

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

<i>In BD Taka</i>	Notes	30 June 2022	31 December 2021
<b>Assets</b>			
Property, plant and equipment	3	1,759,137,757	1,638,340,756
Intangible assets	4	21,054,174	23,185,096
Right-of-use (ROU) asset		1,444,920,874	1,370,847,349
Investments	5	4,199,450	4,199,450
Deferred tax assets	6	59,382,480	47,986,028
Deposits and prepayments	7	29,999,208	29,370,808
<b>Non-current assets</b>		<b>3,318,693,943</b>	<b>3,113,929,487</b>
Inventories	8	8,796,925,211	5,749,679,119
Trade and other receivables	9	4,815,254,228	2,794,108,225
Advances, deposits and prepayments	7	954,347,538	514,960,924
Current tax assets	10	684,201,083	451,034,014
Cash and cash equivalents	11	422,702,980	173,389,682
<b>Current assets</b>		<b>15,673,431,040</b>	<b>9,683,171,964</b>
<b>Total assets</b>		<b>18,992,124,983</b>	<b>12,797,101,451</b>
<b>Equity</b>			
Share capital	12	997,028,380	997,028,380
Reserves		562,018,616	563,177,930
Retained earnings		1,470,011,081	1,836,014,515
<b>Total equity</b>		<b>3,029,058,077</b>	<b>3,396,220,825</b>
<b>Liabilities</b>			
Retirement benefit obligations		8,544,000	5,310,705
Lease liability		950,023,366	901,271,493
Other liabilities	13	2,134,818,650	2,000,639,212
<b>Non-current liabilities</b>		<b>3,093,386,016</b>	<b>2,907,221,410</b>
Unclaimed dividend		18,253,622	12,421,891
Trade and other payables	14	3,360,464,602	1,689,648,228
Short-term borrowings - secured		9,307,068,790	4,644,314,297
Lease liability		183,893,876	147,274,800
<b>Current liabilities</b>		<b>12,869,680,890</b>	<b>6,493,659,216</b>
<b>Total equity and liabilities</b>		<b>18,992,124,983</b>	<b>12,797,101,451</b>
<b>Net assets value per share (NAV)</b>	20	<b>30.38</b>	<b>34.06</b>
<b>Number of Shares used to compute NAV</b>	12	<b>99,702,838</b>	<b>99,702,838</b>

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  
Company Secretary

Dated: 19 July 2022

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

In BD Taka	Notes	For the period ended 1 January - 30 June		For the period ended 1 April - 30 June	
		2022	2021	2022	2021
Sales		9,247,997,626	8,644,756,426	5,349,223,503	4,891,027,263
Earned carrying charges		21,705,726	21,101,242	9,837,289	7,202,209
Turnover		9,269,703,352	8,665,857,668	5,359,060,792	4,898,229,472
Cost of sales		(7,241,483,901)	(6,492,972,500)	(4,208,822,243)	(3,651,579,193)
<b>Gross profit</b>		<b>2,028,219,451</b>	<b>2,172,885,168</b>	<b>1,150,238,549</b>	<b>1,246,650,279</b>
Operating expenses	15	(1,462,501,687)	(1,398,272,201)	(818,842,952)	(766,547,622)
Other income	16	80,362,408	78,380,847	59,030,676	44,982,985
<b>Operating profit</b>		<b>646,080,172</b>	<b>852,993,814</b>	<b>390,426,273</b>	<b>525,085,642</b>
Finance income		75,000	97,236	37,500	48,618
Finance costs		(269,615,355)	(165,721,257)	(163,191,410)	(106,820,140)
<b>Net finance costs</b>	17	<b>(269,540,355)</b>	<b>(165,624,021)</b>	<b>(163,153,910)</b>	<b>(106,771,522)</b>
<b>Profit before contribution to workers' profit participation fund</b>		<b>376,539,817</b>	<b>687,369,793</b>	<b>227,272,363</b>	<b>418,314,120</b>
Contribution to workers' profit participation fund		(18,826,991)	(34,368,490)	(11,363,618)	(20,915,706)
<b>Profit before taxation</b>		<b>357,712,826</b>	<b>653,001,303</b>	<b>215,908,745</b>	<b>397,398,414</b>
Income tax expense	18	(126,995,123)	(185,310,479)	(76,399,868)	(109,732,479)
<b>Profit after tax</b>		<b>230,717,703</b>	<b>467,690,824</b>	<b>139,508,877</b>	<b>287,665,935</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>230,717,703</b>	<b>467,690,824</b>	<b>139,508,877</b>	<b>287,665,935</b>
<b>Earnings per share (EPS)</b>	19	<b>2.31</b>	4.69	<b>1.40</b>	2.89
<b>Number of Shares used to compute EPS</b>	12	<b>99,702,838</b>	99,702,838	<b>99,702,838</b>	99,702,838

