

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

<i>In BD Taka</i>	Notes	*30 June 2021	*31 December 2020
Assets			
Property, plant and equipment	3	1,433,052,537	1,082,453,237
Intangible assets	4	26,034,444	23,878,992
Right-of-use (ROU) asset		1,315,225,818	1,299,332,072
Investments	5	4,199,450	650,998,506
Deferred tax assets	6	37,809,437	81,110,569
Deposits and prepayments	7	30,446,645	23,092,798
Non-current assets		2,846,768,331	3,160,866,174
Inventories	8	7,282,315,872	3,884,336,529
Trade and other receivables	9	4,026,002,534	2,538,977,929
Advances, deposits and prepayments	7	822,715,992	150,436,499
Current tax assets	10	426,007,728	-
Cash and cash equivalents	11	133,790,877	178,148,480
Current assets		12,690,833,003	6,751,899,437
Total assets		15,537,601,334	9,912,765,611
Equity			
Share capital	12	997,028,380	997,028,380
Reserves		564,527,621	565,877,314
Retained earnings		1,800,823,284	1,893,022,627
Equity attributable to owners of the Company		3,362,379,285	3,455,928,321
Non-controlling interest		-	-
Total equity		3,362,379,285	3,455,928,321
Liabilities			
Retirement benefit obligations		3,188,487	-
Lease liability (non-current portion)		848,425,152	821,749,098
Other liabilities	13	1,982,543,023	1,913,955,202
Non-current liabilities		2,834,156,662	2,735,704,300
Unclaimed dividend		40,172,512	37,021,212
Trade and other payables	14	3,072,917,656	1,904,755,423
Short-term borrowings - secured		6,085,029,523	1,611,518,744
Lease liability (current portion)		142,945,696	117,621,805
Current tax liabilities	10	-	50,215,806
Current liabilities		9,341,065,387	3,721,132,990
Total equity and liabilities		15,537,601,334	9,912,765,611
Net assets value per share (NAV)	20	33.72	34.66
Number of Shares used to compute NAV		99,702,838	99,702,838

* 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: 14 July 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 - 30 June		For the period ended 1 April - 30 June	
		*2021	*2020	*2021	*2020
Sales		8,712,256,426	6,010,837,523	4,958,527,263	2,978,074,572
Earned carrying charges		21,101,242	48,377,780	7,202,209	16,922,117
Turnover		8,733,357,668	6,059,215,303	4,965,729,472	2,994,996,689
Cost of sales		(6,492,972,500)	(4,447,170,881)	(3,651,579,193)	(2,187,569,039)
Gross profit		2,240,385,168	1,612,044,422	1,314,150,279	807,427,650
Operating expenses	15	(1,465,772,201)	(1,152,555,363)	(834,047,622)	(575,872,402)
Other income	16	78,380,847	51,160,097	44,982,985	19,076,501
Operating profit		852,993,814	510,649,156	525,085,642	250,631,749
Finance income		97,236	-	48,618	-
Finance costs		(165,721,257)	(207,185,961)	(106,820,140)	(121,061,730)
Net finance costs	17	(165,624,021)	(207,185,961)	(106,771,522)	(121,061,730)
Profit before contribution to workers' profit participation fund		687,369,793	303,463,195	418,314,120	129,570,019
Contribution to workers' profit participation fund		(34,368,490)	(15,173,160)	(20,915,706)	(6,478,501)
Profit before taxation		653,001,303	288,290,035	397,398,414	123,091,518
Income tax expense	18	(185,310,479)	(87,164,411)	(109,732,479)	(40,876,827)
Profit after tax		467,690,824	201,125,624	287,665,935	82,214,691
Other comprehensive income					
Items that will not be reclassified to profit or loss		-	-	-	-
Total comprehensive income for the period		467,690,824	201,125,624	287,665,935	82,214,691
Earnings per share (EPS)	19	4.69	2.02	2.89	0.82
Number of Shares used to compute EPS		99,702,838	99,702,838	99,702,838	99,702,838

