

ANNUAL REPORT

2023-2024



LEGACY FOOTWEAR PLC

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Notice of the 27th Annual General Meeting (AGM)

Notice is hereby given that the 27th Annual General Meeting (AGM) of the Shareholders of Legacy Footwear PLC will be held on Wednesday, December 25, 2024 at 12:30 P.M. The AGM will be held Hybrid System (Both Physical and Digital) Platform at Legacy Footwear PLC. Factory Premises: Vannara, Mouchak, Kaliakoir, Gazipur through the link <https://legacyfoot27.hybridagmbd.net> to transact the following business:

Agenda

- 1.0 To receive, consider and adopt the Audited Financial Statements of the company for the year ended 30th June 2024 together with the Directors Report and the Auditor's report thereon.
- 2.0 To Appoint External/Statutory Auditors for the year 2024-2025 and fixation of their remuneration.
- 3.0 To Declare Dividend for the year ended 30 June, 2024 as recommended by the Board of Directors.
- 4.0 To appoint Auditors for the BSEC Corporate Governance Code Compliance Audit for the year 2024-25.
- 5.0 To elect /re-elect of Directors as per the Articles of Association of the company.
- 6.0 To recommend to invest Tk. 5.00 (five) crore in the Capital Market (DSE-30) from the fund obtained from Capital raising of Tk. 30.00 (thirty) crore vide consent letter no. BSEC/CI/CPLC- (PUBLIC)-1056/2022/1230 Dated April 10, 2023 and revised consent letter no. BSEC/CI/CPLC-(Public)-1056/2022/202 dated July 25, 2024.
- 7.0 To approve the appointment of new Independent Director of the company.
- 8.0 Miscellaneous, if any.

Dhaka, December 03, 2024

By order of the Board



Shah Alam Swapan
Company Secretary

Notes:

1. Tuesday, 19th November, 2024 was the "Record Date" for entitlement of 1% (One) cash Dividend for the year 2023-2024. The shareholders, whose names will appear in the Depository (CDBL) Register on that date, shall be entitled to participate in the 27th AGM through Hybrid System (Both Physical and Digital) platform.
2. According to the Bangladesh Securities and Exchange Commission Directive No. BSEC/CMRRCD/2009-193/08 dated 10th March 2021 and letter no. BSEC/ICAD/SRIC/2024/318/87 dated 27th March 2024, the AGM will be held through Hybrid System at Legacy Footwear PLC. Factory Premises: Vannara, Mouchak, Kaliakoir, Gazipur, Dhaka with both physical presence and Digital Platform of the respected shareholders, which will be conducted via live webcast.
3. The shareholders will be able to submit their question (s) /comment(s) and also cast vote electronically 24 hours before the AGM.
4. Any Shareholder of the Company entitled to attend and vote at the Hybrid Annual General Meeting may appoint a Proxy to attend and vote on his/her behalf. The proxy form duly filled, signed by the Shareholder and stamped with BDT 20:00 must be submitted through e-mail: legacyfl@hotmail.com at the Registered Office of the Company at least 48 hours before the time fixed for the meeting.
5. Pursuant to Bangladesh Securities and Exchange Commission's Notification No. BSEC / CMRRCD / 2006- 158/208 / Admin / 81 dated 20th June 2018, the soft copy of the Annual Report 2023-2024 of the Company shall be sent to the respective e-mail addresses of the Shareholders mentioned in their Beneficiary Owner (BO) Accounts with the depository. In case of non - receipt of Annual Report 2023-2024 of the Company through e-mail, Shareholders may collect the same from the Registered Office of the Company by submitting written request beforehand. The soft copy of the annual report 2023-2024 will also be available in the company website at www.legacyfootwearplc.com
6. In compliance with the Bangladesh Securities and Exchange Commission's Circular No. SEC / CMRRCD / 2009-193 / 154 dated 24 October 2013, No Gift / Gift Coupon / Food Box / Biscuit Box / Cash or kind shall be distributed.

Company Profile

Board of Directors

Mr. Quazi Nafees Ahmed

Chairman

Mr. Hasan Warasul Alam

Nominee Director

Mr. Md. Khurram Ja Murad

Independent Director

Mr. Quazi Rafi Ahmad

Managing Director

Mr. Ahmed Farabi Chowdhury

Nominee Director

Mr. Shah Alam Swapan

Company Secretary

Auditors:

M. Z. Islam & Co.

Easter View (10th Floor) 50 D.I.T
Extension Road, Nayapaltan,
Dhaka-1000
TEL: 88-02- 222220092, 88-02-
8310365

Banker:

Jamuna Bank Ltd.

Dilkusha Branch,
Dhaka-1000

EXIM Bank Ltd.

Gulshan Corporate Branch
Gulshan-01, Dhaka

Registered Office:

House # 133, (GroundFloor)
Lane #01(West Side),
DOHS Baridhara, Dhaka-1206

Midland Bank Ltd.

Gulshan Branch,
Gulshan-02, Dhaka

Factory:

Vill : Vannara, P.O: Mouchak
P.S: Kaliakoir,
Dist : Gazipur, Bangladesh

KEY FINANCIAL HIGHLIGHTS

Particulars	2023-2024	2022-23	2021-22	2020-21	2019-20
Turnover	21,994,931	1,757,855	119,941,115	157,441,950	121,357,662
Less: Cost of Goods Sold	(16,625,041)	6,129,933	98,682,507	110,209,514	121,299,013
Gross Profit/(Loss)	5,369,890	(4,372,078)	21,258,608	47,232,436	58,649
Less: Administrative & Selling Overhead:	(8,834,611)	(8,483,450)	(33,603,890)	(42,554,641)	(97,472,085)
Administrative Overhead	8,356,157	4,332,328	7,533,351	10,923,489	10,221,264
Sales Expenses	149866	163,807	1,499,757	1,662,530	1,485,877
Financial Expenses	328,588	6,531	19,538,966	24,671,974	30,578,092
Abnormal Loss	-	(12,986,116)	5,031,816	5,296,648	55,186,852
Operating Profit/(Loss)	(3,464,721)	4,111,372	(12,345,282)	4,677,795	(97,413,436)
Add: Other Income	8,942,871	421,000	1,600,000	578,784	41,625
Net Profit/(Loss) before Tax & WPF	5,478,150	4,532,372	(10,745,282)	5,256,579	(97,371,811)
Less: Provision for Workers Participation Fund	(258,647)	(215,827)	-	(262,829)	-
Net Profit/(Loss) before Tax	5,219,503	4,316,545	(10,745,282)	4,993,750	(97,371,811)
Current Tax from Operational Income	(2,304,159)	100,350	(1,039,647)	656,478	-
Deferred Tax expense/(income)	157,579	876,179	582,971	(859,903)	(962,860)
Net Profit/(Loss) after Tax	3,072,243	3,340,016	(11,201,958)	5,197,175	(96,408,951)
Less: Set Off Accumulated Loss	-	-	-	-	-
Surplus for the year	-	65,117,385	(11,201,958)	5,197,175	(96,408,951)
Add: Deferred tax related to revaluation reserve	-	(9,767,608)	-	-	-
Total Comprehensive Income for the period	3,072,243	58,689,793	(11,201,958)	5,197,175	(96,408,951)
Earnings Per Share	0.07	0.23	(0.86)	0.39	(7.37)

REPORT OF THE DIRECTORS

Dear Shareholders,

On behalf of the Board of directors of Legacy Footwear PLC, I would like to take the pleasure of presenting the Annual Report along with the Financial Statements for the year ended 30th June 2024.

STATE OF THE GLOBAL FOOTWEAR

INDUSTRY IN 2024

As of 2024, the global leather footwear market is valued at approximately \$138.29 billion, with projections indicating growth to an estimated \$166.28 billion by 2030, reflecting a year-on-year increase of 3.13%. This growth trajectory highlights the industry's recovery and resilience following disruptions caused by the COVID-19 pandemic.

The footwear industry is expected to experience robust year-on-year sales growth, with an estimated increase of \$113.6 billion projected between 2023 and 2028, translating to a compound annual growth rate (CAGR) of approximately 4.73%. This reflects a strong rebound and an upsurge in consumer demand.

The top five largest exporters of leather footwear by dollar value until 2024 are as follows:

1. China: \$20.8 billion
2. Italy: \$9.2 billion
3. Vietnam: \$8.5 billion
4. India: \$7.1 billion
5. Brazil: \$3.5 billion.

Source: <https://www.technavio.com/report/footwear-market-industry-analysis>

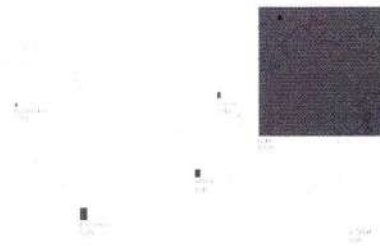
These nations dominate the leather footwear export market due to their established manufacturing capabilities, skilled labor forces, and strong international demand for their products. Collectively these top five leading suppliers generate well over 60% of international sales of leather footwear.

The growth projections for the global footwear market indicate significant regional variations:

- Asia-Pacific: Expected to lead the market, contributing approximately 46% to global growth from 2024 to 2030, driven by rising disposable incomes and a burgeoning consumer base.
- North America: Remains a significant market with increasing demand for both athletic and casual footwear.
- Europe: Is witnessing a heightened focus on sustainability, with many brands adopting eco-friendly practices in their production processes.
- Latin America and Africa: Emerging markets with potential for growth as economic conditions improve.

The Asia-Pacific region is projected to grow at a faster rate than both North America and Europe, primarily due to lower labor costs and an expanding middle class that is increasingly fashion-conscious. Additionally, the demand for sustainable footwear is expected to rise significantly across all continents, influencing production strategies and consumer choices.

Distribution of Footwear Production By Continent



Source: World Footwear Yearbook 2024

In 2024, the leading continents in terms of footwear consumption were:

1. Asia-Pacific
2. North America
3. Europe
4. Latin America
5. Africa

Among these, Asia-Pacific emerged as the largest consumer market, driven by its vast population and growing interest in diverse footwear styles.

Top 10 Leather Shoe Exporters in 2024

For the year 2024, the projected top ten leather shoe exporters are as follows:

1. Vietnam: US\$10.6 billion (16.7% of exported leather shoes)
2. Italy: \$8.9 billion (14.2%)
3. Mainland China: \$8.5 billion (13.5%)
4. Germany: \$4.8 billion (7.6%)
5. Belgium: \$3.5 billion (5.6%)
6. Indonesia: \$3 billion (4.7%)
7. France: \$2.9 billion (4.7%)
8. Netherlands: \$2.5 billion (3.9%)
9. India: \$1.8 billion (2.9%)
10. Portugal: \$1.72 billion (2.7%)

Source: <https://www.worldstopexports.com/leather-shoes-exports-country/>

These countries are expected to maintain their positions in the global market due to their established export networks and commitment to quality production standards.

BANGLADESH LEATHER AND FOOTWEAR SECTOR

According to the Export Promotion Bureau of the Government of Bangladesh, in the first nine months of fiscal 2023-2024, the Asian country recorded an overall leather export decline of 13.65% to 794.19 million US dollars, on a comparable basis to the same period of the previous fiscal year. This figure was 21.16% lower than the strategic target set for the period of 1007.38 million US dollars. This result was primarily driven by the performance of the leather footwear segment.

The leather and footwear sector in Bangladesh plays a pivotal role in the national economy, contributing significantly to export revenues:

Bangladesh Footwear Industry	
Value mln in USD 2022-2023	Contribution to export earnings

- In 2023, Bangladesh exported leather goods valued at approximately \$1 billion, with footwear constituting a substantial portion of this figure.
- The country is recognized as one of the largest producers of leather goods globally, leveraging its skilled workforce and competitive manufacturing costs.
- The Bangladeshi government has implemented various initiatives aimed at enhancing production capabilities and promoting sustainable practices within the sector.

Key Characteristics of the Sector:

- A highly skilled workforce specializing in traditional leather craftsmanship.
- Government incentives designed to stimulate exports and attract foreign investment.
- Challenges such as environmental regulations and competition from other low-cost manufacturing countries like Vietnam and India.

Bangladesh Leather & Footwear Sector 2023- 2024 at a Glance

In Bangladesh, the revenue from the Footwear market is projected to reach US\$4,221 million in 2025.

- The market is expected to grow annually by 4.14% (CAGR 2024-2029).
- When compared globally, China generates the most revenue in this market, with an expected revenue of US\$118bn by the end of fiscal year 2024.
- In terms of per capita revenue, the projected figure for 2024 is US\$24.16.
- The volume of the Footwear market in Bangladesh is anticipated to reach 184.1m pairs by 2029.
- The average volume per person in the Footwear market is expected to amount to 1.03 Pairs in 2024.
- Bangladeshi footwear industry is operating due to the country's low labor cost and abundant supply of raw materials.

Exports	1114.3	2.36%
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Source: Annual Report 2020- 2021; Bangladesh Bureau of Statistics

Exports

From July 2023 to March 2024, Bangladesh's leather footwear exports totaled 391.69 million US dollars, a decrease of 26.68% from the same months of fiscal year 2022-2023. This result was 29.82% below the strategic target set for the period of 558.16 million US dollars.

Although 13.88% lower than the strategic target set of 348.48 million US dollars, the country's leather goods exports increased in the first nine months of the current fiscal year by 2.68%, reaching 300.10 million US dollars, as compared to a similar period of the prior year.

Meanwhile, exports of finished leather exports stood out in the nine months to the end of March with a growth of 9.82% to 100.74 million US dollars, on a comparable basis to the same period of fiscal 2023-2023, and 1.65% above the strategic target of 100.74 million US dollars.

Government data also shows that from July to March of this year, Bangladesh's **other footwear exports** amounted to 385.73 million US dollars, an increase of 7.67% as compared to the same months of the previous fiscal year. Albeit positive, this figure was 6.03% lower than the strategic target set for the period of 410.42 million US dollars.

WAR ON UKRAINE TO NEGATIVELY IMPACT BANGLADESH EXPORT

The Russian-Ukraine war has been going on for over two and a half years, the impact of which is being felt worldwide. The war results in disruption in the global supply chain, increase in energy prices and inflation rate has halted the export rate of Bangladesh in the European region. German Ambassador to Bangladesh Achim Trouster, mentioned about the highest rate of inflation in the country, which decreases the buying power of general people and hence the impact on the consumer market such as footwear.

LEGACY FOOTWEAR PLC BUSINESS: 2023- 24 IN REVIEW

Export Business

2023-24 had been a challenging year in terms of global footwear demand that was worsened by the supply chain issues that emerged and changed consumer behavior across the world. Legacy struggled to ensure smooth order flow from its major customers in Europe throughout the year to fill its capacity at sustainable prices.

The table below represents 5 years sales figures and gross profit/profit:

Figures in taka "000"

Performance	23-24	22-23	21-22	20-21	19-20
Sales	21,994	1,757	119,941	157,442	121,358
Gross Profit	5,369	(4,372)	21,258	47,232	59
Net Profit after Tax	3,072	3,340	(11,202)	5,197	(96,409)

FUTURE OUTLOOK OF THE INDUSTRY

- Loss and reduction of personal income has led to general "impoverishment" around the world- everybody wants to spend less on essentials.
- An increasing global demand for affordable yet high-quality leather products.
- Ongoing investments aimed at modernizing production facilities and enhancing operational efficiencies.
- An intensified emphasis on sustainability and eco-friendly materials as consumers become more environmentally conscious.
- Higher price sensitivity means stronger growth in lower priced products especially non leather.

FOCUS OF LEGACY FOOTWEAR PLC ON THE FOLLOWING AREAS IN 2023-2024

1. Exploring new international markets while enhancing its online presence to capture a broader customer base.
2. Optimizing capacity
3. Efficiency and productivity gains
4. Expand newly launched sub-brand Legacy Shoes Ltd market share in the local market.
5. Look for new market to have better margins
6. Explore new non-leather footwear business
7. Drive continuous learning and development throughout the Company
8. Continue to build partners with global brands
9. Attain best in class sustainability standards
10. Upholding high standards of quality to build brand loyalty among consumers

RELATED PARTY TRANSACTION

There were few significant transactions to report between the Company and the its subsidiary Director(s), the management or the relatives except those are disclosed in the financial statements in as per requirements of IFRS.

HIGHLIGHTS ON CHANGES IN FINANCIAL POSITION AT THE END OF JUNE 2024.

Property, Plant & Equipment:

This year, increase in Property, Plant & Equipment was Tk. 12,880,154.

Capital Work-in-Progress:

During the year, Capital Work-in-Progress increased by 22,245,000.

Inventories:

The closing inventory stood at BDT 24,392,235 at the year ended

Accounts Receivable:

Accounts Receivables figures is BDT 28,489,290 which consider good in terms of security and previous collection history.

Advances, Deposits and Prepayments: Advances, Deposits and Prepayments increased by Tk 6,357,105 which is equivalent to 0.33% higher than previous year,

Non-Current Liabilities:

Non-Current Liabilities increased by Tk 1,481,300 which is equivalent to 0.06% more than earlier year.

Long Term Loan:

100% Long Term Loan has been paid during the year. Therefore, Legacy Footwear PLC no longer loan liability.

DIVIDEND

The Board of Directors has recommended **1% cash DIVIDEND** for the year ended June 30, 2023-2024, all shareholders except Sponsors and Directors of the company.

DIRECTORS APPOINTMENT AND RE APPOINTMENT

The appointment retirement and re-appointment of Directors of the Company is governed by the Articles of Association, Companies Act and other related legislations. Mr. Quazi Rafi Ahmad and Mr. Hasan Warasul Alam Directors will retire at 27th Annual General Meeting as per Articles 113,114 and 115 of articles of Association of the company and being eligible, offer themselves for re- election.

APPOINTMENT OF STATUTORY AUDITOR

As per the Bangladesh Securities and Exchange Commission's Notification No. BSEC / CMRRCD / 2006 – 158 / 208 / Admin /81 dated 20 June 2018, the Board of directors have recommended the name of M.Z Islam & Co. Chartered Accountants, Eastern View (10th Floor) 50 D.I.T Extension, Road, Naya paltan, Dhaka-1000. For consideration and approval for appointment as the auditor for the year 2024-2025 by the shareholders in the 27th Annual General Meeting and fix their remuneration.

APPOINTMENT OF COMPLIANCE AUDITOR

The Board in its meeting held on 28th October 2024 recommended to appoint S. M. Zakaria & Co, Chartered Accountants, as the compliance auditor of the Company to audit the 'Corporate Governance Code' for the year 2024- 2025.

BANGLADESH SECURITIES AND EXCHANGE COMMISSION COMPLIANCE

The compliance status certification and report required to be presented by the Company in pursuance of the Condition No. 5 of Corporate Governance Code of Bangladesh Securities and Exchange Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin 80 Dated 03 June 2018 issued by Bangladesh Securities and Exchange Commission under Section 2CC of the Bangladesh Securities and Exchange Ordinance, 1969 is attached.

Explanations on qualifications: -

On the basis of Auditors Report for the year ending 30 June 2024 there are as many as one quailed opinions. The Board clarifies those as underneath:

Due to litigation with Rupali Bank PLC for their outstanding loan amounting approximately BDT 25 (Twenty-five) crore we had to keep cash in hand BDT 46,875,300 until fiscal year 2022-2023 for obvious reasons. Since the entire loan has been paid off. We have used BDT 22,245,000 during 2023-2024 fiscal year as CWIP. The rest will gradually be either deposited to the banks or be utilized for other purposes of the company.

ACKNOWLEDGEMENT

I, on Behalf of the Board, would like to express my gratitude for the continued support and cooperation from our valued shareholders, all the customers and all the regulatory bodies of the country besides Bangladesh Securities and Exchange Commission. We look forward to your continued cooperation and support to drive us towards sustainable prosperity. Confidence and trust our customers have bestowed in our products and Company. I would like to particularly thank all Legacy Footwear employees for their commitment, sacrifice, and hard work. We look forward to your continued cooperation and support as the driving force for honest and sustainable growth of the Company in the future.

On behalf of the Board



Quazi Nafees Ahmed
Chairman
October 28, 2024 Dhaka

Annexure-1

Pursuant to Bangladesh Securities and Exchange Commission's Notification on 'Corporate Governance Code' dated 03 June 2018, the Directors also report that:

- Extraordinary gain or loss occurred during the financial year has been explained;
- Details of risk management process has been discussed on the Management's Discussion & Analysis
- Details of related party transactions has been presented to the financial statements;
- The Company's IPO was made in 2000. No further issue of any instrument was made during the year;
- Significant variance that occurs between quarterly financial performance and annual financial statements have been explained;
- The amount of total remuneration to Directors including Independent Directors has been presented to the financial statements;
- The financial statements of the Company fairly present its state of affairs , result of its operations, cash flows and changes in equity;
- Proper books of accounts of the Company have been maintained;
- Appropriate accounting policies have been followed in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment ;
- The financial statements were prepared in accordance with IAS/IFRS and any departure thereof has been adequately disclosed;
- The internal control system is sound in design and has been effectively implemented and monitored;
- There are no significant doubts about the Company's ability to continue as a going concern;
- Significant deviations from the previous year in operating results of the Company have been highlighted and reasons thereof have been explained;
- Rights and interest of minority shareholders have been protected by means of proper disclosure of material information of the Company;
- Key operating and financial data of at least preceding 5 (five) years have been summarized in this Annual Report;
- No bonus or stock dividend has been declared as interim dividend during the year;
- Cash dividend has been declared by the Company.
- The number of Board meetings and attendance of Directors during the year 2023-2024 has been presented in Annexure-2;
- The pattern of shareholding as on 30 June 2024 has been presented in Annexure -3.
- A report on Management's Discussion and Analysis has been presented in this Annual Report
- Certification under the Corporate Governance Code the Managing Director and Chief Financial Officer on the financial reporting has been presented in this Annual Report.
- Status of compliance of conditions of BSEC's Corporate Governance Code dated 03 June 2018 has been presented in this Annual Report.

