

**AUDITOR'S REPORT
AND
AUDITED FINANCIAL STATEMENTS
OF
GOODEARTH APPARELS LIMITED**

AS AT AND FOR THE YEAR ENDED 31 MARCH 2026

A. QASEM & Co.

Chartered Accountants

Since 1953

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF GOODEARTH APPARELS LIMITED
Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of GoodEarth Apparels Limited (the "Company"), which comprise the statement of financial position as at 31 March 2026, the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the company give a true and fair view, in all material respects, the financial position of the company as at 31 March 2026 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

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

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs, the Companies Act, 1994 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- a) 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.

- b) 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.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) 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.
- e) Evaluate the overall presentation, structure and content of the Company' financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, we also report the following:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of these books; and
- c) the statements of financial position and statements of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts.

A. Qasem & Co.

Chartered Accountants

FRC Enlistment No: CAF-001-129



ATM Shamim Reza, FCA

Partner

Enrolment Number: 1766

DVC: **2604391766AS217360**

Place: Dhaka

Date: 30 April 2026

GoodEarth Apparels Limited
Statement of Financial Position
As at 31 March 2026

| | Notes | As at | |
|---|-------|----------------------|----------------------|
| | | 31 March 2026 | 31 March 2025 |
| | | Amounts in BDT | |
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | 4.00 | 843,948,001 | 902,421,323 |
| Intangible assets | 5.00 | 9,577,284 | 19,070,226 |
| IFRS-Right to use assets | 6.00 | 23,257,346 | - |
| Capital work in progress | 7.00 | 5,803,065 | 8,401,023 |
| Deferred tax assets | 8.00 | 46,067,710 | 57,250,690 |
| | | 928,653,407 | 987,143,262 |
| Current assets | | | |
| Inventory | 9.00 | 405,621,630 | 265,790,022 |
| Advances, deposits and prepayments | 10.00 | 378,862,335 | 301,188,674 |
| Accounts receivable | 11.00 | 186,147,476 | 353,606,371 |
| Inter company receivables | 12.00 | 313,763,486 | 501,435,605 |
| Cash and cash equivalents | 13.00 | 373,992,472 | 417,853,270 |
| | | 1,658,387,399 | 1,839,873,942 |
| Total assets | | 2,587,040,806 | 2,827,017,204 |
| Shareholders' equity & liabilities | | | |
| Shareholders' equity | | | |
| Share capital | 14.00 | 50,699,400 | 50,699,300 |
| Redeemable preference share | 15.00 | 1,722,077,500 | 1,722,077,500 |
| Retained earnings | | 28,132,374 | (155,063,003) |
| OCI reserve for actuarial difference | | (11,133,742) | 7,198,119 |
| | | 1,789,775,532 | 1,624,911,916 |
| Liabilities | | | |
| Long term liabilities | | | |
| Post-retirement benefit obligation | 16.00 | 46,438,558 | 35,409,457 |
| Term loan borrowings | 17.00 | 36,895,897 | 48,035,393 |
| Non-current portion of lease liability | 18.00 | 17,618,616 | - |
| | | 100,953,071 | 83,444,850 |
| Current liabilities | | | |
| Current portion of lease liability | 18.01 | 6,791,040 | - |
| Secured short term bank borrowings | 19.00 | 72 | 25,669,399 |
| Trade and other payables | 20.00 | 687,628,980 | 877,237,433 |
| Inter company payables | 21.00 | 1,892,111 | 215,753,606 |
| | | 696,312,203 | 1,118,660,438 |
| Total liabilities | | 797,265,274 | 1,202,105,288 |
| Total shareholders' equity & liabilities | | 2,587,040,806 | 2,827,017,204 |

FOOTNOTES:

1. Auditors' Report - Page 1-2.
2. The accompanying notes 1 - 34 form an integral part of these financial statements.
3. With reference to the Section 189(2) of the Companies Act 1994, only one director has signed the financial statements as the other directors were not present in Bangladesh at the time of signing of the financial statements.

A. Qasem & Co.

Chartered Accountants
FRC Enlistment No: CAF-001-129



ATM Shamim Reza, FCA

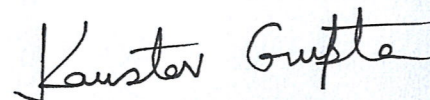
Partner

Enrolment Number: 1766

DVC: **2604301766AS217360**

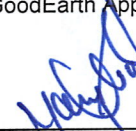
Place: Dhaka

Date: 30 April 2026



Kaustav Gupta

VP-Finance and Reporting
GoodEarth Apparels Limited



Manoj Dimri

Director
GoodEarth Apparels Limited



GoodEarth Apparels Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 March 2026

| | Notes | For the year ended | |
|--|-------|--------------------|--------------------|
| | | 31 March 2026 | 31 March 2025 |
| | | BDT | BDT |
| Revenue | | | |
| Export sales | 22.00 | 4,136,025,299 | 4,585,670,711 |
| Less: cost of good sold | 23.00 | 3,236,223,912 | 3,795,744,746 |
| Gross profit | | 899,801,387 | 789,925,966 |
| Other income | 24.00 | 37,872,279 | 27,954,133 |
| | | 937,673,666 | 817,880,098 |
| Operating expenses | | | |
| Administrative expenses | 25.00 | 513,548,679 | 369,231,279 |
| Marketing & selling expenses | 26.00 | 116,443,024 | 110,532,379 |
| Operating depreciation | 27.00 | 67,691,376 | 64,904,170 |
| | | 697,683,079 | 544,667,827 |
| Operating Profit/(Loss) | | 239,990,587 | 273,212,272 |
| Financial expenses | 28.00 | 20,548,090 | 24,697,682 |
| Profit/(Loss) before tax | | 219,442,497 | 248,514,589 |
| Income tax expenses | 29.00 | 51,113,150 | 35,122,863 |
| Profit/(Loss) After tax | | 168,329,347 | 213,391,727 |
| Other comprehensive income for the period | | - | - |
| Actuarial gain/(loss) | 30.00 | (9,712,253) | (3,165,735) |
| Total comprehensive loss for the period | | 158,617,094 | 210,225,992 |

FOOTNOTES:

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A. Qasem & Co.

