

**Singer Bangladesh Limited**  
**Independent Auditors' Report and**  
**Financial Statements as at and for**  
**the year ended 31 December 2024**

**INDEPENDENT AUDITOR'S REPORT**  
**To the Shareholders of Singer Bangladesh Limited**
**Report on the Audit of the Financial Statements**
**Opinion**

We have audited the financial statements of Singer Bangladesh Limited (the Company) which comprise the Statement of Financial Position as at 31 December 2024 and Statement of Profit or Loss & 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.

In our opinion, the accompanying financial statements of the Company gives a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the 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) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, 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 opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statement of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide opinion on these matters.

1. Revenue Recognition See note 20 and 40(A) to the financial statements	
Description of key audit matters	How the matters were addressed in our audit
<p>The Company reported total revenue for the year ended 31 December 2024 BDT 18,658,178,931 (31 December 2023 BDT 17,033,083,159).</p> <p>Revenue recognition has a significant and wide influence on financial statements. Revenue is recognized when (or as) the Company satisfies a performance obligation by transferring promised goods to a customer. Performance obligation is satisfied when the control of the goods is transferred. Control may be transferred either at a point in time or over time. The Company makes sales on cash, credit and installment basis.</p> <p>The revenue of the Company derives from retail sales through a large number of outlets and institutions which are located throughout the country. Revenue comprises high volume of individual small transactions which increase the risk</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>We read the Company's revenue recognition policy and assessed its compliance in terms of IFRS 15 'Revenue from contracts with customers'.</li> <li>We evaluated the design and implementation of key controls related to the Company's revenue process and tested the operating effectiveness of key controls over revenue.</li> <li>We performed substantive testing on revenue recorded throughout the year using sampling techniques to ensure appropriateness of recording revenue by examining the relevant supporting documents including sales invoices, VAT Challans and delivery challans.</li> </ul>



<p>of revenue being recognized inappropriately. There is a risk that these revenue transactions are not recognized in the proper reporting periods.</p> <p>On the other hand, revenue is one of the key performance indicators of the Company and therefore there is an inherent risk of manipulation of the timing of recognition of revenue by management to meet specific targets or expectations.</p> <p>Considering the above factors and the risk associated with revenue recognition, we have determined the same to be a key audit matter.</p>	<ul style="list-style-type: none"> <li>• We confirmed certain customers' receivable balance at the statement of financial position date, selected on sample basis by considering the amounts outstanding with those customers.</li> <li>• We selected samples of sales transactions made pre and post year end, agreed the date of transfer of control for the selected sample by testing underlying documents and</li> </ul>
<p><b>2. Existence and valuation of inventories</b> See note 8 and 40(E) to the financial statements</p>	
Description of key audit matters	How the matters were addressed in our audit
<p>The Company reported total inventories as at 31 December 2024 BDT 9,384,351,900 (31 December 2023 BDT 5,259,197,271) which is 78% (BDT 4,125,154,629) higher than previous year inventories.</p> <p>Further, inventories represent about 29% of the total assets of the Company, inventories are thus a material item to financial statements.</p> <p>The Company performed stock verification before year end date and reconciled from count date to year end date. Inventories are valued at the lower of cost or net realizable values. As such, management is required to make judgements in determining whether inventories are being appropriately valued, and also need to make provision for aged inventories, if required.</p> <p>Due to the value and volume of inventories being held by the Company at the reporting date and the complexities involved in the accounting and presentation thereof, Inventories has been considered as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• We observed the process of management's inventory count and perform test counts and checked reconciliation of inventory movement from count date to year end date.</li> <li>• We understood the inventory process and performed walkthrough to understand the adequacy of related controls tested the operating effectiveness of key controls over inventories.</li> <li>• We verified a sample of inventory items to ensure that costs have been appropriately recorded.</li> <li>• We tested on a sample basis the net realizable value by comparing costs to recent selling prices and assessed the reasonableness of any resulting write down of inventory items.</li> <li>• We assessed whether appropriate provisions have been recognized for aged, damaged, slow moving or obsolete inventories.</li> </ul>

#### 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 auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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 identified above when it becomes available 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.



When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

#### **Other Matters**

The financial statements of the Company for the year ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those statements on 07 February 2024.

#### **Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls**

Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

As part of an audit in accordance with ISAs, we exercise professional 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 circumstances.
- 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 accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and event 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 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 2020 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 purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examinations of these books;
- c) The statement of financial position and statement of profit or loss & other comprehensive income dealt with by the report are in agreement with the books of account and returns; and
- d) The expenditure incurred was for the purposes of the Company's business.

**A. Qasem & Co.**  
Chartered Accountants  
Enlistment Registration No. of FRC: CAF-001-129



**Mohammad Motaleb Hossain FCA**  
Partner  
Enrolment Number: 0950

DVC: 2502100950AS389004

Dhaka, 10 February 2025



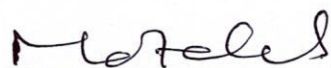
Singer Bangladesh Limited  
Statement of financial position

<i>In BDT</i>	<i>Note</i>	<b>31 December 2024</b>	<b>31 December 2023</b>
<b>Assets</b>			
Property, plant and equipment	3	11,041,015,297	5,196,163,145
Intangible assets	4	12,206,440	15,258,050
Right-of-use (ROU) assets	5	3,050,592,467	2,799,702,899
Investments	6	4,510,521	4,199,450
Deferred tax assets	13	99,966,995	64,949,787
Advances, deposits and prepayments	7	37,522,983	31,648,983
<b>Non-current assets</b>		<b>14,245,814,703</b>	<b>8,111,922,314</b>
Inventories	8	9,384,351,900	5,259,197,271
Trade and other receivables	9	4,249,654,433	3,678,034,607
Advances, deposits and prepayments	7	2,105,441,827	1,165,696,270
Current tax assets	19	1,291,573,034	794,043,316
Cash and cash equivalents	10	934,814,468	454,480,100
<b>Current assets</b>		<b>17,965,835,662</b>	<b>11,351,451,564</b>
<b>Total assets</b>		<b>32,211,650,365</b>	<b>19,463,373,878</b>
<b>Equity</b>			
Share capital	11	997,028,380	997,028,380
Reserves	12	683,531,566	686,140,671
Retained earnings		892,968,505	1,710,028,250
<b>Total equity</b>		<b>2,573,528,451</b>	<b>3,393,197,301</b>
<b>Liabilities</b>			
Defined benefit obligations	14	(370,556)	23,068,484
Long term debt	18	5,937,500,000	-
Lease liabilities	5	1,360,149,224	1,099,875,609
Other liabilities	15	2,286,102,543	2,183,248,198
<b>Non-current liabilities</b>		<b>9,583,381,211</b>	<b>3,306,192,291</b>
Unclaimed dividend		9,285,393	9,616,416
Trade and other payables	16	7,659,325,106	4,398,138,690
Short-term borrowings - secured	17	11,908,060,525	8,142,332,768
Long term debt current portion	18.3	237,430,290	-
Lease liabilities	5	240,639,389	213,896,412
<b>Current liabilities</b>		<b>20,054,740,703</b>	<b>12,763,984,286</b>
<b>Total liabilities</b>		<b>29,638,121,914</b>	<b>16,070,176,577</b>
<b>Total equity and liabilities</b>		<b>32,211,650,365</b>	<b>19,463,373,878</b>
<b>Net Asset Value (NAV) per share</b>	<b>35</b>	<b>25.81</b>	<b>34.03</b>

The notes and annexures on pages 9 to 54 are an integral part of these financial statements.

As per our report of same date

A. Qasem & Co.  
Chartered Accountants  
Enlistment Registration No. FRC: CAF-001-129



**Mohammad Motaleb Hossain FCA**  
Partner  
Enrolment Number: 0950  
DVC: 2502100950AS389004

Dhaka, 10 February 2025



**Mohamed Haniffa Mohamed Fairoz**  
Managing Director



**Masud Khan**  
Director



**Kazi Ashiqur Rahman**  
Company Secretary





Singer Bangladesh Limited

Statement of profit or loss and other comprehensive income

For the year ended 31 December

In BDT	Note	2024	2023
Sales		18,620,239,285	17,005,175,558
Earned carrying charges		37,939,646	27,907,601
<b>Turnover</b>	20	<b>18,658,178,931</b>	<b>17,033,083,159</b>
Cost of sales	21	(13,712,802,643)	(12,131,080,139)
<b>Gross profit</b>		<b>4,945,376,288</b>	<b>4,902,003,020</b>
Operating expenses	22	(4,180,925,596)	(3,602,371,455)
Other income	23	215,498,421	178,591,910
<b>Operating profit</b>		<b>979,949,112</b>	<b>1,478,223,475</b>
Finance income		43,369,090	1,665,906
Finance costs		(1,433,286,578)	(604,135,180)
<b>Net finance costs</b>	24	<b>(1,389,917,488)</b>	<b>(602,469,274)</b>
<b>Profit before contribution to workers' profit participation fund</b>		<b>(409,968,376)</b>	<b>875,754,201</b>
Contribution to workers' profit participation fund	25	-	(43,787,710)
<b>Profit before taxation</b>		<b>(409,968,376)</b>	<b>831,966,491</b>
Income tax expense	26	(79,382,274)	(309,878,695)
<b>Profit after tax</b>		<b>(489,350,650)</b>	<b>522,087,796</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of defined benefit liability, net of tax	14 & 26.3	17,884,252	(18,582,678)
<b>Other comprehensive income/(expense) for the year, net of tax</b>		<b>17,884,252</b>	<b>(18,582,678)</b>
<b>Total comprehensive income for the year</b>		<b>(471,466,398)</b>	<b>503,505,118</b>
<b>Earnings per share (EPS)</b>	31	<b>(4.91)</b>	<b>5.24</b>

The notes and annexures on pages 9 to 54 are an integral part of these financial statements.

As per our report of same date

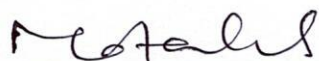
A. Qasem & Co.

Chartered Accountants

Enlistment Registration No. FRC: CAF-001-129



**Mohamed Haniffa Mohamed Fairoz**  
Managing Director



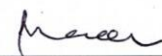
**Mohammad Motaleb Hossain FCA**

Partner

Enrolment Number: 0950

DVC: 2502100950AS389004

Dhaka, 10 February 2025



**Masud Khan**  
Director



**Kazi Ashiqur Rahman**  
Company Secretary





Singer Bangladesh Limited  
Statement of changes in equity

For the year ended 31 December 2024

<i>In BDT</i>	Note >	Share capital 11	Revaluation reserve 12.1	Capital reserve 12.2	Non-remittable special reserve 12.3	Non-distributable special reserve 12.4	Retained earnings	Total equity
Balance at 1 January 2024		997,028,380	667,346,704	18,190,942	370,178	232,847	1,710,028,250	3,393,197,301
Total comprehensive income								
Profit for the year		-	-	-	-	-	(489,350,650)	(489,350,650)
Other comprehensive income		-	-	-	-	-	17,884,252	17,884,252
Total comprehensive income for the year		-	-	-	-	-	(471,466,398)	(471,466,398)
Transaction with owners of the Company								
Contributions and distributions								
Dividends:								
Cash dividend- 2023		-	-	-	-	-	(348,959,934)	(348,959,934)
Total contributions and distributions		-	-	-	-	-	(348,959,934)	(348,959,934)
Adjustment for deferred tax arising from revaluation of Land and Buildings		-	757,482	-	-	-	-	757,482
Transfer of depreciation on revaluation surplus		-	(3,366,587)	-	-	-	3,366,587	-
Balance at 31 December 2024		997,028,380	664,737,599	18,190,942	370,178	232,847	892,968,505	2,573,528,451
Balance at 1 January 2023		997,028,380	670,382,101	18,190,942	370,178	232,847	1,302,309,329	2,988,513,777
Total comprehensive income								
Profit for the year		-	-	-	-	-	522,087,796	522,087,796
Other comprehensive income		-	-	-	-	-	(18,582,678)	(18,582,678)
Total comprehensive income for the year		-	-	-	-	-	503,505,118	503,505,118
Transaction with owners of the Company								
Contributions and distributions								
Dividends:								
Cash dividend- 2022		-	-	-	-	-	(99,702,838)	(99,702,838)
Total contributions and distributions		-	-	-	-	-	(99,702,838)	(99,702,838)
Adjustment for deferred tax arising from revaluation of Land and Buildings		-	881,244	-	-	-	-	881,244
Transfer of depreciation on revaluation surplus		-	(3,916,641)	-	-	-	3,916,641	-
Balance at 31 December 2023		997,028,380	667,346,704	18,190,942	370,178	232,847	1,710,028,250	3,393,197,301