Annexure-2

Directors Meeting & Attendance: During the financial year 2023-2024 under review a total 06 (six) Board meetings were held. The Chief Financial Officer, Company Secretary and Head of Internal Audit and Compliance were present in all the Board Meetings. The attendance by each Director is mentioned below:

Name of the Member	Position	No. of Meeting held whilst a Committee Member	Meeting Attended
Mr. Quazi Nafees Ahmed	Chairman	06	06
Mr. Quazi Rafi Ahmad	Managing Director	06	06
Mr. Hasan Warasul Alam	Nominee Director	06	06
Mr. Khurram Ja Murad	Independent Director	06	06
Mr. Mamun Hossain	Chief Financial Officer	06	06
Mr. Shah Alam Swapan	Company Secretary	06	06

Annexure-3

Pattern of Shareholding: As at 30 June 2024

Name & Description of Shareholders	Shares Held	% of Holding
A. Sponsors/ Directors:		
Mr. Quazi Nafees Ahmed - Chairman	11,28,600	2.62
Mr. Quazi Rafi Ahmad - Managing Director	11,61,599	2.70
Mr. Hasan Warasul Alam(NASCFS equities Ltd) - Nominee Director	81,50,000	18.92
Mr. Ahmed Farabi Chowdhury (TS equity & ventures Ltd)- Nominee Director	22,50,000	5.22
Mr. Quazi Aziz Ahmed - Sponsor	7,99,157	1.85
Mr. Sharifuddin Ahmed - Sponsor	18,041	0.04
Mr. Quazi Farook Ahmed - Sponsor	18,041	0.04
Mr. Tony Luca - Sponsor	799,951	1.86
-	1,43,25,389	33.25%
B. Shareholders who hold 10% or more:		
	Nil	-
C. Other shareholders (Free Float Shares)		
	2,87,54,591	66.75%
D. Executives		
Mr. Shah Alam Swapan - Company Secretary (c.c)	Nil	-
Mr. Mamun Hossain - CFO	Nil	-
Mr. Kawsar Ali - Purchase Manager	Nil	-
Mr. Md. Abdul Wadud - Commercial Manager	Nil	-
	Total 4,30,79,980	100%

REPORT ON MANAGEMENT'S DISCUSSION & ANALYSIS

Legacy Footwear PLC is a 100% export oriented footwear manufacturing Company. It has been operating its business throughout Europe and Japan for more than two decades. The Company started its commercial production in 1999 and established its appearance in Capital market in the year 2000.

Our business stands on its reputation, commitment, quality product and integrity. Our customers are confident on our service and the quality of product. Legacy Footwear PLC is seriously considering to make its appearance in the local market very shortly

Global Economic Crisis & Russia-Ukraine war Overview

During 2022-2023 FY it was challenging for us to encounter difficulties caused by Global Economic Crisis & Russia-Ukraine war scenario. This scenario caused serious damages in raw materials supply from abroad. The Company had also faced difficulties to market its product to the overseas markets as normal scenario.

Financial Overview

Due to Global Economic Crisis gradually stable our sales revenue increased by BDT 20237,076 which is equivalent to 11.51% increase comparing to the last fiscal year

During the year 2023-2024 our cost of goods sold increased by Taka 10,495,108 which is equivalent to 1.71% compared with the previous year.

Gross profit BDT 5,369,890 has been determine during year.

Our Financial expenses for the year ended is nil because of entire long Term Loan has been paid during the year.

Profitability went up for good performance and tax expenses have been recognized during the financial year is BDT 2,304,159

Earnings per share between 2024 and 2023 0.07 and 0.23 respectively.

Net asset value per share BDT 11.23 in 2024 similarly BDT 11.19 in 2023

Net operating cash flow per share (NOCFPS) is (3, 5504, 663) in 2024 as well as (736,036) in 2023

Risk Management

In the financial statements of the year 2023-2024, we have applied accounting principles and policies in respect of all the areas consistently. All the estimates/provisions considered for preparation of financial statements against the expenditure required to settle the obligation at the date of statement of financial position. We are always concerned about any credit risk, liquidity risk, market risk, currency risk and interest rate risk which can affect our business and shareholders value. Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. Credit risk exposures from financial assets are very nominal and with regards to liquidity risk, the Company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through dynamic cash flow forecasting and ensuring sufficient liquidity to meet all obligations in time. Currency risk is prevalent in our business especially for export, along with changes in competitor's foreign exchange rates, changes in tariff rates, changes in import/export policies of any foreign country, all of this can impact our business and management is constantly seeking best possible ways to mitigate such risks. Interest rate risk arises due to changes in interest rates on borrowings. There was no foreign currency loan, subject to floating rates of interest; for local borrowings there was no such interest rate risk during the year and our banking partners work closely with us to offer the most competitive pricing due to our credit worthiness and financial track record.

Comparative Financial Performance with the Peer Companies

BDT in Million except where indicated otherwise

Particulars	Legacy Footwear PLC	Craftsman Footwear & Accessories Ltd	Fortune Shoes Ltd.	Apex Footwear Ltd.
	30 June, 2024	30 June, 2024	30 June, 2024	30 June, 2024
Revenue	21,994,931	733,156,786	1,715,256,890	1,497,856,717
Gross Profit/(Loss)	53,69,890	608,090,413	1,447,869,709	454,0894,169
Profit/(Loss) before Tax	5,219,503	59,553,155	202,494,828	272,409,870
Net Profit/(Loss) after Tax	3,072,243	42,739,900	179,880,045	176,434,772
Paid up Capital	430,799,800	230,000,000	1,706,622,630	142,931,250
Shareholders' Equity	483,764,157	303,690,839	2,484,743,478	6,780,196,018
Earnings Per Share (Taka)	0.07	2.35	1.05	12.34
Net Asset Value Per Share (Taka)	11.23	16.72	14.56	474.37
Net Operating Cash Flow Per Share (Taka)	(0.82)	0.71	0.65	182.55

Comparative Analysis of Key Financials

Comparative analysis of key financial performance and financial position (including effects of information) as well as cash flows for the current financial year comparing with the immediate preceding year:

	2023-2024	2022-2023
Revenue increase/(Decrease) %	11.51	(98.53)
Gross Profit increase/(Decrease)%	(0.08)	(120.57)
Non-Current Assets increase/(Decrease) %	0.11	1.70
Non-Current Liabilities increase/(Decrease) %	0.06	86.67
Shareholders' Equity increase/(Decrease) %	0.003	274.9
Net Asset Value Per Share	11.23	11.19
Net Operating Cash Flow Per Share	(0.82)	(0.02)

Financial and Economic Scenario of the Country & Global

The global outlook remains subject to significant downside risk; specially in managing supply chain, including the possibility of new Covid-19 waves in the context of new variants and financial stress. We want to believe that the world economy is certainly walking out of its darkest moment in 2023 - 2024. Based on the research of multiple agencies, world economy growth is expected to stand at 6% in 2024, with the growth of China, the US, the Euro Zone, the UK and emerging economies at 8.1%, 7%, 4.6%, 7%, and 6.3%, respectively.

Bangladesh is on track to graduate out from United Nations list of least developed countries in 2024. Vision 2041 envisioned the elimination of extreme poverty and secure upper middle income country status by 2031 and to achieve high income country status by 2041. Bangladesh economy is now the 37th largest economy in the world with nominal GDP standing at 353 billion USD in 2023-24 with per capita income of 2,122 USD. The International Monetary Fund published a report that GDP growth rate remained positive at 3.8% in 2020 despite the Covid-19 and is expected to rise to 4.4% and 7.9% in 2023 and 2024 respectively. The Wall Street Journal observed that while Bangladesh has achieved admirable economic growth, it lags that of much faster growing economies like Vietnam and Cambodia. Exports and continuing remittance inflows 2 main drivers for economic growth, now accounting for 6% of GDP.

Export Scenario at A Glance:

- In 2023-24, total export was 1.76 million USD. 15,944.26

- In 2023-24, total export was 15944.26 USD, a decline of 98.5% from the previous year
- In 2023-24, total export achieved a landmark amount of 50 billion USD.

Record Inflow of Remittances:

A strong remittance inflow from the Bangladeshi Diaspora is expected to contribute heavily to growth in 2024. The Government aims to earn 150 billion USD through remittances between July 2020 and June 2025.

Footwear Industry:

The footwear sector has also been severely affected, with order cancellations, virtual freeze on new business, delayed shipments and consequent financial impacts, and major disruptions in the supply chains. In the face of these challenges, the government has undertaken several timely and farsighted measures to support industry and exports. Furthermore, the major destination countries for export- US, Germany, Italy, France, UK, Japan, India have all been hard hit by the economic fallout from Covid-19 & Russia-Ukraine war resulting in stalling growth, unemployment and decline in consumption in these markets.



Quazi Rafi Ahmad
Managing Director

REPORT OF AUDIT COMMITTEE

Legacy Footwear PLC has an Audit Committee of the Board of Directors, in compliance with the Notification of Bangladesh Securities and Exchange Commission (BSEC) No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018. All Members of the Audit Committee are financially literate and are able to analyze and interpret financial statements to effectively discharge their duties and responsibilities as Members of the Audit Committee. The terms of reference of the Audit Committee has been determined by the Board in accordance with the BSEC Notification.

Composition of Audit Committee

The Board Audit Committee of Legacy Footwear PLC is comprised of three Members of the Board of Directors including one Independent Directors. The composition of the present Board Audit Committee is as follows:

Mr. Khurram Ja Murad	Independent Director	Chairman
Mr. Quazi Nafees Ahmed	Non-Executive Director	Member
Mr. Hasan Warasul Alam	Non-Executive Director	Member

Further the Company Secretary attends the Committee's meetings as the Secretary of the Committee. The Managing Director and Head of Finance/CFO attend the meetings by invitation. The Head of Internal Audit & Compliance, and the External Auditors attend the meetings as and when invited.

Role and Responsibilities of the Audit Committee

The Audit Committee's role flows directly from the Board's oversight function, and the purpose, authority, composition, duties and responsibilities of the Audit Committee are delineated in its terms of reference. Some of the major responsibilities of the Audit Committee are as follows:

- Reviewing the form and content, and monitoring the integrity of the Company's annual, half yearly and quarterly financial statements and other financial results, and upon its satisfaction of the review, recommend the same to the Board for approval.
- Reviewing the adequacy and effectiveness of financial reporting process, internal control system, risk management, auditing matters, and the Company's processes for monitoring compliance with laws and regulations and the codes of conduct.
- Recommending to the Board the appointment, reappointment, audit fee and any question of resignation or dismissal of the external auditors.

- Exercising its oversight of the work of internal audit. Reviewing the effectiveness of internal audit function including performance, structure, adequacy of resources, and compliance with professional standards. Examining audit findings and material weaknesses and monitoring implementation of audit action plans.

- Reviewing the corrective measures taken by the Management as regards the incidents relating to fraud-forgery, deficiencies in internal control or other similar issues detected by Internal and External Auditors and Inspectors of the Regulatory Authorities and inform the Board on a regular basis.

- Reviewing and evaluating the factors related to the independence of the External Auditors and assist them in preserving their independence.

Authority

The Audit Committee is authorized by the Board to review any activity within the business as per its terms of reference. It is authorized to seek any information it requires from, and require the attendance at any of its meetings of, any Director or Member of Management, and all employees are expected to cooperate with any request made by the Committee. The Committee is also authorized to have information and advice from the Company's Legal Advisors, Tax Consultant, Statutory Auditor and Compliance Auditor if required.

Meetings and Attendance

During the year under review, the Committee held four meetings. The attendance of the Members at these meetings is as under:

Name of the Member	Position	No. of Meeting held whilst a Committee Member	Meeting Attended
Mr. Khurram Ja Murad (Independent Director)	Chairman	4	4
Mr. Quazi Nafees Ahmed	Member	4	4
Mr. Hasan Warasul Alam	Member	4	3
Mr. Shah Alam Swapan	Secretary	4	4

Activities Carried Out during the year ended on 30th June 2024

In accordance with the 'Audit Committee Charter', the Audit Committee worked and evaluated items that were raised for consideration as well as discussed issues related to key events of every financial reporting cycle:

Financial Reporting

Reviewed the quarterly, half yearly and interim financial results of the Company and the relevant announcements to the Bangladesh Securities and Exchange Commission and the Stock Exchanges by the Board of Directors.

Reviewed all the draft financial statements of the Company prior to submission to the Board of Directors for approval. The review was to ensure that the financial reporting and disclosures were in compliance with the Securities laws, provisions of the Companies Act 1994, applicable Accounting Standards IAS and IFRS, any conflict of interest and Other relevant legal and regulatory requirements.

Internal Audit

Reviewed the audit plans including the audit methodology in assessing and rating risks of auditable areas to ensure adequate scope and comprehensive coverage on the audit activities of the Company.

Reviewed the effectiveness of the audit process, resource requirements and assessed the performance of the Internal Audit Department. The competence and performance of the Head of Internal Audit was also reviewed.

- Reviewed the internal audit reports which encompassed the audit issues, audit recommendations and Management's responses to these recommendations. Improvement actions in the area of internal controls, systems and efficiency enhancements suggested by the Internal Auditors were discussed together with Management.

- Reviewed the implementation of these recommendations through follow-up audit reports to ensure all key areas were addressed.

- Suggested additional improvement opportunities in the areas of internal control, systems and efficiency improvement.

External Audit

- The Committee met with External Auditors at the conclusion of their audits in the absence of Management and also reviewed their findings of observations and the Management's response thereto.

- Reviewed with the External Auditors about the scope of their audit, audit strategies and audit plans.

- Reviewed the external audit reports and areas of concern highlighted to the Management and the Management's responses to the findings of the External Auditors.

- Reviewed the performance, appointment process and audit fees based on scope of work and magnitude of the external auditors.

Reporting of the Committee

On discharging its responsibilities, the Audit Committee has ensured the following:

- Financial statements have been prepared and presented in compliance with all laws, regulations & standards as applicable.
- Adequate controls and procedures are in place to provide reasonable assurance that the Company's assets are safeguarded and that the financial position of the Company is adequately managed. Observations, findings and suggestions of the Committee were communicated to the Board of Directors and the Board of Directors had taken appropriate measures on the reports.

Recommendations

- The Committee highlighted the importance of improving, efficiency and productivity at all levels to ensure continued profitability of the Company.
- The Committee highlighted the lack of local backward linkage industry for footwear as a weakness of this sector, which is also creating high levels of working capital requirement compared to our competitor countries. This backward linkage will also help to reduce lead time from Bangladesh for export.

- The Committee recognized the need for a critical mass of factories working for export to improve bargaining power and attract more buyers.

- The Committee highlighted the need to invest in continuous training and human resource development for the Company.

- The Committee recognized that under very difficult circumstances the management has worked on a definitive strategy for the best of the Company.

- The Audit Committee considered and made recommendation to the Board on the appointment and remuneration of External Auditors M.Z Islam & Co., Chartered Accountants, 50, Estern View (10th Floor) D.I.T Extension Road, Nayapaltan, Dhaka-1000, Chartered Accountants with fees of Tk. 2.00 lac only for the next annual audit, subject to the approval of the Members at the 27th Annual General Meeting of the Company.

On behalf of the Audit Committee



Khurram Ja Murad

Independent Director

Chairman of the Board Audit Committee

October 27, 2024 Dhaka

REPORT OF NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of Legacy Footwear PLC has duly constituted the Nomination and Remuneration Committee (NRC) as per Bangladesh Securities and Exchange Commission's Notification on Corporate Governance Code-2018. The NRC is a subcommittee of the Board of Directors of Legacy Footwear PLC. The NRC assists the Board in formulating the nomination criteria/policy for determining the qualification, positive attributes, experiences and independence of directors and senior-level executives as well as a policy for a formal process of considering the remuneration of directors and senior-level executives.

Terms of Reference

The Nomination and Remuneration Committee has performed its duties as assigned by the Board of Directors, and as defined in the Charter of the NRC formulated in accordance with the Notification of the Bangladesh Securities and Exchange Commission's Corporate Governance Code-2018.

Composition

The Nomination and Remuneration Committee of Legacy Footwear PLC is comprised of three non-executive Directors of the Board including an Independent Director. The Chairperson of the Committee is an Independent Director of the Company. The composition of the present NRC is as follows:

1. Mr. Khurram Ja Murad	Chairman
2. Mr. Quazi Nafees Ahmed	Member
3. Mr. Hasan Warasul Alam	Member

Further the Company Secretary attends the Committee's meeting as the Secretary of the Committee. The Managing Director and Head of Human Resources and Administration attend the meetings by invitation. The Head of Finance/CFO attends the meetings, as and when invited.

Qualification

The members of Nomination and Remuneration Committee of Legacy Footwear PLC possess adequate knowledge on business management and corporate governance matters.

Roles and Responsibilities

The roles and responsibilities of the Nomination and Remuneration Committee flow directly from the Board's oversight functions. The purpose, authority, duties and responsibilities of NRC are delineated in its terms of reference. The prime responsibilities of the NRC, among others are

As follows:

- The Committee shall be independent, responsible and accountable to the Board and the shareholders.
- Formulating the criteria and policy for fixing up fair remuneration for directors and senior management which need to be vetted and accepted by the Board of Directors.
- Obtaining the Board's approval for recruiting suitable candidates to fill the vacancies or to add more competent people from time to time in the Company's Board and also in the senior management position to remain compliant and to strengthen the senior management team.
- Establish the criteria for Board membership and to formulate the standard and transparent process for selection of Directors.
- To ensure that there is diversity in the Board structure taking into consideration age, gender, experience, ethnicity, religion, educational background and nationality.
- Developing the succession plans of Board members and senior-level executives.
- Review major changes and developments in the Company's remuneration, recruitment, retention and termination policies and procedures.
- Reporting to the Board of Directors on the Committee's activities and findings.

Meetings and Attendance

During the financial year 2023-2024, the Committee met once. The Managing Director and the Head of HR attended the meeting by invitation of the Committee.

The attendance of the Members is as under:

Name of the Members	Position	No. of Meeting held whilst a Committee Member	Meetings (s) Attended
Mr. Khurram Ja Murad (Independent Director)	Chairman	1	1
Mr. Quazi Nafees Ahmed	Member	1	1
Mr. Hasan Warasul Alam	Member	1	1
Mr. Shah Alam Swapan	Secretary	1	1

**Activities carried out during
Financial Year 2023 - 2024**

In accordance with the 'Terms of Reference' of Nomination and Remuneration Committee, the Committee carried out the following activities during the financial year 2023-2024:

- Reviewed the report of Nomination and Remuneration Committee.
- Reviewed the recommendation of non-executive director who was to resign by rotation and eligible for re-election/re-appointment as per the provisions of the Articles of Association of the Company.
- Reviewed its charter to satisfy itself that they enable the Committee to fulfill its responsibilities
- Reviewed and evaluated the company's human resources status and the learning and development programs of the Company.
- Reviewed the scope and electiveness of internal human resource functions and adequacy of it.
- Overseen other issues within the Terms of Reference of the NRC.

Authority

The Nomination and Remuneration Committee is authorized by the Board to review any activity within the business as per its terms of reference. The Committee is authorized to seek any information it requires from, and require the attendance at any of its meetings of, any Director or Member of Management, and all employees are expected to cooperate with any request made by the Committee. The Committee is committed to performing its duties based on equality and fairness according to the principles of good corporate governance so that the Company can be developed consistently and sustainably.

On behalf of the Nomination and
Remuneration Committee



Mr. Khurram JA Murad
Independent Director
Chairman of the Nomination
and Remuneration Committee
October 27, 2024, Dhaka

DIVIDEND DISTRIBUTION POLICY

Introduction:

In compliance with the Directives No. BSEC/CMRRCD/2021-386/03 of Bangladesh Securities and Exchange Commission (BSEC) dated January 14, 2021; Legacy Foot Wear PLC formulated a policy known as "Dividend Distribution Policy. The highlights of the said policy are given below.

Purpose:

The purpose of the policy is to comply with the Directives of Bangladesh Securities and Exchange Commission (BSEC). The parameters set out in the policy are applicable for distributor of dividend.

Dividend Recommendation and Approval process:

Dividend to be recommended and approved as per applicable Acts and regulatory directives issued from time to time.

Entitlement of Dividend:

Shareholders whose names shall appear in the Members Register of the Company or in the Depository Register of CDBL on the 'Record Date' of the respective year's AGM will receive entitled dividend.

Process of Distribution of Cash Dividend:

Cash dividend shall be paid directly to the bank account within 30 (thirty) days from the date of approval by the Shareholders in the AGM subject to comply of circulars/directives of BSEC.

Regulatory authority from time to time.

- I. Through Bangladesh Electronic Funds Transfer Network (BEFTN)
- II. Through bank transfer or any electronic payment systems recognized by the Bangladesh Bank (if not possible through BEFTN)
- III. In case of margin loan and claimed by loan provider, through the consolidated customer's bank accounts (CCBA)
- IV. To the separate bank account of the merchant banker or portfolio manager through BEFTN)
- V. Through the security custodian following foreign Exchange Regulation for non-resident sponsor, director, shareholder, unit holder or foreign portfolio investor (FPI).
- VI. Through assurance of cash dividend war rate in case of non-availability of bank account information or not possible to distribute cash dividend through BEFTN or any electronic payment system, shall issue cash dividend warrant and shall send it by post to the shareholder or unit holder.

Regulatory authority from time to time.

The stock dividend shall be credited within 30 (thirty) days of approval subject to clearance of the regulatory requirement exchange(s) and the central Depository Bangladesh Limited (CDBL).

- i. To the BO Account;
- ii. To the suspense BO Account
Unclaimed stock dividend/bonus shares. A new Suspense BO Account has been opened in every year For the respective year's suspense shares;
- iii. The bonus dividend shall be
Suspense BO account if BO account is not available or BO account is inactive;
- iv. The sale proceeds of fractional bonus dividend shall be Paid off as per circular of BSEC other regulatory authority from time to time,

Unpaid or unclaimed of unsettled cash dividend:

Unpaid or unclaimed of unsettled cash dividends shall be settled as per instructions of BSEC or other regulatory authority from time to time.

Unpaid or unclaimed of unsettled stock dividend:

Unpaid or unclaimed of unsettled stock dividends shall be settled as per instructions of BSEC or other regulatory authority from time to time.

Tax matters:

Tax will be deducted at source as per applicable tax laws.

Submission of Dividend distribution Compliance Report:

In-compliance with the Dhaka Stock Exchange (Listing) Regulation 2015 and Chittagong Stock Exchange (Listing) Regulation 2015 and other regulatory requirement Legacy Footwear PLC has been submitted a Dividend Distribution Compliance Report to BSEC, DSE and CSE within 7 days from the date of completion of dividend distribution of the concerned year's. This report shall submit to BSEC, DSE and CSE in a specified format issued by the regulator (s) within stipulated time.

Amendments/Modifications:

To the extent any change/amendment is required in terms of any applicable law or change in regulations, the regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with the law of the land. Such amended policy shall be placed before the Board for approval

Disclosure Policy:

The Dividend Distribution Policy has available on the Company's website and will also be disclosed in the Company's Annual Report 2023-2024.