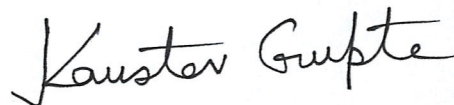
Chartered Accountants
FRC Enlistment No: CAF-001-129



ATM Shamim Reza, FCA
Partner
Enrolment Number: 1766

DVC: **2604391766AS217360**

Place: Dhaka
Date: 30 April 2026



Kaustav Gupta
VP-Finance and Reporting
GoodEarth Apparels Limited



Manoj Dimri
Director
GoodEarth Apparels Limited



GoodEarth Apparels Limited
Statement of Changes in Equity
For the year ended 31 March 2026


Amounts in BDT

| Particulars | Share capital | Retained earnings | OCI Reserve for actuarial difference | Share money deposit | Preference Share Capital | Total |
|---|-------------------|----------------------|--------------------------------------|---------------------|--------------------------|----------------------|
| Balance as at 31 March 2025 | 50,699,300 | (155,063,003) | 7,198,119 | - | 1,722,077,500 | 1,624,911,917 |
| Addition during the period | | | | | | |
| Share capital | 100 | - | - | - | - | 100 |
| Preference share capital | - | - | - | - | - | - |
| Share money deposit | - | - | - | - | - | - |
| Prior Year Adjustment | | 14,866,029 | (8,619,608) | | | 6,246,421 |
| Total comprehensive loss for the period | - | 168,329,347 | (9,712,253) | - | - | 158,617,094 |
| Balance as at 31 March 2026 | 50,699,400 | 28,132,374 | (11,133,742) | - | 1,722,077,500 | 1,789,775,533 |
| Balance as at 31 March 2024 | 50,699,300 | (368,454,729) | 7,198,119 | - | 1,722,077,500 | 1,411,520,190 |
| Addition during the period | | | | | | |
| Share capital | - | - | - | - | - | - |
| Preference share capital | - | - | - | - | - | - |
| Share money deposit | - | - | - | - | - | - |
| Total comprehensive loss for the period | - | 213,391,727 | - | - | - | 213,391,727 |
| Prior year adjustment | - | - | - | - | - | (0) |
| Balance as at 31 March 2025 | 50,699,300 | (155,063,003) | 7,198,119 | - | 1,722,077,500 | 1,624,911,917 |

FOOTNOTES:

1. Auditors' Report - Page 1.
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3. With reference to the Section 189(2) of the Companies Act 1994, only one director has signed the financial statements as the other directors were not present in Bangladesh at the time of signing of the financial statements.

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FRC Enlistment No: CAF-001-129


ATM Shamim Reza, FCA
Partner
Enrolment Number: 1766
DVC: **2604301766AS217360**
Place: Dhaka
Date: 30 April 2026



Kaustav Gupta
VP-Finance and Reporting
GoodEarth Apparels Limited


Manoj Dimri
Director
GoodEarth Apparels Limited



GoodEarth Apparels Limited
Statement of Cash Flows
For the year ended 31 March 2026

| Notes | For the year ended | |
|---|---------------------|--------------------|
| | 31 March 2026 | 31 March 2025 |
| | BDT | BDT |
| Cash flows from operating activities | | |
| Profit/(loss) before tax | 219,442,497 | 248,514,589 |
| Adjustment for Non cash items | | |
| Depreciation | 4.00 108,809,442 | 119,368,997 |
| Interest expense | 28.00 2,112,696 | 610,333 |
| Changes in working capital | | |
| (Increase)/decrease in current assets | | |
| (Increase)/decrease in inventories | (139,831,608) | 307,400,134 |
| (Increase)/decrease in advances, deposits and prepayments | (77,673,660) | (92,023,454) |
| (Increase)/decrease in receivables | 167,458,895 | (190,598,005) |
| (Increase)/decrease in inter-company receivables | 187,672,120 | (135,777,492) |
| Increase/(decrease) in current liabilities | | |
| Increase/(decrease) in trade and other payable | (194,004,578) | (129,957,339) |
| Increase/(decrease) in inter-company payable | (213,861,495) | 80,315,510 |
| Increase/(decrease) post-retirement benefit obligation | 11,029,101 | 5,491,816 |
| Cash generated from operating activities | 71,153,411 | 213,345,089 |
| Interest paid | - | - |
| Tax paid | 38,535,144 | 61,165,031 |
| Net cash flows from operating activities | 32,618,266 | 152,180,059 |
| Cash flows from investing activities | | |
| Payment for assets | (32,879,298) | (5,278,126) |
| Net cash used in investing activities | (32,879,298) | (5,278,126) |
| Cash flows from financing activities | | |
| Increased share capital | 100 | - |
| Payment for lease liability | (6,791,040) | (7,136,000) |
| Secured short term bank borrowings | (25,669,327) | 11,648,206 |
| Term loan | (11,139,496) | 5,335,393 |
| Net cash generated by financing activities | (43,599,763) | 9,847,599 |
| Net change in cash and cash equivalents | (43,860,797) | 156,749,531 |
| Cash and cash equivalents at the beginning of the period | 417,853,270 | 261,103,739 |
| Cash and cash equivalents at the end of the period | 373,992,472 | 417,853,270 |
| Represented by: | | |
| Cash at bank | 372,656,267 | 408,950,169 |
| Cheque in hand | 6,600 | 5,600 |
| Fund in transit | 1,242,520 | 7,876,247 |
| Cash in hand | 87,085 | 1,021,254 |
| | 373,992,472 | 417,853,270 |

FOOTNOTES:

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3. With reference to the Section 189(2) of the Companies Act 1994, only one director has signed the financial statements as the other directors were not present in Bangladesh at the time of signing of the financial statements.

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FRC Enlistment No: CAF-001-129

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Date: 30 April 2026

Kaustav Gupta

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VP-Finance and Reporting
GoodEarth Apparels Limited

Manoj Dimri

Manoj Dimri

Director

GoodEarth Apparels Limited



GoodEarth Apparels Limited
Notes to the financial statements
As at and for the year ended 31 March 2026

1.00 Significant accounting policies and other material information

1.01 Company profile

GoodEarth Apparels Ltd. (the "Company") changed from Green Smart Shirts Limited as on 6 November 2023 vide letter issue no. 400508 from RJSC&F was incorporated in Bangladesh on 6 May 2016 as a private company limited by shares under the Companies Act, 1994 with its registered office located at Doyal Centre, 3rd Floor, Suite No. A+B,, 15, Sonargoan Janapath, Sector - 13, Uttara, Dhaka, PO :1230, The factory is located at Tepirbari, Mowna, Sreepur, Gazipur.