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



Polat Sen  
Director



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Chief Financial Officer



Kazi Ashiqur Rahman  
Company Secretary


Dated: 19 July 2022

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

For the Period ended 30 June

In BD Taka	Attributable to owner of the Company						Retained earnings	Total
	Share capital	Revaluation reserve	Capital reserve	Non-remittable special capital reserves	Non-distributable special reserves			
	Note >	12						
<b>Balance at 1 January 2022</b>								
		997,028,380	544,383,963	18,190,942	370,178	232,847	1,836,014,514	3,396,220,824
<b>Total comprehensive income</b>								
Profit		-	-	-	-	-	230,717,703	230,717,703
Acquisition of business		-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>		-	-	-	-	-	230,717,703	230,717,703
<b>Transaction with owners of the Company</b>								
Contributions and distributions								
Dividends:								
Cash dividend 2021		-	-	-	-	-	(598,217,030)	(598,217,030)
<b>Total contributions and distributions</b>		-	-	-	-	-	(598,217,030)	(598,217,030)
Adjustment for deferred tax arising from revaluation of property, plant and equipment		-	-	-	-	-	336,580	336,580
Transfer of depreciation on revaluation surplus		-	(1,159,314)	-	-	-	1,159,314	-
		-	(1,159,314)	-	-	-	1,495,894	336,580
<b>Balance at 30 June 2022</b>		997,028,380	543,224,649	18,190,942	370,178	232,847	1,470,011,081	3,029,058,077
<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		-	-	-	-	-	467,690,824	467,690,824
Acquisition of business		-	-	-	-	-	(262,581,245)	(262,581,245)
<b>Other comprehensive income</b>		-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>		-	-	-	-	-	205,109,579	205,109,579
<b>Transaction with owners of the Company</b>								
Contributions and distributions								
Dividends:								
Cash dividend 2020		-	-	-	-	-	(299,108,515)	(299,108,515)
<b>Total contributions and distributions</b>		-	-	-	-	-	(299,108,515)	(299,108,515)
Adjustment for deferred tax arising from revaluation of property, plant and equipment		-	-	-	-	-	449,900	449,900
Transfer of depreciation on revaluation surplus		-	(1,349,693)	-	-	-	1,349,693	-
		-	(1,349,693)	-	-	-	1,799,593	449,900
<b>Balance at 30 June 2021</b>		997,028,380	545,733,654	18,190,942	370,178	232,847	1,800,823,284	3,362,379,286