MD & CFO CERTIFICATION ON FINANCIAL STATEMENTS

Date: 28 October 2024
The Board of Directors
Legacy Footwear PLC
House No. 133, Lane No. 1
Baridhara DOHS
Dhaka-1212

Subject: **Certification on Financial Statements for the year ended on 30 June 2024.**

Dear Sir,

Pursuant to Condition No. 1(S)(xxvi) imposed vide the Commission's Notification No. BSEC CMRRCD/2006 158/207/Admin/80, dated 03 June 2018 under Section 2CC of the Securities and Exchange Ordinance, 1969 we do hereby declare that:

- (1) Preparation compliance with International Accounting Standards(IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed.
- (2) The estimates and judgments related to the financial statements were made on a prudent and Basis, in order for the financial statements to reveal a true and fair view,
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably presented in its financial statements:
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of Control and maintenance of account
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that established Policies and procedures of the Company were consistently followed; and
- (6) The Managements use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continuous a going concern,


In this regard, we also certify that-

- (i) We have reviewed the financial statements for the year ended on 30 June 2024 and that to the best of our knowledge and belief.
 - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (b) These statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company's Board of Directors or its members.

Sincerely yours,



(Quazi Rafi Ahmad)
Managing Director



(Md. Mamun Hossain)
Chief Financial Officer

STATUS OF COMPLIANCE ON BSEC'S NOTIFICATION

Status of compliance for the period ended 30 June 2024 of Legacy Footwear PLC with the Conditions imposed by BSEC's Notification on Corporate Governance Code No. BSEC/CMRRCD/2006- 158/207/Admin/80 dated 03 June 2018 issued under Section 2CC of the Securities and Exchange Ordinance, 1969 is presented below:

Condition No.	Title	Complied	Not Complied	Remarks (If any)
1	Board of Directors (BoD)			
1(1)	Size of the Board of Directors (Number of Board members - minimum 5 and maximum 20).	✓		Total 5 Board of Directors.
1(2)	Independent Directors			
1(2)(a)	At least one fifth (1/5) of the total number of Directors Shall be Independent Directors.	✓		
1(2)(b)	Independent Director means a Director			
1(2)(b)(i)	Does not hold any share or holds less than 1% shares of the total paid-up shares of the company.	✓		
1(2)(b)(ii)	Not a sponsor of the company or not connected with the company's any sponsor/director/nominated director shareholder / associates / sister concerns/subsidiaries and parents or holding entities who holds 1% or more shares of the total paid-up shares of the company on the basis of family relationship and his/her family member also shall not hold said mentioned shares in the company.	✓		
1(2)(b)(iii)	Not been an executive of the Company in immediately preceding 2 (two) financial years.	✓		
1(2)(b)(iv)	Does not have any other relationship, whether Pecuniary or otherwise, with the company/ subsidiary/ associated companies.	✓		
1(2)(b)(v)	Not a member or TREC holder, director or officer of any stock exchange.	✓		
1(2)(b)(vi)	Not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market.	✓		
1(2)(b)(vii)	Not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or conducting special audit or professional certifying compliance of the Code.	✓		
1(2)(b)(viii)	Not be an independent director in more than 5 (five) listed companies.	✓		
1(2)(b)(ix)	Not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or Advance to a bank or NBFI.	✓		

S.M. Zakaria



Condition No.	Title	Complied	Not Complied	Remarks (If any)
1(2)(b)(X)	Not been convicted for a criminal offence involving moral turpitude.	✓		
1(2)(c)	Appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM).	✓		
1(2)(d)	Not remain vacant for more than 90 (ninety) days.	-	-	N/A
1(2)(e)	The office tenure of an Independent Director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	✓		
1.3	Qualification of Independent Director			
1(3)(a)	Shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to the business.	✓		
1(3)(b)(i)	Business Leader: Promoter or director of an unlisted company having minimum paid-up capital of Tk. 100 million or any listed company or a member of any national or international chamber of commerce or business association.	-	-	N/A
1(3)(b)(ii)	Corporate Leader: Top level executive not lower than Chief Executive Officer /Managing Director/Deputy Managing Director/ Chief Financial Officer/Head of Finance or Account s/ Company Secretary/ Head of Internal Audit and Compliance/Head of Legal Service or a person with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100 million or of a listed company .	✓		
1(3)(b)(iii)	Former Govt. Official : Government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale having educational background of bachelor degree in economics or commerce or business or law.'	✓		
1(3)(b)(iv)	University Teacher: Having educational background in economics or commerce or business studies or law.	✓		
1(3)(b)(v)	Professional : An advocate practicing in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification.	✓		
1(3)(c)	Shall have at least 10 (ten) years of experiences as mentioned in clause 1(3)(b)(i) to (v).	✓		
1(3)(d)	In special cases, the above qualifications may be relaxed subject to prior approval of the Commission.	-	-	N/A
1 (4)	Duality of Chairperson of the Board of Directors and Managing Director			
1(4)(a)	Chairperson of the Board and the Managing Director of the Company shall be filled by different individuals.	✓		



Condition No.	Title	Complied	Not Complied	Remarks (If any)
l(4)(b)	The Managing Director of a listed company shall not hold the same position in another listed company.	✓		
l(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company.	✓		
l(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director.	✓		
l(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			N/A
l(5)	The Directors' Report to Shareholders			
l(5)(i)	An industry outlook and possible future developments in the industry.	✓		Director's Report
l(5)(ii)	The segment-wise or product-wise performance.	✓		Do
l(5)(iii)	Risks and concerns.	✓		Do
l(5)(iv)	Discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin.	✓		Do
l(5)(v)	Discussion on continuity of an extraordinary activities and their implications (gain or loss).	✓		Do
l(5)(vi)	Disclosure for related party transactions.	✓		Do
l(5)(vii)	Utilization of proceeds from public issues, rights issues and/or any other instruments.	✓		Do
l(5)(viii)	Explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Share Offer, Direct Listing, etc.			N/A
l(5)(ix)	Explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements.	✓		Director's Report
l(5)(x)	Disclosure for remuneration paid to the directors including independent directors.	✓		Do
l(5)(xi)	Fairness of financial statements.	✓		Do
l(5)(xii)	Maintenance of proper books of accounts.	✓		Do
l(5)(xiii)	Adoption of appropriate accounting policies and estimates.	✓		Do



Condition No.	Title	Complied	Not Complied	Remarks (If any)
l(5)(xiv)	Followed IAS or IFRS as applicable in preparation of the financial statement and departure there from has been adequately disclosed.	✓		Do
l(5)(xv)	Internal control system is sound in design and has been effectively implemented and monitored.	✓		Do
l(5)(xvi)	The interest of the minority shareholders have been duly protected.	✓		Do
l(5)(xvii)	Going concern (ability to continue as a going concern).	✓		Do
l(5)(xviii)	Highlighted and explain significant deviations from the last year's operating results.	✓		Do
l(5)(xix)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	✓		Do
l(5)(xx)	Reasons for non-declaration of dividend.	✓	-	Do
l(5)(xxi)	No bonus share or stock dividend has been declared as interim dividend during the year.		-	N/A
l(5)(xxii)	Total number of Board meetings held during the year and attendance by each director.	✓		Director's Report
l(5)(xxiii)	Pattern of shareholding and name wise details (disclosing aggregate number of shares)			
l(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties.	✓	-	Do
l(5)(xxiii)(b)	Directors, MD, CS, CFO, HIAC and their spouses and minor children.	✓		Do
l(5)(xxiii)(c)	Executives (top five (5) other than mentioned l(S)(xxi ii)(b).	✓		Do
l(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest.	✓		Do
l(5)(xxiv)	In case of the appointment/reappointment of a director, disclose			
l(5)(xxiv)(a)	A brief resume of the director.	✓		Do
l(5)(xxiv)(b)	Expertise in specific functional areas.	✓		Do
l(5)(xxiv)(c)	Holding the directorship and the membership of committees of the Board other than LFL.	✓		Do
l(S)(xxv)	Management's Discussion and Analysis			
l(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements.	✓		Do
l(5)(xxv)(b)	Changes in accounting policies and estimation, if any, disclose the effects on financial results and position as well cash flows.		-	N/A



Condition No.	Title	Complied	Not Complied	Remarks (If any)
1(5)(xxv)(c)	Comparative analysis of financial results and position as well as cash flows for current year with immediate preceding five years.	✓		
1(5)(xxv)(d)	Compare financial results and positions as well as cash flows with the peer industry.	✓		
1(5)(xxv)(e)	Discussion on financial and economic scenario of the country and the global.	✓		
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements.	✓		
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position.	✓		
1(5)(xxvi)	Declaration on Financial Statements for the year ended on 30 June 2024 by the MD and the CFO to the Board.	✓		
1(6)	Meetings of the Board of Directors			
	Meeting of the Board of Directors and record the minutes as well as keep required statutory books and records in line with the relevant provisions of Bangladesh Secretarial Standards (BSS) duly adopted by Institute of Chartered Secretaries of Bangladesh (ICSB).	✓		
1(7)	Code of Conduct (CoC) for Board of Directors			
1(7)(a)	The Board shall lay down a code of conduct, for the Chairperson of the Board, other board members and Managing Director.	✓		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	✓		
2	Governance of Board of Directors of Subsidiary Company			
2(a)	The composition of the Board of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company.	✓	-	
2(b)	At least 1 (one) Independent Director on the Board of the holding company shall be a Director on the Board of the subsidiary company.	✓	-	
2(c)	Submission of Minutes to the holding company.	✓	-	
2(d)	Review of Minutes by the holding company.	✓	-	
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	✓	-	



Condition No.	Title	Complied	Not Complied	Remarks (If any)
3	Managing Director (MD), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)			
3(1)	Appointment	✓		
3(1)(a)	The Board shall appoint a Managing Director (MD), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC).	✓		
3(1)(b)	The positions of the MD, CS, CFO, HIAC shall be filled by different individuals.	✓		
3(1)(c)	The MD, CS, CFO and HIAC of a listed company shall not hold any executive position in other company.	✓		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of CFO, HIAC and CS.	✓		
3(1)(e)	With Board's approval the MD, CS, CFO and HIAC are removed from their position and immediate dissemination to the commission and stock exchanges.	✓		
3(2)	The MD, CS, CFO and HIAC of the Company shall attend the meetings of the Board except such part of the meeting which involves an agenda relating to their personal matters.	✓		
3(3)(a)	The MD and CFO shall certify to the board that they have reviewed financial statements for the year 2023-2024 and to the best of their knowledge and belief			
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.	✓		Given in annual report
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	✓		Do
3(3)(b)	There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's for Board of Directors.	✓		Do
3(3)(c)	The certification of the MD and CFO shall be disclosed in the Annual Report.	✓		Do
4	Board of Directors' Committee			
4(i)	Audit Committee	✓		
4(ii)	Nomination and Remuneration Committee (NRC)	✓		



Condition No.	Title	Complied	Not Complied	Remarks (If any)
5	Audit Committee			
5(1)	Responsibility to the Board of Directors			
5(1)(a)	The Company shall have an Audit Committee as a sub-committee of the Board.	✓		
5(1)(b)	Assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	✓		
5(1)(c)	Responsible to the Board and the duties of the Audit Committee shall be clearly set forth in writing.	✓		
5(2)	Constitution of the Audit Committee			
5(2)(a)	Shall be composed of at least 3 (three) members.	✓		
5(2)(b)	The Board shall appoint members of the Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director.	✓		
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience.	✓		
5(2)(d)	Casual vacancy shall be filled by the Board not later than 1 (one) month from the date of vacancy.	✓		
5(2)(e)	The Company Secretary shall act as the secretary of the Committee.	✓		
5(2)(f)	The quorum of the Committee meeting shall not constitute without at least 1 (one) independent director.			No such event in the year.
5(3)	Chairperson of the Audit Committee			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Committee, who shall be an independent director.	✓		
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No such event in the year.
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM).	✓		



Condition No.	Title	Complied	Not Complied	Remarks (If any)
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year.	✓		Total 4 meetings.
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		
5(5)	Role of Audit Committee			
5(5)(a)	Oversee the financial reporting process.	✓		
5(5)(b)	Monitor choice of accounting policies and principles.	✓		
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report.	✓		
5(5)(d)	Oversee hiring and performance of external auditors.	✓		
5(5)(e)	Hold meeting with the statutory auditors for review of the annual financial statements before submission to the Board for approval.	✓		
5(5)(f)	Review along with the management, the annual financial statements before submission to the Board for approval.	✓		
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval.	✓		
5(5)(h)	Review the adequacy of internal audit function.	✓		
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report.	✓		
5(5)U)	Review all related party transactions.	✓		
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors.			N/A
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors.	✓		
5(5)(m)	Oversee whether IPO proceeds utilized as per the published Prospectus.			N/A



Condition No.	Title	Complied	Not Complied	Remarks (If any)
5(6)	Reporting of the Audit Committee			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓		
5(6)(a)(ii)(a)	Report on conflicts of interests.			N/A
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements.			N/A
5(6)(a)(ii)(c)	Report on suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations.			N/A
5(6)(a)(ii)(d)	Report on any other matter deems necessary shall be disclosed to the Board immediately.			N/A
5(6)(b)	Reporting to BSEC (If any material impact on the financial condition and results of operation, unreasonably ignored by the Board and management).			N/A
5(7)	Reporting to the shareholders of Audit Committee activities, which shall be signed by the Chairperson of the committee and disclosed in the Annual Report.	✓		Given in the annual report.
6	Nomination and Remuneration Committee (NRC)			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board.	✓		
6(1)(b)	Assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive.	✓		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing.	✓		
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director.	✓		
6(2)(b)	At least 2 (two) members of the Committee shall be non-executive directors.	✓		



Condition No.	Title	Complied	Not Complied	Remarks (If any)
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board.	✓		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee.	✓		
6(2)(e)	Casual vacancy shall be filled by the Board within 180 days of occurring such vacancy.			N/A
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee.			N/A
6(2)(g)	The Company Secretary shall act as the secretary of the Committee.	✓		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director.	✓		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓		
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director.	✓		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			N/A
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the Shareholders.	✓		
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year.	✓		One meeting held.
6(4)(b)	The Chairperson of the NRC may convene any Emergency meeting upon request by any member of the NRC.			N/A



Condition No.	Title	Complied	Not Complied	Remarks (If any)
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must.	✓		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓		
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders.	✓		
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully.	✓		
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks.	✓		
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.	✓		
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality.	✓		
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board.	✓		
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board.	✓		
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria.	✓		
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies.	✓		
6(5)(c)	Disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓		



Condition No.	Title	Complied	Not Complied	Remarks (If any)
7	External or Statutory Auditors			
7(1)(i)	Non- engagement in appraisal or valuation services or fairness opinions.	✓		Declared by the auditor.
7(1)(ii)	Non-engagement in designing and implementation of Financial Information System.	✓		Do
7(1)(iii)	Non-engagement in Book Keeping or other services related to the accounting records or financial statements.	✓		Do
7(1)(iv)	Non-engagement in Broker-Dealer services.	✓		Do
7(1)(v)	Non-engagement in Actuarial services.	✓		Do
7(1)(vi)	Non-engagement in Internal Audit or special audit services.	✓		Do
7(1)(vii)	Non-engagement in any other services that the Audit Committee determine s.	✓		Do
7(1)(viii)	Non-engagement in audit or certification services on compliance of Corporate Governance as required under condition no. 9(1).	✓		Do
7(1)(ix)	Non-engagement of any other service that creates conflict of interest.	✓		Do
7(2)	No partner or employees of the external audit firms shall possess any share of the company during the tenure of their assignment; his or her family members also shall not hold any shares in the said company.	✓		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting to answer the queries of the shareholders.	✓		
8	Maintaining a website by the Company			
8(1)	The Company shall have an official website linked with the website of the stock exchange.	✓		
8(2)	The Company shall keep the website functional from the date of listing.	✓		
8(3)	The Company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		



Condition No.	Title	Complied	Not Complied	Remarks (If any)
9	Reporting and Compliance of Corporate Governance			
9(1)	The Company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		The certificate given in the annual report.
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	✓		Appointed at AGM.
9(3)	The directors of the Company shall attach the compliance status in the directors' report whether the Company has complied with these conditions or not.	✓		

[Handwritten Signature]



CORPORATE GOVERNANCE CODE CERTIFICATE

[Certificate as per condition no. 1(5) (xxvii)] of Corporate Governance Code of Bangladesh Securities & Exchange Commission (BSEC) Vide Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018.

**Report to the Shareholders of Legacy Footwear PLC on Compliance on
the Corporate Governance Code**

We have examined the compliance status to the Corporate Governance Code by Legacy Footwear PLC for the year ended on **June 30, 2024**. This Code relates to the Notification no. **BSEC/CMRRCD/2006-158/207/Admin/80** Dated **3 June, 2018** of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.


We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the Securities Laws and other relevant laws; and
- (d) The Governance of the company is satisfactory.

This report, however, is no endorsement about quality of contents in the Annual Report of the company for the year **2023-2024**.

Place: Dhaka
Dated: November 10, 2024




Md. Anwar Hossain FCA
Principal
S.M. Zakaria & Co.
Chartered Accountants

**Auditor's Report and
Audited Financial Statements**

Of

**Legacy Footwear PLC and Its Subsidiary
For the year ended June 30, 2024**

Auditors



MZ Islam & Co.
Chartered Accountants



*An International Affiliated Member Firm of
MGM Accountants Pty Ltd. Australia*

Chamber: 10 (4-7), Eastern View (10th Floor) 50, DIT Ext. Road, Nayapaltan, Dhaka-1000.
TEL: 88-02-48310365, 88-02-222220092 E-mail: mzislam.ca@gmail.com



Independent Auditors' Report

To the Shareholders of

Legacy Footwear PLC and Its Subsidiary

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the Consolidated financial statements of **Legacy Footwear PLC** (the Company), which comprise the Consolidated Statement of Financial Position as at June 30, 2024, Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended and notes to the Consolidated financial statements including a summary of significant accounting policies and other explanatory information disclosed in notes 1 to 31 and Annexure- III.

In our opinion, except for the matters described in the **Basis for Qualified Opinion** section of our report the accompanying consolidated financial statements give a true and fair view the accompanying Consolidated Financial Statements present fairly, in all material respects, the financial position of the Company as at June 30, 2024 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange rules 1987 and other applicable laws and regulations.

Basis for Qualified Opinion

The company has recognized BDT 25,178,050 (**Legacy Footwear PLC**, as cash in hand, held at their head office and factory premises) to the financial statements note no 12 of the Consolidated Financial Statements. However, through our audit procedures we didn't receive reliable and sufficient information/documents to determine the existence of this liquid asset. We couldn't physically verify the cash amount as on 30th June 2024.

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

Our key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements for the year ended on June 30, 2024. These matters were addressed in the context of the audit of the financial statements as a whole and in forming the auditors' opinion thereon and we do not provide a separate opinion on these matters.

In addition to the matter described in the basis for qualified opinion section each matter mentioned below our description of how our audit addressed the matter is provided in the context.



We have fulfilled the responsibilities described in the auditors' responsibilities for the audit of the financial statements section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of our financial statements, the results of our audit procedures, including the procedures performed to address the matters below;

Key Audit Matter	Our response to the key audit matter
Revenue Recognition	
<p>During the year, the company has recognized consolidated revenue of BDT 21,994,931 for the year ended on June 30, 2024. The company's revenue recognition process is not complex and does not involve high level of judgement. However, this a significant driver of company performance and has major impact on the financial statement user's decision making. Finally, this account always has risk of management over-ride of internal controls.</p> <p>Details of Revenue Recognition are included in Note 26.00 to the financial statements.</p>	<p>Our audit procedures are included:</p> <ul style="list-style-type: none">• Obtain an understanding of company's internal controls, systems and processes around revenue recognition and accounts receivable.• Review invoices, delivery reports and other supporting documents such as recognized.• Test subsequent receipts for receivable balances to substantial existence, collectability and completeness of accounts receivable recognized on the books.• Inspect correspondence with clients and customers to determine whether provisions are necessary.



<p>Inventory</p> <p>The company's Consolidated Inventory balance as at June 30, 2024 BDT 24,392,235.00. This represents 4.58% of total assets of the company. There is estimation performed by management in regard to obsolescence and determination of net realizable value. Based on the requirement of estimates and the fact that this is major asset category, this was determined to be a key audit matter.</p> <p>Details of Inventory are included in Note 9.00 to the Financial Statements.</p>	<p>Our audit procedures are included:</p> <ul style="list-style-type: none">• Obtain an understanding of company's internal controls systems and processes around inventory management.• Perform procedures over inventory purchases to substantiate existence, completeness and valuation of inventory.• Perform physical inspection of inventory of determine the existence and valuation inventory.• Perform price testing of inventory of determine inventory valuation and determine whether inventory is obsolete or not.• Revenue prices received by the company and the overall gross margin earned to determine whether the company is able to recover the net realizable value of inventory.
<p>Property, Plant and Equipment</p> <p>Consolidated Property, Plant and equipment (PPE) was recognized at carrying value aggregating to BDT 273,126,624.00 representing over 51.31 % of total assets of the company as on June 30, 2024.</p> <p>Since PPE forms a significant part of the company's total assets, it also involves management judgment to determine estimated useful lives to charge depreciation. Besides, PPE is also subject to impairment review.</p> <p>See Note no 4.00 to the financial statements.</p>	<p>Our audit procedures performed during the audit to address the risks identified consist of the following:</p> <ul style="list-style-type: none">• Obtaining and documenting detailed understanding regarding procurement process of PPE and identified relevant control points and their implementation.• Reviewing recognition, measurement and valuation basis of PPE in compliance with requirement of IAS-16: Property, plant and equipment.



- Performing test of details against sampled population with supporting evidence as maintained by the company to test the accuracy, valuation of capitalized amount and ownership of the assets.
- Assessing the appropriateness and presentation of disclosure notes to the financial statements with the requirement of IAS 16 and other relevant IFRSs.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the Consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation 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.



Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



এম, জেড, ইসলাম এন্ড কোং
M. Z. ISLAM & CO.
Chartered Accountants



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From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report that:

- 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 records and other statutory books as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) The statements of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns; and
- d) The expenditure incurred was for the purposes of the Company's business.

