

**SINGER BANGLADESH LIMITED**  
**Statement of Financial Position (Un-audited)**

<i>In BD Taka</i>	Notes	*31 March 2021	*31 December 2020
<b>Assets</b>			
Property, plant and equipment	3	1,416,890,066	1,082,453,237
Intangible assets	4	23,216,066	23,878,992
Right-of-use (ROU) asset		1,333,093,446	1,299,332,072
Investments	5	4,199,450	650,998,506
Deferred tax assets	6	46,105,967	81,110,569
Deposits and prepayments	7	29,524,645	23,092,798
<b>Non-current assets</b>		<b>2,853,029,640</b>	<b>3,160,866,174</b>
Inventories	8	6,218,991,653	3,884,336,529
Trade and other receivables	9	3,030,086,720	2,538,977,929
Advances, deposits and prepayments	7	558,195,404	150,436,499
Current tax assets	10	344,008,651	-
Cash and cash equivalents	11	305,612,956	178,148,480
<b>Current assets</b>		<b>10,456,895,384</b>	<b>6,751,899,437</b>
<b>Total assets</b>		<b>13,309,925,024</b>	<b>9,912,765,611</b>
<b>Equity</b>			
Share capital	12	997,028,380	997,028,380
Reserves		565,202,468	565,877,314
Retained earnings		1,811,365,186	1,893,022,627
<b>Equity attributable to owners of the Company</b>		<b>3,373,596,034</b>	<b>3,455,928,321</b>
<b>Non-controlling interest</b>		<b>-</b>	<b>-</b>
<b>Total equity</b>		<b>3,373,596,034</b>	<b>3,455,928,321</b>
<b>Liabilities</b>			
Lease liability (non-current portion)		852,534,657	821,749,098
Other liabilities	13	1,919,024,355	1,913,955,202
<b>Non-current liabilities</b>		<b>2,771,559,012</b>	<b>2,735,704,300</b>
Unclaimed dividend		36,687,224	37,021,212
Trade and other payables	14	3,137,214,728	1,904,755,423
Short-term borrowings - secured		3,848,333,924	1,611,518,744
Lease liability (current portion)		142,534,102	117,621,805
Current tax liabilities	10	-	50,215,806
<b>Current liabilities</b>		<b>7,164,769,978</b>	<b>3,721,132,990</b>
<b>Total equity and liabilities</b>		<b>13,309,925,024</b>	<b>9,912,765,611</b>
<b>Net assets value per share (NAV)</b>	20	<b>33.84</b>	34.66
<b>Number of Shares used to compute NAV</b>		<b>99,702,838</b>	<b>99,702,838</b>

\* Due to amalgamation of International Appliances Limited (subsidiary) with Singer Bangladesh Limited, current period is presented as stand alone basis. Comparative figures are also presented stand alone basis to keep in line with current period's presentation.

for and on behalf of the Board of Directors of Singer Bangladesh Limited



**Polat Sen**  
Director



**Masud Khan**  
Director



**M. H. M. Fairoz**  
Managing Director



**Akram Uddin Ahmed**  
Chief Financial Officer



**Kazi Ashiqur Rahman**  
Acting Company Secretary

**Dated: 15 April 2021**

**SINGER BANGLADESH LIMITED**  
**Statement of profit or loss and other comprehensive income (Un-audited)**

<i>In BD Taka</i>	Notes	For the period ended 1 January - 31 March	
		*2021	*2020
Sales		3,753,729,163	3,032,762,951
Earned carrying charges		13,899,033	31,455,663
Turnover		3,767,628,196	3,064,218,614
Cost of sales		(2,841,393,307)	(2,259,601,842)
<b>Gross profit</b>		<b>926,234,889</b>	<b>804,616,772</b>
Operating expenses	15	(631,724,579)	(576,682,961)
Other income	16	33,397,862	32,083,596
<b>Operating profit</b>		<b>327,908,172</b>	<b>260,017,407</b>
Finance income		48,618	-
Finance costs		(58,901,117)	(86,124,231)
<b>Net finance costs</b>	17	<b>(58,852,499)</b>	<b>(86,124,231)</b>
<b>Profit before contribution to workers' profit participation fund</b>		<b>269,055,673</b>	<b>173,893,176</b>
Contribution to workers' profit participation fund		(13,452,784)	(8,694,659)
<b>Profit before taxation</b>		<b>255,602,889</b>	<b>165,198,517</b>
Income tax expense	18	(75,578,000)	(46,287,584)
<b>Profit after tax</b>		<b>180,024,889</b>	<b>118,910,933</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>		-	-
<b>Total comprehensive income for the period</b>		<b>180,024,889</b>	<b>118,910,933</b>
<b>Earnings per share (EPS)</b>	19	<b>1.81</b>	<b>1.19</b>
<b>Number of Shares used to compute EPS</b>		<b>99,702,838</b>	<b>99,702,838</b>