1.02 Nature of business

The principal activity of the Company is to manufacture and trade in ready made garments for 100% export.

2.00 Basis of preparation and significant accounting policies

2.01 Statement of compliance

The financial statements of the company have been prepared under historical cost convention in a going concern concept and on accrual basis in accordance with generally accepted accounting principles and practice followed in Bangladesh in compliance with The Companies Act 1994.

2.02 Functional and presentational currency and level of precision

The financial statements are presented in Bangladesh Taka (BDT), which is the Company's functional currency. Financial information presented in BDT have been rounded off to the nearest BDT.

2.03 Use of estimates and judgment

The financial statements was prepared by the management on the basis of best judgments, estimations and assumptions complying the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates and underlying assumptions, which are reviewed on an ongoing basis. Revision to accounting estimates is recognized in the year in which the estimates are revised and in any future years affected.

2.04 Reporting period

The financial report covers the period from 01 April 2025 to 31 March 2026.

2.05 Authorization for issue

The financial statements were authorised for issue by the Board of Directors on, 30 April 2026.

2.06 Consistency of presentation

The presentation and classification of all items in the financial statements have been retained from one period to another period unless where it is apparent that another presentation or classification would be more appropriate having regard to the criteria for the selection and application of accounting policies or changes as required by another IFRSs.



2.07 Comparative information

Comparative information has been disclosed in respect of the previous period for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current period financial statements. Certain figures for previous period have been rearranged wherever considered necessary, as to ensure better comparability with the current period financial and to comply with relevant IASs.

2.08 Preparation and presentation of financial statements of the company

The Management of the company is responsible for the preparation and presentation of the financial statements of the company.

2.09 Components of the financial statements

According to the International Accounting Standard IAS-1 "Presentation of Financial Statements" the complete set of Financial Statements includes the following components:

- i) Statement of financial position as at 31 March 2026.
- ii) Statement of profit or loss and other comprehensive income for the year ended 31 March 2026.
- iii) Statement of changes in equity for the year ended 31 March 2026.
- iv) Statement of cash flows for the year ended 31 March 2026.
- v) Notes to the financials statements including significant accounting policies.

3.00 Summary of significant policies

3.01 Principle of accounting policies

Specific accounting policies were selected and applied by the company's management for significant transactions and events that have a material effect within the framework of IAS-1 "Presentation of Financial Statements" in preparation and presentation of financial statements.

3.02 Accrual basis of accounting

The financial statements have been prepared, except statements of cash flows, under accrual basis of accounting in accordance with applicable International Accounting Standards which do not vary from the requirements of the Companies Act, 1994 and other laws and rules as applicable in Bangladesh.

3.03 Going concern

The financial statements are prepared on a going concern basis. As per management assessment, there is no material uncertainty relating to events or condition which may cast doubt upon the Company's ability to continue as a going concern.

3.04 Statement of cash flows

The Statement of cash flows has been prepared in accordance with the requirements of IAS 7: Statement of cash flows. The cash generating from operating activities has been reported using the indirect method.



3.05 Accounting policies, changes in accounting estimates and errors

Accounting policies

Accounting policies are the specific principles, bases, conventions, requirements and practices used by an entity in preparing and presenting its financial statements.

An existing accounting policy should only be changed where a new accounting will result in reliable and more relevant information being presented.

Any changes in accounting policy required to be accounted for retrospectively except where it is not practicable to determine the effect in prior periods.

Accounting estimates

The preparation of financial statements requires many estimates to be made on the basis of latest available and reliable information.

The effect of a change in accounting estimates should therefore be recognized prospectively.

Prior period errors

A prior period error is where an error has occurred even though reliable information was available when those financial statements were authorized for issue.

3.06 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. Events after the reporting period that are not adjusting events are disclosed in the notes when material. There are no material events after reporting date which required judgement or disclosure in the financial statement.

3.07 Taxation

Current tax

As an export oriented private limited company, applicable tax rate for the company is 0.60% on gross receipt or 10% on net profit or tax deducted at source- whichever is higher. As tax deducted at source is higher than others, it will be considered as final settlement.

Deferred tax

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they are reversed, based on the laws that have been enacted or substantively enacted by the reporting date.



3.08 Recognition of Property, plant and equipment

Recognition and measurement

According to IAS 16 "Property, Plant and Equipment" items of property, plant and equipment, excluding freehold land, freehold building and leasehold building, are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes (after deducting trade discount and rebates) and any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner.

Part 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.

Subsequent costs

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

Capital work in progress

Capital work in progress consists of acquisition costs, capital components and related installation cost, until the date when the asset is ready to use for its intended purpose. In case of import of components, Capital work in progress is recognized when risks and rewards associated with such assets are transferred to the Company.

Depreciation

No depreciation is charged on capital work in progress (CWIP) as CWIP is not yet available for use. Depreciation on other items of property plant and equipment is recognized on reducing balance or WDV basis over the estimated useful lives of each item of property, plant and equipment. For addition to property, plant and equipment, depreciation method, useful lives and residual balance are reviewed each reporting date and adjusted if appropriate.

The rate of depreciation varies according to the estimated useful lives of the items of property, plant and equipment. The depreciation rates for the current period are as follows:

| Class of assets | Depreciation rate |
|--|-------------------|
| Furniture and fixtures | 10% |
| Leasehold improvements | 10% |
| Plant and machineries | 10% |
| Freehold factory building | 5% |
| Motor vehicles | 20% |
| Air conditioners | 10% |
| Electrical installations | 10% |
| Fire Protection & Prevention Equipment's | 10% |
| Office Equipment's | 10% |
| Other Equipment's | 10% |
| Development projects | 25% |
| IT equipment's | 33% |
| Software/ERP | 25% |



3.09 Inventories

Inventories are valued at the lower of cost and net realizable value as per IAS 2, after making due allowance for obsolete, rejection and slow moving items. Cost is valued using weighted average method. Net realizable value is the price at which inventories can be sold in the ordinary course business less the estimated cost of completion and the estimated cost necessary to make the sale.

3.10 Revenue recognition

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. To achieve that core principle, IFRS 15 establishes a five-steps model as follows.

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

Considering the five steps model, Revenue arises from the sale of goods and the rendering of services. It is measured at the fair value of consideration received or receivable, excluding taxes, and reduced by any rebates and trade discounts allowed as per IFRS-15.