Place: Dhaka

Dated: 28 October 2024



Md. Matiur Rahman

Md. Matiur Rahman FCA, FCMA

Enrollment No: 0765

Partner

M.Z. Islam & Co.

Chartered Accountants

DVC: 2410280765AS365307

**LEGACY FOOTWEAR PLC AND ITS SUBSIDIARY
 CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 AS AT 30 JUNE 2024**

Particulars	Note	(Figures in BDT)	
		30-Jun-2024	30-June-2023 (Solo)
ASSETS			
Non Current Assets		301,273,624	272,131,280
Property, Plant and Equipment/s	4.00	273,126,624	271,979,280
Intangible Assets	Annex- I	1,679,571	-
Capital Work In Progress and In Transit	5.00	22,245,000	-
Right-of-use (ROU) assets	6.00	2,472,429	-
Investment in Marketable Securities	7.00	1,000,000	-
Long Term Security Deposit	8.00	750,000	152,000
Current Assets		231,000,505.00	383,256,670.00
Inventories	9.00	24,392,235.00	3,720,850.00
Accounts Receivable	10.00	28,489,290.00	13,387,325.00
Advances, Deposits & Prepayments	11.00	25,626,215.00	19,269,110.00
Cash and Cash Equivalents	12.00	152,492,765.00	346,879,385.00
Total Assets		532,274,129.00	655,387,950.00
EQUITY AND LIABILITIES			
Equity		483,764,157	482,036,595
Share Capital	13.00	430,799,800	430,799,800
Tax Holiday Reserve		6,476,131	6,476,131
Revaluation Surplus	14.00	115,393,669	115,393,669
Retained Earnings/(Deficit)	15.00	(68,905,443)	(70,633,005)
Non Controlling Interest	16.00	20,680	-
Non Current Liabilities		24,590,859	23,109,559
Workers Participation Fund	17.00	258,647	301,509
Lease liability (non-current portion)	18.00	1,681,741	-
Deferred Tax Liability	19.00	22,650,471	22,808,050
Current Liabilities		23,898,433	150,241,796
Long Term Loan (Current Portion)	20.00	-	116,647,304
Lease liability (current portion)	18.00	363,017	-
Trade & Other Payable	21.00	2,898,142	1,510,396
Liability for Expenses	22.00	1,937,249	2,665,556
Loan & Advance	23.00	297,380	-
Unclaimed Dividend	24.00	734,800	2,780,960
Provision for Income Tax	25.00	17,667,845	26,637,580
Total Equity & Liabilities		532,274,129	655,387,950
Net Asset Value per share (NAVPS)	35.00	11.23	11.19


 CFO


Accompanying notes form an integral part of these Financial Statements


 Company Secretary (c.c)


 Managing Director Chairman

Signed in terms of our separate report of even date.

Place: Dhaka, Bangladesh
 Dated: 28 October 2024


 Md. Matur Rahman FCA, FCMA
 ICAB Enrollment No. 0765
 Partner
 M. Z. Islam & Co.
 Chartered Accountants
 DVC: 2410280765AS365307


LEGACY FOOTWEAR PLC AND ITS SUBSIDIARY
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE YEAR ENDED JUNE 30, 2024

Particulars	Notes	(Figures in BDT)	
		30-Jun-2024	30-June-2023 (Solo)
Turnover	26.00	21,994,931	1,757, 55
Less: Cost of Goods Sold	27.00	(16,625,041)	(6,129,933)
Gross Profit /(Loss)		5,369,890	(4,372,078)
Administrative Expenses	28.00	(8,356,157)	(4,332,328)
Selling & Distribution Expenses	29.00	(149,866)	(163,807)
Bank Charges & Commission	30.00	(328,588)	(6,531)
Abnormal (Income)/ Loss	31.00	-	12,986,116
Operating Profit/(Loss)		<u>(3,464,721)</u>	<u>4,111,372</u>
Other Income	32.00	8,942,871	421,000
Net Profit /(Loss) before Tax and WPPF		5,478,150	4,532,372
Provision for Workers participation Fund		(258,647)	(215,827)
Net Profit /(Loss) before Tax		5,219,503	4,316,545
Current Tax from Operational Income	33.00	(2,304,159)	(100,350)
Deferred Tax (Expense)/Income	19.00	157,579	(876,179)
Net Profit/(Loss) after tax		3,072,923	3,340,016
Non-Controlling Interest		(680)	-
Net Income for the Period		3,072,243	3,340,016
Basic Earnings Per Share (EPS)	34.00	0.07	0.23

Accompanying notes form an integral part of this Financial Statement


(CFO)


Company Secretary (c.c)



Managing Director


Chairman

Signed in terms of our separate report of even date.

Place: Dhaka, Bangladesh
Dated: 28 October 2024



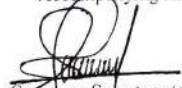

Md. Matiur Rahman FCA, FCMA
ICAB Enrollment No. 0765
Partner
M. Z. Islam & Co.
Chartered Accountants
DVC:2410280765AS365307

**LEGACY FOOTWEAR PLC AND ITS SUBSIDIARY
 CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
 FOR THE YEAR ENDED JUNE 30, 2024**

Particulars	Share Capital	Revaluation Surplus	Tax Holiday Reserve	Retained Earnings/(Deficit)	Amount in Taka
Balance as at 01 Jul, 2023	430,799,800	115,393,669	6,476,131	(70,633,005)	482,036,595
Addition During the year	-	-	-	3,072,243	3,072,243
Profit for the year	-	-	-	-	-
Cash Dividend Paid During the year	-	-	-	(1,344,681)	(1,344,681)
Balance as at 30 Jun, 2024	430,799,800	115,393,669	6,476,131	(68,905,443)	483,764,157


 CFO

Accompanying notes form an integral part of these Financial Statements


 Company Secretary (c.c)


 Managing Director


 Chairman


LEGACY FOOTWEAR PLC AND ITS SUBSIDIARY
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

Particulars	Notes	(Figures in BDT)	
		30-Jun-2024	30-June-2023 (Solo)
Cash flow from Operating Activities: (A)			
Cash receipts from customers and others	37.00	6,892,966.00	1,853,635.00
Cash receipts from others		8,942,871.00	421,000.00
Cash paid to suppliers, employees and others	38.00	(38,026,613.00)	(3,004,140.00)
Advance Income Tax Paid	39.00	(12,985,299.00)	-
Bank Charges & Commission		(328,588.00)	(6,531.00)
Net cash flow from Operating Activities:		(35,504,663.00)	(736,036.00)
Cash flow from Investing Activities: (B)			
Acquisition of Property, Plant and Equipments	40.00	(35,125,154.00)	(14,633,551.00)
Proceeds from sale of Property, Plant and Equipments		-	-
Investing into Capital Market		(1,000,000.00)	-
Intangible Assets		(1,708,038.00)	-
Long Term Security Deposit		(598,000.00)	-
Net cash flow from Investing Activities:		(38,431,192.00)	(14,633,551.00)
Cash flow from Financing Activities: (C)			
Share Capital		-	300,000,000.00
Legacy Shoes Ltd – NCI at acquisition		20,000.00	-
Loan and Advance		297,380.00	3,300,000.00
Dividends Paid in the Year		(3,390,841.00)	-
Lease Payment		(730,000.00)	-
Loan paid to Bank		(116,647,304.00)	-
Net cash flow from Financing Activities		(120,450,765.00)	303,300,000.00
Net changes increase/(decrease) in cash and cash equivalents		(194,386,620.00)	287,930,413.00
(e) Opening Cash & Bank Balances		346,879,385.00	58,948,972.00
Cash & cash equivalents at the end of the period		152,492,765.00	346,879,385.00
Net Operating Cash Flow per Share (NOCFPS)	36.00	(0.82)	(0.02)

Accompanying notes form an integral part of these Financial Statements


CFO


Company Secretary (c.c)


Managing Director


Chairman



LEGACY FOOTWEAR PLC AND ITS SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED JUNE 30, 2024

1.00 Legal Form of the Enterprises

Legacy Footwear PLC. (Here in after said as the company) is a public limited company and its subsidiary, Legacy Shoes Limited incorporated with the Registrar of Joint Stock Companies and Firms, Dhaka, Bangladesh under Companies Act, 1994. The Legacy Footwear PLC. is listed with the Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange PLC.

1.01 Address of Registered office and factory of the company:

- a) Registered Office: House-133, (Ground Floor), Lane-01 (West Side), DOHS Baridhara, Dhaka-1206
- b) Factory Office: Vannara Village, Mouchak Mouza, PS- Kaliakair, Gazipur District
- c) Factory Office of Legacy Shoes Limited: Vannara Village, Mouchak Mouza, PS- Kaliakair, Gazipur District

1.02 Nature of Business:

The company is engaged in the production of all types of quality leather/synthetic footwear and accessories and its product consume by local and international customer.

2.00 Summary of significant accounting policies and other material information:

2.01 Statement of Compliance:

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

2.0 Basis of Consolidation:

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

3.00 Statement on Compliance of International Financial Reporting Standards:

The following IAS is applicable to the financial statements for the year under review:

IAS	Title	Remark
IAS 1	Presentation of Financial Statements	Applied
IAS 2	Inventories	Applied
IAS 7	Statement of Cash Flows	Applied
IAS 8	Accounting policies, Changes in Accounting Estimates & Errors	Applied
IAS 10	Events after the Reporting period	Applied
IAS 12	Income Taxes	Applied
IAS 16	Property, Plant And Equipment	Applied
IAS 19	Employee Benefits	Applied
IAS 21	The Effects of Changes in Foreign Exchange Rates	Applied
IAS 23	Borrowing Costs	Applied
IAS 24	Related Party Disclosures	Applied
IAS 32	Financial Instruments: Presentation	Applied
IAS 33	Earnings Per Share	Applied
IAS 36	Impairment of Assets	Applied
IAS 37	Provision , Contingent Liabilities and Contingent Assets	Applied
IAS 38	Intangible Assets	Applied

The following IFRS is applicable to the financial statements for the year under review:

IFRS	Title	Remark
IFRS 1	First-time Adoption of Bangladesh Financial Reporting Standards	Applied
IFRS 7	Financial Instruments: Disclosures	Applied
IFRS 8	Operating Segments	Not Applicable
IFRS 9	Financial Instruments	Applied
IFRS 15	Revenue From Contracts with Customers	Applied
IFRS 16	Leases	Applied



3.01 Going Concern:

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

3.02 Accrual Basis:

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

3.03 Functional and presentation currency:

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

3.04 Structure Contents and Presentation of Financial Statements:

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

- i) Consolidated Statement of Financial Position as at June 30, 2024;
- ii) Consolidated Statement of Profit or Loss and other Comprehensive Income for the year ended June 30, 2024;
- iii) Consolidated Statement of Changes in Equity for the year ended June 30, 2024;
- iv) Consolidated Statement of Cash Flows for the year ended June 30, 2024 and
- v) Notes comprising a summary of significant accounting policies and other explanatory information to the Consolidated Financial Statements for the year ended June 30, 2024.

3.05 Use of Estimates and Judgements:

The preparation of financial statements in conformity with IFRSs requires management to make Judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and assumptions are reviewed on an ongoing basis. The estimates and underlying assumptions are based on past experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making Judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects

only that period or in the period of revision and future periods if the revision affects both current and future periods. In particular, significant areas of estimation uncertainty and critical Judgements in applying accounting policies that has the most significant effect on the amount recognized in the financial statements are income tax provision (both current and deferred tax) and depreciation provision.

3.06 Statement of Cash Flows:

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



3.07 Property, Plant and Equipment:

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

Depreciation is computed on the reducing balance basis over the estimated useful lives as follows:

Category of fixed assets	Rate of Depreciation
Land and Land Development	0%
Building & Civil work	10%
Plant & Machinery	10%
Equipments	10%
Furniture	10%
Generator	10%
Air Compressor with Trolley	10%
CC Camera	10%
Air Conditioner	10%
Water Filter	10%
Computer	25%
Office decoration	10%

3.08 Capital Work in Progress:

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

3.09 Inventories:

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

3.10 Employees' Benefit Scheme:

Worker's Profit & Participation Fund:

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

3.11 Other Income:

It is recognized on accrual basis.

3.12 Advances, Deposits and Prepayments:

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

3.13 Due to/Due from sister concern:

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



3.14 Financial Instruments:

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

Receivables:

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

Payables:

Trade Payables are stated at their nominal value.

Cash and Cash Equivalents:

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

3.15 Taxation:

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

Current Tax:

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

tax rates that have been enacted on date of Statement of Financial Position.

Deferred Tax:

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

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

3.16 Related Party Transaction:

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

3.17 Earnings Per Share:

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

3.18 Comparative Figure:

The comparative figures have been regrouped, reclassified or modified from previously published interim and annual Financial Statements to facilitate any necessary presentational changes to conform to the current year's presentation. Comparative information has been disclosed in respect of the previous year for all numerical information in the current financial statement. Narrative and descriptive information for comparative information have also been disclosed whenever it is relevant for understanding of current year's financial statements.

3.19 Financial Year:

For this year financial year means, July 01, 2023 to June 30, 2024

3.20 Consolidated Financial Statements:

Consolidated Financial Statements comprise the following:

1. Legacy Footwear PLC.
2. Legacy Shoes Limited

3.21 General:

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



LEGACY FOOTWEAR PLC AND ITS SUBSIDIARY
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 AS AT 30 JUNE 2024

Particulars	(Figures in BDT)	
	30-Jun-2024	30-06-2023 (Solo)
4.00 Consolidated Property, Plant & Equipment		
Cost		
Opening Balance	380,354,883	255,529,237
Addition during the year	12,880,154	222,637,557
Adjustment for Disposal/Obsolete during the year	-	(97,811,911)
	<u>393,235,037</u>	<u>380,354,883</u>
Accumulated Depreciation		
Opening Balance	108,375,603	143,549,448
Charged during the Year	11,732,810	5,040,848
Adjustment for Disposal/Obsolete during the year	-	(40,214,693)
	<u>120,108,413</u>	<u>108,375,603</u>
Written Down Value (WDV)	<u>273,126,624</u>	<u>271,979,280</u>
5.00 Capital Work In Progress and In Transit		
Interior Decoration	2,554,000	
Building and Civil Work	4,128,000	
Plant and Machinery Overhauling	7,500,000	
Land Improvement	8,063,000	
	<u>22,245,000</u>	<u>-</u>
6.00 Right-of-use assets		
Opening balance	-	-
Add: Addition during the year	2,697,195	-
Less: Depreciation during the year	(224,766)	-
Closing balance	<u>2,472,429</u>	<u>-</u>
7.00 Investment in Marketable Securities		
Investment in Share (Secondary)	-	-
IPO Investment	1,000,000.00	-
	<u>1,000,000.00</u>	<u>-</u>
8.00 Consolidated Long Term Security Deposit:		
Long Term Security Deposit	750,000	152,000
	<u>750,000</u>	<u>152,000</u>
9.00 Consolidated Stock & Stores:		
Leather & Chemical (Note 27.01)	18,553,075	828,314
Accessories Materials (Note 27.02)	1,852,129	409,266
Packing Materials (Note 27.03)	293,343	127,394
Spares Parts (Note 27.04)	324,625	1,755,584
Stock of Finished Goods (Note 27)	3,161,882	132,692
Work in process (Note 27)	207,181	467,600
	<u>24,392,235</u>	<u>3,720,850</u>
10.00 Consolidated Receivable		
Accounts Receivables	28,061,800	13,387,325
Inter Company Receivable	-	-
Interest Receivable	427,490	-
	<u>28,489,290</u>	<u>13,387,325</u>



11.00 Advance, Deposit & Prepayments:		
Advance against Leather & Accessories	19,014,810	14,369,110
Temporary Loan	4,900,000	4,900,000
Advance Income Tax	1,711,405	-
	25,626,215	19,269,110
12.00 Consolidated Cash & Bank Balances:		
Cash in Hand (A)		
Cash in Hand (H.O.)	13,160,378	32,768,251
Petty Cash (H.O.)	235,995	36,375
Petty Cash (Factory)	11,878,400	14,070,674
	25,274,773	46,875,300
Cash in Banks: (B)		
AB Bank Ltd.	1,673	-
Jamuna Bank PLC (1001001492858)	2,951,882	300,003,360
Jamuna Bank PLC (1001001557307)	44,226	-
Midland Bank Limited (0011-1050009342)	958	-
Midland Bank PLC	1,586	-
Exim Bank Limited	29,943	725
ALPHA CAPITAL MANAGEMENT-U0388	4,187,724	-
	7,217,992	300,004,085
Fixed Deposit (C)		
Jamuna Bank Ltd (FDR-35345)	40,000,000.00	-
Jamuna Bank Ltd (FDR-43185)	20,000,000.00	-
Jamuna Bank Ltd (FDR-43209)	30,000,000.00	-
Jamuna Bank Ltd (FDR-46674)	30,000,000.00	-
	120,000,000	-
Total (A+B+C)	152,492,765	346,879,385
13.00 SHARE CAPITAL :		
Authorized Capital :		
75,000,000 Ordinary Shares of Tk. 10/- each	760,000,000	750,000,000
Issued, Subscribed and Paid-up Capital :		
Ordinary Shares of Tk. 10/- each	430,799,800	430,799,800
14.00 Consolidated Revaluation Surplus		
Opening Balance	115,393,669	64,790,813
Addition during the year	-	65,117,385
Adjustment during the year for devaluation of building & civil works	-	(5,197,486)
Deferred tax on revaluation surplus on Land & Land Development during the year	-	(9,767,608)
Add/(Less): Transfer from/(to) retained earnings	-	450,565
Closing Balance:	115,393,669	115,393,669
15.00 RETAINED EARNINGS:		
Opening Balance	(70,633,005)	(73,522,456)
Transfer from/(to) revaluation reserve to retained earnings (current)	-	-450,565
Net profit/(Loss) for the year	3,072,243	3,340,016
Cash Dividend	(1,344,681)	-
	(68,905,443)	(70,633,005)
Share of Post acquisition subsidiaries Profit/(Loss) @ 98%	(68,905,443)	(70,633,005)
16.00 Non Controlling interest		
Legacy Shoes Ltd – NCI at acquisition	20,000	-
Share of post-acquisition Profit/(Loss) @ 2%	680	-
	20,680	-



- a) This represents the minority share holdings in Legacy Shoes Limited as on June 30, 2024
 b) Voting power is not different with proportion of ownership interest. The Group is using equity method of accounting in preparation of consolidated financial statements.

17.00 Consolidated WORKERS PARTICIPATION FUND :

The above amount represents provision for Workers Profit Participation Fund for 12 months as well unpaid amounts from previous fiscal year. Provision has been made @ rate 5 % on the net profit before tax.

Opening Balance	301,509	216,282
Additions during the period (5% of Net Income before tax)	258,647	215,827
Less: Payments made during the year	(301,509)	(130,600)
Closing Balance	258,647	301,509

18.00 Lease liability

Opening balance	-	-
Add: Addition during the year	2,697,195	-
Add: Finance cost	77,563	-
Less: Rent paid	(730,000)	-
Closing balance	2,044,758	-

Allocated to:

Non-current liabilities	1,681,741	-
Current liabilities	363,017	-
Total	2,044,758	-

19.00 Consolidated Deferred Tax Liability
Deferred Tax (Income)/Expenses recognised in profit and Loss
A Account:

Property, Plant & Equipment-Cost		
WDV of Property, Plant & Equipment (excluding Land) - Carrying Value	113,646,491	113,869,280
WDV of Property, Plant & Equipment (excluding Land) - Tax Value	94,589,144	93,498,774
Taxable/(Deductable) Temporary Difference	19,057,347	20,370,506
Income Tax Rate	12%	12%
Closing Deferred Tax (Assets)/Liability	2,286,882	2,444,461
Less: Additional Depreciation allowed by NBR		
Closing Deferred Tax (Assets)/Liability, net (excluding Land) on Cost	2,286,882	2,444,461

Closing Deferred Tax (Assets)/Liability	2,261,218	2,444,461
Opening Deferred Tax (Assets)/Liability	2,444,461	1,568,282

Deferred Tax Expenses/(Income) to be Recognized in Profit & Loss Account	(183,243)	876,179
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B Deferred Tax (Income)/Expenses recognised in other Comprehensive income and revaluation surplus:

Land & Land Development-Revaluation		
WDV of Land & Land Development - Carrying Value	158,110,000	158,110,000
WDV of Land & Land Development - Tax Value	22,352,742	22,352,742
Taxable/(Deductable) Temporary Difference	135,757,258	135,757,258
Income Tax Rate	15%	15%
Closing Deferred Tax (Assets)/Liability on Revaluation	20,363,589	20,363,589



Closing Deferred Tax Liability	20,363,589	20,363,589
Opening Deferred Tax Liability	20,363,589	10,595,981
Deferred Tax (Income)/Expenses recognised in other Comprehensive income and revaluation surplus:	-	9,767,608
Total Deferred Tax (Assets)/Liability (A+B)	22,650,471	22,808,050
20.00 Consolidated Long Term Loan From Rupali Bank :		
Opening Balance	116,647,304	309,005,126
Less: Loan repaid	(116,647,304)	-
	-	309,005,126.00
Less : Adjustment	-	(16,505,834.00)
	-	292,499,292.00
Less : Exemption of interest by the bank	-	(175,851,988.00)
	-	116,647,304.00
21.00 Consolidated Trade & Other Payable		
Munsi Ca Particulars	-	8,250
Bay Tanneries	-	18,465
M.B.Tannery	-	21,650
Ork Traders	-	824,742
Black Bull Agro	-	-
RSF Steel Craft	1,405,264	-
Uprise	12,878	618,557
Hasan Chemical	-	18,732
Advance Receipt From Helim	250,000	-
Advance Receipt From Raihan	230,000	-
Land marked Footwear Ltd	1,000,000	-
	2,898,142	1,510,396
22.00 Consolidated Liability For Expenses:		
Salaries (H/O)	509,228	72,500
Remuneration	-	1,200,000
Salaries & Wages	788,057	114,700
Knowledge Sharing Consultancy	2,500	-
Electricity (Factory)	-	58,632
Access Telecom(BD) Ltd.	3,620	-
BDJOBSBD.COM	8,407	-
Telephone & Others (H/O)	4,217	450
ARTHOSUCHAK	-	-
J.S Advertising & Printing	-	-
Ucash	-	73,000
Black Bull Agro	-	-
TDS Payable	7,500	-
Office Rent	-	40,700
Service Charge	-	9,000
CDBL Connection Fees	-	217,032
CSE Annual Listing Fees	285,364	435,364
DSE Annual Listing Fees	-	213,143
VAT Payable	67,371	-
CDBL Internet Connection	2,235	16,035
Audit Fee	258,750	215,000
	1,937,249	2,665,556