Singer Bangladesh Limited  
Statement of cash flows

For the year ended 31 December

In BDT

	Note	2024	2023
<b>Cash flows from operating activities</b>			
Collections from turnover and other income		21,293,847,664	19,384,783,182
Payments for costs and expenses		(21,434,447,505)	(16,619,244,414)
Payments to workers' profit participation fund		(41,821,736)	(19,902,252)
Income tax paid	19.1	(611,171,718)	(476,862,255)
<b>Net cash from operating activities</b>	36	<b>(793,593,295)</b>	<b>2,268,774,261</b>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment		(6,046,714,172)	(3,226,261,987)
Acquisition of ROU assets		(566,686,379)	(123,896,188)
Acquisition of intangible assets		-	-
Dividend received from CDBL	23	1,142,362	1,142,362
Proceeds from sale of property, plant and equipment	Annex-1	4,185,088	2,537,105
<b>Net cash used in investing activities</b>		<b>(6,608,073,101)</b>	<b>(3,346,478,708)</b>
<b>Cash flows from financing activities</b>			
Term loan received/(repayment)		5,972,724,408	-
Interest paid on borrowings/lease		(1,492,115,983)	(519,969,273)
Lease liability (principal repayment)		(287,016,592)	(378,450,979)
Dividends paid		(279,524,708)	(87,813,889)
<b>Net cash used in financing activities</b>		<b>3,914,067,125</b>	<b>(986,234,141)</b>
<b>Net increase/(decrease) in cash</b>		<b>(3,487,599,271)</b>	<b>(2,063,938,588)</b>
Cash and cash equivalents at 1 January		(7,687,852,668)	(5,623,914,080)
<b>Cash and cash equivalents at 31 December</b>		<b>(11,175,451,939)</b>	<b>(7,687,852,668)</b>
<b>Closing cash and cash equivalents have been arrived at as follows:</b>			
Cash and cash equivalents	10	934,814,468	454,480,100
Short-term borrowings - secured (bank overdrafts/short-term loan)	17	(11,908,060,525)	(8,142,332,768)
Effect of exchange rate fluctuations on cash held		(202,205,882)	-
		<b>(11,175,451,939)</b>	<b>(7,687,852,668)</b>
<b>Net operating cash flow per share (NOCFPS)</b>	36.1	<b>(7.96)</b>	<b>22.76</b>





## Notes to the financial statements

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### 1 Reporting entity

#### 1.1 Company profile

Singer Bangladesh Limited ("the Company") was incorporated in Bangladesh as a private limited company on 4 September 1979 under the Companies Act 1913. It was converted into a public limited company in 1983 when it offered its shares to the public with the requisite permission from the Government. It has been a direct subsidiary of Beko Bangladesh BV, The Netherlands (formally Retail Holdings Bhold B.V., The Netherlands) since 2003. The shares of the Company are listed with Dhaka Stock Exchange PLC and Chittagong Stock Exchange PLC. The address of the registered office of the Company is 39 Dilkusha Commercial Area, Dhaka-1000, Bangladesh.

#### 1.2 Nature of business

Principal activities of the Company throughout the year were manufacturing of refrigerators, panel televisions, air conditioners, washing machines and grinders; and marketing of refrigerators, televisions, air conditioners, sewing machines, computers, washing machines and other consumer electronics and household appliances. The manufacturing plant of the Company are situated at Rajfulbaria, Jhamur, Savar, Dhaka-1347; Koulasur, Hemayetpur, Savar, Dhaka-1348 and new factory (in progress) at Bangladesh Special Economic Zone (BSEZ), Araihaazar, Narayangonj.

### 2 Basis of preparation

#### 2.1 Statement of compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations in Bangladesh. Cash flows from operating activities are prepared under direct method as prescribed by the Securities and Exchange Rules 2020.

These financial statements have been prepared on accrual basis following going concern concept under historical cost convention as modified to include the revaluation of land and buildings under property, plant and equipment. The initial recognition of financial instruments at fair value and the gratuity scheme which was measured based on actuarial valuation. The financial statements provide comparative information in respect of the previous period and have been prepared on going concern basis.

Details of the Company's accounting policies including changes during the year, if any, are included in Note 40.

#### Date of authorisation

The Board of Directors of the Company has authorised these financial statements on 27 January 2025.

#### 2.2 Going concern

The Company has adequate resources to continue in operation for foreseeable future and hence, these financial statements have been prepared on going concern basis. As per management assessment there are no material uncertainties related to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern.

#### 2.3 Functional and presentational currency

Financial statements of the Company are presented in Bangladesh Taka (BDT/Taka/Tk.), which is both functional and presentational currency of the Company. All amounts have been rounded to the nearest BDT, unless otherwise indicated.



## Notes to the financial statements (Continued)

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### 2.4 Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

#### (a) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note: 5.1 Right-of-use assets  
Note: 5.2 Lease liabilities

#### (b) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

Note: 3 Property, plant and equipment  
Note: 8 Inventories  
Note: 9 Trade and other receivables  
Note: 14 Defined benefit obligations  
Note: 27.2 Contingent liabilities

### 2.5 Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- i) expected to be realised or intended to be sold or consumed in normal operating cycle, or
- ii) expected to be realised within twelve months after the reporting period, or
- iii) held primarily for the purpose of trading, or
- iv) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is:

- i) expected to be settled in normal operating cycle, or
- ii) due to be settled within twelve months after the reporting period, or
- iii) held primarily for the purpose of trading, or
- iv) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.





## Notes to the financial statements (Continued)

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### 2.6 Standards, amendments and interpretations that are issued but not effective as at 31 December 2024

#### A. IFRS 18 Presentation and Disclosure in Financial Statement

IFRS 18 will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss: namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Company is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Company's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Company is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as 'other'.

#### B. Other standards

The following new and amended accounting standards are not expected to have a significant impact on financial statements.

- Lack of Exchangeability (Amendments to IAS 21)
- Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)





Notes to the financial statements (continued)

3 Property, plant and equipment

See accounting policy in Note 40 (F)

Reconciliation of carrying amount

In BDT	Buildings		Leasehold improvements			Plant and machinery	Vehicles	Furniture and fixtures	Equipment and tools	CWIP (Note 3.1)	Total	
	Land	Office	Factory	Factory	Office							Shops
Cost												
Balance at 1 January 2024	676,595,000	101,934,964	227,006,022	16,449,852	30,987,386	706,968,821	973,761,560	162,335,291	38,435,232	298,561,861	3,444,344,579	6,677,380,569
Additions					88,465,650	51,424,985		6,299,136	45,323,151	42,653,499	5,804,724,742	6,038,891,163
Disposals/transfers					(9,008,980)			(9,898,519)	(1,987,151)	(26,195,371)	(1,353,955)	(48,443,976)
Balance at 31 December 2024	676,595,000	101,934,964	227,006,022	16,449,852	110,444,056	758,393,806	973,761,560	158,735,908	81,771,232	315,019,989	9,247,715,366	12,667,827,756
Balance at 1 January 2023	676,595,000	101,934,964	227,006,022	16,449,852	22,708,017	645,129,735	877,114,786	160,274,810	37,934,018	282,716,916	187,720,215	3,235,584,335
Additions				-	8,279,369	72,550,859	111,680,284	4,514,000	501,214	16,993,544	3,358,283,339	3,572,802,609
Disposals/transfers				-	-	(10,711,773)	(15,033,510)	(2,453,519)	-	(1,148,599)	(101,658,975)	(131,006,375)
Balance at 31 December 2023	676,595,000	101,934,964	227,006,022	16,449,852	30,987,386	706,968,821	973,761,560	162,335,291	38,435,232	298,561,861	3,444,344,579	6,677,380,569
Accumulated depreciation												
Balance at 1 January 2024	-	66,312,056	211,941,109	9,431,493	17,439,635	361,375,986	476,660,027	112,652,546	20,300,265	205,104,307	-	1,481,217,424
Depreciation for the year		3,562,291	3,012,982	701,836	4,804,371	35,827,615	99,420,307	11,196,376	4,556,204	22,397,863	-	185,479,844
Adjustment for disposal/transfers					(7,627,651)			(9,172,903)	(1,650,857)	(21,433,397)	-	(39,884,809)
Balance at 31 December 2024	-	69,874,347	214,954,091	10,133,329	14,616,354	397,203,601	576,080,334	114,676,019	23,205,612	206,068,773	-	1,626,812,459
Balance at 1 January 2023	-	62,353,955	208,174,881	8,651,675	16,428,073	335,191,561	370,633,945	103,315,330	18,309,925	184,877,848	-	1,307,937,193
Depreciation for the year	-	3,958,101	3,766,228	779,818	1,011,562	32,626,006	115,597,849	11,536,072	1,990,340	21,158,342	-	192,424,318
Adjustment for disposal/transfers	-					(6,441,581)	(9,571,767)	(2,198,856)	-	(931,883)	-	(19,144,087)
Balance at 31 December 2023	-	66,312,056	211,941,109	9,431,493	17,439,635	361,375,986	476,660,027	112,652,546	20,300,265	205,104,307	-	1,481,217,424
Carrying amounts												
At 31 December 2024	676,595,000	32,060,617	12,051,931	6,316,523	95,827,702	361,190,205	397,681,226	44,059,889	58,565,620	108,951,216	9,247,715,366	11,041,015,297
At 31 December 2023	676,595,000	35,622,908	15,064,913	7,018,359	13,547,751	345,592,835	497,101,533	49,682,745	18,134,967	93,457,554	3,444,344,579	5,196,163,145
At 1 January 2023	676,595,000	39,581,009	18,831,141	7,798,177	6,279,944	309,938,174	506,480,841	56,959,480	19,624,093	97,839,068	187,720,215	1,927,647,143





Notes to the financial statements (continued)

3.1 Capital work in progress (CWIP)

In BDT	Plant and machinery	Leasehold improvements	Furniture and fixtures	Software	Total
<b>Cost</b>					
Balance at 1 January 2024	1,244,414,341	2,199,930,238	-	-	3,444,344,579
Additions	1,630,812,173	4,141,913,586	-	31,998,983	5,804,724,741
Transfers	(1,353,955)	-	-	-	(1,353,955)
<b>Balance at 31 December 2024</b>	<b>2,873,872,558</b>	<b>6,341,843,824</b>	<b>-</b>	<b>31,998,983</b>	<b>9,247,715,366</b>
Balance at 1 January 2023	129,985,571	57,734,644	-	-	187,720,215
Additions	1,216,087,745	2,142,195,594	-	-	3,358,283,339
Transfers	(101,658,975)	-	-	-	(101,658,975)
<b>Balance at 31 December 2023</b>	<b>1,244,414,341</b>	<b>2,199,930,238</b>	<b>-</b>	<b>-</b>	<b>3,444,344,579</b>

3.2 Allocation of depreciation

In BDT	Note	For the year ended 31 December	
		2024	2023
Cost of sales	21	106,992,280	124,275,900
Operating expenses	22	81,539,182	68,148,417
		<b>188,531,462</b>	<b>192,424,317</b>





## Notes to the financial statements (continued)

### 4 Intangible assets

See accounting policy in Note 40 (G)

#### Reconciliation of carrying amount

<i>In BDT</i>	Software	
	2024	2023
<b>Cost</b>		
Balance at 1 January	81,494,220	81,494,220
Additions	-	-
Disposals/transfers	-	-
<b>Balance at 31 December</b>	<b>81,494,220</b>	<b>81,494,220</b>
<b>Accumulated amortisation</b>		
Balance at 1 January	66,236,170	62,421,657
Amortisation for the year	3,051,610	3,814,513
Disposals/transfers	-	-
<b>Balance at 31 December</b>	<b>69,287,780</b>	<b>66,236,170</b>

#### Carrying amounts

<i>In BDT</i>	2024	2023
<b>Balance at 31 December</b>	<b>12,206,440</b>	<b>15,258,050</b>





## Notes to the financial statements (continued)

### 5 Lease liabilities and Right-of-use assets

See accounting policy in Note 40 (U)

The Company leases retail stores/showrooms, warehouses, service centers, factories and other office

<i>In BDT</i>	<i>Note</i>	<b>2024</b>	<b>2023</b>
Right-of-use assets	5.1	<b>3,050,592,467</b>	2,799,702,899
Lease liabilities	5.2	<b>1,600,788,613</b>	1,313,772,021

Information about leases for which the Company is a lessee is presented below.

#### 5.1 Right-of-use assets

##### Reconciliation of carrying amount

<i>In BDT</i>	<i>Note</i>	<b>Land</b>	<b>Buildings</b>	<b>Total</b>
<b>Cost</b>				
Balance at 1 January 2024		<b>1,288,075,404</b>	<b>2,667,538,218</b>	<b>3,955,613,622</b>
Additions		-	<b>714,680,503</b>	<b>714,680,503</b>
Disposals/adjustments		-	<b>(147,993,245)</b>	<b>(147,993,245)</b>
<b>Balance at 31 December 2024</b>		<b>1,288,075,404</b>	<b>3,234,225,475</b>	<b>4,522,300,879</b>
Balance at 1 January 2023		<b>1,288,075,404</b>	<b>2,543,642,022</b>	<b>3,831,717,426</b>
Additions	5.1.1	-	<b>531,622,965</b>	<b>531,622,965</b>
Disposals/adjustments		-	<b>(407,726,769)</b>	<b>(407,726,769)</b>
<b>Balance at 31 December 2023</b>		<b>1,288,075,404</b>	<b>2,667,538,218</b>	<b>3,955,613,622</b>
Balance at 1 January 2024		<b>47,229,427</b>	<b>1,108,681,296</b>	<b>1,155,910,723</b>
Depreciation for the year		<b>25,761,508</b>	<b>432,414,349</b>	<b>458,175,857</b>
Disposals/adjustments		-	<b>(142,378,167)</b>	<b>(142,378,167)</b>
<b>Balance at 31 December 2024</b>		<b>72,990,935</b>	<b>1,398,717,478</b>	<b>1,471,708,413</b>
<b>Accumulated depreciation</b>				
Balance at 1 January 2023		<b>21,467,923</b>	<b>1,102,646,750</b>	<b>1,124,114,673</b>
Depreciation for the year		<b>25,761,504</b>	<b>374,573,811</b>	<b>400,335,315</b>
Disposals/adjustments		-	<b>(368,539,265)</b>	<b>(368,539,265)</b>
<b>Balance at 31 December 2023</b>		<b>47,229,427</b>	<b>1,108,681,296</b>	<b>1,155,910,723</b>
<b>Carrying amounts</b>				
<b>At 31 December 2024</b>		<b>1,215,084,469</b>	<b>1,835,507,998</b>	<b>3,050,592,467</b>
<b>At 31 December 2023</b>		<b>1,240,845,977</b>	<b>1,558,856,922</b>	<b>2,799,702,899</b>
<b>At 1 January 2023</b>		<b>1,266,607,481</b>	<b>1,440,995,272</b>	<b>2,707,602,753</b>





## Notes to the financial statements (continued)

### 5.1.1 Land

To relocate the existing factory from Rajfulbaria, Jhamur, Savar and Koulasur, Hemayetpur, Savar as well as to enhance the production capacity by almost three times in order to achieve cost advantage, the Company took a sub lease of 135,000 square meter land at Bangladesh Special Economic Zone (BSEZ) located at Araihasar, Narayangonj BSEZ for a term of 50 years.