Revenues are recognized when the risks and rewards of the ownership is transferred to the buyer, recovery of the consideration is probable, the associated cost and possible return can be estimated reliably and there is no continuing management involvement with the sale of goods or service provided.

3.11 Interest income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head 'other income' in the statement of profit or loss and other comprehensive income.

3.12 Transaction with related parties

The company carried out a number of transactions with related parties in the course of business and on arms length basis. Transaction with related parties has been appropriately recognized and disclosed in accordance with IAS 24 "Related Party Disclosures".

3.13 Foreign currency transactions

Foreign currency transactions are translated into Bangladesh Taka at the rate ruling on the transaction date. All monetary assets and liabilities at the statement of financial position date are retranslated using rates prevailing on the date. This treatment is in accordance with IAS -21: The effects of changes in foreign exchange rates, which requires all differences arising from foreign exchange transactions to be recognized in the comprehensive income statement. The closing exchange rate is considered as USD 1 = 122.8092.



3.14 Financial Instruments

Cash and cash equivalents

Cash and cash equivalents include cash in hand and cash at banks which are held and available for use by the company without any restriction. For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, deposits held at financial institutions and short-term highly liquid investments with maturities of three months or less from the date of acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Trade receivables

Trade receivable represents the amounts due from export customers. Accounts receivable stated at original invoice amount without making any provision for doubtful debts, because of the fact that exports are being based on 100% confirmed letter of credit basis with fixed maturity dates/signed sales contract or buyer's P.O.

Trade and other payables

Trade and other payables are recognized when its contractual obligations arising from past events are certain and settlement of which is expected to result in an outflow from the Company of resources embodying economic benefits.

3.15 Provisions and contingencies

A provision is recognised on the date of statement of financial position if, as a result of past events, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more future events beyond the control of the company. The company does not recognise a contingent liability but discloses its existence separately in the financial statements.

3.16 Capital management

For the purpose of the Company's capital management, capital includes issued capital, share money deposit and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximize the shareholder value. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

3.17 General comments and obligations

- a. All figures have been rounded off to the nearest BDT;
- b. Previous year's figures and head of accounts in the financial statements have been re-arranged to confirm to current year's presentation wherever necessary.



4.00 Property, plant and equipment

| Particulars | Cost | | | | Rate % | Particulars | Depreciation | | | Written down value | |
|---|----------------------|---------------------------------------|---|----------------------|--------|---|--------------------|---------------------------|--|--------------------|-----------------|
| | Opening balance | Addition / transfer during the period | Disposal / transfer Out during the period | Closing balance | | | Opening balance | Charged during the period | Adjustment/ disposal during the period | | Closing balance |
| | | | | | | | | | | | |
| Freehold land | 114,772,902 | - | - | 114,772,902 | 0% | | | | | 114,772,902 | |
| Plant & machinery | 459,333,053 | 19,614,675 | - | 478,947,727 | 10% | Acc Dep plant & machinery | 46,998,938 | - | 260,832,033 | 218,115,694 | |
| Furniture & fixtures | 60,307,860 | 6,993,436 | - | 67,301,295 | 10% | Acc Dep furniture & fixtures | 6,574,810 | - | 39,588,311 | 27,712,984 | |
| Office equipments | 2,308,633 | - | - | 2,308,633 | 10% | Acc Dep office equipment | 230,871 | - | 1,693,368 | 615,265 | |
| Freehold building | 594,387,644 | 4,369,326 | - | 598,756,970 | 5% | Acc. Dep. freehold building | 31,950,692 | - | 196,063,527 | 402,693,442 | |
| Other equipments | 12,308,172 | 1,446,677 | - | 13,754,849 | 10% | Acc Dep other equipments | 1,328,082 | - | 6,923,613 | 6,831,235 | |
| IT equipments | 29,068,304 | 10,512,501 | - | 39,580,804 | 33% | Acc Dep - IT equipments | 5,462,427 | - | 27,651,759 | 11,929,045 | |
| Motor vehicles | 204,000 | - | - | 204,000 | 20% | Acc Dep - Motor vehicle | 40,800 | - | 183,544 | 20,456 | |
| Telephone installation & connection | 553,160 | - | - | 553,160 | 10% | Acc Telephone installation & connection | 55,394 | - | 372,124 | 181,036 | |
| Fire protection & prevention equipments | 1,614,534 | - | - | 1,614,534 | 10% | Acc Dep - Fire protection & prevention equipments | 160,221 | - | 794,455 | 820,079 | |
| Air conditioners | 44,785,314 | - | - | 44,785,314 | 10% | Acc Air conditioner | 4,474,977 | - | 19,110,433 | 25,674,881 | |
| Electrical installation | 65,773,455 | - | - | 65,773,455 | 10% | Acc Depreciation on electrical installations | 4,287,229 | - | 31,346,980 | 34,426,475 | |
| Original cost-Other low value assets | 12,771,902 | 1,647,715 | - | 14,419,617 | 100% | Accum Depreciation-Low value assets | 1,493,209 | - | 14,265,111 | 154,506 | |
| Balance as at 31 Mar 2026 | 1,398,188,932 | 44,584,328 | - | 1,442,773,260 | | | 103,057,650 | - | 598,825,259 | 843,948,001 | |
| Balance as at 31 Mar 2025 | 1,378,873,330 | 20,229,351 | 913,750 | 1,398,188,932 | | | 101,066,964 | - | 495,767,609 | 902,421,323 | |

5.00 Intangible assets

| Particulars | Cost | | | Rate % | Particulars | Depreciation | | | Written down value | |
|----------------------------------|-------------------|---------------------------------------|--|-------------------|-------------|--------------------------------|---------------------------|--|--------------------|-------------------|
| | Opening balance | Addition / transfer during the period | Adjustment/ disposal during the period | | | Opening balance | Charged during the period | Adjustment/ disposal during the period | | Closing balance |
| | | | | | | | | | | |
| Software/ERP | 64,740,624 | 2,089,504 | - | 66,830,128 | 25% | Acc Amortisation- Software/ERP | 11,582,446 | - | 57,252,844 | 9,577,284 |
| Balance as at 31 Mar 2026 | 64,740,624 | 2,089,504 | - | 66,830,128 | | | 11,582,446 | - | 57,252,844 | 9,577,284 |
| Balance as at 31 Mar 2025 | 62,568,774 | 2,171,850 | - | 64,740,624 | | | 13,324,068 | - | 45,670,398 | 19,070,226 |