23.00 Loan & Advance

 Legacy Footwear PLC
 Advance Against Sales
 Managing Director

-	-
143,880	-
153,500	-
297,380	-

24.00 Consolidated Unclaimed Dividend

 Unclaimed Dividend Less than 01 Year
 Unclaimed Dividend Less than 03 Years
 Unclaimed Dividend Less more 03 Year

34,800	-
700,000	700,000
-	2,080,960
734,800	2,780,960

25.00 Consolidated Provision For Income Tax :

 Opening Balance
 Provision during the year

 Adjusted during the year
 Closing Balance

26,637,580	26,537,230
2,304,159	100,350
28,941,739	26,637,580
(11,273,894)	-
17,667,845	26,637,580



LEGACY FOOTWEAR PLC AND ITS SUBSIDIARY
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

Particulars	(Figures in BDT)	
	30-Jun-2024	30-06-2023 (Solo)
26.00 Consolidated Sales Revenue	21,994,931	1,757,855
Sales Revenue	2,121,640	1,757,855
Sub-Contract Sales	18,584,950	-
27.00 Consolidated Cost Of Goods Sold:		
Raw Material Consumed (Leather & Chemical) [20.01]	848,589	554,484
Material Consumed (Accessories) [20.02]	377,360	251,301
Packing Material Consumed [20.03]	222,628	57,304
Spare Parts Consumed [20.04]	185,100	48,609
Manufacturing Overhead [20.05]	16,472,151	7,215,412
Cost of Goods Manufacturing	18,105,828	8,127,110
Work in Process (Opening)	132,692	230,000
Work in Process (Closing)	(207,181)	(132,692)
Cost of Production	18,031,339	8,224,418
Add: Opening stock of Finished Goods	1,755,584	15,461,356
Less: Impairment of Finished Goods	-	(15,800,257)
Less: Closing stock of Finished Goods	(3,161,882)	(1,755,584)
Total Cost Goods Sold	16,625,041	6,129,933
27.01 Consolidated Raw Materials Consumed (Leather & Chemical):		
Opening Stock	828,314	6,782,915
Purchase during the period	18,573,350	2,054,705
Obsolesces Stock of Raw Material	-	(7,454,822)
	19,401,664	1,382,798
Closing Stock	(18,553,075)	(828,314)
Raw Materials Consumed	848,589	554,484
27.02 Consolidated Accessories Materials Consumed :		
Opening Stock	409,266	4,258,267
Add : Purchase during the period	1,820,223	85,692
Obsolesces Stock of Accessories Materials	-	(3,683,392)
	2,229,489	660,567
Closing Stock	(1,852,129)	(409,266)
Accessories Materials Consumed	377,360	251,301
27.03 Consolidated Packing Materials Consumed :		
Opening Stock	127,394	1,258,645
Purchase during the period	388,577	72,605
Obsolesces Stock of Packinng Material	-	(1,146,552)
	515,971	184,698
Closing Stock	(293,343)	(127,394)
Packing Materials Consumed	222,628	57,304
27.04 Consolidated Spare Parts Consumed :		
Opening Stock	467,600	4,652,345
Purchase during the period	42,125	72,264
Obsolete Stock of Spare Parts	-	(4,208,400)
	509,725	516,209
Closing Stock	(324,625)	(467,600)
Spare Parts Consumed	185,100	48,609



27.05 Consolidated Manufacturing Overhead :

Salary & Wages	3,772,075.00	1,376,400.00
Bonus & Overtime	401,308.00	229,400.00
Depreciation (Annexure-01)	11,142,400.00	4,788,806.00
Depreciation on ROU assets	224,766.00	
Fooding Expenses	3,000.00	
Electricity, Gas & Water	601,075.00	599,595.00
Insurance Premium	-	-
Carriage Inward	41,124.00	16,863.00
Repairs & Maintenance	83,292.00	13,234.00
Fuel & Lubricant	44,458.00	59,597.00
Internet	44,809.00	20,298.00
Sub-contract	-	21,384.00
Medical Expenses	5,674.00	18,181.00
Fooding	32,421.00	24,231.00
Conveyance	31,667.00	23,503.00
Stationery	15,648.00	12,534.00
Misc. Expenses	23,764.00	4,551.00
Telephone & Mobile	4,670.00	6,835.00
	16,472,151	7,215,412

28.00 Consolidated Administrative Overhead:

Salaries and Allowances	4,345,487	870,000
Bonus	402,000	145,000
Directors Remuneration	-	1,200,000
AGM/EGM Expenses	37,082	
Entertainment	859	19,098
Printing & Stationary	38,502	14,197
Medical Expenses	5,064	1,445
Office Rent & Other charges	631,000	564,000
Traveling & Conveyance	31,389	13,642
Fooding Expenses	90,000	
Recruitment Expenses	40,842	
Telephone & Mobile	4,535	7,065
Telex, Fax & Photocopy	9,610	7,256
Electricity & Wasa	47,684	24,600
Statutory Audit Fees	258,750	215,000
Proceed Utilization Audit Fee	553,825	
DSE Annual and Others Fees	270,400	
Amortization()	28,467	
Depreciation (Annexure-01)	590,410	252,042
AGM/EGM Expenses	72,538	73,000
Computer accessories, networking & software Exp	78,000	
Membership Fee	-	-
Postage & Stamp	10,580	1,319
Misc. Expenses	51,890	3,147
Daily Labour	-	4,203
Repairs & Maintenance	54,365	14,168
Welfare	-	2,818
Paper	-	3,546
Registration & Renewals	664,478	865,539
Internet and Dish bill	38,400	28,035
Water	-	3,208
	8,356,157	4,332,328

29.00 Consolidated Selling Expenses:

Promotional Expenses	146,355	101,154
Sample Distribution	3,511	
Carriage Outward	-	47,020
Trade Promotion	-	15,633
	149,866	163,807



30.00 Consolidated Bank Charges & Commission

 Bank Charges & Commission
 Finance costs-lease liability
 Interest on Long Term Loan

251,025	6,531
77,563	-
-	-
328,588	6,531

31.00 ABNORMAL (INCOME)/LOSS

 Impairment of Inventories
 Bad Debt
 Impairment of Building & Civil work
 Impairment of Plant & Machneries overhauling
 Waiver of Bank Interest

-	32,293,423
-	82,121,401
-	52,399,732
-	12,557,150
-	(192,357,822)
-	(12,986,116)

32.00 Consolidated Other Income:

 Sale of Factory wastage
 FDR Interest
 Capital Gain/(Loss)
 Rental Income Shops

-	-
8,649,812	-
186,729	-
106,330	421,000
8,942,871	421,000

33.00 Addition during the year:

 Tax on Business income
 Tax on other income

87,114	5,625
2,217,045	94,725
2,304,159	100,350



33.00 DIRECTORS OF THE COMPANY:

a) Number of Directors:

There are Five Directors including One Independent Directors of the Company for the year ended

b) Salary and Remuneration of the Management team:

Aggregate amount paid to the Management team for their services rendered as defined in the schedule 12 (2) Para 4 part- ii of Securities and Exchange Rules 1987 are given below:

34.00 Earning per share (EPS)

Basic earnings per share:

Profit after tax

3,072,243	3,340,016
43,079,980	3,340,016
43,079,980	14,395,048
0.07	0.23

Profit attributable to ordinary shareholders

Total weighted average number of shares outstanding during the year

Basic earnings per share (Tk 10/= per Share)

The reason of deviation of Earning Per Share (EPS) has been due to increase number of share. Beside, decrease sales compare to previous year. Moreover, there no financial expenses during the year except bank charge.

35.00 Net Asset Value Per Share (NAVPS)

Shareholders' Equity

No. of Share for Share Capital

Potential No. of Share for Share Money Deposit

Total No of Share to Calculate Net Asset Value Per Share

NAVPS (Net Asset Value Per Share)

483,764,157	482,036,595
43,079,980	43,079,980
-	-
43,079,980	43,079,980
11.23	11.19

36.00 Net Operating Cash Flow per Share (NOCFPS)

Net Operating Cash Flow

No. of Share for Share Capital

Potential No. of Share for Share Money Deposit

Total No of Share to Calculate Net Asset Value Per Share

Net Operating Cash Flow per share

(35,504,663.00)	(736,036.00)
43,079,980	43,079,980
-	-
43,079,980	43,079,980
(0.82)	(0.02)

The reason of deviation of Net Operation Cash Flow per share has been due to increase of payment of Cost and Expense as well as payment Advance Income Tax (AIT) amounting Tk 11,273,894 during the period.



37.00 Cash Received from Customers and others income:

Revenue	21,994,931	1,757,855
Add: Bills Receivable balance b/d	13,387,325	95,604,506
Less: Bills Receivable balance e/d	(28,489,290)	(13,387,325)
Less: Adjusted during the year (Bad debt)	-	(82,121,401)
	<u>6,892,966</u>	<u>1,853,635</u>

38.00 Cash Paid to Suppliers, employees and others expenses

Cost of Goods Sold	(16,625,041)	(6,129,933)
Administrative expenses	(8,356,157)	(4,332,328)
Selling and distribution Expenses	(149,866)	(163,807)
Adjustment for Depreciation	11,732,810	5,040,848
Depreciation on ROU assets	224,766	-
Finance costs-lease liability	77,563	-
Adjustment for Amortization	28,467	-
Workers Participation Fund	(301,509)	(130,600)
Increase/Decrease Trade Payables	1,387,746	1,379,393
Increase/Decrease Liability for expenses	(728,307)	2,062,337
Increase/Decrease Inventory	(20,671,385)	(3,370,745)
Increase/Decrease Advance deposits and prepayments	(4,645,700)	2,640,695
	<u>(38,026,613)</u>	<u>(3,004,140)</u>

39.00 Income Tax paid

Opening AIT	-	-
Less: Closing AIT	(1,711,405)	-
Less: Current year Provision	(2,304,159)	(100,350)
Less: Opening Provision for Tax	(26,637,580)	(26,537,230)
Closing Provision for Tax	7,667,845	26,637,580
	<u>(2,985,299)</u>	<u>-</u>

40.00 Cash flow for Property Plant and Equipment / Capital in Working Progress

Addition to Property Plant & Equipments	(12,880,154)	(157,520,172)
Addition to Capital Work In Progress	(2,245,000)	(14,633,551)
Adjustment for Transfer from CWIP to PPE	-	157,520,172
	<u>(35,125,154)</u>	<u>(14,633,551)</u>

41.00 Reconciliation of Net profit before tax with Cash flow from operating activities

Net profit before income tax	5,219,503.00	4,316,544.91
Financial Expenses	328,588.00	6,531.00
Workers' Profit Participation Fund (WPPF)	258,647.00	-
Adjustment for Depreciation	11,732,810.00	5,040,848.00
Depreciation on ROU assets	224,766.00	-
Finance costs-lease liability	77,563.00	-
Adjustment for Amortization	28,467.00	-
Workers' Profit Participation Fund (WPPF) During the year	(301,509.00)	85,227.00
(Increase)/Decrease Inventory	(20,671,385.00)	(3,370,745.00)
(Increase)/Decrease Receivable	(15,101,965.00)	95,780.00
Increase/Decrease Advance deposits and prepayments	(4,645,700.00)	2,640,695.00
Increase/(Decrease) Trade & Other Payable	1,387,746.00	1,379,393.00
Increase/Decrease Liability for expenses	(728,307.00)	2,062,337.00
Financial Expenses	(328,588.00)	(6,531.00)
Income Tax Paid	(12,985,299.00)	-
Abnormal Income	-	(12,986,116.00)
Net Cash (used in)/generated by operating activities	<u>(35,504,663.00)</u>	<u>(736,036.09)</u>



LEGACY FOOTWEAR PLC AND ITS SUBSIDIARY

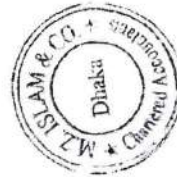
Consolidated Schedule of Intangible Assets

AS AT 30 JUNE 2024

Annex-1

COST VALUE

Sl. No.	Particulars	COST			Depr. Rate	DEPRECIATION			Written Down Value As on 30 Jun, 2024
		Balance as on 01 July, 2023	Addition	Adjustment		Balance as on 30 Jun, 2024	Charged	Adjustment	
1	Customs Bond Licence	-	1,708,038	-	20%	-	28,467	-	1,679,571
	As on 30-06-2024	-	1,708,038	-		-	28,467	-	1,679,571



LEGACY FOOTWEAR PLC AND ITS SUBSIDIARY

Consolidated Schedule of Property, Plant & Equipment

AS AT 30 JUNE 2024

Sl. No.	Particulars	COST /Revaluation			Depr. Rate	DEPRECIATION			Written Down Value As on 30 Jun. 2024
		Balance as on 01 July, 2023	Addition	Adjustment		Balance as on 30 Jun. 2024	Charged	Adjustment	
1	Land and Land Development (REVALUATION)	135,757,258	-	-	0%	-	-	-	135,757,258
2	Land and Land Development	22,352,742	1,443,887	-	0%	-	-	-	22,352,742
3	Building & Civil work	91,041,521	10,131,189	-	10%	9,140,249	-	9,140,249	83,345,159
4	Plant & Machinery	118,330,377	4,650,764	-	10%	2,169,698	-	101,335,885	27,125,681
5	Equipments	4,650,764	306,104	-	10%	108,111	-	3,723,889	1,111,375
6	Furniture & Fixtures	2,376,521	650,000	-	10%	22,523	-	2,450,333	432,292
7	Generator	516,000	16,000	-	10%	35,272	-	361,053	804,947
8	Air Compressor with Trolley	83,000	-	-	10%	52,403	-	55,863	43,137
9	CC Camera	147,500	-	-	10%	93,126	-	98,563	48,937
10	Air Conditioner	1,000,000	-	-	10%	558,006	-	602,205	397,795
11	Water Filler	14,000	-	-	10%	8,839	-	9,355	4,645
12	Computer	384,600	59,000	-	25%	240,149	-	279,949	163,651
13	Office decoration	3,500,600	89,474	-	10%	1,887,524	-	2,051,069	1,539,005
As on 30.06.2024		380,354,883	12,880,154	-		11,732,810	-	120,108,413	273,126,624

Figures in Taka

30-Jun-2024	30-Jun-2023
11,142,400	4,788,806
590,410	252,042
11,732,810	5,040,848

Depreciation charged to Cost of Goods Sold
Dep. charged to Administrative Overhead

LEGACY FOOTWEAR PLC AND ITS SUBSIDIARY

Consolidated Schedule of Property, Plant & Equipment

AS AT 30 JUNE 2023

Sl. No.	Particulars	COST /Revaluation			Depr. Rate	DEPRECIATION			Written Down Value As on 30 Jun. 2023
		Balance as on 01 Jul. 2022	Addition	Adjustment		Balance as on 01 Jun. 2023	Charged	Adjustment	
1	Land and Land Development (REVALUATION)	70,639,873	65,117,385	-	10%	577,498	-	-	135,757,258
2	Building & Civil Work (REVALUATION)	16,425,235	19,642,615	-	10%	1,894,832	-	-	22,352,742
3	Land and Land Development	2,710,127	137,877,557	-	10%	2,129,354	-	-	91,041,521
4	Building & Civil work	34,550,640	118,330,377	81,386,676	10%	2,129,354	-	99,166,187	19,164,190
5	Plant & Machinery	118,330,377	4,650,764	-	10%	114,999	-	3,615,778	1,034,986
6	Equipments	4,650,764	2,576,521	-	10%	16,523	-	2,437,810	148,711
7	Furniture	2,376,521	516,000	-	10%	21,135	-	325,781	190,219
8	Generator	516,000	83,000	-	10%	3,400	-	52,403	30,507
9	Air Compressor with Trolley	83,000	-	-	10%	87,084	-	93,126	54,374
10	CC Camera	147,500	-	-	10%	49,111	-	558,006	441,994
11	Air Conditioner	1,000,000	-	-	10%	508,895	-	8,839	5,161
12	Water Filler	14,000	-	-	10%	8,266	-	240,149	144,451
13	Computer	384,600	59,000	-	25%	191,999	-	1,887,524	163,651
14	Office decoration	3,500,600	89,474	-	10%	1,708,293	-	2,051,069	1,539,005
As on 30.06.2023		255,529,237	222,637,557	97,811,911		5,040,848	40,214,693	108,375,603	271,979,280

Figures in Taka

30-Jun-2023	30-Jun-2022
4,788,806	5,941,070
252,042	312,688
5,040,848	6,253,758

Depreciation charged to Cost of Goods Sold
Dep. charged to Administrative Overhead



**Auditor's Report and
Audited Financial Statements**

Of

**Legacy Footwear PLC
For the year ended June 30, 2024**

Auditors



MZ Islam & Co.
Chartered Accountants



*An International Affiliated Member Firm of
MGM Accountants Pty Ltd. Australia*

Chamber: 10 (4-7), Eastern View (10th Floor) 50, DIT Ext. Road, Nayapaltan, Dhaka-1000.
TEL: 88-02-48310365, 88-02-222220092 E-mail: mzislam.ca@gmail.com



Independent Auditors' Report

To the Shareholders of

Legacy Footwear PLC

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of **Legacy Footwear PLC** (the Company), which comprise the Statement of Financial Position as at June 30, 2024, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory information disclosed in notes 1 to 49.5 and Annexure- III.

In our opinion, except for the matters described in the **Basis for Qualified Opinion** section of our report the accompanying financial statements of the accompanying financial statements give a true and fair view in all material respects, the financial position of the Company as at June 30, 2024 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange rules 1987 and other applicable laws and regulations.

Basis for Qualified Opinion

The company has recognized BDT 25,178,050 as cash in hand, held at their head office and factory premises as per Note 13.00 to the financial statements. However, through our audit procedures we didn't receive reliable and sufficient information/documents to determine the existence of this liquid asset. We couldn't physically verify the cash amount as on 30th June 2024.

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

Our key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements for the year ended on June 30, 2024. These matters were addressed in the context of the audit of the financial statements as a whole and in forming the auditors' opinion thereon and we do not provide a separate opinion on these matters.

In addition to the matter described in the basis for qualified opinion section each matter mentioned below our description of how our audit addressed the matter is provided in the context.

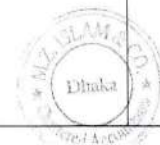




We have fulfilled the responsibilities described in the auditors' responsibilities for the audit of the financial statements section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of our financial statements, the results of our audit procedures, including the procedures performed to address the matters below;

Key Audit Matter	Our response to the key audit matter
<p>Revenue Recognition</p> <p>During the year, the company has recognized revenue of BDT 20,706,590 for the year ended on June 30, 2024. The company's revenue recognition process is not complex and does not involve high level of judgement. However, this a significant driver of company performance and has major impact on the financial statement user's decision making. Finally, this account always has risk of management over-ride of internal controls.</p> <p>Details of Revenue Recognition are included in Note 24.00 to the financial statements.</p>	<p>Our audit procedures are included:</p> <ul style="list-style-type: none"> • Obtain an understanding of company's internal controls, systems and processes around revenue recognition and accounts receivable. • Review invoices, delivery reports and other supporting documents such as recognized. • Test subsequent receipts for receivable balances to substantial existence, collectability and completeness of accounts receivable recognized on the books. • Inspect correspondence with clients and customers to determine whether provisions are necessary.
<p>Inventory</p> <p>The company's Inventory balance as at June 30, 2024, BDT 23,526,681. This represents 4.5% of total assets of the company. There is estimation performed by management in regard to obsolescence and determination of net realizable value. Based on the requirement of estimates and the fact that this is major asset category, this was determined to be a key audit matter.</p> <p>Details of Inventory are included in Note 10.00 to the Financial Statements.</p>	<p>Our audit procedures are included:</p> <ul style="list-style-type: none"> • Obtain an understanding of company's internal controls systems and processes around inventory management. • Perform procedures over inventory purchases to substantiate existence, completeness and valuation of inventory. • Perform physical inspection of inventory of determine the existence and valuation inventory. • Perform price testing of inventory of determine inventory valuation and determine whether inventory is obsolete or not. • Revenue prices received by the company and the overall gross margin earned to determine whether the company is able to recover the net realizable value of inventory.





Property, Plant and Equipment

Property, Plant and equipment (PPE) was recognized at carrying value aggregating to **BDT 271,756,491** representing over **51.44%** of total assets of the company as on June 30, 2024.

Since PPE forms a significant part of the company's total assets, it also involves management judgment to determine estimated useful lives to charge depreciation. Besides, PPE is also subject to impairment review.

See Note no 5.00 to the financial statements.

Our audit procedures performed during the audit to address the risks identified consist of the following:

- Obtaining and documenting detailed understanding regarding procurement process of PPE and identified relevant control points and their implementation.
- Reviewing recognition, measurement and valuation basis of PPE in compliance with requirement of IAS-16: Property, plant and equipment.
- Performing test of details against sampled population with supporting evidence as maintained by the company to test the accuracy, valuation of capitalized amount and ownership of the assets.
- Assessing the appropriateness and presentation of disclosure notes to the financial statements with the requirement of IAS 16 and other relevant IFRSs.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.



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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation 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.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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



এম, জেড, ইসলাম এন্ড কোং
M. Z. ISLAM & CO.
Chartered Accountants



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audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987 and relevant notifications issues by Bangladesh Securities and Exchange Commission, we also report that:

- 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 records and other statutory books as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) The statements of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns; and
- d) The expenditure incurred was for the purposes of the Company's business.

