129	582,028
144	Tools	PAIR	219	459,172	219	459,172
145	Tools	PCS	259	1,725,319	259	1,725,319
146	Tools	PKT	1,401	52,000	1,401	52,000
147	Tools	SET	134	192,761	134	192,761
148	Boiler	KG	83	436,433	83	436,433
149	Boiler	LBS	600	420,434	600	420,434
150	Generator (Gas)	PCS	253	1,975,360	253	1,975,360
151	Valve	PCS	303	933,379	303	933,379
152	S.S.M. M/C	PCS	217	50,663	217	50,663
153	Tong Gang M/C	PCS	90	441,943	90	441,943
154	Automobile	LTR	52	313,804	52	313,804
155	Automobile	ML	895	6,864,294	895	6,864,294
156	Automobile	MTR	-	68,184	-	68,184
157	Automobile	PCS	109	490,915	109	490,915

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY

SPARE PARTS ITEMS

AS AT 30 JUNE 2025

Sl. No.	Items	Unit	30.06.2025		30.06.2024	
			Qty	Amount	Qty	Amount
158	Automobile	POT	10	10,190	10	10,190
159	Computer Accessories	COIL	31	864,236	31	864,236
160	Computer Accessories	PCS	646	2,248,425	646	2,248,425
161	Computer Accessories	PKT	113	210,660	113	210,660
162	Medical Equipment	SET	41	252,629	41	252,629
163	Medicine	BOTTLE	-	71,316	-	71,316
164	Medicine	BOX	-	12,470	-	12,470
165	Medicine	PCS	-	5,250,781	-	5,250,781
166	Medicine	TUBE	-	62,811	-	62,811
167	Auxiliary Contructor	PCS	477	374,620	477	374,620
168	Balast	PCS	130	152,610	130	152,610
169	Cable	COIL	524	1,307,793	524	1,307,793
170	Cable	FEET	960	85,330	960	85,330
171	Cable	KG	227	780,219	227	780,219
172	Cable	MTR	680	1,915,880	680	1,915,880
173	Cable Socket	PCS	54,267	979,301	54,267	979,301
174	Capacitor	PCS	5,739	684,350	5,739	684,350
175	Charger Battery	PCS	1,163	128,939	1,163	128,939
176	Circuit Breaker	PCS	24	1,276,413	24	1,276,413
177	Common (Electrical)	FEET	24	229	24	229
178	Common (Electrical)	KG	102	104,090	102	104,090
179	Common (Electrical)	MTR	1,441	100,959	1,441	100,959
180	Common (Electrical)	PCS	11,970	1,003,376	11,970	1,003,376
181	Common (Electrical)	PKT	386	224,920	386	224,920
182	Common (Electrical)	SET	123	59,821	123	59,821
183	Converter	PCS	82	1,154,987	82	1,154,987
184	Cooling Fan	PCS	482	417,153	482	417,153
185	Cut Out	PCS	346	49,467	346	49,467
186	DB Board	PCS	363	199,179	363	199,179
187	Electric Bulb	PCS	2,142	1,101,309	2,142	1,101,309
188	Electronic Card	PCS	23	1,127,960	23	1,127,960
189	Fuse	PCS	11,668	596,503	11,668	596,503
190	Holder	PCS	1,064	114,279	1,064	114,279
191	Holder	SET	567	215,477	567	215,477
192	Inverter	PCS	4	1,064,618	4	1,064,618
193	Magnetic Contructor	PCS	87	3,077,761	87	3,077,761
194	Meter	PCS	100	2,030,740	100	2,030,740
195	Motor	PCS	408	947,473	408	947,473
196	Overload Relay	PCS	452	2,669,797	452	2,669,797
197	Plug (Electrical)	PCS	584	491,517	584	491,517

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY

SPARE PARTS ITEMS

AS AT 30 JUNE 2025

Sl. No.	Items	Unit	30.06.2025		30.06.2024	
			Qty	Amount	Qty	Amount
198	Plug (Electrical)	PKT	230	21,078	230	21,078
199	Relay	PCS	993	515,469	993	515,469
200	Relay Base	PCS	49	22,789	49	22,789
201	Saddle Clamp	PCS	5,425	2,062,733	5,425	2,062,733
202	Saddle Clamp	PKT	-	30,936	-	30,936
203	Socket (Electrical)	PCS	307	353,108	307	353,108
204	Solenoid Valve	PCS	106	306,972	106	306,972
205	Starter	PCS	1,019	19,241	1,019	19,241
206	Switch	PCS	284	1,526,735	284	1,526,735
207	Tape (Electrical)	FEET	17,791	726,205	17,791	726,205
208	Tape (Electrical)	MTR	5,055	13,064	5,055	13,064
209	Tape (Electrical)	PCS	12,428	1,666,392	12,428	1,666,392
210	Tape (Electrical)	ROLL	167	18,501	167	18,501
211	Tape (Electrical)	SET	10	3,135	10	3,135
212	Timer	PCS	70	172,609	70	172,609
213	Transformer	PCS	55	218,011	55	218,011
214	Tube Light	PCS	1,543	979,757	1,543	979,757
215	Warning Light	PCS	144	162,683	144	162,683
216	Fire Fighting Equipment	COIL	-	7,093,826	-	7,873,824
217	Fire Fighting Equipment	PCS	578	3,657,601	1,086	6,873,822
218	Fire Fighting Equipment	SET	33	2,105,341	33	2,105,341
219	Band	PCS	563	731,534	563	731,534
220	Channel	PCS	603	86,584	603	86,584
221	Elbow	PCS	397	1,544,161	397	1,544,161
222	Flanges	PCS	380	1,365,067	380	1,365,067
223	Nipple	PCS	335	149,057	335	149,057
224	Nut	PCS	-	15,783	-	15,783
225	Nut Bolt	PCS	-	332,130	-	332,130
226	Pipe	FEET	9,969	1,256,723	9,969	1,256,723
227	Plug	PCS	536	12,205	536	12,205
228	Reducer	PCS	210	179,464	210	179,464
229	Socket	PCS	7,236	336,653	7,236	336,653
230	Tee Socket	PCS	552	321,066	552	321,066
231	Union Socket	PCS	215	109,434	215	109,434
232	Hardware	COIL	33	944,373	33	944,373
233	Hardware	LBS	5	2,083	5	2,083
234	Hardware	KG	247	9,221,105	553	9,221,105
235	Hardware	LTR	24	474,803	24	474,803
236	Hardware	PKT	-	173,822	-	6,973,822
237	Hardware	POT	213	654,087	213	654,087

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY

SPARE PARTS ITEMS

AS AT 30 JUNE 2025

Sl. No.	Items	Unit	30.06.2025		30.06.2024	
			Qty	Amount	Qty	Amount
238	Hardware	ROLL	31	263,444	31	263,444
239	Hardware	SET	91	36,448	91	36,448
240	Paint & Vernish	PCS	363	147,079	363	147,079
241	Paint & Vernish	PKT	431	16,551	431	16,551
242	Sanitary	GM	9,489	817,686	9,489	817,686
243	Sanitary	KG	163	29,800	163	29,800
244	Sanitary	LTR	156	273,832	156	273,832
245	Sanitary	PCS	2,650	1,054,619	2,650	1,054,619
246	Sanitary	PKT	33	3,629	33	3,629
247	Sanitary	SET	332	105,662	332	105,662
248	Laboratory Instrument	BOX	115	105,071	115	105,071
249	Laboratory Instrument	LTR	1,052	40,333	1,052	40,333
250	Laboratory Instrument	PAIR	110	29,786	110	29,786
251	Laboratory Instrument	PCS	1,767	3,443,468	1,767	3,443,468
252	Laboratory Instrument	PKT	45	86,598	45	86,598
253	Laboratory Instrument	ROLL	724	855,257	724	855,257
254	Oil & Lubricants	DRUM	48	7,622,930	48	7,622,930
255	Oil & Lubricants	PCS	3,248	1,540,972	3,248	1,540,972
256	Other Material	BOX	2,494	2,150,263	2,494	2,150,263
257	Other Material	MTR	-	2,493,279	-	2,493,279
258	Other Material	YDS	-	2,820,849	-	2,820,849
259	Pack & Package	MTR	151	228,180	1,566	2,366,089
260	Pack & Package	PCS	1,758	2,898	1,994,957	3,288,855
261	Pack & Package	ROLL	458	109,778	9,352	2,241,520
262	Supplies Items	BOOK	257	933,563	1,461	5,306,916
263	Supplies Items	PCS	75	7,503	53,625	5,364,508
264	Supplies Items	SHEET	658	354,402	17,918	9,650,698
265	Supplies Items	BOX	85	455,796	713	3,824,829
266	Supplies items	KG	4,469	776,799	4,469	776,799
267	Supplies items	PKT	3,491	600,278	3,491	600,278
268	Supplies items	POT	31	641,771	31	641,771
269	Supplies items	SET	5	697,885	5	697,885
270	Supplies Items	PCS	798	44,464	158,665	8,840,743
271	Supplies Items	REAM	95	1,999,156	150	3,146,698
272	Supplies Items	ROLL	109	1,183,925	605	6,571,329
Total				178,904,377		234,953,115

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
WORK IN PROCESS

(Annexure-E)

As at 30 June 2025

Particulars	Opening	Addition in the process	Transfer into next process	Closing Balance
Knitting	177,436,996	2,034,787,823	2,058,961,815	153,263,004
Finished Fabric	289,326,266	4,116,178,159	4,156,880,952	248,623,473
Cutting	125,129,825	5,691,688,133	5,653,006,361	163,811,597
Embroidery	2,895,993	85,636,072	87,348,794	1,183,272
Printing	52,123,582	117,099,313	153,663,964	15,558,931
Sewing	113,753,412	7,376,988,075	7,362,565,691	128,175,795
Total	760,666,074			710,616,073

Particulars	Opening	Addition in the process	Transfer into next process	Closing Balance
Knitting (kg)	591,019	6,459,644	5,916,557	1,134,106
Finished Fabric (kg)	953,418	8,400,364	8,660,169	693,612
Cutting (Pcs)	618,773	28,316,856	26,070,452	2,865,177
Embroidery (Pcs)	131,401	4,077,908	3,582,172	627,137
Printing (Pcs)	366,631	4,683,973	4,636,890	413,713
Sewing (Pcs)	743,974	29,926,929	28,986,479	1,684,424

As at 30 June 2024

Particulars	Opening	Addition in the process	Transfer into next process	Closing Balance
Knitting	30,999,932	1,360,115,151	1,367,331,954	23,783,129
Finished Fabric	424,631,528	1,412,967,862	1,437,674,715	399,924,675
Cutting	284,967,596	1,549,303,626	1,446,264,334	388,006,887
Embroidery	4,697,724	358,716,024	360,821,329	2,592,419
Printing	12,919,963	353,336,271	350,079,030	16,177,204
Sewing	99,072,637	4,826,774,338	4,888,317,268	37,529,707
Total	857,289,381			868,014,022

Particulars	Opening	Addition in the process	Transfer into next process	Closing Balance
Knitting (kg)	79,496	5,892,161	5,822,173	149,485
Finished Fabric (kg)	1,069,147	7,919,463	7,839,849	1,148,761
Cutting (Pcs)	1,818,365	31,731,102	32,496,186	1,053,281
Embroidery (Pcs)	44,827	1,964,476	1,908,260	101,044
Printing (Pcs)	301,279	4,488,761	4,209,398	580,641
Sewing (Pcs)	551,251	29,401,054	29,423,045	529,259

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
ACCOUNTS RECEIVABLE AND AGING
AS AT 30 JUNE 2025

(Annexure-F)

Sl. No.	Parties	USD	Total	0-3 Months	3-6 Months	More than 1 Year
1	Axis Knitwear	49,297	5,964,902	5,964,902	-	-
2	Badgetex Apparels	47,973	5,804,708	5,804,708	-	-
3	Belamy Tex	11,425	1,382,417	1,382,417	-	-
4	Bengal Hurricane Dyeing & Printing Ltd	24,167	2,924,160	2,924,160	-	-
5	CARREFOUR IMPORTS SAS	1,224,097	148,115,729	148,115,729	-	-
6	Celio Sourcing Ltd	983,722	119,030,383	119,030,383	-	-
7	CHAMPION EUROPE S.R.L	137,871	16,682,445	16,682,445	-	-
8	Charm Fashion	22,213	2,687,784	2,687,784	-	-
9	Divine Design	7,914	957,635	957,635	-	-
10	Divine Intimates Ltd	56,348	6,818,072	6,818,072	-	-
11	Esprit Macao Commercial Offshore Ltd.	21,680	2,623,276	2,623,276	-	-
12	Fakir Fashion Limited	20,599	2,492,456	2,492,456	-	-
13	Garma C.B	61,318	7,419,512	7,419,512	-	-
14	GIANTEXTILE(SHANGHAI) Co., LTD	50,780	6,144,333	6,144,333	-	-
15	GPE SAS	355,497	43,015,183	43,015,183	-	-
16	GUANGZHOU DET SUPPLY CHAIN	102,408	12,391,368	12,391,368	-	-
17	GUESS Eur Sagl	534,099	64,625,952	64,625,952	-	-
18	Habitus Fashion Ltd	45,170	5,465,570	5,465,570	-	-
19	Hoflers APS	2,263,090	273,833,839	273,833,839	-	-
20	Impress Newtex Composite Textile Ltd	12,728	1,540,134	1,540,134	-	-
21	JIANGSU CTIG HUA TAICO., LTD	72,209	8,737,265	8,737,265	-	-
22	KARIBAN	69,661	8,428,933	8,428,933	-	-
23	KIABI (Int. Trading Fashion & App. Supp.)	46,628	5,642,027	5,642,027	-	-
24	Knit Valley Fashion	10,207	1,235,088	1,235,088	-	-
25	LC WAIKIKI MAGAZACILIK HIZMETLERI TICARET A.S	179,537	21,723,937	21,723,937	-	-
26	LOJAS RIACHUELO S/A	100,130	12,115,748	12,115,748	-	-
27	LPP SA	858,468	103,874,629	103,874,629	-	-
28	M. Hidary and Company	71,084	8,601,183	8,601,183	-	-
29	Masco Industries	5,048	610,762	610,762	-	-
30	Mascot International	1,076,837	130,297,305	130,297,305	-	-
31	MB Knit Fashion Ltd	9,514	1,151,202	1,151,202	-	-
32	Michael Kors	104,695	12,668,047	12,668,047	-	-
33	Nemrac Design Ltd	121,632	14,717,415	14,717,415	-	-
34	Ostin Ltd	49,158	5,948,085	5,948,085	-	-
35	Oxford Knit Composite Ltd	121,330	14,680,989	14,680,989	-	-
36	P & C [Peek Und Cloppenburg]	157,077	19,006,359	19,006,359	-	-
37	PEGASE (La Halle)	259,573	31,408,332	31,408,332	-	-
38	Pentex Limited	707,459	85,602,592	85,602,592	-	-
39	PERSONAL SHOP	1,561,344	188,922,672	188,922,672	-	-
40	PREMIER EXIM (EXPRESS TRADE)	200,430	24,252,006	24,252,006	-	-
41	PTB TEX SDN BHD	6,223	752,933	752,933	-	-
42	Salted Basics LLC	742,919	89,893,234	89,893,234	-	-
43	Seacotex Fabrics	14,167	1,714,249	1,714,249	-	-
44	Sports Group Denmark	64,465	7,800,295	7,800,295	-	-
45	SPRINTER MEGACENTROS DEL DEPORTE, S.L.	267,344	32,348,630	32,348,630	-	-
46	Takko Holding GMBH	93,616	11,327,521	11,327,521	-	-
47	Ted Bernhardtz	100,346	12,141,851	12,141,851	-	-
48	TWILLORY	8,443	1,021,588	1,021,588	-	-
49	Woolworth GmbH	89,191	10,792,132	10,792,132	-	-
Total		13,201,131	1,597,336,870	1,597,336,868	-	-

SCHEDULE OF ADVANCE GIVEN TO CREDITORS

AS AT 30 JUNE 2025

(Annexure-G)

Sl. No.	Name of the creditors	Nature of Transaction	Balance	3-6 Month	6-12 Month	Exceeding 1 year
1	3R Engineering	Service	257,000	141,350	115,650	-
2	Advance HVAC Engineering	Electrtical Items	331,000	182,050	148,950	-
3	ATLAS TRADE LIMITED	Accessories	44,200	24,310	19,890	-
4	Automation Engineering & Controls Ltd.	Service	1,321,431	726,787	594,644	-
5	BRIDGE TECHNOLOGY	Accessories	5,061,100	2,783,605	2,277,495	-
6	ETKO Certification	Service	1,365,000	750,750	614,250	-
7	EUR Service (BD) Ltd.	Accessories	6,616,652	3,639,159	2,977,494	-
8	EVERGREEN TECHNOLOGY CO. LTD.	Consulatncy	5,000,000	2,750,000	2,250,000	-
9	GURABA ENGINEERING LTD.	Accessories	1,350,000	742,500	607,500	-
10	Halftime Digital	Accessories	1,258,000	691,900	566,100	-
11	HARD TWO ENGINEERING	Accessories	6,000	3,300	2,700	-
12	MAK Consultants.	Accessories	1,524,786	838,632	686,154	-
13	Mechanism Trade & Engineering Ltd.	Accessories	6,000	3,300	2,700	-
14	Mizan Enterprise	Service	1,404,000	772,200	631,800	-
15	M.M.Corporation	Service	848,552	466,703	381,848	-
16	MOHAMMED TRADING CENTRE (UNIT-2)	Service	12,887,779	7,088,278	5,799,501	-
17	M/S Babul Construction	Service	5,200,000	2,860,000	2,340,000	-
18	M/S. Rubel Engineering Works	Chemicals	40,000	22,000	18,000	-
19	Omera Renewable Energy Limited	Accessories	13,000,210	7,150,116	5,850,095	-
20	Partex Furniture Industries Ltd.	Accessories	1,340,875	737,481	603,394	-
21	Power Trade & Engineering	Accessories	1,255,000	690,250	564,750	-
22	RAHMAN MILL STORE	Consultancy	354,513	194,982	159,531	-
23	RED OFFICE SUPPLIES LIMITED	Chenicals	6,639,000	3,651,450	2,987,550	-
24	REINCARNATION	Service	5,211,526	2,866,339	2,345,187	-
25	SAGORICA CORPORATION	Service	1,372,696	754,983	617,713	-
26	S. N ENGINEERING	Service	1,500,000	825,000	675,000	-
27	SONALI ENTERPRISE	Chemicals	102,700	56,485	46,215	-
28	SS Trade Corporation	Service	1,062,400	584,320	478,080	-
29	Surovi Technologies Corporation	Service	1,728,107	950,459	777,648	-
30	Systems Nine Thousands (Pvt.) Ltd.	Accessories	1,412,095	776,652	635,443	-
31	Walton Plaza	Accessories	1,037,182	570,450	466,732	-
Total			80,537,804	44,295,792	36,242,012	-

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
SCHEDULE OF ACCOUNTS PAYABLE
AS AT 30 JUNE 2025

(Annexure-H)

Sl. No.	Supplier name	Items	Total	0-3 Months	3-6 Months	More than 1 Year
1	A & J Flat Knitting & Accessories	Accessories	2,235,517	2,235,517	-	-
2	A.S.F.Fiber Mills Ltd.	Yarn	4,035,623	4,035,623	-	-
3	A.T&T Spinning Mills Ltd.	Yarn	2,317,565	2,317,565	-	-
4	ABUL KALAM SPINNING MILLS LTD..	Yarn	5,710,148	5,710,148	-	-
5	ADZI Trims Ltd.	Accessories	258,395	258,395	-	-
6	Akota Knit Fabrics	Accessories	1,551,685	1,551,685	-	-
7	AL-ARAFAH PACKAGING INDUSTRIES LTD.	Accessories	4,318,337	4,318,337	-	-
8	Alema Textiles Ltd.	Accessories	5,104,463	5,104,463	-	-
9	Alpha Plastic Packaging.	Accessories	33,721,763	33,721,763	-	-
10	APLICACION Y SUMINISTROS TEXTILES	Accessories	5,191,248	5,191,248	-	-
11	Appli Nobel SDN. BHD	Accessories	2,027,025	2,027,025	-	-
12	Arafah Knit Composite Ltd.	Accessories	12,297,585	12,297,585	-	-
13	Archroma Singapore Pvt. Ltd.	Dyes & Chemicals	3,101,963	3,101,963	-	-
14	Aroma Tex & Accessories Ltd.	Accessories	742,810	742,810	-	-
15	Asia Composite Mills Ltd.	Yarn	24,051,563	24,051,563	-	-
16	Atprint Bangladesh Ltd.	Accessories	1,272,728	1,272,728	-	-
17	Banga Plastic International Ltd.	Accessories	298,526	298,526	-	-
18	BASIC THREAD INDUSTRIES LTD.	Yarn	2,015,897	2,015,897	-	-
19	BENGAL LABEL'S & ACCESSORIES INDUSTRIES	Accessories	211,408	211,408	-	-
20	BENGAL PACIFIC (PVT) LTD.	Accessories	4,358,104	4,358,104	-	-
21	BIG SUNSHINE CO., LTD.	Accessories	8,494,955	8,494,955	-	-
22	BODAL CHEMICALS LTD.	Dyes & Chemicals	13,248,912	13,248,912	-	-
23	Brothers Knit Fabrics	Accessories	5,648,579	5,648,579	-	-
24	BSL Limited	Yarn	27,674,385	27,674,385	-	-
25	China Texmatech Co. Ltd.	Accessories	8,135,127	8,135,127	-	-
26	Chowdhury Accessories Ltd.	Accessories	4,914,000	-	4,914,000	-
27	D Raja Exports LLP	Yarn	37,166,899	37,166,899	-	-
28	DABIRUDDIN SPINNING MILLS LTD.	Yarn	1,443,488	1,443,488	-	-
29	Digitex Incorporation	Accessories	322,059	322,059	-	-
30	DZN Lebls Ltd.	Accessories	2,170,361	2,170,361	-	-
31	Esquire Accessories Ltd.	Accessories	58,333,694	58,333,694	-	-
32	Esquire Dyeing Industries Ltd.	Accessories	29,944,688	29,944,688	-	-
33	EXPLORE PACKAGING INDUSTRIES LTD.	Accessories	1,228,500	1,228,500	-	-
34	Fariha Knit Tex Ltd.	Accessories	5,209,625	5,209,625	-	-
35	Fortune Zipper Ltd.	Accessories	416,680	416,680	-	-
36	FR Traders	Accessories	717,553	-	717,553	-
37	Fujian Baikai Elastic Weaving Co. Ltd.	Yarn	14,559,666	14,559,666	-	-
38	Fujian SBS Zipper Science & Techn. Co. Ltd.	Accessories	6,281,790	6,281,790	-	-
39	GAZARIA ELASTIC INDUSTRIES	Accessories	4,978,055	4,978,055	-	-
40	Green Tex	Dyes & Chemicals	995,085	995,085	-	-

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
SCHEDULE OF ACCOUNTS PAYABLE
AS AT 30 JUNE 2025

Sl. No.	Supplier name	Items	Total	0-3 Months	3-6 Months	More than 1 Year
41	HUAFON CHONGQING SPANDEX CO., LTD.	Yarn	676,953	676,953	-	-
42	HUNAN HIGH SKY CHEM CO., LTD.	Dyes & Chemicals	12,713,747	-	12,713,747	-
43	HYOSUNG DONG NAI CO. LTD.	Yarn	1,115,910	1,115,910	-	-
44	IFRAZ PACKAGING INDUSTRY LIMITED	Accessories	2,702,700	2,702,700	-	-
45	J.K Spinning Mills Ltd.	Yarn	5,061,420	5,061,420	-	-
46	J.K.Synthetic Mills Ltd.	Yarn	1,143,119	-	1,143,119	-
47	Jhon Stitch Textile Industry	Yarn	2,058,761	2,058,761	-	-
48	Just Time Packaging Limited	Accessories	4,916,435	4,916,435	-	-
49	KAROTOA SPINNING MILLS LTD.	Yarn	1,758,413	1,758,413	-	-
50	Knit Concern Printing Unit	Accessories	2,380,665	2,380,665	-	-
51	Kyung-In Synthetic Corporation	Yarn	11,880,824	11,880,824	-	-
52	LAKE INTERNATIONAL TRADING CO., LIMITED	Accessories	4,013,510	4,013,510	-	-
53	Life Accessories	Accessories	335,715	335,715	-	-
54	M & U Packaging Ltd.	Accessories	888,648	-	888,648	-
55	M. S. Printing & Packaging	Accessories	717,206	-	717,206	-
56	M.N.Packing & Printing Accessories	Accessories	148,639	148,639	-	-
57	M.R. FASHION	Accessories	277,833	-	277,833	-
58	M/S. A.S.P Knit Fashion	Accessories	648,159	648,159	-	-
59	M/S. HAJI TEXTILE	Yarn	861,608	861,608	-	-
60	M/S. Shoaib Knitting	Accessories	668,005	668,005	-	-
61	Mamoni Garments Accessories Industries	Accessories	8,635,839	8,635,839	-	-
62	Maria Knitting	Accessories	2,684,573	2,684,573	-	-
63	Masfi Knit Wear	Accessories	555,712	-	555,712	-
64	MASS PRODUCTS	Accessories	328,728	328,728	-	-
65	MC SQUARE LTD HK	Accessories	3,098,454	3,098,454	-	-
66	Mehmud Inds Pvt. Ltd.	Yarn	62,554,606	-	62,554,606	-
67	Miswar Textile Mills and Apparels	Yarn	625,429	625,429	-	-
68	Modern Poly Industries Limited	Accessories	1,510,446	1,510,446	-	-
69	NRG HomeTex Ltd.	Yarn	3,831,384	3,831,384	-	-
70	NRG Spinning Mills Ltd.	Yarn	22,281,497	22,281,497	-	-
71	NRG-Composite Yarn Dyeing	Accessories	722,263	722,263	-	-
72	OFFICINA+39 SRL	Accessories	13,919,323	13,919,323	-	-
73	OHYOUNG INC	Yarn	27,506,372	27,506,372	-	-
74	One Tex Knit Wear	Accessories	2,641,418	-	2,641,418	-
75	Pahartali Textile & Hosiery Mills	Yarn	29,518,081	29,518,081	-	-
76	PAKIZA COTTON SPINNING MILLS (PVT.) LTD.	Yarn	3,553,436	3,553,436	-	-
77	Pratibha Syntex Ltd.	Yarn	885,228	885,228	-	-
78	PT. Indonesia Nikka Chemicals (Inkali)	Yarn	3,451,839	3,451,839	-	-
79	R.M.T Textile Mills Ltd.	Yarn	6,320,633	6,320,633	-	-
80	Reedisha Blanded Yarn Ltd.	Yarn	843,058	843,058	-	-
81	Root Source	Accessories	761,645	761,645	-	-
82	Rossari Biotech	Dyes & Chemicals	2,923,830	2,923,830	-	-

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
SCHEDULE OF ACCOUNTS PAYABLE
AS AT 30 JUNE 2025