6.00 Right of use of assets

| | As at 31 Mar 2026 | As at 31 Mar 2025 |
|----------------------------|-------------------|-------------------|
| Opening Balance | - | 14,147,951 |
| Addition During the year | 29,087,999 | - |
| IFRS- Depreciation lease | (5,830,653) | (4,977,966) |
| Disposal during the period | - | (9,169,985) |
| IFRS- Right to use assets | 23,257,346 | - |



| | | As at | |
|---|----------------|---------------------|---------------------|
| | | 31 March 2026 | 31 March 2025 |
| Notes | Amounts in BDT | | |
| 7.00 Capital work in progress | | | |
| Opening balance | | 8,401,023 | 5,020,265 |
| Addition during the period | 7.01 | 5,803,065 | 5,638,139 |
| Transfer during the period | 7.02 | (8,401,023) | (2,257,381) |
| | | <u>5,803,065</u> | <u>8,401,023</u> |
| 7.01 Addition during the period | | | |
| Freehold building | | 290,422 | 44,000 |
| Plant and machinery | | 550,964 | 1,250,750 |
| Others | | 4,961,680 | 4,343,389 |
| | | <u>5,803,065</u> | <u>5,638,139</u> |
| 7.02 Transfer during the period | | | |
| Freehold building | | 44,000 | 467,679 |
| Plant and machinery | | 1,907,443 | 1,734,877 |
| Others | | 6,449,580 | 54,825 |
| | | <u>8,401,023</u> | <u>2,257,381</u> |
| 8.00 Deferred tax (assets)/ liabilities | | | |
| Opening | | | |
| Deferred tax from property, plant & equipment (except land) | 8.01 | (7,145,676) | 3,655,448 |
| Deferred tax from lease | 8.02 | (115,231) | - |
| Deferred tax from gratuity liability excluding actuarial gain/loss | 8.03 | (3,422,568) | (3,698,889) |
| Deferred tax from business loss | 8.04 | (34,147,152) | (57,365,193) |
| Deferred tax (assets)/ liabilities from operation | | <u>(44,830,627)</u> | <u>(57,408,633)</u> |
| Deferred tax from actuarial gain/(loss) in gratuity liability | | 1,237,082 | (157,943) |
| | | <u>(46,067,710)</u> | <u>(57,250,690)</u> |
| 8.01 Deferred tax from property, plant & equipment (except freehold land) | | | |
| Carrying amount | | 738,752,383 | 806,718,646 |
| Tax base | | 810,209,144 | 770,164,163 |
| Taxable/(deductible) temporary difference | | <u>(71,456,761)</u> | <u>36,554,484</u> |
| Tax rate | | 10% | 10% |
| | | <u>(7,145,676)</u> | <u>3,655,448</u> |
| 8.02 Deferred tax for lease | | | |
| Carrying amount | | (1,152,309) | - |
| Tax base | | - | - |
| Taxable/(deductible) temporary difference | | <u>(1,152,309)</u> | <u>-</u> |
| Tax rate | | 10% | 10% |
| | | <u>(115,231)</u> | <u>-</u> |
| 8.03 Deferred tax from gratuity liability and leave encashment excluding actuarial gain/loss | | | |
| Carrying amount | | 34,225,680 | 35,409,457 |
| Tax base | | - | - |
| Taxable/(deductible) temporary difference | | <u>(34,225,680)</u> | <u>(35,409,457)</u> |
| Tax rate | | 10% | 10% |
| Total deferred tax (assets)/ liabilities from gratuity liability | | <u>(3,422,568)</u> | <u>(3,540,946)</u> |
| Less: deferred tax assets/(liabilities) from actuarial gain/(loss) | | 1,237,082 | 157,943 |
| | | <u>(4,659,650)</u> | <u>(3,698,889)</u> |



| | | As at | |
|--|--|----------------------|----------------------|
| | | 31 March 2026 | 31 March 2025 |
| 8.04 | Deferred tax from business loss | | |
| | Carrying amount | | |
| | Tax base | (341,471,524) | (573,651,927) |
| | Taxable/(deductible) temporary difference | (341,471,524) | (573,651,927) |
| | Tax rate | 10% | 10% |
| | | (34,147,152) | (57,365,193) |
| 9.00 | Inventory | | |
| | Finished goods-Manufacturing | 145,233,573 | 105,503,045 |
| | Semi finished goods-Manufacturing | 84,420,981 | 82,520,735 |
| | Fabric - Body | 120,514,385 | 44,039,382 |
| | Acc & trim manufacturing | 52,181,502 | 30,425,906 |
| | Production consumables | 3,271,189 | 3,300,955 |
| 10.00 | Advances, deposits and prepayments | | |
| | Advance tax | 10.01 88,217,930 | 87,400,520 |
| | Security deposits | 18,848,767 | 18,848,767 |
| | Advance others | 12,295,504 | 22,358,808 |
| | Advance against salaries | 995,000 | 149,700 |
| | Advance against vendors | 2,973,496 | 3,128,303 |
| | Advance against tangible assets | - | 2,513,289 |
| | Prepaid expenses | 33,515,756 | 38,151,635 |
| | LC margin | 222,015,881 | 128,637,652 |
| | | 378,862,335 | 301,188,674 |
| 10.01 | Advance tax | | |
| | Opening balance | 87,400,520 | 65,415,653 |
| | Add during the year | 38,535,144 | 56,315,353 |
| | Less: settlement of assessment up to FY 23-24 | (37,717,735) | (34,330,486) |
| | | 88,217,930 | 87,400,520 |
| <p>The Company is required to pay minimum tax under section 163 of income tax act 2023, which will be considered as final settlement for the Company. As per provisions of sub-section (8) of the substituted section 163, the amount of excess tax paid due to the minimum tax being higher than the regular tax in any tax year may be adjusted against the regular tax in excess of the minimum tax payable for that tax year in the next tax year in which the regular tax amount of the taxable exceeds the minimum tax amount.</p> | | | |
| 11.00 | Receivable | | |
| | Trade receivables | 147,120,781 | 304,351,061 |
| | Export incentive receivables | 39,026,695 | 49,255,310 |
| | | 186,147,476 | 353,606,371 |
| 12.00 | Inter company receivables | | |
| | GoodEarth Lifestyle Limited, Hong Kong | 15,085,234 | - |
| | Poeticgem International Limited | 55,117,526 | 86,702,859 |
| | Poeticgem International FZCO | 97,034,133 | 342,896,725 |
| | Simple Approach Limited - Hong Kong | 31,772,688 | 30,129,727 |
| | Progress Manufacturing Group Limited | 230,894 | 230,894 |
| | PDS GLOBAL PROCUREMENT SERVICE FZCO | - | 6,726,030 |
| | PDS Ltd | 104,950,684 | 17,663,419 |
| | PDS Fashion USA Ltd | - | 7,513,624 |
| | Styleberry Limited | 9,572,327 | 9,572,327 |
| | | 313,763,486 | 501,435,605 |



