

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

<i>In BD Taka</i>	Notes	30 September 2022	31 December 2021
<b>Assets</b>			
Property, plant and equipment	3	1,785,151,311	1,638,340,756
Intangible assets	4	20,264,598	23,185,096
Right-of-use (ROU) asset		2,733,730,636	1,370,847,349
Investments	5	4,199,450	4,199,450
Deferred tax assets	6	66,595,363	47,986,028
Deposits and prepayments	7	30,504,208	29,370,808
<b>Non-current assets</b>		<b>4,640,445,566</b>	<b>3,113,929,487</b>
Inventories	8	5,602,634,444	5,749,679,119
Trade and other receivables	9	4,699,123,836	2,794,108,225
Advances, deposits and prepayments	7	806,374,209	514,960,924
Current tax assets	10	624,648,579	451,034,014
Cash and cash equivalents	11	202,461,970	173,389,682
<b>Current assets</b>		<b>11,935,243,038</b>	<b>9,683,171,964</b>
<b>Total assets</b>		<b>16,575,688,604</b>	<b>12,797,101,451</b>
<b>Equity</b>			
Share capital	12	997,028,380	997,028,380
Reserves		561,438,959	563,177,930
Retained earnings		1,385,758,178	1,836,014,515
<b>Total equity</b>		<b>2,944,225,517</b>	<b>3,396,220,825</b>
<b>Liabilities</b>			
Retirement benefit obligations		8,819,000	5,310,705
Lease liability		971,759,520	901,271,493
Other liabilities	13	2,140,355,369	2,000,639,212
<b>Non-current liabilities</b>		<b>3,120,933,889</b>	<b>2,907,221,410</b>
Unclaimed dividend		17,969,168	12,421,891
Trade and other payables	14	1,960,610,155	1,689,648,228
Short-term borrowings - secured		8,345,913,115	4,644,314,297
Lease liability		186,036,760	147,274,800
<b>Current liabilities</b>		<b>10,510,529,198</b>	<b>6,493,659,216</b>
<b>Total equity and liabilities</b>		<b>16,575,688,604</b>	<b>12,797,101,451</b>
<b>Net assets value per share (NAV)</b>	20	<b>29.53</b>	34.06
<b>Number of Shares used to compute NAV</b>	12	<b>99,702,838</b>	99,702,838

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

Sd/-  
**Polat Sen**  
Director

Sd/-  
**Masud Khan**  
Director

Sd/-  
**M. H. M. Fairoz**  
Managing Director

Sd/-  
**Akram Uddin Ahmed**  
Chief Financial Officer

Sd/-  
**Kazi Ashiqur Rahman**  
Company Secretary

**Dated: 20 October 2022**

**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 - 30 September		For the period ended 1 July - 30 September	
		2022	2021	2022	2021
Sales		14,415,093,304	13,225,219,607	5,167,095,678	4,580,463,181
Earned carrying charges		31,334,760	30,245,065	9,629,034	9,143,823
Turnover		14,446,428,064	13,255,464,672	5,176,724,712	4,589,607,004
Cost of sales		(11,230,446,060)	(9,773,968,397)	(4,132,407,810)	(3,428,347,155)
<b>Gross profit</b>		<b>3,215,982,004</b>	<b>3,481,496,275</b>	<b>1,044,316,902</b>	<b>1,161,259,849</b>
Operating expenses	15	(2,513,983,396)	(2,432,460,541)	(908,036,058)	(886,837,081)
Other income	16	131,313,896	135,345,429	50,951,489	56,964,582
<b>Operating profit</b>		<b>833,312,504</b>	<b>1,184,381,163</b>	<b>187,232,333</b>	<b>331,387,350</b>
Finance income		112,500	145,854	37,500	48,618
Finance costs		(430,987,763)	(276,243,498)	(161,372,408)	(110,522,241)
<b>Net finance costs</b>	17	<b>(430,875,263)</b>	<b>(276,097,644)</b>	<b>(161,334,908)</b>	<b>(110,473,623)</b>
<b>Profit before contribution to workers' profit participation fund</b>		<b>402,437,241</b>	<b>908,283,519</b>	<b>25,897,423</b>	<b>220,913,727</b>
Contribution to workers' profit participation fund		(20,121,862)	(45,414,176)	(1,294,871)	(11,045,686)
<b>Profit before taxation</b>		<b>382,315,379</b>	<b>862,869,343</b>	<b>24,602,552</b>	<b>209,868,041</b>
Income tax expense	18	(236,598,527)	(267,880,160)	(109,603,404)	(82,569,681)
<b>Profit after tax</b>		<b>145,716,852</b>	<b>594,989,183</b>	<b>(85,000,852)</b>	<b>127,298,360</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>145,716,852</b>	<b>594,989,183</b>	<b>(85,000,852)</b>	<b>127,298,360</b>
<b>Earnings per share (EPS)</b>	19	<b>1.46</b>	<b>5.97</b>	<b>(0.85)</b>	<b>1.28</b>
<b>Number of Shares used to compute EPS</b>	12	<b>99,702,838</b>	<b>99,702,838</b>	<b>99,702,838</b>	<b>99,702,838</b>