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Managing Director



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Chief Financial Officer



Kazi Ashiqur Rahman
Acting Company Secretary

Dated: 14 July 2021

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							Total
	Share capital	Revaluation reserve	Capital reserve	Non-remittable special capital reserves	Non-distributable special reserves	Retained earnings		
	Note >	12						
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	-	-	-	-	-	467,690,824	467,690,824	
Acquisition of business	-	-	-	-	-	(262,581,245)	(262,581,245)	
Total comprehensive income for the year	-	-	-	-	-	205,109,579	205,109,579	
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	-	-	-	-	-	449,900	449,900	
Transfer of depreciation on revaluation surplus	-	(1,349,693)	-	-	-	1,349,693	-	
	-	(1,349,693)	-	-	-	1,799,593	449,900	
Balance at 30 June 2021	997,028,380	545,733,654	18,190,942	370,178	232,847	1,800,823,284	3,362,379,286	
Balance at 1 January 2020	997,028,380	550,340,462	18,190,942	370,178	232,847	1,851,331,233	3,417,494,042	
Total comprehensive income								
Profit	-	-	-	-	-	201,125,624	201,125,624	
Other comprehensive income	-	-	-	-	-	-	-	
Total comprehensive income for the year	-	-	-	-	-	201,125,624	201,125,624	
Transaction with owners of the Company								
Contributions and distributions								
Dividends:								
Cash dividend 2019	-	-	-	-	-	(767,711,855)	(767,711,855)	
Total contributions and distributions	-	-	-	-	-	(767,711,855)	(767,711,855)	
Adjustment for deferred tax arising from revaluation of property, plant and equipment	-	-	-	-	-	1,856,558	1,856,558	
Transfer of depreciation on revaluation surplus	-	(1,628,558)	-	-	-	1,628,558	-	
	-	(1,628,558)	-	-	-	3,485,116	1,856,558	
Balance at 30 June 2020	997,028,380	548,711,904	18,190,942	370,178	232,847	1,288,230,118	2,852,764,369	


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


Polat Sen
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Managing Director


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Chief Financial Officer


Kazi Ashiqur Rahman
Acting Company Secretary

Dated: 14 July 2021

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

<i>In BD Taka</i>	Notes	For the Period ended 30 June	
		*2021	*2020
Cash flows from operating activities			
Collections from turnover and other income		8,565,052,679	6,081,599,250
Payments for costs and expenses		(11,659,781,543)	(9,199,600,871)
Interest paid on borrowings/leases		(193,113,887)	(228,431,653)
Payments to workers' profit participation fund		(58,540,556)	(75,321,587)
Income tax paid		(334,975,387)	(187,906,281)
Net cash from operating activities	22	(3,681,358,694)	(3,609,661,143)
Cash flows from investing activities			
Acquisition of property, plant and equipment		(107,595,407)	(26,578,165)
Net cash from/(used in) investing activities		(107,595,407)	(26,578,165)
Cash flows from financing activities			
Lease Liability (principal repayment)		(97,557,565)	(55,818,226)
Dividends paid		(236,157,573)	(767,819,553)
Net cash used in financing activities		(333,715,138)	(823,637,779)
Net increase/(decrease) in cash		(4,122,669,239)	(4,459,877,087)
Cash and cash equivalents at 1 January		(1,828,569,407)	(1,566,281,053)
Acquisition of Business		-	-
Cash and cash equivalents at 30 June		(5,951,238,646)	(6,026,158,140)
Closing cash and cash equivalents have been arrived at as follows:			
Cash and cash equivalents		133,790,877	524,233,345
Short-term borrowings - secured (bank overdrafts)		(6,085,029,523)	(6,550,391,485)
		(5,951,238,646)	(6,026,158,140)
Net Operating Cash Flow Per Share (NOCFPS)	21	(36.92)	(36.20)
Number of Shares used to compute NOCFPS		99,702,838	99,702,838

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Acting Company Secretary

Dated: 14 July 2021

SINGER BANGLADESH LIMITED
Notes to the Financial Statements
As at and for the period ended 30 June 2021

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, washing machine, and grinder 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 1347 and Koulasur, Hemayetpur, Savar, Dhaka-1348.

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, 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 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 the Judgment and order dated 01.02.2021 passed by Hon'ble High Court Division of the Supreme Court of Bangladesh in the Company Matter No. 167 of 2020, acquisition date was March 14, 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)

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 30 June 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 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)

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. Preparation of reliable forecast information is challenging as this can have pervasive impact across multiple elements of financial statements due to adverse impact which started to get reflected from late March. Thus, 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.

Revenue and net results in both Q1 and Q2 2021 have exceeded the results of Q1 and Q2 of 2020 respectively. For all first 3 months, sales exceeds the expected amount as positive customer behavior for appliances products and turnout was experienced during the period. But due to worsening COVID-19 high infections and mortality government has imposed various forms of severe restrictions from April 2021 being continued during June 2021 which adversely affected all the business activities and peoples livelihood including shrinkage of their earnings. More specifically, government has imposed restrictions in different districts, specially nearer to Indian border to prevent the worrying level of spread of Delta variant of COVID-19. After 20th of June 100+ branches/shops were unable to operate any business activities. Further, general peoples movement were also strictly restricted unless and until it is on an emergency purpose like medical ground, buying essentials etc. Sales target were achieved for the month of Apr at far short of expectation due to severe restrictions which impaired the overall economic activities and continued to drag onto the month of May and June successively. Consequently, 6 moths result had fallen short of management expectation and target.