Place: Dhaka

Dated: 28 October 2024



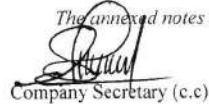
Md. Matiur Rahman

Md. Matiur Rahman FCA, FCMA
ICAB Enrolled No.0765
Partner
M.Z. Islam & Co.
Chartered Accountants
DVC: 2410280765AS365307

LEGACY FOOTWEAR PLC
STATEMENT OF FINANCIAL POSITION
AS ON 30 JUNE 2024

Particulars	Note	(Figures in BDT)	
		30-Jun-2024	30-Jun-2023
ASSETS			
Non Current Assets		298,411,062	272,131,280
Property, Plant and Equipment's	5.00	271,756,491	271,979,280
Intangible Assets	Annex- II	1,679,571	-
Capital Work In Progress and In Transit	6.00	22,245,000	-
Investment in Subsidiaries	7.00	980,000	-
Investment in Marketable Securities	8.00	1,000,000	-
Long Term Security Deposit	9.00	750,000	152,000
Current Assets		229,913,679	383,256,670
Inventories	10.00	23,526,681	3,720,850
Accounts Receivable	11.00	28,395,590	13,387,325
Advances, Deposits & Prepayments	12.00	25,596,952	19,269,110
Cash and Cash Equivalents	13.00	152,394,456	346,879,385
Total Assets		528,324,741	655,387,950
EQUITY AND LIABILITIES			
Equity		483,730,850	482,036,595
Share Capital	14.00	430,799,800	430,799,800
Tax Holiday Reserve		6,476,131	6,476,131
Revaluation Surplus	15.00	115,393,669	115,393,669
Retained Earnings/(Deficit)	16.00	(68,938,750)	(70,633,005)
Non Current Liabilities		22,909,118	23,109,559.00
Workers Participation Fund	17.00	258,647	301,509
Deferred Tax Liability	18.00	22,650,471	22,808,050
Current Liabilities		21,684,773	150,241,796.00
Long Term Loan (Current Portion)	19.00	-	116,647,304
Trade & Other Payable	20.00	1,480,000	1,510,396.00
Liability for Expenses	21.00	1,814,698	2,665,550
Unclaimed Dividend	22.00	734,800	2,780,960
Provision for Income Tax	23.00	17,655,275	26,637,580
Total Equity & Liabilities		528,324,741	655,387,950
Net Asset Value per share (NAVPS)	33.00	11.23	11.19


CFO

The annexed notes are integral part of these Financial Statements.

Company Secretary (c.c)


Managing Director


Chairman

Signed in terms of our separate report of even date.

Place: Dhaka, Bangladesh
 Dated: 28 October 2024




Md. Matur Rahman FCA, FCMA
 ICAB Enrolled No.0765
 Partner
M. Z. Islam & Co.
 Chartered Accountants
 DVC:2410280765AS365307

LEGACY FOOTWEAR PLC
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

Particulars	Notes	Amount in BDT	
		30-Jun-2024	30-Jun-2023
Sales Revenue	24.00	20,706,590	1,757,855
Less: Cost of Goods Sold	25.00	(15,687,446)	(6,129,933)
Gross Profit /(Loss)		5,019,144	(4,372,078)
Administrative Expenses	26.00	(8,136,788)	(4,332,328)
Selling & Distribution Expenses	27.00	(144,256)	(163,807)
Financial Expenses	28.00	(249,378)	(6,531)
Abnormal (Income)/ Loss	29.00	-	12,986,116
Operating Profit/(Loss)		(3,511,278)	4,111,372
Other Income	30.00	8,942,871	421,000
Net Profit /(Loss) before Tax and WPF		5,431,593	4,532,372
Provision for Workers participation Fund	17.00	(258,647)	(215,827)
Net Profit /(Loss) before Tax		5,172,946	4,316,545
Current Tax from Operational Income	23.00	(2,291,589)	(100,350)
Deferred Tax (Expense)/Income	18.00	157,579	(876,179)
Net Profit/(Loss) after tax		3,038,936	3,340,016
Other Comprehensive Income		-	55,349,777
Revaluation surplus of Property, Plant and Equipments		-	65,117,385
Deferred tax income/(expenses) on revaluation		-	(9,767,608)
Total comprehensive income for the period		3,038,936	58,689,793
Basic Earnings Per Share (EPS)	32.00	0.07	0.23

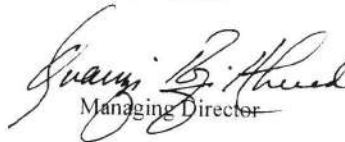


CFO

The annexed notes are integral part of these Financial Statements.



Company Secretary (c.c)



Managing Director




Chairman

Signed in terms of our separate report of even date.

Place: Dhaka, Bangladesh
 Dated: 28 October 2024




Md. Matiur Rahman FCA, FCMA
 ICAB Enrolled No.0765
 Partner
M. Z. Islam & Co.
 Chartered Accountants
 DVC:2410280765AS365307

LEGACY FOOTWEAR PLC
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED JUNE 30, 2024

Particulars	Share Capital	Revaluation Surplus	Tax Holiday Reserve	Retained Earnings/(Deficit)	Amount in Taka
Balance as at 01 Jul, 2023	430,799,800	115,393,669	6,476,131	(70,633,005)	482,036,595
Profit for the year	-	-	-	3,038,936	3,038,936
Cash Dividend Paid During the year	-	-	-	(1,344,681)	(1,344,681)
Balance as at 30 Jun, 2024	430,799,800	115,393,669	6,476,131	(68,938,750)	483,730,850

LEGACY FOOTWEAR PLC
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED JUNE 30, 2023

Particulars	Share Capital	Revaluation Surplus	Tax Holiday Reserve	Retained Earnings/(Deficit)	Amount in Taka
Balance as at 30 Jun, 2022	130,799,800	64,790,813	6,476,131	(73,522,456)	128,544,288
Addition During the year	300,000,000	59,919,899	-	-	359,919,899
Deferred tax on revaluation surplus	-	(9,767,608)	-	-	(9,767,608)
Transfer of reserve to retained earnings	-	450,565	-	(450,565)	-
Profit for the year	-	-	-	3,340,016	3,340,016
Balance as at 30 Jun, 2023	430,799,800	115,393,669	6,476,131	(70,633,005)	482,036,595

The annexed notes are integral part of these Financial Statements.


CFO


Company Secretary (c.c)


Managing Director


Chairman



LEGACY FOOTWEAR PLC
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

Particulars	Notes	(Figures in BDT)	
		30-Jun-2024	30-Jun-2023
Cash flow from Operating Activities: (A)			
Cash receipts from customers and others	34.01	6,391,815	1,853,635
Cash receipts from others		8,515,381	421,000
Cash paid to suppliers, employees and others	35.00	(37,876,638)	(3,004,140)
Income Tax/TDS Paid		(12,956,036)	-
Financial Expenses		(249,378)	(6,531)
Net cash flow from Operating Activities:		(36,174,856)	(736,036)
Cash flow from Investing Activities: (B)			
Acquisition of Property, Plant and Equipmeents	37.00	(33,719,890)	(14,633,551)
Proceeds from sale of Property, Plant and Equipmeents		-	-
Intangible Assets		(1,708,038)	-
Long Term Security Deposit		(598,000)	-
Investment in Marketable Securities		(1,000,000)	-
Receivable from Subsidiary		(266,000)	-
Investment in Subsidiary		(980,000)	-
Net cash flow from Investing Activities:		(38,271,928)	(14,633,551)
Cash flow from Financing Activities: (C)			
Share Capital		-	300,000,000
Temporary Loan		-	3,300,000
Dividends Paid in the Year		(3,390,841)	-
Loan paid to Bank		(116,647,304)	-
Net cash flow from Financing Activities		(120,038,145)	303,300,000
Net changes increase/(decrease) in cash and cash equivalents (A+B+C)		(194,484,929)	287,930,413
(e) Opening Cash & Bank Balances		346,879,385	58,948,972
Cash & cash equivalents at the end of the period		152,394,456	346,879,385
Net Operating Cash Flow per Share (NOCFPS)	34.00	(0.84)	(0.02)

The annexed notes are integral part of these Financial Statements.



CFO



Company Secretary (c.e)



Managing Director



Chairman



Legacy Footwear PLC
Notes to the Interim Financial Statements
FOR THE YEAR ENDED JUNE 30, 2024

1 REPORTING ENTITY

Legacy Footwear Ltd. was incorporated as a private limited company in Bangladesh on 23 July, 1996 under the Companies Act- 1994 and vbe Registration No C-126912/2015. It is a 100% export oriented company. The name of the company has been changed from Legacy Footwear Ltd. to Legacy Footwear PLC vbe the Registration No: C-31026 Dated- 2nd January, 2024

Address of registered office of the company and factory of the company

Corporate office: The Corporate office of the company is located at House-133, (Ground Floor), Lane-01 (West Side), DOHS Baridhara, Dhaka-1206

Factory Address: The factory is situated at Vannara Village, Mouchak Mouza, PS- Kaliakair, Gazipur District

The company is engaged in the production of all types of quality leather/synthetic footwear and export 100% of its produce to international market.

2.00 Basis of preparation of Financial statements

Significant Accounting Policy for the presentation of the financial Statements

The specific accounting policies selected and applied by the company's management for significant transactions and events that have material effect within the framework of IAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in earlier years.

2.01 Corporate financial statements and reporting

This comprises Statement of Financial Position, Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and other explanatory notes covering accounting policies.

This is prepared under the historical cost convention and in accordance with the requirements of the Companies Act, 1994, International Financial Reporting Standards (IFRS) and International Accounting Standards (IASs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and as applicable to this Company.

The Board of Directors are responsible for preparing and presenting the financial statements including adequate disclosures, who approved and authorized for issue of this financial statements.

The preparation of the financial statements in conformity with the International Accounting Standards (IASs) requires Board of Directors to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities at reporting date. Due to the inherent uncertainty involved in making estimates, actual result could differ from those estimates.

2.02 Fundamental accounting concepts/ assumptions

The financial statements have been prepared based on Going concern assumption, Consistency concept, Accrual basis and such other convention as required by IAS-1 for fair presentation of financial statements.

2.03 Compliance with IAS & IFRS

The following IAS is applicable to the financial statements for the year under review:

IAS	Title	Remark
IAS 1	Presentation of Financial Statements	Applied
IAS 2	Inventories	Applied
IAS 7	Statement of Cash Flows	Applied
IAS 8	Accounting policies, Changes in Accounting Estimates & Errors	Applied
IAS 10	Events after the Reporting period	Applied
IAS 12	Income Taxes	Applied
IAS 16	Property, Plant And Equipment	Applied
IAS 19	Employee Benefits	Applied
IAS 21	The Effects of Changes in Foreign Exchange Rates	Applied
IAS 23	Borrowing Costs	Applied
IAS 24	Related Party Disclosures	Applied
IAS 32	Financial Instruments: Presentation	Applied
IAS 33	Earnings Per Share	Applied
IAS 36	Impairment of Assets	Applied
IAS 37	Provision, Contingent Liabilities and Contingent Assets	Applied
IAS 38	Intangible Assets	Applied

The following IFRS is applicable to the financial statements for the year under review:

IFRS	Title	Remark
IFRS 1	First-time Adoption of Bangladesh Financial Reporting Standards	Applied
IFRS 7	Financial Instruments: Disclosures	Applied
IFRS 8	Operating Segments	Not Applicable
IFRS 9	Financial Instruments	Applied
IFRS 15	Revenue From Contracts with Customers	Applied
IFRS 16	Leases	Applied

2.04 Reporting period

The period of the financial statements covers from 01 July, 2023 to 30 June, 2024



2.05 Comparative information and rearrangements thereof:

In accordance with the provisions of IAS- 1: "Presentation of Financial Statements", Comparative information that is available has been disclosed 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's financial statements.

Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

2.06 Offsetting:

An entity shall not offset assets and liabilities or income and expenses, unless required or permitted by IFRS.

2.07 Leases Assets

A lease is defined as a contract or part of contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. Previously the company used to charge to consideration paid in its books as rent expenses. IFRS 16 introduced a single, on balance sheet accounting model for leases. As a result, the company, as a lessee has representing its obligation to make lease payments. The company applied IFRS 16 on 01 January, 2019 for the existing lease contracts.

The company has only office rent agreement, which is classified as operating lease, which under IFRS 16 are required to be recognised on the company's Statement of Financial position. The nature and timing of expenses related to those lease has changed as IFRS 16 replaced the straight line operating lease expenses (As per IAS-17), with an amortisation charge for the right of use asset and interest expenses on lease liabilities

The company's all contractual payment to the lessor contains only fixed amounts of lease payment and no variable lease payments are embedded with the lease payments. The rental agreements do not include any automatic renewals nor do they include any guaranteed residual values of the underlying assets.

The company recognised right of use assets at the commencement date of the lease (i.e the date the underlying assets is available losses, and adjusted for any remeasurment of lease liabilities. The cost of right of use asset includes that amount of lease liabilities recognised, initial direct cost incurred and lease payment made at or before the commencement date less any lease incentive received. At the commencement date of the lease the company recognised lease liabilities measure at the present of lease payment to be made over the lease term. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payment made. In addition, the carrying amount of liabilities is re-measured if there is a modification, a change in the lease term or a change in the in-substance fixed leased payment.

In addition to rental lease agreements which were previously termed as operating lease, the company also has existing leased which fall under finance lease category under IAS 17. For these lease, all the risk and rewards incidental to ownership are substantially transferred to the company and therefore, were recognised as finance leases. There is no change in the accounting treatment for these assets. The leased asset is capitalised at the commencement of the lease fair value of the leased property or lower at the present value of the minimum lease payment. Lease payment are apportioned between finance charge and reduction of the lease liability. The leased asset is depreciated over the useful life of assets'

2.08 Events after the reporting period.

In Compliance with the requirements of IAS 10 Events After the Reporting Period that Period that provide additional information about the company's position at the reporting date are reflected in the financial statements and events after the reporting period that are an adjusting events are disclosed in the notes reason of materiality.

Adjusting event

An event after the reporting period that provides further evidence of conditions that existed at the end of the reporting period, including an event that indicates that the going concern assumption in relation to the whole or part of the enterprise is not appropriate.

As on 30/06/2023, Long Term Loan Balance in the Rupali Bank's book was BDT 292,499,292 out of which BDT 175,851,988 was exempted by the bank vide their Letter No- Proka/ Aday-2/2023/365, Dated 05/09/2023 if the company complied with the conditions of the letter. The company accepted all the conditions and paid the balance of BDT 116,647,303.53 on 19/09/2023. As there is material effect in the financial statements after the reporting period of the company for the event, the company adjusted its loan liability as on 30.06.2024.

Non-adjusting event

An event after the reporting period that is indicative of a condition that arose after the end of the reporting period.

2.09 Functional and presentational (Reporting) currency

The financial statements are prepared and presented in Bangladesh Currency (Taka), Which is the company's functional currency. All financial information presented have been rounded off to the nearest Taka except where indicated otherwise.

2.10 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported value of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. However, the estimates and underlying assumptions are revised when there is material impact on the financial results of the company.

2.11 Approval of these Financial Statements by Board of Directors

The Board of Directors has approved these Financial Statements on 24 October 2024.

2.12 Regulatory Compliance

The financial Statements have been prepared in compliance with the following laws and regulations;

- The Companies Act, 1994
- The Bangladesh Securities and Exchange Rule 2020
- The Bangladesh Securities and Exchange Commission Act 1993.
- The Income Tax Act, 2023
- The Value Added Tax (VAT) Supplementary Duty Act, 2012



2.13 Summary of significant accounting policies

The specific accounting policies selected and applied by the company's directors for significant transactions and events that have material effect within the framework of IAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in prior periods.

For a proper understanding of the financial statements, these accounting policies are set out in one place as prescribed by the IAS-1 "Presentation of Financial Statements". The recommendations of IAS-1 relating the format of financial statements were also taken into full consideration for fair presentation.

2.14 Recognition of Property, Plant & Equipments

Property, Plant & Equipment are accounted for according to IAS-16 "Property, Plant and Equipment" at historical cost less cumulative depreciation except land & land development and Building and other construction which is considered at revalued amount. The cost of assets includes expenditures that are directly attributable to the acquisition of the assets. The cost of self-constructed/ installed assets includes the cost of materials, direct labor and any other cost directly attributable to bringing the assets to the working condition for its intended use and the cost of dismantling and remove the items and restoring the site on which they are located.

Fair valuations are performed with sufficient frequency to ensure that the carrying amount of a revalued asset does not differ materially from its fair value. A revaluation surplus is recorded in OCI and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit & loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation surplus. An annual transfer from the asset revaluation surplus to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost.

2.15 Depreciation on Property, Plant & Equipment

Depreciation is calculated and charged under diminishing balance method on all fixed assets other than land and land development. Depreciation on current year's addition is charged on monthly basis as and when the assets are ready for operation. The cost and accumulated depreciation of depreciable assets retired or otherwise disposed of are eliminated from the assets an accumulated depreciation.

Category of fixed assets	Rate of Depreciation
Land and Land Development	0%
Building & Civil work	10%
Plant & Machinery	10%
Equipments	10%
Furniture	10%
Generator	10%
Air Compressor with Trolley	10%
CC Camera	10%
Air Conditioner	10%
Water Filter	10%
Computer	25%
Office decoration	10%

Disposal:

The gain or loss arising on the disposal or retirement of an assets is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income statement. Sales of land and building are accounted for when there is an unconditional exchange of contracts.

2.16 Revaluation of property, plant and equipment

As per IAS16: Property, Plant and Equipment paragraph 34, "the frequency of revaluations depends upon the changes in fair values of the items of property, plant and equipment being revalued. When the fair value of a revalued asset differs materially from its carrying amount, a further revaluation is required. Some items of property, plant and equipment experience significant and volatile changes in fair value, thus necessitating annual revaluation. Such frequent revaluations are unnecessary for items of property, plant and equipment with only insignificant changes in fair value. Instead, it may be necessary to revalue the item only every three or five years"

To comply with the above paragraph, The Company made its first valuation of Land & Land Development and Building and civil construction on 30 June 2009 and secondly on 30 June 2023 a the independent valuers to reflect fair value (prevailing market price) thereof following "Current Cost Method".

Details of revaluation of property, plant and equipment:

Particulars of the assets	Name of the Valuer	Qualification of the Valuer	Date of Revaluation	Carrying amount of Assets	Value of Assets after revaluation	Revaluation Surplus/(Impairment)
Land & Land Development	Ashraf Uddin & Co.	Chartered Accountants	30-Jun-2023	92,992,615	158,110,000.00	65,117,385
Building & Civil work	Ashraf Uddin & Co.	Chartered Accountants	30-Jun-2023	148,638,739.00	91,041,521.00	(57,597,218)
Total				241,631,354	249,151,521	7,520,167

The increase in the carrying amount of revalued assets is recognized in the separate component of equity as Revaluation Surplus. However, the increase is recognized in the statement of Profit or Loss and Other Comprehensive Income for the year ended June 30, 2023 to the extent that, it reverses a revaluation decreased of the same assets previously recognized in the Statement of Comprehensive Other Income. Other Non-Current Assets were kept outside the scope of the revaluation works. These are expected to be realizable at written down value (WDV) as mentioned in the Statement of Financial Position of the company.

2.17 Revenue Recognition

The core principle of IFRS 15 is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This core principle is delivered in a five-step model framework:

- a. Identify the contract(s) with a customer
- b. Identify the performance obligations in the contract
- c. Determine the transaction price
- d. Allocate the transaction price to the performance obligations in the contract
- e. Recognise revenue when (or as) the entity satisfies a performance obligation.

2.18 Liabilities for expenses and other payables

Liabilities are recognized for the goods and services received, whether paid or not for those goods and services. Payables are not interest bearing and are stated at their nominal value.

2.19 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the Average Cost method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.20 Cash and Cash Equivalents

Cash in hand and cash at banks have been considered as Cash and Cash Equivalents for the preparation of these financial statements, which were held and available for use by company without any restriction and there was no significant risk of changes in value of the same.

2.21 Statements of Cash Flows:

Statement of Cash Flows is prepared principally in accordance with IAS-7 "Statement of Cash Flows " and the cash flows from the operating activities have been presented under direct method.

2.22 Accounting Policies, Changes in Accounting Estimates and Errors:

Changes in accounting policies:

An entity shall change an accounting policy only if the change:

- (a) is required by an IFRS; or
- (b) results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the entity's financial position, Financial performance or cash flows.

2.23 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial year of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the year in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.24 Income-tax expense

Current Tax:

Income tax is calculated and provision is made in compliance with the provisions of Finance Act 2024 and the Income Tax Ordinance 1984, Income Tax Act 2023.

Deferred tax

Taxable Temporary difference

A deferred tax liability is recognized for all taxable differences, except to the extent that the deferred tax liability arises from the initial recognition of goodwill; or the initial recognition of an asset or liability in a transaction which is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Revaluations to fair value – Property, Plant and Equipment

The revaluation does not affect taxable profits in the period of revaluation and consequently, the tax base of the asset is not adjusted. Hence a temporary difference arises. This is provided for in full based on the difference between carrying amount and tax base. An upward revaluation is therefore give rise to a deferred tax liability.

2.25 Foreign Currency Transaction:

Foreign currency transactions are recorded, on initial recognition in the functional currency at the spot exchange rate ruling at the transaction date.

At the end of each reporting period, in compliance with the provision of IAS 21: The Effects of Changes in Foreign Exchange Rates, are determined as under :

- (a) Foreign currency monetary items are translated using the closing rate.
- (b) Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rate at the date of the transaction.
- (c) Non-monetary items that are measured at fair value in a foreign currency is translated using the exchange rate at the date when the fair value is determined.

Exchange differences arising on the settlement of monetary items or on translating monetary Items at rate different from those at which they were translated on initial recognition during the period or in previous financial statements is recognized in profit or loss in the period in which they arise.



3.00 Related party disclosures

IAS 24 *Related Party Disclosures* requires disclosures about transactions and outstanding balances with an entity's related parties. The standard defines various classes of entities and people as related parties and sets out the disclosures required in respect of those parties, including the compensation of key management personnel.

The company carried out several transactions with related parties in the normal course of business and arms' length basis. The information as required by IAS-24, related party disclosures has been disclosed in a separate note to the accounts.

4.00 Financial Instruments

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

Financial assets:

Financial assets of the company include cash and cash equivalents, accounts receivable, other receivables and equity instrument of another entity. The company initially recognized receivable on the date they are originated. All other financial assets are recognized initially on the date at which the company becomes a party to the contractual provision of the transaction. The company derecognizes a financial asset when, and only when the contractual rights or probabilities of receiving the cash flows on the financial assets in a transaction in which substantially all the risk and rewards of ownership of the financial assets are transferred.

Financial liability:

Financial liabilities are recognized initially on the transaction date at which the company becomes a party to the contractual provisions of the liability. The company derecognizes the financial liabilities when its contractual obligations are discharged or cancelled or expired. Financial liabilities includes payable for expense, liability for capital expenditure and other current liabilities.

4.01 Earnings Per Share & Diluted Earning Per Share

Earnings Per Share:

This has been calculated in compliance with the requirement of IAS-33: Earnings per share by dividing the net earnings attributable to the share holders by the weighted average number of ordinary shares outstanding during the year.