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Company Secretary

Dated: 20 October 2022

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

In BD Taka	For the Period ended 30 September							Total
	Share capital	Revaluation reserve	Capital reserve	Non-remittable special capital reserves	Non-distributable special reserves	Retained earnings		
Balance at 1 January 2022	997,028,380	544,383,963	18,190,942	370,178	232,847	1,836,014,514	3,396,220,824	
Total comprehensive income								
Profit	-	-	-	-	-	145,716,852	145,716,852	
Acquisition of business	-	-	-	-	-	-	-	
Total comprehensive income for the period	-	-	-	-	-	145,716,852	145,716,852	
Transaction with owners of the Company								
Contributions and distributions								
Dividends:								
Cash dividend 2021	-	-	-	-	-	(598,217,030)	(598,217,030)	
Total contributions and distributions	-	-	-	-	-	(598,217,030)	(598,217,030)	
Adjustment for deferred tax arising from revaluation of property, plant and equipment	-	-	-	-	-	504,871	504,871	
Transfer of depreciation on revaluation surplus	-	(1,738,971)	-	-	-	1,738,971	-	
	-	(1,738,971)	-	-	-	2,243,842	504,871	
Balance at 30 September 2022	997,028,380	542,644,992	18,190,942	370,178	232,847	1,385,758,178	2,944,225,517	
Balance at 1 January 2021	997,028,380	547,083,347	18,190,942	370,178	232,847	1,893,022,627	3,455,928,322	
Total comprehensive income								
Profit	-	-	-	-	-	594,989,183	594,989,183	
Acquisition of business	-	-	-	-	-	(262,581,245)	(262,581,245)	
Other comprehensive income	-	-	-	-	-	-	-	
Total comprehensive income for the year	-	-	-	-	-	332,407,938	332,407,938	
Transaction with owners of the Company								
Contributions and distributions								
Dividends:								
Cash dividend 2020	-	-	-	-	-	(299,108,515)	(299,108,515)	
Total contributions and distributions	-	-	-	-	-	(299,108,515)	(299,108,515)	
Adjustment for deferred tax arising from revaluation of property, plant and equipment	-	-	-	-	-	674,849	674,849	
Transfer of depreciation on revaluation surplus	-	(2,024,540)	-	-	-	2,024,540	-	
	-	(2,024,540)	-	-	-	2,699,389	674,849	
Balance at 30 September 2021	997,028,380	545,058,807	18,190,942	370,178	232,847	1,929,021,439	3,489,902,594	

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

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**Kazi Ashiqur Rahman**  
Company Secretary

