

Delta Spinners Limited

Selected Explanatory Notes on the Accounts as on 30th September, 2024

- 1) Statement of Compliance:** These Condensed Consolidated Financial Statements do not include all the information as required for full annual financial statements, and have been prepared in accordance with International Financial Reporting Standards.
- 2) Accounting Policies:** The Company has applied the same accounting policies and methods of computation for the interim financial statements as in the un-audited annual financial statements as of and for the year ended 30th June, 2024.
- 3) The Interim financial statements** have been prepared based on un-audited financial statements for the year ended 30th June, 2024. As per IAS-34, only "Selected Explanatory Notes" are provided. Detailed break-up of the amounts are not presented in the Financial Statements.
- 4) Subsidiary Company:** There has not been any trading operation of the subsidiary company during the period under review.
- 5) Reasons for Low Operational Performance:** Due to inflow of foreign Cotton Yarn in the market, the demand of our products was very low. Besides, due to higher cost of power, raw materials, etc. the cost of our products are relatively high with the result that we had to sell the items without any profit margin to keep the factory in operation. It is to be noted here that during the month of July, 2024, the operations of the factory remained closed for several days due to imposition of Curfew by the law enforcing authority. Consequently, during the three months from July, 2024 to September, 2024 our factory has experienced a operational loss leading to a negative EPS of Tk. (0.07).
- 6) Issued, Subscribed & Paid-up Capital:** The present number of Ordinary Shares stands at 16,64,81,964 of Tk. 10 each fully paid up. The paid-up capital is Tk. 166,48,19,640 only.
- 7) Related Party Transaction:** During the period under review, the Company paid a compensation to its 5 (five) key management personnel namely, Mr. Mostafa Jamal Haider, Managing Director, Mr. Masudur Rahman, Executive Director and Company Secretary, Ms. Rabeya Sultana, CFO, Mr. Mostafa Zakaria Haider, Head of Internal Audit & Compliance and Mr. Abu Ahammad Sharif, General Manager as "Short Term Employee Benefit" amounting to Tk. 11,48,673 only. No long term or any other benefits has been paid to these key management personnel.

The accounts have been posted in the Web Site of the Company at: www.deltaspinners.com