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**Dated: 15 April 2021**

**SINGER BANGLADESH LIMITED**  
Statement of Changes in Equity (Un-audited)

\*For the Period ended 31 March

<i>In BD Taka</i>	Attributable to owner of the Company						Total
	Share capital	Revaluation reserve	Capital reserve	Non-remittable special capital reserves	Non-distributable special reserves	Retained earnings	
<b>Balance at 1 January 2021</b>	997,028,380	547,083,347	18,190,942	370,178	232,847	1,893,022,627	3,455,928,322
<b>Total comprehensive income</b>							
Profit	-	-	-	-	-	180,024,889	180,024,889
Acquisition of business	-	-	-	-	-	(262,581,245)	(262,581,245)
<b>Total comprehensive income for the year</b>	-	-	-	-	-	(82,556,356)	(82,556,356)
<b>Transaction with owners of the Company</b>							
Contributions and distributions							
Dividends:							
Total contributions and distributions	-	-	-	-	-	-	-
Adjustment for deferred tax arising from revaluation of property, plant and equipment	-	-	-	-	-	224,068	224,068
Transfer of depreciation on revaluation surplus	-	(674,847)	-	-	-	674,847	-
	-	(674,847)	-	-	-	898,915	224,068
<b>Balance at 31 March 2021</b>	997,028,380	546,408,500	18,190,942	370,178	232,847	1,811,365,186	3,373,596,034
<b>Balance at 1 January 2020</b>	997,028,380	550,340,462	18,190,942	370,178	232,847	1,851,331,233	3,417,494,042
<b>Total comprehensive income</b>							
Profit	-	-	-	-	-	118,910,933	118,910,933
Other comprehensive income	-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	-	-	118,910,933	118,910,933
<b>Transaction with owners of the Company</b>							
Contributions and distributions							
Dividends:							
Total contributions and distributions	-	-	-	-	-	-	-
Adjustment for deferred tax arising from revaluation of property, plant and equipment	-	-	-	-	-	1,585,137	1,585,137
Transfer of depreciation on revaluation surplus	-	(814,279)	-	-	-	814,279	-
	-	(814,279)	-	-	-	2,399,416	1,585,137
<b>Balance at 31 March 2020</b>	997,028,380	549,526,183	18,190,942	370,178	232,847	1,972,641,582	3,537,990,112

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for and on behalf of the Board of Directors of Singer Bangladesh Limited



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Acting Company Secretary

Dated: 15 April 2021

**SINGER BANGLADESH LIMITED**  
Statement of Cash Flows (Un-audited)

<i>In BD Taka</i>	Notes	For the Period ended 31 March	
		*2021	*2020
<b>Cash flows from operating activities</b>			
Collections from turnover and other income		3,701,635,121	3,018,409,668
Payments for costs and expenses		(5,025,264,976)	(4,279,297,780)
Interest paid on borrowings/leases		(73,673,757)	(96,715,035)
Payments to workers' profit participation fund		(58,540,556)	(75,321,587)
Income tax paid		(151,765,310)	(99,847,855)
<b>Net cash from operating activities</b>	22	<b>(1,607,609,478)</b>	<b>(1,532,772,589)</b>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment		(52,357,667)	(16,352,988)
<b>Net cash from/(used in) investing activities</b>		<b>(52,357,667)</b>	<b>(16,352,988)</b>
<b>Cash flows from financing activities</b>			
Lease Liability (principal repayment)		(53,850,428)	(51,214,011)
Dividends paid		(333,988)	(107,700)
<b>Net cash used in financing activities</b>		<b>(54,184,416)</b>	<b>(51,321,711)</b>
<b>Net increase/(decrease) in cash</b>		<b>(1,714,151,561)</b>	<b>(1,600,447,288)</b>
Cash and cash equivalents at 1 January		(1,828,569,407)	(1,566,281,053)
Acquisition of Business			-
<b>Cash and cash equivalents at 31 March</b>		<b>(3,542,720,968)</b>	<b>(3,166,728,341)</b>
<b>Closing cash and cash equivalents have been arrived at as follows:</b>			
Cash and cash equivalents		305,612,956	230,161,213
Short-term borrowings - secured (bank overdrafts)		(3,848,333,924)	(3,396,889,554)
		<b>(3,542,720,968)</b>	<b>(3,166,728,341)</b>
<b>Net Operating Cash Flow Per Share (NOCFPS)</b>	21	<b>(16.12)</b>	<b>(15.37)</b>
<b>Number of Shares used to compute NOCFPS</b>		<b>99,702,838</b>	<b>99,702,838</b>

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Acting Company Secretary

Dated: 15 April 2021

**SINGER BANGLADESH LIMITED**  
**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 Retail Holdings Bhold B.V., The Netherlands (formerly Singer Bhold B.V., The Netherlands) since 2003. The shares of the Company are listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. 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 panel televisions, air conditioners and furniture and marketing of refrigerators, televisions, air conditioners, furniture, sewing machines, computers, washing machines and other consumer electronics and household appliances. The manufacturing plant of the Company is situated at Rajfulbaria, Jhamur, Savar, Dhaka 1340.