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



Polat Sen  
Director



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Managing Director



Akram Uddin Ahmed  
Chief Financial Officer



Kazi Ashiqur Rahman  
Company Secretary

Dated: 19 July 2022

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

<i>In BD Taka</i>	<i>Notes</i>	For the Period ended 30 June	
		2022	2021
<b>Cash flows from operating activities</b>			
Collections from turnover and other income		8,770,506,556	8,565,052,679
Payments for costs and expenses		(11,747,902,106)	(11,659,781,543)
Interest paid on borrowings/leases		(201,590,355)	(193,113,887)
Payments to workers' profit participation fund		(46,101,321)	(58,540,556)
Income tax paid		(371,222,069)	(334,975,387)
<b>Net cash from operating activities</b>	22	<b>(3,596,309,295)</b>	<b>(3,681,358,694)</b>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment		(215,065,976)	(107,595,407)
Proceeds from sale of property, plant and equipment		2,449,637	-
<b>Net cash from/(used in) investing activities</b>		<b>(212,616,339)</b>	<b>(107,595,407)</b>
<b>Cash flows from financing activities</b>			
Lease Liability (principal repayment)		(131,729,546)	(97,557,565)
Dividends paid		(472,786,015)	(236,157,573)
<b>Net cash used in financing activities</b>		<b>(604,515,561)</b>	<b>(333,715,138)</b>
<b>Net increase/(decrease) in cash</b>		<b>(4,413,441,195)</b>	<b>(4,122,669,239)</b>
Cash and cash equivalents at 1 January		(4,470,924,615)	(1,828,569,407)
<b>Cash and cash equivalents at 30 June</b>		<b>(8,884,365,810)</b>	<b>(5,951,238,646)</b>
<b>Closing cash and cash equivalents have been arrived at as follows:</b>			
Cash and cash equivalents	11	422,702,980	133,790,877
Short-term borrowings - secured (bank overdrafts)		(9,307,068,790)	(6,085,029,523)
		<b>(8,884,365,810)</b>	<b>(5,951,238,646)</b>
<b>Net Operating Cash Flow Per Share (NOCFPS)</b>	21	<b>(36.07)</b>	<b>(36.92)</b>
<b>Number of Shares used to compute NOCFPS</b>	12	<b>99,702,838</b>	<b>99,702,838</b>

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



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Chief Financial Officer



**Kazi Ashiqur Rahman**  
Company Secretary

Dated: 19 July 2022

**SINGER BANGLADESH LIMITED**  
**Notes to the Financial Statements**  
**As at and for the period ended 30 June 2022**

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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 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 period were manufacturing of refrigerators, panel televisions, air conditioners, washing machine and grinder 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-1347 and Koulasur, Hemayetpur, Savar, Dhaka-1348.

**2 Basis of preparation**

**2.1 Presentation of financial statements**

These interim financial statements of Singer Bangladesh Limited for the period ended 30 June 2022 has been prepared on the basis of the same accounting policies and methods applied for the year ended 31 December 2021.

**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 2020, 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 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 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.

Despite decreasing infection and impact of COVID-19, preparation of reliable forecast information is still 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.

The coronavirus (COVID-19) outbreak has greatly impacted on the macroeconomic performance of the country over last two years and spillover impact being continued. It has further impacted the company's operations and its financial position during last 2 years (2020 & 2021). Although revenue has exceeded both Q1 and Q2 2022's result from Q1 and Q2 2021, net result has greatly fallen short for the periods (i.e. Q1 & Q2). In Q1 2022, spreading of Omicron variant of COVID-19 further created uncertainty for the future and sales fell short of expectation. Additionally, prolong winter effect in the country has impacted lower sales. Decreasing trend of sale has been observed as priority of consumer spending on appliance products has seen shifted towards the maintenance of basic needs like consumable items. Just as the economy started to regain traction after the effects of the coronavirus pandemic, the crisis in Ukraine caused to limit trade opportunities in the region with possible spillover adversities for Bangladesh's economy, both directly and indirectly. The most immediate impact on the economy was to increase of energy and food grain prices which have repercussions on the economy. As a result, decreasing trend of sale has been observed (for most of the products) than it was expected. Post COVID-19 and Ukraine crisis compelled consumers to go for silent mode. Highly competitive market also creates pressure on product's price in this price sensitive consumers' market. These have further fueled by significant depreciation of Taka against US Dollar. As a result, import cost has been increased significantly. Increase of logistic costs worldwide creates pressures on commodity prices. Higher inflation for last couple of months leads price hike, which changes customer behavior towards purchasing of essential goods rather than home appliances. In addition, in June 2022 devastating flood affecting the North-East part of the country which has also hampered the sales performance of the company.

Management think about the current economic and market condition in this post pandemic scenario and Ukraine crisis 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 during the Eid-ul-Adha festive. Management of the Company strongly believes that, there is no need to re-evaluate/re-measure of for the impairment of non-financial assets, fair value of assets and liabilities, 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 for some impact of incremental expected credit losses. For this impact of incremental expected credit losses (ECL) management continuously perform evaluation for measurement and recognize any excess losses in a monthly basis since April 2020.