Sl. No.	Supplier name	Items	Total	0-3 Months	3-6 Months	More than 1 Year
83	Rotex Bangladesh Ltd.	Accessories	4,781,113	4,781,113	-	-
84	Ruhama Printing Industry	Accessories	315,315	-	315,315	-
85	Samuda Spec Chem Ltd.	Dyes & Chemicals	2,211,300	2,211,300	-	-
86	SFL INDUSTRIAL COMPANY LIMITED	Accessories	3,593,577	3,593,577	-	-
87	SHAH FATEHULLAH TEXTILE MILLS LTD.	Yarn	10,003,656	10,003,656	-	-
88	SHAOXING JIANGTUO TEXTILE CO. LTD.	Yarn	606,893	606,893	-	-
89	SHAOXING WANQING TEXTILE CO. LTD.	Yarn	4,299,750	4,299,750	-	-
90	SHARVAY AGRONICS LLP	Yarn	7,280,998	7,280,998	-	-
91	Shodesh Chemicals	Dyes & Chemicals	3,445,943	3,445,943	-	-
92	Shohagpur Textile Mills Limited	Yarn	11,164,792	11,164,792	-	-
93	SHROFF TEXTILE EXPORTS	Yarn	8,522,719	8,522,719	-	-
94	Siam Computerized Elastic Inds. Ltd.	Accessories	1,773,954	1,773,954	-	-
95	Sinha Knitwear	Accessories	587,223	587,223	-	-
96	SK. Knit Wear	Accessories	2,934,834	2,934,834	-	-
97	SM Accessories Ltd.	Accessories	143,277	143,277	-	-
98	Square Fashion Yarns Ltd.	Yarn	7,300,976	7,300,976	-	-
99	Square Textile Ltd.	Yarn	14,395,162	-	14,395,162	-
100	Tamijuddin Textile Mills Ltd.	Yarn	4,363,325	4,363,325	-	-
101	TAZRI KNIT FASHION	Accessories	600,033	600,033	-	-
102	Team Accessories Limited	Accessories	706,407	706,407	-	-
103	THERMOPLAST POLLYPACKS ITALY(INDIA) PRIVATE LIMITED	Accessories	4,667,997	4,667,997	-	-
104	TIANJIN ONETOUCH BUSINESS SERVICE	Accessories	6,400,387	6,400,387	-	-
105	TIANJIN POLYSTAR TEXTILE IPORT AND EXPORT CO. LTD.	Accessories	8,138,813	8,138,813	-	-
106	Trimstyle International Inc	Accessories	303,457	303,457	-	-
107	Uniglory Packaging Industries Ltd.	Accessories	210,834	210,834	-	-
108	United Apparels	Accessories	1,100,549	1,100,549	-	-
109	Walid Offset Printers	Yarn	252,024	252,024	-	-
110	WUXI KAI YUAN FIBER TRADING CO., LTD.	Accessories	6,539,146	-	6,539,146	-
111	XIAMEN VICTEX IMP. AND EXP.CO.,LTD.	Yarn	983,489	983,489	-	-
112	ZW Accessories	Accessories	576,090	576,090	-	-
113	Zydex Industries Pvt. Ltd.	Yarn	928,746	928,746	-	-
114	A.H Trading - Cr.	Accessories	382,000	382,000	-	-
115	Bangladesh National Insurance Co. Ltd.- Cr	Accessories	613,352	613,352	-	-
116	Brothers International - Cr.	Accessories	112,000	112,000	-	-
117	Bureau Veritas Consumer Products Services (BD) Ltd	Accessories	1,280,072	1,280,072	-	-
118	Chandpur Silk House - Cr.	Accessories	4,000	4,000	-	-
119	DHL Worldwide Express[Cr.]	Accessories	1,175,045	1,175,045	-	-
120	EUR Logistics Services Ltd. Cr.	Accessories	59,747	59,747	-	-
121	Euro Asia Solutions - Cr.	Accessories	85,440	85,440	-	-
122	Eurofins Modern Testing Services (Bangladesh) Limited - Cr.	Accessories	1,459,552	1,459,552	-	-
123	Fuji PVC Pipe and Plastics Limited - Cr.	Accessories	247,000	247,000	-	-
124	GPH Ispat Ltd. - Cr.	Accessories	1,438,600	1,438,600	-	-

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY
SCHEDULE OF ACCOUNTS PAYABLE
AS AT 30 JUNE 2025

Sl. No.	Supplier name	Items	Total	0-3 Months	3-6 Months	More than 1 Year
125	Green Genesis Engineering Ltd.- Cr	Accessories	125,000	125,000	-	-
126	Ibrahim Construction - Cr	Accessories	233,356	233,356	-	-
127	INSTRUMENTATION ENGINEERING SERVICES LTD. - Cr.	Accessories	99,770	99,770	-	-
128	ITS Labtest BD. Ltd.-Cr.	Accessories	7,863,681	7,863,681	-	-
129	J.R Engineeringbd - Cr.	Accessories	204,000	204,000	-	-
130	Meem Enterprise - Cr	Accessories	134,800	134,800	-	-
131	M/s Raisa Traders Cr.	Accessories	287,003	287,003	-	-
132	OUTFIT KINGS LTD. [\$] Cr.	Accessories	6,040,247	6,040,247	-	-
133	Razzak Metal Industries - Cr.	Accessories	163,012	163,012	-	-
134	Rosebay Apparels Bd Ltd. - Cr.	Accessories	181,440	181,440	-	-
135	Sofiquel Enterprise Cr.	Accessories	390,414	390,414	-	-
136	Sotota Enterprise - Cr.	Accessories	30,430	30,430	-	-
137	Texlub Resource - Cr.	Accessories	32,000	32,000	-	-
138	Trade Zentrum - Cr.	Accessories	248,250	248,250	-	-
139	Trust Accessories - Cr.	Accessories	149,500	149,500	-	-
140	M/S Balaka Punching - Cr.	Accessories	35,401	35,401	-	-
141	M/S Mohana Enterprise Cr.	Accessories	224,888	224,888	-	-
142	Transport,C& F and other local creditor		53,724,111	28,480,139	25,255,972	-
Total			796,985,403	663,367,967	133,629,436	-

ESQUIRE KNIT COMPOSITE PLC AND ITS SUBSIDIARY

SCHEDULE OF FINANCIAL ASSET AND LIABILITIES HELD IN FOREIGN CURRENCY

AS AT 30 JUNE 2025

(Annexure-I)

Sl. No.	Particulars	Amount (USD)	Amount (Euro)	Amount as per Bangladesh Bank rate (Taka)	As per Ledger (Taka)	(Gain)/Loss (Taka)
	<u>Monetary Assets</u>					
1	Accounts Receivable	13,201,494	-	1,597,380,764	1,597,380,764	-
2	FBPAR A/C with DBBL-in USD(783)	-	-	-	-	-
3	FBPAR A/C with DBBL -in Euro		-	-	-	-
4	FBPAR A/C with DBBL-in USD(63)	514	-	62,178	16,262	(45,916)
5	FBPAR A/C with EBL-in USD(621)	247,681	-	29,969,401	28,978,677	(990,724)
6	FBPAR A/C with EBL -in Euro	-	-	-	-	-
7	Margin A/C with EBL-in USD	-	-	-	-	-
8	Margin A/C with EBL -in EURO	-	-	-	-	-
9	DBBL FCAD-in Dollar	-	-	-	-	-
10	DBBL FCAD-in Euro	-	-	-	-	-
11	DBBL FCAD-in Dollar (6900)	281	-	33,968	33,968	-
12	EBL FCAD in USD	-	-	-	-	-
13	EBL -EOQ/FCAD in USD	8,396	-	1,015,939	1,015,939	-
14	BRAC Bank FCAD in USD	-	-	-	-	-
15	UCBL -FACD in USD A/C # 0193	78	-	9,393	9,393	-
16	UCBL -FACD in USD A/C # 0267	-	-	-	-	-
17	AIBL-USD (352)	4,091	-	494,972	494,972	-
18	AIBL-USD (366)	422	-	51,011	51,011	-
19	AIBL-USD (453)	13,644	-	1,650,905	1,650,905	-
		13,458,443	-	1,630,668,532	1,629,631,891	(1,036,640)
	<u>Monetary Liabilities</u>					
20	AIBL-EDF	5,846,553	-	707,432,948	707,432,948	-
21	EBL-EDF	513,134	-	62,089,164	62,089,164	-
22	UCBL-EDF	592,680	-	71,714,227	71,714,227	-
23	IFC loan	10,167,786	-	1,230,302,066	1,230,302,066	-
24	Accounts Payable	6,142,655	-	743,261,291	743,261,291	-
		23,262,807	-	2,814,799,697	2,814,799,697	-
	Total	36,721,251	-	4,445,468,229	4,444,431,588	(1,036,640)

Conversion rate at closing rate

Euro	125.00
USD	121.00

30.06.2025 Bangladesh Bank

ESQUIRE KNIT COMPOSITE PLC

Auditor's report

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AUDITED FINANCIAL STATEMENTS

For the year ended 30 June, 2025

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF ESQUIRE KNIT COMPOSITE PLC
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Esquire Knit Composite PLC (the Company) which comprise the statement of financial position as at 30 June 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements of the Company give a true and fair view of the financial position of the Company as at 30 June 2025, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987, and other applicable laws and regulations.

Basis for Opinion

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

Key Audit Matters

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

The key audit matters are discussed below together with an explanation of how the risk and our audit response were tailored to address these specific areas.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF ESQUIRE KNIT COMPOSITE PLC
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Key audit matter description	How the scope of our audit responded to the key audit matter
Property, plant and Equipment	
<p>The carrying value of the PPE amounted to Tk. 5,953,800,565 as at 30 June, 2025.</p> <p>There is a risk of:</p> <ul style="list-style-type: none"> determining which costs meet the criteria for capitalization; determining the date on which the assets is recognized to property, plant and equipment and depreciation commences; the estimation of economic useful lives and residual values assigned to Fixed asset. <p>We identified the carrying value of property, plant and equipment as a key audit matter because of the high level of management judgment involved and because of its significance to the financial statements. See note no. 4 for details.</p>	<p>Our audit procedures to assess the carrying value of property, plant and equipment included the following:</p> <ul style="list-style-type: none"> 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 make it ready for use, with the date of the completion of the work.
Revenue Recognition	
<p>The Company has reported sales revenue of Tk. 10,070,591,111</p> <p>All of the Company's sales are made under sales invoice, delivery challan. It's products primarily comprise sale of Denim Fabric. Revenue is recognized at the point of generating invoice.</p> <p>We identified revenue recognition as a key audit matter because revenue is one of the key performance indicators of the company and therefore there is an inherent risk of manipulation of the timing of recognition of revenue by management to meet specific targets or expectations.</p> <p>As all sales are translated from USD currency to BDT, there is a risk that foreign exchange gain/loss might not be correctly recognized in the Financial Statements. See note no. 24 for details.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> 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.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF ESQUIRE KNIT COMPOSITE PLC REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Key audit matter description	How the scope of our audit responded to the key audit matter
Valuation of Receivables	
<p>The Company has accounts receivable of Tk. 1,597,380,764 as at 30 June 2025.</p> <p>Accounts receivable of the company comprise mainly receivables regarding the sale of RMG which is secured by Letter of Credit (L/C).</p> <p>See note no. 08 for details.</p>	<p>Our substantive procedures in relation to the assessing valuation of receivable comprises the following:</p>
	<ul style="list-style-type: none"> • Obtained a list of outstanding receivables;
	<ul style="list-style-type: none"> • Reconciliation of receivables ageing to general ledger;
	<ul style="list-style-type: none"> • Conducting cut-off testing at the year-end;
	<ul style="list-style-type: none"> • Reviewing subsequent receipt of receivables balance.
Capital Work in Progress	
<p>The Company's assets held under capital work in progress as on the closing date are amounted to BDT 2,770,129,270 equivalent to 31.57 % of total non current assets. Due to the high value of transactions, utilization of IPO proceeds, terms and valuation of these assets, it was significant to our audit.</p>	<p>Our audit procedures to address the risk of material misstatement relative to capital work in progress includes obtaining understanding of the internal control over capital work in progress, assessing the risk of material misstatement. Our audit procedures address the risk material statement relating to capital work in progress to the financial statements included:</p>
	<ul style="list-style-type: none"> • Obtaining and assessing the movement of the capital work in progress.
	<ul style="list-style-type: none"> • Verifying the records to ensure that the assets under construction or pending installation and not yet ready for intended use are classified as work in progress.
	<ul style="list-style-type: none"> • Verifying the supporting documents with reference to the underlying contractor bills, work orders, certification of work performed by expert personal, comparison of the progress and the cost incurred up-to-date with the budgets, policy and plan.
	<ul style="list-style-type: none"> • Reconciling the movement of capital working progress from opening to closing, specially verifying additions during the year and transfer to Property, Plant and Equipment during the year.
	<ul style="list-style-type: none"> • Verify the dates on which the assets are moved from the capital work in progress account to the fixed assets so that the depreciation on fixed assets may be computed correctly, and;
	<ul style="list-style-type: none"> • Site visit and physical observation of the work on-going for capital work in progress.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF ESQUIRE KNIT COMPOSITE PLC
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Key audit matter description	How the scope of our audit responded to the key audit matter
Valuation of Inventories	
<p>The amount of inventory is Tk. 3,920,377,694 as at 30 June, 2025</p> <p>which amounted to 48.73 % of the total current assets. As per IAS 2, inventories are required to be valued at the lower to cost and net realizable value. Cost of inventories includes purchase cost and cost incurred in bringing inventories to its present location and condition. IAS 2 specifically prohibits certain costs from being excluded from the cost of inventories.</p> <p>EKCPLC valued its inventories at cost or net realizable value whichever is lower.</p> <p>See note no. 07 for details.</p>	<p>We obtained assurance over relevance and appropriateness of management's assumptions applied in calculating the value of the inventories by:</p> <ul style="list-style-type: none"> • We observed EKPLC's year-end inventory count, performed test counts and reconciled count sheet records to inventory valuation report in order to verify the existence of inventories reported in the accounts; • We tested the purchase costs of a sample of inventory items by inspecting invoices; • We assessed the components of the costs included within inventory items to ensure that they are in conformity with the requirements of IAS 2; • We assessed the movement of inventories and analyzed whether closing inventories were valued using the weighted average method; • 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.
Bank Loan	
<p>The company reported short term & long term loan Tk. 3,008,155,581 & 2,787,212,202 respectively in the statement of financial position at the reporting date. The above borrowing were considered as key audit matter because this external form of credit facilities availed by the company required fulfillment of several terms and conditions as mentioned in sanction letter issued by lending bank. Any non-compliance with those stipulated terms and conditions might result in subsequent withdrawal and pose a threat to ongoing operation of the company. Besides, risk of material misstatement also lies due to non-disclosure of all those terms and conditions in the financial statements. See note no. 18,19,20 & 18 for details.</p>	<p>Our substantive audit procedures adopted during the audit includes the following test or details.</p> <p>Inspecting relevant board minutes in support of bank loan reported in the financial statements.</p> <p>Tracing existence and completeness of reported borrowings with supporting evidence such as sanction letters, loan certificates and statements.</p> <p>Sending out and obtaining confirmation from the lenders.</p> <p>Recalculating and testing accuracy and completeness of finance costs charged by the company during the year with corresponding loan statements provided by bank.</p>

Other Information:

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's 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 financial statements does not cover the other information and we do not express any observation to that effect.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF ESQUIRE KNIT COMPOSITE PLC

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

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 Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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

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

Auditor's Responsibilities for the Audit of Financial Statements

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

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

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

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

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

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF ESQUIRE KNIT COMPOSITE PLC
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

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

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules, 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, 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 purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Company and so far as it appeared from our examination of these books;
- c) the statement 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 account; and
- d) the expenditure incurred was for the purposes of the Company's business.

Place: Dhaka
Dated: 29 October 2025
DVC: 2510290151AS234070



Pinaki Das FCA
Senior Partner
ICAB Enroll. No. 0151
FRC Enlistment No.: CA-001-133
Pinaki & Company
Chartered Accountants
FRC Firm Enlistment No.: CAF-001-113

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

Particulars	Notes	Amount in Taka	
		30-Jun-2025	30-Jun-2024
Assets			
Non-Current Assets		8,775,929,835	9,038,712,651
Property, plant and equipment	4	5,953,800,565	6,216,583,381
Capital work-in-progress	5	2,770,129,270	2,770,129,270
Investment in shares	6	52,000,000	52,000,000
Current Assets		8,044,422,839	8,284,881,093
Inventories	7	3,920,377,694	3,722,575,650
Accounts receivables	8	1,597,380,764	1,544,532,346
Other receivables	9	55,593,342	71,501,406
Advance, deposit and prepayments	10	2,323,388,221	2,374,264,472
Investment	11	137,720,994	130,608,284
Cash and cash equivalents	12	9,961,824	441,398,935
TOTAL ASSETS		16,820,352,674	17,323,593,744
EQUITY & LIABILITIES			
Shareholders' Equity		8,933,609,271	8,928,083,092
Share capital	13	1,348,958,330	1,348,958,330
Share Premium Account	14	1,086,653,150	1,086,653,150
Revaluation surplus	15	3,739,289,135	3,739,289,135
Retained earnings	16	2,758,708,656	2,753,182,477
Non Current Liabilities		3,059,031,640	2,959,722,892
Deferred Tax liabilities	17	271,819,438	280,266,175
Long term loan net of current maturity	18	2,787,212,202	2,679,456,717
Finance lease obligation net of current maturity	19	-	-
Current Liabilities		4,827,711,762	5,435,787,759
Short term loan	20	3,008,155,581	3,984,146,066
Current portion of long term loan	18	649,287,319	451,069,640
Current portion of finance lease obligation	19	16,648,192	18,322,174
Unclaimed Dividend	21	2,260,380	2,371,333
Accounts payable	22	796,985,402	510,719,411
Liabilities for expenses	23	354,374,888	469,159,136
TOTAL EQUITY & LIABILITIES		16,820,352,674	17,323,593,744
Net Asset Value (NAV) per share with revaluation reserve		66.23	66.19
Net Asset Value (NAV) per share without revaluation reserve		38.51	38.47

The annexed notes form an integral part of these financial statements


Mrs. Parva Begum
 Chairman


Managing Director


Director


Company Secretary


Chief Financial Officer

Signed as per our annexed report of even date

Place: Dhaka, Bangladesh
 Date: 29 October 2025
 DVC: 2510290151AS234070



Pinaki Das, FCA

Senior Partner

ICAB Enrollment No. 151

FRC Enlishment No.: CA-001-133

Pinaki & Company

Chartered Accountants

FRC Firm Enlishment No.: CAF-001-113

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2025

Particulars	Notes	Amount in Taka	
		30-Jun-2025	30-Jun-2024
Revenue	24	10,070,591,111	7,604,616,487
Less: Cost of Goods Sold	25	8,600,744,005	6,318,244,775
Gross profit		1,469,847,106	1,286,371,712
Less: Operating expenses	26	656,492,783	651,236,875
Gross operating profit		813,354,323	635,134,837
Less: Financial expenses	27	649,475,938	439,149,981
Net operating profit		163,878,385	195,984,856
Add: Non-Operating income	28	16,462,537	24,796,980
Profit before WPPF & WF		180,340,922	220,781,836
Less: Provision for contribution to WPPF & WF	23.01	2,778,776	1,635,373
Profit before tax		177,562,146	219,146,463
Less: Income tax expenses		100,496,104	76,927,277
Current Tax	23.02	108,942,842	82,206,101
Deferred Tax	17.02	(8,446,737)	(5,278,824)
Profit after tax		77,066,042	142,219,186
Earnings Per Share (EPS) - Basic	29.01	0.57	1.05
Other comprehensive income for the year, net of tax (Land Revaluation)		-	-
Total comprehensive income for the year, net of tax		77,066,042	142,219,186

The annexed notes form an integral part of these financial statements



Chairman



Managing Director



Director



Company Secretary



Chief Financial Officer

Signed as per our annexed report of even date



Pinaki Das, FCA

Senior Partner

ICAB Enrollment No. 151

FRC Enlishment No.: CA-001-133

Pinaki & Company

Chartered Accountants

FRC Firm Enlishment No.: CAF-001-113

Place: Dhaka, Bangladesh

Date: 29 October 2025

DVC: 2410280151AS499272

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2025

Amount in Taka

Particulars	Share Capital	Share premium	Revaluation Surplus	Retained Earnings	Total Equity
Balance at 01 July 2024	1,348,958,330	1,086,653,150	3,739,289,135	2,753,182,476	8,928,083,091
Land Revaluation	-		-	-	-
Net profit for the year	-	-	-	77,066,041	77,066,041
Dividend paid	-	-	-	(71,539,863)	(71,539,863)
Balance at 30 June 2025	1,348,958,330	1,086,653,150	3,739,289,135	2,758,708,655	8,933,609,270
Balance at 01 July 2023	1,348,958,330	1,086,653,150	3,739,289,135	2,682,503,154	8,857,403,769
Land Revaluation				-	-
Net profit for the year		-	-	142,219,186	142,219,186
Dividend paid	-	-	-	(71,539,863)	(71,539,863)
Balance at 30 June 2024	1,348,958,330	1,086,653,150	3,739,289,135	2,753,182,476	8,928,083,092



Chairman



Managing Director



Director



Company Secretary



Chief Financial Officer

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2025

Particulars	Notes	Amount in Taka	
		30-Jun-2025	30-Jun-2024
A. Cash flows from operating activities			
Cash receipts from customers		10,017,742,693	6,715,938,435
Cash receipt from other income		32,370,600	(8,153,379)
Payment to suppliers for import of Raw materials		(4,897,641,014)	(3,926,382,047)
Payment to others		(4,089,628,117)	(3,352,287,627)
Interest paid		(628,040,817)	(433,192,420)
Income tax paid		(109,845,189)	(80,470,202)
Net cash flow from operating activities		324,958,156	(1,084,547,240)
B. Cash flows from investing activities			
Acquisition of property, plant and equipment		(4,903,800)	(24,697,477)
Investment in capital work in progress		-	(219,169,037)
Investment in shares		-	90,000,000
Investment in FDR		(7,124,710)	6,095,833
Net cash used in investing activities		(12,028,510)	(147,770,681)
C. Cash flows from financing activities			
Proceeds from share issue		-	-
Share premium received		-	-
TDS on dividend		-	(22,378,590)
Dividend paid		(71,650,816)	(71,152,120)
Receipt of Long Term Loan		330754843.5	56,849,414
Receipt/(Repayment) of Short Term Loan		(1,002,446,146)	1,274,812,240
Net cash flow from/(used in) financing activities		(743,342,118)	1,238,130,944
D. Net cash surplus during the year (A+B+C)		(430,412,472)	5,813,023
E. Cash and bank balances at beginning of the year		441,398,935	434,413,402
Effect of movements in exchange rates on cash held		(1,036,640)	1,172,510
F. Cash and bank balances at the end of the year		9,949,822	441,398,935
Cash and bank balances			
Cash in hand		3,022,759	4,739,643
Cash at bank		6,939,065	436,659,292
Total		9,961,824	441,398,935
Net Operating Cash Flow Per Share (NOCFPS)	30.00	2.41	(8.04)

Mrs. Parva Begum.

Chairman

Managing Director

Director

Company Secretary

Chief Financial Officer

NOTES, COMPRISING A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

AS AT AND FOR THE YEAR ENDED 30 JUNE 2025

1.00 Incorporation and Business Activities

Reporting entity

Esquire Knit Composite PLC (EKCPCL) (hereinafter referred to as EKCPCL or the Company) was incorporated [C-39663(1631)/2000] as a Private Limited Company on 16 February 2000 under the Companies Act 1994 and the company commenced commercial operation in 2001. The company has its registered office at 21 Shaheed Tajuddin Ahmed Sarani, (old: 30, Tejgaon I/A) Dhaka and its Factory is located at 22/58, Kanchpur, Sonargaon, Narayanganj.

The company was converted into a public limited company on 22 January 2015.

Nature of business

Esquire Knit Composite PLC is a 100% export oriented Company. It produces different types of Knit garments through its six units namely, knitting units, fabric dyeing unit, printing, embroidery, industrial laundry and garments units and sells the same to foreign buyers including C&A buying KG, Best seller, Mascot, Tchibo, Esprit, Tee Jays, Celio, Next, etc.

2.00 Basis of Preparation of Financial Statements

2.01 Statement of compliance

The financial statements have been prepared in compliance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

2.02 Other regulatory compliance

In addition to the above, EKCPCL is also required to comply and has complied with the following laws and regulations:

- The Income Tax Act 2023;
- The Value Added Tax and Supplementary Duty Act 2012;
- The Value Added Tax Rules, 2016;
- The Bangladesh Labor (Amendment) Act 2013;
- Customs Act 1969;
- Sale of Goods Act 1930;
- Negotiable Instrument Act 1881; and
- The Securities and Exchange Ordinance, 1969;
- The Securities and Exchange Rules, 1987; and
- Other applicable rules and regulations.

2.03 Basis of measurement

These financial statements have been prepared under the historical cost convention applying accrual basis of accounting in accordance with International Financial Reporting Standards (IFRSs).

2.04 Components of financial statements

The financial statements of the Company consist of the following components:

- Statement of Financial Position;
- Statement of Profit or Loss and Other Comprehensive Income;
- Statement of Changes in Equity;
- Statement of Cash Flows; and
- Notes, Comprising a Summary of Significant Accounting Policies and Other Explanatory Informations.

2.05 Use of estimates and judgments

The preparation of the financial statements of the Company requires management to make and apply consistently the judgments, estimates and assumptions for records and balances that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

2.06 Functional and presentation currency

These financial statements are presented in Bangladeshi Taka (Tk/BDT) which is the functional currency of the company. The

NOTES, COMPRISING A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

AS AT AND FOR THE YEAR ENDED 30 JUNE 2025

amounts in these financial statements have been rounded off to the nearest integer.

2.07 Reporting period

These financial statements of the company cover a period of twelve months from 01 July 2024 to 30 June 2025.

3.00 Significant Accounting Policies

3.01 Property, plant and equipment (PPE)

3.1.1 Recognition and measurement

Property, plant and equipment are stated at cost or revalued amount, if any, less accumulated depreciation in compliance with International Accounting Standard IAS-16: Property, Plant and Equipment. The cost of acquisition of an asset comprises its purchase price and any direct attributable cost of bringing the assets to its working condition for its intended use.

3.1.2 Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to the Statement of Profit or Loss and Other Comprehensive Income during the financial period in which they incurred.

3.1.3 Depreciation

Depreciation is charged on property (except land), plant and equipment using 'straight line method' over the estimated useful life of each item of property, plant and equipment. Depreciation on addition to property, plant and equipment is charged from the date when the asset is put into use for commercial operation. Knit Composite Limited, considering the useful lives, decided to charge depreciation at 15% p.a. No depreciation is charged on the assets from the month in which such assets are disposed. The rates of depreciation varies from 5% to 13% p.a. based on useful lives and nature of the assets. Rates of depreciation are:

Particulars	Rate	
Building	5.00%	p.a.
Plant and Machinery	7.00%	p.a.
Furniture and Fixtures	10.00%	p.a.
Office Equipment	10.00%	p.a.
Motor Vehicle	13.00%	p.a.
Software & IT	10.00%	p.a.

3.02 Inventories

3.2.1 Nature of inventories

Inventories consist of yarn, dyes, chemical, packing materials, accessories, sewing thread, printing & embroidery materials, stores and spare parts, etc.

3.2.2 Valuation of inventory

Inventories are valued in accordance with IAS- 2: Inventories i.e. at cost or estimated net realizable value whichever is lower. The cost of inventories includes expenditure for acquiring the inventories and bringing them to their existing location and condition. Net realizable value is estimated upon selling price in the ordinary course of business less estimated cost of completion of the sale. When the inventories are used, the carrying amount of those inventories are recognized as expenses in the period in which the related revenue is recognized.

3.03 Advance, deposit and prepayments

Advances are initially measured at cost. After initial recognition advances are carried at cost less deductions or adjustments. Deposits are measured at payment value. Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost less charges to Statement of Profit or Loss and Other Comprehensive Income.

NOTES, COMPRISING A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

AS AT AND FOR THE YEAR ENDED 30 JUNE 2025

3.04 Cash and cash equivalents

Cash and bank balances comprise cash in hand and cash at bank which are held and available for use by the company without any restriction.

3.05 Accounts receivable and other receivables

Accounts receivables are carried at original invoice amount. EKCPLC is a 100% export oriented company and all the sales/ exports are done through L/C by banks. Receivables are considered as good and realizable. Other receivable represents accrued interest on FDR.

3.06 Accounts payable and other payables

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

3.07 Loans and borrowings

Borrowings repayable after twelve months from the date of statement of financial position are classified as non-current liabilities whereas the portion of borrowings repayable within twelve months from the date of statement of financial position, unpaid interest and other charges are classified as current liabilities.