### 5.1.2 Allocation of depreciation

In BDT	Note	For the year ended 31 December	
		2024	2023
Cost of sales	21	66,793,960	40,963,836
Operating expenses	22	391,381,014	359,371,479
		<b>458,174,974</b>	<b>400,335,315</b>

### 5.2 Lease liabilities

In BDT	2024	2023
Balance at 1 January	1,313,772,021	1,167,169,587
Lease obligation made during the year	554,175,921	434,195,093
Payment of lease obligation	(398,935,004)	(372,756,183)
Lease liabilities termination/adjustments	(13,457,168)	(25,015,732)
Interest on lease liabilities	145,232,843	110,179,256
<b>Balance at 31 December</b>	<b>1,600,788,613</b>	<b>1,313,772,021</b>

The Company leases many assets, including retail stores/showrooms, warehouses, service centers, factories and other office facilities. These lease contracts vary generally from 5 years to 10 years. Most of the lease contracts include an option to renew the lease term for additional period after the end of the contract term. The following table sets out a maturity analysis of lease liability to be settled after the reporting date.

In BDT	2024	2023
Current	240,639,389	213,896,412
Non-current	1,360,149,224	1,099,875,609
<b>Lease liabilities included in the statement of financial position at 31 December</b>	<b>1,600,788,613</b>	<b>1,313,772,021</b>

## Notes to the financial statements (continued)

### 6 Investments

See accounting policy in Note 40 (M)

<i>In BDT</i>	2024	2023
Investment in term deposit	2,941,071	2,630,000
Investment in Central Depository Bangladesh Limited (CDBL)	1,569,450	1,569,450
	<b>4,510,521</b>	<b>4,199,450</b>

### 7 Advances, deposits and prepayments

See accounting policy in Note 40 (H)

<i>In BDT</i>	2024	2023
Employees Advance	8,344,697	7,499,215
<b>Advances</b>	<b>8,344,697</b>	<b>7,499,215</b>
Security deposits	37,522,983	31,648,983
<b>Deposits</b>	<b>37,522,983</b>	<b>31,648,983</b>
Value Added Tax (VAT)	474,906,337	59,855,280
Supplier Advance	1,168,228,554	846,055,467
FDR Against L/C Margin	352,105,762	76,059,593
Other	101,856,477	176,226,715
<b>Prepayments</b>	<b>2,097,097,130</b>	<b>1,158,197,055</b>
<b>Total</b>	<b>2,142,964,810</b>	<b>1,197,345,253</b>
<i>In BDT</i>	2024	2023
Current	2,105,441,827	1,165,696,270
Non-current	37,522,983	31,648,983
<b>Total</b>	<b>2,142,964,810</b>	<b>1,197,345,253</b>

### 8 Inventories

See accounting policy in Note 40 (E)

<i>In BDT</i>	Note	2024	2023
Finished goods		5,133,352,712	3,338,985,970
Non-trade goods		12,907,872	12,218,266
	8.1	5,146,260,584	3,351,204,236
Raw materials	21	2,837,526,255	1,536,894,139
Goods in transit		1,510,864,402	481,875,750
		9,494,651,241	5,369,974,125
Provision for inventory obsolescence	8.1	(110,299,340)	(110,776,854)
		<b>9,384,351,900</b>	<b>5,259,197,271</b>

#### 8.1 Finished goods (including non-trade goods)

<i>In BDT</i>	Note	2024	2023
Home appliance		3,493,538,275	2,058,166,866
Consumer electronic		850,603,630	508,861,147
Sewing		160,408,886	227,258,650
Other		641,709,793	556,917,573
	8	5,146,260,584	3,351,204,236
Provision for inventory obsolescence	8	(110,299,340)	(110,776,854)
	21	<b>5,035,961,244</b>	<b>3,240,427,382</b>

In view of numerous items of inventories and diversified units of measurement, it is not feasible to disclose quantities against each item.





# Notes to the financial statements (continued)

## 9 Trade and other receivables

See accounting policy in Note 40 (H)

<i>In BDT</i>	<i>Note</i>	2024	2023
Trade receivables	9.1 & 20-C.	4,042,748,800	3,471,912,224
Other receivables	9.2	206,905,633	206,122,383
		4,249,654,433	3,678,034,607

### 9.1 Trade receivables

<i>In BDT</i>	<i>Note</i>	2024	2023
Hire customer receivables	9.1.1	3,443,021,342	2,992,835,067
Trade and dealer receivables	9.1.2	599,727,458	479,077,157
		4,042,748,800	3,471,912,224

#### 9.1.1 Hire customer receivables

<i>In BDT</i>	<i>Note</i>	2024	2023
Hire receivable from customers	9.4 & 9.5	3,960,361,922	3,451,598,526
Unearned carrying charges		(468,171,849)	(403,113,066)
		3,492,190,073	3,048,485,460
Provision for doubtful debts		(49,168,731)	(55,650,393)
		3,443,021,342	2,992,835,067

#### 9.1.2 Trade and dealer receivables

<i>In BDT</i>	2024	2023
Trade receivables	277,428,322	162,032,019
Receivables from dealers	350,338,855	345,801,690
	627,767,176	507,833,709
Provision for doubtful debts	(28,039,718)	(28,756,552)
	599,727,458	479,077,157

### 9.2 Other receivables

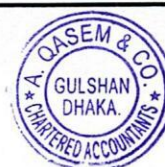
<i>In BDT</i>	2024	2023
Receivable from Shop Managers	42,514,651	67,882,013
Receivable from Beko Bangladesh BV, The Netherlands	2,491,334	2,468,719
Receivable from employees	6,902,248	7,776,058
Receivable from others	223,307,399	161,041,421
Employees provident fund	-	32,659,821
	275,215,633	271,828,032
Provision for doubtful debts	(68,310,000)	(65,705,649)
	206,905,633	206,122,383

### 9.3 Provision for doubtful debts

<i>In BDT</i>	<i>Note</i>	2024	2023
Opening balance		150,112,594	120,948,882
Provision for the year		67,277,338	88,663,863
		217,389,932	209,612,745
Written-off during the year		(71,871,483)	(59,500,151)
Closing balance	9.3.1	145,518,449	150,112,594

#### 9.3.1 Provision for doubtful debts-Closing balance

<i>In BDT</i>	<i>Note</i>	2024	2023
Hire customer receivables	9.1.1	49,168,731	55,650,393
Trade and dealer receivables	9.1.2	28,039,718	28,756,552
Other receivables	9.2	68,310,000	65,705,649
		145,518,449	150,112,594





# Notes to the financial statements (continued)

## 9.4 Ageing of hire receivables from customers

<i>In BDT</i>	<i>Note</i>	<b>2024</b>	<b>2023</b>
Due within 3 months		1,334,264,168	1,304,341,219
Due over 3 months but within 6 months		1,145,160,165	1,051,005,092
Due over 6 months but within 9 months		783,832,448	644,415,687
Due over 9 months but within 12 months		437,223,916	302,860,095
Over 12 months		259,881,226	148,976,433
	9.1.1 & 9.5	3,960,361,922	3,451,598,526

## 9.5 Particulars of hire receivables from customers

<i>In BDT</i>	<i>Note</i>	<b>2024</b>	<b>2023</b>
Secured - considered good:			
Debts due within 6 months		2,430,255,602	2,299,695,918
Debts due over 6 months		1,480,937,589	1,096,252,215
		3,911,193,191	3,395,948,133
Secured - considered doubtful:		49,168,731	55,650,393
i) Aggregate amount due by Managing Director and other Directors of the Company		-	-
ii) Aggregate amount due by managers and other staffs of the Company		-	-
iii) Aggregate amount due by associate undertakings		-	-
iv) Maximum amount of debts due by managers and other staff of the Company		-	-
	9.1.1 & 9.4	3,960,361,922	3,451,598,526

## 10 Cash and cash equivalents

See accounting policy in Note 40 (H)

<i>In BDT</i>	<b>2024</b>	<b>2023</b>
Cash in hand	93,598	66,215
Cash at bank	909,839,428	450,175,638
Cash in transit	24,881,442	4,238,247
	934,814,468	454,480,100

## 11 Share capital

<i>In BDT</i>	<b>2024</b>	<b>2023</b>
Authorised:		
250,000,000 ordinary shares of BDT 10 each	2,500,000,000	2,500,000,000

### Issued, subscribed and paid up:

25,670 ordinary shares of BDT 10 each issued for cash	256,700	256,700
102,580 ordinary shares of BDT 10 each issued for consideration other than cash	1,025,800	1,025,800
99,574,588 ordinary shares of BDT 10 each issued as fully paid-up bonus shares	995,745,880	995,745,880
	997,028,380	997,028,380

### Shareholding position:

	<b>2024</b>		<b>2023</b>	
	<b>No. of share</b>	<b>Value (BDT)</b>	<b>No. of share</b>	<b>Value (BDT)</b>
<u>Name of shareholder</u>				
Beko Bangladesh BV, The Netherlands	36,886,123	368,861,230	36,886,123	368,861,230
Beko Bangladesh BV, The Netherlands - non-remittable shares	19,933,214	199,332,140	19,933,214	199,332,140
Local shareholders	42,883,501	428,835,010	42,883,501	428,835,010
	99,702,838	997,028,380	99,702,838	997,028,380





## Notes to the financial statements (continued)

### Beneficial percentage of holdings

	2024	2023
<u>Name of shareholder</u>		
Beko Bangladesh BV, The Netherlands	37.00%	37.00%
Beko Bangladesh BV, The Netherlands -non-remittable shares	20.00%	20.00%
Local shareholders	43.00%	43.00%
	100.00%	100.00%

### Classification of shareholders by holding:

Shareholding range	Number of shareholders		Total holding (%)	
	2024	2023	2024	2023
Less than 500 shares	6,514	7,603	0.98	1.11
500 to 5,000 shares	2,622	2,677	4.03	4.14
5,001 to 10,000 shares	214	218	1.55	1.56
10,001 to 20,000 shares	107	106	1.57	1.54
20,001 to 30,000 shares	56	53	1.42	1.33
30,001 to 40,000 shares	24	21	0.85	0.75
40,001 to 50,000 shares	13	18	0.60	0.84
50,001 to 100,000 shares	27	37	1.93	2.71
100,001 to 1,000,000 shares	54	54	15.39	14.13
Over 1,000,000 shares	9	8	71.67	71.89
	9,640	10,795	100.00	100.00

Details of share issue has been shown in Annexure - 2.

## 12 Reserves

<u>In BDT</u>	<u>Note</u>	2024	2023
Revaluation reserve	12.1	664,737,599	667,346,704
Capital reserve	12.2	18,190,942	18,190,942
Non-remittable special capital reserve	12.3	370,178	370,178
Non-distributable special reserve	12.4	232,847	232,847
		683,531,566	686,140,671

### 12.1 Revaluation reserve

The land of the Company was revalued as of 31 December 2022 by independent professional valuer, Asian Surveyors Ltd, following "current cost method", which were also revalued previously in years 2005, 2008, 2010, 2012 and 2016. The revaluation of 2022 resulted in a revaluation surplus of BDT 115,415,000.

The buildings of the Company were revalued along with the land as of 31 December 2022 by independent professional valuer, Asian Surveyors Ltd, following "current cost method", which was also revalued previously in years 2005, 2008, 2010, 2012 and 2016. The revaluation of 2022 resulted in a revaluation surplus of BDT 19,848,342.

As per clause 9 (iii) under Section-A of BSEC notification dated 18 August 2013, upward revaluation of buildings is not allowed having remaining economic life of less than 50% of its total useful life as estimated at construction. Apropos this clause, no upward revaluation was accounted, for the buildings which remaining economic life was less than 50% of its total useful life as estimated at construction, in the books of Singer Bangladesh Limited for the year ended 31 December

### 12.2 Capital reserve

This represents capital gain on disposal of factory land and buildings at Chattogram in 2003.

### 12.3 Non-remittable special capital reserve

This represents profit after tax on sale of certain merchandise which, not being remittable as per directives of Bangladesh Bank, is required to be retained under this reserve.

### 12.4 Non-distributable special reserve

This special reserve, created vide Bangladesh Bank Circular No. FE 27 dated 3 May 1987, represents 90% of post-tax profit on sale of moveable fixed assets up to 1992. The requirement of continuing to add to this reserve has subsequently been withdrawn.