Dated: 20 October 2022

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

<i>In BD Taka</i>	<i>Notes</i>	<b>For the Period ended 30 September</b>	
		<b>2022</b>	<b>2021</b>
<b>Cash flows from operating activities</b>			
Collections from turnover and other income		<b>15,005,283,401</b>	13,823,642,398
Payments for costs and expenses		<b>(15,252,590,076)</b>	(16,066,376,984)
Payments to workers' profit participation fund		<b>(46,101,321)</b>	(58,540,556)
Income tax paid		<b>(428,317,565)</b>	(469,143,541)
<b>Net cash from operating activities</b>	22	<b>(721,725,561)</b>	(2,770,418,684)
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment		<b>(292,828,742)</b>	(299,282,362)
Acquisition of Intangible assets/Right-of-use (ROU) asset		<b>(1,624,038,417)</b>	(281,327,212)
Dividend received from CDBL		-	-
Proceeds from sale of property, plant and equipment		<b>2,449,637</b>	72,000
Investment in subsidiary		-	-
<b>Net cash from/(used in) investing activities</b>		<b>(1,914,417,522)</b>	(580,537,575)
<b>Cash flows from financing activities</b>			
Interest paid on borrowings/leases		<b>(357,900,263)</b>	(350,757,005)
Lease Liability (principal repayment)		<b>(205,412,715)</b>	(183,890,663)
Dividends paid		<b>(473,070,469)</b>	(263,787,564)
<b>Net cash used in financing activities</b>		<b>(1,036,383,447)</b>	(798,435,232)
<b>Net increase/(decrease) in cash</b>		<b>(3,672,526,530)</b>	(4,149,391,491)
Cash and cash equivalents at 1 January		<b>(4,470,924,615)</b>	(1,828,569,407)
<b>Cash and cash equivalents at 30 September</b>		<b>(8,143,451,145)</b>	(5,977,960,898)
<b>Closing cash and cash equivalents have been arrived at as follows:</b>			
Cash and cash equivalents	11	<b>202,461,970</b>	107,019,879
Short-term borrowings - secured (bank overdrafts)		<b>(8,345,913,115)</b>	(6,084,980,777)
		<b>(8,143,451,145)</b>	(5,977,960,898)
<b>Net Operating Cash Flow Per Share (NOCFPS)</b>	21	<b>(7.24)</b>	(27.79)
<b>Number of Shares used to compute NOCFPS</b>	12	<b>99,702,838</b>	99,702,838

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

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 Director

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 Chief Financial Officer

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**Kazi Ashiqur Rahman**  
 Company Secretary

**Dated: 20 October 2022**

**SINGER BANGLADESH LIMITED**  
**Notes to the Financial Statements**  
**As at and for the period ended 30 September 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 September 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 Q1, Q2 and Q3 2022's result from that of 2021, net result has greatly fallen short for the periods. In Q1 2022, spreading of Omicron variant of COVID-19 further created uncertainty for the future and sales fell short of expectation. 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.

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 in coming days. Management 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)**

<b>3 Property, plant and equipment</b>			
<i>In BDT</i>		<b>At 30 Sep 2022</b>	<b>At 31 Dec 2021</b>
Cost		<b>3,046,435,338</b>	2,773,008,030
Accumulated depreciation		<b>1,261,284,027</b>	1,134,667,274
		<b>1,785,151,311</b>	1,638,340,756
<b>4 Intangible assets</b>			
<i>In BDT</i>		<b>At 30 Sep 2022</b>	<b>At 31 Dec 2021</b>
Cost		<b>81,494,220</b>	80,837,970
Accumulated amortisation		<b>61,229,622</b>	57,652,874
		<b>20,264,598</b>	23,185,096
<b>5 Investments</b>			
<i>In BDT</i>		<b>At 30 Sep 2022</b>	<b>At 31 Dec 2021</b>
Investment in term deposit		<b>2,630,000</b>	2,630,000
Investment in Central Depository Bangladesh Limited (CDBL)		<b>1,569,450</b>	1,569,450
		<b>4,199,450</b>	4,199,450
<b>6 Deferred tax assets</b>			
<i>In BDT</i>	<i>Note</i>	<b>At 30 Sep 2022</b>	<b>At 31 Dec 2021</b>
Opening balance		<b>47,986,028</b>	81,110,569
Adjustment for Amalgamation		-	(26,558,458)
		<b>47,986,028</b>	54,552,111
Released/(expense) during the year		<b>18,104,473</b>	(7,466,085)
Transferred to retained earnings		<b>504,862</b>	900,002
<b>Closing balance</b>	<b>6.1</b>	<b>18,609,335</b>	(6,566,083)
		<b>66,595,363</b>	47,986,028
<b>6.1 Closing balance</b>			
<i>In BDT</i>	<i>Note</i>	<b>At 30 Sep 2022</b>	<b>At 31 Dec 2021</b>
Deferred tax assets	6.1.1	<b>119,647,322</b>	106,484,796
Deferred tax liabilities	6.1.2	<b>(53,051,959)</b>	(58,498,768)
		<b>66,595,363</b>	47,986,028
<b>6.1.1 Deferred tax assets</b>			
<i>In BDT</i>		<b>At 30 Sep 2022</b>	<b>At 31 Dec 2021</b>
Reserve against inventories		<b>31,711,470</b>	27,956,595
Reserve for warranty		<b>28,902,329</b>	32,958,532
Provision for bad debts		<b>34,065,395</b>	28,337,144
Leases		<b>24,968,128</b>	17,232,525
		<b>119,647,322</b>	106,484,796
<b>6.1.2 Deferred tax liabilities</b>			
<i>In BDT</i>		<b>At 30 Sep 2022</b>	<b>At 31 Dec 2021</b>
Revaluation of land and building		<b>(14,759,350)</b>	(19,169,118)
Property, plant and equipment		<b>(38,292,609)</b>	(39,329,650)
		<b>(53,051,959)</b>	(58,498,768)
The amounts of deferred tax assets and liabilities have been netted off as permitted by IAS 12. "Income taxes".			
<b>7 Advances, deposits and prepayments</b>			
<i>In BDT</i>	<i>Note</i>	<b>At 30 Sep 2022</b>	<b>At 31 Dec 2021</b>
Security deposits		<b>30,504,208</b>	29,370,808
<b>Deposits</b>	<b>7.1</b>	<b>30,504,208</b>	29,370,808
Prepayments		<b>806,374,209</b>	514,960,924
<b>Prepayments</b>	<b>7.1</b>	<b>806,374,209</b>	514,960,924
		<b>836,878,417</b>	544,331,732