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

**3 Property, plant and equipment**

<i>In BDT</i>	At 30 Jun 2022	At 31 Dec 2021
Cost	2,969,963,472	2,773,008,030
Accumulated depreciation	1,210,825,715	1,134,667,274
	<b>1,759,137,757</b>	<b>1,638,340,756</b>

**4 Intangible assets**

<i>In BDT</i>	At 30 Jun 2022	At 31 Dec 2021
Cost	80,874,045	80,837,970
Accumulated amortisation	59,819,871	57,652,874
	<b>21,054,174</b>	<b>23,185,096</b>

**5 Investments**

<i>In BDT</i>	At 30 Jun 2022	At 31 Dec 2021
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>4,199,450</b>

**6 Deferred tax assets**

<i>In BDT</i>	<i>Note</i>	At 30 Jun 2022	At 31 Dec 2021
Opening balance		47,986,028	81,110,569
Adjustment for Amalgamation		-	(26,558,458)
		<b>47,986,028</b>	<b>54,552,111</b>
Released/(expense) during the year		11,059,877	(7,466,085)
Transferred to retained earnings		336,575	900,002
		<b>11,396,452</b>	<b>(6,566,083)</b>
<b>Closing balance</b>	6.1	<b>59,382,480</b>	<b>47,986,028</b>

**6.1 Closing balance**

<i>In BDT</i>	<i>Note</i>	At 30 Jun 2022	At 31 Dec 2021
Deferred tax assets	6.1.1	113,546,692	106,484,796
Deferred tax liabilities	6.1.2	(54,164,212)	(58,498,768)
		<b>59,382,480</b>	<b>47,986,028</b>

**6.1.1 Deferred tax assets**

<i>In BDT</i>	At 30 Jun 2022	At 31 Dec 2021
Reserve against inventories	31,542,419	27,956,595
Reserve for warranty	30,720,984	32,958,532
Provision for bad debts	31,754,898	28,337,144
Leases	19,528,391	17,232,525
	<b>113,546,692</b>	<b>106,484,796</b>

**6.1.2 Deferred tax liabilities**

<i>In BDT</i>	At 30 Jun 2022	At 31 Dec 2021
Revaluation of land and building	(14,954,998)	(19,169,118)
Property, plant and equipment	(39,209,214)	(39,329,650)
	<b>(54,164,212)</b>	<b>(58,498,768)</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>	<i>Note</i>	At 30 Jun 2022	At 31 Dec 2021
Security deposits		29,999,208	29,370,808
<b>Deposits</b>	7.1	<b>29,999,208</b>	<b>29,370,808</b>
Prepayments		954,347,538	514,960,924
<b>Prepayments</b>	7.1	<b>954,347,538</b>	<b>514,960,924</b>
		<b>984,346,746</b>	<b>544,331,732</b>