**1.3 Amalgamation with International Appliances Limited (IAL)**

The Hon'ble High Court Division of the Supreme Court of Bangladesh has sanctioned a scheme of Amalgamation under which International Appliances Limited has been amalgamated with Singer Bangladesh Limited ("the company"), while the company shall survive.

**i) Name and description of acquirer**

Singer Bangladesh Limited (hereinafter referred to as the "Transferee Company" or "SBL") was incorporated in Bangladesh as a private limited Company on 4 September 1979 under the Companies Act 1913 (Registration no. being C-7287/146 of 1979.1980). 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 Retail Holdings Bhold B.V., The Netherlands (formerly Singer Bhold B.V., The Netherlands) since 2003. The shares of the Company are listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. The address of the registered office of the Company is 39 Dilkusha Commercial Area, Dhaka 1000, Bangladesh.

SBL was incorporated for the purpose of carrying on the business of manufacturing of panel televisions and air conditioners 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 is situated at Rajfulbaria, Jhamur, Savar, Dhaka 1340.

**ii) Name and description of acquiree**

International Appliances Limited (hereinafter referred to as the "Transferor Company" or "IAL") was incorporated on 23 December 2014 under Companies Act 1994 (Registration no. being C-120074/2014) as a joint venture with a local investor and an another foreign investor. It has been an associate of Singer Bangladesh Limited (SBL) since inception. SBL acquired the Company as a subsidiary on 16 October 2017. On 27 February 2019 it became fully owned subsidiary of Singer Bangladesh Limited. The address of the registered office of the Company is Mousa Koulashur, Hemayetpur, Savar, Dhaka, Bangladesh.

IAL was incorporated for the purpose of carrying on the business of manufacturing and selling of refrigerators of different capacities, models and types with a brand of "Singer" for exclusive marketing by Singer Bangladesh Limited. The manufacturing plant of the Company is situated at Mousa Koulashur, Hemayetpur, Savar, Dhaka, Bangladesh.

**iii. Acquisition date**

As per high court order (369/25.02.21) Acquisition date was 14th March 2021.

**iv. Percentage of voting equity interest acquired**

Singer Bangladesh acquired 100 % of voting interest of International Appliances Limited.

**SINGER BANGLADESH LIMITED**  
**Notes to the Financial Statements (continued)**

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**v. Primary reason for Amalgamation**

To consolidate and effectively manage the business of manufacturing and marketing of televisions, air conditioners, sewing machines, computers, washing machines and other consumer electronics and household appliances. It is intended that the Transferee Company has been amalgamated with the Transferor Company. The amalgamation of Transferee Company with the Transferor Company would inter alia have the following benefits:

a) The combination of Transferee Company and Transferor Company would further enhance the strengths of Transferee company in order to develop the potential for further growth and expansion of the market and to improve synergies, optimize resources and increase fund raising capabilities.

b) The Transferor Company's business is manufacturing and selling of refrigerators of different capacities, models and types with a brand of "Singer" for exclusive marketing by Singer Bangladesh Limited. This scheme of Amalgamation intends to merge the operations of the Transferor Company with that of the Transferee Company to achieve larger product portfolios, economies of scale, efficiency, optimization of logistics and distribution network and other related economies by consolidating the business operations by introduction of vertical integration.

c) The Transferee Company will have the benefit of the combined resources of Transferor Company and Transferee Company. The Transferee Company would be in a position to carry on consolidated operations through optimum utilization of resources, minimization of common costs, administrative, managerial and other expenditure and better financial strength, whilst improving operational rationalization, organizational efficiency, and optimal utilization of various resources.

d) The Transferee Company will have potentials to increase earnings per share resulting in maximizing shareholders wealth.

e) The proposed amalgamation will create greater value for the shareholders, creditors and employees than could be delivered as separate companies.

f) The interest of the existing employees of the Transferor Company shall be protected with continuity of employment, better utilization of manpower and an opportunity for enhancement of technical knowledge and expertise being provided.

**2 Basis of preparation**

**2.1 Presentation of financial statements**

These interim financial statements of Singer Bangladesh Limited for the period ended 31 March 2021 has been prepared on the basis of the same accounting policies and methods applied for the year ended 31 December 2020. Due to amalgamation of Singer and its subsidiary, current period is presented as stand alone basis. Comparative figures are also presented stand alone basis to keep in line with current period's presentation.

