

Abridged Version of Prospectus

of

Esquire Knit Composite Limited



Name(s), and address(es), telephone numbers, web address(es), e-mails, fax numbers and contact persons of the issuer, issue manager, underwriter,

Name of parties	Contact person	Telephone and fax number
Issuer		
Esquire Knit Composite Limited		
Registered office: Esquire Tower, 21 Shaheed Tajuddin Ahmed Sarani, Tejgaon I/ A, Dhaka-1208 (new), 30 Tejgaon Industrial Area, Dhaka-1208 (old)	Mr. M. Mustafizur Rahman Chief Financial Officer	Tel: +096-02-333881-8 Fax: +88-02-9139390
Corporate office: Ideal Trade Center, 102, Shaheed Tajuddin Ahmed Sarani, Tejgaon I/ A, Dhaka-1208		
Plant: 22/58, Kanchpur, Sonargaon, Narayanganj, Bangladesh Email: info@esquirebd.com Website: www.esquireknit.com		
Issue Manager		
Prime Finance Capital Management Limited		
PFI Tower (6 th Floor), 56-57 Dilkusha C/ A, Dhaka-1000 E-mail: info@primefincap.com Website: www.primefincap.com	Mr. Md. Rezaul Haque Managing Director (CC)	Tel: +88-02-9584874 Fax: +88-02-9584922
Underwriters		
AB Investment Limited		
WW Tower (Level-7), 68 Motijheel C/ A, Dhaka 1000 E-mail: abil@abbl.com Website: www.abbl.com	Mr. Mohammed Abu Talha Senior Executive	Tel: +88-02-7125199 Fax : +88-02-9586126
AFC Capital Limited		
Saiham Sky View Tower (11 th Floor), 45 Bijoy Nagar, Dhaka-1000 E-mail: capital.afc@gmail.com Website: www.afcl.asia	Mr. Golam Md. Ahsan Kabir Manager	Tel: +88-02-8392371 Fax : +88-02-8392372
Alpha Capital Management Limited		
Eastern Arzoo Complex (7 th Floor), 61, Bijoy Nagar, Dhaka-1000 E-mail: alpha.acml@gmail.com Website: www.acmlbd.com	Mr. Md. Rakib Sadi Head of Issue Management	Tel: +88-02-8313947 Fax : +88-02-8316547
Beta One Investments Limited		
Green Delta AIMS Tower (Level-4), 51-52, Mohakhali C/ A, Dhaka-1212 E-mail: info@betaone.com.bd Website: www.betaone.com.bd	Mr. Mohammed Atiquzzaman Managing Director	Tel: +88-02-9887337 Fax: +88-02-9880733
BMSL Investment Limited		
Shareef Mansion (4 th Floor), 56-57 Motijheel C/ A Dhaka-1000 E-mail: info@bmslinvestment.com Website: www.bmslinvestment.com	Mr. Md. Riyad Matin Managing Director	Tel: +88-02-9570624 Fax: +88-02-7117218
Citizen Securities & Investment Limited		
House - 408 (1st Floor), Road -29, Mohakhali DOHS, Dhaka-1206, E-mail : md@citizenscurities.com	Mr. Md. Uzzal Hossain Managing Director & CEO (CC)	Tel: +88-02-9847988 Fax : N/A

Website: www.citizensecurities.com		
City Bank Capital Resources Limited City Centre, 13 th Floor, Level -14, unit ID; 130, 90/1 Motijheel C/A, Dhaka-1000. E-mail: info@cbcr.com Website: www.cbcr.com	Mr. Ershad Hossain Managing Director & Chief Executive Officer	Tel: +88-02-55110947 Fax: +88-02-55110945
EBL Investments Limited 59, Motijheel C/A, 1 st Floor, Dhaka- 1000 E-mail: info@eblinvestments.com Website: www.eblinvestments.com	Mr. Tahid Ahmed Chowdhury Managing Director	Tel: +88-02-4711096 Fax: +88-02-47112659
First Security Islami Capital and Investment Limited Al-Amin Center (12 th Floor), 25/A Dilkusha C/A, Dhaka - 1000 E-mail: info@fsicbd.com Website: www.fsicbd.com	Mr. K M Rasidul Hasan Chief Executive Officer	Tel: +88-02-7175819 Fax : +88-02-9515917
Green Delta Capital Limited Green Delta Aims Tower (3 rd floor) 51-52 Mohakhali C/A, Dhaka-1212, Bangladesh E-mail: info@greendeltacapital.com Website: www.greendeltacapital.com	Mr. Md. Rafiqul Islam Managing Director & CEO	Tel: +88-02-9851902 Fax: +88-02-9898227
GSP Investments Limited 1, Paribagh, Mymensingh Road, Dhaka-1000 E-mail: contact@gsp-investments.com Website: www.gsp-investments.com	Mr. Md. Zillur Rahim Chowdhury Managing Director	Tel: +88-02-9674306 Fax: +88-02-9674194
ICB Capital Management Limited Green City Edge (5 th & 6 th Floor), 89, Kakrail, Dhaka - 1000 E-mail: icmlbd@gmail.com Website: www.icml.com.bd	Mr. Md. Shohel Rahman Chief Executive Officer (Additional Charge)	Tel: +88-02-8300555 Fax: +88-02-8300396
IDLC Investments Limited D R Tower (4 th Floor), 65/2/2 Bir Protik Gazi Golam Dostogir Road, Purana Paltan, Dhaka 1000 E-mail: merbank@idlc.com Website: www.idlc.com	Mr. Md. Moniruzzaman, CFA Managing Director	Tel: +880 960 9994352 Fax: +880 2 9571171
Lanka Bangla Investments Limited City Centre, Level-24, 90/1 Motijheel C/A, Dhaka-1000 E-mail: info@lankabangla-investments.com Website: www.lbilbd.com	Mr. Hassan Zabed Chowdhury Chief Executive Officer	Tel: +88-02-9512621 Fax: +88-02-9561107
NBL Capital and Equity Management Limited Printers Building (8 th Floor), 5, Rajuk Avenue, Dhaka-1000 E-mail: cemd@nblbd.com Website: www.nblceml.com	Ms. Kamrun Naher Chief Executive Officer	Tel : +88-02- 47118816 Fax: +88-02-47118805
PLFS Investments Limited City Centre (Level 12), Unit 11-B, 90/1 Motijheel C/A, Dhaka-1000 E-mail: plfsilbd@gmail.com Website: www.plfsil.com	Mr. Md. Abdul Muktedir, CFA Chief Executive Officer	Tel: +88-02- 55110919 Fax: N/A
Prime Finance Capital Management Limited PFI Tower (6 th Floor), 56-57 Dilkusha C/A, Dhaka- 1000 E-mail: info@primefincap.com Website: www.primefincap.com	Mr. Md. Rezaul Haque Managing Director (CC)	Tel: +88-02-9584874 Fax: +88-02- 9584922
Roots Investment Limited Jibon Bima Tower, (12 th Floor) 10, Dilkusha C/A, Dhaka-1000 E - mail: info.rgcm@gmail.com Website: www.rootsinvestment.com	Mr. Mohammad Sarwar Hossain Managing Director	Tel: +88-02- 47120446 Fax: +88-02 47120447
SBL Capital Management Limited 2, D. I. T. Avenue (Ext.), 3 rd Floor, Motijheel C/A, Dhaka - 1000 E-mail: capitalmgmt@standardbankbd.com Website: www.standardbankbd.com	Mr. Abu Nayem Md. Ibrahim Chief Executive Officer	Tel: +88-02-9585984 Fax : +88-02-9585985
Southeast Bank Capital Services Limited Eunoos Center (Level-9), 52-53 Dilkusha C/A, Dhaka -1000 E-mail: mbw@southeastbank.com.bd Website: www.southeastbank.com.bd	Air Cdre (Retd.) Md. Abu Bakar, FCA Managing Director	Tel: +88-02-9574171 Fax: +88-02- 9574169