As at

| | 31 March 2026 | 31 March 2025 |
|--|---------------|---------------|
|--|---------------|---------------|

13.00 Cash and cash equivalents

| | | | |
|-----------------|-------|--------------------|--------------------|
| Cash at bank | 13.01 | 372,656,267 | 408,950,169 |
| Stamp paper | | 6,600 | 5,600 |
| Cash in hand | | 87,085 | 1,021,254 |
| Fund In transit | | 1,242,520 | 7,876,247 |
| | | 373,992,472 | 417,853,270 |

13.01 Cash at bank

| | | |
|---|--------------------|--------------------|
| BRAC Bank limited-Main bank account (BDT) | 5,434,155 | 7,879,191 |
| BRAC-1501203540033001-USD-ERQ/FC account | 976,089 | 1,582,931 |
| BRAC-1501203540033002-USD-margin account | 48,698,278 | 186,561,386 |
| City Bank Ltd 1103553625001-Main bank account (BDT) | 14,822,624 | 39,319,648 |
| City - USD FBPAR-Main bank account | 160,426,955 | 121,339,834 |
| City - 5123553625001 - USD account - ERQ - USD | 22,020,476 | 16,807,190 |
| HSBC-001-005065-011-Main bank account (BDT) | 7,316,801 | 1,423,232 |
| HSBC-001-005065-047-FC Bank Account (USD) | 2,114,274 | 655,281 |
| HSBC-001-005065-091-USD-Margin Account | 87,874,180 | 32,764,436 |
| Eastern Bank Limited-Main bank account | 22,972,436 | 617,040 |
| | 372,656,267 | 408,950,169 |

14.00 Share capital**Authorized capital**

| | | |
|--|----------------------|----------------------|
| 10,00,000 ordinary shares of taka 100 each | 100,000,000 | 100,000,000 |
| 190,00,000 redeemable preference shares of taka 100 each | 1,900,000,000 | 1,900,000,000 |
| | 2,000,000,000 | 2,000,000,000 |

As per Memorandum and Articles of Association of the Company, the shareholders agreed to take the shares in proportion in the capital as detailed below:

Issued and paid up capital

| | | |
|---|-------------------|-------------------|
| 506,994 ordinary shares of 100 Taka each | 50,699,400 | 50,698,300 |
| Shareholding position as at 31 March 2026 as follows: | 50,699,400 | 50,698,300 |

Paid up capital**Shares held****Amounts in BDT**

| | | | |
|--|----------------|-------------------|-------------------|
| GoodEarth Lifestyle Limited, Hong Kong | 506,962 | 50,696,200 | 50,695,200 |
| Mr. Pallak Seth | 10 | 1,000 | 1,000 |
| Mr. Abhishekh Kanoi | 10 | 1,000 | 1,000 |
| Mr. Kaustav Gupta | 10 | 1,000 | 1,000 |
| Muhammad Shahed Mahmud | - | - | 100 |
| Mr. Mohammad Abul Hasnat Khan | 1 | 100 | - |
| Mr. Manoj Dimri | 1 | 100 | - |
| | 506,994 | 50,699,400 | 50,698,300 |

15.00 Redeemable Preference Share Capital**Shares held**

| | | | |
|---|-------------------|----------------------|----------------------|
| Preference share position as at 31 March 2025 | 17,220,775 | 1,722,077,500 | 1,722,077,500 |
| Issued during the period | - | - | - |
| Preference share position as at 31 March 2026 | 17,220,775 | 1,722,077,500 | 1,722,077,500 |

Redeemable preference shares are shown under the equity portion since they are not specified as to when they will be redeemed, converted to an ordinary share, or converted to a convertible bond, and redeemable preference shareholders will receive only dividends from the company until redeemed, converted to an ordinary share, or converted to a convertible bond.



| | | As at | |
|--------------|---|--------------------|--------------------|
| | | 31 March 2026 | 31 March 2025 |
| 16.00 | Post-retirement benefit obligation | | |
| | Obligation for gratuity | 16.01 27,450,433 | 23,002,743 |
| | Obligation for leave encashment | 16.02 18,988,125 | 12,406,714 |
| | | 46,438,558 | 35,409,457 |
| 16.01 | Gratuity payable | | |
| | Opening balance | 23,002,743 | 19,159,767 |
| | Service cost | 3,922,184 | 6,612,023 |
| | Interest cost | 2,424,489 | 2,419,879 |
| | Actuarial (gain)/loss | 1,682,302 | (411,476) |
| | Benefits paid out | (3,581,285) | (4,777,450) |
| | | 27,450,433 | 23,002,743 |
| 16.02 | Provision for leave encashment | | |
| | Opening balance | 12,406,714 | 10,757,874 |
| | Service cost | 6,034,146 | 4,785,340 |
| | Interest cost | 1,307,668 | 1,359,795 |
| | Actuarial (gain)/loss | 9,109,090 | 3,735,154 |
| | Benefits paid out | (9,869,493) | (8,231,449) |
| | | 18,988,125 | 12,406,714 |
| 17.00 | Term bank borrowings | | |
| | City term loan | 36,895,897 | 48,035,393 |
| | | 36,895,897 | 48,035,393 |
| 18.00 | Non-current portion of lease liability | | |
| | Opening balance | 29,087,999 | 15,695,652 |
| | Addition during the period | - | (9,169,985) |
| | Add: Interest accrued | 2,112,696 | 610,333 |
| | Less: Paid during the period | (6,791,040) | (7,136,000) |
| | Total lease liability at the year end | 24,409,656 | - |
| | Less: Current portion of lease liability | 18.01 6,791,040 | - |
| | | 17,618,616 | - |
| 18.01 | Current portion of lease liability | | |
| | Balance at the year end | 24,409,656 | - |
| | Less: Balance payable after 12 month | 17,618,616 | - |
| | | 6,791,040 | - |
| 19.00 | Secured short term bank borrowings | | |
| | City temporary loan | 72 | 22 |
| | BRAC temporary loan | - | 24,000,000 |
| | City psc loan | - | 1,669,377 |
| | | 72 | 25,669,399 |
| 20.00 | Trade and other payables | | |
| | Trade payable | 35,950,732 | 241,003,479 |
| | GR/IR clearing a/c | 148,297,172 | 97,767,404 |
| | Salary payable | 17,939,009 | - |
| | Employee payable | 603,535 | 966,886 |
| | Statutory payable | 1,936,309 | 1,861,086 |
| | Bills of exchange (BOE) payable | 215,592,601 | 217,187,606 |
| | Provision for income tax | 88,217,930 | 83,004,396 |
| | Other payable | 179,091,691 | 235,446,577 |
| | | 687,628,980 | 877,237,433 |
| 21.00 | Inter company payables | | |
| | Green apparel industries Limited | - | 213,861,495 |
| | PDS Fashions Limited | 1,834,807 | 1,834,807 |
| | PDS FAR EAST USA, INC | 57,304 | 57,304 |
| | | 1,892,111 | 215,753,606 |