# Notes to the financial statements (continued)

## 13 Deferred tax assets/(liabilities)

See accounting policy in Note 40 (D)

<i>In BDT</i>	<i>Note</i>	<b>2024</b>	<b>2023</b>
Opening balance		64,949,787	39,882,238
Released/(expense) during the year		34,259,726	24,186,305
Transferred to retained earnings		757,482	881,244
Closing balance	13.1	99,966,995	64,949,787

### 13.1 Closing balance

<i>In BDT</i>	<i>Note</i>	<b>2024</b>	<b>2023</b>
Deferred tax assets	13.1.1 & 13.1.3	127,133,354	115,125,016
Deferred tax liabilities	13.1.2 & 13.1.4	(27,923,841)	(50,175,228)
	13.1.2 & 13.1.4	99,209,513	64,949,788

#### 13.1.1 Deferred tax assets

<i>In BDT</i>	<i>Note</i>	<b>2024</b>	
			Deductible/ (Taxable) temporary differences
		Carrying amount on reporting date	Tax base
Leases		1,449,803,854	1,626,042,588
Provision for inventory		110,299,341	-
Provision for doubtful debt		145,518,449	-
Provision for warranty		127,714,074	-
Provision for expenses		5,266,532	-
			565,037,129
Tax rate			22.50%
Deferred tax asset/(liability)	13.1		127,133,354

#### 13.1.2 Deferred tax liabilities

<i>In BDT</i>	<i>Note</i>	<b>2024</b>	
			Deductible/ (Taxable) temporary differences
		Carrying amount on reporting date	Tax base
Property, plant and equipment excluding CWIP		1,081,344,084	1,044,348,045
Tax rate			22.50%
Deferred tax asset/(liability)			(8,324,109)
		Taxable/ (deductible) temporary differences	Deferred tax asset/(liability)
Revaluation portion			Tax rate
Land		676,595,000	2%-6%
Building		32,493,317	22.5%, 2%-6%
Deferred tax asset/(liability)	13.1		(27,923,841)
Net deferred tax asset/(liability)	13.1		99,209,513

#### 13.1.3 Deferred tax assets

<i>In BDT</i>	<i>Note</i>	<b>2023</b>	
			Deductible/ (Taxable) temporary differences
		Carrying amount on reporting date	Tax base
Leases		1,485,930,879	1,619,980,972
Provision for inventory		110,776,854	-
Provision for doubtful debt		150,112,594	-
Provision for warranty		110,163,601	-
Provision for expenses		6,563,594	-
			511,666,736
Tax rate			22.50%
Deferred tax asset/(liability)	13.1		115,125,016





## Notes to the financial statements (continued)

## 13.1.4 Deferred tax liabilities

			2023
			Deductible/ (Taxable) temporary differences
In BDT	Carrying amount Note on reporting date	Tax base	
Property, plant and equipment excluding CWIP	1,038,092,660	907,177,346	(130,915,315)
Tax rate			22.50%
Deferred tax asset/(liability)			(29,455,946)
			Deferred tax asset/(liability)
Revaluation portion	Taxable/ (deductible) temporary differences	Tax rate	
Land	676,595,000	2%-6%	(16,895,000)
Building	40,744,885	22.5%, 2%-6%	(3,824,282)
Deferred tax asset/(liability)	13.1		(50,175,228)
Net deferred tax asset/(liability)	13.1		64,949,788

The amounts of deferred tax assets and liabilities have been netted off as permitted by IAS 12. "Income taxes".

## 14 Defined benefit obligations

## Gratuity

See accounting policy in Note 40 (O)

## Actuarial gain/(loss) from re-measurement of defined benefit obligations and plan assets

In BDT	2024	2023
<b>Amounts recognised in the statement of financial position</b>		
Defined benefit obligations	(214,441,386)	(172,333,276)
Fair value of plan assets	214,811,942	149,264,792
Net defined benefit plan obligations	370,556	(23,068,484)
<b>Change in benefit obligation</b>		
Benefit obligation at end of prior year	(172,333,276)	(159,757,012)
Service cost	(42,108,110)	(12,576,264)
Interest expense	(14,648,328)	(11,981,776)
Benefit payments from plan assets	18,407,312	41,250,048
Experience gain/(loss)	(3,758,984)	(29,268,272)
Defined benefit obligation at end of year	(214,441,386)	(172,333,276)
<b>Change in fair value of plan assets</b>		
Fair value of plan assets at end of prior year	149,264,792	153,003,002
Interest income	12,687,507	11,475,225
Employer contributions	44,431,517	20,745,990
Benefit payments from plan assets	(18,407,312)	(41,250,048)
Actuarial gain/(loss) on plan assets	26,835,438	5,290,623
Fair value of plan assets at end of year	214,811,942	149,264,792
<b>Fair value of plan assets</b>		
Investment	203,617,325	143,804,285
Accrued interest on investment	6,338,097	4,675,076
Cash at bank	4,856,520	785,431
	214,811,942	149,264,792
<b>Components of Defined Benefit Cost (DBO)</b>		
Service cost	42,108,110	12,576,264
Interest expense on DBO	14,648,328	11,981,776
Interest (income) on plan assets	(12,687,507)	(11,475,225)
Defined benefit cost included in profit or loss	44,068,931	13,082,815
<b>Remeasurements (recognised in other comprehensive income-OCI)</b>		
Experience gain/(loss)	(3,758,984)	(29,268,272)
Actuarial gain/(loss) on plan assets	26,835,438	5,290,623
Total remeasurements in OCI	23,076,454	(23,977,649)
Total defined benefit cost recognised in profit or loss and OCI	20,992,477	37,060,464





# Notes to the financial statements (continued)

## 15 Other liabilities

<i>In BDT</i>	<i>Note</i>	<b>2024</b>	<b>2023</b>
Non-remittable accounts	15.1	1,831,533,880	1,761,767,631
Security deposits from branch managers, agents and dealers		417,101,773	388,015,979
Warranty - long term portion		37,466,890	33,464,588
		<b>2,286,102,543</b>	<b>2,183,248,198</b>

## 15.1 Non-remittable accounts

<i>In BDT</i>	<b>2024</b>	<b>2023</b>
Current account	(78)	(78)
Dividend account:		
Opening balance	1,761,287,719	1,741,354,505
Dividend for the year	69,766,249	19,933,214
Closing balance	1,831,053,968	1,761,287,719
Capital gain on sale of land	479,990	479,990
	<b>1,831,533,880</b>	<b>1,761,767,631</b>

All the above balances are due to Beko Bangladesh BV, The Netherlands, The Netherlands and are non-remittable as per directive of Bangladesh Bank and will not be eligible for remittance either as dividend or as capital.

As per directive of Bangladesh Bank, the balance of BDT 479,990 against the capital gain on sale of land created in the year 1990 is required to be shown under non-remittable account.

## 16 Trade and other payables

See accounting policy in Note 40 (H)

<i>In BDT</i>	<i>Note</i>	<b>2024</b>	<b>2023</b>
Trade payables		4,945,125,618	2,231,618,022
Other payables	16.1	2,714,199,488	2,166,520,668
		<b>7,659,325,106</b>	<b>4,398,138,690</b>

## 16.1 Other payables

<i>In BDT</i>	<i>Note</i>	<b>2024</b>	<b>2023</b>
Payable for expenses	16.1.1	1,616,275,451	1,148,288,180
Royalty		452,294,246	595,964,140
Payable for other finance	16.1.2	414,524,248	181,985,841
Leasehold improvements against new shops		231,105,543	240,282,507
		<b>2,714,199,488</b>	<b>2,166,520,668</b>

## 16.1.1 Payable for expenses

<i>In BDT</i>	<b>2024</b>	<b>2023</b>
Advertisement and sales promotion	285,375,206	247,786,238
Reserve for early closing of hire sales	560,164,097	431,934,102
Shop rent	16,658,718	8,488,747
Warranty - short term portion	74,945,021	66,939,217
Reserve for allowable loss	39,131,609	24,270,838
Workers' profit participation and welfare fund	-	41,821,736
Utilities	25,797,765	5,000,000
Interest	178,500,000	146,500,000
Transacting and collecting commission/bonuses	6,972,305	5,780,892
Salary and benefits	4,044,917	4,156,617
Statutory audit fee	1,380,000	1,380,000
Selling expenses	1,262,040	1,192,745
Professional and technical fees	3,540,882	4,056,470
Freight and carriage bills payable	42,216,417	21,940,588
Technicians bills payable	24,877,951	20,338,426
Management fee	97,001,182	18,016,249
Insurance and other	254,407,338	98,685,315
	<b>1,616,275,451</b>	<b>1,148,288,180</b>





## Notes to the financial statements (continued)

### 16.1.2 Payable for other finance

<i>In BDT</i>	2024	2023
VAT payable - realised from customers	2,845,749	14,181,172
Withholding taxes	224,138,438	69,607,351
Advances from customers	6,530,960	6,540,032
Employees provident fund	851,110	-
Others	180,157,990	91,657,286
	<b>414,524,248</b>	<b>181,985,841</b>

### 17 Short-term borrowings - secured

See accounting policy in Note 40 (H)

<i>In BDT</i>	2024	2023
Bank overdrafts/Short-term loan	11,908,060,525	8,142,332,768

Registered hypothecation of inventories, receivables and machineries under pari-passu security sharing arrangement with other banks were maintained to obtain bank overdrafts and short term loans from different banks. Below table shows the bank details.

<i>In BDT</i>		2024	2023
Commercial Bank of Ceylon PLC	Bank overdraft	255,240,750	121,550,412
Pubali Bank PLC	Bank overdraft	828,151,254	456,724,741
HSBC	Bank overdraft	-	-
Bank-AI-Falah Limited	Bank overdraft	236,841,516	71,003,733
Standard Chartered Bank	Bank overdraft	-	38,673,023
Eastern Bank PLC	Bank overdraft	233,058,385	126,566,986
Mutual Trust Bank PLC	Bank overdraft	188,315,830	38,866,310
City Bank PLC	Bank overdraft	-	2,032,797
Dhaka Bank PLC	Bank overdraft	339,659,038	35,923,555
Dutch Bangla Bank PLC	Bank overdraft	799,029,300	332,164,343
Trust Bank PLC	Bank overdraft	405,221,051	-
Prime Bank PLC	Bank overdraft	253,913,834	244,285,949
Brac Bank PLC	Bank overdraft	31,018,389	-
Bank-AI-Falah Limited	Short-term loan	150,000,000	150,000,000
Dhaka Bank PLC	Short-term loan	-	500,000,000
Prime Bank PLC	Short-term loan	1,962,000,000	2,490,000,001
Dutch Bangla Bank PLC	Short-term loan	1,677,012,049	1,500,000,000
Pubali Bank PLC	Short-term loan	2,000,000,000	1,000,000,000
Commercial Bank of Ceylon PLC	Short-term loan	1,200,000,000	-
Eastern Bank PLC	Short-term loan	1,000,000,000	1,000,000,000
Brac Bank PLC	Short-term loan	348,599,129	-
City Bank PLC	Short-term loan	-	34,540,918
		<b>11,908,060,525</b>	<b>8,142,332,768</b>

### 18 Long term debt

<i>In BDT</i>	Note	2024	2023
Inter-Company long-term loan- Arcelik AS, Turkey	18.1	3,437,500,000	-
Prime Bank PLC	18.2	2,500,000,000	-
		<b>5,937,500,000</b>	<b>-</b>

18.1 The Company has obtained Inter-Company long-term loan of EUR 27.50 million from its ultimate Parent Company (i.e. Arcelik AS, Turkey) in March 2024 with a term of 7 years inclusive of 2 years of grace period and 5 years of the

18.2 The term loan of Tk. 2.50 billion has availed of under a syndication finance, where the repayment tenure is 8 years inclusive of the moratorium period of 2 years. Pubali Bank PLC has 50% participation on this syndicate finance along with the lead arranger Prime Bank PLC.

## Notes to the financial statements (continued)

### 18.3 Long term debt current portion

<i>In BDT</i>	2024	2023
Inter-Company long-term loan- Arcelik AS, Turkey	67,920,000	-
Prime Bank PLC	169,510,290	-
	<b>237,430,290</b>	<b>-</b>

### 19 Current tax assets/(liabilities)

See accounting policy in Note 40 (D)

<i>In BDT</i>	Note	2024	2023
Advance income tax	19.1	4,170,057,830	3,558,886,112
Provision for income tax	19.2	(2,878,484,796)	(2,764,842,796)
		<b>1,291,573,034</b>	<b>794,043,316</b>

#### 19.1 Advance income tax

<i>In BDT</i>	2024	2023
Opening balance	3,558,886,112	3,082,023,857
Advance income tax paid during the year	611,171,718	476,862,255
Closing balance	<b>4,170,057,830</b>	<b>3,558,886,112</b>

#### 19.2 Provision for income tax

<i>In BDT</i>	Note	2024	2023
Opening balance		2,764,842,796	2,430,777,796
Provision during the year	26	113,642,000	334,065,000
		<b>2,878,484,796</b>	<b>2,764,842,796</b>





## Notes to the financial statements (continued)

### 20 Turnover

See accounting policy in Note 40 (A)

#### A. Revenue streams

<i>In BDT</i>	2024	2023
Revenue from contracts with customers	18,620,239,285	17,005,175,558
Earned carrying charges	37,939,646	27,907,601
	18,658,178,931	17,033,083,159

#### B. Disaggregation of revenue from contracts with customers

<i>In BDT</i>	2024	2023
Home appliances	13,427,636,536	12,010,178,979
Consumer electronics	3,637,077,278	3,583,894,508
Sewing machines	753,284,147	801,665,715
Other appliances	802,241,325	609,436,356
	18,620,239,285	17,005,175,558

#### C. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

<i>In BDT</i>	Note	2024	2023
Receivables, which are included in 'trade and other receivables'	9	4,042,748,800	3,471,912,224
		4,042,748,800	3,471,912,224

#### D. Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a good or service to a customer.

Information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies described in Note 39 (A).