**2.2 Statement of compliance**

These interim financial statements have been prepared in compliance with the requirements of the International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS), the Companies Act 1994, Bangladesh Securities and Exchange Ordinance 1969, Bangladesh Securities and Exchange Rules 1987, Listing Regulations of Dhaka and Chittagong Stock Exchanges and other relevant local laws as applicable.

**2.3 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 (specifically COVID 19) which may cast significant doubt upon the Company's ability to continue as a going concern.

**2.4 Functional and presentational currency**

These interim consolidated financial statements are presented in Bangladesh Taka (BDT/Taka/Tk.), which is both functional and presentational currency of the Company.

**SINGER BANGLADESH LIMITED**  
**Notes to the Financial Statements (continued)**

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**2.5 Impact of COVID-19**

In view of the second wave of current Pandemic of COVID-19 the management of the Company makes critical estimates and judgments of matters including but not limited to business plan and forecast to support going concern assumption, revenue recognition (IFRS 15), inventory valuation (IAS 2), impairment assessment (IAS 36), onerous contract (IAS 37), debt servicing and compliance with covenants (IFRS 7) etc. In addition, management is aware that any modifications in contract may result changes in terms of financial assets and liabilities (IFRS 9), leases (IFRS 16), compensation arrangements with employees (IAS 19) etc.

Owing to the second wave of COVID-19 impact started in March, preparation of reliable forecast information is challenging as this can have pervasive impact across multiple elements of financial statements. Entity uses forecast information for multiple purposes such as, the impairment of non-financial assets, expected credit losses (ECL), fair value of assets and liabilities, change in net realizable value of inventory, the recoverability of deferred tax assets and the entity's ability to continue as a going concern.

Management think about the current pandemic scenario and make their forecast information (i.e. cash flow, production capacity, utilization, etc.) on the hope that business will resume in its normal course of activities from last week of April (i.e. after the lockdown from 14-21 April) onwards. Management strongly believes that, this is too early to re-evaluate/re-measure for the impairment of non-financial assets coupled with the extent of incremental expected credit losses, fair value of assets and liabilities, the recoverability of deferred tax assets, any potential decrease in net realizable value of inventory, any adverse impact on employee benefits and employer obligations and the entity's ability to continue as a going concern except the impact of incremental expected credit losses. For this impact of incremental expected credit losses, management continuously evaluating the assessment for measurement and recognize excess losses in its monthly accounts.

**SINGER BANGLADESH LIMITED**  
Notes to the Financial Statements (continued)

**3 Property, plant and equipment**

<i>In BDT</i>	At 31 Mar 2021	At 31 Dec 2020
Cost	2,446,053,990	1,908,134,891
Accumulated depreciation	1,029,163,924	825,681,654
	<b>1,416,890,066</b>	<b>1,082,453,237</b>

**4 Intangible assets**

<i>In BDT</i>	At 31 Mar 2021	At 31 Dec 2020
Cost	76,562,580	75,942,405
Accumulated amortisation	53,346,514	52,063,413
	<b>23,216,066</b>	<b>23,878,992</b>

**5 Investments**

<i>In BDT</i>	At 31 Mar 2021	At 31 Dec 2020
Investment in subsidiary	-	646,799,056
Investment in term deposit	2,630,000	2,630,000
Investment in Central Depository Bangladesh Limited (CDBL)	1,569,450	1,569,450
	<b>4,199,450</b>	<b>650,998,506</b>

**6 Deferred tax assets**

<i>In BDT</i>	At 31 Mar 2021	At 31 Dec 2020
Opening balance	51,312,925	43,667,319
Adjustment for Amalgamation	3,239,393	-
	<b>54,552,318</b>	<b>43,667,319</b>
Released/(expense) during the year	(8,671,300)	36,357,545
Transferred to retained earnings	224,949	1,085,705
	<b>(8,446,351)</b>	<b>37,443,250</b>
	<b>46,105,967</b>	<b>81,110,569</b>

**6.1 Closing balance**

<i>In BDT</i>	At 31 Mar 2021	At 31 Dec 2020
Deferred tax assets	103,678,195	102,618,606
Deferred tax liabilities	(57,572,228)	(21,508,037)
	<b>46,105,967</b>	<b>81,110,569</b>

**6.1.1 Deferred tax assets**

<i>In BDT</i>	At 31 Mar 2021	At 31 Dec 2020
Provision for gratuity	-	-
Reserve against inventories	31,258,702	28,944,213
Reserve for warranty	34,453,148	29,502,987
Provision for bad debts	35,181,098	35,536,348
Property, plant and equipment	-	1,354,042
Leases	2,785,247	7,281,016
	<b>103,678,195</b>	<b>102,618,606</b>