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

		At 30 Sep 2022	At 31 Dec 2021
<b>7.1</b>	Non-current portion of deposits and prepayments	30,504,208	29,370,808
	Current portion of advances, deposits and prepayments	806,374,209	514,960,924
		<b>836,878,417</b>	<b>544,331,732</b>
<b>8</b>	<b>Inventories</b>		
	<i>In BDT</i>	At 30 Sep 2022	At 31 Dec 2021
	Finished goods	4,360,254,358	4,809,718,430
	Non-Trade goods	13,426,625	20,341,512
	Raw materials	1,199,070,099	760,659,208
	Goods in transit	148,660,216	277,736,823
		<b>5,721,411,298</b>	<b>5,868,455,973</b>
	Provision for inventory obsolescence	(118,776,854)	(118,776,854)
		<b>5,602,634,444</b>	<b>5,749,679,119</b>
<b>9</b>	<b>Trade and other receivable</b>		
	<i>In BDT</i>	At 30 Sep 2022	At 31 Dec 2021
	<b>Trade receivable</b>		
	Hire receivable from customers	4,008,740,505	2,585,847,449
	Unearned carrying charges	(454,775,562)	(296,435,033)
		<b>3,553,964,943</b>	<b>2,289,412,416</b>
	Provision for doubtful debts	(58,756,623)	(50,733,454)
		<b>3,495,208,320</b>	<b>2,238,678,962</b>
	Receivable from Dealers	874,177,981	183,219,776
	Receivables from Corporate	191,568,429	148,077,548
	Provision for doubtful debts	(32,114,485)	(23,123,759)
		<b>4,528,840,245</b>	<b>2,546,852,527</b>
	<b>Other receivables</b>		
	Receivable from shop managers	72,709,143	49,066,034
	Receivable from Retail Holdings Bhold B.V., The Netherlands	2,467,719	2,158,465
	Receivable from employees	8,263,495	6,121,374
	Other receivables	147,373,883	241,588,871
	Employees provident fund	-	406,603
	Provision for doubtful debts	(60,530,649)	(52,085,649)
		<b>170,283,591</b>	<b>247,255,698</b>
		<b>4,699,123,836</b>	<b>2,794,108,225</b>
<b>10</b>	<b>Current tax assets/(Liabilities)</b>		
	<i>In BDT</i>	At 30 Sep 2022	At 31 Dec 2021
	Advance income tax	3,025,191,089	2,596,873,524
	Provision for income tax	(2,400,542,510)	(2,145,839,510)
		<b>624,648,579</b>	<b>451,034,014</b>
<b>10.1</b>	<b>Advance income tax</b>		
	<i>In BDT</i>	At 30 Sep 2022	At 31 Dec 2021
	Opening balance	2,596,873,524	1,667,739,997
	Amalgamation of business	-	415,085,106
		<b>2,596,873,524</b>	<b>2,082,825,103</b>
	Add: Advance income tax paid during the year	428,317,565	514,048,421
	Adjustment for completion of prior year tax assessment	-	-
	Closing balance	<b>3,025,191,089</b>	<b>2,596,873,524</b>
<b>10.2</b>	<b>Provision for income tax</b>		
	<i>In BDT</i>	At 30 Sep 2022	At 31 Dec 2021
	Opening balance	2,145,839,510	1,717,955,803
	Amalgamation of business	-	77,899,112
		<b>2,145,839,510</b>	<b>1,795,854,915</b>
	Provision during the year	254,703,000	390,884,595
	Adjustment for prior year	-	(40,900,000)
	Adjustment for completion of prior year tax assessment	-	-
		<b>2,400,542,510</b>	<b>2,145,839,510</b>
<b>11</b>	<b>Cash and cash equivalents</b>		
	<i>In BDT</i>	At 30 Sep 2022	At 31 Dec 2021
	Cash in hand	137,704	75,892
	Cash at bank	197,482,213	166,901,713
	Cash in transit	4,842,053	6,412,077
		<b>202,461,970</b>	<b>173,389,682</b>