Amount, type and offering price of the securities on a per unit and aggregate basis of securities being issued;

Public Offering of 34,895,833 ordinary shares, from which 60% i.e. 20,833,332 ordinary shares are reserved for Eligible Investors (EIs) at cut off price of Tk. 45.00 and remaining 40% i.e. 14,062,501 ordinary shares at a 10% discounted from the cut off price of Tk. 40.00 per share for General Public including NRB and others totaling Tk. 1,500,000,000 (Taka One Hundred Fifty Crore) approximately.

Opening and closing date of subscription

Opening date of subscription: 06/01/2019

Closing date of subscription: 20/01/2019

Availability of full prospectus

The prospectus of Esquire Knit Composite Limited is available in hard and soft forms at the following addresses:

Name of parties	Contact person	Telephone and fax numbers
Issuer		
Esquire Knit Composite Limited Registered office: Esquire Tower. 21 Shaheed Tajuddin Ahmed Sarani, Tejgaon I/A, Dhaka-1208 (new) 30 Tejgaon Industrial Area, Dhaka-1208 (old) Corporate office: Ideal Trade Center,102, Shaheed Tajuddin Ahmed Sarani, Tejgaon I/A, Dhaka-1208 Plant: 22/58, Kanchpur, Sonargaon Narayangonj, Bangladesh Email: info@esquirebd.com, Website: www.esquireknit.com	Mr. M. Mustafizur Rahman Chief Financial Officer	Tel: +096-02-333881-8 Fax: +88-02-9139390
Manager to the issue		
Prime Finance Capital Management Limited PFI Tower (6 th Floor), 56-57, Dilkusha C/A, Dhaka-1000	Mr. Md. Rezaul Haque Managing Director (CC)	Tel: +88-02-9584874 Fax: +88-02-9584922

E-mail: info@primefincap.com , Website: www.primefincap.com		
Registrar to the issue		
ICB Capital Management Limited Green City Edge (5 th & 6 th Floor) 89, Kakrail Dhaka-1000 Email: icmlbd@gmail.com Website: www.icml.com.bd	Mr. Md. Shohel Rahman Chief Executive Officer (Additional Charge)	Tel: +88-02-8300555 Fax: +88-02-8300396
Stock Exchanges of Bangladesh		
Dhaka Stock Exchange Limited (DSE) Stock Exchange Building, 9/F Motijheel C/A, Dhaka, Bangladesh Email: dse@bol-online.com , Web: www.dsebd.org	DSE Library	Tel: +88-02-9564601-7 +88-02-9576210-18 Fax: +88-02-9564727, +88-02-9569755
Chittagong Stock Exchange Limited(CSE) CSE Building, 1080, Sk. Mujib Road Agrabad, Chittagong, Bangladesh E-mail: info@cse.com.bd , Web: www.cse.com.bd	CSE Library	Tel: +88-031-714632-3 Fax: +88 031-714101

Prospectus is also available on the websites of Esquire Knit Composite Limited (www.esquireknit.com), Prime Finance Capital Management Limited (www.primefincap.com), BSEC (www.sec.gov.bd), Dhaka Stock Exchange Limited (www.dsebd.org), Chittagong Stock Exchange Ltd. (CSE) (www.csebd.com) and public reference room of the Bangladesh Securities and Exchange Commission (BSEC) for reading and studying.