Notes to the financial statements (continued)

21 Cost of sales

<i>In BDT</i>	Note	2024	2023
Opening inventory of raw materials		1,536,894,139	1,115,212,360
Purchased during the year	21	12,372,174,425	9,716,965,424
Closing inventory of raw materials	8	(2,837,526,255)	(1,536,894,139)
Raw materials consumption	20.1	11,071,542,309	9,295,283,645
Factory salaries and wages		266,341,658	198,714,297
Freight and carriage		261,131,172	112,834,919
Rent		-	450,000
Depreciation	3.2	106,992,280	124,275,900
Depreciation of right-of-use assets	5.1.2	66,793,960	40,963,836
Repairs and maintenance		56,619,620	27,201,904
Utilities		59,004,711	31,920,236
Bonus		13,068,389	11,117,370
Consumable stores		20,446,523	17,501,945
Gratuity		9,920,000	9,440,000
Employee benefits and recreation		22,000,484	12,707,099
Contribution to provident fund		5,361,653	4,411,968
Fuel and car maintenance		7,934,275	10,063,394
Insurance		5,031,688	1,414,457
Stationery		2,363,418	1,633,638
Conveyance and travelling		6,092,650	694,450
Postage and communication		35,830	115,634
Miscellaneous		26,179,219	11,933,282
		935,317,530	617,394,329
Works cost (materials+manufacturing expenses)		12,006,859,839	9,912,677,974
Opening work-in-process		-	-
Closing work-in-process		-	-
Cost of production		12,006,859,839	9,912,677,974
Opening inventory of finished goods		3,240,427,382	4,153,501,210
Purchase/production of finished goods		3,501,476,666	1,305,328,338
		6,741,904,048	5,458,829,548
Closing inventory of finished goods	8.1	(5,035,961,244)	(3,240,427,382)
Cost of sales		13,712,802,643	12,131,080,139

21.1 Raw materials consumption

2024	Balance at 1 January 2024	Purchases during the year	Balance at 31 December 2024	Consumption during the year
<i>In BDT</i>				
<u>Imported</u>				
Television	23,185,643	2,664,047,448	(2,346,752,476)	340,480,614
Micro Oven	43,071,731	342,504,449	(325,799,038)	59,777,142
Air conditioner	37,184,358	1,680,027,825	(1,698,023,980)	19,188,202
Irion	-	1,750,330	-	1,750,330
Gasburner	-	35,374,815	-	35,374,815
Washing Machine	24,442,440	629,502,349	(480,897,395)	173,047,395
Grinder	10,197,705	201,266,691	(186,816,242)	24,648,154
Refrigerator	1,395,688,381	6,817,584,550	(6,033,253,179)	2,180,019,752
Others	3,123,882	115,969	-	3,239,851
	1,536,894,139	12,372,174,425	(11,071,542,309)	2,837,526,255
Goods in transit	481,875,749			-
	2,018,769,888	12,372,174,425	(11,071,542,309)	2,837,526,255





## Notes to the financial statements (continued)

2023	Balance at 1 January 2023	Purchases during the year	Balance at 31 December 2023	Consumption during the year
<i>In BDT</i>				
<u>Imported</u>				
Television	63,115,678	1,621,558,753	(23,185,642)	1,661,488,788
Micro Oven	-	216,180,800	(43,071,731)	173,109,069
Air conditioner	23,133,365	1,088,787,928	(37,184,358)	1,074,736,934
Washing Machine	4,401,969	529,068,420	(24,442,440)	509,027,949
Grinder	35,391,602	166,187,631	(10,197,705)	191,381,529
Refrigerator	986,498,009	6,094,277,599	(1,395,688,381)	5,685,087,228
Others	2,671,737	904,293	(3,123,882)	452,148
	1,115,212,360	9,716,965,424	(1,536,894,139)	9,295,283,645
Goods in transit	606,625,353	-	(481,875,749)	-
	1,721,837,713	9,716,965,424	(2,018,769,888)	9,295,283,645

## 22 Operating expenses

<i>In BDT</i>	Note	2024	2023
Advertisement and sales promotion	22	744,934,292	630,365,543
Shop operating expenses		785,450,572	762,726,489
Salaries and allowances		657,498,379	537,426,326
Rent and occupancy		99,592,189	77,779,973
Royalty	22	226,227,484	225,931,875
Warranty		321,619,012	247,818,537
Utilities		93,774,870	79,320,633
Depreciation	3.2	78,487,572	68,148,417
Depreciation of right-of-use assets	5.1.2	391,381,014	359,371,479
Bad debts	9.3	67,277,338	88,663,863
Office administration		186,172,679	106,243,158
Repairs and maintenance		127,100,059	119,289,890
Directors' fee and remuneration	22	39,124,921	35,886,874
Management fee		78,984,933	18,016,249
Travelling	22	62,162,134	55,050,210
Amortisation	4	3,051,610	3,814,513
Bank charge		39,974,799	34,972,922
Insurance		65,068,925	55,552,357
Fuel and car maintenance		4,211,815	4,727,237
Professional and technical fees	23	16,450,166	19,423,257
Entertainment		8,517,892	12,060,197
Dues and subscription		932,688	593,158
Demurrage cost *		66,349,937	54,719,484
Research and Development		16,580,316	4,468,814
		4,180,925,596	3,602,371,455

\* Demurrage cost of BDT 66.35 million for delay in clearing and releasing container in late attracts additional shipping detention and port rent which are considered as demurrage costs during the period.

## 22.1 Advertisement and sales promotion

<i>In BDT</i>	2024	2023
Advertisement	394,544,273	313,775,957
Selling expenses	270,578,590	236,980,719
Sales promotion	55,220,676	59,008,867
Meeting and conference expenses	24,590,753	20,600,000
	744,934,292	630,365,543





Notes to the financial statements (continued)

22.2 Royalty

See accounting policy in Note 40 (K)

**Beko Bangladesh BV, The Netherlands**

Manufactured products	Turnover from manufacturing units		Royalty charge for the year	
In BDT	2024	2023	2024	2023
Audio-video sets (television)	3,194,578,921	2,951,646,781	95,837,368	88,549,403
Air conditioner	2,117,890,955	2,468,085,614	63,536,729	74,042,568
Refrigerator	6,685,338,697	6,333,990,237	66,853,387	63,339,902
	11,997,808,573	11,753,722,632	226,227,484	225,931,873

Royalty was charged on the net annual invoice price of products manufactured by Singer Bangladesh Limited @ 3% on audio-video sets, air conditioner, and @1% on refrigerator for the year 2023 and 2024.

22.3 Director's fee and remuneration

In BDT	2024	2023
Remuneration	30,847,616	28,577,646
Housing	3,321,060	2,975,868
Medical and welfare	4,428,245	3,856,360
Fees	528,000	477,000
	39,124,921	35,886,874

22.4 Travelling

In BDT	2024	2023
Local Travel	59,330,012	49,953,938
Foreign Travel	2,832,122	5,096,272
	62,162,134	55,050,210

22.5 Professional and technical fees

In BDT	Note	2024	2023
Audit and consultancy fees for statutory auditor	22.5.1	1,380,000	2,628,426
Other Professional services fees		13,301,308	14,015,051
Legal and technical services fees		1,768,858	2,779,780
		16,450,166	19,423,257

22.5.1 Audit and consultancy fees for statutory auditor

In BDT	2024	2023
Statutory audit fee	1,380,000	1,380,000
Group reporting fee	-	977,500
Other fees for non-audit services	-	270,926
	1,380,000	2,628,426

23 Other income/(loss)

This represents following items of income from other operations, not directly connected with principal activities of the

In BDT	2024	2023
Sale of scrapped inventories and others	63,226,923	48,804,128
Dividend income from CDBL	1,142,362	1,142,362
Gain/(loss) on sale of fixed assets	(3,020,342)	(7,667,048)
Hire agreement fees	118,812,519	117,827,156
Reverts product sale	34,351,263	17,469,433
Income from financial and related services	1,212,267	1,015,879
Gain/(loss) on disposal of lease assets	(226,571)	-
	215,498,421	178,591,910





# Notes to the financial statements (continued)

## 24 Net finance costs

See accounting policy in Note 40 (B)

<i>In BDT</i>	<i>Note</i>	<b>2024</b>	<b>2023</b>
Interest income		21,870,454	1,665,906
Foreign exchange gain	24.1	21,498,636	-
<b>Finance income</b>		<b>43,369,090</b>	<b>1,665,906</b>
Interest expenses on borrowings		(1,040,513,113)	(479,653,379)
Interest expenses on leases	5.2	(145,232,843)	(110,179,256)
Foreign exchange loss	24.1	(247,540,622)	(14,302,545)
<b>Finance costs</b>		<b>(1,433,286,578)</b>	<b>(604,135,180)</b>
		<b>(1,389,917,488)</b>	<b>(602,469,274)</b>

## 24.1 Foreign exchange gain/(loss)

<i>In BDT</i>	<b>2024</b>	<b>2023</b>
Realized gain/(loss)	(171,800,736)	77,663,335
Unrealized gain/(loss)	(54,241,250)	(91,965,880)
<b>Total exchange gain/(loss)</b>	<b>(226,041,986)</b>	<b>(14,302,545)</b>

## 25 Contribution to workers' profit participation fund

This is made in terms of section 234(1)(b) of Bangladesh Labour Act 2006 (as amended up to 2018) 5% of the net profit of each year, not later than nine (9) months from the close of that period, is required to be transferred to the Fund, the proportion of the payment to the Participation Fund and the Welfare Fund being 80:10. The remaining 10% of the amount of net profit shall be paid by the Company to the Workers' Welfare Foundation Fund, as formed under the provision of the Bangladesh Worker's Welfare Foundation Act, 2006. Of the 80% being transferred to the participation fund, two-third has to be distributed in equal proportions to all the members (beneficiary) of the fund in cash and one-third has to be invested in accordance with the manner as stated in section 242 of that Act.

## 26 Income tax expense

<i>In BDT</i>	<i>Note</i>	<b>2024</b>	<b>2023</b>
Current tax expense	19	113,642,000	334,065,000
Provision release from prior years	19	-	-
Deferred tax expense/(income) relating to origination and reversal of temporary differences	26	(34,259,726)	(24,186,305)
		<b>79,382,274</b>	<b>309,878,695</b>

## 26.1 Reconciliation of effective tax rate

<i>In BDT</i>	<b>2024</b>		<b>2023</b>	
	Percentage	BDT	Percentage	BDT
Profit before tax		(409,968,376)		831,966,491
Tax using the Company's tax rate	22.50%	-	22.50%	187,192,460
Tax effect of:				
Non-deductible expenses	-17.96%	73,648,548	7.45%	62,022,179
Excess tax paid for minimum tax	-15.05%	61,716,752	7.66%	63,711,906
Other components of tax as per ITA 2023	5.30%	(21,723,300)	2.54%	21,138,455
Other components	0.00%	-	0.00%	-
Adjusted unabsorbed depreciation	0.00%	-	0.00%	-
Adjustments/provision released during the year	0.00%	-	0.00%	-
Temporary differences	8.36%	(34,259,726)	-2.91%	(24,186,305)
	3.14%	<b>79,382,274</b>	37.24%	<b>309,878,695</b>

Notes to the financial statements (continued)

26.2 Deferred tax expense/(income)

<i>In BDT</i>	<i>Note</i>	<b>2024</b>	<b>2023</b>
Deferred tax expense during the year	13	(34,259,726)	(24,186,305)
Deferred tax related to revaluation gain recognised in OCI		757,482	881,244
<b>Deferred tax expense/(income) recognised in profit and loss accounts</b>		<b>(35,017,208)</b>	<b>(25,067,549)</b>

26.3 Tax related to remeasurement of employee benefit obligations

			<b>2024</b>
<i>In BDT</i>	<b>Before tax</b>	<b>Tax (expense)/ benefit</b>	<b>Net of tax</b>
Remeasurement of defined benefit liability	23,076,454	(5,192,202)	17,884,252
	23,076,454	(5,192,202)	17,884,252

			<b>2023</b>
<i>In BDT</i>	<b>Before tax</b>	<b>Tax (expense)/ benefit</b>	<b>Net of tax</b>
Remeasurement of defined benefit liability	(23,977,649)	5,394,971	(18,582,678)
	(23,977,649)	5,394,971	(18,582,678)

27 Contingencies and commitments

27.1 Commitments

<i>In BDT</i>	<b>2024</b>	<b>2023</b>
Letters of credit*	2,010,875,594	2,127,120,863
Bank guarantees	4,264,718	5,319,000
	<b>2,015,140,312</b>	<b>2,132,439,863</b>

\*The letters of credit were outstanding as at 31 December 2024 against which the Company is committed to purchase products from different companies.

27.2 Contingent liabilities

There are contingent liabilities on account of disputed bank guarantees and claims by the customs authority.