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

	At 30 Jun 2022	At 31 Dec 2021
<b>7.1 Non-current portion of deposits and prepayments</b>	<b>29,999,208</b>	29,370,808
Current portion of advances, deposits and prepayments	954,347,538	514,960,924
	<b>984,346,746</b>	544,331,732
<b>8 Inventories</b>		
<i>In BDT</i>	<b>At 30 Jun 2022</b>	<b>At 31 Dec 2021</b>
Finished goods	7,940,592,337	4,809,718,430
Non-Trade goods	16,780,454	20,341,512
Raw materials	460,048,187	760,659,208
Goods in transit	498,281,087	277,736,823
	<b>8,915,702,065</b>	5,868,455,973
Provision for inventory obsolescence	(118,776,854)	(118,776,854)
	<b>8,796,925,211</b>	5,749,679,119
<b>9 Trade and other receivable</b>		
<i>In BDT</i>	<b>At 30 Jun 2022</b>	<b>At 31 Dec 2021</b>
<b>Trade receivable</b>		
Hire receivable from customers	3,662,797,932	2,585,847,449
Unearned carrying charges	(434,016,397)	(296,435,033)
	<b>3,228,781,535</b>	2,289,412,416
Provision for doubtful debts	(54,309,360)	(50,733,454)
	<b>3,174,472,175</b>	2,238,678,962
Receivable from Dealers	1,109,632,594	183,219,776
Receivables from Corporate	369,213,381	148,077,548
Provision for doubtful debts	(29,217,871)	(23,123,759)
	<b>4,624,100,279</b>	2,546,852,527
<b>Other receivables</b>		
Receivable from shop managers	69,975,179	49,066,034
Receivable from Retail Holdings Bhold B.V., The Netherlands	2,467,719	2,158,465
Receivable from employees	7,813,341	6,121,374
Other receivables	168,503,359	241,588,871
Employees provident fund	-	406,603
Provision for doubtful debts	(57,605,649)	(52,085,649)
	<b>191,153,949</b>	247,255,698
	<b>4,815,254,228</b>	2,794,108,225
<b>10 Current tax assets/(Liabilities)</b>		
<i>In BDT</i>	<b>At 30 Jun 2022</b>	<b>At 31 Dec 2021</b>
Advance income tax	2,968,095,593	2,596,873,524
Provision for income tax	(2,283,894,510)	(2,145,839,510)
	<b>684,201,083</b>	451,034,014
<b>10.1 Advance income tax</b>		
<i>In BDT</i>	<b>At 30 Jun 2022</b>	<b>At 31 Dec 2021</b>
Opening balance	2,596,873,524	1,667,739,997
Amalgamation of business	-	415,085,106
	<b>2,596,873,524</b>	2,082,825,103
Add: Advance income tax paid during the year	371,222,069	514,048,421
Adjustment for completion of prior year tax assessment	-	-
Closing balance	<b>2,968,095,593</b>	2,596,873,524
<b>10.2 Provision for income tax</b>		
<i>In BDT</i>	<b>At 30 Jun 2022</b>	<b>At 31 Dec 2021</b>
Opening balance	2,145,839,510	1,717,955,803
Amalgamation of business	-	77,899,112
	<b>2,145,839,510</b>	1,795,854,915
Provision during the year	138,055,000	390,884,595
Adjustment for prior year	-	(40,900,000)
Adjustment for completion of prior year tax assessment	-	-
	<b>2,283,894,510</b>	2,145,839,510



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

**11 Cash and cash equivalents**

<i>In BDT</i>	At 30 Jun 2022	At 31 Dec 2021
Cash in hand	148,964	75,892
Cash at bank	264,932,976	166,901,713
Cash in transit	157,621,040	6,412,077
	<b>422,702,980</b>	<b>173,389,682</b>

**12 Share capital**

<i>In BDT</i>	At 30 Jun 2022	At 31 Dec 2021
<b>Authorised:</b>		
250,000,000 ordinary shares of Taka 10 each	2,500,000,000	2,500,000,000
<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:**

Name of shareholder	At 30 Jun 2022		At 31 Dec 2021	
	No. of share	Value (BDT)	No. of share	Value (BDT)
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**

Name of shareholder	At 30 Jun 2022	At 31 Dec 2021
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>

**13 Other liabilities**

<i>In BDT</i>	At 30 Jun 2022	At 31 Dec 2021
Non-remittable accounts	1,741,834,417	1,622,235,133
Security deposits from shop managers, agent and dealers	355,434,038	338,472,051
Warranty Long term Portion	37,550,196	39,932,028
	<b>2,134,818,650</b>	<b>2,000,639,212</b>

**14 Trade and other payables**

<i>In BDT</i>	At 30 Jun 2022	At 31 Dec 2021
<b>Trade payables</b>	<b>1,878,915,260</b>	<b>451,693,441</b>
<b>Other payables :</b>		
Royalty	457,237,438	354,380,337
Payable for expenses	937,540,763	787,003,809
Payable for other finance	86,771,141	96,361,641
Leasehold improvements against new shops	-	209,000
	<b>1,481,549,342</b>	<b>1,237,954,787</b>
	<b>3,360,464,602</b>	<b>1,689,648,228</b>