Name of the credit rating Company (if any) along with rating assigned with date of validity;

Credit rating by	Credit Rating Agency of Bangladesh Limited (CRAB)		
Date of rating	1 November 2018		
	Entity Rating	Long term	Short term
Rating	A1	A1	ST-3
Validity	25 October 2019 for entity rating, long term loan rating and short term rating		

Names of the valuer, if any and the auditors

Valuer		
Geodetic Survey Corporation Corporate Office : Suite # C-3, Nagar Chhayaneer, 6/6, Segunbagicha, Dhaka-1000, E-mail : geodeticbd@gmail.com Website: www.geodeticbd.com	Engr. Md. Golam Kabir Managing Director	Tel : +88-02-9010599, Fax : +88 02 9015770,
S.F. Ahmed & Co. Chartered Accountants House no. 51 (2 nd Floor), Road no. 9, Block -F, Banani,Dhaka-1213 E-mail: sfaco@citechco.net Website: www.sfahmedco.org	Mr. Anowar Hossain, FCA Director	Tel: +88-02-9894346 Fax: +88-02-8825135

Auditor		
ACNABIN Chartered Accountants BDBL Bhaban (Level-13) 12 Kawran Bazar C/A, Dhaka-1215 E-mail: acnabin@bangla.net Website : www.acnabin.com	Mr. M. Moniruzzaman FCA Partner	Tel: +88-02-8144347 Fax: +88-02-8144353

A person interested to get a prospectus may obtain from the issuer, and the issue manager.

“If you have any query about this document, you may consult issuer, issue manager and underwriter”

“CONSENT OF THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION HAS BEEN OBTAINED TO THE ISSUE/OFFER OF THESE SECURITIES UNDER THE SECURITIES AND EXCHANGE ORDINANCE, 1969, AND THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION (PUBLIC ISSUE) RULES, 2015. IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS CONSENT THE COMMISSION DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE ISSUER COMPANY, ANY OF ITS PROJECTS OR THE ISSUE PRICE OF ITS SECURITIES OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINION EXPRESSED WITH REGARD TO THEM. SUCH RESPONSIBILITY LIES WITH THE ISSUER, ITS DIRECTORS, CHIEF EXECUTIVE OFFICER, MANAGING DIRECTOR, /CHIEF FINANCIAL OFFICER, COMPANY SECRETARY, ISSUE MANAGER, ISSUE MANAGER’S CHIEF EXECUTIVE OFFICER, MANAGING DIRECTOR, UNDERWRITERS, AUDITOR(S) AND/OR VALUER, CREDIT RATING COMPANY (IF ANY).”

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

“Investment in capital market involves certain degree of risks. The investors are required to read the prospectus and risk factors carefully, assess their own financial conditions and risk taking ability before making their investment decisions.”

Summary of use of proceeds of the offer

SL	Utilization of IPO Proceeds	Amount in BDT
1	Procurement of Garments machineries for new project at Valuka , Mymensingh	431,396,000
2	Buildings and Civil Construction at Valuka, Mymensingh	1,004,215,500
3	IPO Expenses	64,388,500
	Total	1,500,000,000 (approx.)

Brief corporate directory of the issuer

Date of incorporation	16 February 2000										
Registration No.	C-39663 (1631)/2000										
Date of commercial operation	2001										
Authorized capital as on 30 June 2017	Tk.2,000,000,000 comprises of 200,000,000 Ordinary shares of Tk.10 each										
Issued , subscribed & paid up capital as on 30 June 2017	Tk.1,000,000,000 paid up capital which is comprises of 100,000,000 Ordinary shares of Tk.10 each										
Plants	22/58, Kanchpur, Sonargaon, Narayangonj, Bangladesh										
Auditor	ACNABIN, Chartered Accountants BDBL Bhaban (Level-13), 12 Kawran Bazar Commercial Area, Dhaka-1215 Telephone: +88-02-8144347-52; Fax: +88-02-8144353, E-mail: acnabin@bangla.net , Website: www.acnabin.com										
Issue Manager	Prime Finance Capital Management Limited PFI Tower (6 th Floor), 56-57 Dilkusha C/A, Dhaka-1000, Telephone: +88-02-9584874, 9584876-77, E-mail : info@primefincap.com , Website: www.primefincap.com										
Registrar to the issue	ICB Capital Management Limited Green City Edge (5 th & 6 th Floor), 89 Kakrail Dhaka-1000, Tel: +88-02-8300555, 8300367, E-mail: icmlbd@gmail.com , Website: www.icml.com.bd										
Legal Advisor	Mr. Md. Sameer Sattar, Barrister Unit E3, House 1/A, Road 35, Gulshan-2, Dhaka-1212 Telephone number : +88-02-8836629 Email address: info@sattarandco.com Website : www.sattarandco.com										
Banker for the IPO	BRAC Bank Limited , Motijheel Branch, 107 Motijheel C/A, Dhaka 1000. <table style="width: 100%; border: none;"> <tr> <td style="text-align: left;">Currency</td> <td style="text-align: left;">A/C No.</td> </tr> <tr> <td>BDT</td> <td>1505203551787001</td> </tr> <tr> <td>USD</td> <td>1505203551787002</td> </tr> <tr> <td>GBP</td> <td>1505203551787003</td> </tr> <tr> <td>Euro</td> <td>1505203551787004</td> </tr> </table>	Currency	A/C No.	BDT	1505203551787001	USD	1505203551787002	GBP	1505203551787003	Euro	1505203551787004
Currency	A/C No.										
BDT	1505203551787001										
USD	1505203551787002										
GBP	1505203551787003										
Euro	1505203551787004										
Compliance officer	Mr. M. Mustafizur Rahman Chief Financial Officer										

Location of the project

The existing project of the Company is located at 22/58, Kanchpur, Narayangonj, Bangladesh.