3.08 Income tax expense

Income tax expenses comprise current tax and deferred tax. Income taxes are recognized in statement of profit or loss and other comprehensive income except to the extent that relates to items recognized directly in equity or in other comprehensive income.

3.8.1 Current Tax

Taxation is provided in accordance with fiscal regulations applicable. The company taxation is under final settlement of tax liability under section 163 of the Income Tax Act 2023 except other income. Income tax has been deducted at source under section 123 of the Income Tax Act 2023 on export from 1 July 2024 to June 30, 2025.

3.8.2 Deferred Tax

Deferred tax has been recognized in accordance with the provision of IAS 12: Income Taxes, based on the deductible or taxable temporary difference between the carrying amount of assets / liabilities and its tax base. Deferred tax asset or liability is the amount of income tax recoverable or payable in the future periods recognized in the current period. Deferred tax asset or liability does not create a legal recoverability or liability from or to tax authority. Related deferred tax income / expense is recognized in the statement of profit or loss and other comprehensive income. Deferred tax assets and liabilities are offsetted if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilised. Deferred tax assets are reviewed at each date of statement of financial position and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.09 Revenue recognition

i. Export Revenue

In accordance with the provisions of the IFRS-15 "Revenue from Contracts with Customers", revenue from contracts with customers represents the amount that reflects the considerations to which entity expects to be entitled in exchange for goods supplied and service provided to customers during the period. Revenue from contracts with customers is recognized in the statement of Profit or Loss and Other comprehensive income when the performance obligation (supply of promised goods and services) is satisfied. Performance obligation is satisfied at a point in time when customer obtains the control of goods and services. Revenue from export is recognized at ex-factory date.

Revenue from the sale of goods is recognized when all the following conditions are satisfied:

- The company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The company retains neither continuing managerial involvement to the degree usually associated with ownership nor

NOTES, COMPRISING A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

AS AT AND FOR THE YEAR ENDED 30 JUNE 2025

effective control over the goods sold;

c. The amount of revenue can be measured reliably;

d. It is probable that the economic benefits associated with the transaction will flow to the company; and

e. The cost incurred or to be incurred in respect of the transaction can be measured reliably.

ii. Cash Incentive

Cash incentive income is recognized when Proceed Relialization Certificate (PRC) received from the bank against realization of cash incentive.

3.10 Financial expenses

Financial expenses comprise interest expense on long term loan, short term loan, finance lease and other borrowings, bank commission and charges etc. All such costs are recognized in the statement of profit or loss and other Comprehensive Income except those are capitalized in accordance with IAS 23.

3.11 Statement of Cash Flows

Statement of cash flows is prepared principally in accordance with IAS-7: Cash Flows Statement and the cash flows from operating activities are presented under direct method.

3.12 Foreign currency transactions

The financial statements are presented in Bangladeshi taka (Tk./BDT), which is the company's functional currency. Transactions in foreign currencies are recorded in the books at the exchange rate prevailing on the date of the transaction. Assets and liabilities in foreign currencies as on the reporting date are converted into Bangladeshi taka at the closing rate. Exchange gain or loss is recognised in Statement of Profit or Loss and Other Comprehensive Income as per IAS 21: The Effects of Changes in Foreign Exchange Rates.

3.13 Leases

Leases in terms of which the company assumes substantially all the risks and rewards incidental to ownership are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value or the present value of the minimum lease payments. The interest rate implicit in the lease has been used to calculate the present value of minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

3.14 Earnings Per Share (EPS)

The company presents basic and diluted (when dilution is applicable) Earnings Per Share (EPS) for its ordinary shares. Basic EPS is calculated dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for the effect of change in number of shares for bonus issue, share split and reverse split. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding and for the effects of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for this financial statements as there was no dilutive potential ordinary shares during the relevant periods.

3.15 Events after the reporting period

Events after the reporting period that provide additional information about the Company's position at the date of statement of financial position or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. There are no material events that had occurred after the reporting period to the date of issue of these financial statements, which could affect the figures presented in the financial statements.

3.16 Provision

A provision is recognized on the date of financial position if, as a result of past events, the company has a present legal obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation.

3.17 Employee Benefit

NOTES, COMPRISING A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

AS AT AND FOR THE YEAR ENDED 30 JUNE 2025

i. Workers' profit participation fund and welfare fund / Contribution to Central Fund (RMG Sector):

This represent 5% of net profit before tax contributed by the company as per provisions of the Bangladesh Labour (Amendment) Act 2013 (Bangladesh Labour Law, 2006) and is payable to workers as defined in the said law complied in replaced by the Act No. 30, Para 63 of the year 2013 as Central Fund at the rate applicable for RMG sector (0.03%) on realized revenue which is deducted at source by banks.

ii. Gratuity

Regular confirmed employee of the company who have completed minimum 5 (five) years of continuous service from the date of joining are eligible to gratuity payment at the time of separation of employment with the company

3.18 Interest Income

Interest income is accrued at the applicable interest rate on bank deposits in the period in which it is incurred.

3.19 Finance costs

Finance costs comprise interest expenses on bank loan and other borrowings and are recognised as expenses in the period in which they are incurred using applicable interest rate.

3.20 Revaluation surplus

This represents the difference between book value and revalued amount of land and land development. As per IAS 16: Property, Plant and Equipment, revaluation is done with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. The fair value of land was determined from market-based evidence by an appraisal as on July 20,2020 by Masih Muhith Haque & Co. which is a professionally qualified valuer.

3.21 Impairment

(a) Financial assets

Accounts receivable and other receivable are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effects on the estimated future cash flows of that asset, that can be estimated reliably. Objective evidence that financial assets are impaired can include default or delinquency by a debtor, indications that a debtor or issuer will enter bankruptcy, etc.

(b) Non-financial assets

An asset is impaired when its carrying amount exceeds its recoverable amount. The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Carrying amount of the assets is reduced to its recoverable amount by recognizing an impairment loss if, and only if, the recoverable amount of the asset is less than its carrying amount. Impairment loss is recognized immediately in profit or loss, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease.

3.22 Comparative information

Comparative information has been disclosed in respect of year 2023-2024 for all numerical information of the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period's financial statements. Last year figures have been rearranged where considered necessary to conform to current years presentation.

NOTES, COMPRISING A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

AS AT AND FOR THE YEAR ENDED 30 JUNE 2025

3.23 Compliance with Financial Reporting Standards as applicable in Bangladesh:

IASs	Title	Remarks
1	Presentation of Financial Statements	Complied
2	Inventories	Complied
7	Statement of Cash Flows	Complied
8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
10	Events after the Reporting Period	Complied
12	Income Taxes	Complied
16	Property, Plant & Equipment	Complied
19	Employee Benefits	Complied
21	The Effects of Changes in Foreign Exchange Rates	Complied
23	Borrowing Costs	Complied
24	Related Party Disclosures	Complied
32	Financial Instruments: Presentation	Complied
33	Earnings per Share (EPS)	Complied
34	Interim Financial Reporting	Complied
36	Impairment of Assets	Complied
37	Provisions, Contingent Liabilities and Contingent Assets	Complied
38	Intangible Assets	Complied
IFRS	Title	Remarks
7	Financial Instruments: Disclosures	Complied
9	Financial Instruments	Complied
12	Disclosure of Interests in Other Entities	Complied
13	Fair Value Measurement	Complied
15	Revenue from Contracts with Customer	Complied
16	Leases	Complied

3.24 General

- Figures have been rounded off to the nearest Taka.
- Previous year's figures have been rearranged wherever considered necessary to conform to the current year's presentation.

NOTES TO THE FINANCIAL STATEMENT

AS AT JUNE 30, 2025

SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024
4.00	Property, plant and equipment		
	(A) Cost/ Revaluation		
	i) Freehold assets		
	Opening balance	9,433,667,374	9,408,969,897
	Add: Addition during the year	4,903,800	24,697,477
		9,438,571,174	9,433,667,374
	ii) Leasehold assets		
	Opening balance	99,420,368	99,420,368
	Add: Addition during the year	-	-
		99,420,368	99,420,368
	Total (A)	9,537,991,542	9,533,087,742
	(B) Accumulated depreciation		
	i) Freehold assets		
	Opening balance	3,219,498,705	2,943,729,605
	Add: Charged during the year	265,271,904	275,769,100
		3,484,770,609	3,219,498,705
	ii) Leasehold assets		
	Opening balance	97,005,656	84,578,110
	Add: Charged during the year	2,414,712	12,427,546
		99,420,368	97,005,656
	Total (B)	3,584,190,977	3,316,504,361
	(C) Written Down Value (A-B)	5,953,800,565	6,216,583,381
	A schedule of property, plant and equipment is given in Annexure-A .		
5.00	Capital work-in-progress		
	Opening balance	2,770,129,270	2,550,960,233
	Add: Addition during the year	-	243,866,514
		2,770,129,270	2,794,826,747
	Less: Transferred to Property, Plant & Equipment		24,697,477
		2,770,129,270	2,770,129,270
5.01	Addition during the year		
	Valuka Project		43,162,000
	Machineries in work in process		-
	New ETP Building		200,704,514
		-	243,866,514
	A schedule of capital work in progress addition during the year is given in Annexure-B.		
6.00	Investment in shares		
	L'Esquire Ltd	42,000,000	42,000,000
	Investment in ICL Unit Fund	10,000,000	10,000,000
		52,000,000	52,000,000

NOTES TO THE FINANCIAL STATEMENT

AS AT JUNE 30, 2025

SL. No.	Particulars	Amount in Taka																																																					
		30-Jun-2025	30-Jun-2024																																																				
7.00	Inventories																																																						
		<table><tr><th colspan="2">Quantity</th><th rowspan="2">30.06.2025 Taka</th><th rowspan="2">30.06.2024 Taka</th></tr><tr><th>30.06.2025</th><th>30.06.2024</th></tr><tr><td>Yarn (kg)</td><td>1,966,397</td><td>2,100,338</td><td>1,072,343,222</td><td>649,033,593</td></tr><tr><td>Dyes (kg)</td><td>217,280</td><td>225,237</td><td>260,873,160</td><td>256,328,990</td></tr><tr><td>Chemical (kg)</td><td>400,284</td><td>857,069</td><td>272,439,857</td><td>235,793,946</td></tr><tr><td>Finishing Materials</td><td>7.01</td><td>-</td><td>1,014,395,176</td><td>1,192,856,805</td></tr><tr><td>Materials in transit</td><td>7.02</td><td>-</td><td>214,970,588</td><td>206,820,025</td></tr><tr><td>Spare parts and consumable items</td><td>7.03</td><td>-</td><td>178,904,377</td><td>234,953,115</td></tr><tr><td>Work in process</td><td>7.04</td><td>-</td><td>710,616,073</td><td>760,666,075</td></tr><tr><td>Finished goods (pcs.)</td><td>7.05</td><td>575,986</td><td>566,507</td><td>195,835,241</td><td>186,123,101</td></tr><tr><td></td><td></td><td></td><td>3,920,377,694</td><td>3,722,575,650</td></tr></table>	Quantity		30.06.2025 Taka	30.06.2024 Taka	30.06.2025	30.06.2024	Yarn (kg)	1,966,397	2,100,338	1,072,343,222	649,033,593	Dyes (kg)	217,280	225,237	260,873,160	256,328,990	Chemical (kg)	400,284	857,069	272,439,857	235,793,946	Finishing Materials	7.01	-	1,014,395,176	1,192,856,805	Materials in transit	7.02	-	214,970,588	206,820,025	Spare parts and consumable items	7.03	-	178,904,377	234,953,115	Work in process	7.04	-	710,616,073	760,666,075	Finished goods (pcs.)	7.05	575,986	566,507	195,835,241	186,123,101				3,920,377,694	3,722,575,650	
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			3,920,377,694	3,722,575,650																																																			
	A schedule of inventories is given in Annexure-C.																																																						
7.01	Finishing Materials																																																						
	Packing materials	151,211,280	416,369,166																																																				
	Accessories	715,685,387	614,570,159																																																				
	Sewing Thread	147,498,509	147,498,509																																																				
	Printing & Embroidery materials	(0)	14,418,971																																																				
		1,014,395,176	1,192,856,805																																																				
	A schedule of finishing materials is given in Annexure-C.																																																						
7.02	Materials in transit																																																						
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			214,970,588	206,820,025																																																			
7.03	Spare parts and consumable items																																																						
	Spareparts & Consumable items	178,904,377	234,953,115																																																				
		178,904,377	234,953,115																																																				
	A schedule of spare parts and consumable items is given in Annexure-D.																																																						

NOTES TO THE FINANCIAL STATEMENT

AS AT JUNE 30, 2025

7.04 Work in Process

	Quantity		30.06.2025 Taka	30.06.2024 Taka
	30.06.2025	30.06.2024		
Knitting (kg)	1,134,106	591,019	153,263,004	177,436,996
Finished Fabric (kg)	693,612	953,418	248,623,473	289,326,266
Cutting (Pcs)	2,865,177	618,773	163,811,597	125,129,825
Embroidery (Pcs)	627,137	131,401	1,183,272	2,895,993
Printing (Pcs)	413,713	366,631	15,558,931	52,123,582
Sewing (Pcs)	1,684,424	743,974	128,175,795	113,753,412
			710,616,073	760,666,074

A schedule of work in process is given in **Annexure-E**.

7.05 Finished Goods (pcs.)

	Quantity		30.06.2025 Taka	30.06.2024 Taka
	30.06.2025	30.06.2024		
Opening	566,507	1,215,613	186,123,101	220,056,353
Add: Production during the year	45,653,185	26,562,033	8,610,456,145	6,234,296,548
	46,219,692	27,777,646	8,796,579,246	6,454,352,901
Less: Delivered during the year	45,643,706	27,211,139	8,600,744,005	6,268,229,800
	575,986	566,507	195,835,241	186,123,101

8.00 Accounts receivables

1,597,380,764 **1,544,532,346**

A schedule of account receivable is given in **Annexure-F**.

Disclosure as per Schedule XI, Part I, Para (F) of the Companies Act 1994:**I. Debt considered good in respect of which the company is fully secured**

The debtors occurred in the ordinary course of business are considered good and secured against confirmed L/C.

II. Debt considered good for which the company hold no security other than the debtors' personal security

There is no such debt in this respect as on 30 June 2025.

III. Debt considered doubtful or bad

The company does not make any provision for doubtful debts as on 30 June 2025, because of the fact that sales/export are being made on 100% confirmed L/C basis with fixed maturity dates.

IV. Debt due by directors or other officers of the company

There is no such debt in this respect as on 30 June 2025.

V. Debt due by Common Management

There are no amount due from sister company under common management as on 30 June 2025.

VI. The maximum amount due by directors or other officers of the company

There is no such debt in this respect as on 30 June 2025.

Aging of accounts receivable

The aging of gross trade receivables as at the statement of financial position date was:

Past due 0-90 days	1,597,380,764	1,544,532,346
Past due 91-180 days	-	-
Past due 181 -365 days	-	-
Past due more than 365 days	-	-
	1,597,380,764	1,544,532,346

NOTES TO THE FINANCIAL STATEMENT

AS AT JUNE 30, 2025

SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024
9.00	Other receivables		
	Cash incentive	33,351,600	55,586,915
	Rental Income	22,143,887	14,762,591
	Accrued interest on FDR	97,855	1,151,899
		55,593,342	71,501,406
10.00	Advance, deposit and prepayments		
	Advance 10.01	2,305,983,369	2,327,880,943
	Deposit 10.02	17,019,124	45,997,801
	Prepayments 10.03	385,727	385,727
		2,323,388,221	2,374,264,472
10.01	Advance		
	Advance to creditors	80,537,804	107,389,220
	Advance against salaries	21,316,092	5,191,062
	Payment to Lesquire for Valuka project	2,093,504,124	1,923,920,470
	Advance Income Tax 10.1.1	110,625,349	291,380,191
		2,305,983,369	2,327,880,943
	A schedule of advance given to creditors is given in Annexure-G .		
10.1.1	Advance Income Tax		
	Opening balance	291,380,191	210,909,989
	Add: Addition during the year 10.1.1.1	109,845,189	80,470,202
		401,225,380	291,380,191
	Less: Adjustment for assessment year-2021-22	46,895,541	
	Less: Adjustment for assessment year-2022-23	60,060,668	
	Less: Adjustment for assessment year-2023-24	103,173,620	-
	Less: Adjustment for assessment year-2024-25	80,470,202	
		110,625,349	291,380,191
10.1.1.1	Advance Income Tax addition		
	Advance Income Tax on Car	2,330,000	1,781,362
	Advance Income Tax on FDR Interest	1,796,677	1,790,679
	TDS on Cash Incentive	3,415,670	10,486,140
	TDS on Import Stage	891,305	891,305
	TDS on Export Proceeds	101,411,537	65,520,716
		109,845,189	80,470,202
10.02	Deposit		
	Guarantee margin & LC margin	4,327,770	4,327,770
	Security deposit 10.2.1	12,691,354	12,691,354
	FBPAR & margin account 10.2.2	-	28,978,677
		17,019,124	45,997,801

NOTES TO THE FINANCIAL STATEMENT

AS AT JUNE 30, 2025

SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024
10.2.1	Security deposit		
	Rural Electrification Board (REB) for electricity	7,295,517	7,295,517
	Security Deposit-BSCIC	1,455,000	1,455,000
	PIL Bangladesh Ltd	400,000	400,000
	Mobile phone	60,000	60,000
	Lease rental	691,260	691,260
	Titas Gas Transmission & Distribution Company Limited for gas	2,789,577	2,789,577
		12,691,354	12,691,354
10.2.2	FBPAR & margin account		
	FBPAR A/C with DBBL -in Dollar (783)	-	-
	FBPAR A/C with DBBL -in Dollar (63)	-	-
	FBPAR A/C with DBBL -in EURO	-	-
	FBPAR A/C with EBL -in Dollar		28,978,677
	FBPAR A/C with EBL -in EURO	-	-
	Margin A/C with EBL -in Dollar	-	-
	Margin A/C with EBL -in EURO	-	-
		-	28,978,677
10.03	Prepayments		
	Insurance premium	385,727	385,727
10.04	Aging of advance, deposit & prepayment		
	The aging of advance, deposit & prepayment as at the statement of financial position date was as follows:		
	Past due 0-90 days	2,305,983,369	2,327,880,943
	Past due 91-180 days	101,411,537	65,520,716
	Past due 181 -365 days	(96,698,040)	(31,828,541)
	Past due more than 365 days	12,691,354	12,691,354
		2,323,388,221	2,374,264,472
10.05	The details breakup of advance, deposit and prepayment as per requirement of Schedule XI, part I, para (J) of the Companies Act, 1994 stated below:		
	Advance, deposit and prepayments exceeding 6 months	(84,006,686)	(19,137,187)
	Advance, deposit and prepayments not exceeding 6 months	101,411,537	65,520,716
	Other advance, deposit and prepayments less provision	17,019,124	45,997,801
	Advance, deposit and prepayments considered good and secured	2,267,648,153	2,276,692,079
	Advance, deposit and prepayments due by Other Officers (against Salary)	21,316,092	5,191,062
11.00	Investment		
	Investment in FDR	137,720,994	130,608,284
		137,720,994	130,608,284

NOTES TO THE FINANCIAL STATEMENT

AS AT JUNE 30, 2025

SL. No.	Particulars	Amount in Taka					
		30-Jun-2025	30-Jun-2024				
11.01	Investment in FDR						
	Bank Name	A/C No	Principle	Term (Months)	Maturity Date		
	IPDC	1001251000027868	5,000,000	12	03.02.26	5,831,534	5,488,284
	IPDC	1001251000038986	7,500,000	12	17.04.26	8,549,410	7,965,000
	IPDC	100125000038987	7,500,000	12	17.04.26	8,549,410	7,965,000
	IPDC	1001251000050866	5,000,000	12	09.05.26	5,367,000	5,000,000
	IPDC	1001251000051513	5,000,000	12	09.05.26	5,367,000	5,000,000
	UCBLPLC	07814040000002026	10,000,000	12	14.11.2025	10,650,240	10,320,000
	UCBLPLC	07814040000002037	2,500,000	12	14.11.2025	2,662,560	2,580,000
	UCBLPLC	07814040000002048	10,000,000	12	14.11.2025	10,650,240	10,320,000
	UCBLPLC	07814040000002059	10,000,000	12	14.11.2025	10,650,240	10,320,000
	UCBLPLC	07814040000002068	2,500,000	12	14.11.2025	2,662,560	2,580,000
	Shimanto	1001344001080	60,000,000	12	23.05.26	66,780,800	63,070,000
						137,720,994	130,608,284
12.00	Cash and cash equivalents						
	Cash in hand			12.01	3,022,759	4,739,643	
	Cash at bank			12.02	6,939,065	436,659,292	
					9,961,824	441,398,935	
12.01	Cash in hand						
	Head Office (petty Cash)				800,000	800,000	
	Factory				2,222,759	3,939,643	
					3,022,759	4,739,643	

NOTES TO THE FINANCIAL STATEMENT

AS AT JUNE 30, 2025

SL. No.	Particulars	Amount in Taka				
		30-Jun-2025		30-Jun-2024		
12.02	Cash at bank					
	Bank Name	Branch	A/C Type			
	Dutch Bangla Bank PLC	Local office	FCAD(\$)	101.117.163	62,178	16,262
	Dutch Bangla Bank PLC	Local office	FCAD(€)	101.119.20		-
	Dutch Bangla Bank PLC	Local office	FCAD(\$)	1011100006900	33,968	32,845
	Dutch Bangla Bank PLC	Kawran Bazar	CD	101.110.36941	15,588	1,112,589
	Dutch Bangla Bank PLC	Kawran Bazar	CD	101.120.5645	38,765	127,573
	Dutch Bangla Bank PLC	Kawran Bazar	CD	101.120.5692	9,203	58,019
	Eastern Bank PLC	Principal	CD	10.1106000016	512,726	-
	Eastern Bank PLC	Principal	FCAD(\$)	101.305.3310		-
	Eastern Bank PLC	Principal	EOQ(\$)	1013100605881	1,015,939	3,739,032
	Dutch Bangla Bank PLC	Kawran Bazar	CD	107.120.484	8,614	108,787
	Jamuna Bank PLC	Mohakhali	CD	102.100.15098	7,147	1,276
	NCC Bank CD A/C	Baridhara	CD	1070210001597	20,198	20,888
	One Bank PLC	Agrabad, Ctg.	CD	0031050001366	63,278	63,278
	AI -Arafa Islami Bank PLC	VIP Road	CD	141020047786	4,226	5,261
	AI -Arafa Islami Bank PLC	Gulshan	CD	541020010677	44,806	8,556,620
	AI -Arafa Islami Bank PLC	Gulshan	FCAD(\$)	0549580000352	494,972	119,946
	AI -Arafa Islami Bank PLC	Gulshan	FCAD(\$)	0549880000366	51,011	35,513
	AI -Arafa Islami Bank PLC	Gulshan	FCAD(\$)	0549850000453	1,650,905	350,504,919
	Bank Asia PLC	Tower	CD	62733000256	2,448	249,583
	Dutch Bangla Bank PLC	Kawran Bazar	CD	1071100031497	-	-
	Shahajalal Islamic Bank	Eskaton	CD	0331100000679	-	-
	South Bangla Ariculture	Gulshan	CD	0010111005482	3,012	3,012
	United Commercial Bank	Mohakhali	CD	1101000002124	80,174	563,535
	United Commercial Bank	Mohakhali	SND	1301000000653	453,029	448,766
	United Commercial Bank	Mohakhali	SND	1301000000700	855,497	1,167,945
	United Commercial Bank	Mohakhali	SND	1301000000584	2,933	143,500
	United Commercial Bank	Mohakhali	FCAD (\$)	1184000000267	-	60,268,891
	UCBL -FACD in USD A/C	Mohakhali	FCAD (\$)	1181000000193	9,393	8,407,097
	HSBC	Management Office	CD	001-011576011	17,101	35,477
	Dutch Bangla Bank PLC	Local office	CD	1011200013502	643,670	
	Dutch Bangla Bank PLC	Local office	CD	1011200007676	-	-
	One Bank PLC	Agrabad, Ctg.	CD	0031020009947	11,503	11,503
	Dutch Bangla Bank PLC	Local office	CD	1011200007863	724,227	754,622
	Shimanto Bank PLC	Corporate office	CD	1005241000165	3,380	3,380
	City Bank PLC	Gulshan	CD	1103309469001	6,002	6,002
	Mutual Trust Bank PLC	Progati Sarani	CD	80210017599	93,171	93,171
	One Bank PLC	Mirpur	CD	110039901005	-	-
				6,939,065	436,659,292	

13.00 Share capitalAuthorized capital

200,000,000 Ordinary shares of Tk.10 each

2,000,000,000**2,000,000,000**Issued, subscribed and paid-up capital

134,895,833 Ordinary shares of Tk.10 each fully paid

1,348,958,330**1,348,958,330**

NOTES TO THE FINANCIAL STATEMENT

AS AT JUNE 30, 2025

SL. No.	Particulars	Amount in Taka			
		30-Jun-2025	30-Jun-2024		
	Details of the shareholdings are as under:				
	Name of Shareholders	% held	No. of shares	30.06.2025	30.06.2024
			30.06.2025	Taka	Taka
	Md. Mofazzal Hossain	21.34%	28,791,667	287,916,670	287,916,670
	Md. Ehsanul Habib	11.14%	15,032,960	150,329,600	150,329,600
	Arifur Rahman	5.87%	7,925,000	79,250,000	79,250,000
	Md. Muddasar Hossain	5.87%	7,925,000	79,250,000	79,250,000
	Mrs. Piara Hossain	2.73%	3,681,343	36,813,430	36,813,430
	Esquire Dyeing Industries Ltd.	21.93%	29,581,343	295,813,430	295,813,430
	Esquire Accessories Ltd.	0.90%	1,214,677	12,146,770	12,146,770
	Esquire Electronics Ltd.	4.34%	5,848,010	58,480,100	58,480,100
	General Public and Institution	25.87%	34895833	348,958,330	348,958,330
		100%	134,895,833	1,348,958,330	1,348,958,330
	The company increased its authorised capital from 1,500 million to 2,000 million by passing a special resolution in the company's Extra Ordinary General Meeting (EGM) held on 22 December 2016.				
14.00	Share premium				
	Share premium			1,086,653,150	1,086,653,150
	Less: IPO Expense			-	-
				1,086,653,150	1,086,653,150
	In 2018-19, total amount of share share premium tk 1,151,041650 (20,833,332 shares @ Tk 35 premium for Eligible Investor & 14,962,501 shares @ Tk 30 premium for General Public) was received as share premium in respect of issued to share holder through IPO				
15.00	Revaluation surplus			3,739,289,135	3,739,289,135
16.00	Retained earnings				
	Opening balance			2,753,182,477	2,682,503,154
	Add: Net profit after tax for the year			77,066,042	142,219,186
	Less: Cash dividend			71,539,863	71,539,863
				2,758,708,656	2,753,182,477
17.00	Deferred Tax liabilities				
	Deferred tax liabilities have been recognized and measured in accordance with the provisions of IAS 12: Income Taxes.				
	Deferred tax liabilities related to Profit and Loss A/C	17.01		116,015,724	124,462,461
	Deferred tax Liabilities related to other comprehensive income			155,803,714	155,803,714
				271,819,438	280,266,175

NOTES TO THE FINANCIAL STATEMENT

AS AT JUNE 30, 2025

SL. No.	Particulars	Amount in Taka		
		30-Jun-2025	30-Jun-2024	
17.01	Deferred tax liabilities			
		Carrying amount	Tax base	Taxable temporary difference
		Taka	Taka	Taka
	As at 30 June 2025			
	Deferred tax liabilities related to Profit and Loss A/C			
	Property, plant and equipment excluding land	1,935,254,564	968,456,863	966,797,701
	Applicable tax rate			12.00%
	Deferred tax liability			116,015,724
	Deferred tax Liabilities related to other comprehensive income			
	Revaluation reserve for land	3,895,092,849	Nil	3,895,092,849
	Applicable tax rate			4.00%
	Deferred tax liability			155,803,714
		Carrying amount	Tax base	Taxable temporary difference
		Taka	Taka	Taka
	As at 30 June 2024			
	Deferred tax liabilities related to Profit and Loss A/C			
	Property, plant and equipment excluding land	2,198,037,380	1,160,850,201	1,037,187,179
	Applicable tax rate			12%
	Deferred tax liability			124,462,461
		Carrying amount	Tax base	Taxable temporary difference
		Taka	Taka	Taka
	Deferred tax Liabilities related to other comprehensive income			
	Revaluation reserve for land	3,895,092,849	Nil	3,895,092,849
	Applicable tax rate			4.00%
	Deferred tax liability			155,803,714
17.02	Deferred Tax Expenses			
	Deferred Liabilities at the end of the period		116,015,724	124,462,461
	Deferred Liabilities at the beginning of the period		124,462,461	129,741,285
	Deferred Tax expenses		(8,446,737)	(5,278,824)
18.00	Long term loan net of current maturity			
	International Finance Corporation	18.01	1,230,302,066	809,328,252
	Jamuna Bank PLC	18.02	2,997,798	12,715,640
	Infrustructure Development Company Limited (IDCOL)		606,030,445	632,486,106
	Al arafa Islamic Bank PLC	18.03	1,597,169,212	1,675,996,359
			3,436,499,521	3,130,526,357
	Less: Current portion of long term loan		649,287,319	451,069,640
	International Finance Corporation		117,632,823	117,632,823
	Al arafa Islamic Bank PLC		421,856,698	333,436,817
	Jamuna Bank PLC		2,997,798	-
	IDCOL		106,800,000	-
			2,787,212,202	2,679,456,717

NOTES TO THE FINANCIAL STATEMENT

AS AT JUNE 30, 2025

SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024
18.01	International Finance Corporation Particulars of the term loans are given below.	1,230,302,066	809,328,252

(Amount in USD)

Bank Name	Loan Account	Particulars	Outstanding as on 30.06.2025
International Finance Corporation	IFC	Long term loan for Expansion project	Limit: 14000000 Tenor: 8 period/years Interest Rate: 3.50(LIBOR+Margin)

Collateral: A First ranking registered Mortgage on all land and Buildings of the Company. A First ranking hypothecation on all present and future movable assets (other than current assets and stocks) of the Company by executing a deed of the hypothecation. Personal joint and several first demand payment guarantee from the Sponsors. Joint and several first demand payment guarantee from the Companies.