**15 Operating expenses**

<i>In BDT</i>	<i>Note</i>	<b>At 30 Jun 2022</b>	<b>At 30 Jun 2021</b>
Advertisement and sales promotion	15.1	<b>325,862,872</b>	265,466,124
Shop operating expenses		<b>221,690,819</b>	224,377,560
Salaries and allowances		<b>248,544,424</b>	225,477,188
Rent and occupancy		<b>43,400,512</b>	30,307,493
Royalty		<b>102,857,101</b>	99,378,202
Warranty		<b>114,957,653</b>	114,111,193
Utilities		<b>32,623,826</b>	26,076,597
Depreciation		<b>33,866,265</b>	30,811,226
Right-of-use asset depreciation		<b>143,152,282</b>	123,892,335
Bad debts		<b>29,855,615</b>	20,832,628
Office administration		<b>35,712,559</b>	34,619,045
Repairs and maintenance		<b>29,521,154</b>	27,403,180
Directors' fee and remuneration	15.2	<b>18,675,831</b>	15,603,822
Travelling		<b>19,589,691</b>	16,561,929
Amortisation		<b>2,339,353</b>	2,655,765
Bank charge		<b>15,733,646</b>	14,308,160
Insurance		<b>19,451,438</b>	6,502,986
Fuel and car maintenance		<b>1,939,363</b>	1,393,843
Professional and technical fees		<b>6,405,422</b>	5,844,610
Statutory audit fee		<b>915,000</b>	833,750
Entertainment		<b>4,203,840</b>	2,047,544
Dues and subscription		<b>403,021</b>	453,245
Demurrage cost**		<b>10,800,000</b>	109,313,775
		<b>1,462,501,687</b>	1,398,272,201

\*\*Demurrage cost (shipping & port) incurred mainly on account of importing refrigerator and air conditioner raw materials. The reason is mainly for delaying in clearing goods from port due to customs inspection. For last year, the reasons are largely related to the supplier.

**15.1 Advertisement and sales promotion**

<i>In BDT</i>	<b>At 30 Jun 2022</b>	<b>At 30 Jun 2021</b>
Advertisement	<b>181,718,769</b>	135,139,748
Selling expenses	<b>103,527,813</b>	88,450,882
Sales promotion	<b>18,416,290</b>	15,450,494
Meeting & conference expenses	<b>22,200,000</b>	26,425,000
	<b>325,862,872</b>	265,466,124

**15.2 Director's fee and remuneration**

<i>In BDT</i>	<b>At 30 Jun 2022</b>	<b>At 30 Jun 2021</b>
Remuneration	<b>15,104,392</b>	12,788,170
Housing	<b>1,377,714</b>	1,142,128
Medical and welfare	<b>1,825,725</b>	1,514,824
Fees	<b>368,000</b>	158,700
	<b>18,675,831</b>	15,603,822

**16 Other income**

<i>In BDT</i>	<b>At 30 Jun 2022</b>	<b>At 30 Jun 2021</b>
Sale of scrapped inventories and others	<b>21,547,279</b>	9,665,243
Gain/(loss) on sale of fixed assets	<b>22,716</b>	57,630
Fire loss of inventory	<b>(14,760,000)</b>	-
Hire agreement fees	<b>63,674,917</b>	56,256,178
Reverts Product Income	<b>9,039,867</b>	9,334,739
Income from financial & related services	<b>837,629</b>	1,016,020
Foreign exchange gain/(loss)	-	1,632,278
Other	-	418,759
	<b>80,362,408</b>	78,380,847

**17 Net finance costs**

<i>In BDT</i>	<b>At 30 Jun 2022</b>	<b>At 30 Jun 2021</b>
Finance income	<b>75,000</b>	97,236
Interest expenses on borrowings	<b>(214,536,981)</b>	(115,481,392)
Interest expenses on leases	<b>(55,078,374)</b>	(50,239,865)
Finance costs	<b>(269,540,355)</b>	(165,624,021)

**18 Income tax expense**

<i>In BDT</i>	<i>Note</i>	<b>At 30 Jun 2022</b>	<b>At 30 Jun 2021</b>
Current tax expense		<b>(138,055,000)</b>	(168,117,700)
Deferred tax (expense)/income relating to origination and reversal of temporary differences	18.1	<b>11,059,877</b>	(17,192,779)
		<b>(126,995,123)</b>	(185,310,479)