Proposed expansion Project: Valuka, Mymensingh.

Principal products or services of the issuer

- Polo Shirt
- Basic T-Shirt
- Fancy Shirt

Names of associates, subsidiary / related and holding of issuer company

Esquire Knit Composite Limited has no associates, subsidiary or related and holding Company

Name, address and short description of each of the directors

Mr. Md. Mofazzal Hossain

Chairman

House No-56, Road No-8/A, Dhanmondi R/A, Dhaka, Bangladesh

Mr. Md. Mofazzal Hossain is the Chairperson of the Group and has been in business for more than 30 years. He has a long experience in managing export oriented readymade garments industry, textile dyeing industry, trading of electronics goods and many other business. He has successfully started journey by Esquire Electronics Ltd. in July 1989 for trading of electronics goods. Moreover, he is also the pioneer and leading in electronics product marketing and textile dyeing industry. Mr. Hossain is a visionary entrepreneur and founder of the Esquire Group.

Mr. Md. Ehsanul Habib

Director & Managing Director

House No-56, Road No-8/A, Dhanmondi R/A, Dhaka, Bangladesh

Mr. Md. Ehsanul Habib is the Managing Director of Esquire Knit Composite Ltd. He is one among new generation entrepreneurs those who have nourished and successfully flourished the export oriented RMG industry of the country. After successfully completing his education in Business Administration from USA, Mr. Habib joined Esquire Group. By virtue of his own merit and dynamic decision-making capacity, he has been able to materialize a number of successful ventures. He has a keen interest in latest developments in textile sector and gathered advanced knowledge in management, marketing and technical knowhow. Mr. Habib is entrusted with the responsibility of overall management of textile division who is assisted by other directors, professional managers, local and foreign specialists and technologists in the respective functional areas of the Company.

Mr. Arifur Rahman

Director

House No-56, Road No-8/A, Dhanmondi R/A, Dhaka, Bangladesh

Mr. Arifur Rahman is the Managing Director of Esquire Electronics Ltd., Esquire Plastics Ltd. and Director of Esquire Dyeing Industries Ltd., and Esquire Accessories Ltd and others. After completing his graduation in Business Administration from UK, he joined Esquire Group with a focus on implementing strategic business planning and corporate management practices in the organizations. He played a pivotal role in establishing successful export oriented industry in the country as he gathered a lot of experience in the textile and electronics field.

Mr. Md. Muddasar Hossain

Director

House No-56, Road No-8/A, Dhanmondi R/A, Dhaka, Bangladesh

Mr. Md. Muddasar Hossain is the Director of Esquire Knit Composite Limited, Esquire Electronics Limited, Esquire Dyeing Industries Limited and others as well as Managing Director of Esquire Accessories Limited. After his

graduation, he engaged himself in the electronics & garment business and quickly acquired the required knack to run the overall business.

Mrs. Peara Begum

Director

House No-56, Road No-8/A, Dhanmondi R/A, Dhaka, Bangladesh

Mrs. Peara Begum has long experience to run industrial unit successfully. She has contributed the Group through her leadership skill and acumen in managerial decision making. She has successful track record of managing business. She has been contributing a lot for the development of the Group

Mr. Swapan Kumar Sarkar

Independent Director

Flat No-M13, house # 16, NHA Tower, Block-D, Lalmatia, Dhaka-1207

Mr. Swapan Kumar Sarkar was the Additional Secretary of the Government of the People's Republic of Bangladesh. Mr. Sarkar is a member of University of Bradford Alumni Association. He is also the member of Dhaka University Economics Department Alumni Association (DUECAA), Bangladesh Economic Association (BEA), JICA Alumni Association. He completed his M.S.S in Economics in the year of 1978 from the University of Dhaka. He completed Diploma in Government financial Management from University of ULSTER of North Ireland in the year of 2004. He joined in the Board of Directors of Esquire Knit Composite Ltd. as an Independent Director as on 30 June 2016.

Mr. Placid Gomes, FCA

Independent Director

623, Melody Homes, 5th Floor, Flat # E5, Boro MoghBazar, Dhaka-1217

Mr. Placid Gomes, FCA is a fellow member of the Institute of Chartered Accountants of Bangladesh (ICAB). He obtained Master degree in Accounting from the University of Dhaka. Currently he is working in garments – sweater division of Sky Apparels Ltd. He joined in the Board of Directors of Esquire Knit Composite Ltd. as an Independent Director on 30 June 2016. Previously he served at Khulna Power Company Ltd. a renowned listed Company as a Head of Finance & Accounts. He has extensive experience in Finance & Accounts arena around 16 years.

Comparative financial statements and NAV, EPS, and financial ratios for the last five years or from commercial operation, which is shorter

Esquire Knit Composite Limited

Auditor's Report in pursuance to Section 135(1) and paragraph 24(1) (3) and 25 of part-II of the Schedule III of the Companies Act, 1994

We, based on the audited financial statements of Esquire Knit Composite Limited for the year ended 30 June 2017, for the period from 01 January 2016 to 30 June 2016 and for the years ended 31 December 2015, 2014, 2013 and 2012 and other figures extracted from the said audited financial statements as certified, report in pursuance to Section 135(1) and paragraph 24(1) (3) and 25 of part-II of the Schedule-III of the Companies Act, 1994 as under:

1. Esquire Knit Composite Limited (EKCL) was incorporated as a Private Limited Company on 16 February 2000 under the Companies Act 1994 and the company commenced commercial operation in 2001.
2. Comparative Financial Positions are as under:

	Amount in Taka					
	30.06.2017	30.06.2016	31.12.2015	31.12.2014	31.12.2013	31.12.2012
	Restated*					
ASSETS						
Non-Current Assets						
Property, plant and equipment	3,965,773,507	3,890,057,369	3,858,199,628	3,760,395,633	3,295,071,388	1,356,525,340
Capital work in progress	3,965,173,507	3,845,169,991	3,830,543,908	3,541,186,496	3,230,237,331	1,300,738,829
Investment in Associates	600,000	44,887,378	27,655,720	219,209,137	64,834,057	12,286,511
	-	-	-	-	-	43,500,000
Current Assets	3,325,728,195	2,857,254,318	2,676,836,378	2,786,122,335	2,022,541,136	1,483,618,279
Inventories	2,003,201,051	1,825,976,406	1,671,687,507	1,739,129,246	1,225,392,716	1,094,983,088
Accounts receivables	835,188,043	638,888,277	506,471,083	589,575,433	570,508,486	195,027,486
Other receivables	848,866	1,167,123	-	696,071	-	-
Advance, deposit and prepayment	327,478,318	247,271,680	289,000,545	268,377,504	142,391,358	111,430,388
Investment	92,794,091	88,622,197	123,454,339	161,829,292	64,216,059	54,089,306
Cash and bank balances	66,217,826	55,328,634	86,222,905	26,514,789	20,032,516	28,088,011
TOTAL ASSETS	7,291,501,702	6,747,311,687	6,535,036,006	6,546,517,968	5,317,612,523	2,840,143,619

	Amount in Taka					
	30.06.2017	30.06.2016	31.12.2015	31.12.2014	31.12.2013	31.12.2012
EQUITY & LIABILITIES						
Shareholders' Equity						
Share capital	4,583,172,974	4,271,026,279	4,117,561,879	3,730,281,242	3,464,176,040	1,176,711,667
Revaluation surplus	1,000,000,000	600,000,000	600,000,000	99,792,000	86,400,000	57,600,000
Retained earnings	1,986,590,489	1,986,590,489	1,986,590,489	2,069,365,092	2,069,365,092	25,837,200
	1,596,582,485	1,684,435,790	1,530,971,390	1,561,124,150	1,308,410,948	1,093,274,467
Non Current Liabilities						
Long term loan net off current maturity	446,462,151	512,648,429	570,863,264	959,531,675	263,138,312	176,110,563
Share money deposit	314,852,022	413,629,909	475,801,836	733,871,131	86,548,063	176,110,563
Deferred Tax Liabilities	-	-	-	219,600,000	169,100,000	-
Finance lease obligation net off current maturity	107,762,740	82,774,604	82,774,604	-	-	-
	23,847,389	16,243,917	12,286,824	6,060,545	7,490,249	-
Current Liabilities						
Short term loan	2,261,866,577	1,963,636,980	1,846,610,865	1,856,705,051	1,590,298,171	1,487,321,389
Current portion of long term loan	1,038,550,696	859,968,198	711,949,163	649,698,737	887,805,658	490,792,395
Current portion of finance lease obligation	190,845,903	140,770,078	236,002,836	339,678,029	86,562,500	106,034,249
Accounts payable	21,052,426	8,295,120	3,382,991	3,245,896	2,609,423	-
Liabilities for expenses	761,672,950	734,898,258	716,081,975	725,652,792	501,261,924	827,979,177
	249,744,602	219,705,325	179,193,900	138,429,596	112,058,666	62,515,568
TOTAL EQUITY & LIABILITIES	7,291,501,702	6,747,311,687	6,535,036,006	6,546,517,968	5,317,612,523	2,840,143,619
Net Asset Value (NAV) per share with revaluation reserve	45.83	71.18	68.63	373.81	400.95	204.29
Net Asset Value (NAV) per share without revaluation surplus	25.96	38.07	35.52	166.44	161.44	199.80

* The carrying amount of property, plant and equipment and retained earnings for the year 2014 was restated due to overcharge of depreciation on motor vehicle.

** NAV has been calculated without taking into consideration of share money deposit in 2014 and 2013.

3. Comparative Statement of Profit or Loss and Other Comprehensive Income are as follows:

	Amount in Taka					
	2017	Jan '16 - June '16	2015	2014	2013	2012
	Restated*					
Revenue	4,453,547,322	2,478,351,678	4,385,429,090	4,326,673,375	4,028,234,798	3,811,829,023
Less: Cost of Goods Sold	3,531,651,776	1,903,569,122	3,426,052,071	3,438,454,353	3,241,339,776	3,213,407,580
Gross profit	921,895,546	574,782,556	959,377,019	888,219,022	786,895,023	598,421,443
Less: Operating expenses	405,838,990	314,751,190	528,759,519	458,158,385	417,273,108	346,799,343
Gross operating profit for the year	516,056,556	260,031,366	430,617,500	430,060,638	369,621,914	251,622,100
Less: Financial expenses	118,269,530	62,740,750	146,746,377	139,594,389	111,987,531	80,174,482
Net operating profit for the year	397,787,026	197,290,616	283,871,123	290,466,249	257,634,383	171,447,618
Add: Non operating income	5,484,304	4,131,410	5,694,498	7,738,553	12,044,949	24,392,057
Profit before WPPF & WF for the year	403,271,330	201,422,026	289,565,621	298,204,802	269,679,332	195,839,675
Less: Provision for contribution to WPPF & WF	20,163,566	9,591,525	13,788,839	14,200,229	-	-
Profit before tax for the year	383,107,764	191,830,501	275,776,782	284,004,573	269,679,332	195,839,675
Less: Income tax expenses	70,961,069	38,366,100	25,321,542	25,210,671	25,742,851	19,619,993
Net profit after tax for the year	312,146,695	153,464,401	250,455,240	258,793,902	243,936,481	176,219,682
Add: Other comprehensive income, net of tax	-	-	-	-	-	-
Total comprehensive income	312,146,695	153,464,401	250,455,240	258,793,902	243,936,481	176,219,682
Earnings Per Share (EPS) - Basic(Note-1)	3.12	1.53	2.50	2.59	2.57	2.26
Diluted Earnings Per Share (EPS) -Note:2	3.12	1.53	2.50	2.59	2.44	1.76