18.02	Jamuna Bank Limited Details of the term loan with Jamuna Bank Limited are as under:	2,997,798	12,715,640
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Bank Name	Facilities	Particulars
Jamuna Bank Limited	Term Loan	Limit: 30,000,000 Tenor: 60 months Pricing: 9.00% p.a.
Jamuna Bank Limited	Term Loan	Limit: 20,000,000 Tenor: 60 months Pricing: 9.00% p.a.

Collateral: Security cheque covering the Term Loan amount with letter of approach duly signed by the authorized person. Personal Guarantee of all the Directors of the company, supported by duly signed individual personal net worth statement. Corporate Guarantee of Shah Garments Limited, supported by MOA, AOA and Board resolution.

NOTES TO THE FINANCIAL STATEMENT

AS AT JUNE 30, 2025

SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024
18.03	Al arafa Islamic Bank Ltd	1,597,169,212	1,675,996,359

Details of the banking facilities with Dutch Bangla Bank Limited are as under:

Bank Name	Facilities	Particulars
AIBL	Back to Back LC (Foreign/Local-Sight/Deferred/ UPAS/EDF) / Bills	Limit: 2,850,000,000 Tenor: 01 Year (On Revolving Basis) Pricing: 0.20% 1st Qtr. EDF LC Max. 100 Cr. And LC for Capital Machinery & SP & Equipment will be 15 Cr. EDF interest will be As per Bangladesh Bank Circular
	Bai-Salam & Bai-Istisna (Inner Limit of Bai-Muajjal)	Limit: (550,000,000) Tenor: Bai-Istisna-60 days & Bai-Salam-120 days Pricing: 15.00% p.a.
	Bai-Muajjal	Limit: 600,000,000 Tenor: 01 Year (On Revolving Basis) Pricing: 15.00% p.a.
	HPSM - (Machinery -1)	Limit: 106,900,000, Tenor: Sight/Deferred/360 days UPAS Pricing: 0.25% 1st Qtr.
	Term Loan - HPSM (Industrial) Facility	Limit: 1,3796,000,000 Tenor: 8 Years Pricing: 15.00% p.a.
	Term Loan - HPSM (Transport) Facility	Limit: 3,700,000 Tenor: 2.5 Years Pricing: 15.00% p.a.
	Term Loan - HPSM (RE) Facility	Limit: 2,72,400,000 Tenor: 6 Years Pricing: 15.00% p.a.
	Loan against trust receipt (LTR)	Limit: 100,000,000 Tenor: 01 Year (On Revolving Basis) Pricing: 15% p.a.
	Letter of Guarantee - 1	Limit: 50,000,000 Pricing: 0.40% per quarter.
	Letter of Guarantee - 1 (One Off)	Limit: 350,000,000 Pricing: Nil
	Letter of Guarantee - 1 (Single Case)	Limit: 2,273,600,000 Pricing: Nil
	MDB/MDB-FC	Limit: 100,000,000 Tenor: 01 Year (On Revolving Basis) Pricing: 9.00% p.a.
	FBP/FBC/Quard against cash assistance	As per Export Policy

Collateral: i) Registered mortgage (to be executed) of 851.85 decimal land and factory structures thereon (458145 sft) having forced sale value of Tk. 142.96 Cr. & market value of TK. 178.70 Cr. (As per branch valuation dated 22.09.2021 & 28.10.2021) schedule of the said property is depicted below: 223.00 decimals at kanchpur, Narayanganj (129 decimals in the name of Esquire Knit Composite Ltd; 60 decimals in the name of New Dhaka Ceramic Industries Limited and 34 decimals in the name of Md. Mofazzal Hossain & Ehsanul Habib. 381.60 decimals at Mouza- Zamaldi, P. S- Gajaria, Dist.- Munshiganj (203.10 decimals in the me of Esquire Knit Composite Ltd; 178.50 decimals in the name of (i) Md. Mofazzal Hossain, (ii) Md. Ehsanul Habib, (iii) Md. Arifur Rahman, (iv) Md. Muddasar Hossain. 245.00 decimals at Mouza- Zamirdia, P. S- Vhaluka, Dist.- Mymensingh in the

NOTES TO THE FINANCIAL STATEMENT

AS AT JUNE 30, 2025

name of (i) Md. Mofazzal Hossain, (ii) Md. Arifur Rahman, (iv) Md. Muddasar Hossain. 7130+7130 = 14,260 (Fourteen Thousand Two Hundred Sixty) square feet on the 9th & 10th floor and 10 car parking space no. 1,2,3,4,5,6,11,21 & 22 on the basement- 2 floor of the commercial building namely "Ideal Trade Center" at Mouza- Begunbari, Tejgaon, Dhaka in the name of Esquire Knit Composite Ltd ii) First Charge shall be created with Registrar of Joint Stock Company on the fixed & floating assets & book debts of the company both present & future within 21 days from the date of execution of documentation and certificate to be submitted from RJSC against limited company. iii) Personal Guarantee of all the directors of the company. iv) Personal Guarantee of owners mortgaged properties.

SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024
19.00	Finance lease obligation net of current maturity		
	IDLC Finance Limited	-	-
	LankaBangla Finance PLC	16,648,192	18,322,174
	IPDC Finance Limited	-	-
		16,648,192	18,322,174
	Less: Current portion of finance lease obligation-IDLC	-	-
	Less: Current portion of finance lease obligation-LankaBangla Finance PLC	16,648,192	18,322,174
	Less: Current portion of finance lease obligation-IPDC	-	-
		16,648,192	18,322,174
		-	-

IDLC Finance Limited

Esquire Knit Composite PLC entered into lease agreement with IDLC Finance Limited from the year 2016 to 2022 for vehicles. Esquire Knit Composite PLC pays fixed monthly installments which comprise principal and interest in return.

IPDC Finance Limited

Particulars of the above lease finance(vehicle) are given below.

Name of the lender	Name of Facilities	Particulars
IPDC Finance Limited	Lease Finance	Limit: 8,700,000 Tenor: 60 months Pricing: 14.00% p.a.
IPDC Finance Limited	Lease Finance	Limit: 2,750,000 Tenor: 60 months Pricing: 14.00% p.a.

Collateral: The Security arrangements will include but are not limited to:

1. Registration & Comprehensive Insurance of the vehicles in favor of IPDC. 2. Personal Guarantee of all sponsor Directors of the Lessee(s). 3. Cross Corporate Guarantee of the Lessee(s) (Supported by Board Resolution and undertaking to amend MEMART by incorporating the clause empowering to provide corporate guarantee, if not Legally enforceable by MEMART). 4. Security cheque. 5. Post-Dated cheques (PDCs) for monthly rental payment. 6. Demand Promissory Note along with Letter of Continuation. 7. Other usual charge documents.

Details of Lease Agreement

Lease From	Purpose	Finance Amount	Lease Term	Monthly Rental	Rental Paid	Future Payment
IDLC	Vehicle	29,000,000	5 Years	565,310	29,000,000	-
		29,000,000		565,310	29,000,000	-

NOTES TO THE FINANCIAL STATEMENT

AS AT JUNE 30, 2025

SL. No.	Particulars	Amount in Taka							
		30-Jun-2025	30-Jun-2024						
20.00	Short term loan								
	Al arafa Islamic Bank PLC 20.01	1,384,780,438	1,310,035,780						
	Eastern Bank PLC 20.02	334,816,561	561,181,532						
	United commercial Bank Limited 20.03	482,129,185	928,316,533						
	Bank Asia PLC	145,173,565	196,872,116						
	Alliance Finance	288,635,373	310,024,985						
	South Bangla Agriculture PLC	27,999,365	268,594,549						
	IFIL	-	50,053,023						
	Shimanto Bank	276,453,381	257,495,589						
	IPDC Finance Limited	51,519,521	100,656,916						
	Mutual Trust Bank PLC	-	915,042						
	Lanka Bangla Finance PLC	16,648,192							
		3,008,155,581	3,984,146,066						
20.01	Al arafa Islamic Bank PLC								
	HPSM (Transport) Short Term	-	1,536,486						
	Loan against EDF	707,432,948	663,668,036						
	Overdraft 20.01.1	677,347,490	644,831,258						
		1,384,780,438	1,310,035,780						
20.01.1	Overdraft								
	<table><tr><th>Name of the Bank</th><th>Branch</th><th>Account #</th></tr><tr><td>OD- Bai-Muazzal (Gen) MEF</td><td>Mohakhali</td><td>05480900</td></tr></table>	Name of the Bank	Branch	Account #	OD- Bai-Muazzal (Gen) MEF	Mohakhali	05480900		
Name of the Bank	Branch	Account #							
OD- Bai-Muazzal (Gen) MEF	Mohakhali	05480900							
		677,347,490	644,831,258						
		677,347,490	644,831,258						
20.02	Eastern Bank PLC								
	Overdraft	30,957,005	30,838,285						
	Time loan normal	112,794,135	123,526,622						
	Export cash credit	128,976,256	105,417,369						
	Loan against EDF	62,089,164	301,399,256						
		334,816,561	561,181,532						

Particulars of the above banking facilities are given below:

Bank Name	Facilities	Particulars
Eastern Bank PLC	Back to Back LC (Usance/sight under EDF Including acceptance liability)	Limit: 1,800,000,000 Tenor: 180 days Pricing: 0.15% PQ.
	Acceptance (Raw Materials) [Within Line # 1]	Limit: (1,800,000,000) Tenor: 180 days Pricing: 0.15% PQ.
	Sight Letter of Credit-I (Financed through EDF) [Within Line # 1]	Limit: (1,200,000,000) Tenor: 180 days Pricing: 0.15% PQ.
	EDF Loan [Within Line # 1]	Limit: (1,200,000,000) Tenor: 180 days Pricing: As per Bangladesh Bank Circular

NOTES TO THE FINANCIAL STATEMENT

AS AT JUNE 30, 2025

Bank Name	Facilities	Particulars
Eastern Bank PLC	Sight Letter of Credit (Machineries)	Limit: 50,000,000 Tenor: 360 days Pricing: 0.15% PQ.
	Usance Letter of Credit (Machineries) [Within Line # 2]	Limit: (50,000,000) Tenor: 360 days Pricing: 0.15% PQ.
	Acceptance (Machineries) [Within Line # 2]	Limit: (50,000,000) Tenor: 360 days Pricing: 0.15% PQ.
	Time Loan (Machineries) [Within Line # 2]	Limit: (45,000,000) Tenor: 360 days Pricing: Case to case basis.
	Letter of Guarantee	Limit: 10,000,000 Tenor: Up to 5 years Pricing: 0.20% PQ/ Minimum tk. 2500
	Packing Credit	Limit: 125,000,000 Tenor: 120 days Pricing: 12.00% p.a.
	Pre Shipment Credit	Limit: (125,000,000) Tenor: 180 days Pricing: As per BB Circular
	Manufacturer's Demand Loan	Limit: 85,000,000 Tenor: 120 days Pricing: 12.50% p.a.
	Overdraft (OD)	Limit: 30,000,000 Tenor: 360 days Pricing: 12.50% p.a.
	Time Loan [Within Line # 2]	Limit: (45,000,000) Tenor: 360 days Pricing: 12.50% p.a.
	FDBP	Limit: 150,000,000 Tenor: 45 days for Sight & 120 days for Deferred Pricing: As per schedule of the bank
	LDBP [Within Line # 7]	Limit: (50,000,000) Tenor: 45 days for Sight & 120 days for Deferred Pricing: 12.50% p.a. for BDT and 6MS+3.5% p.a. for USD

Collateral: 1) Registered Mortgage & Registered Power of Attorney on 5.97 bigha (197) decimal land and building thereon (Solely with Eastern Bank Limited), located at Mouza: Jamaldi, P.S. & SRO: Gazaria, District: Munshiganj, owned by Esquire Knit Composite PLC. Registered Mortgage as well as subsequent EBL charge to be created with RJSC for BDT 430.00 Million, which will continue.

2) 1st Registered Mortgage & Registered Power of Attorney on 1.00 bigha (33.25) decimal land and building thereon (Solely with Eastern Bank Limited), located at Mouza: Jamaldi, P.S. & SRO: Gazaria, District: Munshiganj, owned by Esquire Knit Composite PLC. Registered Mortgage as well as subsequent EBL charge to be created with RJSC for BDT 50.00 Million.

NOTES TO THE FINANCIAL STATEMENT

AS AT JUNE 30, 2025

SL. No.	Particulars	Amount in Taka																																			
		30-Jun-2025	30-Jun-2025																																		
20.03	United Commercial Bank PLC																																				
	<table><tr><th>Facilities</th><th>Branch</th><th>A/C #</th></tr><tr><td>Overdraft</td><td>Mohakhali</td><td>0781749000000347</td></tr><tr><td>Time loan normal</td><td></td><td></td></tr><tr><td>Export cash credit</td><td></td><td></td></tr><tr><td>Bill discounted liabilities</td><td></td><td></td></tr><tr><td>EDF</td><td></td><td></td></tr><tr><td>Demand loan -Normal</td><td></td><td></td></tr></table>	Facilities	Branch	A/C #	Overdraft	Mohakhali	0781749000000347	Time loan normal			Export cash credit			Bill discounted liabilities			EDF			Demand loan -Normal			<table><tr><td>107,857,150</td><td>61,215,516</td></tr><tr><td>301,179,709</td><td>298,035,105</td></tr><tr><td>-</td><td>35,084,380</td></tr><tr><td>1,378,100</td><td></td></tr><tr><td>71,714,227</td><td>-</td></tr><tr><td>-</td><td></td></tr><tr><td>482,129,185</td><td>394,335,000</td></tr></table>	107,857,150	61,215,516	301,179,709	298,035,105	-	35,084,380	1,378,100		71,714,227	-	-		482,129,185	394,335,000
Facilities	Branch	A/C #																																			
Overdraft	Mohakhali	0781749000000347																																			
Time loan normal																																					
Export cash credit																																					
Bill discounted liabilities																																					
EDF																																					
Demand loan -Normal																																					
107,857,150	61,215,516																																				
301,179,709	298,035,105																																				
-	35,084,380																																				
1,378,100																																					
71,714,227	-																																				
-																																					
482,129,185	394,335,000																																				

Particulars of the above banking facilities are given below:

Bank Name	Facilities	Particulars
United Commercial Bank PLC	Back to Back LC (Usance/sight under EDF Including acceptance liability)	Limit: 1,600,000,000 Tenor: 120 days Pricing: 0.25% PQ.
	Letter of Credit(Sight/Usance/UPAS)	Limit: 200,000,000 Tenor: 180 days Pricing: 0.25% PQ.
	Letter of Credit(Sight/Usance/UPAS)- Machinery (Inner of SLC/ULC/UPAS Limit of 20 Crore)	Limit: (50,000,000) Tenor: 360 days Pricing: 0.25% PQ.
	Loan against trust receipt (LTR)	Limit: 50,000,000 Tenor: 120 days Pricing: 0.25% PQ.
	Time Loan (Inner of LTR Limit)	Limit: (40,000,000) Tenor: 360 days Pricing: 0.25% PQ.
	LBPD	Limit: 100,000,000 Tenor: 120 days Pricing: 0.25% PQ.
	Letter of Guarantee	Limit: 50,000,000 Tenor: As per requirement Pricing: 0.25% PQ
	FBPD/OBU Discounting	Limit: 150,000,000 Tenor: 21 days Pricing: 15.00% p.a.
	Time Loan (Inner Limit of FBPD)	Limit: 80,000,000 Tenor: 90 days Pricing: 15.00% p.a.
	Time Loan	Limit: 150,000,000 Tenor: 150 days Pricing: 15.00% p.a.
	Packing Credit (Inner Limit With Time Loan)	Limit: (150,000,000) Tenor: 120 days Pricing: 15.00% p.a.
	Overdraft (OD)	Limit: 50,000,000 Tenor: 360 days Pricing: 15.00% p.a.

NOTES TO THE FINANCIAL STATEMENT

AS AT JUNE 30, 2025

Collateral: Registered Mortgage of 96.00 decimal Land with 04 storied building (57,400 sft) at Mouza: Jamaldi, P.S. & SRO: Gazaria, District: Munshiganj, owned by Esquire Knit Composite PLC. Pari-passu security sharing with other lenders: AIBL, & EBL) over floating assets of the company. Personal Gurantee of all director of Esquire Knit Composite PLC & Esquire Dyeing Industries Limited except independent directors of Esquire Knit Composite PLC. Corporate gurantee of Esquire Electronics Ltd., Esquire Dyeing Industries Ltd. & Esquire Accessories Ltd. with duly adopted board resolution. Post-dated MICR cheques (mode wise) signed by the authorized signatory of the company.

SL. No.	Particulars	Amount in Taka						
		30-Jun-2025	30-Jun-2024					
21.00	Unclaimed Dividend	2,260,380	2,371,333					
	SL #	Account Number	Bank	Branch	AGM No	AGM date	Taka	Taka
	1	101-120-000-7863	DBBL	Local Office	21th	26.01.22		754,622
	2	078-130-100-000-0653	UCBL	Mohakhali	22th	25.01.23	448,766	448,766
	3	078-130-100-000-0700	UCBL	Mohakhali	23th	25.01.24	1,167,945	1,167,945
	4	1011200013502	DBBL	Local Office	24th	25.01.25	643669.75	
							2,260,380	2,371,333
22.00	Accounts payable						796,985,402	510,719,411
	Import liability and other creditors							
	A schedule of import liability and other creditors is given in Annexure-H.							
23.00	Liabilities for expenses							
	Directors' remunerations						12,000,000	35,164,000
	Salary and wages						76,040,114	52,576,062
	Gas Bills						56,802,162	12,320,188
	Electricity						7,344,199	3,421,964
	Telephone bill						77,000	77,000
	WPPF payable			23.01			-	-
	Wasa bill						56,692	25,000
	Provision for Income Tax			23.02			149,837,914	331,495,103
	Provision for Head office Floors						1,837,169	1,837,169
	Financial Interest						21,435,121	5,957,561
	TDS on Dividend and Expenses						19,372,141	22,378,589
	Audit fees						1,725,000	862,500
	Regulatory fees						1,759,376	-
	Head office rent						6,088,000	3,044,000
							354,374,888	469,159,136
23.01	WPPF payable							
	Opening Balance						-	-
	Add: Addition during the year						2,778,776	1,635,373
							2,778,776	1,635,373
	Less: Payment during the year						2,778,776	1,635,373
							-	-

NOTES TO THE FINANCIAL STATEMENT

AS AT JUNE 30, 2025

SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024
23.02	Provision for Income Tax		
	Opening balance	331,495,103	249,289,002
	Add: Provision made for the year	108,942,842	82,206,101
		440,437,945	331,495,103
	Less: Adjustment for assessment year-2021-22	46,895,541	-
	Less: Adjustment for assessment year-2022-23	60,060,668	-
	Less: Adjustment for assessment year-2023-24	103,173,620	
	Less: Adjustment for assessment year-2024-25	80,470,202	
		149,837,914	331,495,103
24.00	Sales		
	Export sales	10,070,591,111	7,604,616,487
	Disclosure as per Schedule XI, Part II, Para 8 (e) of the Companies Act 1994:		
	i. The quantity of the company's export of knit garments in pieces:	45,643,706	32,463,146
	ii. Foreign currency earned against export on FOB Basis:		
	In USD	83,962,523	68,049,623
	In BDT	10,070,591,111	7,604,616,487
	iii. The Company has not earned any foreign exchanges for royalty, know-how, professional fees and consultancy fees.		
	iv. The value of export for the year ended on 30 June 2025.		
25.00	Cost of Goods Sold		
	Cost of materials consumed 25.01	4,946,803,740	3,174,580,516
	Cost of direct labor 25.02	2,785,997,303	2,207,106,738
	Prime cost	7,732,801,043	5,381,687,254
	Factory overheads 25.03	827,605,100	795,276,320
	Cost of Goods put into Process	8,560,406,143	6,176,963,574
	Opening Work -in- process	760,666,075	868,014,023
	Closing Work- in- process 25.04	(710,616,073)	(760,666,075)
	Cost of Goods Manufactured	8,610,456,145	6,284,311,522
	Opening Finished Goods -	186,123,101	220,056,353
	Cost of Goods Available for Sale	8,796,579,246	6,504,367,876
	Closing Finished Goods 25.05	(195,835,241)	(186,123,101)
		8,600,744,005	6,318,244,775
25.01	Raw Materials Consumption		
	Yarn 25.11	3,031,801,833	2,277,928,904
	Dyes 25.12	225,186,678	177,859,714
	Chemical 25.13	397,925,626	276,754,422
	Finishing Materials 25.14	1,291,889,603	442,037,476
		4,946,803,740	3,174,580,516

NOTES TO THE FINANCIAL STATEMENT

[illegible]

NOTES TO THE FINANCIAL STATEMENT

[illegible]

NOTES TO THE FINANCIAL STATEMENT

AS AT JUNE 30, 2025

SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024
26.01	Office & administrative expenses	257,109,324	271,029,267
	Director remuneration	6,000,000	10,000,000
	Salary & allowances	155,635,029	169,171,921
	Contribution to employees provident fund	-	-
	Vehicle maintenance	1,161,501	1,236,779
	Vehicle running expenses	7,878,518	5,066,299
	Entertainment	1,276,513	1,864,888
	Insurance premium	466,249	466,249
	Printing expenses	1,114,811	526,072
	Stationery expenses		830,215
	Telephone, mobile & internet	3,671,667	3,439,260
	Floor rent	3,044,000	3,044,000
	Conveyance	3,410,789	788,649
	Bank charges	27,391,754	19,930,175
	License, renewal & registration	4,739,965	4,862,993
	Utility expenses	3,182,057	2,565,352
	Audit fees	862,500	862,500
	Scrutinizer fees	30,000	30,000
	Exchange loss/(gain)	(1,036,640)	(1,259,600)
	Depreciation	36,896,277	46,689,041
	Miscellaneous expenses(AGM expenses)	1,384,335	914,474
26.02	Selling & distribution expenses	399,383,459	380,207,608
	Inspection & certificate issue expenses	9,973,505	8,065,559
	Export permission	3,518,849	9,829,884
	Foreign Travel for marketing	6,858,814	11,068,796
	Sample and courier expenses	56,330,210	60,716,510
	Bank charges on export proceeds	204,132,405	202,651,456
	Freight charges on export	63,250,661	50,245,527
	C&F expenses on export	24,923,816	16,620,449
	Carriage outward on export(Transportation)	30,395,199	21,009,427
27.00	Financial expenses	649,475,938	439,149,981
	Interest on Short term loan	340,353,596	205,249,011
	Interest on Long term loan	309,122,342	231,685,380
	Interest on Finance lease		2,215,590
28.00	Non operating income	16,462,537	24,796,980
	FDR Interest	9,081,241	7,003,394
	Gain/(Loss) on Surrender of unit fund-ICL		10,412,290
	Dividend on unit fund-ICL		-
	Rental income	7,381,296	7,381,296

NOTES TO THE FINANCIAL STATEMENT

AS AT JUNE 30, 2025

32.00 Related party disclosures

i) Related party transactions

(Amount in Taka)

Name	Nature of relationship	Nature of Transaction	Opening Balance	Purchase/ receipts	Payment	Outstanding as on 30.06.2025 (Receivable)/ Payable
Esquire Accessories Limited	Common Management	Purchase	72,755,797	258,944,440	252,876,236	78,824,000
Esquire Electronics Limited	Common Management	Purchase	-	-	-	-
Esquire Dyeing Industries Limited	Common Management	Dyeing	77,390,022	99,071,138	146,516,472	29,944,688
Esquire Testing Services (BD) Limited	Common Management	Fabric testing fees	-	227,157,109	227,157,109	-
L'Esquire Ltd			(1,923,920,470)	-	169,583,654	(2,093,504,125)
Esquire Plastics Ltd	Common Management	Purchase	-	424,953	424,953	-
						(1,984,735,437)

ii) Particulars of Directors of Esquire Knit Composite Limited as at 30 June 2025

Name of Directors	BOD of Esquire Knit Composite Limited	Entities where they have interests
Md. Ehsanul Habib	Managing Director	Esquire Knit Composite Limited
		Esquire Dyeing Industries Limited
		Esquire Electronics Limited
		Esquire Testing Services (BD) Limited
		Esquire Accessories Limited
		Esquire Plastics Limited
		Alpha Plastic & Packaging Limited
		Esquire Customer Care Limited
		Esquire Chemical Industries Limited
		Shah Garments International Limited
		Meghna Plastic Industries (Pvt) Limited
		New Dhaka Ceramic Industries (Pvt.) Limited
		Synthia Multi-Fibre Limited
		MMH Textiles Limited
		Esquire Sourcing Limited
		Sharp Media Limited
		Bangladesh German University
		Best Life Insurance Company Limited
		Thakral Information Systems (Pvt.) Limited
		Trust Solution Private Limited
		Thakral One Private Ltd
		T.M Chemical Limited
		Olive Tree Foods Limited
		Esquire Travels Ltd.
		Securex (Pvt) Ltd.
		L'Esquire Ltd
		Esquire Heavy Industries Ltd.