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

**12 Share capital**

<i>In BDT</i>	At 30 Sep 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 Sep 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**

<i>Name of shareholder</i>	At 30 Sep 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 Sep 2022	At 31 Dec 2021
Non-remittable accounts	1,741,834,417	1,622,235,133
Security deposits from shop managers, agent and dealers	365,386,736	338,472,051
Warranty Long term Portion	33,134,216	39,932,028
	<b>2,140,355,369</b>	<b>2,000,639,212</b>

**14 Trade and other payables**

<i>In BDT</i>	At 30 Sep 2022	At 31 Dec 2021
<b>Trade payables</b>	<b>272,052,042</b>	<b>451,693,441</b>
<b>Other payables :</b>		
Royalty	514,512,439	354,380,337
Payable for expenses	1,064,907,401	787,003,809
Payable for other finance	109,138,273	96,361,641
Leasehold improvements against new shops	-	209,000
	<b>1,688,558,113</b>	<b>1,237,954,787</b>
	<b>1,960,610,155</b>	<b>1,689,648,228</b>

**15 Operating expenses**

<i>In BDT</i>	<i>Note</i>	At 30 Sep 2022	At 30 Sep 2021
Advertisement and sales promotion	15.1	465,754,203	377,216,993
Shop operating expenses		591,211,668	561,187,100
Salaries and allowances		376,653,635	341,726,081
Rent and occupancy		68,210,901	54,593,261
Royalty		160,132,102	155,354,828
Warranty		176,144,803	168,106,582
Utilities		51,509,905	42,330,140
Depreciation		51,827,329	47,444,655
Right-of-use asset depreciation		236,384,683	184,097,726
Bad debts		44,356,375	34,154,550
Office administration		65,359,959	60,007,811
Repairs and maintenance		40,767,516	36,957,298
Directors' fee and remuneration	15.2	26,838,329	24,084,352
Travelling		28,404,766	21,273,492
Amortisation		3,576,106	4,090,276
Bank charge		26,116,636	22,270,028
Insurance		33,041,503	11,427,838
Fuel and car maintenance		2,784,934	1,877,589
Professional and technical fees		9,147,662	6,784,542
Statutory audit fee		1,372,500	1,250,625
Entertainment		6,067,140	2,768,748
Dues and subscription		520,742	461,625
Demurrage cost**		47,800,000	272,994,401
		<b>2,513,983,397</b>	<b>2,432,460,541</b>

\*\*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>	At 30 Sep 2022	At 30 Sep 2021
Advertisement	247,533,903	163,976,565
Selling expenses	159,462,189	158,898,888
Sales promotion	27,058,112	19,716,540
Meeting & conference expenses	31,700,000	34,625,000
	<b>465,754,203</b>	<b>377,216,993</b>

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

**15.2 Director's fee and remuneration**

<i>In BDT</i>	At 30 Sep 2022	At 30 Sep 2021
Remuneration	23,151,890	21,130,700
Housing	1,377,714	1,142,128
Medical and welfare	1,825,725	1,514,824
Fees	483,000	296,700
	<b>26,838,329</b>	<b>24,084,352</b>