Basic Earnings per share (Numerator / Denominator)

Earnings (Numerator)

This represents earning for the year attributable to ordinary shareholders

No. of ordinary shares (Denominator)

This represents weighted average number of ordinary share outstanding during the year.

Diluted Earning Per Share:

Diluted earnings per share (diluted EPS) calculates a company's earnings per share if all convertible securities were converted

Diluted Earning per Share = Net Income / Weighted number of Share

4.02 Impairment of Assets:

I) Financial Assets

Accounts receivable and others receivables are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flow of that asset, that can be estimated reliably. Objective evidence that financial assets are impaired can include default of delinquency by a debtor, indicates that a debtor of issuer will enter bankruptcy etc. No such impairment has been raised till the reporting date.

Receivable Write-off

Thorough examination of our receivables and we have found that Tk. 8,27,05,576 is uncollectible. Despite our efforts to reach out to the respective parties, many of them did not respond, while others refused to make payments. The prolonged period of non-operation has made it difficult to recover these amounts, necessitating the write-off of Tk. 8,27,05,576 in order to accurately reflect the status of our receivables in the financial statements.

Impairment of Stock

Due to constraint of production capacity stock has been remain unused for long period which is not able to use. Therefore, the stock obsolete or damaged due to their extended storage. As a result, these inventories will need to be impaired in the statement of financial position. The management has decided to obsoleted the stock amounting Tk 3,22,93,423 during the year.

II) Non-Financial assets

An asset is impaired when its carrying amount exceeds its recoverable amount. The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less cost to sell and its value in use. Carrying amount of the assets is reduced to its recoverable amount by recognizing an impaired loss is recognized immediately in statement of comprehensive income unless the asset is carried at revalued amount. Any impaired loss of a revalued asset shall be treated as a revaluation decrease. No such impairment has been raised till the reporting date.

Plant and Machinery Overhauling: The management of the company has decided to write off all the costs of overhauling of plant & machineries during the year which was capitalized earlier.

4.03 Provision, Contingent Liabilities and Contingent Assets :

Contingent Liabilities and Contingents Assets are present or possible obligations or on liabilities or assets, arising from past events and

4.04 Intangible Assets

In Compliance with the requirements of IAS, 38 Intangibles Assets'

The following terms are used in this Standard with the meanings pacified:

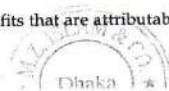
Amortization is the systematic allocation of the depreciable amount of an intangible asset over its useful life.

An asset is a resource:

- (a) controlled by an entity as a result as past events; and
- (b) From which future economic benefits are expected to flow to the entity.

An intangible asset shall be recognized if, and only if:

- (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and
- (b) the cost of the asset can be measured reliably



4.05 Financial statements comprises:

- a) Statement of Financial Position as on 30 June 2024
- b) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2024
- c) Statement of Cash Flows For the year ended 30 June 2024
- d) Statement of Changes in Equity as on 30 June 2024
- e) Notes to the financial statements as on 30 June 2024

4.06 Employee Benefits

The company maintains defined benefit plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds.

The company has accounted for and disclosed employee benefits in compliance with the provisions of IAS-19: Employee Benefits.

The cost of employee benefit is charged off as revenue expenditure in the period to which the contributions relate.

The company's employee benefits include the following:

Worker's Profit & Participation Fund:

The company has decided to provide 5% WPPF on net profit before tax as per chapter-15 of Labor Law 2006 as amended upto 2013. The registration of such WPPF with the National Board of Revenue (NBR) is under process.

Short Term Employee Benefits

These includes better working conditions in line with overseas customer's requirement, Day care center, Health care facility,

4.07 Risk Factors and Management's Perceptions about the Risks

The Company is operating in an industry involving both external and internal risk factors having direct as well as indirect effects on its business, result of its operations and financial condition, as follows:

I. Interest rate risks:

Interest rate is concerned with borrowed funds of short term & long-term maturity. Interest rate risk is the risk that the company faces due to unfavorable movements in the interest rates. Volatility in money market & increased demand for loans/ investment funds raise the rate of interest. A change in the government's policy also tends to increase the interest rate. High rate of interest enhances the cost of fund of a company. Such rises in interest rates however mostly affect companies having floating rate loans

Management perception:

The Company maintains a reasonable debt/ equity ratio; and accordingly, adverse impact of interest rate fluctuation will not adversely affect the Company's performance as the Company emphasizes on equity base financing to reduce the dependency on borrowing. Therefore, management perceives that the fluctuation of interest rate on borrowing would have little impact upon the performance of the Company.

II. Exchange rate risks:

If exchange rate increases against local currency opportunity is created for getting more revenue against sale in local currency. On the other hand, if exchange rate goes down, margin is squeezed in local currency.

Management perception:

The products of the company are sold in foreign currency and payment for raw materials are made mostly in foreign currency. Therefore, volatility of exchange rate will have little impact on profitability of the Company.

III Credit Risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual and arise principally from the company's receivables. Management has a credit policy in place and exposure to credit risk is monitor on a on going basis. As at 30 June, 2023 substantial part of the receivable are unsecured which is written off during the year and rest of the amount is secured against L/C and subject to insignificant credit risk. Risk exposures from other financial assets. i.e. cash at bank and other receivable are nominal.

IV Liquidity Risk

Liquidity risk is the risk that the company will not be able to meet its financial obligation as they fall due. The company's approach to managing liquidity (cash & Cash Equivalents) is to ensure as far as possible, that it will always have sufficient liquidity to meet its liabilities when due under booth normal and stressed condition without incurring unacceptable losses or risking damage to the company's reputation. Typically, the company ensure that it has sufficient cash and cash equivalent to meet expected operational expenses including financial obligations through preparation of the cash flow forecast with due consideration of the time line of payment of expected payment within due date. After the recent capital raising, even in extreme stressed condition it is unlikely that the company would require further financing at least within next couple of year.

VI Market Risk

Market risk is the risk that any change in market such as foreign exchange rates and interest will affected the company's income or the value of its holding financial instrument. The objective of market risk management is to manage and control market risk exposure within acceptable parameters



Particulars	(Figures in BDT)	
	30-Jun-2024	30-Jun-2023
5.00 Property, Plant & Equipment		
Cost		
Opening Balance	380,354,883	255,529,237
Addition during the year	11,474,890	222,637,557
Adjustment for Disposal/Obsolete during the year	-	(97,811,911)
	<u>391,829,773</u>	<u>380,354,883</u>
Accumulated Depreciation		
Opening Balance	108,375,603	143,549,448
Charged during the Year	11,697,679	5,040,848
Adjustment for Disposal/Obsolete during the year	-	(40,214,693)
	<u>120,073,282</u>	<u>108,375,603</u>
Written Down Value (WDV)	<u>271,756,491</u>	<u>271,979,280</u>
6.00 Capital Work In Progress and In Transit		
Interior Decoration (Note 6.1)	2,554,000	-
Building and Civil Work (Note 6.3)	4,128,000	-
Plant and Machinery Mould (Note 6.4)	7,500,000	-
Land Improvement (Note 6.2)	8,063,000	-
	<u>22,245,000</u>	<u>-</u>
All the transection of Capital Work In Progress and In Transit made in cash during the period		
6.10 Interior Decoration		
Opening Balance	-	-
Addition During the year	2,554,000	-
	2,554,000	-
Transfer to Property Plant & Equipments		
	<u>2,554,000</u>	<u>-</u>
6.20 Land Improvement		
Opening Balance	-	-
Addition During the year	8,063,000	-
	8,063,000	-
Transfer to Property Plant & Equipments		
	<u>8,063,000</u>	<u>-</u>
Land improvement containing of Factory Gate, Boundary Wall, Roads and Pavement surrounding of Factory and other infrastructure in factory premises other than core factory building		
6.30 Building and Civil Work		
Opening Balance	-	123,816,121
Addition During the year	4,128,000	14,061,436
	4,128,000	137,877,557
Transfer to Property Plant & Equipments's		(137,877,557)
	<u>4,128,000</u>	<u>-</u>
6.40 Plant and Machinery		
Opening Balance	-	12,557,150
Addition During the year	7,500,000	-
	7,500,000	12,557,150
Impairment of Plant and Machinery Overhauling		(12,557,150)
Closing Balance	<u>7,500,000</u>	<u>-</u>



Particulars	(Figures in BDT)	
	30-Jun-2024	30-Jun-2023
7.00 Investment in Subsidiaries (At Cost):		
This represents investments in share of Legacy Shoes Ltd.		
Investment in share of Legacy Shoes Limited (98,000 shares of Tk. 10 each)	980,000	-
Legacy Shoes Limited, a private limited company incorporated under Companies Act 1994. A subsidiary company of 98% shares.		
8.00 Investment in Marketable Securities		
Investment in Share (Secondary)	-	-
IPO Investment	1,000,000.00	-
	1,000,000.00	-
9.00 Long Term Security Deposit:		
Rural Electrification Board (REB)	750,000	152,000
	750,000	152,000
10.00 Inventories:		
Leather & Chemical -Note 25.1	18,071,662	828,314
Accessories Materials -Note 25.2	1,668,674	409,266
Packing Materials -Note 25.3	257,663	127,394
Stock of Finished Goods-Note 25	3,034,982	1,755,584
Work in process-Note 25	189,700	132,692
Spares Parts-Note 25.4	304,000	467,600
	23,526,681	3,720,850
11.00 Trade & Other Receivables		
Trade Receivables- Notes 11.1	27,702,100	13,387,325
Other Receivables- Notes 11.2	693,490	-
	28,395,590	13,387,325
11.10 Receivable (Good & Unsecured) :		
Opening Balance	13,387,325	95,604,506
Addition during the year	20,706,590	1,757,855
	34,093,915	97,362,361
Realized during the year	(6,391,815)	(1,853,635)
Adjusted during the year (Bad debt) -Note:29	-	(82,121,401)
	27,702,100	13,387,325



Particulars	(Figures in BDT)	
	30-Jun-2024	30-Jun-2023
Aging of the Trade Receivables is as follows:		
Below 60 days	-	-
Within 61-120 days	20,706,590	-
Above 120 days	6,995,510	13,387,325
	27,702,100	13,387,325
a) Trade receivable has mostly arisen from deem export sales which are usually received within the tenure under LC Terms. As such, no expected credit loss has arisen during the period/Year		
b) There was no amount due from the Directors (Including Managing Director), Managing Agent, Manager and other Officers of the Company and any of them severally or jointly with any other person.		
c) The carrying amount of Trade Receivables pledged as security.		
d) Trade Receivable is secured, considered as good and is falling due within one year.		
11.20 Other Receivables:		
Legacy Shoes Limited	266,000	-
Interest Receivable from Fixed Deposit Receipts	427,490	-
	693,490	-
12.00 Advance, Deposit & Prepayments:		
Advance against Leather & Accessories - (Note-12.10)	19,014,810	14,369,110
Temporary Loan	4,900,000	4,900,000
Advance Income Tax (Note 12.2)	1,682,142	-
	25,596,952	19,269,110
12.10 Advance Against Leather & Accessories:		
Tabir International Ltd.	4,537,472	7,106,472
Vannara Corporatin Ltd.	4,477,338	7,262,638
Uprise	10,000,000	-
	19,014,810	14,369,110
12.20 Advance Income Tax		
AIT on FDR Interest	1,682,142	-
Cash Paid During the year	-	-
	1,682,142	-
Adjusted during the year	-	-
	1,682,142	-
a) There was no amount due from the Directors (Including Managing Director), Managing Agent, Manager and other Officers of the Company and any of them severally or jointly with any other person.		
b) There was no amount was due by the associated undertaking.		
c) The advances & deposits considered good & recoverable.		
13.00 Cash & Cash Equivalents:		
Cash in Hand (A)		
Cash in Hand (H.O.)	13,063,655	32,768,251
Petty Cash (H.O)	235,995	36,375
Petty Cash (Factory)	11,878,400	14,070,674
	25,178,050	46,875,300
Cash in Banks: (B)		
AB Bank Ltd.	1,673	-
Jamuna Bank PLC (1001001492858)	2,951,882	300,003,360
Jamuna Bank PLC (1001001557307)	44,226	-
Midland Bank Limited (0011-1050009342)	958	-
Exim Bank Limited	29,943	725
ALPHA CAPITAL MANAGEMENT-U0388	4,187,724	-
	7,216,406	300,004,085
Fixed Deposit Receipt (FDR)		
Jamuna Bank Ltd (FDR-35345)	40,000,000	-
Jamuna Bank Ltd (FDR-43185)	20,000,000	-
Jamuna Bank Ltd (FDR-43209)	30,000,000	-
Jamuna Bank Ltd (FDR-46674)	30,000,000	-
	120,000,000	-
Total Cash & Cash Equivalents (A+B+C)	152,394,456	346,879,385



Particulars	(Figures in BDT)	
	30-Jun-2024	30-Jun-2023
14.00 SHARE CAPITAL :		
This is made up of the followings:		
Authorized:		
75,000,000 Ordinary Shares of Tk. 10/- each	750,000,000	750,000,000
Issued, Subscribed and Paid-up Capital :		
(43,079,980 Ordinary Shares of Tk. 10/- each fully Paid up)	430,799,800	430,799,800
	430,799,800	430,799,800
Details of Share Capital are shown in the Annexure-III		
15.00 REVALUATION SURPLUS		
Opening Balance	115,393,669	64,790,813
Addition during the year	-	65,117,385
Adjustment during the year for devaluation of building & civil works	-	(5,197,486)
Deferred tax on revaluation surplus on Land & Land Development during the year	-	(9,767,608)
Add/(Less): Transfer from/(to) retained earnings	-	450,565
	115,393,669	115,393,669
16.00 RETAINED EARNINGS:		
Opening Balance	(70,633,005.00)	(73,522,456.00)
Transfer from/(to) revaluation reserve to retained earnings (current)	-	(450,565.00)
Add/(Less): Net profit/(Loss) for the year	3,038,936.00	3,340,015.91
Less: Cash Dividend paid during the Year	(1,344,681.00)	-
	(68,938,750.00)	(70,633,005)
17.00 WORKERS PARTICIPATION FUND :		
The above amount represents provision for Workers Profit Participation Fund for 12 months as well unpaid amounts from previous year has been made @ rate 5 % on the net profit before tax.		
Opening Balance	301,509	216,282
Additions during the period (5% of Net Income before tax)	258,647	215,827
Less: Payments made during the year	(301,509)	(130,600)
Closing Balance	258,647	301,509
18.00 Deferred Tax Liability		
A Deferred Tax (Income)/Expenses recognised in profit and Loss Account:		
Property, Plant & Equipment-Cost		
WDV of Property, Plant & Equipment (excluding Land) - Carrying Value	113,646,491	113,869,280
WDV of Property, Plant & Equipment (excluding Land) - Tax Value	94,589,144	93,498,774
Taxable/(Deductible) Temporary Difference	19,057,347	20,370,506
Income Tax Rate	12%	12%
Closing Deferred Tax (Assets)/Liability	2,286,882	2,444,461
Less: Additional Depreciation allowed by NBR	-	-
Closing Deferred Tax (Assets)/Liability, net (excluding Land) on Cost	2,286,882	2,444,461
Closing Deferred Tax (Assets)/Liability	2,286,882	2,444,461
Opening Deferred Tax (Assets)/Liability	2,444,461	1,568,282
Deferred Tax Expenses/(Income) to be Recognized in Profit & Loss Account	(157,579)	876,179
B Deferred Tax (Income)/Expenses recognised in other Comprehensive income and revaluation surplus:		
Land & Land Development-Revaluation		
WDV of Land & Land Development - Carrying Value	158,110,000	158,110,000
WDV of Land & Land Development - Tax Value	22,352,742	22,352,742
Taxable/(Deductible) Temporary Difference	135,757,258	135,757,258
Income Tax Rate	15%	15%
Closing Deferred Tax (Assets)/Liability on Revaluation	20,363,589	20,363,589



Particulars	(Figures in BDT)	
	30-Jun-2024	30-Jun-2023
Closing Deferred Tax Liability	20,363,589	20,363,589
Opening Deferred Tax Liability	20,363,589	10,595,981
Deferred Tax (Income)/Expenses recognised in other Comprehensive income and revaluation surplus:	-	9,767,608
Total Deferred Tax (Assets)/Liability (A+B)	22,650,471	22,808,050
19.00 LONG TERM LOAN FROM RUPALI BANK :		
Opening Balance	116,647,304	309,005,126
Add : Interest (Note :23)	-	-
	116,647,304	309,005,126
Less: Loan repaid	(116,647,304)	-
	-	309,005,126
Less : Adjustment	-	(16,505,834)
	-	292,499,292
Less : Exemption of interest by the bank	-	(175,851,988)
Balance at March 31, 2024	-	116,647,304
20.00 Trade & Other Payable		
Trade Payable-Note 20.1	-	1,510,396
Other Payable-Note 20.2	1,480,000	-
	1,480,000	1,510,396
20.10 Trade Payable		
Munsi Cai Particulars	-	8,250
Bay Tanneries	-	18,465
M.B.Tannery	-	21,650
Ork Traders	-	824,742
Uprise	-	618,557
Hasan Chemical	-	18,732
	-	1,510,396
20.20 Other Payable		
Advance Receipt From Helim	250,000	-
Advance Receipt From Raihan	230,000	-
Land marked Footwear Ltd	1,000,000	-
	1,480,000	-
21.00 LIABILITY FOR EXPENSES:		
This is made up as follows :		
Salaries (H/O)	497,228	72,500
Remuneration	-	1,200,000
Salaries & Wages (Factory)	764,057	114,700
Electricity (Factory)	-	58,632
Access Telecom(BD) Ltd.	3,620	-
BDJOBSBD.COM	8,407	-
Telephone & Others (H/O)	4,217	450
Ucash	-	73,000
TDS Payable	6,500	-
Office Rent	-	40,700
Service Charge	-	9,000
CDBL Connection Fees	-	217,032
CSE Annual Listing Fees	285,364	435,364
DSE Annual Listing Fees	-	213,143
VAT Payable	13,070	-
CDBL Internet Connection	2,235	16,035
Audit Fee	230,000	215,000
	1,814,698	2,665,556



Particulars	(Figures in BDT)	
	30-Jun-2024	30-Jun-2023

22.00 UNCLAIMED DIVIDEND

Unclaimed Dividend Less than 01 Year	34,800	-
Unclaimed Dividend Less than 03 Years	700,000	700,000
Unclaimed Dividend Less more 03 Year	-	2,080,960
Total	734,800	2,780,960

During the reporting period unclaimed dividend for the year 2019-2020 (03 Years or more) has been transfer Notification No. BSEC/CMRRCD/2021-391/20/Admin/121, dated on 01 June 2021, Cash Dividend remains unpaid/unclaimed or unsettled for a period of 3 years or more has been transferred to Capital Market Stabilization Fund(CMSF) through AB BANK LTD, A/C No-4034-799725-000, Ch-5029952 on 26 December 2023.

23.00 PROVISION FOR INCOME TAX :

17,655,275

26637580

Year	Provision	Paid	Balance	
2004	284,892	40,875	244,017	Assessment Completed
2005	599,636	22,500	577,136	Assessment Completed
2006	476,063	10,938	465,125	Assessment Completed
2007	923,858	635,153	288,705	Return Submitted but assessment not yet completed
2008	951,113	653,890	297,223	Return Submitted but assessment not yet completed
2009	1,215,683	891,501	324,182	Return Submitted but assessment not yet completed
2010	1,901,614	1,394,517	507,097	Return Submitted but assessment not yet completed
2011	2,533,128	1,857,627	675,501	Return Submitted but assessment not yet completed
2012	1,358,113	995,949	362,164	Return Submitted but assessment not yet completed
2013	1,410,832	1,034,610	376,222	Return Submitted but assessment not yet completed
2014	1,304,101	1,057,129	246,972	Return Submitted but assessment not yet completed
2015	382,887	-	382,887	Return Submitted but assessment not yet completed
2016	191,086	-	191,086	Return Submitted but assessment not yet completed
2017	1,637,252	1,030,094	607,158	Return Submitted but assessment not yet completed
2018	3,394,913	1,723,424	1,671,489	Submission under Process
2019	6,355,767	-	6,355,767	Submission under Process
2020	-	-	-	Submission under Process
2021	656,478	2,520	653,958	Submission under Process
2022	1,039,647	3,000	1,036,647	Submission under Process
2023	100,350	-	100,350	Submission under Process
2024	2,291,589	-	2,291,589	
Total	26,717,413	11,353,727	17,655,275	

23.10 Addition during the year:

Opening Balance

26,637,580

26,537,230

Provision during the year

2,291,589

100,350

28,929,169

26,637,580

Adjusted during the year

(11,273,894)

-

Closing Balance

17,655,275

26,637,580



LEGACY FOOTWEAR PLC
NOTES, SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES & OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2024

Particulars	Figures in Taka	
	30-Jun-2024	30-Jun-2023
24.00 Sales Revenue	20,706,590	1,757,855
25.00 COST OF GOODS SOLD:		
Raw Material Consumed (Leather & Chemical) [20.01]	412,436	554,484
Material Consumed (Accessories) [20.02]	164,680	251,301
Packing Material Consumed [20.03]	169,731	57,304
Spare Parts Consumed [20.04]	163,600	48,609
Manufacturing Overhead [20.05]	16,113,405	7,215,412
Cost of Goods Manufacturing	17,023,852	8,127,110
Work in Process (Opening)	132,692	230,000
Work in Process (Closing)	(189,700)	(132,692)
Cost of Production	16,966,844	8,224,418
Opening stock of Finished Goods	1,755,584	15,461,756
Less: Impairment of Finished Goods	-	(15,800,257)
Closing stock of Finished Goods	(3,034,982)	(1,755,584)
Total Cost Goods Sold	15,687,446	6,129,933
25.10 RAW MATERIALS CONSUMED (LEATHER & CHEMICAL):		
Opening Stock	828,314	6,782,915
Purchase during the period	17,655,784	2,054,705
Obsolesces Stock of Raw Material	-	(7,454,822)
	18,484,098	1,382,798
Closing Stock	(18,071,662)	(828,314)
Raw Materials Consumed	412,436	554,484
25.20 ACCESSORIES MATERIALS CONSUMED :		
Opening Stock	409,266	4,258,267
Add : Purchase during the period	1,424,088	85,692
Less: Obsolesces Stock of Accessories Materials	-	(3,683,392)
	1,833,354	660,567
Less: Closing Stock	(1,668,674)	(409,266)
Accessories Materials Consumed	164,680	251,301
25.30 PACKING MATERIALS CONSUMED :		
Opening Stock	127,394	1,258,645
Add : Purchase during the period	300,000	72,605
Less: Obsolesces Stock of Packing Material	-	(1,146,552)
	427,394	184,698
Less: Closing Stock	(257,663)	(127,394)
Packing Materials Consumed	169,731	57,304
25.40 SPARE PARTS CONSUMED :		
Opening Stock	467,600	4,652,345
Add : Purchase during the period	-	72,264
Less: Obsolete Stock of Spare Parts	-	(4,208,400)
	467,600	516,209
Less: Closing Stock	(304,000)	(467,600)
Spare Parts Consumed	163,600	48,609