**6.1.2 Deferred tax liabilities**

<i>In BDT</i>	At 31 Mar 2021	At 31 Dec 2020
Provision for gratuity	-	-
Revaluation of land and building	(21,251,709)	(21,508,037)
Property, plant and equipment	(36,320,519)	-
	<b>(57,572,228)</b>	<b>(21,508,037)</b>

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

**7 Advances, deposits and prepayments**

<i>In BDT</i>	At 31 Mar 2021	At 31 Dec 2020
Security deposits	29,524,645	23,092,797
<b>Deposits</b>	<b>29,524,645</b>	<b>23,092,797</b>
Prepayments	558,195,404	150,436,500
<b>Prepayments</b>	<b>558,195,404</b>	<b>150,436,500</b>
	<b>587,720,049</b>	<b>173,529,297</b>



**SINGER BANGLADESH LIMITED**  
**Notes to the Financial Statements (continued)**

	At 31 Mar 2021	At 31 Dec 2020
<b>7.1</b>		
Non-current portion of deposits and prepayments	29,524,645	23,092,798
Current portion of advances, deposits and prepayments	558,195,404	150,436,499
	<b>587,720,049</b>	<b>173,529,297</b>
<b>8</b>		
<b>Inventories</b>		
<i>In BDT</i>	At 31 Mar 2021	At 31 Dec 2020
Finished goods	4,584,893,929	3,247,122,506
Non-Trade goods	16,986,525	11,649,809
Raw materials	247,446,808	102,504,365
Goods in transit	1,485,441,245	638,836,703
	<b>6,334,768,507</b>	<b>4,000,113,383</b>
Provision for inventory obsolescence	<b>(115,776,854)</b>	<b>(115,776,854)</b>
	<b>6,218,991,653</b>	<b>3,884,336,529</b>
<b>9</b>		
<b>Trade and other receivable</b>		
<i>In BDT</i>	At 31 Mar 2021	At 31 Dec 2020
<b>Trade receivable</b>		
Hire receivable from customers	2,315,958,187	2,530,757,114
Unearned carrying charges	<b>(295,400,626)</b>	<b>(304,849,928)</b>
	<b>2,020,557,561</b>	<b>2,225,907,186</b>
Provision for doubtful debts	<b>(68,151,837)</b>	<b>(72,864,164)</b>
	<b>1,952,405,724</b>	<b>2,153,043,022</b>
Receivable from Dealers	760,825,158	131,377,636
Receivables from Corporate	194,745,365	91,265,444
Provision for doubtful debts	<b>(29,556,906)</b>	<b>(28,475,578)</b>
	<b>2,878,419,341</b>	<b>2,347,210,524</b>
<b>Other receivables</b>		
Receivable from shop managers	52,361,410	24,890,323
Receivable from Retail Holdings Bhold B.V., The Netherlands	2,927,127	2,158,465
Receivable from employees	6,078,960	6,233,871
Other receivables	131,351,419	186,145,792
Employees provident fund	-	2,266,275
Retirement benefit	1,964,112	10,878,328
Provision for doubtful debts	<b>(43,015,649)</b>	<b>(40,805,649)</b>
	<b>151,667,379</b>	<b>191,767,405</b>
	<b>3,030,086,720</b>	<b>2,538,977,929</b>
<b>10</b>		
<b>Current tax assets/(Liabilities)</b>		
<i>In BDT</i>	At 31 Mar 2021	
Advance income tax	2,202,853,715	1,667,739,997
Provision for income tax	<b>(1,858,845,064)</b>	<b>(1,717,955,803)</b>
	<b>344,008,651</b>	<b>(50,215,806)</b>
<b>10.1</b>		
<b>Advance income tax</b>		
<i>In BDT</i>	At 31 Mar 2021	At 31 Dec 2020
Opening balance	2,051,088,405	1,266,591,401
Acquisition of business	-	-
	<b>2,051,088,405</b>	<b>1,266,591,401</b>
Add: Advance income tax paid during the year	151,765,311	401,148,596
Adjustment for completion of prior year tax assessment	-	-
Closing balance	<b>2,202,853,715</b>	<b>1,667,739,997</b>
<b>10.2</b>		
<b>Provision for income tax</b>		
<i>In BDT</i>	At 31 Mar 2021	At 31 Dec 2020
Opening balance	1,791,938,364	1,372,949,827
Acquisition of business	-	-
	<b>1,791,938,364</b>	<b>1,372,949,827</b>
Provision during the year	66,906,700	345,005,976
Adjustment for prior year	-	-
Adjustment for completion of prior year tax assessment	-	-
	<b>1,858,845,064</b>	<b>1,717,955,803</b>
<b>11</b>		
<b>Cash and cash equivalents</b>		
<i>In BDT</i>	At 31 Mar 2021	At 31 Dec 2020
Cash in hand	331,539	91,993
Cash at bank	301,670,599	168,930,076
Cash in transit	3,610,818	9,126,411
	<b>305,612,956</b>	<b>178,148,480</b>