	<b>2024</b>	<b>2023</b>
(i) Claims against the Company not acknowledged as debts	5,006,676	5,006,676
(ii) Uncalled liability on partly paid shares/ arrears of fixed cumulative dividends on preference shares	-	-
(iii) Aggregate amount of contracts for capital expenditure remaining to be executed and not provided for	-	-
(iv) Aggregate amount of any guarantees given by the Company on behalf of directors, managing directors, or other officers of the Company	-	-
(v) Money for which the Company is contingently liable for any guarantees given by banks	4,264,718	4,264,718
	<b>9,271,394</b>	<b>9,271,394</b>

No credit facilities of general nature (other than trade credit in ordinary course of business) under any contract were obtained or made available to the Company.





**28 Capacity utilisation**

Production	Measurement unit	In units			% of utilisation
		Annual installed capacity	Utilisation during the period	Over/(Under) utilisation	
Panel television	Number	213,750	138,800	(74,950)	64.9
Air conditioner	Sets	51,300	38,088	(13,212)	74.2
Refrigerator	Number	273,600	188,965	(84,635)	69.1
Washing Machine	Number	71,250	23,111	(48,139)	32.4
Micro Oven	Number	71,250	37,579	(33,671)	52.7
Grinder	Number	71,250	50,529	(20,721)	70.9

Production	Measurement unit	In units			% of utilisation
		Annual installed capacity	Utilisation during the period	Over/(Under) utilisation	
Panel television	Number	213,750	120,830	(92,920)	56.5
Air conditioner	Sets	51,300	26,783	(24,517)	52.2
Refrigerator	Number	273,600	217,427	(56,173)	79.5
Washing Machine	Number	71,250	28,459	(42,791)	39.9
Micro Oven	Number	71,250	21,049	(50,201)	29.5
Grinder	Number	71,250	60,601	(10,649)	85.1

**29 Number of employees**

	2024	2023
The number of employees engaged for the whole year or part thereof who received a total remuneration of BDT 36,000 and above*.	2,324	1,749
*Above mentioned number of employees includes Retail Store Managers		

**30 Remittance in foreign currency**

The Company remitted the following amounts in foreign currency during the year to Beko Bangladesh BV, Parent of the Company.

2024	Name of party	Amount (BDT)	Equivalent (EURO)
Dividend for the year 2023	Beko Bangladesh BV	129,101,431	1,010,071
Royalty for the year 2021 & 2022	Beko Bangladesh BV	369,897,377	2,931,840
		498,998,808	3,941,911
2023	Name of party	Amount (BDT)	Equivalent (USD)
Dividend for the year 2022	Beko Bangladesh BV	33,197,511	310,170
Royalty for the year 2020	Beko Bangladesh BV	155,807,789	1,430,744
		189,005,300	1,740,915

**31 Earnings per share (EPS)**

See accounting policy in Note 40 (Q)

**31.1 Basic earnings per share**

	2024	2023
Earnings attributable to the ordinary shareholders	(489,350,650)	522,087,796
Weighted average number of ordinary shares outstanding	99,702,838	99,702,838
Basic earnings per share	(4.91)	5.24

Earning per share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as of 31 December 2024 in terms of International Accounting Standard (IAS-33). For comparative year (i.e. 2023) the same number of ordinary shares outstanding were used to compute basic EPS, as 35% cash dividend was declared for the year ended 31 December 2023. Details of shares issue have been shown in Annexure - 2.

**31.2 Diluted earnings per share**

No diluted earnings per share is required to be calculated for the year as there was no potentially dilutive potential ordinary shares during the period.



Notes to the financial statements (continued)

32 Financial instruments - fair values and risk management  
32.1 Accounting classifications and fair values

The following table shows the carrying amounts of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amount is a reasonable approximation of fair value.

		Carrying amount						
	Note	Fair value hedging instruments	Mandatorily at fair value	FVOCI-debt instruments	FVOCI equity instruments	Financial assets at amortised cost	Other financial liabilities	Total amount
31 December 2024								
In BDT								
Financial assets not measured at fair value								
Trade and other receivables	9	-	-	-	-	4,249,654,433	-	4,249,654,433
Cash and cash equivalents	10	-	-	-	-	934,814,468	-	934,814,468
		-	-	-	-	5,184,468,901	-	5,184,468,901
Financial liabilities not measured at fair value								
Trade and other payables	16	-	-	-	-	-	7,659,325,106	7,659,325,106
		-	-	-	-	-	7,659,325,106	7,659,325,106
31 December 2023								
Financial assets not measured at fair value								
Trade and other receivables	9	-	-	-	-	3,678,034,607	-	3,678,034,607
Cash and cash equivalents	10	-	-	-	-	454,480,100	-	454,480,100
		-	-	-	-	4,132,514,707	-	4,132,514,707
Financial liabilities not measured at fair value								
Trade and other payables	16	-	-	-	-	-	4,398,138,690	4,398,138,690
		-	-	-	-	-	4,398,138,690	4,398,138,690

The Company has not disclosed the fair values for financial instruments such as trade and other receivables, cash and cash equivalents, and trade and other payables because their carrying amounts are a reasonable approximation of fair values.





## Notes to the financial statements (continued)

### 32.2 Financial risk management

The Company management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. The Company has exposure to the following risks from its use of financial instruments.

- Credit risk (note 31.2.1)
- Liquidity risk (note 31.2.2)
- Market risk (note 31.2.3)

#### 32.2.1 Credit risk

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from direct customers, dealers and other parties.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed for all customers requiring credit over a certain amount. The home appliance products are sold under hire purchase agreements and the sale of cables is under the ordinary credit terms.

The maximum exposure to credit risk (note 32.2.1.1) is represented by the carrying amount of each financial asset in the statement of financial position.

#### 32.2.1.1 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

<i>In BDT</i>	<i>Note</i>	<i>2024</i>	<i>2023</i>
Trade and other receivables	9	4,249,654,433	3,678,034,607
Deposits	7	37,522,983	31,648,983
Cash and cash equivalents	10	934,814,468	454,480,100
		<b>5,221,991,884</b>	<b>4,164,163,690</b>

The maximum exposure to credit risk for loans and receivables at the reporting date by geographic region was:

<i>In BDT</i>	<i>Note</i>	<i>2024</i>	<i>2023</i>
Domestic	9	4,249,654,433	3,678,034,607
		<b>4,249,654,433</b>	<b>3,678,034,607</b>

The maximum exposure to credit risk for loans and receivables at the reporting date by type of counterparty was:

<i>In BDT</i>	<i>Note</i>	<i>2024</i>	<i>2023</i>
Retail customers	9.1.1	3,443,021,342	2,992,835,067
Wholesale and corporate customers	9.1.2	599,727,458	479,077,157
Others	9.2	206,905,633	206,122,383
		<b>4,249,654,433</b>	<b>3,678,034,607</b>



## Notes to the financial statements (continued)

### 32.2.1.2 Impairment loss

Trade receivable is assessed at each reporting date of statement of financial position to determine whether there is any objective evidence that it is impaired. Trade receivable is deemed to be impaired if and only if, there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset, and that the loss event had an impact on the estimated future cash flows of that asset that can be reliably estimated.

The ageing buckets (in days) of receivables at the reporting date was:

In BDT	Note	Gross 2024	Impairment 2024
0 to 30		4,246,045,470	1,312,407
31 to 60		19,240,041	67,974
61 to 180		114,020,608	3,066,477
181 to 360		71,183,165	14,531,271
> 360		137,639,814	58,230,320
	9.1.1 & 9.1.2	4,588,129,098	77,208,449

In BDT	Note	Gross 2023	Impairment 2023
0 to 30		3,199,819,620	457,709
31 to 60		303,763,163	1,328,121
61 to 180		247,588,923	4,805,238
181 to 360		98,611,128	18,652,315
> 360		109,649,401	59,163,562
	9.1.1 & 9.1.2	3,959,432,235	84,406,945

The movement in the allowance for impairment in respect of receivables during the year was as follows:

In BDT	Note	2024	2023
Opening balance		150,112,594	120,948,882
Allowance recognised for the year	9.3	67,277,338	88,663,863
Allowance written off for the year	9.3	217,389,932	209,612,745
Closing balance		(71,871,483)	(59,500,151)
		145,518,449	150,112,594

### Expected credit loss (ECL) assessment

The Company follows "simplified approach" of measuring the expected credit loss prescribed in IFRS 9. Lifetime expected credit loss, for the outstanding trade receivables at the reporting date, has been calculated considering the business model of the Company. IFRS 9 permits using a few practical expedients and one of them is a provision matrix which is a calculation of the impairment loss based on the default rate percentage applied to the group of financial assets. Two important factors under loss rate approach are- finding out historical default/loss rate and forward looking information.





## Notes to the financial statements (continued)

The Company's policy is to give 60-180 credit days for the repayment of receivables. Calculation of the impairment loss on trade receivables at reporting date includes the below sequential steps:

- Step 1: Analyse the collection of receivables and find out the unpaid amount within each ageing bucket
- Step 2: Calculate the historical loss rates for each ageing bucket
- Step 3: Incorporate forward-looking information to find out adjusted loss rate for each ageing bucket
- Step 4: Apply the adjusted loss rates to the current trade receivables portfolio to find out the ECL amount

Historical loss amount has been calculated considering their ageing buckets when write-off was allowed. The historical loss rate has been calculated in the following way:

Loss rate in an ageing bucket = Loss amount of that bucket / Unpaid amount of that bucket.

After incorporating forward looking information adjusted loss rate has been calculated as below:

Adjusted loss rate in an ageing bucket = Adjusted loss amount in that bucket / Unpaid amount in that bucket.

The following tables provide information about the exposure to credit risk and ECLs for trade receivables for both current and previous reporting period.

In BDT	For the year ended 31 December 2024			
	Ageing bucket (days)	Note	Amounts outstanding	Adjusted loss rate loss Expected credit
	0 to 30		4,246,045,470	0.0%
	31 to 60		19,240,041	0.4%
	61 to 180		114,020,608	2.7%
	181 to 360		71,183,165	20.4%
	> 360		137,639,814	42.3%
	<b>Total</b>	<b>9.1.1 &amp; 9.1.2</b>	<b>4,588,129,098</b>	<b>77,208,449</b>

In BDT	For the year ended 31 December 2023			
	Ageing bucket (days)	Note	Amounts outstanding	Adjusted loss rate loss Expected credit
	0 to 30		3,199,819,620	0.0%
	31 to 60		303,763,163	0.4%
	61 to 180		247,588,923	1.9%
	181 to 360		98,611,128	18.9%
	> 360		109,649,401	54.0%
	<b>Total</b>	<b>9.1.1 &amp; 9.1.2</b>	<b>3,959,432,235</b>	<b>84,406,945</b>





## Notes to the financial statements (continued)

### 32.2.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, the Company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast prepared based on the basis of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date. Moreover, the Company seeks to maintain short term lines of credit with scheduled commercial banks to ensure payment of obligations in the event that there is insufficient cash to make the required payment. The requirement is determined in advance through cash flow projections and credit lines with banks are negotiated accordingly.

The followings are the contractual maturities of financial liabilities, including estimated interest payments:

In BDT	Note	Carrying amount	Contractual cash flows	2 months or less	2-12 months	1-2 years	2-5 years	More than 5 years
<b>As at 31 December 2024</b>								
Non-derivative financial liabilities:								
Short-term borrowings - secured	17	11,908,060,525	(12,092,169,583)	(3,646,496,422)	(8,445,673,161)	-	-	-
Trade and other payables	16	7,659,325,106	(7,659,325,106)	(4,595,595,064)	(3,063,730,042)	-	-	-
Lease liabilities	5	1,600,788,613	(2,429,708,537)	(61,311,762)	(298,111,848)	(696,325,710)	(862,332,441)	(511,626,776)
Derivative financial liabilities		-	-	-	-	-	-	-
		21,168,174,244	(22,181,203,226)	(8,303,403,248)	(11,807,515,051)	(696,325,710)	(862,332,441)	(511,626,776)
<b>As at 31 December 2023</b>								
Non-derivative financial liabilities:								
Short-term borrowings - secured	17	8,142,332,768	(8,288,832,769)	(2,205,256,700)	(6,083,576,069)	-	-	-
Trade and other payables	16	4,398,138,690	(4,398,138,690)	(2,657,803,461)	(1,740,335,229)	-	-	-
Lease liabilities	5	1,313,772,021	(1,949,009,371)	(48,879,238)	(230,842,060)	(512,331,240)	(709,428,731)	(447,528,101)
Derivative financial liabilities		-	-	-	-	-	-	-
		13,854,243,479	(14,635,980,830)	(4,911,939,399)	(8,054,753,358)	(512,331,240)	(709,428,731)	(447,528,101)

### 32.2.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

The Company is exposed to normal business risks from changes in market interest rates and currency rates and from non-performance of contractual obligations by counterparties. The Company does not hold or issue derivative financial instruments for speculative business.





### Notes to the financial statements (continued)

#### 32.2.3.1 Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Company's operations and its cash flows because of some floating/variable loan interest rates. The Company is primarily exposed to interest rate risk from its borrowings.