| Notes | For the year ended | |
|---|----------------------|----------------------|
| | 31 March 2026 | 31 March 2025 |
| | Amounts in BDT | |
| 22.00 Export sales | | |
| Sales-Garment | 4,136,025,299 | 4,585,670,711 |
| 23.00 Cost of good sold | | |
| Material consumption | 23.01 2,492,716,589 | 3,010,290,617 |
| Direct labour | 23.02 618,880,347 | 656,101,729 |
| Factory overhead | 23.03 71,847,600 | 74,887,572 |
| Manufacturing depreciation | 23.04 52,779,375 | 54,464,827 |
| | 3,236,223,912 | 3,795,744,746 |
| 23.01 Material consumption | | |
| Opening stock of raw materials as on 1st Apr 2025 | 262,489,067 | 568,625,289 |
| Purchases of raw materials during the period | 2,616,139,326 | 2,687,603,455 |
| Closing stock of raw materials as on 31 Mar 2026 | 402,350,441 | 262,489,067 |
| COGS - Manufacturing | 2,476,277,952 | 2,993,739,677 |
| Opening stock of other materials as on 1st Apr 2025 | 3,300,955 | 4,564,867 |
| Purchases of other materials during the period | 16,408,871 | 15,287,027 |
| Closing stock of other materials as on 31 Mar 2026 | 3,271,189 | 3,300,955 |
| Consumption | 16,438,637 | 16,550,939 |
| | 2,492,716,589 | 3,010,290,617 |
| 23.02 Direct labour | | |
| Wages | 439,140,646 | 473,909,851 |
| Overtime - Worker | 122,925,837 | 132,715,847 |
| Festival bonus - Worker | 47,267,433 | 41,374,472 |
| Maternity allowance | 7,988,092 | 7,240,790 |
| Welfare expenses | 1,558,339 | 860,769 |
| | 618,880,347 | 656,101,729 |
| 23.03 Factory overhead | | |
| Factory supply consumables | 8,465,502 | 10,499,903 |
| Tiffin expenses | 1,552,412 | 2,369,890 |
| Medical benefits & expenses | 240,989 | 141,685 |
| Staff welfare expenses | 10,853,107 | 5,392,926 |
| Plant and machinery hire charges | 3,604,546 | 3,067,040 |
| Repairs & maintenance | 5,067,971 | 3,096,522 |
| Diesel for boiler | 19,511,409 | 26,215,471 |
| Electricity charges | 11,397,646 | 15,782,835 |
| Security charges | 10,181,119 | 7,175,510 |
| Factory audit fees | 874,695 | 1,047,229 |
| Printing expenses | 96,915 | 87,417 |
| Stationery expenses | 1,290 | 11,145 |
| | 71,847,600 | 74,887,572 |
| 23.04 Manufacturing depreciation | | |
| Depreciation - Plant & machineries | 46,998,938 | 47,200,595 |
| Depreciation - Electrical installations | 4,287,229 | 4,286,456 |
| Depreciation - Low value assets | 1,493,209 | 2,977,776 |
| | 52,779,375 | 54,464,827 |



| | 31 March 2026 | 31 March 2025 |
|--|--------------------|--------------------|
| Notes | Amounts in BDT | |
| 24.00 Other income | | |
| Export incentives | 37,872,279 | 27,954,133 |
| | 37,872,279 | 27,954,133 |
| 25.00 Administrative expenses | | |
| Staff salary expenses | 341,690,029 | 275,156,327 |
| Staff welfare expenses | 14,245,178 | 3,299,069 |
| Legal & professional fee | 5,355,726 | 10,394,404 |
| Audit fees | 10,125,552 | 9,853,586 |
| Insurance | 16,254,288 | 16,599,142 |
| Rent | 2,335,111 | 1,752,364 |
| Property tax | 22,800 | - |
| Vehicle fuel | 35,520 | 84,858 |
| Office expenses | 4,083,638 | 6,868,215 |
| Internet & email charges | 824,940 | 575,340 |
| Communication | 2,076,155 | 1,855,300 |
| Car hire charges | 30,904,688 | 25,214,906 |
| Bank charges | 45,992,909 | 35,706,655 |
| Foreign exchange gain/loss | 39,602,144 | (18,128,888) |
| | 513,548,679 | 369,231,279 |
| 26.00 Marketing & selling expenses | | |
| Testing charges | 19,994,667 | 22,437,508 |
| C&F charges | 77,172,019 | 77,314,774 |
| Inspection fees | - | 74,100 |
| Courier charges - Local | 66,761 | 147,480 |
| Courier charges - International | 7,411,205 | 3,750,188 |
| Courier charges - Sampling | 2,207 | - |
| Traveling expenses | 9,830,904 | 5,820,811 |
| Marketing & selling expenses | 1,965,260 | 987,518 |
| | 116,443,024 | 110,532,379 |
| 27.00 Operating depreciation | | |
| Depreciation - IT equipments | 5,462,427 | 2,698,106 |
| Depreciation - Motor vehicles | 40,800 | 40,800 |
| Depreciation - Furniture & fixtures | 6,574,810 | 6,135,262 |
| Depreciation - Office equipment | 230,871 | 230,871 |
| Depreciation - Freehold building | 31,950,692 | 31,584,490 |
| Amortization - Software/ERP | 11,582,446 | 13,324,068 |
| Depreciation - Other equipment's | 1,328,082 | 1,225,187 |
| Depreciation Telephone installation & connection | 55,394 | 55,394 |
| Depreciation - Fire protection & prevention equip. | 160,221 | 160,221 |
| Depreciation - Air conditioners | 4,474,977 | 4,471,805 |
| IFRS- Depreciation lease | 5,830,656 | 4,977,966 |
| | 67,691,376 | 64,904,170 |