**SINGER BANGLADESH LIMITED**  
**Notes to the Financial Statements (continued)**

**12 Share capital**

<i>In BDT</i>	At 31 Mar 2021	At 31 Dec 2020
<b>Authorised:</b>		
250,000,000 ordinary shares of Taka 10 each	2,500,000,000	1,000,000,000
<b>Issued, subscribed and paid up:</b>		
25,670 ordinary shares of Taka 10 each issued for cash	256,700	256,700
102,580 ordinary shares of Taka 10 each issued for consideration other	1,025,800	1,025,800
99,574,588 ordinary shares of Taka 10 each issued as fully paid-up bonus shares	995,745,880	995,745,880
	<b>997,028,380</b>	<b>997,028,380</b>

**Shareholding position:**

<i>Name of shareholder</i>	At 31 Mar 2021		At 31 Dec 2020	
	<i>No. of share</i>	<i>Value (BDT)</i>	<i>No. of share</i>	<i>Value (BDT)</i>
Retail Holdings Bhold B.V., The Netherlands	36,886,123	368,861,230	36,886,123	368,861,230
Retail Holdings Bhold B.V., 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
	<b>99,702,838</b>	<b>997,028,380</b>	<b>99,702,838</b>	<b>997,028,380</b>

**Beneficial percentage of holdings**

<i>Name of shareholder</i>	2020	2020
Retail Holdings Bhold B.V., The Netherlands	37%	37%
Retail Holdings Bhold B.V., The Netherlands - non-remittable shares	20%	20%
Local shareholders	43%	43%
	<b>100%</b>	<b>100%</b>

Company's authorised capital has been increased to Taka 2,500,000,000 from Taka 1,000,000,000 in the 40th AGM.

**13 Other liabilities**

<i>In BDT</i>	At 31 Mar 2021	At 31 Dec 2020
Non-remittable accounts	1,562,435,491	1,562,435,491
Security deposits from shop managers, agent and dealers	316,008,364	312,186,330
Warranty Long term Portion	40,580,500	39,333,381
	<b>1,919,024,355</b>	<b>1,913,955,202</b>

**14 Trade and other payables**

<i>In BDT</i>	At 31 Mar 2021	At 31 Dec 2020
<b>Trade payables</b>	<b>1,381,183,605</b>	<b>673,528,013</b>
<b>Other payables :</b>		
Royalty	388,051,604	314,648,015
Payable for expenses	1,203,650,666	809,656,488
Payable for other finance	112,559,015	94,105,042
Leasehold improvements against new shops	51,769,837	12,817,865
	<b>1,756,031,122</b>	<b>1,231,227,410</b>
	<b>3,137,214,728</b>	<b>1,904,755,423</b>

**15 Operating expenses**

<i>In BDT</i>	<i>Note</i>	At 31 Mar 2021	At 31 Mar 2020
Advertisement and sales promotion	15.1	153,449,743	148,141,418
Shop operating expenses		93,326,262	81,806,884
Salaries and allowances		105,950,954	94,584,264
Rent and occupancy		12,846,261	23,543,596
Royalty		39,666,341	33,744,818
Warranty		51,231,630	46,621,464
Utilities		11,291,351	10,685,492
Depreciation		15,218,140	15,030,178
Right-of-use asset depreciation		59,501,608	51,581,506
Bad debts		11,622,580	19,745,532
Office administration		17,791,387	13,049,799
Repairs and maintenance		11,849,153	9,786,842
Directors' fee and remuneration	15.2	7,107,474	5,431,707
Travelling		8,794,265	10,867,129
Amortisation		1,221,898	1,489,249
Bank charge		5,956,307	4,238,998
Insurance		2,120,568	1,267,357
Fuel and car maintenance		466,975	500,348
Professional and technical fees		1,857,205	898,754
Statutory audit fee		1,700,000	1,200,000
Entertainment		1,440,481	2,064,537
Dues and subscription		292,000	403,089
Demurrage cost**		17,021,996	-
		<b>631,724,579</b>	<b>576,682,961</b>

\*\* Demurrage cost (shipping & port) incurred mainly on account of importing refrigerators raw materials. One of the reasons is owing to not surrendering master BL by the forwarder in due time resulted in locking the master BL from the shipping line which caused the delay in clearing from the port. Besides, the customs authority had found some mismatch in the raw material with the documents when they did sample counting from the imported containers and thus, resulted in the imposition of additional charges for the mismatch. Due to these reasons the company suffered additional port and shipping charges.