**16 Other income**

<i>In BDT</i>	At 30 Sep 2022	At 30 Sep 2021
Sale of scrapped inventories and others	30,206,048	29,689,136
Gain/(loss) on sale of fixed assets	(291,496)	(162,599)
Fire loss of inventory	(10,830,000)	-
Hire agreement fees	100,632,592	89,432,689
Reverts Product Income	10,032,499	12,883,229
Income from financial & related services	1,106,262	1,331,500
Foreign exchange gain/(loss)	-	1,632,278
Other	457,991	539,196
	<b>131,313,896</b>	<b>135,345,429</b>

**17 Net finance costs**

<i>In BDT</i>	At 30 Sep 2022	At 30 Sep 2021
Finance income	112,500	145,854
Interest expenses on borrowings	(349,587,551)	(197,884,137)
Interest expenses on leases	(81,400,212)	(78,359,361)
Finance costs	(430,875,263)	(276,097,644)

**18 Income tax expense**

<i>In BDT</i>	<i>Note</i>	At 30 Sep 2022	At 30 Sep 2021
Current tax expense		254,703,000	271,197,700
Deferred tax expense/(income) relating to origination and reversal of temporary differences	18.1	(18,104,473)	(3,317,540)
		<b>236,598,527</b>	<b>267,880,160</b>

**18.1 Reconciliation of effective tax rate**

<i>In BDT</i>	<i>Note</i>	At 30 Sep 2022	
		Percentage	Amount
Profit before tax			382,315,379
Tax using the Company's tax rate		22.50%	86,020,960
Tax effect of:			
Provision for non-deductible expenses		5.52%	21,093,750
Adjustments / provision released during the year/period		0.00%	-
Other components of tax as per Income Tax Ordinance 1984		38.60%	147,588,289
Temporary differences	18	-4.74%	(18,104,473)
Adjusted unabsorbed depreciation		0.00%	-
		<b>61.89%</b>	<b>236,598,527</b>

<i>In BDT</i>	<i>Note</i>	At 30 Sep 2021	
		Percentage	Amount
Profit before tax			862,869,343
Tax using the Company's tax rate		22.50%	194,145,602
Tax effect of:			
Provision for non-deductible expenses		2.05%	17,718,750
Adjustments / provision released during the year/period		0.00%	-
Other components of tax as per Income Tax Ordinance 1984		13.31%	114,845,062
Temporary differences	18	-0.38%	(3,317,540)
Adjusted unabsorbed depreciation		-6.43%	(55,511,714)
		<b>31.05%</b>	<b>267,880,160</b>

**19 Earnings per share (EPS)**

**19.1 Basic earnings per share**

<i>In BDT</i>	At 30 Sep 2022	At 30 Sep 2021
Earnings attributable to the ordinary shareholders	145,716,852	594,989,183
Number of Shares used to compute EPS	99,702,838	99,702,838
Basic earnings per share	1.46	5.97

Earning per share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as of 30 September 2022 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 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 Sep 2022	At 31 Dec 2021
Total assets	16,575,688,604	12,797,101,451
Total liability	(13,631,463,087)	(9,400,880,626)
Net assets value	2,944,225,517	3,396,220,825
Number of Shares used to compute NAV	99,702,838	99,702,838
Net assets value (NAV) per share	29.53	34.06

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

<i>In BDT</i>	At 30 Sep 2022	At 30 Sep 2021
Net cash from operating activities	(721,725,561)	(2,770,418,684)
Number of ordinary shares outstanding	99,702,838	99,702,838
Net Operating Cash Flow Per Share (NOCFPS)	(7.24)	(27.79)

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

	At 30 Sep 2022	At 30 Sep 2021
<b>Net income</b>	<b>145,716,852</b>	<b>594,989,183</b>
<b>Add/(deduct) for noncash items:</b>		
Depreciation & amortization	407,393,666	301,525,932
(Gain) / loss on sale of property, plant and equipment	291,496	162,599
Deferred tax expenses/(income)	18,104,473	3,317,540
Tax expenses	236,598,527	267,880,160
Finance expenses/(Income)	430,875,263	276,097,644
Other Provision	44,356,375	20,832,628
<b>Changes in:</b>		
(Increase)/Decrease in deposits and prepayments	(1,133,400)	80,717
(Increase)/Decrease in inventories	147,044,675	(1,808,692,168)
(Increase)/Decrease in trade and other receivables	(1,732,627,545)	(1,757,773,795)
(Increase)/Decrease in Advances, deposits and prepayments	(291,413,285)	(433,056,440)
Increase/(Decrease) in retirement benefits obligation	3,508,295	4,849,978
Increase/(Decrease) in other liability (except non remittable account )	26,914,685	18,844,761
Increase/(Decrease) in accounts payables	270,961,927	221,134,325
Tax paid	(428,317,565)	(469,143,541)
Increase/(Decrease) in short term liability	-	(11,468,208)
	<b>(867,442,413)</b>	<b>(3,365,407,867)</b>
<b>Net cash flows from operation activities</b>	<b>(721,725,561)</b>	<b>(2,770,418,684)</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 Sep 2022	At 30 Sep 2021
Remuneration	23,151,890	21,130,700
Housing	1,377,714	1,142,128
Medical and welfare	1,825,725	1,514,824
Board meeting fees	483,000	296,700
	<b>26,838,329</b>	<b>24,084,352</b>
<i>b) Post employment benefit</i>	-	-
<i>c) Other long-term benefit</i>	-	-
<i>d) Termination benefit</i>	-	-
<i>e) Share-based payment</i>	-	-
	<b>26,838,329</b>	<b>24,084,352</b>