Particulars	Figures in Taka	
	30-Jun-2024	30-Jun-2023
25.50 MANUFACTURING OVERHEAD :		
Salary & Wages	3,700,075	1,376,400
Bonus & Overtime	401,308	229,400
Depreciation (Annexure-01)	11,112,795	4,788,806
Electricity, Gas & Water	590,419	599,595
Carriage Inward	41,124	16,863
Repairs & Maintenance	81,042	13,234
Fuel & Lubricant	38,083	59,597
Internet	40,309	20,298
Sub-contract	-	21,384
Medical Expenses	5,674	18,181
Fooding	32,421	24,231
Conveyance	27,767	23,503
Stationery	14,652	12,334
Misc. Expenses	23,066	4,551
Telephone & Mobile	4,670	6,835
	16,113,405	7,215,412
26.00 ADMINISTRATIVE OVERHEAD:		
Salaries and Allowances	4,309,487	870,000
Bonus	402,000	145,000
Directors Remuneration	-	1,200,000
AGM/EGM Expenses	37,082	-
Entertainment	-	19,098
Printing & Stationary	37,718	14,197
Medical Expenses	5,064	1,445
Office Rent & Other charges	631,000	564,000
Traveling & Conveyance	30,492	13,642
Fooding Expenses	90,000	-
Recruitment Expenses	40,842	-
Telephone & Mobile	3,767	7,065
Telex, Fax & Photocopy	9,610	7,256
Electricity & Wasa	46,900	24,600
Statutory Audit Fees	230,000	215,000
Proceed Utilization Audit Fee	553,825	-
DSE Annual and Others Fees	270,400	-
Amortizarion(Annex- II)	28,467	-
Depreciation (Annexure-01)	584,884	252,042
AGM/EGM Expenses	72,538	73,000
Computer accessories, networking & software Exp	78,000	-
Postage & Stamp	10,580	1,319
Misc. Expenses	51,890	3,147
Daily Labour	-	4,203
Repairs & Maintenance	54,365	14,168
Welfare	-	2,818
Paper	-	3,546
Registration & Renewals	522,477	865,539
Internet and Dish bill	35,400	28,035
Water	-	3,208
	8,136,788	4,332,328



Particulars	Figures in Taka	
	30-Jun-2024	30-Jun-2023
27.00 SALES EXPENSES:		
Promotional Expenses	140,745	101,154
Sample Distribution	3,511	
Carriage Outward	-	47,020
Trade Promotion	-	15,633
Total	144,256	163,807
28.00 FINANCIAL EXPENSES:		
Bank Charges & Commission	249,378	6,531
Interest on Long Term Loan		-
	249,378	6,531
29.00 ABNORMAL (INCOME)/LOSS		
Obsoletes	-	32,293,423
Bad Debt (Note 8)	-	82,121,401
Impairment of Building & Civil work	-	52,399,732
Impairment of Plant & Machneries overhauling	-	12,557,150
Waiver of Bank Interest	-	(192,357,822)
	-	(12,986,116)
30.00 OTHER INCOME:		
FDR Interest	8,649,812	-
Capital Gain/(Loss)	186,729	-
Rental Income Shops	106,330	421,000
	8,942,871	421,000
31.00 Addition during the year:		
Tax on Business income	74,544	5,625
Tax on other income	2,217,045	94,725
	2,291,589	100,350
31.10 INCOME TAX:		
Net Profit before Tax	5,172,946	4,316,545
Less: Other income	(8,942,871)	(421,000)
Add: Accounting Depreciation & Amortization	11,726,146	5,040,848
Less: Tax Depreciation	(10,384,520)	(10,435,482)
Taxable Business income	(2,428,299)	(1,499,089)
Tax rate on Business Income	12%	12%
Tax on Business Income (A)	-	-
TDS on Export received (B)	-	-
Tax on Gross receipt (C) @ 0.36% (12/20*0.6)	74,544	5,625
Tax liabilities on business income (Higher of A, B,&C)	74,544	5,625
31.20 Tax on other Income		
Tax on Interest Income @ 25%	2,162,453	-
Tax on Capital Gain @ 15%	28,009	-
Tax on Rental Income @ 25%	26,583	94,725
	2,217,045.00	94,725

31.00 DIRECTORS OF THE COMPANY:

a) Number of Directors:

There are Five Directors including One Independent Directors of the Company for the year ended 30 June, 2024

b) Salary and Remuneration of the Management team:

Aggregate amount paid to the Management team for their services rendered as defined in the schedule 12 (2) Para 4 part- ii of Securities and Exchange Rules 1987 are given below:

Sl. No.	Name	Designation	12 Months (Tk.)
1	Quazi Rafi Ahmad	Managing Director	1,332,500
2	Md.Mamun Hossain	CFO	975,000
3	Sha-Alam Sapon	CS	780,000

32.00 Earning per share (EPS)

Basic earnings per share:

Profit after tax

3,038,936	3,340,016
3,038,936	3,340,016
43,079,980	14,395,048

Profit attributable to ordinary shareholders

Total weighted average number of shares outstanding during the year

Basic earnings per share (Tk 10/= per Share)

0.07
0.23

The reason of deviation of Earning Per Share (EPS) has been due to increase number of share. Beside, decrease sales compare to previous year. Moreover, there no financial expenses during the year except bank charge.

Diluted earnings per share:

Profit attributable to ordinary shareholders

Weighted-average number of ordinary shares outstanding during the year

Diluted potential number of ordinary shares

Total number of shares as dilutive potential ordinary shares

3,038,936	3,340,016
43,079,980	13,079,980
-	13,079,980

Diluted earnings per share (Tk 10/= per Share)
0.07
0.26

Particulars	Amount	No of Days use capital	No Day in a year	Weight	Price per Share	weighted number of share
Share Capital	430,799,800	360	360	1.00	10	43,079,980

33.00 Net Asset Value Per Share (NAVPS)

Shareholders' Equity

No. of Share for Share Capital

Potential No. of Share for Share Money Deposit

Total No of Share to Calculate Net Asset Value Per Share

NAVPS (Net Asset Value Per Share)

483,730,850	482,036,595
43,079,980	43,079,980
-	-
43,079,980	43,079,980
11.23	11.19



34.00 Net Operating Cash Flow per Share (NOCFPS)

Net Operating Cash Flow	(36,174,856.00)	(736,036.00)
No. of Share for Share Capital	43,079,980	43,079,980
Potential No. of Share for Share Money Deposit	-	-
Total No of Share to Calculate Net Asset Value Per Share	43,079,980	43,079,980
Net Operating Cash Flow per share	(0.84)	(0.02)

The reason of deviation of Net Operation Cash Flow per share has been due to increase of payment of Cost and Expense as well as payment Advance Income Tax (AIT) amounting Tk 11,273,894 during the period.

34.01 Cash Received from Customers and others income:

Revenue	20,706,590	1,757,855
Add: Bills Receivable balance b/d	13,387,325	95,604,506
Less: Bills Receivable balance c/d	(27,702,100)	(13,387,325)
Less: Adjusted during the year (Bad debt)	-	(82,121,401)
	6,391,815	1,853,635

35.00 Cash Paid to Suppliers, employees and others expenses

Cost of Goods Sold	(15,687,446)	(6,129,933)
Administrative expenses	(8,136,788)	(4,332,328)
Selling and distribution Expenses	(144,256)	(163,807)
Adjustment for Depreciation	11,697,679	5,040,848
Adjustment for Amortization	28,467	-
Workers Participation Fund	(301,509)	(130,600)
Increase/Decrease Trade Payables	(30,396)	1,379,393
Increase/Decrease Liability for expenses	(850,858)	2,062,337
Increase/Decrease Inventory	(19,805,831)	(3,370,745)
Increase/Decrease Advance deposits and prepayments	(4,645,700)	2,640,695
	(37,876,638)	(3,004,140)

36.00 Income Tax paid

Opening AIT	-	-
Less: Closing AIT	(1,682,142)	-
Less: Current year Provision	(2,291,589)	(100,350)
Less: Opening Provision for Tax	(26,637,580)	(26,537,230)
Closing Provision for Tax	17,655,275	26,637,580
	(12,956,036)	-

37.00 Cash flow for Property Plant and Equipment / Capital in Working Progress

Addition to Property Plant & Equipments	(11,474,890)	(157,520,172)
Addition to Capital Work In Progress	-	(14,633,551)
Adjustment for Transfer from CWIP to PPE	-	157,520,172
	(11,474,890)	(14,633,551)



38.00 Reconciliation of Net profit before tax with Cash flow from operating activities

Net profit before income tax	5,172,946	4,316,545
Financial Expenses	249,378	6,531
Adjustment for Depreciation	11,697,679	5,040,848
Adjustment for Amortization	28,467	-
Workers' Profit Participation Fund (WPPF)	(42,862)	85,227
(Increase)/Decrease Inventory	(19,805,831)	(3,370,745)
(Increase)/Decrease Receivable	(14,742,265)	95,780
Increase/Decrease Advance deposits and prepayments	(4,645,700)	2,640,695
Increase/(Decrease) Accounts Payables	(30,396)	1,379,393
Increase/Decrease Liability for expenses	(850,858)	2,062,337
Financial Expenses	(249,378)	(6,531)
Income Tax Paid	(12,956,036)	-
Abnormal Income	-	(12,986,116)
Net Cash (used in)/generated by operating activities	<u>(36,174,856)</u>	<u>(736,036)</u>



39.00

Related Party Disclosure:
During the year, The Company carried out a numbers of transactions with related parties in the normal course of business. The names of the related parties and nature of these transaction have been set out in accordance with the provisions of IAS -24: "Related Party Disclosure".

Name of Party	Relationship	Nature of Transaction	Balance as at 01 July, 20223		Transaction during the year		Balance as at 30 June, 2024
			Dr./ (Cr.)	Cr.	Dr.	Cr.	
Legacy Shoes Ltd	Subsidiary Company	Investment	-	-	980,000.00	-	980,000.00
Legacy Shoes Ltd	Subsidiary Company	Advance	-	-	516,000.00	250,000.00	266,000.00
Quazi Rafi Ahmad	Managing Director	Remuneration	(1,200,000.00)	-	1,200,000.00	-	-
Quazi Rafi Ahmad	Managing Director	Dividend Paid	(96,877.00)	-	96,877.00	-	-

40.00

Commission, Brokerage or Discount against sales
No commissions or brokerage fees were incurred or paid to distributors nor any discounts were paid against sales

41.00

Attendance status of Board Meeting of Directors
During the period from 1st July 2024 to 30 June, 2024 there were five Board meeting held. The attendance status of all the meeting is as follows:

Name of Directors	Position	Meeting Held	Attended
Mr. Quazi Nafees Ahmed	Chairperson	6	6
Mr. Quazi Rafi Ahmed	Managing Director	6	6
Md. Hasan Warasul Alam	Nominee Director	6	6
Ahmed Farabi Chowdhury	Nominee Director	6	6
Mr.kharram Ja Murad	Independent Director	6	6

42.00

Disclosure as per requirement of Schedule XI, Part II of the Company Act, 1984

a. Disclosure as per requirement of Schedule XI, Part II Note 5 of Para 3.

a (i) Employee Position (As at June 30, 2024)

Salary Range (Monthly)	Office & Staff		Worker	Total Employee
	Head Office	Factory		
Below TK	-	-	-	-
Above TK	14	8	110	132
Total	7	8	110	125

b. Disclosure as per requirement of Schedule xi, part II, para 4

Name of Directors	Designation	Nature of Transaction	Dr	Cr	Balance
Mr. Quazi Rafi Ahmed	Managing Director	Remuneration	-	-	-
Total					



b (i) The above Directors of the company did not take any benefit from the company other than the remuneration.

SL	Particulars	2023-2024	2022-2023
(a)	Managerial Remuneration paid or payable during the period to the directors, including managing directors, a managing agent or manager	3,087,500.00	
(b)	Expenses reimbursed to Managing Agent	Nil	Nil
(c)	Commission or Remuneration payable separately to a managing agent or his associate	Nil	Nil
(d)	Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company		
(e)	The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial period.	Nil	Nil
(f)	Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable.	Nil	Nil
(g)	Other allowances and commission including guarantee commission	Nil	Nil
(h)	Pensions etc.	Nil	Nil
	(i) Pensions	Nil	Nil
	(ii) Gratuities	Nil	Nil
(i)	(iii) Payments from a provident funds, in excess of own subscription and interest thereon	Nil	Nil
	Share Based payments	Nil	Nil

In accordance with IAS 24 Paragraph 17, the company has disclosed compensation to key management personnel.

Name of Executive Employee	Designation	Salary
Quazi Rafi Ahmed	Managing Director	1,332,500
Shah Alam Swapan	Company Secretary	780,000
Md. Mamun Hossain	CFO	975,000



- c Disclosure as per requirement of Schedule XI, part II, para 8
i) Raw Materials, Spare Parts, Packing Materials

Items	Purchase in Taka		Consumption in Taka	% of Consumption of total purchase
	Import	Local		
Raw Materials (Leather & Chemicals)	-	17,655,784	412,436	2%
Materials (Accessories)	-	1,424,088	164,680	12%
Packing Materials	-	300,000	169,731	57%
Spare Parts	-	-	163,600	0%
Total	-	19,379,872	910,447	

ii) The company has not incurred any expenditures denominated in foreign currency for the period from 1st July 2023 to 30 June, 2024 on account of royalty, know-how, professional fee, consultancy fees and interest.

iii) The company has not earned any royalty, know-how or professional fees and consultancy fees denominated in foreign currency.

43.00

Subsequent Disclosure of Events after the Balance sheet Date- Under IAS 10

There is no adjusting post balance sheet event of such importance, non disclosure of which would effect the ability to the users of the financial statements to proper evaluation and decision.

44.00

Accounts Receivable

(I) Debt consider good in respect of which company is fully secured: The debtors occurred in the ordinary course of business are considered good and secured.

(II) Debt considered good for which the company hold no security other than the debtors personal security Total debts are under this category as on 30 June, 2024.

(III) Debt considered doubtful or bad The company made no provision for doubtful debts as on 30 June, 2024, because of the fact that sales/export are being made on regular basis with fixed maturity date.

(IV) Debt due by directors or other officers of the company There is no such debt in this respect as on 30 June, 2024.

(v) Debt due by common Management There is no amount due from common management as on 30 June, 2024.

(vi) The maximum amount due by directors or other officers of the company There is no such debt in this respect as on 30 June, 2024.

Bills Receivable (Note 11.1)

Age analysis of the above balance of Bills Receivable is as follows :

Less than six months
Over six months

28,395,590	13,387,325

27,702,100 13,387,325

20,706,590.00	-
7,689,000.00	13,387,325
28,395,590	13,387,325



45.00 Financial Risk Management

The management of Company under the supervision of the Board has overall responsibility for the establishment and oversight of the Company's risk management framework. Risk management policies, procedures and systems are reviewed regularly to reflect change in market conditions and the company's activities. The Company is exposed through its operations to the following financial risks:

- A. Interest rate Risk
- B. Credit Risk
- C. Stock/Inventory Risk

B. Credit Risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge a contractual obligation. Credit risk mainly arises from trade debtors, advances and prepayments and cash & bank balances. The Management of the Company considers the balance of Bills Receivables to be in good standing and provision for bad and doubtful debts sufficient to cover unforeseen risks of non-realization. The Company has recently come to an arrangement with the debtors to realize their old debts. The maximum exposure to credit risk at the reporting date in terms of carrying value of assets is as follows:

46.00 Details of Lease Agreement:

There is no lease assets. So no lease agreement was required or signed.

47.00 Internal Control

The following steps have been taken for implementation of an effective internal control procedure of the Company:

A strong internal control and compliance division has been formed with a view to establish a well designated system of internal control. Management makes regular reviews of internal audit reports with view to implement the suggestion of internal auditors in respect of internal control technique. The internal control compliance division is also working towards establishing an effective management system that includes planning, organizing and supervising culture in the factory as well as at Head Office.

48.00 Contingent Liability

There are no contingent liabilities apart from those that have already been disclosed in the financial statements and notes to the financial statements.

49.00 General

49.1 Segment Reporting

As the company operates as a single business and geographic segment no segment reporting is felt necessary.

49.2 Contingent liability: There is no contingent liability as of the balance sheet date.

49.3 Receivable from Directors :Nothing is receivable from the director.

49.4 Last year's figures have been rearranged wherever it was found necessary.

49.5 Figures appearing in the financial statements have been rounded off to the nearest BDT.



LEGACY FOOTWEAR LTD.
SCHEDULE OF PROPERTY, PLANT & EQUIPMENT
AS ON 30 JUNE, 2024

Annexure - I

Sl. No.	Particulars	COST			Depr. Rate	DEPRECIATION			Written Down Value As on 30 Jun, 2024
		Balance as on 01 July, 2023	Addition	Adjustment		Balance as on 30 Jun, 2024	Charged	Adjustment	
1	Land and Land Development	22,352,742	-	-	0%	-	-	-	22,352,742
2	Building & Civil work	91,041,521	1,443,887	-	10%	9,140,249	-	9,140,249	83,345,159
3	Plant & Machinery	118,330,377	8,946,978	-	10%	2,140,093	-	101,306,280	25,971,075
4	Equipments	4,650,764	184,500	-	10%	108,111	-	3,723,889	1,111,375
5	Furniture	2,576,521	174,525	-	10%	19,234	-	2,447,044	304,002
6	Generator	516,000	650,000	-	10%	35,272	-	361,053	804,947
7	Air Compressor with Trolley	83,000	16,000	-	10%	52,403	-	55,863	43,137
8	CC Camera	147,500	-	-	10%	93,126	-	98,563	48,937
9	Air Conditioner	1,000,000	-	-	10%	558,006	-	602,205	397,795
10	Water Filler	14,000	-	-	10%	8,839	-	9,355	4,645
11	Computer	384,600	59,000	-	25%	240,149	-	279,949	163,651
12	Office decoration	3,500,600	-	-	10%	1,887,524	-	2,048,832	1,451,768
As on 30-06-2024		244,597,625	11,474,890	-		11,697,679	-	120,073,282	135,999,233
As on 30-06-2023		168,464,129	157,520,172	81,386,676		4,463,350	28,986,944	108,375,603	136,222,022

REVALUATION

Sl. No.	Particulars	Cost			Rate %	Depreciation			Written Down Value As on 30 Jun, 2024
		Balance as on 01 July, 2023	Addition for the year	Adjustment		Balance as on 01 Jun, 2024	Charged during the year	Adjustment during the year	
1	Land and Land Development	135,757,258	-	-	-	-	-	-	135,757,258
As on 30-06-2024		135,757,258	-	-		-	-	-	135,757,258
As on 30-06-2023		87,065,108	65,117,385	16,425,235		577,498	11,227,749	-	135,757,258

COMBINED

As on 30-06-2024	380,354,883	11,474,890	-	-	-	11,697,679	-	120,073,282	271,756,491
As on 30-06-2023	255,529,237	222,637,557	97,811,911	380,354,883	-	5,040,848	40,214,693	108,375,603	271,979,280

* Figures in Taka

	30-Jun-2024	30-Jun-2023
Depreciation charged to Cost of Goods Sold	11,112,795	4,788,806
Dep. charged to Administrative Overhead	584,884	252,042
	11,697,679	6,253,758

Depreciation charged to Cost of Goods Sold
Dep. charged to Administrative Overhead



LEGACY FOOTWEAR LTD.
 SCHEDULE OF PROPERTY, PLANT & EQUIPMENT
 AS ON 30 JUNE, 2024

Annex- II

COST VALUE		COST			Depr. Rate	DEPRECIATION			Written Down Value As on 30 Jun, 2024
		Balance as on 01 July, 2023	Addition	Adjustment		Balance as on 30 Jun, 2024	Charged	Adjustment	
Sl. No.	Particulars								
1	Licences	-	1,708,038	-	20%	1,708,038	28,467	-	1,679,571
	As on 30-06-2024	-	1,708,038	-		1,708,038	28,467	-	1,679,571



LEGACY FOOTWEAR PLC
Schedule of Share Capital
As on June 30, 2024

Annexure-III

Position of shareholding of ordinary shares as on June 30, 2024

SL No	Particulars	2023-2024		2022-2023	
		Number of Shares	%	Number of Shares	%
1	Sponsor	14,325,389	33.25%	33,924,354	78.75%
2	Foreign Investors	-	-	-	-
3	Financial and other Institutions	24,663,023	57.25%	1,437,489	3.34%
4	General Public	4,091,568	9.50%	7,718,137	17.92%
	Total	43079980	100%	43,079,980	100%

Distribution schedule of each class of equity security setting out the number of holders and percentage as on June 30, 2024

SL No	Range of Holdings	As per BO ID		Total Share Holding	%
		No. of holders	Holdings		
1	Less than 500 shares	1698	48,003	48,003.00	0.11%
2	501 to 5,000 shares	2807	4,210,500	4,210,500.00	9.77%
3	5001 to 10,000 shares	499	2,740,200	2,740,200.00	6.36%
4	10,001 to 20,000 shares	18	252,692	252,692.00	0.59%
5	20,001 to 30,000 shares	17	435,228	435,228.00	1.01%
6	30,001 to 40,000 shares	12	422,198	422,198.00	0.98%
7	40,001 to 50,000 shares	15	705,650	705,650.00	1.64%
8	50,001 to 100,000 shares	13	843,429	843,429.00	1.96%
9	100,001 to 1,000,000 shares	9	4,703,200	4,703,200.00	10.92%
10	Over 1,000,000 shares	13	28,718,880	28,718,880.00	66.66%
	Total	5,101.00	43,079,980.00	43,079,980.00	100%





LEGACY FOOTWEAR PLC

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Website: legacyfootwearplc.com

Factory

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Dist.: Gazipur, Bangladesh