**15.1 Advertisement and sales promotion**

<i>In BDT</i>	At 31 Mar 2021	At 31 Mar 2020
Advertisement	49,485,777	46,492,750
Selling expenses	81,803,576	64,819,600
Sales promotion	8,435,390	20,775,255
Meeting & conference expenses	13,725,000	16,053,813
	<b>153,449,743</b>	<b>148,141,418</b>

**SINGER BANGLADESH LIMITED**  
**Notes to the Financial Statements (continued)**

15.2 Director's fee and remuneration	At 31 Mar 2021	At 31 Mar 2020	
<i>In BDT</i>			
Remuneration	5,645,806	5,065,955	
Housing	545,556	175,252	
Medical and welfare	757,412	45,000	
Fees	158,700	145,500	
	<b>7,107,474</b>	<b>5,431,707</b>	
<b>16 Other income</b>	<b>At 31 Mar 2021</b>	<b>At 31 Mar 2020</b>	
Sale of scrapped inventories and others	2,666,618	104,500	
Hire agreement fees	25,203,891	27,702,311	
Reverts Product Income	4,288,993	3,402,966	
Income from financial & related services	670,766	857,626	
Foreign exchange gain/(loss)	148,835	-	
Other	418,759	16,193	
	<b>33,397,862</b>	<b>32,083,596</b>	
<b>17 Net finance costs</b>	<b>At 31 Mar 2021</b>	<b>At 31 Mar 2020</b>	
Finance income	48,618	-	
Interest expenses on borrowings	(35,277,931)	(62,733,427)	
Interest expenses on leases	(23,623,186)	(23,390,804)	
Finance costs	(58,852,499)	(86,124,231)	
<b>18 Income tax expense</b>	<b>At 31 Mar 2021</b>	<b>At 31 Mar 2020</b>	
<i>In BDT</i>			
Current tax expense	(66,906,700)	(55,713,158)	
Deferred tax expense/(income) relating to origination and reversal of temporary differences	(8,671,300)	9,425,574	
	<b>(75,578,000)</b>	<b>(46,287,584)</b>	
<b>18.1 Reconciliation of effective tax rate</b>	<b>At 31 Mar 2021</b>		
<i>In BDT</i>	<i>Note</i>	<i>Percentage</i>	<i>BDT</i>
Profit before tax			255,602,889
Tax using the Company's tax rate		25.00%	63,900,722
Tax effect of:			
Provision for non-deductible expenses		2.32%	5,929,000
Adjustments / provision released during the year		1.14%	2,905,645
Other components of tax as per Income Tax Ordinance 1984		26.22%	67,025,647
Temporary differences		-3.39%	(8,671,300)
Adjusted unabsorbed depreciation		-21.72%	(55,511,714)
		<b>29.57%</b>	<b>75,578,000</b>
			<b>165,198,517</b>
<i>In BDT</i>	<i>Note</i>	<i>Percentage</i>	<i>BDT</i>
Profit before tax			165,198,517
Tax using the Company's tax rate		25.00%	41,299,629
Tax effect of:			
Provision for non-deductible expenses		3.23%	5,328,125
Adjustments / provision released during the year		-0.73%	(1,208,092)
Other components of tax as per Income Tax Ordinance 1984		6.23%	10,293,496
Temporary differences		-5.71%	(9,425,574)
Adjusted unabsorbed depreciation		0.00%	-
		<b>28.02%</b>	<b>46,287,584</b>
<b>19 Earnings per share (EPS)</b>			
<b>19.1 Basic earnings per share</b>	<b>At 31 Mar 2021</b>	<b>At 31 Mar 2020</b>	
Earnings attributable to the ordinary shareholders	180,024,889	118,910,933	
Number of Shares used to compute EPS	99,702,838	99,702,838	
Basic earnings per share	1.81	1.19	

Earning per share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as of 31 Mar 2021 in terms of International Accounting Standard (IAS-33).

**SINGER BANGLADESH LIMITED**  
**Notes to the Financial Statements (continued)**

**19.2 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 year.

**20 Net Assets Value (NAV) Per Share**

	At 31 Mar 2021	At 31 Mar 2020
Total assets	13,309,925,024	9,912,765,611
Total liability	(9,936,328,990)	(6,456,837,290)
Net assets value	3,373,596,034	3,455,928,321
Number of Shares used to compute NAV	99,702,838	99,702,838
Net assets value (NAV) per share	33.84	34.66

**21 Net Operating Cash Flow Per Share (NOCFPS)**

	At 31 Mar 2021	At 31 Mar 2020
Net cash from operating activities	(1,607,609,478)	(1,532,772,589)
Number of ordinary shares outstanding	99,702,838	99,702,838
Net Operating Cash Flow Per Share (NOCFPS)	(16.12)	(15.37)