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

**18.1 Reconciliation of effective tax rate**

<i>In BDT</i>	<i>Note</i>	At 30 Jun 2022	
		Percentage	Amount
Profit before tax			357,712,826
Tax using the Company's tax rate		22.50%	80,485,386
Tax effect of:			
Provision for non-deductible expenses		2.36%	8,437,500
Adjustments / provision released during the year/period		0.00%	-
Other components of tax as per Income Tax Ordinance 1984		13.74%	49,132,114
Temporary differences	18	-3.09%	(11,059,877)
Adjusted unabsorbed depreciation		0.00%	-
		35.50%	126,995,123

<i>In BDT</i>	<i>Note</i>	At 30 Jun 2021	
		Percentage	Amount
Profit before tax			653,001,303
Tax using the Company's tax rate		22.50%	146,925,293
Tax effect of:			
Provision for non-deductible expenses		1.63%	10,672,200
Adjustments / provision released during the year/period		0.00%	-
Other components of tax as per Income Tax Ordinance 1984		10.11%	66,031,921
Temporary differences	18	2.63%	17,192,779
Adjusted unabsorbed depreciation		-8.50%	(55,511,714)
		28.38%	185,310,479

**19 Earnings per share (EPS)**

**19.1 Basic earnings per share**

<i>In BDT</i>	At 30 Jun 2022	At 30 Jun 2021
Earnings attributable to the ordinary shareholders	230,717,703	467,690,824
Number of Shares used to compute EPS	99,702,838	99,702,838
Basic earnings per share	2.31	4.69

Earning per share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as of 30 June 2022 in terms of International Accounting Standard (IAS-33).

**19.2 Diluted earnings per share**

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

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

<i>In BDT</i>	At 30 Jun 2022	At 31 Dec 2021
Total assets	18,992,124,983	12,797,101,451
Total liability	(15,963,066,906)	(9,400,880,626)
Net assets value	3,029,058,077	3,396,220,825
Number of Shares used to compute NAV	99,702,838	99,702,838
Net assets value (NAV) per share	30.38	34.06

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

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

<i>In BDT</i>	At 30 Jun 2022	At 30 Jun 2021
Net cash from operating activities	(3,596,309,295)	(3,681,358,694)
Number of ordinary shares outstanding	99,702,838	99,702,838
Net Operating Cash Flow Per Share (NOCFPS)	(36.07)	(36.92)

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

	At 30 Jun 2022	At 30 Jun 2021
<b>Net income</b>	<b>230,717,703</b>	467,690,824
<b>Add/(deduct) for noncash items:</b>		
Depreciation & amortization	240,770,151	184,735,588
(Gain) / loss on sale of property, plant and equipment	(22,716)	(57,630)
Deferred tax expenses/(income)	(11,059,877)	(17,192,779)
Tax expenses	126,995,123	185,310,479
Finance expenses/(Income)	269,540,355	165,624,021
Other Provision	29,855,615	17,503,189
<b>Changes in:</b>		
(Increase)/Decrease in deposits and prepayments	(628,400)	(922,000)
(Increase)/Decrease in inventories	(3,047,246,092)	(2,849,661,350)
(Increase)/Decrease in trade and other receivables	(2,142,406,906)	(1,536,439,435)
(Increase)/Decrease in Advances, deposits and prepayments	(439,386,614)	(630,176,263)
Increase/(Decrease) in retirement benefits obligation	5,310,705	3,188,487
Increase/(Decrease) in other liability (except non remittable account )	43,247,708	10,705,865
Increase/(Decrease) in accounts payables (excluding dividend payable)	1,670,816,374	857,889,792
Tax paid	(371,222,069)	(334,975,387)
Interest paid	(201,590,355)	(193,113,887)
Increase/(Decrease) in short term liability	-	(11,468,208)
	<b>(3,827,026,998)</b>	<b>(4,149,049,518)</b>
<b>Net cash flows from operation activities</b>	<b>(3,596,309,295)</b>	<b>(3,681,358,694)</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/period end have been set out below:

**23.1 Parent and ultimate controlling party**

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

**23.2 Transactions with key management personnel**

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

*a) Short-term employee benefit*

<i>In BDT</i>	At 30 Jun 2022	At 30 Jun 2021
Remuneration	15,104,392	12,788,170
Housing	1,377,714	1,142,128
Medical and welfare	1,825,725	1,514,824
Board meeting fees	368,000	158,700
	<b>18,675,831</b>	<b>15,603,822</b>