### 23.3 Other related party transactions

Name of related parties	Relationship	Nature of transaction	At 30 Sep 2022	At 30 Sep 2021
			BDT	BDT
Retail Holdings Bhold B.V., The Netherlands	Parent company	Royalty payment	-	140,017,712
BEKO Electrical Appliances Co. Ltd.	Subsidiary of ultimate parent	Procurement of products	-	-
BEKO Thai Co. Ltd.	Subsidiary of ultimate parent	Procurement of products	1,421,439	188,075,554
Arcelik A.S.	Ultimate parent	Procurement of products	39,460,161	176,881,895
Defy Appliances (pvt) Ltd	Subsidiary of ultimate parent	Procurement of products	-	-
Dawlance (Private) Limited	Subsidiary of ultimate parent	Procurement of products	-	11,388,744

**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 Sep 2022	At 30 Sep 2021
			BDT	BDT
Retail Holdings Bhold B.V., The Netherlands	Parent company	Royalty payable Current account	(514,512,439)	(356,969,152)
Arcelik A.S.	Ultimate parent	Reimbursement of Expenses	(37,261,587)	(13,526,735)
Arcelik A.S.	Ultimate parent	Procurement of products	(6,371,322)	(20,413,424)
BEKO Thai Co. Ltd.	Subsidiary of ultimate parent	Procurement of products	-	(28,623,554)

### 24 Significant deviation

Russia's invasion of Ukraine has depressed the prospects of a post-pandemic recovery. Economic activities remained depressed during the reporting period as freight, energy and food price shocks continued to impact adversely. These adversities have created uncertainty and consumers defer to purchase unless it is absolutely necessary. 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. Overall, 9 months' result had fallen short of management expectation and target.

YTD Sep 2022 net income has decreased by 3.4% from YTD Sep 2021 as a percentage of net revenue (from 4.5% to 1.0%). This decrease has largely resulted for negative income in Q3 2022 (-1.6% from 2.8% in Q3 2021). In Q3 2022, company has lost more than 5% gross margin compared to the same quarter of last year due to significant cost increase which could not be adjusted with selling price. Competition was not supporting for full scale of price increase, as competitors were not re-acting in line with expectation.

The achieved results Q3 2022 have been deviated than it was expected, although turnover has been increased by 12.8% (YTD Sep 9.0%) than Q3 2021. Import costs of raw material has increased which resulted increased cost of sales by 20.5% (YTD Sep 14.9%) which could not be fully adjusted with selling prices and finally reduces gross profit by 4.0% and operating profit by 3.2% compared to Q3 2021. Finance costs has increased significantly by 46.0% (YTD Sep 56.0%) due to increase in interest rates from Q3 2021 and increase in use of OD amount (by 80.9%) from Dec 2021 which was mainly high carryover inventory, Although it seems that, income tax expenses has increased by 32.7% (YTD Sep decreased by 11.7%); the effective tax rate has resulted 30.8% (YTD Sep 61.9%) higher than Q3 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 166.8% (YTD Sep 75.5%) compared to Q 3021.

In view of above NOCFPS has turned into negative, though it has improved significantly compared to YTD Sep 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 Sep 2022, although improved than that of 2021, mainly for less sales than expectation festival and seasonal sales. It is expected to improve at the year-end. NAV per share has greatly reduced by 13.3% as at 30 Sep 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.