**22 Reconciliation of net income with cash flows from operating activities**

	At 31 Mar 2021	At 31 Mar 2020
<b>Net income</b>	<b>180,024,889</b>	<b>118,910,933</b>
<b>Add/(deduct) for noncash items:</b>		
Depreciation & amortization	80,288,129	188,381,775
Deferred tax expenses/(income)	8,671,300	(9,425,574)
Tax expenses	75,578,000	46,287,584
Finance expenses/(Income)	58,852,499	86,124,231
<b>Changes in:</b>		
(Increase)/Decrease in deposits and prepayments	-	(150,000)
(Increase)/Decrease in inventories	(1,786,337,131)	(1,389,289,229)
(Increase)/Decrease in trade and other receivables	(548,133,112)	(505,669,477)
(Increase)/Decrease in Advances, deposits and prepayments	(365,655,675)	(274,121,201)
Increase/(Decrease) in retirement benefits obligation	-	-
Increase/(Decrease) in other liability (except non remittable account )	3,822,034	2,878,446
Increase/(Decrease) in accounts payables (excluding dividend payable)	922,186,864	399,862,813
Tax paid	(151,765,310)	(99,847,855)
Interest paid	(73,673,757)	(96,715,035)
Increase/(Decrease) in short term liability	(11,468,208)	-
	<b>(1,787,634,367)</b>	<b>(1,651,683,522)</b>
<b>Net cash flows from operation activities</b>	<b>(1,607,609,478)</b>	<b>(1,532,772,589)</b>

**23 Related party disclosures under IAS-24**

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:

**23.1 Related party transactions**

Singer Bangladesh Limited (the Company) is a direct subsidiary of Retail Holdings Bhold B.V., The Netherlands (formerly Singer Bhold B.V., The Netherlands) since 2003, which holds 57% of the total shares issued.

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

**23.2 Related party transactions**

Read this note in conjunction with note no. 20.2.

Name of related parties	Relationship	Nature of	At 31 Mar 2021	At 31 Mar 2020
			BDT	BDT
Retail Holdings Asia B.V.	Subsidiary of former ultimate parent	Royalty payment	30,547,822	145,239,505
International Appliances Limited	Subsidiary of Singer	Procurement of products	-	823,458,452
International Appliances Limited	Subsidiary of Singer	Current account	-	32,250,000
BEKO Thai Co. Ltd.	Subsidiary of ultimate parent	Procurement of products	-	-
Arcelik A.S.	Ultimate parent	Procurement of products	1,857,051	-

**SINGER BANGLADESH LIMITED**  
**Notes to the Financial Statements (continued)**

**23.3 Related party receivable/(payable)**

Name of related parties	Relationship	Nature of transaction	At 31 Mar 2021	At 31 Mar 2020
			BDT	BDT
Retail Holdings Asia B.V.	Subsidiary of former ultimate parent	Royalty payable Current account		(30,547,822)
Retail Holdings Bhold B.V., The Netherlands	Parent company	Royalty payable Current account	<b>(388,051,604)</b>	(173,762,531)
International Appliances Limited	Subsidiary of Singer	Procurement of products	-	(499,275,669)
International Appliances Limited	Subsidiary of Singer	Current account	-	74,246,871
Arcelik A.S.	Ultimate parent	Reimbursement of Expenses	-	- 2,515,043
Arcelik A.S.	Ultimate parent	Procurement of products	<b>(26,941,753)</b>	(29,283,710)
BEKO Thai Co. Ltd.	Subsidiary of ultimate parent	Procurement of products	<b>(27,802,715)</b>	(113,509,876)

**24 Significant deviation**

- a. The COVID-19 pandemic circumstances have been continued to trigger impact on the macroeconomic performance of the country as well as the Company's operations and its financial position. With the improvement of Covid-19 in the Q1 2021, before it's again getting deteriorated from the later part of Mar 2021, the company could return with business growth and better financial results. Consequently, the EPS has been improved being compared to Q1 2020 but despite better collection of turnover NOCFPS per share has decreased due to higher payment of costs and expenses for early imports (including additional expenses for demurrage) and income taxes to support the upcoming festivals and high targets in view of seasonality. Considering the nature of business in terms of hire purchase scheme, credit extended to dealers & institution and seasonal effects sometimes operating cash flow goes into negative. Besides, operating cash flows become negative as of Mar 2021 higher than that of 2020 mainly for higher/early imports of raw materials and finished products to support upcoming festivals and seasonality demand of cooling products.

However, despite increase in profit after tax in Q1 2021 NAV per share has slightly reduced as at 31 Mar 2021 owing to increased actualization of loss of investment in subsidiary IAL in compliance with the verdict of the high court division of the Bangladesh Supreme Court.

- b. Finance costs include the interest expense on leases under IFRS 16.

**25 Other**

- a. Figures in these notes and annexed financial statements have been rounded off to the nearest BDT.
- b. Due to amalgamation of International Appliances Limited (subsidiary) with Singer Bangladesh Limited, current period is presented as stand alone basis. Comparative figures are also presented stand alone basis to keep in line with current period's presentation. Comparative information/figures have been rearranged wherever considered necessary.