*b) Post employment benefit*

*c) Other long-term benefit*

*d) Termination benefit*

*e) Share-based payment*

-	-
-	-
-	-
-	-
<b>18,675,831</b>	<b>15,603,822</b>

### 23.3 Other related party transactions

Name of related parties	Relationship	Nature of transaction	At 30 Jun 2022	At 30 Jun 2021
			BDT	BDT
Retail Holdings Bhold B.V., The Netherlands	Parent company	Royalty payment	-	-
BEKO Electrical Appliances Co. Ltd.	Subsidiary of ultimate parent	Procurement of products	-	-
BEKO Thai Co. Ltd.	Subsidiary of ultimate parent	Procurement of products	-	159,190,746
Arcelik A.S.	Ultimate parent	Procurement of products	27,993,335	70,903,184
Defy Appliances (pvt) Ltd	Subsidiary of ultimate parent	Procurement of products	-	-
Dawlance (Private) Limited	Subsidiary of ultimate parent	Procurement of products	-	-

## SINGER BANGLADESH LIMITED

### Notes to the Financial Statements (continued)

### 23.4 Related party receivable/(payable)

Name of related parties	Relationship	Nature of transaction	At 30 Jun 2022	At 30 Jun 2021
			BDT	BDT
Retail Holdings Bhold B.V., The Netherlands	Parent company	Royalty payable Current account	(457,237,438)	(441,010,238)
Arcelik A.S.	Ultimate parent	Reimbursement of Expenses	-	(10,687,835)
Arcelik A.S.	Ultimate parent	Procurement of products	-	(29,116,455)
BEKO Thai Co. Ltd.	Subsidiary of ultimate parent	Procurement of products	-	(49,037,716)
Defy Appliances (pvt) Ltd	Subsidiary of ultimate parent	Procurement of products	-	-
Dawlance (Private) Limited	Subsidiary of ultimate parent	Procurement of products	-	-

### 24 Significant deviation

The COVID-19 pandemic circumstances have been continued along with essential commodity's price hike (indicated by higher inflation), devaluation of BDT against USD, recent flood; which have the adverse bearing on the macroeconomic performance of the country as well as the Company's operations and its financial position. The achieved results Q2 2022 have been deviated than it was expected, although turnover has been increased by 9.41% (YTD Jun 6.97%) than Q2 2021. Import costs of raw material has increased which resulted increased cost of sales by 15.26% (YTD Jun 11.53%) which could not be fully adjusted with selling prices and finally reduces gross profit by 3.99% and operating profit by 20.82% compared to Q2 2021. Finance costs has increased significantly by 52.77% (YTD Jun 62.67%) due to increase in interest rates from Q2 2021 and increase in OD amount (by 100.04%) from Dec 2021 which was mainly high carryover inventory and overall lower sales in 2021. Although it seems that, income tax expenses has decreased by 30.38% (YTD Jun 31.47%); the effective tax rate has resulted 7.77% (YTD Jun 7.12%) higher than Q2 2021. The main reason is the for change in sales mix of trade goods and produced goods (sales of trade goods is in lower proportion) which has attract additional tax under relevant provision of tax laws. Finally as a result of these reasons explained above, profit after tax and earning per share (EPS) has decreased by 51.50% (YTD Jun 50.67%) compared to Q2 2021.

In view of above NOCFPS has turned into negative, though it has improved slightly compared to YTD Jun 2021. Considering the nature of business in terms of hire purchase scheme, credit extended to dealers & institution and seasonal effects operating cash flow goes into negative. Besides, operating cash flows become negative as of Jun 2022, although slightly lower than that of 2021, mainly for higher/early imports of raw materials and finished products to support upcoming festivals and seasonality demand. It is expected to improve in coming quarters as the overall economy is also expected to do better after COVID-19 situation being continued to improve which is helping country's economy to getting back to normalcy. NAV per share has greatly reduced by 10.81% as at 30 Jun 2022 owing to higher liability resulted for higher bank overdraft and loans to finance the higher inventory and receivables outstanding as at reporting date.

### 25 Other

- a. Figures in these notes and annexed financial statements have been rounded off to the nearest BDT.
- b. Comparative information/figures have been rearranged wherever considered necessary.