Note-1: The Company has denominated the face value of its ordinary share from Tk. 100 to Tk. 10 by passing a special resolution in its extra ordinary general meeting held on 22 January 2015 and necessary amendments in the capital clause of the Memorandum and Articles of Association were made accordingly.

Note 2: Diluted EPS calculated for all the years considering latest number of shares i.e 10,00,00,000

* The carrying amount of property, plant and equipment and retained earnings for the year 2014 was restated due to overcharge of depreciation on motor vehicle.

4. Comparative Cash Flow Statement are as follows:

	Amount in Taka					
	2016-17	Jan '16 - June '16	2015	2014	2013	2012
Cash flow from operating activities						
Cash from sales revenue	4,257,247,556	2,345,934,483	4,468,533,440	4,307,606,428	3,652,753,798	3,868,627,261
Cash from other income	5,802,561	2,964,287	6,390,569	7,042,482	11,251,949	24,392,057
Total receipts	4,263,050,117	2,348,898,770	4,474,924,009	4,314,648,910	3,664,005,748	3,893,019,318
Payment to suppliers	(2,065,098,336)	(1,191,507,076)	(2,046,145,538)	(2,483,865,130)	(2,092,100,121)	(2,336,242,238)
Payment to others	(1,957,609,769)	(1,016,134,221)	(1,785,326,206)	(1,652,428,676)	(1,151,469,981)	(1,083,764,300)
Interest paid	(109,347,433)	(56,878,629)	(146,746,377)	(139,594,389)	(111,987,531)	(76,168,791)
Income tax paid	(31,678,013)	(14,856,008)	(22,903,714)	(26,924,920)	(26,329,940)	(19,619,993)
Net cash flow from operating activities	99,316,566	69,522,836	473,802,175	11,835,796	282,118,174	377,223,996
Cash flow from investing activities						
Acquisition of property, plant and equipment	(278,784,074)	(80,001,161)	(202,838,324)	(519,178,653)	(80,988,138)	(258,064,598)
Capital work in progress	44,287,379	(17,231,658)	-	(154,375,080)	(19,322,545)	(53,384,187)
Investment in shares	-	-	43,500,000	(37,500,000)	-	-
Investment in FDR	(4,171,894)	(2,667,858)	38,374,953	(6,338,233)	(10,126,753)	(1,861,279)
Net cash flow used in investing activities	(238,668,589)	(99,900,677)	(120,963,371)	(717,391,967)	(110,437,437)	(313,310,064)
Cash flow from financing activities						
(Repayment)/receipt of term loan	(91,174,414)	(58,214,835)	(251,843,015)	645,893,363	36,700,682	(106,034,249)
(Repayment)/receipt of short term loan	241,415,629	57,698,406	(41,287,672)	15,645,081	(385,536,914)	20,111,460
Share money deposit	-	-	-	50,500,000	169,100,000	-
Net cash (used in)/flow from financing activities	150,241,215	(516,429)	(293,130,687)	712,038,444	(179,736,232)	(85,922,789)
	10,889,192	(30,894,271)	59,708,116	6,482,274	(8,055,495)	(22,008,857)
Net (decrease)/increase in cash and bank balances						
Cash and bank balances at beginning of the period/year	55,328,634	86,222,906	26,514,790	20,032,516	28,088,011	50,096,868
Cash and bank balances at end of the period/year	66,217,826	55,328,635	86,222,906	26,514,790	20,032,516	28,088,011

5. The history of dividend declared by the company was as follows:

Cash dividend	-	-	-	-	-	-
Stock dividend (Bonus share) - %	-	-	67%	281.19%	15.50%	50%

6. The Company had no subsidiary as on the balance sheet date.

7. No proceeds or part of proceeds of the issue of share shall be applied directly or indirectly by the company in the purchase of any other business or an interest thereon.