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments was:

<i>In BDT</i>	Note	2024	2023
<b>Fixed rate instruments</b>			
Fixed rate deposits at financial institution		-	-
Fixed rate loans and receivable (excluding UCC)	9.1.1	3,492,190,073	3,048,485,460
Other fixed rate instruments (assets)		-	-
<b>Financial assets</b>		<b>3,492,190,073</b>	<b>3,048,485,460</b>
Fixed rate bank overdraft		-	-
Fixed rate loans		-	-
Fixed rate debentures		-	-
Fixed rate promissory notes		-	-
Lease liabilities		-	-
Other fixed rate liabilities		-	-
<b>Financial liabilities</b>		<b>-</b>	<b>-</b>
<b>Variable rate instruments</b>			
Variable rate deposits at financial institution		-	-
Variable rate loans and receivable		-	-
Other variable rate instruments (assets)		-	-
<b>Financial assets</b>		<b>-</b>	<b>-</b>
Variable rate bank overdraft	17	11,908,060,525	8,142,332,768
Variable rate loans		-	-
Variable rate debentures		-	-
Variable rate promissory notes		-	-
Other variable rate liabilities		404,899,771	376,288,977
<b>Financial liabilities</b>		<b>12,312,960,296</b>	<b>8,518,621,745</b>

#### 32.2.3.2 Foreign Currency risk

The Company is exposed to foreign currency risk relating to purchases which are denominated in foreign currencies. Other non recurring exposures consist of payable to IFS authority due to developing the ERP system of the Company.





## Notes to the financial statements (continued)

As at 31 December, the Company was exposed to foreign currency risk in respect of financial liabilities denominated in the following currencies:

	31 December 2024				31 December 2023			
	BDT	USD	EUR	CNY	BDT	USD	EUR	
<b>Foreign currency denominated assets</b>								
Trade and other receivables	119,850,929	992,919	5,610	-	119,066,436	1,060,722		5,378
<b>Total assets</b>	<b>119,850,929</b>	<b>992,919</b>	<b>5,610</b>	<b>-</b>	<b>119,066,436</b>	<b>1,060,722</b>		<b>5,378</b>
<b>Foreign currency denominated liabilities</b>								
Trade and other payables	(4,828,277,798)	(36,912,255)	(3,193,268)	(699,439)	(2,304,568,693)	(16,921,777)		(3,403,332)
<b>Total liabilities</b>	<b>(4,828,277,798)</b>	<b>(36,912,255)</b>	<b>(3,193,268)</b>	<b>(699,439)</b>	<b>(2,304,568,693)</b>	<b>(16,921,777)</b>		<b>(3,403,332)</b>
<b>Net exposure</b>	<b>(4,708,426,869)</b>	<b>(35,919,336)</b>	<b>(3,187,658)</b>	<b>(699,439)</b>	<b>(2,185,502,257)</b>	<b>(15,861,054)</b>		<b>(3,397,955)</b>

The following significant exchange rates are applied during the year:

In BDT	Year-end spot rate	
	2024	2023
USD	120.00	111.63
EUR	124.89	122.11
CNY	16.38	15.53

### 32.2.3.3 Foreign exchange rate sensitivity analysis for foreign currency expenditures

Foreign exchange rate sensitivity is calculated on the basis of impact of change of 100 basis points in foreign exchange rates. This analysis presents the probable weakening of BDT against US Dollar and EUR and the possibility that the profit or loss and the equity would have increased/(decreased) assuming all other variables, in particular interest rates remain constant. As per current practice, foreign exchange rate sensitivity analysis is done once at the end of the year. Result of the assessment is summarised below.

In BDT	Profit or loss		Equity	
	Strengthening	Weakening	Strengthening	Weakening
<b>31 December 2024</b>				
Expenditures denominated in USD	43,103,203	(43,103,203)	43,103,203	(43,103,203)
Expenditures denominated in EUR	3,981,066	(3,981,066)	3,981,066	(3,981,066)
<b>Exchange rate sensitivity</b>	<b>47,084,269</b>	<b>(47,084,269)</b>	<b>47,084,269</b>	<b>(47,084,269)</b>
<b>In BDT</b>				
<b>31 December 2023</b>				
Expenditures denominated in USD	17,705,893	(17,705,893)	17,705,893	(17,705,893)
Expenditures denominated in EUR	4,149,129	(4,149,129)	4,149,129	(4,149,129)
<b>Exchange rate sensitivity</b>	<b>21,855,022</b>	<b>(21,855,022)</b>	<b>21,855,022</b>	<b>(21,855,022)</b>

### 33 Capital management

Capital management refers to implementing policies and measures to maintain sufficient capital, assessing the Company's internal capital adequacy to ensure the Company's operation as a going concern. The Board of directors is charged with the ultimate responsibility for maintaining a strong capital base so as to maintain confidence of stakeholders and to sustain future development of the business. All major investment and operational decisions with exposure above certain amount are evaluated and approved by the board. The Board of directors also monitors the return on capital, which the Company defines as result from operating activities divided by total shareholders' equity. The Board of directors also determines the level of dividends to ordinary shareholders.





## Notes to the financial statements (continued)

### 34 Related parties

Related party transactions are disclosed in compliance with IAS-24 "Related Party Disclosures". The name of the related parties, the nature of the transactions and their balance at year end have been set out below:

#### 34.1 Parent and ultimate controlling party

Singer Bangladesh Limited (the Company) is a direct subsidiary of Beko Bangladesh BV, The Netherlands which holds 57% of the total shares issued.

Retail Holdings Asia B.V. was the Parent (i.e. owner of 100% shares) of Beko Bangladesh BV, The Netherlands, up to March 2019 as it sold its 100% holdings to Ardutch B.V., The Netherlands which is a direct subsidiary of Arçelik A.Ş.

#### 34.2 Transactions with key management personnel

Key management personnel includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including all directors (executive and non-executive).

<i>In BDT</i>	<i>Note</i>	<b>2024</b>	<b>2023</b>
Remuneration		30,847,616	28,577,646
Housing		3,321,060	2,975,868
Medical and welfare		4,428,245	3,856,360
Board meeting fees		528,000	477,000
<b>a) Short-term employee benefit</b>	22.3	<b>39,124,921</b>	<b>35,886,874</b>
<b>b) Post employment benefit</b>		-	-
<b>c) Other long-term benefit</b>		-	-
<b>d) Termination benefit</b>		-	-
<b>e) Share-based payment</b>		-	-
		<b>39,124,921</b>	<b>35,886,874</b>

#### 34.3 Other related party transactions

<b>Name of related parties</b>	<b>Relationship</b>	<b>Nature of transaction</b>	<b>2024</b>	<b>2023</b>
Arcelik A.S.	Ultimate parent	Procurement of products	32,254,459	24,881,082
Arcelik A.S.	Ultimate parent	Other payable Other receivable	171,772,088 3,363,669	34,440,435
BEKO Thai Co. Ltd.	Subsidiary of ultimate parent	Procurement of products	132,533,927	163,100,846
Voltbek Home Appliances Private Ltd.	Subsidiary of ultimate parent	Procurement of products	26,013,450	59,285,670
Arcelik Hitachi Home appliances (Thailand)	Related party of ultimate parent	Procurement of products	27,347,257	-
Beko Bangladesh BV, The Netherlands	Parent Company	Dividend payment	116,191,288	-
Beko Bangladesh BV, The Netherlands	Parent Company	Royalty expense	226,227,484	225,931,875
Beko Bangladesh BV, The Netherlands	Parent Company	Management fee	78,984,933	18,016,249
Beko Bangladesh BV, The Netherlands	Parent Company	Current account		1,000
Arcelik A.S.	Ultimate parent	Intercompany loan	(3,505,420,000)	
Singer Bangladesh Limited- Gratuity Fund Trust		Contribution	44,068,931	13,082,815
Singer Bangladesh Limited- Provident Func Trust		Contribution	22,518,300	17,866,296
Singer Bangladesh Limited- workers' profit participation fund		Contribution	-	43,787,710



# Notes to the financial statements (continued)

## 34.3.1 Related party receivable/(payable)

Name of related parties	Relationship	Nature of transaction	2024	2023
Arcelik A.S.	Ultimate parent	Payable for inventory	(4,732,453)	-
Arcelik A.S.	Ultimate parent	Other payable Other receivable	(265,858,839) 4,245,180	(94,086,751) 881,511
BEKO Thai Co. Ltd.	Subsidiary of ultimate parent	Payable for inventory	(36,285,085)	(7,835,338)
Voltbek Home Appliances Private Ltd.	Subsidiary of ultimate parent	Procurement of products	-	(2,217,780)
Beko Bangladesh BV, The Netherlands	Parent company	Royalty payable	(452,294,246)	(595,964,140)
Beko Bangladesh BV, The Netherlands	Parent company	Current account	2,159,465	2,468,719
Beko Bangladesh BV, The Netherlands	Parent company	Management fee	(97,001,182)	(18,016,249)
Arcelik A.S.	Ultimate parent	Intercompany loan	(3,505,420,000)	-
Singer Bangladesh Limited- Gratuity Fund	Trust	Receivable/Payable	370,556	(23,068,484)
Singer Bangladesh Limited- Provident Func	Trust	Receivable	16,809,355	32,659,821
Singer Bangladesh Limited- workers' profit participation fund	Trust	Payable	-	(41,821,736)

## 35 Net asset value (NAV) per share

### 35.1 NAV per share after revaluation

In BDT	2024	2023
Total assets	32,211,650,365	19,463,373,878
Total liability	(29,638,121,914)	(16,070,176,577)
Net assets value	2,573,528,451	3,393,197,301
Number of shares used to compute NAV	99,702,838	99,702,838
Net asset value (NAV) per share	25.81	34.03

### 35.2 NAV per share before revaluation

In BDT	2024	2023
Total assets	32,211,650,365	19,463,373,878
Total liability	(29,638,121,914)	(16,070,176,577)
Net assets value	2,573,528,451	3,393,197,301
Number of shares used to compute NAV	99,702,838	99,702,838
Net asset value (NAV) per share	25.81	34.03





## Notes to the financial statements (continued)

### 36 Reconciliation of net income with cashflows from operating activities

<i>In BDT</i>	2024	2023
<b>Profit before taxation</b>	<b>(409,968,376)</b>	<b>831,966,491</b>
Add/(deduct) for noncash items:		
Depreciation & amortization	649,758,046	596,574,145
(Gain)/loss on sale of property, plant and equipment	3,020,342	7,667,048
Finance costs	1,567,485,073	604,135,180
Other provisions	72,521,545	60,434,621
<b>Changes in:</b>		
(Increase)/Decrease in deposits and prepayments	(5,874,000)	(1,074,775)
(Increase)/Decrease in inventories	(4,125,154,629)	616,160,061
(Increase)/Decrease in trade and other receivables	(571,619,826)	(644,072,743)
(Increase)/Decrease in Advances, deposits and prepayments	(933,871,557)	(354,154,480)
Increase/(Decrease) in other liabilities	102,854,345	33,114,887
Increase/(Decrease) in accounts payables	3,468,427,460	994,886,081
Tax paid	(611,171,718)	(476,862,255)
<b>Net cash flows from operating activities</b>	<b>(793,593,295)</b>	<b>2,268,774,261</b>

### 36.1 Net operating cash flow per share (NOCFPS)

<i>In BDT</i>	2024	2023
Net cash from operating activities	(793,593,295)	2,268,774,261
Number of ordinary shares outstanding	99,702,838	99,702,838
<b>Net operating cash flow per share (NOCFPS)</b>	<b>(7.96)</b>	<b>22.76</b>

### 37 Events after the reporting period

The Board of Directors of the Company has recommended 10% (BDT 1.00 per share of BDT 10 each) cash dividend in its 276th board meeting held on 27 January 2025.

### 38 Others

- Figures in these notes and annexed financial statements have been rounded off to the nearest BDT.
- Previous year's figures have been regrouped and/or rearranged wherever considered necessary for the purpose of current year's presentation.



## Notes to the financial statements (continued)

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### 39 Basis of measurement

These financial statements have been prepared on accrual basis following going concern concept under historical cost convention as modified to include the revaluation of land and buildings under property, plant and equipment. The initial recognition of financial instruments at fair value and the gratuity scheme which was measured based on actuarial valuation.

### 40 Material accounting policies

Set out below is an index of the Material accounting policies, the details of which are available on the pages that follow.

- A. Revenue
- B. Finance income and finance costs
- C. Foreign currency transactions
- D. Income tax
- E. Inventories
- F. Property, plant and equipment
- G. Intangibles
- H. Financial instruments
- I. Impairment
- J. Provisions
- K. Royalty
- L. Warranty costs
- M. Investments
- N. Workers' profit participation fund
- O. Employee benefit
- P. Reporting period
- Q. Earnings per share
- R. Statement of cash flows
- S. Events after the reporting period
- T. Offsetting
- U. Leases





**A. Revenue from contracts with customers**

**Type of product/service**

Consumer electronics and household appliances.

**Nature and timing of satisfaction of performance obligations**

Customers obtain control of products at point of delivery or over time. Invoices are generated at fair value of the consideration received or receivable, net of returns and allowances and trade discounts at the time of delivery of goods. Invoices are usually paid instantly in case of cash sales or payable as per credit terms offered by the Company.

Performance obligation is satisfied when the control of the goods is transferred, rather than just the risk and reward.

**Revenue recognition**

Revenue is recognised when (or as) control of goods is transferred to customer. Control may be transferred either at a point in time or over time. First, the entity assesses whether it transfers control over time by following the prescribed criteria for satisfying performance obligation. If none of the criteria for recognising revenue over time is met, then the entity recognises revenue at the point in time at which it transfers control of the goods to the customer.

Performance obligation is satisfied when the control of the goods is transferred, rather than just the risk and reward.