| | | 31 March 2026 | 31 March 2025 |
|--|-------|---------------------|--------------------|
| | Notes | Amounts in BDT | |
| 28.00 Finance expenses | | | |
| Bank interest expenses | | 18,435,394 | 24,087,349 |
| IFRS- interest lease | | 2,112,696 | 610,333 |
| | | 20,548,090 | 24,697,682 |
| 29.00 Income tax expenses | | | |
| Deferred income tax | 29.01 | 12,578,006 | (6,452,086) |
| Current tax expenses | 29.02 | 38,535,144 | 41,574,949 |
| Income tax paid during the period | | 51,113,150 | 35,122,863 |
| 29.01 Deferred tax expenses/ (income) | | | |
| Closing balance of deferred tax assets from operation | | (44,830,627) | (57,250,690) |
| Less: Opening balance of deferred tax assets from operation | | (57,408,633) | (50,798,604) |
| | | 12,578,006 | (6,452,086) |
| 29.02 Current tax expenses | | | |
| Corporate taxation | | 38,535,144 | 41,574,949 |
| | | 38,535,144 | 41,574,949 |
| 30.00 Actuary difference for the year (net of deferred tax) | | | |
| Closing balance of OCI for actuarial loss | 30.01 | (11,133,742) | (1,421,489) |
| Less: Opening balance of OCI for actuarial gain | | (1,421,489) | 1,744,246 |
| | | (9,712,253) | (3,165,735) |
| 30.01 Closing balance of OCI for actuarial gain | | | |
| Net Actuarial gain or loss at the opening | | (1,579,432) | 1,744,246 |
| Actuarial gain/(loss) for the year | | (10,791,392) | (3,323,678) |
| Net Actuarial gain or loss at the year end | | (12,370,824) | (1,579,432) |
| Less: deferred tax (assets)/liabilities on actuarial difference | | 1,237,082 | 157,943 |
| | | (11,133,742) | (1,421,489) |



31.00 Related party disclosure

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

| Name of the parties | Type of relation | Nature of transaction | Opening Balance 01 Apr 2025 | Transaction during the period | Paid or received during the period | Closing balance 31 Mar 2026 |
|--|-------------------|-------------------------|-----------------------------|-------------------------------|------------------------------------|-----------------------------|
| GoodEarth Lifestyle Limited, Hong Kong | Parent | Intercompany Payable | (853,638,771) | 2,737,042,138 | 2,504,089,750 | (620,686,383) |
| GoodEarth Lifestyle Limited, Hong Kong | Parent | Intercompany Receivable | 639,777,275 | 5,220,523,280 | 5,224,528,939 | 635,771,617 |
| Progress Manufacturing Group Limite | Associate Company | Intercompany Receivable | 230,894 | - | - | 230,894 |
| PDS Fashions Limited | Associate Company | Intercompany Payable | (1,834,807) | - | - | (1,834,807) |
| PDS GLOBAL PROCUREMENT SERVICE FZCO | Associate Company | Intercompany Receivable | 6,726,030 | 13,434,008 | 20,160,038 | - |
| Poeticgem International FZCO | Associate Company | Intercompany Receivable | 342,896,725 | 697,895,442 | 943,758,034 | 97,034,133 |
| Poeticgem International Limited | Associate Company | Intercompany Payable | (13,104,000) | - | - | (13,104,000) |
| Poeticgem International Limited | Associate Company | Intercompany Receivable | 99,806,859 | 347,146,548 | 378,731,881 | 68,221,526 |
| Styleberry Limited | Associate Company | Intercompany Receivable | 9,572,327 | - | - | 9,572,327 |
| Simple Approach | Associate Company | Intercompany Receivable | 30,129,727 | 263,800,952 | 262,157,992 | 31,772,688 |
| PDS FAR EAST USA, INC | Associate Company | Intercompany Payable | (57,304) | - | - | (57,304) |
| PDS FASHION USA LTD | Associate Company | Intercompany Receivable | 7,513,624 | 158,344,099 | 165,857,723 | - |
| PDS Limited | Associate Company | Intercompany Receivable | 18,009,865 | 147,739,284 | 60,562,019 | 105,187,130 |
| PDS Limited | Associate Company | Intercompany Payable | (346,446) | 110,001 | - | (236,445) |

32.00 Commitments and contingencies

Capital expenditure commitments

The company does not have significant capital commitments as at the financial statement date.

Contingent liabilities

The Contingent liability of the company, as on close of the period was HSBC bank BDT 16,121,682.12, BRAC bank BDT 241,835,123.27 and City bank BDT 398,875,459.69, Total BDT 656,832,365.08 on account of various LCs opened by the bank in favour of suppliers of raw material against the limits available with the company, wherein materials has not yet been received.

33.00 General

33.01 Directors' remuneration for attending board meeting

No Board meeting attendance fee paid by the company.

33.02 Directors' remuneration for special service rendered.

During the audit period no remuneration has been paid to Managing Director & Directors

33.03 Receivable from Directors

Nothing is receivable from the Director.

33.04 Employee information

The company has 509 salaried employees and 2517 worker as on 31 March 2026. All of them receives total remuneration in excess of BDT 1,50,000 per annum.

34.00 Events after the reporting period

No significant event has been occurred after the reporting period to the date of signing of the financial statements to be considered for inclusion.

Kaustav Gupta

Kaustav Gupta
VP-Finance and Reporting
GoodEarth Apparels Limited



Manoj Dimri

Manoj Dimri
Director
GoodEarth Apparels Limited