8. The Company did not prepare any account for any period subsequent to 30 June 2017.

9. Figures relating to previous years have been re-arranged wherever considered necessary.

Dhaka,
17 October 2017

Sd/-
ACNABIN
Chartered Accountants

Ratio analysis

Particulars	30.06.17	30.06.16	31.12.15	31.12.14	31.12.13	31.12.12
I. Liquidity Ratios:						
(i) Current Ratio; and	1.47	1.46	1.45	1.50	1.27	1.00
(ii) Quick Ratio.	0.58	0.53	0.54	0.56	0.50	0.26
II. Operating Efficiency Ratios:						
(i) Accounts Receivable Turnover Ratio;	6.04	4.33	8.00	7.46	10.52	17.06
(ii) Inventory Turnover Ratio; and	1.84	1.09	2.01	2.32	2.79	3.03
(iii) Asset Turnover Ratio.	0.63	0.37	0.67	0.73	0.99	1.37
III. Profitability Ratios :						
(i) Gross Margin Ratio;	20.70%	23.19%	21.88%	20.53%	19.53%	15.70%
(ii) Operating Profit Ratio;	11.59%	10.49%	9.82%	9.94%	9.18%	6.60%
(iii) Net Profit Ratio;	7.01%	6.19%	5.71%	5.98%	6.06%	4.62%
(iv) Return on Assets Ratio;	4.45%	2.31%	3.83%	4.36%	5.98%	6.35%
(v) Return on Equity Ratio;	7.05%	3.66%	6.38%	7.19%	10.51%	16.19%
(vi) Earnings per Share (EPS); and	3.12	1.53	2.50	2.59	2.57	2.26
(vii) Earnings before interest, taxes, depreciation and amortization (EBITDA) margin.	12.80%	12.91%	12.03%	14.77%	14.32%	11.72%
IV. Solvency Ratios:						
(i) Debt to Total Assets Ratio;	0.19	0.21	0.22	0.26	0.20	0.27
(ii) Debt to Equity Ratio;	0.37	0.36	0.37	0.46	0.31	0.66
(iii) Times Interest Earned Ratio; and	4.24	4.06	2.88	3.03	3.41	3.44
(iv) Debt Service Coverage Ratio;	0.38	0.24	0.39	0.38	0.34	0.37
V. Cash Flow Ratios:						
(i) Net Operating Cash Flow per Share (NOCFPS); and	0.99	0.70	4.74	0.12	2.97	4.83
(ii) NOCFPS to EPS Ratio.	0.32	0.45	1.89	0.05	1.22	2.74

Public Issue Application Process

Step-1 (Applicant)

1. An applicant for public issue of securities shall submit application/buy instruction to the Stockbroker/Merchant Banker where the applicant maintains customer account, within the cut-off date (i.e. the subscription closing date), which shall be the **25th (twenty fifth) working day** from the date of publication of abridged version of prospectus.
2. The application/buy instruction may be submitted in prescribed paper or electronic form, which shall contain the Customer ID, Name, BO Account Number, Number of Securities applied for, Total Amount and Category of the Applicant. At the same time:
 - a) Other than non-resident Bangladeshi (NRB) and Foreign applicants shall make the application money and service charge available in respective customer account maintained with the Stockbroker/Merchant Banker. No margin facility, advance or deferred payment is permissible for this purpose. In case the application is made through a margin account, the application money shall be deposited separately and the Stockbroker/Merchant Banker shall keep the amount segregated from the margin account, which shall be refundable to the applicant, if become unsuccessful.
 - b) Non-resident Bangladeshi (NRB) and Foreign applicants shall submit bank drafts (FDD), issued in favor of the Issuer for an amount equivalent to the application money, with their application to the concerned Stockbroker/Merchant Banker. A Non-resident Bangladeshi (NRB) and Foreign applicant may also submit a single draft against 02(two) applications made by him/her, i.e. one in his/her own name and the other jointly with another person. The draft (FDD) shall be issued by the Bank where the applicant maintains Foreign Currency account debiting the same account **and provide the customer with a certificate mentioning the FC account number which has been debited to issue the FDD. The applicant shall also submit the certificate with their application.** No banker shall issue more than two drafts from any Foreign Currency account for any public issue. At the same time, the applicant shall make the service charge available in respective customer account maintained with the Stockbroker/Merchant Banker.
 - c) Eligible investors shall submit application through the electronic subscription system of the exchange(s) and deposit the full amount intended to subscribe by the method as determined by exchange(s).

Step-2 (Intermediary)

3. The Stockbroker/Merchant Banker shall maintain a separate bank account only for this purpose namely "Public Issue Application Account". The Stockbroker/Merchant Banker shall:
 - a) post the amount separately in the customer account (other than NRB and Foreign applicants), and upon availability of fund, block the amount equivalent to the application money;
 - b) accumulate all the application/buy instructions received up to the cut-off date, deposit the amount in the "Public Issue Application Account" maintained with its bank within the first banking hour of **next working day** of the cut-off date;
 - c) instruct the banker to block the account for an amount equivalent to the aggregate application money and to issue a certificate in this regard.
4. Banker of the Stockbroker/Merchant Banker shall block the account as requested for, issue a certificate confirming the same and handover it to the respective Stockbroker/Merchant Banker.
5. For Non-resident Bangladeshi (NRB) and Foreign applicants, the Stockbroker/Merchant Banker shall prepare a list containing the draft information against the respective applicant's particulars.
6. The Stockbroker/Merchant Banker shall prepare category wise lists of the applicants containing Customer ID, Name, BO Account Number and Number of Securities applied for, and within 03 (three) working days

from the cut-off date, send to the respective Exchange, the lists of applicants in electronic (text format with tilde '~' separator) format, the certificate(s) issued by its banker, the drafts **and certificates** received from Non-resident Bangladeshi (NRB) and Foreign applicants and a copy of the list containing the draft information.

7. **On the next working day**, the Exchanges shall provide the Issuer with the information received from the Stockbroker/Merchant Bankers, the drafts **and certificates** submitted by Non-resident Bangladeshi (NRB) and Foreign applicants and the list containing the draft information. Exchanges shall verify and preserve the bankers' certificates in their custody.
8. The application/buy instructions shall be preserved by the Stockbroker/Merchant Bankers up to 6 months from listing of the securities with exchange.

