"Other matters" paragraphs in the Auditor's Report of Walton Hi-Tech Industries PLC. for the year ended on 30 June 2023.

"Other Matters

- In connection with note # 52.01, the company's net revenue is BDT 66,374,271,405 out of which 32.29% of the transactions has been made with a related party, Walton Plaza. As per the company's policy and based on performance, trade rebate has been allowed to the related party.
- In connection with note # 8.00, raw materials with aging of more than two years is amounting to BDT 565,041,783
- In connection with note # 6.00, Construction in Progress [CIP] worth BDT 1,484,936,914 has been under construction for the past five years and is not ready for use."

Note # 52.01

52.01 **Related party Receivable Balances and Trading Transactions with Walton Plaza**

During the year, the Company carried out a number of transactions (i.e. sale of goods) with its related party in the normal course of business on an arms' length basis as per the company's policies and based on performance like other distributors. The name of related party, nature of these transactions and their outstanding balances has been set out below in accordance with the provisions of IAS 24: Related Party Disclosure.

Name of related parties	Nature of Transaction	Transactions during the year		Receivable/ (Payable) at closing date	
		01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022	30 June 2023	30 June 2022
		Amount in Taka			
Walton Plaza, Common Director/ Shareholders	Revenue, Net	21,430,337,276	22,397,470,700	11,614,484,391	16,385,271,236
Total		**21,430,337,276**	**22,397,470,700**	**11,614,484,391**	**16,385,271,236**

Walton Plaza is Partnership entity which partners/ directors are common. During the year, the Company made sale with Walton Plaza amounting to TK.2,143.03 Crore which is 32.29% of net revenue, whereas in the comparative year, it was amounting to TK.2,239.74 Crore which was 27.42% of net revenue.

Note # 8.00

8.00	**Inventories**		
	Raw Material	12,755,735,569	18,139,092,335
	Packing Material	267,882,120	277,785,077
	Work in Process and Semi-finished goods	1,241,028,476	1,389,188,805
	Finished Goods (Note: 8.2)	4,139,136,870	5,968,253,260
	Material in Transit and others	7,276,217,888	10,446,530,391
	Sub-total	**25,680,000,923**	**36,220,849,868**
	Allowances for Inventory Obsolescence (Note: 8.01)	(106,467,582)	(23,230,709)
	Total	**25,573,533,341**	**36,197,619,159**
	Accounting policy Note is given in 3.07.		

Note # 6.00

6.00	**Other Non-Current Assets**		
	Capital Work in Progress Clearing	4,865,654,734	3,792,441,151
	Assets Clearing	2,486,081,516	2,653,746,507
	Total	**7,351,736,250**	**6,446,187,658**
	Accounting policy Note is given in 3.04.		