NOTES TO THE FINANCIAL STATEMENT

AS AT JUNE 30, 2025

Name of Directors	BOD of Esquire Knit Composite Limited	Entities where they have interests
Md. Mofazzal Hossain	Chairman	Esquire Knit Composite Limited
		Esquire Dyeing Industries Limited
		Esquire Electronics Limited
		Esquire Testing Services (BD) Limited
		Esquire Accessories Limited
		Esquire Plastics Limited
		Esquire Customer Care Limited
		L'Esquire Ltd
		Esquire Chemical Industries Limited
		Shah Garments International Limited
		Meghna Plastic Industries (Pvt) Limited
		New Dhaka Ceramic Industries (Pvt.) Limited
		Synthia Multi-Fibre Limited
		MMH Textiles Limited
		Sharp Media Limited
		Thakral Information Systems (Pvt.) Limited
		Trust Solution Private Limited
		Thakral One Private Ltd
Mrs. Peara Begum	Director	Esquire Travels Ltd.
		Esquire Knit Composite Limited
		Esquire Dyeing Industries Limited
		Esquire Electronics Limited
Arifur Rahman	Director	Esquire Accessories Limited
		Esquire Knit Composite Limited
		Esquire Dyeing Industries Limited
		Esquire Electronics Limited
		Esquire Testing Services (BD) Limited
		Esquire Accessories Limited
		Esquire Plastics Limited
		Alpha Packaging Limited
		Esquire Customer Care Limited
		L'Esquire Ltd
		Esquire Chemical Industries Limited
		Shah Garments International Limited
		Meghna Plastic Industries (Pvt) Limited
		New Dhaka Ceramic Industries (Pvt.) Limited
		Synthia Multi-Fibre Limited
		MMH Textiles Limited
		Esquire Sourcing Limited
		Sharp Media Limited
		Trust Solution Private Limited
		Esquire Travels Ltd.

NOTES TO THE FINANCIAL STATEMENT

AS AT JUNE 30, 2025

Name of Directors	BOD of Esquire Knit Composite Limited	Entities where they have interests
Md. Muddasar Hossain	Director	Esquire Knit Composite Limited
		Esquire Dyeing Industries Limited
		L'Esquire Ltd
		Esquire Electronics Limited
		Esquire Testing Services (BD) Limited
		Esquire Accessories Limited
		Esquire Plastic Limited
		Esquire Chemical Industries Limited
		Meghna Plastic Industries (Pvt) Limited
		New Dhaka Ceramic Industries (Pvt.) Limited
		Synthia Multi-Fibre Limited
		MMH Textiles Limited
		Esquire Customer Care Limited
		Esquire Travels Ltd.

SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024

33.00 Capital expenditure commitment

Details of capital expenditure commitment as of 30 June 2025 are as under:

Particulars	Total Cost value estimated	Paid till 30.06.25	to be paid
Valuka Project	2,900,000,000	2,770,129,270	129,870,730

34.00 Disclosure as per Schedule XI, Part II, Para 3 of the Companies Act 1994**Number of employee**

Factory:

Textile and Apparels:

Number of full-time employee (Officers & Staff)

Number of full-time employee (Workers)

Head Office:

Number of full-time employee (Officers & Staff)

Number of full-time employee (Workers)

No. of Employee**No. of Employee**

985

5,485

985

5,485

165

-

165

-

All the aforesaid employees engaged by the Company for the whole year or part thereof individually received a total salary of Tk. 70,055 or above.

35.00 Disclosure as per Schedule XI, Part II, Para 4 of the Companies Act 1994

Directors are also executives of the company. Their executive compensation for the year ended on 30 June 2025 is given below:

Managing Director's remuneration and benefit

Other Directors' salary and benefit

Other key management personnels' salary and benefit

35.01

35.02

35.03

6,000,000

4,000,000

26,349,829

36,349,829

6,000,000

4,000,000

26,349,829

36,349,829**35.01 Managing Director's remuneration and benefit**

Salary

6,000,000

6,000,000

NOTES TO THE FINANCIAL STATEMENT

AS AT JUNE 30, 2025

SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024
35.02	Other Directors' salary and benefit		
	Salary	4,000,000	4,000,000
35.03	Other key management personnels' salary and benefit		
	Salary	23,951,685	23,951,685
	Allowance	439,395	439,395
	Bonus	1,958,749	1,958,749
	Providend fund	-	-
		26,349,829	26,349,829

Board Meeting attendance fees have been provided to the directors of the company for the year.
The Directors of the company did not take any benefit from the company other than the remuneration and -

a.	Expense reimbursed to the managing agent -	Nil
b.	Commission or other remuneration payable separately to a managing agent or his associate -	Nil
c.	Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into such concerns with the company -	Nil
d.	The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year -	Nil
e.	Any other perquisites or benefit in cash or in kind stating -	Nil
f.	Other allowances and commission including guarantee commission -	Nil
	1) Pensions	
	2) Gratuities	
	3) Payment from Provident Fund	
	4) Compensation for loss of office	
	5) Consideration in connection with retirement from office	

36.00 Disclosure as per Schedule XI, Part II, Para 7 of the Companies Act 1994

Particulars

Textiles:

Installed Capacity (Kg)	12,775,000	12,775,000
Actual Production (Kg)	8,400,364	6,316,063
Utilization	65.76%	49.44%

Apparels:

Installed Capacity (Pcs)	49,920,000	49,920,000
Actual Production (Pcs)	45,653,185	26,562,033
Utilization	91.45%	53.21%

37.00 Transaction in foreign currency**C & F value of import**

Finishing Materials	12,073,735	7,035,541
Yarn	32,290,761	19,228,540
Dyes & Chemicals	6,208,434	5,703,564
Capital Machinery	25,263	2,574,850
	50,598,191	34,542,495

FOB Value of Export (USD)

	64,996,722	75,919,079
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NOTES TO THE FINANCIAL STATEMENT

AS AT JUNE 30, 2025

SL. No.	Particulars	Amount in Taka	
		30-Jun-2025	30-Jun-2024
38.00	Financial risk management The management of the company has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies have been established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The company has exposure to the following risks from its use of financial instruments. *Credit Risk *Interest Rate Risk *Currency Risk *Liquidity/funding risk *Market risk		
38.01	Credit risk Credit risk is the risk of a financial loss to the company if a client or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables. As the company is involved in 100% export oriented business, all the sales are made against Letter of Credit (L/C). L/Cs provide guarantee against credit sales and minimise the credit risk to an acceptable level. Bills receivable arises due to the time difference between submission of bills to the bank for collection of proceeds and actual realisation of the proceeds. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was: Accounts receivables 8.00 1,597,380,764 1,544,532,346 Advance, deposit and prepayments 10.00 2,323,388,221 2,374,264,472 Cash & Bank Balances 12.00 9,961,824 441,398,935 3,930,730,808 4,360,195,752 The maximum exposure to credit risk for trade and other receivables as at the statement of financial position date by geographic regions was: Domestic 3,565,029,393 3,907,951,581 Foreign 365,701,415 452,244,171 3,930,730,808 4,360,195,752		
38.02	Liquidity risk Liquidity risk is the risk that the company will not be able to meet its financial obligations as they falls due. The company's approach to managing liquidity (cash and cash equivalents) 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. Typically, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast 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.		

NOTES TO THE FINANCIAL STATEMENT

AS AT JUNE 30, 2025

The following are the contractual maturities of financial liabilities of the company:

As on 30 June 2025

	Contractual cash flows (Taka)	1 year or less Taka	More than 1 year Taka
Long term loan	3,436,499,521	-	3,436,499,521
Finance Lease obligation	16,648,192	-	16,648,192
Short term loan	3,008,155,581	1,804,893,349	1,203,262,232
Provision for income tax	149,837,914	149,837,914	-
Liabilities for expenses	204,536,975	204,536,975	-
Accounts payable	796,985,402	796,985,402	-
	7,612,663,584	2,956,253,639	4,656,409,945

As on 30 June 2024

	Contractual cash flows (Taka)	1 year or less Taka	More than 1 year Taka
Long term loan	3,130,526,357	-	3,130,526,357
Finance Lease obligation	18,322,174	-	18,322,174
Short term loan	3,984,146,066	2,390,487,640	1,593,658,426
Provision for income tax	331,495,103	331,495,103	-
Liabilities for expenses	137,664,033	137,664,033	-
Accounts payable	510,719,411	510,719,411	-
	8,112,873,143	3,370,366,186	4,742,506,957

38.03 Market risk

Market risk is the risk that any change in market prices, such as foreign exchange rates and interest rates will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

In the past, in some occasion large buyers of different RMG exporters has decided to withdraw business, or has become bankrupt or were subject to regulatory injunction from importing from Bangladesh, creating a strong impact on the exporter. For EKCPCL single buyer concentration is not a major issue and they have longstanding relationship with overseas buyers. All of them regard EKCPCL as their global partners and the relationship can only be disrupted if EKCPCL fails to perform its commitments. Also, because of its dominant position in the export market it is always sought after by many buyers.

NOTES TO THE FINANCIAL STATEMENT

AS AT JUNE 30, 2025

38.04 Currency risk

The company is exposed to currency risk on receiving of sales proceeds and payments made for raw materials purchase as well. Maximum of the company's foreign currency transactions are denominated in USD.

i) Exposure to currency risk

The company's exposure to foreign currency risk was as follows based on notional amounts:

	30.06.2025 USD	30.06.2024 USD
Foreign currency denominated assets		
Accounts Receivable	13201494	13,201,131
FBPAR A/C with DBBL-in USD(78)	-	-
FBPAR A/C with Dutch Bangla Bank Limited (USD)	514	139
FBPAR A/C with Dutch Bangla Bank Limited (Euro)	-	-
Margin A/C with Eastern Bank Limited (USD)	247,681	247,681
Margin A/C with Eastern Bank Limited (Euro)	-	-
Dutch Bangla Bank Limited FCAD (USD account)	-	-
Dutch Bangla Bank Limited FCAD (Euro account)	-	-
DBBL FCAD-in Dollar	281	281
Eastern Bank Limited (USD account)	-	-
	13,449,970	13,449,232
Foreign currency denominated liabilities		
AIBL-EDF	(5,846,553)	(5,672,376)
EBL-EDF	(513,134)	(2,576,062)
UCBL-EDF	(592,680)	(4,797,222)
IFC Loan	(10,167,786)	(6,917,335)
Accounts Payable	(6,142,655)	(4,365,123)
	(23,262,807)	(24,328,118)
Net exposure	(9,812,837)	(10,878,886)
	30.06.2025 Taka	30.06.2024 Taka
The following rate has been applied:		
Taka/USD	121.00	117.00
Taka/EURO	125.00	125.00

38.05 Business Risk

Managing Compliance – Currently RMG buyers specially the large buyers are very demanding and constantly tightening the compliance criteria. EKCPCL has been in the forefront of compliance among the RMG exporters in the county. They have compliant plants with effluent water treatment facility, childcare facility, adequate ventilation, spacious infrastructure lay out, etc. Till now they were able to meet all the compliance challenge in their 30 year plus business experience and is likely to do so in the coming years. EKCPCL mitigates compliance risk since it is WRAP certified and passed other audits from Department of Environment (DOE) and overseas buyers.

Achievement of sales volume – Historically, EKCPCL has been successful to achieve its sales target after expansion as most of its expansions are planned after receiving order indications from its buyers.

38.06 Interest Rate Risk

EKCPCL is enjoying banks finance in the form of working capital as well as term loan. As a bank fund borrower, the entity has to pay a significant amount of loan interests and charges. Bangladesh Bank has moved to remove the interest rate ceiling on lending in the wake of a massive liquidity crisis in the financial market letting the price to be determined by functioning of

demand-supply interaction. This measure may invite interest rate instability, which may create volatility in the profitability of business like EKCPLC. It is the company risk of gain or losses on assets and liabilities due to changes in interest rates.

Exposure of Interest Rate Risk

Fixed Rate Bearing		
Term Loan	3,453,147,713	3,148,848,531
Short Term Loan	3,008,155,581	3,984,146,066

38.07 Operation Risk

Technology is a continuous process of development. Innovation of new and cost effective technology may obsolete existing technology, which may cause negative impact on the business. The project is equipped with good machineries and technology to cope with the modern textile world. The management both in head office and production premises seem to be competent and maintain the standard level of quality and to run the operations effectively. However, in order to reduce the operational risk, the company is yet to ensure an external control mechanism. The company has minimum exposure to operational risk.

38.08 Raw Material Supply Risk

The company receives yarn, dyes & chemicals both from local as well as foreign suppliers. Import based supplies are likely to be affected by any uncontrollable event or country risk to transaction or political barrier. Since inception the company did not face any such uncontrollable events so far because of maintaining good supply chain relationship with the suppliers of raw materials and in exceptional cases, it is confident to make alternative arrangement at shorter notice.

38.09 Exchange Rate Risk

Exchange rate risk arises from currency fluctuation in international trade. If Bangladeshi Taka is devalued and/or foreign currency revalued than the price of imported raw materials will go up which will decrease the overall profit margin. As the company is dependent upon the import for yarn, dyes, chemicals & accessories and in future it will be the same, volatility of exchange rate will have an impact on profitability of the company. For last couple of years, Bangladeshi Taka found carrying floated value and expected to follow the same which expose the company to significant exchange rate risk.

38.10 Power Generation Risk

The industrial bases of Bangladesh are mainly aided by natural gas-driven power generation which causes disruption occasionally and the weaving industry is not an exception. Smooth availability of gas will ensure the maximum functioning of the machineries. EKCPLC uses natural gas to produce power from captive power plant. Currently a circular from government has emerged to arrange alternate of gas due to recent acute gas crisis. The company is connected with 15 PSI gas line and currently does not any problem of gas pressure. So other things being constant, EKCPLC does not foresee significant risk for power generation.

39.00 Date of Authorisation

The Board of directors has authorised these financial statements for issue on 26 October 2025.

Mrs. Peara Begum.

Chairman

Managing Director

Director

Company Secretary

Chief Financial Officer

SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT

AS AT JUNE 30, 2025

(Annexure-A)

Name of the assets	Cost			Rate (%)	Depreciation			Written Down Value as on
	Balance as on	Addition During	Balance as on		Balance as on	Charges for	Balance as on	
	01.07.2024	the period	30.06.2025		01.07.2024	the period	30.06.2025	
a. Freehold assets								
Land & Land development	123,453,152	-	123,453,152	-	-	-	-	123,453,152
Building	1,222,820,029	-	1,222,820,029	5%	721,671,635	61,141,001	782,812,636	440,007,392
Plant & Machinery	3,820,791,953	2,703,100	3,823,495,053	7%	2,188,665,996	169,649,338	2,358,315,334	1,465,179,719
Furniture and Office Equipment	310,174,189	2,200,700	312,374,889	10%	259,802,378	31,237,489	291,039,867	21,335,022
Motor Vehicle	28,894,445	-	28,894,445	13%	28,894,445		28,894,445	-
Software & IT	32,440,757	-	32,440,757	10%	20,464,251	3,244,076	23,708,327	8,732,430
Sub-Total	5,538,574,524	4,903,800	5,543,478,324		3,219,498,704	265,271,904	3,484,770,609	2,058,707,715
b. Revalued assets								
Land & Land Development	3,895,092,849	-	3,895,092,849	-	-	-	-	3,895,092,849
Sub-Total	3,895,092,849	-	3,895,092,849		-	-	-	3,895,092,849
c. Leasehold assets								
Motor Vehicle	99,420,368	-	99,420,368	13%	97,005,656	2,414,712	99,420,368	0
Sub-Total	99,420,368	-	99,420,368		97,005,656	2,414,712	99,420,368	0
Grand total as on 30 June 2025	9,533,087,741	4,903,800	9,537,991,541		3,316,504,361	267,686,616	3,584,190,977	5,953,800,565
Grand total as on 30 June 2024	9,508,390,265	24,697,477	9,533,087,742		3,028,307,714	288,196,646	3,316,504,361	6,216,583,381

Break-up of Land and Land Development:

Land acquisition cost	83,297,266	Allocation of depreciation:	
Land development cost	40,155,886	Factory overhead	230,790,339
	123,453,152	Office & Administrative Expenses	36,896,277
			267,686,616

Note: Land and land development has been revalued on 20 July 2020 by an independent valuer

i) Name of Valuer : Masih Muhith Haque & Co. Chartered Accountants**ii) Valuation method :** Estimated Net Realizable Value Method (the market approach).**iii) Date of Capitalization:** Revaluation surplus capitalized on 20 July 2020

ADDITION OF CAPITAL WORK IN PROGRESS

AS AT JUNE 30, 2025

(Annexure-B)

1. Expansion project -Valuka

Particulars	Total Cost	Cost incurred
Valuka Building construction	2,900,000,000	2,770,129,270
Total	2,900,000,000	2,770,129,270

ESQUIRE KNIT COMPOSITE PLC
SPARE PARTS ITEMS
AS AT 30 JUNE 2025

(Annexure-C)

Sl #	Particulars	Opening		Purchase		Issue/Consumption		Closing Balance	
		Qty	BDT	Qty	BDT	Qty	BDT	Qty	BDT
Raw material									
1	Yarn	2,100,338	649,033,593	7,941,641	3,455,111,462	8,075,582	3,031,801,833	1,966,397	1,072,343,222
2	Dyes	225,237	256,328,990	1,607,268	229,730,848	1,615,224	225,186,678	217,280	260,873,160
3	Chemical	857,069	235,793,946	3,466,052	434,571,537	3,922,837	397,925,626	400,284	272,439,857
Finishing Materials									
4	Packing materials	-	416,369,166	-	294,076,907	14,998,084	559,234,793	-	151,211,280
5	Accessories	-	614,570,159	-	811,682,278	-	710,567,050	-	715,685,387
6	Sewing Thread	-	147,498,509	-		-		-	147,498,509
7	Printing & Embroidery materials	-	14,418,971	-	7,668,789	-	22,087,760	-	(0)
WIP and Finished Goods									
8	Work in Process	-	760,666,075	-	-	-	-	-	710,616,073
9	Finished goods-pcs	566,507	186,123,101	-	-	-	-	575,986	195,835,241
10	Materials in transit	-	206,820,025		-	-	-	-	214,970,588
Sub-Total		3,749,151	3,487,622,535	13,014,961	5,232,841,821	28,611,727	4,946,803,740		3,741,473,317
Factory overhead (Repair and Maintenance)									
1	Spare parts & consumable items	-	234,953,115	-	58,673,296	-	114,722,035	-	178,904,377
Sub-Total		-	234,953,115	-	58,673,296	-	114,722,035	-	178,904,377
Grand Total		3,749,151	3,722,575,650	13,014,961	5,291,515,117	28,611,727	5,061,525,775	-	3,920,377,694

ESQUIRE KNIT COMPOSITE PLC
SPARE PARTS ITEMS
AS AT 30 JUNE 2025

(Annexure-D)

Sl. No.	Items	Unit	30.06.2025		30.06.2024	
			Qty	Amount	Qty	Amount
1	Air Conditioner	BOTTLE	2	91,517	5	61,517
2	Air Conditioner	PCS	11	86,715	11	86,715
3	Air Conditioner	SET	5	614,270	5	614,270
4	Ball Bearing	PCS	2,958	925,286	2,958	925,286
5	Timing Belt	MTR	85	10,141	85	10,141
6	Timing Belt	PCS	965	673,866	965	673,866
7	Toothed Belt	PCS	452	759,603	452	759,603
8	V-Belt	PCS	3,565	881,338	3,565	881,338
9	Common (All)	KG	8	1,505	8	1,505
10	Common (All)	LBS	735	873,002	735	873,002
11	Common (All)	PCS	4,577	230,727	4,577	230,727
12	Common (All)	SET	20	10,919	20	10,919
13	Band Knife M/C	SET	21	4,411	21	4,411
14	Common M/C (Cutting)	PCS	6,536	691,199	6,536	691,199
15	FK Spreading Machine 590	PCS	22	2,273	22	2,273
16	FK Top Cut 9 M/C	PCS	202	420,820	202	420,820
17	Manual M/C	PCS	5,288	7,128,665	5,288	7,128,665
18	Spreader M/C (Brio 100)	PCS	377	541,397	377	541,397
19	VT-7000 M/C	BOX	1,228	471,045	1,228	471,045
20	VT-7000 M/C	PCS	1,559	1,000,052	1,559	1,000,052
21	VT-MX M/C	PCS	1,130	2,068,299	1,130	2,068,299
22	VT-MX M/C	PAIR	9	27,918	9	27,918
23	Automatic Tubular Emb M/C	PCS	1,278	300,052	1,278	300,052
24	Laser Cutter M/C	PCS	52	243,582	52	243,582
25	MG M/C	MTR	21	10,727	21	10,727
26	MG M/C	PCS	6,224	609,847	6,224	609,847
27	MG M/C	SET	9	2,248	9	2,248
28	Sunstar M/C	PCS	1,228	108,799	1,228	108,799
29	Tajima M/C	PCS	4,073	202,286	4,073	202,286
30	Auto Brass M/C	PCS	41	3,199	41	3,199
31	Biancalani Dryer Machine	PCS	12	328,221	12	328,221
32	Corino Slitting Machine	PCS	701	200,582	701	200,582
33	Dozzatex M/C	PCS	8	48,372	8	48,372
34	Egalizing Dryer M/C	PCS	11	518,823	11	518,823
35	Ferraro Compacting M/C	FEET	136	29,621	136	29,621
36	Ferraro Compacting M/C	PCS	203	811,524	203	811,524
37	Ferraro Compacting M/C	ROLL	22	257,020	22	257,020

ESQUIRE KNIT COMPOSITE PLC
SPARE PARTS ITEMS
AS AT 30 JUNE 2025

Sl. No.	Items	Unit	30.06.2025		30.06.2024	
			Qty	Amount	Qty	Amount
38	Ferraro Compacting M/C	SET	8	506	8	506
39	Fongs M/C (F/D)	PCS	86	58,807	86	58,807
40	Fongs M/C (F/D)	SET	79	42,373	79	42,373
41	Lafer Compacting M/C	PCS	23	500,850	23	500,850
42	Lafer Sueding M/C	MTR	707	200,844	707	200,844
43	Mario Crosta(Brassing) M/C	MTR	126	37,887	126	37,887
44	Mario Crosta(Brassing) M/C	PCS	9	10,513	9	10,513
45	NPL M/C	PCS	40	591	40	591
46	NPL M/C	SET	16	591	16	591
47	Q Sun M/C	PCS	34	32,599	34	32,599
48	Robolab M/C	PCS	1,295	447,129	1,295	447,129
49	Santex M/C	FEET	121	1,895	121	1,895
50	Santex M/C	PCS	170	162,503	170	162,503
51	Sclavos M/C	PCS	1,186	245,649	1,186	245,649
52	Sclavos M/C	SET	124	22,818	124	22,818
53	Slitting M/C	FEET	124	49,559	124	49,559
54	Slitting M/C	MTR	68	8,537,756	202	8,537,756
55	Slitting M/C	PCS	308	2,572,227	308	2,572,227
56	Slitting M/C	SET	114	206,052	114	206,052
57	Smartex M/C	FEET	131	5,561	131	5,561
58	Smartex M/C	PCS	174	71,362	174	71,362
59	Soft Flow Dyeing M/C	PCS	116	121,901	116	121,901
60	Soft Flow Dyeing M/C	SET	114	18,165	114	18,165
61	Stenter M/C	COIL	109	17,092	109	17,092
62	Stenter M/C	FEET	171	11,305	171	11,305
63	Stenter M/C	MTR	912	187,129	912	187,129
64	Stenter M/C	PCS	2,130	587,016	2,130	587,016
65	Tube Tex M/C	FEET	355	85,460	355	85,460
66	Tube Tex M/C	PCS	244	3,814,464	244	3,814,464
67	Tube Tex M/C	SET	116	118,273	116	118,273
68	Ultra Soft M/C	PCS	133	39,961	133	39,961
69	Washing M/C	PCS	111	63,832	111	63,832
70	Bartack M/C	PCS	115	411	115	411
71	Bartack M/C	SET	113	3,281	113	3,281
72	Button Hole & Stitch M/C	PCS	1,538	255,323	1,538	255,323
73	Button Hole & Stitch M/C	SET	119	23,789	119	23,789
74	Common (Garments)	PCS	1,241	243,032	1,241	243,032
75	Common (Garments)	POT	109	3,057	109	3,057
76	Feet of the Arm M/C	PCS	111	923	111	923
77	Feet of the Arm M/C	SET	115	10,523	115	10,523

Sl. No.	Items	Unit	30.06.2025		30.06.2024	
			Qty	Amount	Qty	Amount
78	Finishing Section	PCS	748	135,170	748	135,170
79	Finishing Section	SET	119	111	119	111
80	Flat Lock M/C	PCS	3,574	442,813	3,574	442,813
81	Flat Lock M/C	SET	179	62,661	179	62,661
82	Flat Seamer M/C	PCS	150	10,139	150	10,139
83	Fusing M/C	PCS	111	27,548	111	27,548
84	Kancai M/C	PCS	119	5,507	119	5,507
85	Kancai M/C	SET	105	41,031	105	41,031
86	Needle (Garments)	PCS	138	205	138	205
87	Needle (Garments)	PKT	10,050	466,310	10,050	466,310
88	Over Lock M/C	PCS	1,383	234,279	1,383	234,279
89	Over Lock M/C	SET	143	44,154	143	44,154
90	Pattern Cutting M/C	PCS	113	8,291	113	8,291
91	Plain M/C	PCS	5,055	258,994	5,055	258,994
92	Plain M/C	SET	208	75,620	208	75,620
93	Rib Cutter M/C	PCS	2,111	206,078	2,111	206,078
94	Rib Cutter M/C	SET	259	133,881	259	133,881
95	Snap Button M/C	PCS	107	40,973	107	40,973
96	Snap Button M/C	SET	112	-	112	-
97	8 Needles Cord Knitting Machin	PCS	112	-	112	-
98	Fukuhara M/C	PCS	1,136	1,260,820	1,136	1,260,820
99	Jack	PCS	2,424	163,594	2,424	163,594
100	Mayer & Cie M/C	BOX	119	167	119	167
101	Mayer & Cie M/C	PCS	2,542	635,828	2,542	635,828
102	Mayer & Cie M/C	PKT	101	1,150	101	1,150
103	Mayer & Cie M/C	SET	107	13,712	107	13,712
104	Needle (Knitting)	PCS	135,107	561,407	135,107	561,407
105	Orizo M/C	FEET	-	-	-	-
106	Orizo M/C	PCS	20	732,403	20	732,403
107	Orizo M/C	SET	383	82,827	383	82,827
108	Pailung M/C	PCS	9	2,319	9	2,319
109	Re-winder M/C	PCS	1,035	116,131	1,035	116,131
110	Santoni Machine	PCS	121	233,014	121	233,014
111	Shima Shiki M/C	LTR	108	32,344	108	32,344
112	Shima Shiki M/C	PCS	201	911,985	201	911,985
113	Shima Shiki M/C	SET	1,998	44,165	1,998	44,165
114	Sinker	PCS	99	948,647	99	948,647
115	Stoll M/C	KG	4,388	114,032	4,388	114,032
116	Stoll M/C	LTR	106	195,269	106	195,269
117	Stoll M/C	SET	212	36,050	212	36,050