Step-3 (Issuer)

9. The Issuer shall prepare consolidated list of the applications and send the applicants' BOIDs in electronic (text) format in a CDROM to CDBL for verification. The Issuer shall post the consolidated list of applicants on its website and websites of the Exchanges. CDBL shall verify the BOIDs as to whether the BO accounts of the applicants are active or not.
10. **On the next working day**, CDBL shall provide the Issuer with an updated database of the applicants containing BO Account Number, Name, Addresses, Parents' Name, Joint Account and Bank Account information along with the verification report.
11. After receiving verification report and information from CDBL, the Issuer shall scrutinize the applications, prepare category wise consolidated lists of valid and invalid applications and submit report of final status of subscription to the Commission and the Exchanges **within 10 (ten) working days** from the date of receiving information from the Exchanges.
12. The Issuer and the issue manager shall conduct category wise lottery with the valid applications **within 03 (three) working days** from the date of reporting to the Commission and the Exchanges, if do not receive any observation from the Commission or the Exchanges.
13. The Issuer and issue manager shall arrange posting the lottery result on their websites within **06 (six) hours** and on the websites of the Commission and Exchanges within **12 (twelve) hours** of lottery.
14. Within **02 (two) working days** of conducting lottery, the Issuer shall:
 - a) send category wise lists of the successful and unsuccessful applicants in electronic (text format with tilde '~' separator) format to the respective Exchange.
 - b) send category wise lists of unsuccessful applicants who are subject to penal provisions as per conditions of the Consent Letter issued by the Commission in electronic (text format with tilde '~' separator) format to the Commission and Exchanges mentioning the penalty amount against each applicant.
 - c) issue allotment letters in the names of successful applicants in electronic format with digital signatures and send those to respective Exchange in electronic form.
 - d) send consolidated allotment data (BOID and number of securities) in electronic text format in a CDROM to CDBL to credit the allotted shares to the respective BO accounts.

Step-4 (Intermediary)

15. **On the next working day**, Exchanges shall distribute the information and allotment letters to the Stockbroker/Merchant Bankers concerned in electronic format and instruct them to:
 - a) remit the amount of successful (other than NRB and Foreign) applicants to the Issuer's respective Escrow Account opened for subscription purpose, and unblock the amount of unsuccessful applicants;
 - b) send the penalty amount of other than NRB and Foreign applicants who are subject to penal provisions to the Issuer's respective Escrow Accounts along with a list and unblock the balance application money;

16. **On the next working day** of receiving the documents from the Exchanges, the Stockbrokers/Merchant Banker shall request its banker to:
 - a) release the amount blocked for unsuccessful (other than NRB and foreign) applicants;
 - b) remit the aggregate amount of successful applicants and the penalty amount of unsuccessful applicants (other than NRB and foreign) who are subject to penal provisions to the respective 'Escrow' accounts of the Issuer opened for subscription purpose.
17. **On the next working day** of receiving request from the Stockbrokers/Merchant Bankers, their bankers shall unblock the amount blocked in the account(s) and remit the amount as requested for to the Issuer's 'Escrow' account.
18. **Simultaneously**, the stockbrokers/Merchant Bankers shall release the application money blocked in the customer accounts; inform the successful applicants about allotment of securities and the unsuccessful applicants about releasing their blocked amounts and send documents to the Exchange evidencing details of the remittances made to the respective 'Escrow' accounts of the Issuer. The unblocked amounts of unsuccessful applicants shall be placed as per their instructions. The Stockbroker/Merchant Banker shall be entitled to recover the withdrawal charges, if any, from the applicant who wants to withdraw the application money, up to an amount of Tk. 5.00 (five) per withdrawal.
19. All drafts submitted by NRB or Foreign applicants shall be deposited in the Issuer's respective 'Escrow' accounts and refund shall be made by the Issuer by refund warrants through concerned stockbroker or merchant banker or transfer to the applicant's bank account (**FC account which has been debited to apply by NRB or foreign applicants**) through banking channel within 10 (ten) working days from the date of lottery.

Miscellaneous:

20. The Issuer, Issue Manager(s), Stockbrokers and Merchant Bankers shall ensure compliance of the above.
21. The bank drafts (FDD) shall be issued considering TT Clean exchange rate of Sonali Bank Ltd. on the date of publication of abridged version of prospectus.
22. Amount deposited and blocked in the "Public Issue Application Account" shall not be withdrawn or transferred during the blocking period. Amount deposited by the applicants shall not be used by the Stockbrokers/Merchant Bankers for any purpose other than public issue application.
23. The Issuer shall pay the costs related to data transmission, if claimed by the Exchange concerned up to an amount of Tk.2,00,000.00 (taka two lac) for a public issue.
24. The Stockbroker/Merchant Bankers shall be entitled to a service charge of Tk.5.00 (taka five) only per application irrespective of the amount or category. The service charge shall be paid by the applicant at the time of submitting application.
25. The Stockbroker/Merchant Banker shall provide the Issuer with a statement of the remittance and drafts sent.
26. The Issuer shall accumulate the penalty amount recovered and send it to the Commission through a bank draft/payment order issued in favor of the Bangladesh Securities and Exchange Commission.

The concerned Exchange are authorized to settle any complaints and take necessary actions against any Stockbroker/Merchant Banker in case of violation of any provision of the public issue application process with intimation to the Commission.

All Eligible Stock Brokers and Merchant Bankers shall receive the IPO subscription

The IPO subscriptions money collected from successful applicants (other than NRB applicants) by the stock brokers/ Merchant Bankers will be remitted to the Company's **Account No. 1505203551787001 with BRAC Bank Limited**, Motijheel Branch, 107 Motijheel C/A, Dhaka 1000, Bangladesh for this purpose. The IPO subscription money collected successful NRB applicants in US Dollar or UK Pound Sterling or EURO shall be deposited to three FC accounts opened by the company for IPO purpose as follows:

Sl. No.	Name of the FC Accounts	Currency	Account No.	Bank
1.	Esquire Knit Composite Ltd.	US Dollar	1505203551787002	BRAC Bank Limited, Motijheel Branch, 107 Motijheel C/A, Dhaka 1000, Bangladesh
2.		GB Pound	1505203551787003	
3.		Euro	1505203551787004	