**B. Finance income and finance costs**

Finance expenses comprise interest expense on term loan, overdraft, and bank charges. Interest income from fixed deposit and from saving or current account is net off with finance expenses. All finance expenses are recognised in the profit and loss statement. Finance expenses also include interest expense on lease liabilities.

**C. Foreign currency transactions**

Foreign currency transactions are recorded in BDT at applicable rates of exchange ruling at the dates of transactions in accordance with IAS-21 *The Effects of Changes in Foreign Exchange Rates*. Exchange rate difference at the statement of financial position date are charged/credited to statement of profit or loss and other comprehensive income, to the extent that this treatment does not contradict with the Schedule XI of Companies Act 1994. This Schedule requires all exchange gains and losses arising from foreign currency borrowings, taken to finance acquisition of construction of fixed assets, to be credited/charged to the cost/value of such assets.

The financial statements are presented in BDT, which is the company's functional currency. Transactions in foreign currencies are recorded in the books at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies at the date of statement of financial position are translated into BDT at the exchange rate prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined. Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss shall be recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss shall be recognised in profit or loss.



**D. Income Tax**

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the statement of profit and loss and other comprehensive income.

**Current tax**

The Company qualifies as a "Publicly Traded Company", as defined in income tax law. The applicable tax rate for the Company is 22.5%. Provision for taxation has been made on this basis which is compliant with the Finance Act 2023.

**Deferred tax**

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity. The deferred tax asset/income or liability/expense does not create a legal obligation to, or recoverability from, the income tax authority.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**E. Inventories**

Inventories are measured at lower of cost and net realisable value, after making due allowances for obsolete and excess inventories. Net realisable value is estimated selling price in the ordinary course of business less the estimated cost of completion and selling expenses. The Company assesses the NRV by giving consideration to future demand and condition of the inventory and make adjustments to the value by making required provisions. Inventories consist of raw materials, work-in-process, goods in transit and finished goods. The Company uses weighted average cost model in valuing its inventory.

**F. Property, plant and equipment**

**Recognition and measurement**

Property, plant and equipment are stated in statement of financial position are measured at cost/fair value less accumulated depreciation and any accumulated impairment losses in accordance with IAS-16 *Property Plant and Equipment*. Maintenance, renewals and betterments that enhance the economic useful life of the property, plant and equipment or that improve the capacity, quality or reduce substantially the operating cost or administration expenses are capitalised by adding it to the related property, plant and equipment.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

**Cost model**

The Company applies cost model to property, plant and equipment except for land and buildings.





### Revaluation model

The Company applies revaluation model to entire class of freehold land and buildings. A revaluation is carried out when there is a substantial difference between the fair value and the carrying amount of the property and is undertaken by professionally qualified valuers. The Company reviews its assets when deemed appropriate considering reasonable interval of years/time.

Increase in the carrying amount on revaluation is recognised in other comprehensive income and accumulated in equity in the revaluation reserve unless it reverses a previous revaluation decrease relating to the same asset, which was previously recognised as an expense. In these circumstances the increase is recognised as income to the extent of the previous write down.

Decrease in the carrying amount on revaluation that offset previous increases of the same individual assets are charged against revaluation reserve directly in equity. All other decreases are recognised in profit and

### Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day maintenance of property, plant and equipment are recognised in the profit and loss account as incurred.

### Depreciation

Depreciation is calculated over the depreciable amount. Depreciation is recognised in profit and loss on a reducing balance method over each part of an item of property, plant and equipment, since this most closely reflected the expected pattern of consumption of the future economic benefits embodied in the asset. A change in the depreciation method is a change in a technique used to apply the entity's accounting policy to recognise depreciation as an asset's future economic benefits are consumed. Therefore it is deemed to be a change in an accounting estimate.

Land is not depreciated. Depreciation is charged on property plant and equipment from the month of acquisition and no depreciation is charged in the month of disposal.

Depreciation is charged at the rates varying from 10% to 20% depending on the estimated useful lives of assets. No depreciation is charged for work-in-progress.

The rates of depreciation of the Company, applied on reducing balance method, for the current period and comparative years are as follows:

Building - Office	10%
Building - Factory	20%
Leasehold improvements	10%
Plant and machinery	20%
Vehicles	20%
Furniture and fixtures	10%
Equipment and tools	20%



## G. Intangibles

An intangible asset is recognised if it is probable that future economic benefits will flow to the entity and the cost of the asset can be measured reliably in accordance with IAS 38 *Intangible Assets*. Intangible assets with finite useful lives are measured at cost, less accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally-generated goodwill and brands are recognised in profit or loss as incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. Amortisation expense on intangible assets with finite lives is recognised in profit and loss on a straight-line basis over the estimated useful lives, from the date they are available-for-use.

The estimated useful lives of intangible assets with finite lives are as follows:

<u>Intangible assets</u>	
Computer Software	20%

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit and loss when the asset is derecognised.

## H. 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.

### Financial assets

The Company initially recognises receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the date at which the Company becomes a party to the contractual provisions of the transaction.

The Company derecognises a financial asset when the contractual rights or probabilities of receiving the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial assets include cash and cash equivalents, accounts receivable, and long term receivables and deposits.





### Accounts receivable

Accounts receivable is initially recognised at nominal value which is the fair value of the consideration given in return. Accounts receivable represents the amounts due from customers of hire sale, credit sale and also includes receivable from employees and others, net of provision for doubtful debts and unearned carrying charges.

Allowances for accounts receivables are calculated applying the rates under ECL method for different ageing buckets (in days) for the current year are as follows:

Ageing bucket (days)	2024	2023
0 to 30	0.0%	0.0%
31 to 60	0.4%	0.4%
61 to 180	2.7%	1.9%
181 to 360	20.4%	18.9%
> 360	42.3%	54.0%

### Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at bank and cash in transit. It also includes fixed deposit with bank maturity of which is not more than three months. There is no significant risk of change in value of the same.

### Financial liability

The Company initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognised initially on the transaction date at which the Company becomes a party to the contractual provisions of the liability.

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

Financial liabilities include lease obligations, loans and borrowings, accounts payable and other payables.

### Accounts payable

The Company recognises a financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the Company of resources embodying economic benefits.

## I. Impairment

The Company reviews the carrying values of tangible and intangible assets for any possible impairment at each date of Statement of Financial Position. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. In assessing the recoverable amount, the estimated future cash flows are discounted to their present value at appropriate discount rates.



**J. Provisions**

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of past event and it is probable that an outflow of economic benefits will be required to settle the obligation and the amount of the provision can be measured reliably in accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*. The amount recognised is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation at the date. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is determined based on the present value of those cash flows.

**K. Royalty**

Royalty is payable to Beko Bangladesh BV, The Netherlands @ 3% of net annual invoice price of sale of audio-video sets (radio cassette, recorders and televisions), air conditioner and @ 1% on refrigerator assembled and manufactured in Bangladesh for the year 2024 (note 21.2).

The Company is authorised to use the name "SINGER" as part of its corporate name.

**L. Warranty costs**

A provision for warranties is recognised when the underlying products or services are sold. The provision is based on historical warranty data and a weighing of all possible outcomes against their associated probabilities.

**M. Investments**

**Investment in Central Depository Bangladesh Limited (CDBL)**

Investment in CDBL is recorded at cost and represents insignificant holding.

**Investment in term deposit**

This represents investment in term deposit with Commercial Bank of Ceylon PLC and Prime Bank Limited which are renewable.

**Investment in short term deposit**

Investment in short term deposit represents fixed deposit with maturity of three months and over.

**N. Workers' profit participation fund**

The Company provides 5% of its net profit as a contribution to workers' profit participation fund before tax and charges such expense in accordance with The Bangladesh Labour Act 2006 (as amended in 2018).



**O. Employee benefits**

The Company maintains both defined contribution plan (provident fund) and a retirement benefit obligation (gratuity fund) for its eligible permanent employees.

**Defined contribution plan (provident fund)**

Defined contribution plan is a post employment benefit plan under which the Company provides benefits for all of its permanent employees. The recognised Employees' Provident Fund is being considered as defined contribution plan as it meets the recognition criteria specified for this purpose. All permanent employees contribute 12.5% of their basic salary to the provident fund and the Company also makes equal contribution. This fund is recognised by the National Board of Revenue (NBR), under the second Schedule, Part 3 of Income Tax Act 2023.

The Company recognises contribution to defined contribution plan as an expense when an employee has rendered required services. The legal and constructive obligation is limited to the amount it agrees to contribute to the fund. Obligations are created when they are due.

**Defined benefit obligation (gratuity)**

The Company operates a funded gratuity scheme for its permanent employees, under which an employee is entitled to the benefits depending on the length of services and last drawn basic salary.

Projected Unit Credit method is used to measure the present value of defined benefit obligations and related current and past service cost and mutually compatible actuarial assumptions about demographic and financial variables are used.

**Short-term employee benefits**

This relates to leave encashment and is measured on an undiscounted basis and expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. Accordingly, necessary provision is made for the amount of annual leave encashment based on the latest basic salary. This benefit is applicable for employees as per service rules.

**P. Reporting period**

The financial period of the Company covers one year from 1 January to 31 December. These financial statements were prepared for twelve months from 1 January to 31 December 2024.

**Q. Earnings per share**

The Company presents basic and diluted (when dilution is applicable) earnings per share (EPS) data for its ordinary shares.

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by weighted average number of ordinary shares outstanding during the period, adjusted for the effect of change in number of shares for bonus issue, share split and reserve split.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for these financial statements as there was no dilutive potential ordinary shares during the relevant periods.



**R. Statement of cash flows**

Statement of Cash Flows (Cash Flow Statement) is prepared under direct method in accordance with IAS 7 *Statement of Cash Flows* as required by the Bangladesh Securities and Exchange Rules 2020.

**S. Events after the reporting period**

Events after the balance sheet date that provide additional information about the Company's position at the balance sheet date are reflected in the financial statements. Material events after the balance sheet date that are not adjusting events are disclosed in the note 36.

**T. Offsetting**

The Company reports separately both assets and liabilities, and income and expenses, unless required by an applicable accounting standard or offsetting reflects the substance of the transaction and such offsetting is permitted by applicable accounting standard.

**U. Leases**

The Company has initially applied IFRS 16 from 1 January 2019.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

— the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;

— the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

— the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

-- the Company has the right to operate the asset; or

This policy is applied to contracts entered into, or changed, on or after 1 January 2019.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.





**i. As a lessee**

The Company recognises a right-of-use asset and a lease liability (for its retail stores / showrooms, warehouses, service centers, factories and other offices facilities) at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise fixed payments, including in-substance fixed payments.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets and lease liabilities in the statement of financial position.

**Short-term leases and leases of low-value assets**

Currently the Company has no such short-term lease or lease of low value asset. The Company will not recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company will recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term as applicable.

**ii. As a lessor**

There is no such lease for which the Company is a lessor.



**Details of disposal of property, plant and equipment (Annexure - 1)**

Particulars	Original cost	Accumulated depreciation	Net book value	For the year ended 31 December 2024		
				Sales proceed	Gain/(Loss)	Mode of disposal
Computer	22,516,860	18,219,190	4,297,670	1,050,101	(3,247,569)	Sold/write off
Equipment	3,678,511	3,214,207	464,521	-	(464,521)	Write off
Leasehold improvements	9,008,980	7,627,651	1,381,329	-	(1,381,329)	Write off
Furniture	1,987,151	1,650,857	336,294	-	(336,294)	Write off
Vehicles	9,898,519	9,172,903	725,616	3,134,987	2,409,371	Auction sale
	<b>47,090,021</b>	<b>39,884,809</b>	<b>7,205,430</b>	<b>4,185,088</b>	<b>(3,020,342)</b>	





### Details of share issue (Annexure - 2)

Date of Issue	Basis of Issue of Shares	Total Share & Share Capital		
		No. of Shares Issued	No. of Shares after Bonus	Share Capital BDT 10 each
1983	2567 ordinary shares of BDT 10 each issued for cash	25,670	25,670	256,700
1983	10,258 ordinary shares of BDT 10 each issued for consideration other than cash	102,580	102,580	1,025,800
<b>Total ordinary shares issued</b>		<b>128,250</b>	<b>128,250</b>	<b>1,282,500</b>
<b>Bonus share</b>				
18-Apr-85	100%	128,250	256,500	1,282,500
16-Apr-87	60%	153,900	410,400	1,539,000
16-Aug-89	100%	410,400	820,800	4,104,000
12-Jul-92	100%	820,800	1,641,600	8,208,000
12-Jul-93	100%	1,641,600	3,283,200	16,416,000
1-Jun-94	50%	1,641,600	4,924,800	16,416,000
28-May-95	50%	2,462,400	7,387,200	24,624,000
21-May-96	50%	3,693,600	11,080,800	36,936,000
16-Apr-97	50%	5,540,400	16,621,200	55,404,000
28-Apr-08	35%	5,817,420	22,438,620	58,174,200
27-Apr-11	75%	16,828,960	39,267,580	168,289,600
8-May-13	25%	9,816,895	49,084,475	98,168,950
28-Apr-14	25%	12,271,118	61,355,593	122,711,180
30-Apr-15	25%	15,338,898	76,694,491	153,388,980
23-Apr-19	30%	23,008,347	99,702,838	230,083,470
<b>Total bonus shares issued</b>		<b>99,574,588</b>		<b>995,745,880</b>
<b>Total shares issued</b>		<b>99,702,838</b>		<b>997,028,380</b>