ESQUIRE KNIT COMPOSITE PLC
SPARE PARTS ITEMS
AS AT 30 JUNE 2025

Sl. No.	Items	Unit	30.06.2025		30.06.2024	
			Qty	Amount	Qty	Amount
118	Photo Copier	PCS	91	116,317	91	116,317
119	Injection Moulding M/C SA-3	PCS	89	117,458	89	117,458
120	Label Cutting(Hy-2080) M/C	PCS	113	129,784	113	129,784
121	Label Printer(PT-6/2) M/C	PCS	109	314,416	109	314,416
122	Thermal Printer(SP4011-R) M/C	PCS	121	63,499	121	63,499
123	Alpha-8 26 Station 12Color M/C	PAIR	72	70,393	72	70,393
124	Alpha-8 26 Station 12Color M/C	PCS	76	633,423	76	633,423
125	Auto M/C	PCS	170	758,248	170	758,248
126	Caynne Quartz Flash "D" M/C	PCS	291	259,000	291	259,000
127	Caynne Quartz Flash "E" M/C	PCS	118	215,273	118	215,273
128	Challenger M/C	PCS	92	117,783	92	117,783
129	Chamelion M/C (Manual)	PCS	105	284,975	105	284,975
130	Diamond Back M/C	PCS	185	264,658	185	264,658
131	Exposer M/C (Manual)	PCS	121	295,500	121	295,500
132	Gas Dryer M/C	PCS	176	145,613	176	145,613
133	Hit Press M/C	PCS	95	145,635	95	145,635
134	Motif Setter Machine	SET	104	98,196	104	98,196
135	Performa-18 Colour Auto M/C	PCS	172	394,950	172	394,950
136	Takana Quartz Flash (CE03) M/C	PCS	312	170,459	312	170,459
137	Value Jet 1638 Printer (Sublim)	PCS	170	2,231,667	170	2,231,667
138	Rubber & Seal Items	COIL	167	11,421	167	11,421
139	Rubber & Seal Items	FEET	90	59,417	90	59,417
140	Rubber & Seal Items	LBS	1,207	37,517	1,207	37,517
141	Rubber & Seal Items	PCS	403	3,178,066	403	3,178,066
142	Rubber & Seal Items	SET	15,337	520,649	15,337	520,649
143	Tools	BOX	129	582,028	129	582,028
144	Tools	PAIR	219	459,172	219	459,172
145	Tools	PCS	259	1,725,319	259	1,725,319
146	Tools	PKT	1,401	52,000	1,401	52,000
147	Tools	SET	134	192,761	134	192,761
148	Boiler	KG	83	436,433	83	436,433
149	Boiler	LBS	600	420,434	600	420,434
150	Generator (Gas)	PCS	253	1,975,360	253	1,975,360
151	Valve	PCS	303	933,379	303	933,379
152	S.S.M. M/C	PCS	217	50,663	217	50,663
153	Tong Gang M/C	PCS	90	441,943	90	441,943
154	Automobile	LTR	52	313,804	52	313,804
155	Automobile	ML	895	6,864,294	895	6,864,294
156	Automobile	MTR	-	68,184	-	68,184
157	Automobile	PCS	109	490,915	109	490,915

ESQUIRE KNIT COMPOSITE PLC
SPARE PARTS ITEMS
AS AT 30 JUNE 2025

Sl. No.	Items	Unit	30.06.2025		30.06.2024	
			Qty	Amount	Qty	Amount
158	Automobile	POT	10	10,190	10	10,190
159	Computer Accessories	COIL	31	864,236	31	864,236
160	Computer Accessories	PCS	646	2,248,425	646	2,248,425
161	Computer Accessories	PKT	113	210,660	113	210,660
162	Medical Equipment	SET	41	252,629	41	252,629
163	Medicine	BOTTLE	-	71,316	-	71,316
164	Medicine	BOX	-	12,470	-	12,470
165	Medicine	PCS	-	5,250,781	-	5,250,781
166	Medicine	TUBE	-	62,811	-	62,811
167	Auxiliary Contructor	PCS	477	374,620	477	374,620
168	Balast	PCS	130	152,610	130	152,610
169	Cable	COIL	524	1,307,793	524	1,307,793
170	Cable	FEET	960	85,330	960	85,330
171	Cable	KG	227	780,219	227	780,219
172	Cable	MTR	680	1,915,880	680	1,915,880
173	Cable Socket	PCS	54,267	979,301	54,267	979,301
174	Capacitor	PCS	5,739	684,350	5,739	684,350
175	Charger Battery	PCS	1,163	128,939	1,163	128,939
176	Circuit Breaker	PCS	24	1,276,413	24	1,276,413
177	Common (Electrical)	FEET	24	229	24	229
178	Common (Electrical)	KG	102	104,090	102	104,090
179	Common (Electrical)	MTR	1,441	100,959	1,441	100,959
180	Common (Electrical)	PCS	11,970	1,003,376	11,970	1,003,376
181	Common (Electrical)	PKT	386	224,920	386	224,920
182	Common (Electrical)	SET	123	59,821	123	59,821
183	Converter	PCS	82	1,154,987	82	1,154,987
184	Cooling Fan	PCS	482	417,153	482	417,153
185	Cut Out	PCS	346	49,467	346	49,467
186	DB Board	PCS	363	199,179	363	199,179
187	Electric Bulb	PCS	2,142	1,101,309	2,142	1,101,309
188	Electronic Card	PCS	23	1,127,960	23	1,127,960
189	Fuse	PCS	11,668	596,503	11,668	596,503
190	Holder	PCS	1,064	114,279	1,064	114,279
191	Holder	SET	567	215,477	567	215,477
192	Inverter	PCS	4	1,064,618	4	1,064,618
193	Magnetic Contructor	PCS	87	3,077,761	87	3,077,761
194	Meter	PCS	100	2,030,740	100	2,030,740
195	Motor	PCS	408	947,473	408	947,473
196	Overload Relay	PCS	452	2,669,797	452	2,669,797
197	Plug (Electrical)	PCS	584	491,517	584	491,517

ESQUIRE KNIT COMPOSITE PLC
SPARE PARTS ITEMS
AS AT 30 JUNE 2025

Sl. No.	Items	Unit	30.06.2025		30.06.2024	
			Qty	Amount	Qty	Amount
198	Plug (Electrical)	PKT	230	21,078	230	21,078
199	Relay	PCS	993	515,469	993	515,469
200	Relay Base	PCS	49	22,789	49	22,789
201	Saddle Clamp	PCS	5,425	2,062,733	5,425	2,062,733
202	Saddle Clamp	PKT	-	30,936	-	30,936
203	Socket (Electrical)	PCS	307	353,108	307	353,108
204	Solenoid Valve	PCS	106	306,972	106	306,972
205	Starter	PCS	1,019	19,241	1,019	19,241
206	Switch	PCS	284	1,526,735	284	1,526,735
207	Tape (Electrical)	FEET	17,791	726,205	17,791	726,205
208	Tape (Electrical)	MTR	5,055	13,064	5,055	13,064
209	Tape (Electrical)	PCS	12,428	1,666,392	12,428	1,666,392
210	Tape (Electrical)	ROLL	167	18,501	167	18,501
211	Tape (Electrical)	SET	10	3,135	10	3,135
212	Timer	PCS	70	172,609	70	172,609
213	Transformer	PCS	55	218,011	55	218,011
214	Tube Light	PCS	1,543	979,757	1,543	979,757
215	Warning Light	PCS	144	162,683	144	162,683
216	Fire Fighting Equipment	COIL	-	7,093,826	-	7,873,824
217	Fire Fighting Equipment	PCS	578	3,657,601	1,086	6,873,822
218	Fire Fighting Equipment	SET	33	2,105,341	33	2,105,341
219	Band	PCS	563	731,534	563	731,534
220	Channel	PCS	603	86,584	603	86,584
221	Elbow	PCS	397	1,544,161	397	1,544,161
222	Flanges	PCS	380	1,365,067	380	1,365,067
223	Nipple	PCS	335	149,057	335	149,057
224	Nut	PCS	-	15,783	-	15,783
225	Nut Bolt	PCS	-	332,130	-	332,130
226	Pipe	FEET	9,969	1,256,723	9,969	1,256,723
227	Plug	PCS	536	12,205	536	12,205
228	Reducer	PCS	210	179,464	210	179,464
229	Socket	PCS	7,236	336,653	7,236	336,653
230	Tee Socket	PCS	552	321,066	552	321,066
231	Union Socket	PCS	215	109,434	215	109,434
232	Hardware	COIL	33	944,373	33	944,373
233	Hardware	LBS	5	2,083	5	2,083
234	Hardware	KG	247	9,221,105	553	9,221,105
235	Hardware	LTR	24	474,803	24	474,803
236	Hardware	PKT	-	173,822	-	6,973,822
237	Hardware	POT	213	654,087	213	654,087

ESQUIRE KNIT COMPOSITE PLC

SPARE PARTS ITEMS

AS AT 30 JUNE 2025

Sl. No.	Items	Unit	30.06.2025		30.06.2024	
			Qty	Amount	Qty	Amount
238	Hardware	ROLL	31	263,444	31	263,444
239	Hardware	SET	91	36,448	91	36,448
240	Paint & Vernish	PCS	363	147,079	363	147,079
241	Paint & Vernish	PKT	431	16,551	431	16,551
242	Sanitary	GM	9,489	817,686	9,489	817,686
243	Sanitary	KG	163	29,800	163	29,800
244	Sanitary	LTR	156	273,832	156	273,832
245	Sanitary	PCS	2,650	1,054,619	2,650	1,054,619
246	Sanitary	PKT	33	3,629	33	3,629
247	Sanitary	SET	332	105,662	332	105,662
248	Laboratory Instrument	BOX	115	105,071	115	105,071
249	Laboratory Instrument	LTR	1,052	40,333	1,052	40,333
250	Laboratory Instrument	PAIR	110	29,786	110	29,786
251	Laboratory Instrument	PCS	1,767	3,443,468	1,767	3,443,468
252	Laboratory Instrument	PKT	45	86,598	45	86,598
253	Laboratory Instrument	ROLL	724	855,257	724	855,257
254	Oil & Lubricants	DRUM	48	7,622,930	48	7,622,930
255	Oil & Lubricants	PCS	3,248	1,540,972	3,248	1,540,972
256	Other Material	BOX	2,494	2,150,263	2,494	2,150,263
257	Other Material	MTR	-	2,493,279	-	2,493,279
258	Other Material	YDS	-	2,820,849	-	2,820,849
259	Pack & Package	MTR	151	228,180	1,566	2,366,089
260	Pack & Package	PCS	1,758	2,898	1,994,957	3,288,855
261	Pack & Package	ROLL	458	109,778	9,352	2,241,520
262	Supplies Items	BOOK	257	933,563	1,461	5,306,916
263	Supplies Items	PCS	75	7,503	53,625	5,364,508
264	Supplies Items	SHEET	658	354,402	17,918	9,650,698
265	Supplies Items	BOX	85	455,796	713	3,824,829
266	Supplies items	KG	4,469	776,799	4,469	776,799
267	Supplies items	PKT	3,491	600,278	3,491	600,278
268	Supplies items	POT	31	641,771	31	641,771
269	Supplies items	SET	5	697,885	5	697,885
270	Supplies Items	PCS	798	44,464	158,665	8,840,743
271	Supplies Items	REAM	95	1,999,156	150	3,146,698
272	Supplies Items	ROLL	109	1,183,925	605	6,571,329
Total				178,904,377		234,953,115

ESQUIRE KNIT COMPOSITE PLC
WORK IN PROCESS

(Annexure-E)

As at 30 June 2025

Particulars	Opening	Addition in the process	Transfer into next process	Closing Balance
Knitting	177,436,996	2,034,787,823	2,058,961,815	153,263,004
Finished Fabric	289,326,266	4,116,178,159	4,156,880,952	248,623,473
Cutting	125,129,825	5,691,688,133	5,653,006,361	163,811,597
Embroidery	2,895,993	85,636,072	87,348,794	1,183,272
Printing& washing	52,123,582	117,099,313	153,663,964	15,558,931
Sewing	113,753,412	7,376,988,075	7,362,565,691	128,175,795
Total	760,666,074			710,616,073

Particulars	Opening	Addition in the process	Transfer into next process	Closing Balance
Knitting (kg)	591,019	6,459,644	5,916,557	1,134,106
Finished Fabric (kg)	953,418	8,400,364	8,660,169	693,612
Cutting (Pcs)	618,773	28,316,856	26,070,452	2,865,177
Embroidery (Pcs)	131,401	4,077,908	3,582,172	627,137
Printing& washing	366,631	4,683,973	4,636,890	413,713
Sewing (Pcs)	743,974	29,926,929	28,986,479	1,684,424

As at 30 June 2024

Particulars	Opening	Addition in the process	Transfer into next process	Closing Balance
Knitting	23,783,129	1,690,192,535	1,536,538,668	177,436,996
Finished Fabric	399,924,675	3,214,875,991	3,325,474,400	289,326,266
Cutting	388,006,887	4,364,628,239	4,627,505,301	125,129,825
Embroidery	2,592,419	643,880,242	643,576,668	2,895,993
Printing	16,177,204	2,359,463,778	2,323,517,400	52,123,582
Sewing	37,529,707	5,529,976,068	5,453,752,364	113,753,412
Total	868,014,022			760,666,074

Particulars	Opening	Addition in the process	Transfer into next process	Closing Balance
Knitting (kg)	149,485	4,856,875	4,415,341	591,019
Finished Fabric (kg)	1,148,761	6,316,063	6,511,405	953,418
Cutting (Pcs)	1,053,281	21,290,869	21,725,377	618,773
Embroidery (Pcs)	101,044	3,066,096	3,035,739	131,401
Printing (Pcs)	580,641	10,486,506	10,700,516	366,631
Sewing (Pcs)	529,259	21,686,181	21,471,466	743,974

ACCOUNTS RECEIVABLE AND AGING

AS AT 30 JUNE 2025

(Annexure-F)

Sl. No.	Parties	USD	Total	0-3 Months	3-6 Months	More than 1 Year
1	Axis Knitwear	49296.71	5,964,902	5,964,902	-	-
2	Badgetex Apparels	47972.79	5,804,708	5,804,708	-	-
3	Belamy Tex	11424.93	1,382,417	1,382,417	-	-
4	Bengal Hurricane Dyeing & Printing Ltd	24166.61	2,924,160	2,924,160	-	-
5	CARREFOUR IMPORTS SAS	1224096.936	148,115,729	148,115,729	-	-
6	Celio Sourcing Ltd	983722.1732	119,030,383	119,030,383	-	-
7	CHAMPION EUROPE S.R.L	137871.45	16,682,445	16,682,445	-	-
8	Charm Fashion	22213.09	2,687,784	2,687,784	-	-
9	Divine Design	7914.34	957,635	957,635	-	-
10	Divine Intimates Ltd	56347.7	6,818,072	6,818,072	-	-
11	Esprit Macao Commercial Offshore Ltd.	21679.9704	2,623,276	2,623,276	-	-
12	Fakir Fashion Limited	20598.81	2,492,456	2,492,456	-	-
13	Garma C.B	61318.28	7,419,512	7,419,512	-	-
14	GIANTEXTILE(SHANGHAI) Co., LTD	50779.61	6,144,333	6,144,333	-	-
15	GPE SAS	355497.38	43,015,183	43,015,183	-	-
16	GUANGZHOU DET SUPPLY CHAIN	102408	12,391,368	12,391,368	-	-
17	GUESS Eur Sagl	534098.78	64,625,952	64,625,952	-	-
18	Habitus Fashion Ltd	45170	5,465,570	5,465,570	-	-
19	Hoflers APS	2263089.58	273,833,839	273,833,839	-	-
20	Impress Newtex Composite Textile Ltd	12728.38	1,540,134	1,540,134	-	-
21	JIANGSU CTIG HUA TAICO., LTD	72208.8	8,737,265	8,737,265	-	-
22	KARIBAN	69660.6	8,428,933	8,428,933	-	-
23	KIABI (Int. Trading Fashion & App. Supp.)	46628.32	5,642,027	5,642,027	-	-
24	Knit Valley Fashion	10207.34	1,235,088	1,235,088	-	-
25	LC WAIKIKI MAGAZACILIK HIZMETLERI TICARET A.S	179536.67	21,723,937	21,723,937	-	-
26	LOJAS RIACHUELO S/A	100130.15	12,115,748	12,115,748	-	-
27	LPP SA	858468.01	103,874,629	103,874,629	-	-
28	M. Hidary and Company	71084.16	8,601,183	8,601,183	-	-
29	Masco Industries	5047.62	610,762	610,762	-	-
30	Mascot International	1076837.23	130,297,305	130,297,305	-	-
31	MB Knit Fashion Ltd	9514.07	1,151,202	1,151,202	-	-
32	Michael Kors	104694.6	12,668,047	12,668,047	-	-
33	Nemrac Design Ltd	121631.53	14,717,415	14,717,415	-	-
34	Ostin Ltd	49157.73	5,948,085	5,948,085	-	-
35	Oxford Knit Composite Ltd	121330.49	14,680,989	14,680,989	-	-
36	P & C [Peek Und Cloppenburg]	157077.35	19,006,359	19,006,359	-	-
37	PEGASE (La Halle)	259572.992	31,408,332	31,408,332	-	-
38	Pentex Limited	707459.44	85,602,592	85,602,592	-	-
39	PERSONAL SHOP	1561344.4	188,922,672	188,922,672	-	-
40	PREMIER EXIM (EXPRESS TRADE)	200429.8	24,252,006	24,252,006	-	-
41	PTB TEX SDN BHD	6222.59	752,933	752,933	-	-
42	Salted Basics LLC	742919.29	89,893,234	89,893,234	-	-
43	Seacotex Fabrics	14167.35	1,714,249	1,714,249	-	-
44	Sports Group Denmark	64465.25	7,800,295	7,800,295	-	-
45	SPRINTER MEGACENTROS DEL DEPORTE, S.L.	267706.8	32,392,523	32,392,523	-	-
46	Takko Holding GMBH	93615.879	11,327,521	11,327,521	-	-
47	Ted Bernhardtz	100345.88	12,141,851	12,141,851	-	-
48	TWILLORY	8442.88	1,021,588	1,021,588	-	-
49	Woolworth GmbH	89191.176	10,792,132	10,792,132	-	-
Total		13,201,494	1,597,380,764	1,597,380,764	-	-

SCHEDULE OF ADVANCE GIVEN TO CREDITORS

AS AT 30 JUNE 2025

(Annexure-G)

Sl. No.	Name of the creditors	Nature of Transaction	Balance	3-6 Month	6-12 Month	Exceeding 1 year
1	3R Engineering	Service	257,000	141,350	115,650	-
2	Advance HVAC Engineering	Electrtical Items	331,000	182,050	148,950	-
3	ATLAS TRADE LIMITED	Accessories	44,200	24,310	19,890	-
4	Automation Engineering & Controls Ltd.	Service	1,321,431	726,787	594,644	-
5	BRIDGE TECHNOLOGY	Accessories	5,061,100	2,783,605	2,277,495	-
6	ETKO Certification	Service	1,365,000	750,750	614,250	-
7	EUR Service (BD) Ltd.	Accessories	6,616,652	3,639,159	2,977,494	-
8	EVERGREEN TECHNOLOGY CO. LTD.	Consulatncy	5,000,000	2,750,000	2,250,000	-
9	GURABA ENGINEERING LTD.	Accessories	1,350,000	742,500	607,500	-
10	Halftime Digital	Accessories	1,258,000	691,900	566,100	-
11	HARD TWO ENGINEERING	Accessories	6,000	3,300	2,700	-
12	MAK Consultants.	Accessories	1,524,786	838,632	686,154	-
13	Mechanism Trade & Engineering Ltd.	Accessories	6,000	3,300	2,700	-
14	Mizan Enterprise	Service	1,404,000	772,200	631,800	-
15	M.M.Corporation	Service	848,552	466,703	381,848	-
16	MOHAMMED TRADING CENTRE (UNIT-2)	Service	12,887,779	7,088,278	5,799,501	-
17	M/S Babul Construction	Service	5,200,000	2,860,000	2,340,000	-
18	M/S. Rubel Engineering Works	Chemicals	40,000	22,000	18,000	-
19	Omera Renewable Energy Limited	Accessories	13,000,210	7,150,116	5,850,095	-
20	Partex Furniture Industries Ltd.	Accessories	1,340,875	737,481	603,394	-
21	Power Trade & Engineering	Accessories	1,255,000	690,250	564,750	-
22	RAHMAN MILL STORE	Consultancy	354,513	194,982	159,531	-
23	RED OFFICE SUPPLIES LIMITED	Chenicals	6,639,000	3,651,450	2,987,550	-
24	REINCARNATION	Service	5,211,526	2,866,339	2,345,187	-
25	SAGORICA CORPORATION	Service	1,372,696	754,983	617,713	-
26	S. N ENGINEERING	Service	1,500,000	825,000	675,000	-
27	SONALI ENTERPRISE	Chemicals	102,700	56,485	46,215	-
28	SS Trade Corporation	Service	1,062,400	584,320	478,080	-
29	Surovi Technologies Corporation	Service	1,728,107	950,459	777,648	-
30	Systems Nine Thousands (Pvt.) Ltd.	Accessories	1,412,095	776,652	635,443	-
31	Walton Plaza	Accessories	1,037,182	570,450	466,732	-
Total			80,537,804	44,295,792	36,242,012	-

SCHEDULE OF ACCOUNTS PAYABLE

AS AT 30 JUNE 2025

(Annexure-H)

Sl. No.	Supplier name	Items	\$	Total	0-3 Months	3-6 Months	More than 1 Year
1	A & J Flat Knitting & Accessories	Accessories	1,369,628	2,235,517	2,235,517	-	-
2	A.S.Fiber Mills Ltd.	Yarn	842,675	4,035,623	4,035,623	-	-
3	A.T&T Spinning Mills Ltd.	Yarn	1,559,677	2,317,565	2,317,565	-	-
4	ABUL KALAM SPINNING MILLS LTD..	Yarn	642,156	5,710,148	5,710,148	-	-
5	ADZI Trims Ltd.	Accessories	1,131,936	258,395	258,395	-	-
6	Akota Knit Fabrics	Accessories	6,040,620	1,551,685	1,551,685	-	-
7	AL-ARAFAH PACKAGING INDUSTRIES LTD.	Accessories	1,988,425	4,318,337	4,318,337	-	-
8	Alema Textiles Ltd.	Accessories	2,693,790	5,104,463	5,104,463	-	-
9	Alpha Plastic Packaging.	Accessories	1,566,491	33,721,763	33,721,763	-	-
10	APLICACION Y SUMINISTROS TEXTILES	Accessories	2,699,232	5,191,248	5,191,248	-	-
11	Appli Nobel SDN. BHD	Accessories	331,037	2,027,025	2,027,025	-	-
12	Arafah Knit Composite Ltd.	Accessories	275,581	12,297,585	12,297,585	-	-
13	Archroma Singapore Pvt. Ltd.	Dyes & Chemicals	598,962	3,101,963	3,101,963	-	-
14	Aroma Tex & Accessories Ltd.	Accessories	618,897	742,810	742,810	-	-
15	Asia Composite Mills Ltd.	Yarn	2,741,870	24,051,563	24,051,563	-	-
16	Atprint Bangladesh Ltd.	Accessories	558,633	1,272,728	1,272,728	-	-
17	Banga Plastic International Ltd.	Accessories	352,472	298,526	298,526	-	-
18	BASIC THREAD INDUSTRIES LTD.	Yarn	117,098,957	2,015,897	2,015,897	-	-
19	BENGAL LABEL'S & ACCESSORIES INDUSTRIES	Accessories	333,059	211,408	211,408	-	-
20	BENGAL PACIFIC (PVT) LTD.	Accessories	240,793	4,358,104	4,358,104	-	-
21	BIG SUNSHINE CO., LTD.	Accessories	2,181,692	8,494,955	8,494,955	-	-
22	BODAL CHEMICALS LTD.	Dyes & Chemicals	11,790,093	13,248,912	13,248,912	-	-
23	Brothers Knit Fabrics	Accessories	6,351,296	5,648,579	5,648,579	-	-
24	BSL Limited	Yarn	16,083,504	27,674,385	27,674,385	-	-
25	China Texmatech Co. Ltd.	Accessories	341,683	8,135,127	8,135,127	-	-
26	Chowdhury Accessories Ltd.	Accessories	3,018,133	4,914,000	-	4,914,000	-
27	D Raja Exports LLP	Yarn	3,126,229	37,166,899	37,166,899	-	-
28	DABIRUDDIN SPINNING MILLS LTD.	Yarn	8,139,752	1,443,488	1,443,488	-	-
29	Digitex Incorporation	Accessories	473,921	322,059	322,059	-	-
30	DZN Lebls Ltd.	Accessories	699,642	2,170,361	2,170,361	-	-
31	Esquire Accessories Ltd.	Accessories	270,505	58,333,694	58,333,694	-	-
32	Esquire Dyeing Industries Ltd.	Accessories	1,852,457	29,944,688	29,944,688	-	-
33	EXPLORE PACKAGING INDUSTRIES LTD.	Accessories	1,398,812	1,228,500	1,228,500	-	-
34	Fariha Knit Tex Ltd.	Accessories	700,385	5,209,625	5,209,625	-	-
35	Fortune Zipper Ltd.	Accessories	2,057,590	416,680	416,680	-	-
36	FR Traders	Accessories	3,718,002	717,553	-	717,553	-
37	Fujian Baikai Elastic Weaving Co. Ltd.	Yarn	239,308	14,559,666	14,559,666	-	-
38	Fujian SBS Zipper Science & Techn. Co. Ltd.	Accessories	1,243,142	6,281,790	6,281,790	-	-
39	GAZARIA ELASTIC INDUSTRIES	Accessories	48,760,320	4,978,055	4,978,055	-	-
40	Green Tex	Dyes & Chemicals	144,888	995,085	995,085	-	-

SCHEDULE OF ACCOUNTS PAYABLE

AS AT 30 JUNE 2025

Sl. No.	Supplier name	Items	\$	Total	0-3 Months	3-6 Months	More than 1 Year
41	HUAFON CHONGQING SPANDEX CO., LTD.	Yarn	9,833,694	676,953	676,953		-
42	HUNAN HIGH SKY CHEM CO., LTD.	Dyes & Chemicals	140,830	12,713,747	-	12,713,747	-
43	HYOSUNG DONG NAI CO. LTD.	Yarn	435,026	1,115,910	1,115,910		-
44	IFRAZ PACKAGING INDUSTRY LIMITED	Accessories	67,835,844	2,702,700	2,702,700		-
45	J.K Spinning Mills Ltd.	Yarn	97,335,612	5,061,420	5,061,420		-
46	J.K.Synthetic Mills Ltd.	Yarn	109,221	1,143,119	-	1,143,119	-
47	Jhon Stitch Textile Industry	Yarn	413,592	2,058,761	2,058,761	-	-
48	Just Time Packaging Limited	Accessories	3,848,691	4,916,435	4,916,435	-	-
49	KAROTOA SPINNING MILLS LTD.	Yarn	2,754,492	1,758,413	1,758,413	-	-
50	Knit Concern Printing Unit	Accessories	684,736	2,380,665	2,380,665	-	-
51	Kyung-In Synthetic Corporation	Yarn	451,570	11,880,824	11,880,824	-	-
52	LAKE INTERNATIONAL TRADING CO., LIMITED	Accessories	424,172	4,013,510	4,013,510	-	-
53	Life Accessories	Accessories	292,953	335,715	335,715	-	-
54	M & U Packaging Ltd.	Accessories	1,432,272	888,648	-	888,648	-
55	M. S. Printing & Packaging	Accessories	4,953,949	717,206	-	717,206	-
56	M.N.Packing & Printing Accessories	Accessories	172,627	148,639	148,639		-
57	M.R. FASHION	Accessories	293,195	277,833	-	277,833	-
58	M/S. A.S.P Knit Fashion	Accessories	940,922	648,159	648,159		-
59	M/S. HAJI TEXTILE	Yarn	182,348	861,608	861,608		-
60	M/S. Shoaib Knitting	Accessories	3,120,637	668,005	668,005		-
61	Mamoni Garments Accessories Industries	Accessories	6,080,891	8,635,839	8,635,839		-
62	Maria Knitting	Accessories	5,809,016	2,684,573	2,684,573		-
63	Masfi Knit Wear	Accessories	114,111	555,712	-	555,712	-
64	MASS PRODUCTS	Accessories	22,435,733	328,728	328,728		-
65	MC SQUARE LTD HK	Accessories	3,691,064	3,098,454	3,098,454		-
66	Mehmud Inds Pvt. Ltd.	Yarn	369,940	62,554,606	-	62,554,606	-
67	Miswar Textile Mills and Apparels	Yarn	2,683,118	625,429	625,429		-
68	Modern Poly Industries Limited	Accessories	1,029,670	1,510,446	1,510,446		-
69	NRG HomeTex Ltd.	Yarn	53,364,524	3,831,384	3,831,384		-
70	NRG Spinning Mills Ltd.	Yarn	1,591,398	22,281,497	22,281,497		-
71	NRG-Composite Yarn Dyeing	Accessories	122,728	722,263	722,263		-
72	OFFICINA+39 SRL	Accessories	1,189,812	13,919,323	13,919,323		-
73	OHYOUNG INC	Yarn	1,976,344	27,506,372	27,506,372		-
74	One Tex Knit Wear	Accessories	5,788,954	2,641,418	-	2,641,418	-
75	Pahartali Textile & Hosiery Mills	Yarn	329,415	29,518,081	29,518,081		-
76	PAKIZA COTTON SPINNING MILLS (PVT.) LTD.	Yarn	176,647	3,553,436	3,553,436		-
77	Pratibha Syntex Ltd.	Yarn	475,786	885,228	885,228		-
78	PT. Indonesia Nikka Chemicals (Inkali)	Yarn	633,077	3,451,839	3,451,839		-
79	R.M.T Textile Mills Ltd.	Yarn	1,312,350	6,320,633	6,320,633		-
80	Reedisha Blanded Yarn Ltd.	Yarn	4,414,267	843,058	843,058		-
81	Root Source	Accessories	448,032	761,645	761,645		-
82	Rossari Biotech	Dyes & Chemicals	837,306	2,923,830	2,923,830		-

ESQUIRE KNIT COMPOSITE PLC
SCHEDULE OF ACCOUNTS PAYABLE

AS AT 30 JUNE 2025

Sl. No.	Supplier name	Items	\$	Total	0-3 Months	3-6 Months	More than 1 Year
83	Rotex Bangladesh Ltd.	Accessories	872,252	4,781,113	4,781,113	-	-
84	Ruhama Printing Industry	Accessories	2,732,265	315,315	-	315,315	-
85	Samuda Spec Chem Ltd.	Dyes & Chemicals	1,726,978	2,211,300	2,211,300	-	-
86	SFL INDUSTRIAL COMPANY LIMITED	Accessories	293,868	3,593,577	3,593,577	-	-
87	SHAH FATEHULLAH TEXTILE MILLS LTD.	Yarn	1,092,907	10,003,656	10,003,656	-	-
88	SHAOXING JIANGTUO TEXTILE CO. LTD.	Yarn	233,413	606,893	606,893	-	-
89	SHAOXING WANQING TEXTILE CO. LTD.	Yarn	268,738	4,299,750	4,299,750	-	-
90	SHARVAY AGRONICS LLP	Yarn	4,462,579	7,280,998	7,280,998	-	-
91	Shodesh Chemicals	Dyes & Chemicals	9,025,013	3,445,943	3,445,943	-	-
92	Shohagpur Textile Mills Limited	Yarn	1,001,481	11,164,792	11,164,792	-	-
93	SHROFF TEXTILE EXPORTS	Yarn	6,530,400	8,522,719	8,522,719	-	-
94	Siam Computerized Elastic Inds. Ltd.	Accessories	9,418,742	1,773,954	1,773,954	-	-
95	Sinha Knitwear	Accessories	3,182,482	587,223	587,223	-	-
96	SK. Knit Wear	Accessories	2,257,520	2,934,834	2,934,834	-	-
97	SM Accessories Ltd.	Accessories	15,120,140	143,277	143,277	-	-
98	Square Fashion Yarns Ltd.	Yarn	425,867	7,300,976	7,300,976	-	-
99	Square Textile Ltd.	Yarn	821,249	14,395,162	-	14,395,162	-
100	Tamijuddin Textile Mills Ltd.	Yarn	641,688	4,363,325	4,363,325	-	-
101	TAZRI KNIT FASHION	Accessories	127,077	600,033	600,033	-	-
102	Team Accessories Limited	Accessories	11,224,397	706,407	706,407	-	-
103	THERMOPLAST POLLYPACKS ITALY(INDIA) PRIVATE LIMITED	Accessories	2,537,082	4,667,997	4,667,997	-	-
104	TIANJIN ONETOUCH BUSINESS SERVICE	Accessories	552,629	6,400,387	6,400,387	-	-
105	TIANJIN POLYSTAR TEXTILE IPORT AND EXPORT CO. LTD.	Accessories	269,809	8,138,813	8,138,813	-	-
106	Trimstyle International Inc	Accessories	10,914,099	303,457	303,457	-	-
107	Uniglory Packaging Industries Ltd.	Accessories	13,063,793	210,834	210,834	-	-
108	United Apparels	Accessories	5,710,019	1,100,549	1,100,549	-	-
109	Walid Offset Printers	Yarn	6,357,889	252,024	252,024	-	-
110	WUXI KAI YUAN FIBER TRADING CO., LTD.	Accessories	799,871	6,539,146	-	6,539,146	-
111	XIAMEN VICTEX IMP. AND EXP.CO.,LTD.	Yarn	1,891,922	983,489	983,489	-	-
112	ZW Accessories	Accessories	2,884,652	576,090	576,090	-	-
113	Zydex Industries Pvt. Ltd.	Yarn	72,917,520	928,746	928,746	-	-
114	A.H Trading - Cr.	Accessories	900,161	382,000	382,000	-	-
115	Bangladesh National Insurance Co. Ltd.- Cr	Accessories	4,171,647	613,352	613,352	-	-
116	Brothers International - Cr.	Accessories	5,606,397	112,000	112,000	-	-
117	Bureau Veritas Consumer Products Services (BD) Ltd	Accessories	177,902	1,280,072	1,280,072	-	-
118	Chandpur Silk House - Cr.	Accessories	10,678,419	4,000	4,000	-	-
119	DHL Worldwide Express[Cr.]	Accessories	93,359	1,175,045	1,175,045	-	-
120	EUR Logistics Services Ltd. Cr.	Accessories	182,109	59,747	59,747	-	-
121	Euro Asia Solutions - Cr.	Accessories	469,753	85,440	85,440	-	-

SCHEDULE OF ACCOUNTS PAYABLE

AS AT 30 JUNE 2025

Sl. No.	Supplier name	Items	\$	Total	0-3 Months	3-6 Months	More than 1 Year
122	Eurofins Modern Testing Services (Bangladesh) Limited - Cr.	Accessories	479,984	1,459,552	1,459,552	-	-
123	Fuji PVC Pipe and Plastics Limited - Cr.	Accessories	2,543,257	247,000	247,000	-	-
124	GPH Ispat Ltd. - Cr.	Accessories	7,618,800	1,438,600	1,438,600	-	-
125	Green Genesis Engineering Ltd.- Cr	Accessories	4,700,391	125,000	125,000	-	-
126	Ibrahim Construction - Cr	Accessories	37,154,602	233,356	233,356	-	-
127	INSTRUMENTATION ENGINEERING SERVICES LTD. - Cr.	Accessories	799,974	99,770	99,770	-	-
128	ITS Labtest BD. Ltd.-Cr.	Accessories	254,250	7,863,681	7,863,681	-	-
129	J.R Engineeringbd - Cr.	Accessories	3,741,375	204,000	204,000	-	-
130	Meem Enterprise - Cr	Accessories	9,932,738	134,800	134,800	-	-
131	M/s Raisa Traders Cr.	Accessories	26,523,192	287,003	287,003	-	-
132	OUTFIT KINGS LTD. [\$] Cr.	Accessories	838,657	6,040,247	6,040,247	-	-
133	Razzak Metal Industries - Cr.	Accessories	568,440	163,012	163,012	-	-
134	Rosebay Apparels Bd Ltd. - Cr.	Accessories	2,003,866	181,440	181,440	-	-
135	Sofiqul Enterprise Cr.	Accessories	1,514,617	390,414	390,414	-	-
136	Sotota Enterprise - Cr.	Accessories	224,722	30,430	30,430	-	-
137	Texlub Resource - Cr.	Accessories	129,480	32,000	32,000	-	-
138	Trade Zentrum - Cr.	Accessories	636,603	248,250	248,250	-	-
139	Trust Accessories - Cr.	Accessories	2,064,352	149,500	149,500	-	-
140	M/S Balaka Punching - Cr.	Accessories	3,408,267	35,401	35,401	-	-
141	M/S Mohana Enterprise Cr.	Accessories	330,764	224,888	224,888	-	-
142	Transport,C& F and other local creditor	-	-	53,724,111	28,480,139	25,243,972	-
Total			883,913,231	796,985,402	663,367,967	133,617,435	-

SCHEDULE OF FINANCIAL ASSET AND LIABILITIES HELD IN FOREIGN CURRENCY

AS AT JUNE 30, 2025

(Annexure-I)

Sl. No.	Particulars	Amount (USD)	Amount (Euro)	Amount as per Bangladesh Bank rate (Taka)	As per Ledger (Taka)	(Gain)/Loss (Taka)
	<u>Monetary Assets</u>					
1	Accounts Receivable	13,201,494	-	1,597,380,764	1,597,380,764	-
2	FBPAR A/C with DBBL-in USD(783)	-	-	-	-	-
3	FBPAR A/C with DBBL -in Euro	-	-	-	-	-
4	FBPAR A/C with DBBL-in USD(63)	514	-	62,178	16,262	(45,916)
5	FBPAR A/C with EBL-in USD(621)	247,681	-	29,969,401	28,978,677	(990,724)
6	FBPAR A/C with EBL -in Euro	-	-	-	-	-
7	Margin A/C with EBL-in USD	-	-	-	-	-
8	Margin A/C with EBL -in EURO	-	-	-	-	-
9	DBBL FCAD-in Dollar	-	-	-	-	-
10	DBBL FCAD-in Euro	-	-	-	-	-
11	DBBL FCAD-in Dollar (6900)	281	-	33,968	33,968	-
12	EBL FCAD in USD	-	-	-	-	-
13	EBL -EOQ/FCAD in USD	8,396	-	1,015,939	1,015,939	-
14	BRAC Bank FCAD in USD	-	-	-	-	-
15	UCBL -FACD in USD A/C # 0193	78	-	9,393	9,393	-
16	UCBL -FACD in USD A/C # 0267	-	-	-	-	-
17	AIBL-USD (352)	4,091	-	494,972	494,972	-
18	AIBL-USD (366)	422	-	51,011	51,011	-
19	AIBL-USD (453)	13,644	-	1,650,905	1,650,905	-
		13,458,443	-	1,630,668,532	1,629,631,891	(1,036,640)
	<u>Monetary Liabilities</u>					
20	AIBL-EDF	5,846,553	-	707,432,948	707,432,948	-
21	EBL-EDF	513,134	-	62,089,164	62,089,164	-
22	UCBL-EDF	592,680	-	71,714,227	71,714,227	-
23	IFC loan	10,167,786	-	1,230,302,066	1,230,302,066	-
24	Accounts Payable	6,142,655	-	743,261,291	743,261,291	-
		23,262,807	-	2,814,799,697	2,814,799,697	-
	Total	36,721,251	-	4,445,468,229	4,444,431,588	(1,036,640)

Conversion rate at closing rate

Euro 125.00

USD 121.00

30.06.2025 Bangladesh Bank

L'ESQUIRE LIMITED

FINANCIAL STATEMENT

FOR THE FINANCIAL YEAR ENDED JUNE 30, 2025

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L' ESQUIRE LIMITED

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED JUNE 30, 2025

To the Members

L' Esquire Limited

On behalf of the Board of Directors of L' Esquire Limited, I am pleased to present the Directors' Report and the Audited Financial Statements for the year ended June 30, 2025 and the Auditors' Report thereon.

L' Esquire Limited was incorporated in Bangladesh on June 20, 2019 as a Private Company Limited by Share under the Companies Act 1994 (Act XVIII of 1994) as an Esquire Knit Composite PLC subsidiary. Esquire Knit Composite PLC holds 99.01% of the total shares of L' Esquire Limited.

This company was established to run a manufacturing business unit of lingerie, activewear, Intimax, Sportswear, and Knitwear Readymade Garments including knitting, dyeing, sewing, printing, and embroidery. The company can also produce all kinds of garment products such as men's and women's Shirts, Trousers, baby dresses, jeans pants, jeans shirts, sportswear, and any kind of 100 % export-oriented readymade garments.

The Factory is located in Bhaluka, Mymensingh, Bangladesh, while the corporate office is in Esquire Tower, Dhaka.

The company is specialized in the production of Lingerie products which is in huge demand in the global market. During this financial year, the company has started its operation and export activities on a limited scale.

Operating Performance

In the 2024-2025 financial year, the company started its operation and export activities on a limited scale (trial basis) because we have not obtained a Compliance Certificate from RSC or Accord, other Social Audits and gas connections. Titas Gas has not yet been able to provide a gas connection to our factory to start commercial production.

In this regard, we inform you for the information that, in 2021, we got permission from Titas Gas Transmission and Distribution PLC to connect the gas line to our factory as a fuel source at our own cost. We paid the full deposit of the demand note, submitted a Bank Guarantee as per Titas' requirements and purchased all the equipment including pipes at our costs to get the gas connection. Despite such a huge expenditure on the part of the Company, Titas Gas has not yet been able to provide a gas connection in our factory due to some of Titas' complications.

In this connection, we are working with Titas on this issue regularly. We hope that we will be able to start commercial operation after the solution of these issues, Insha'Allah.

The operational performance during this year 2024-2025 is as follows:

Amount in BDT million		
Particulars	2024-2025	2023-2024
Revenue	1,023.87	329.06
Cost of Goods Sold	930.31	363.62
Gross Profit	93.57	(34.56)
Profit/(Loss) from Operation	34.02	(57.72)
Financial Expenses	45.77	26.49
Net Profit/(Loss) from Operation	(11.74)	(84.22)
Other Income (Interest Income)	0.15	0.10
Net Profit before tax	(11.59)	(84.11)
Net Profit after tax	(17.53)	(86.70)
Basic Earnings per share	(4.13)	(20.44)

Market Operations

L'Esquire Limited's market operation is centered entirely on being a 100% export-oriented, B2B (Business-to-Business) manufacturer of specialized performance apparel and intimate wear for major global fashion brands and mass market retailers.

Key Aspects of Market Operation

- **Export-Oriented Model**

L'Esquire operates under bonded warehouse facilities, meaning its production is solely for foreign buyers, not the local Bangladeshi consumer market.

- **Target Markets**

The company primarily serves customers in Europe, the United States of America, and other emerging markets.

- **Value Proposition**

The core market strategy is based on providing "Innovative Design Manufacturing (IDM)" solutions. They position themselves as a leader in the technical apparel industry by offering high-value-added services:

- Product conceptualization, research, and design.
- Utilization of advanced technologies (seamless, bonding, laser cutting) to produce specialized products that are in high demand in the global market.
- Ensuring quality and compliance with international standards (BSCI, Oeko-Tex, etc.) required by major global brands.

- **Backward Linkage Support**

L'Esquire benefits from the Esquire Group's vertical integration, which helps ensure a stable supply chain, quick deliveries, and cost efficiency, making them competitive in the global market.

- **Distribution Channel**

The distribution model is direct shipping to the warehouses or distribution centers of their international retail and brand partners. The company does not run its own retail chain or dealer network for the products manufactured by this specific unit.

Share Capital

The Authorized Share Capital of our company as of June 30, 2025 stood at taka 1,000.00 million divided into 100,000,000 ordinary shares of taka 10.00 each. The Issued Share Capital of our company is Taka 42.42 million divided into 4,242,000 ordinary shares of Taka 10.00 each and the subscribed and paid-up Share Capital is Taka 42.42 million into 4,242,000 ordinary shares of Taka 10.00 each, fully paid-up.

Ownership Structure (Shareholding)

L'Esquire Limited is a private limited company and a subsidiary of the publicly listed Esquire Knit Composite PLC. Esquire Knit Composite PLC holds a 99.01% equity stake. The remaining 0.99% constitutes the non-controlling interest within the groups.

The company has issued a total of 4,242,000 shares of BDT 10.00 each. The present shareholding pattern of the company is as follows:

Name of the Shareholders	Shareholding (No. of Shares)	Percentage (%)
Mr. Md. Mofazzal Hossain	16,000	0.38
Mr. Md. Ehsanul Habib	15,000	0.35
Mr. Arifur Rahman	6,000	0.14
Mr. Md. Muddasar Hossain	5,000	0.12
Esquire Knit Composite PLC	4,200,000	99.01
Total Shares & Percentage	4,242,000	100%

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED JUNE 30, 2025

Dividend

The Board of Directors of the company does not recommend any dividend for the 2024-2025 financial year.

Board of Directors

The following persons are the Members of the Board of Directors of the company:

Mr. Md. Ehsanul Habib	- Chairman
Mr. Arifur Rahman	- Managing Director
Mr. Md. Muddassar Hossain	- Director
Mr. Md. Ehasanul Habib (Represented by Esquire Knit Composite PLC)	- Director
Mr. A.K.M. Shamsul Areefin (Nominee of Esquire Knit Composite PLC)	- Director

Board Meeting

The Board of Directors of L'Esquire Limited met in the 5 (Five) Board Meeting during the 2024-2025 financial year. The details are as follows:

Board Meeting Number	Day and date of the holding meeting
23rd	Wednesday, July 3, 2024
24th	Thursday, October 24, 2025
25th	Monday, November 11, 2024
26th	Wednesday, January 29, 2025
27th	Monday, April 28, 2025

Financial Position

The Statement of Financial Position as of June 30, 2025, Statement of Profit or Loss and Other Comprehensive Income, Change in Equity, and Cash Flows ended on June 30, 2025 are placed herewith.

Announcement of Commercial Operation

In the 2022-2023 financial year, the Company started its Operation and Export activities on a limited scale (trial basis) because we have not obtained a Compliance Certificate from RSC or Accord, other Social Audits and gas connections. Titas Gas has not yet been able to provide a gas connection to our factory to start commercial production.

In this regard, we inform you for the information that, in 2021, we got permission from Titas Gas Transmission and Distribution PLC to connect the gas line to our factory as a fuel source at our own cost. We paid the full deposit of the demand note, submitted a Bank Guarantee as per Titas' requirements and purchased all the equipment including pipes at our costs to get the gas connection. Despite such a huge expenditure on the part of the Company, Titas Gas has not yet been able to provide a gas connection in our factory due to some of Titas' complications.

In this connection, we are working with Titas on this issue regularly. We hope that we will be able to start commercial operation after the solution of these issues, Insha'Allah.

Appointment of Auditors

M/s. Chowdhury Bhattacharjee & Co., Chartered Accountants, Auditors of the Company, retired at this Annual General Meeting and being eligible offered themselves for re-appointment as Auditors for the financial year 2025-2026 and re-fixation of their remuneration.

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED JUNE 30, 2025

The existing Auditors M/s. Chowdhury Bhattacharjee & Co., Chartered Accountants, 47/8, Indira Road (Ground Floor), Dhaka-1215 has carried out the audit for the year ended June 30, 2025.

M/s. Chowdhury Bhattacharjee & Co., Chartered Accountants, 47/8, Indira Road (Ground Floor), Dhaka-1215, the Auditors of the Company have expressed their willingness to continue in office for the year 2025-2026. The Board after consideration of the proposal made by the Audit Committee recommends the re-appointment of M/s. Chowdhury Bhattacharjee & Co., Chartered Accountants, as auditors for the year 2025-2026 at a fee of Taka 60,000.00 excluding VAT.

Acknowledgement

The Board of Directors places on record their deep sense of appreciation for continuous support from the Company's employees, customers, vendors, investors, and lenders. The Board of Directors also wishes to place on record their deep appreciation to the government of Bangladesh and concerned government departments/agencies for their cooperation.

For and on behalf of the Board



Md. Ehsanul Habib
Chairman



Arifur Rahman
Managing Director

Saturday and Dhaka
October 25, 2025

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS' OF L'ESQUIRE LIMITED

Opinion

We have audited the accompanying Financial Statements of "L'Esquire Limited", which comprises the Statement of Financial Position as at 30 June, 2025 Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and Notes to the Financial Statements including a summary of significant accounting policies.

In our opinion, the Financial Statements prepared in accordance with International Financial Reporting Standards (IFRS), give a true and fair view of the state of the company's affairs as at 30 June, 2025 and of the results of its operations and its Cash Flows for the year then ended and comply with the Companies Act 1994 and other applicable laws and regulations.

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other applicable laws and regulations. This responsibility includes: designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of Financial Statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS' OF L'ESQUIRE LIMITED

opinion. Our conclusions are based on the audit evidences obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Further to our opinion in the above paragraph, we state that:

- i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- ii. In our opinion, proper books of account as required by law have been kept by "L'Esquire Limited" so far as it appeared from our examination of those books;
- iii. The Company's Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income and its Statement of Cash Flows dealt with by the report are in agreement with the books of account; and
- iv. The expenditure incurred was for the purpose of the Company's business.

Place: Dhaka
Date: 29 December, 2025



Saptam Biswas, FCA
Partner
Enrollment No: 1615
Chowdhury Bhattacharjee & Co.
Chartered Accountants
DVC:

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE, 2025

	Notes	30-Jun-2025 Taka	30-Jun-2024 Taka
ASSETS			
Non-Current Assets :			
Property, Plant and Equipment	3.00	211,410,972	214,741,827
Right of Use Assets	4.00	84,903,832	92,989,911
Pre-Operational & CWIP	5.00	1,654,743,298	1,654,743,298
		609,666,633	422,759,604
Current Assets :			
Inventories	6.00	314,569,868	179,196,362
Accounts Receivables		208,580,315	174,949,484
Advance, Deposit and Prepayments	7.00	18,441,254	27,436,115
Cash and Cash Equivalents	8.00	68,075,196	41,177,642
		2,560,724,735	2,385,234,641
TOTAL ASSETS			
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity :			
Share Capital	9.00	42,420,000	42,420,000
Retained Earnings		(152,548,553)	(135,013,419)
		(110,128,553)	(92,593,419)
Non-Current Liabilities :			
Long Term Loan	10.00	2,093,504,125	1,923,920,470
Deferred Tax Liability	11.00	1,312,334	(225,662)
Lease Liability	12.00	94,047,201	100,048,952
		481,989,628	454,084,300
Current Liabilities :			
Lease Liability	13.00	6,001,751	5,487,030
Short Term Loan	14.00	310,556,515	336,496,359
Liabilities for Expenses	15.00	67,103,322	52,271,730
Current Income Tax Liability	16.00	4,206,960	6,255,968
Accounts Payable		94,121,081	53,573,213
		2,560,724,735	2,385,234,641
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES			

The annexed notes form an integral part of these Financial Statements.

Signed as per our annexed report of even date.




Managing Director



Director

Place: Dhaka
Date: 29 December, 2025



Saptam Biswas, FCA
Partner
Enrollment No: 1615
Chowdhury Bhattacharjee & Co.
Chartered Accountants
DVC:

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE, 2025

	Notes	2024-2025 Taka	2023-2024 Taka
Revenue	17.00	1,023,873,563	329,063,754
Cost of Goods Sold	18.00	930,306,171	363,621,237
Gross Profit		93,567,392	(34,557,483)
OPERATING EXPENSES		59,541,462	23,165,781
Administrative overhead	19.00	24,049,387	18,413,895
Selling and Distribution overhead	20.00	35,492,075	4,751,887
Profit/(Loss) from Operation		34,025,930	(57,723,264)
Financial Expenses	21.00	45,767,453	26,494,518
Net Profit/(Loss) from Operation		(11,741,523)	(84,217,782)
OTHER INCOME:		152,141	104,641
Interest Income		152,141	104,641
Net Profit Before Tax		(11,589,382)	(84,113,141)
Less: Income Tax Expenses	22.00	5,945,752	2,588,652
Net Profit After Tax		(17,535,134)	(86,701,793)
Basic Earning Per Share		(4.13)	(20.44)

The annexed notes form an integral part of these Financial Statements.

Signed as per our annexed report of even date.




Managing Director



Director

Place: Dhaka
Date: 29 December, 2025



Saptam Biswas, FCA
Partner
Enrollment No: 1615
Chowdhury Bhattacharjee & Co.
Chartered Accountants
DVC:

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE, 2025

Particulars	Amount in Taka		
	Share Capital	Retained Earnings	Total
Balance as at 01 July, 2024	42,420,000	(135,013,419)	(92,593,419)
Profit / (Loss) for the year	-	(17,535,134)	(17,535,134)
Balance as at 30 June, 2025	42,420,000	(152,548,553)	(110,128,553)

FOR THE YEAR ENDED 30 JUNE, 2024

Particulars	Amount in Taka		
	Share Capital	Retained Earnings	Total
Balance as at 01 July, 2023	42,420,000	(48,311,626)	(5,891,626)
Profit / (Loss) for the year	-	(86,701,793)	(86,701,793)
Balance as at 30 June, 2024	42,420,000	(135,013,419)	(92,593,419)

Signed as per our annexed report of even date.



Managing Director



Director

Place: Dhaka
Date: 29 December, 2025



Saptam Biswas, FCA
Partner
Enrollment No: 1615
Chowdhury Bhattacharjee & Co.
Chartered Accountants
DVC:

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE, 2025

	2024-2025 Taka	2023-2024 Taka
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from operating activities	990,394,873	304,333,264
Cash received from Sales Revenue	990,242,732	304,228,623
Cash received from Other Income	152,141	104,641
Cash paid for operating activities	(1,086,981,877)	(668,032,356)
Cash paid to Suppliers	(928,333,133)	(577,420,490)
Lease Rent Payment	(14,762,592)	(14,762,592)
Finance Cost	(45,767,453)	(26,494,518)
Cash paid for Operating & Non-operating Expenses	(98,118,699)	(49,354,757)
Net Cash Generated From Operating Activities	(96,587,004)	(363,699,092)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Payment against Property, Plant and equipment and CWIP	(20,159,253)	(23,742,026)
Net Cash Used in Investing Activities	(20,159,253)	(23,742,026)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Short Term Loan Received	(25,939,845)	201,632,115
Long Term Loan Received	169,583,654	169,583,654
Net Cash Used in Financing Activities	143,643,810	371,215,769
Net increase / (Decrease) during the year (A+B+C)	26,897,554	(16,225,349)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	41,177,642	57,402,991
CASH AND CASH EQUIVALENTS AT THE ENDING OF THE YEAR	68,075,196	41,177,642

Signed as per our annexed report of even date.




Managing Director



Director

Place: Dhaka
Date: 29 December, 2025



Saptam Biswas, FCA
Partner
Enrollment No: 1615
Chowdhury Bhattacharjee & Co.
Chartered Accountants
DVC:

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 30 JUNE, 2025

1.00 CORPORATE INFORMATION OF THE REPORTING ENTITY :**1.01 Legal Form of the Entity:**

L'Esquire Limited (hereinafter said as the Company) is a Private Company Limited by shares and registered with the Registrar of Joint Stock Companies & Firms, Dhaka, Bangladesh under the Companies Act XVIII of 1994 on the 20th day of June, 2019 vide Reg. no. C-152655/2019.

Consequently the company has acquired the following Licenses and legal approvals:

Sl. No.	Name of License	Registration No.	Date of License	Renewed up to
01	Certificate of Incorporation	C-152655/2019	20-Jun-19	N/A
02	Taxpayer's Identification Numbers (TIN)	749287636766	1-Jul-19	N/A
03	Business Identification Number (BIN)	002158374-0103	20-Oct-19	N/A
04	Trade License	049	19-Aug-25	30-Jun-26
05	Import Registration Certificate (IRC)	260361120002120	8-Jan-20	30-Jun-26
06	Export Registration Certificate (ERC)	260361210006219	18-Dec-19	30-Jun-26

1.02 Nature of Business Activities:

L'Esquire Limited is engaged in manufacturing business unit of lingerie, active wear, Intimax, Sportswear, knitwear readymade garments including knitting, dyeing, sewing, printing, embroidery. To produce all kind of garments products viz men's and women's Shirt, Trousers, baby dresses, jeans pants, jeans shirt, sportswear. To establish any kind of 100% export oriented readymade garments business etc.

1.03 Address of Registered Office and Factory:

The registered office of the company is:

21, Shaheed Tajuddin Ahmed Sarani (7th Floor), Tejgaon Industrial Area, Dhaka-1208, Bangladesh.

Factory address of the company is:

Jamirdia, Bhaluka, Mymansingh, Bangladesh.

2.00 BASIS OF PREPARATION :**2.01 Basis of Measurement:**

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

2.02 Statement of Compliance:

The financial statements have been prepared and the disclosures of information made under the Going Concern Concept on historical cost convention and on accrual basis in accordance with the requirements of the companies Act 1994 as applicable and International Accounting Standards (IAS) & International Financial Reporting Standard (IFRS), adopted by the Financial Reporting Council (FRC), Bangladesh Labor Act 2006, the Labor Rules 2015 and other applicable laws and regulations in Bangladesh.

2.03 Presentation of Financial Statements:

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

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

The Financial Statements comprise of:

- (a) a Statement of Financial Position as at 30 June 2025;
- (b) a Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2025;

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 30 JUNE, 2025

(c) a Statement of Changes in Equity for the year ended 30 June 2025;

(d) a Statement of Cash Flows for the year ended 30 June 2025 and

(e) Notes, comprising summary of significant accounting policies and explanatory information.

2.04 Functional and Presentation Currency:

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

2.05 Accrual Basis:

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

2.06 Use of Estimates and Judgments:

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

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 that 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. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Judgments

Information about judgments related to lessee accounting under IFRS 16 made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements.

2.07 Going Concern:

The financial statements of the Company have been prepared on a going concern basis. As per management assessment there are no material uncertainties related to events or conditions which may cast significant doubt upon Company's ability to continue as a going concern. The management do not see any issue with respect to going concern status due to recent Ukraine & Russia war. Besides, the management is not aware of any other material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Moreover, the current credit facilities and resources of the company provide sufficient fund to meet the present requirements of its existing business.

2.08 Reporting Period:

Reporting Period consist of 01 July, 2024 to 30 June, 2025.

2.09 Comparative Information:

Comparative information has been disclosed in respect of the period ended 30 June, 2024 for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statements.

2.10 Changes in Significant Accounting Principles:

Except for the changes below, the company has consistently applied the accounting policies to all periods presented in these financial statements.

2.11 Property, Plant and Equipment (Note 3):**(a) Recognition and Measurement:**

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of acquisition comprises of purchase price, including import duties and non-refundable taxes and any directly attributable cost of bringing the assets to its working condition for its intended use.

Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of the fixed

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 30 JUNE, 2025

assets, the expenditure is capitalized as an additional cost of the assets.

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

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment so disposed and is recognized with other income/general and administrative expenses in statement of profit or loss and other comprehensive income.

(b) Pre-Operating Expenses and Borrowing Costs:

In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalized.

(c) Subsequent Costs:

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

(d) Depreciation:

Property, Plant & Equipment are depreciable after commencement of commercial activities of the company following the reducing balance method on the basis of its life expectancy. Full periods depreciation is charged in the period of acquisition and no depreciation is charged in the period when assets are retired or disposed off.

The rates at which assets are depreciated per annum, depending on the nature and estimated useful lives of assets are given below:

Category of Asset	Rate of Depreciation
Plant & Machinery	10%
Furniture and Office Equipment	10%
Vehicles	10%
IT Equipment	10%

(e) Impairment of Assets (IAS 36):

The carrying amounts of the property, plant and equipment are reviewed at each balance sheet date or whenever there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of the asset exceeds its recoverable amount. Impairment losses, if any, are recognized in the profit and loss account. No such indication of impairment has been observed till the end of the period.

(f) Retirements and Disposals:

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

2.12 Capital Work-in-Progress:

Construction-in-progress is stated at cost less any impairment losses, if any and is not depreciated. These are expenses of capital nature directly incurred for Plant & Machinery and Building & Other civil construction. No depreciation is charged on the capital work-in-progress which is in accordance with IAS-16.

2.13 Right of use Assets

L'Esquire Limited has entered into lease agreements with Esquire Knit Composite Ltd. authority for Proposed basement,

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AS AT AND FOR THE YEAR ENDED 30 JUNE, 2025

basement, ground floor, mezzanine floor, 2nd floor, 3rd floor of factory building and basement, ground floor, mezzanine floor, 2nd floor of Utility building. The Company used 9% incremental borrowing rate per annum. Details of the leases are as follows.

Leased asset	Area (Sq. Ft)	Expired Date
Proposed basement, basement, ground floor, mezzanine floor, 2nd floor, 3rd floor of factory building and basement, ground floor, mezzanine floor, 2nd floor of Utility building	307,554	12/31/35

Right-of-use assets are measured at their carrying amount as if IFRS 16 had been applied, discounted by using the Company's incremental borrowing rate at the date of initial application: the Company applied this approach to all of the leases.

The Company used a number of practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17. In particular, the Company:

- did not recognize right-of-use assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application;
- did not recognize right-of-use assets and liabilities for leases of low value assets; and
- excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application.

2.14 Cash and Cash Equivalents:

Cash and cash equivalents comprise cash in hand, demand deposits, short term deposits, highly liquid investments that are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value. Considering the provisions of IAS 7 and IAS 1, cash in hand and bank balances have been considered as cash and cash equivalents.

2.15 Share Capital:

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

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

2.16 Provisions:

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

2.17 Revenue from Contracts with Customers (IFRS-15):

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 30 JUNE, 2025

2.18 Cash Flows Statement (IAS-7):

Statement of Cash Flows have been prepared in accordance with IAS 7 Statement of Cash Flows and the cash flows from the operating activities have been presented under direct method considering the provisions of Paragraph 19 of IAS 7 which provides that "Entities are Encouraged to Report Cash Flows from Operating Activities Using the Direct Method".

2.19 Earnings Per Share (IAS -33):

This has been calculated in compliance with the requirements of IAS 33: Earnings Per Share dividing the basic earnings by the weighted average number of ordinary shares outstanding during the period.

2.20 Events after the Reporting Period (IAS-10):

Events after the reporting period that provide additional information about the company's position at the date of statement of financial position or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes wherever material.

2.21 Deferred Tax

Deferred Tax is calculated using the carrying amount and tax base of assets and liabilities. Deferred tax arises due to temporary difference deductible or taxable for the events or transactions recognized in the comprehensive income statement. A temporary difference is the difference between the tax bases of an asset or liabilities and its carrying amount/reported amount in the statement of financial position. Deferred tax assets is the amount of income tax recoverable or payable in the future periods recognized in the current period. The deferred tax asset/income or liability/expense does not create a legal recoverability/liability to and from the income tax authority.

2.22 Applicable accounting standards:

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

IASs:

IAS 1 Presentation of Financial Statements;
 IAS 2 Inventories;
 IAS 7 Statements of Cash Flows;
 IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
 IAS 10 Events after the Reporting Period
 IAS 12 Income Taxes
 IAS 16 Property, Plant and Equipment
 IAS 19 Employee Benefits
 IAS 21 The Effects of Changes in Foreign Exchange Rates
 IAS 23 Borrowing Costs
 IAS 24 Related Party Disclosures
 IAS 32 Financial Instruments: Presentation
 IAS 33 Earnings per Share
 IAS 36 Impairment of Assets
 IAS 37 Provisions, Contingent Liabilities and Contingent Assets
 IAS 39 Financial Instruments: Recognition and Measurement

IFRSs:

IFRS 7 Financial Instruments: Disclosures
 IFRS 8 Operating Segments
 IFRS 9 Financial Instruments
 IFRS 13 Fair Value Measurement
 IFRS 15 Revenue from Contracts with Customers
 IFRS 16 Leases

2.23 Directors' Responsibility Statement:

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

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 30 JUNE, 2025

	Notes	30-Jun-2025 Taka	30-Jun-2024 Taka
3.00	Property, Plant and Equipment: Tk. 211,410,972		
	Details of Property, plant and equipment and depreciation as at 30 June, 2025 are shown in the annexed Schedule-A. This is arrived as follows:		
	Opening Balance (At Cost)	280,140,656	256,398,630
	Add: Addition during the year	20,159,253	23,742,026
		300,299,909	280,140,656
	Less: Disposal during the year	-	-
	Closing Balance (At Cost)	300,299,909	280,140,656
	Less: Accumulated depreciation	88,888,937	65,398,829
	Carrying Amount	211,410,972	214,741,827
4.00	Right of Use Assets: Tk. 84,903,832		
	Details of Right of Use Assets and depreciation as at 30 June, 2025 are shown in the annexed Schedule-B. This is arrived as follows:		
	Opening Balance (At Cost)	121,291,189	121,291,189
	Add: Addition during the year	-	-
		121,291,189	121,291,189
	Less: Disposal during the year	-	-
	Closing Balance (At Cost)	121,291,189	121,291,189
	Less: Accumulated depreciation	36,387,357	28,301,277
	Carrying Amount	84,903,832	92,989,911
5.00	Pre-Operational & CWIP: Tk. 1,654,743,298		
	The above amount is made up as follows :		
	Opening Balance	1,654,743,298	1,654,743,298
	Add: Addition during the year	-	-
		1,654,743,298	1,654,743,298
	Less: Transfer/ Adjustment	-	-
	Closing Balance	1,654,743,298	1,654,743,298
6.00	Inventories: Tk. 314,569,868		
	The above amount is made up as follows :		
	Raw Materials	27,938,608	-
	Finished Goods	94,374,448	27,977,334
	Work in progress	111,915,648	-
	Material in Transit	80,341,164	151,219,028
	Total	314,569,868	179,196,362
7.00	Advance, Deposit and Prepayments: Tk. 18,441,254		
	The above amount is made up as follows :		
	L/C margin	-	16,086,149
	Margin Against Bank Guarantee	4,383,910	4,822,301
	Prepaid Insurance	4,018,942	271,697
	VAT Current Account	20,871	-
	Advance Income Tax	10,017,531	6,255,968
	Note: 7.01		
	Total	18,441,254	27,436,115

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 30 JUNE, 2025

	Notes	30-Jun-2025 Taka	30-Jun-2024 Taka
7.01	Advance Income Tax: Tk. 10,017,531		
	The above amount is made up as follows :		
	Opening Balance	6,255,968	3,472,330
	Add: Additions during the year	10,017,531	3,099,214
	Advance Income Tax-FDR	30,428	20,928
	Advance Income Tax-Export	9,902,427	3,042,286
	AIT on Import	35,175	-
	AIT on Vehicle	49,500	36,000
		16,273,498	6,571,544
	Less: Adjustment upto financial year 2023-2024	6,255,968	315,576
	Closing Balance	10,017,531	6,255,968
8.00	Cash and Cash Equivalents: Tk. 68,075,196		
	The above amount is made up as follows :		
	i) Cash in Hand:	1,350,000	350,000
	Head Office	200,000	200,000
	Factory	1,150,000	150,000
	ii) Cash at Bank:	64,870,706	39,091,865
	Dutch Bangla Bank PLC., Dilkusha Branch, A/C No. 1011100050619	371,805	2,385
	Community Bank PLC., Gulshan Branch A/C # 0070316766101	-	273,989
	Bank Asia PLC., Kawranbazar Branch, A/C No. 62747000011 FC-USD	26,576,018	37,058,767
	Bank Asia PLC., Kawranbazar Branch, A/C No. 62742000001 FC-USD	10,529	609,232
	Bank Asia PLC., Kawranbazar Branch, A/C No. 62747000010 FC-EURO	26,737	1,133,790
	Bank Asia PLC., Kawranbazar Branch, A/C No. 62733000266	135,778	535
	Bank Asia PLC., Kawranbazar Branch, A/C No. 62747000033 FC-USD	1,938,076	-
	Al-Arafah Islami Bank PLC., Gulshan Branch, A/C No. 0541020013254	121,266	-
	Al-Arafah Islami Bank PLC., Gulshan Branch, A/C No. 0549850000521 FC-USD	35,677,444	-
	Shahjalal Islami Bank PLC., Eskaton Branch, A/C No. 403311100000654	13,053	13,168
	iii) Investment in FDR:	1,854,490	1,735,777
	FDR-Bank Asia PLC. Karwan Bazar Branch, A/C: 62755000898	1,854,490	1,735,777
	Total	68,075,196	41,177,642

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 30 JUNE, 2025

9.00 Share Capital: Tk. 42,420,000

This is made up as follows :

Authorized:

100,000,000 Shares of Tk.10/- each

1,000,000,000**1,000,000,000****Issued, Subscribed and Paid-up:**

42,42,000 Shares of Tk.10/- each fully paid-up in cash

42,420,000**42,420,000**

Name of Share Holders	No. of Shares		Share %		Amount of Tk	Amount of Tk
	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24
Esquire Knit Composite PLC	4,200,000	4,200,000	99.01%	99.01%	42,000,000	42,000,000
Mr. Md. Mofazzal Hossain	16,000	16,000	0.38%	0.38%	160,000	160,000
Mr. Md. Ehsanul Habib	15,000	15,000	0.35%	0.35%	150,000	150,000
Mr. Arifur Rahman	6,000	6,000	0.14%	0.14%	60,000	60,000
Mr. Md. Muddasar Hossain	5,000	5,000	0.12%	0.12%	50,000	50,000
Total	4,242,000	4,242,000	100%	100%	42,420,000	42,420,000

10.00 Long Term Loan (Non Current Portion) : Tk. 2,093,504,125

The above amount is made up as follows :

Esquire Knit Composite PLC**Opening Balance****1,923,920,470****1,754,336,816****Add:** Addition During the year

169,583,654

319,583,654

Less: Payment made during the year

-

(150,000,000)

Closing Balance**2,093,504,125****1,923,920,470****Less:** Current Portion of Long Term Loan

-

-

Total 2,093,504,125**1,923,920,470**

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 30 JUNE, 2025

	Notes	30-Jun-2025 Taka	30-Jun-2024 Taka
11.00	Deferred Tax Liability : Tk. 1,312,334		
	The above amount is made up as follows :		
	Opening Balance	(225,662)	284,900
	Add: Deferred Tax Expenses recognized through profit & loss	1,537,996	(510,562)
	Closing Balance	1,312,334	(225,662)
	As at 30 June, 2025		
Particulars	Carrying amount on reporting date	Tax base	Taxable / (Deductible) temporary differences
Property, Plant & equipment	211,410,972	185,329,736	26,081,237
Right of Use Assets	84,903,832	-	84,903,832
Lease Liabilities	(100,048,952)	-	(100,048,952)
Taxable / (Deductible) temporary differences	196,265,852	185,329,736	10,936,116
Applicable Tax Rate			12%
Deferred Tax Liabilities			1,312,334
As at 30 June, 2024			
Particulars	Carrying amount on reporting date	Tax base	Taxable / (Deductible) temporary differences
Property, Plant & equipment	214,741,827	204,076,274	10,665,553
Right of Use Assets	92,989,911	-	92,989,911
Lease Liabilities	(105,535,982)	-	(105,535,982)
Taxable / (Deductible) temporary differences	202,195,757	204,076,274	(1,880,518)
Applicable Tax Rate			12%
Deferred Tax Liabilities			(225,662)
12.00	Lease Liability (Non-Current Portion) : Tk. 94,047,201		
	The above amount is made up as follows :		
	Opening Balance	105,535,982	110,552,434
	Add: Addition During the year	-	-
	Add: Interest Charged During the year	9,275,562	9,746,140
	Less: Payment made during the year	(14,762,592)	(14,762,592)
	Closing Balance	100,048,952	105,535,982
	Less: Current Portion of Lease Liability (Note:13)	6,001,751	5,487,030
	Total	94,047,201	100,048,952
13.00	Lease Liability (Current Portion) : Tk. 6,001,751		
	The above amount is made up as follows :		
	Current Portion of Lease Liability (Note:12)	6,001,751	5,487,030
	Total	6,001,751	5,487,030

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 30 JUNE, 2025

		30-Jun-2025 Taka	30-Jun-2024 Taka
14.00	Short Term Loan: Tk. 310,556,515		
	The above amount is made up as follows :		
	Community Bank PLC. OD A/C:0070316766701	56,189,479	51,897,129
	Bank Asia PLC. OD A/C: 62733000289	29,978,887	30,930,332
	Community Bank PLC. OD A/C:0077123524001086	5,628,337	-
	Community Bank PLC. OD A/C:0077123524001093	26,983,503	-
	Community Bank PLC. OD A/C:0077123524001147	21,317,506	-
	Community Bank PLC. A/C:0077123524000270	-	9,021,503
	Community Bank PLC. A/C:0077123524000298	-	20,731,549
	Community Bank PLC. A/C:0077123524000313	-	19,466,397
	Community Bank PLC. A/C:0077123524000331	-	2,534,156
	Bank Asia PLC. A/C: 62735000239	45,468,666	54,981,535
	Bank Asia PLC. A/C: 62735000260	9,997,493	11,878,557
	Bank Asia PLC. A/C: 62735000261	7,160,516	8,433,969
	Bank Asia PLC. A/C: 62735000265	10,115,429	11,616,760
	Bank Asia PLC. A/C: 62735000268	7,080,247	8,137,848
	Bank Asia PLC. A/C: 62735000269	19,863,331	23,234,221
	Bank Asia PLC. A/C: 62735000271	14,930,699	17,417,064
	Bank Asia PLC. A/C: 62735000281	3,093,409	3,562,730
	Bank Asia PLC. A/C: 62735000288	31,037,421	35,543,160
	Bank Asia PLC. A/C: 62735000291	7,156,842	8,551,050
	Bank Asia PLC. A/C: 62735000299	3,621,983	4,257,035
	Bank Asia PLC. EDF: 62781000017	-	2,952,832
	Bank Asia PLC. EDF: 62781000018	-	1,482,658
	Bank Asia PLC. EDF: 62781000019	-	1,773,894
	Bank Asia PLC. EDF: 62781000020	-	1,681,205
	Bank Asia PLC. EDF: 62781000021	-	2,007,947
	Bank Asia PLC. EDF: 62781000023	-	4,402,828
	Bank Asia PLC. EDF: 62780000036	1,430,667	-
	Bank Asia PLC. EDF: 62780000037	2,590,393	-
	Bank Asia PLC. EDF: 62781000025	976,045	-
	Bank Asia PLC. EDF: 62781000026	1,166,735	-
	Bank Asia PLC. EDF: 62781000027	472,502	-
	Bank Asia PLC. EDF: 62781000028	1,079,665	-
	Bank Asia PLC. EDF: 62781000029	1,643,781	-
	Bank Asia PLC. EDF: 62781000030	1,572,977	-
	Total	310,556,515	336,496,359
15.00	Liabilities for Expenses: Tk. 67,103,322		
	The above amount is made up as follows :		
	Salary and wages	8,962,205	8,962,205
	Audit fees	207,000	138,000
	Electricity Bill	1,175,097	1,175,097
	Payable to EKCL Lease Payment	56,759,020	41,996,428
	Total	67,103,322	52,271,730

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 30 JUNE, 2025

		30-Jun-2025 Taka	30-Jun-2024 Taka
16.00	Current Income Tax Liability : Tk. 4,206,960		
	The above amount is made up as follows :		
	Opening Balance	6,255,968	3,537,906
	Add: Additions during the year	4,206,960	3,099,214
	Income Tax Expenses-Current	4,206,960	3,099,214
		10,462,928	6,637,120
	Less: Adjustment upto financial year 2023-2024	6,255,968	381,152
	Closing Balance	4,206,960	6,255,968
		2024-2025 Taka	2023-2024 Taka
17.00	Revenue: Tk. 1,023,873,563		
	This is made up of the followings:		
	Export Sales	1,023,873,563	329,063,754
	Total	1,023,873,563	329,063,754
18.00	Cost of Goods Sold: Tk. 930,306,171		
	This is made up of the followings:		
	Cost of Purchase (Note-18.01)	539,588,389	147,419,073
	Wages & Salaries (Note-18.02)	472,231,868	140,306,907
	Direct Expenses (Note-18.03)	96,798,676	78,438,651
	Cost of Goods Put into Process	1,108,618,933	366,164,631
	Opening Work -in- process	-	-
	Less : Closing Work- in- process	111,915,648	-
	Cost of Goods Manufactured	996,703,285	366,164,631
	Add: Opening Finished Goods	27,977,334	25,433,940
	Cost of Goods Available for Sale	1,024,680,619	391,598,571
	Less: Closing Finished Goods	94,374,448	27,977,334
	Total	930,306,171	363,621,237
18.01	Cost of Purchase: Tk. 539,588,389		
	This is made up of the followings:		
	Accessories	257,723,664	66,490,584
	Fabric	235,192,587	66,975,301
	Packing Materials	46,672,138	13,953,188
	Total	539,588,389	147,419,073
18.02	Wages & Salaries: Tk. 472,231,868		
	This is made up of the followings:		
	Workers wages	349,095,314	80,642,672
	Workers overtime	82,430,239	54,940,762
	Daily labour	5,059,344	2,008,414
	Salary	35,646,971	2,715,059
	Total	472,231,868	140,306,907

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 30 JUNE, 2025

		30-Jun-2025 Taka	30-Jun-2024 Taka
18.03	Direct Expenses: Tk. 96,798,676		
	This is made up of the followings:		
	Gas and electricity	41,069,910	24,030,739
	Insurance premium	4,475,734	3,259,608
	Tiffin expenses for workers	5,664,580	2,499,903
	Spare Parts Consumption	1,029,282	2,942,852
	Vehicle running (Oil and fuel)	2,641,013	2,328,827
	Local conveyance	578,307	1,265,971
	Telephone & Mobile bills	488,100	418,330
	Finance Charge-Lease	9,275,562	9,746,140
	Depreciation (Schedule-A)	23,490,108	23,860,203
	Depreciation (Schedule-B)	8,086,079	8,086,079
	Total	96,798,676	78,438,651
19.00	Administrative overhead: Tk. 24,049,387		
	This is made up of the followings:		
	Director Remuneration	4,950,000	6,600,000
	Salary & allowances	14,186,769	5,926,520
	Vehicle maintenance	102,875	102,875
	Vehicle running expenses	112,811	514,374
	Entertainment	621,562	267,330
	Insurance premium	191,317	93,734
	Printing expenses	53,689	53,689
	Stationery expenses	61,524	61,524
	Telephone, mobile & internet	250,258	714,261
	Travelling & conveyance	195,819	56,724
	Bank charges	1,124,951	614,397
	License, renewal & registration	1,250,722	1,049,836
	Utility expenses	289,656	1,861,840
	Audit fees	138,000	69,000
	Central Fund	165,977	90,986
	Miscellaneous expenses	353,457	336,805
	Total	24,049,387	18,413,895
20.00	Selling and Distribution overhead: Tk. 35,492,075		
	This is made up of the followings:		
	Inspection & certificate issue expenses	1,952,654	1,288,024
	Export Permission	900,000	86,460
	Foreign Travel for marketing	-	869,330
	Sample and courier expenses	1,742,015	373,839
	Bank charges on export proceeds	20,385,420	853,024
	Freight charges on export	4,628,558	578,000
	C & F expenses on export	5,540,928	60,145
	Carriage outward on export (Transportation)	342,500	643,067
	Total	35,492,075	4,751,887

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 30 JUNE, 2025

		30-Jun-2025 Taka	30-Jun-2024 Taka
21.00	Financial Expenses: Tk. 45,767,453		
	This is made up of the followings:		
	Interest on Loan	24,367,213	26,494,518
	Interest on Short term Loan	21,400,240	-
	Total	45,767,453	26,494,518
22.00	Income Tax Expenses: Tk. 5,945,752		
	This is made up of the followings:		
	Income Tax-Current	4,206,960	3,099,214
	Income Tax-Deferred	1,537,996	(510,562)
	Short Provision for the financial year 2022-2023	200,796	-
	Total	5,945,752	2,588,652

As the company is suffering from operating loss, minimum tax has been taken into consideration rather than net profit before tax as per section 163 of Income Tax Act, 2023 for current tax during the financial year.

23.00 Related party disclosures

Name	Relationship	Nature of Transaction	Opening Balance	Net Transaction Value During The Year	Closing Balance 30-June-2025
Esquire Knit Composite PLC	Sister Concern	Purchase	1,923,920,470	169,583,654	2,093,504,125
Esquire Knit Composite PLC	Lessor	Service	41,996,428	14,762,592	56,759,020

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 30 JUNE, 2025

L'ESQUIRE LIMITED
SCHEDULE OF PROPERTY, PLANT & EQUIPMENT
AS AT 30 JUNE, 2025

Property, Plant and Equipment Tk. 211,410,972

SCHEDULE - A

Sl. No.	Particulars	C O S T				D E P R E C I A T I O N					Carrying
		Balance as at 01-July-2024	During the year		Balance as at 30-June-2025	Rate	Balance as at 01-July-2024	During the year		Balance as at 30-June-2025	Amount as at 30-June-2025
			Additions	Disposal/ Adjustments				Charged	Adjustment		
1	Plant & Machinery	239,103,501	1,623,600	-	240,727,101	10%	55,572,421	18,515,468	-	74,087,889	166,639,211
2	Furniture and Office Equipment	35,878,155	18,535,653	-	54,413,808	10%	8,428,318	4,598,549	-	13,026,867	41,386,941
3	Vehicles	4,640,000	-	-	4,640,000	10%	1,257,440	338,256	-	1,595,696	3,044,304
4	IT Equipment	519,000	-	-	519,000	10%	140,649	37,835	-	178,484	340,516
Balance as at 30 June, 2025		280,140,656	20,159,253	-	300,299,909		65,398,829	23,490,108	-	88,888,937	211,410,972
Balance as at 30 June, 2024		256,398,630	23,742,026	-	280,140,656		41,538,626	23,860,203	-	65,398,829	214,741,827

L'ESQUIRE LIMITED
SCHEDULE OF RIGHT OF USE ASSETS
AS AT 30 JUNE, 2025

Right of Use Assets Tk. 84,903,832

SCHEDULE - B

Sl. No.	Particulars	C O S T				D E P R E C I A T I O N					Carrying
		Balance as at 01-July-2024	During the year		Balance as at 30-June-2025	Rate	Balance as at 01-July-2024	During the year		Balance as at 30-June-2025	Amount as at 30-June-2025
			Additions	Disposal/ Adjustments				Charged	Adjustment		
1	Lease Assets	121,291,189	-	-	121,291,189		28,301,277	8,086,079	-	36,387,357	84,903,832
Balance as at 30 June, 2025		121,291,189	-	-	121,291,189		28,301,277	8,086,079	-	36,387,357	84,903,832
Balance as at 30 June, 2024		121,291,189	-	-	121,291,189		20,215,198	8,086,079	-	28,301,277	92,989,911

proxy form

FOR ANNUAL GENERAL MEETING

ESQUIRE KNIT COMPOSITE PLC

21 Shaheed Tajuddin Ahmed Sarani, Tejgaon I/A, Tejgaon, Dhaka-1208

PROXY FORM

I/We _____ of _____
_____ being a member of Esquire Knit Composite PLC hereby appoint Mr./Ms./Miss _____
_____ of _____
_____ as my proxy to attend and vote for me on my behalf at the **25th Annual General Meeting** of the Esquire Knit Composite PLC to be held Sunday, January 25, 2026 at 11:00 a.m. (Dhaka Time) under a virtual platform and at any adjournment thereof.

As witnessed my hand this _____ day of January 2026.

Signed by the said presence _____.



(Signature of Proxy)

(Signature of Shareholder(s))

(Signature of Witness)

Dated: _____

Note: A Member entitled to attend and vote at the Annual General Meeting may appoint a Proxy to attend and vote in his/her stead. The proxy form duly stamped valuing Tk. 100/- must be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for the meeting.

Signature verified

Authorized Signature



www.esquireknit.com



Esquire Knit Composite PLC



*Scan code with a QR
code reader-enable
mobile phone to find
out more about the
company*

REGISTERED & CORPORATE OFFICE

Esquire Tower, 21 Shaheed Tajuddin Ahmed Sarani
(Old 30 Tejgaon Industrial Area)
Tejgaon, Dhaka-1208, Bangladesh
IP Phone: +88 09612443322

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- i. 22/58, Kanchpur, Sonargaon, Narayanganj
- ii. Jamirdia, Bhaluka, Mymensingh

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