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 before Eid-ul-Adha (i.e. after the restrictions up to 14th July). Management strongly believes that, there is no need 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 30 Jun 2021	At 31 Dec 2020
Cost	2,494,551,387	1,908,134,891
Accumulated depreciation	1,061,498,850	825,681,654
	1,433,052,537	1,082,453,237
4 Intangible assets		
<i>In BDT</i>	At 30 Jun 2021	At 31 Dec 2020
Cost	80,814,826	75,942,405
Accumulated amortisation	54,780,382	52,063,413
	26,034,444	23,878,992
5 Investments		
<i>In BDT</i>	At 30 Jun 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
	4,199,450	650,998,506
6 Deferred tax assets		
<i>In BDT</i>	At 30 Jun 2021	At 31 Dec 2020
Opening balance	51,312,925	43,667,319
Adjustment for Amalgamation	3,239,393	-
	54,552,318	43,667,319
Released/(expense) during the year	(17,192,779)	36,357,545
Transferred to retained earnings	449,898	1,085,705
	(16,742,881)	37,443,250
	37,809,437	81,110,569
6.1 Closing balance		
	At 30 Jun 2021	At 31 Dec 2020
<i>In BDT</i>		
Deferred tax assets	98,347,158	102,618,606
Deferred tax liabilities	(60,537,721)	(21,508,037)
	37,809,437	81,110,569
6.1.1 Deferred tax assets		
	At 30 Jun 2021	At 31 Dec 2020
<i>In BDT</i>		
Provision for gratuity	-	-
Reserve against inventories	29,730,509	28,944,213
Reserve for warranty	30,228,765	29,502,987
Provision for bad debts	32,731,837	35,536,348
Property, plant and equipment	-	1,354,042
Leases	5,656,047	7,281,016
	98,347,158	102,618,606
6.1.2 Deferred tax liabilities		
	At 30 Jun 2021	At 31 Dec 2020
<i>In BDT</i>		
Provision for gratuity	-	-
Revaluation of land and building	(20,134,651)	(21,508,037)
Property, plant and equipment	(40,403,070)	-
	(60,537,721)	(21,508,037)
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 30 Jun 2021	At 31 Dec 2020
Security deposits	30,446,645	23,092,797
Deposits	30,446,645	23,092,797
Prepayments	822,715,992	150,436,500
Prepayments	822,715,992	150,436,500
	853,162,637	173,529,297

SINGER BANGLADESH LIMITED
Notes to the Financial Statements (continued)

	At 30 Jun 2021	At 31 Dec 2020
7.1 Non-current portion of deposits and prepayments	30,446,645	23,092,798
Current portion of advances, deposits and prepayments	822,715,992	150,436,499
	853,162,637	173,529,297
8 Inventories		
<i>In BDT</i>	At 30 Jun 2021	At 31 Dec 2020
Finished goods	6,059,884,039	3,247,122,506
Non-Trade goods	37,387,077	11,649,809
Raw materials	229,101,319	102,504,365
Goods in transit	1,071,720,291	638,836,703
	7,398,092,726	4,000,113,383
Provision for inventory obsolescence	(115,776,854)	(115,776,854)
	7,282,315,872	3,884,336,529
9 Trade and other receivable		
<i>In BDT</i>	At 30 Jun 2021	At 31 Dec 2020
Trade receivable		
Hire receivable from customers	3,158,441,522	2,530,757,114
Unearned carrying charges	(388,040,481)	(304,849,928)
	2,770,401,041	2,225,907,186
Provision for doubtful debts	(68,257,152)	(72,864,164)
	2,702,143,889	2,153,043,022
Receivable from Dealers	958,927,043	131,377,636
Receivables from Corporate	263,600,952	91,265,444
Provision for doubtful debts	(30,702,029)	(28,475,578)
	3,893,969,855	2,347,210,524
Other receivables		
Receivable from shop managers	54,701,984	24,890,323
Receivable from Retail Holdings Bhold B.V., The Netherlands	2,927,127	2,158,465
Receivable from employees	6,491,935	6,233,871
Other receivables	114,427,282	186,145,792
Employees provident fund	-	2,266,275
Retirement benefit	-	10,878,328
Provision for doubtful debts	(46,515,649)	(40,805,649)
	132,032,679	191,767,405
	4,026,002,534	2,538,977,929
10 Current tax assets/(Liabilities)		
<i>In BDT</i>	At 30 Jun 2021	At 31 Dec 2020
Advance income tax	2,386,063,792	1,667,739,997
Provision for income tax	(1,960,056,064)	(1,717,955,803)
	426,007,728	(50,215,806)
10.1 Advance income tax		
<i>In BDT</i>	At 30 Jun 2021	At 31 Dec 2020
Opening balance	2,051,088,405	1,266,591,401
Acquisition of business	-	-
	2,051,088,405	1,266,591,401
Add: Advance income tax paid during the year	334,975,388	401,148,596
Adjustment for completion of prior year tax assessment	-	-
Closing balance	2,386,063,792	1,667,739,997
10.2 Provision for income tax		
<i>In BDT</i>	At 30 Jun 2021	At 31 Dec 2020
Opening balance	1,791,938,364	1,372,949,827
Acquisition of business	-	-
	1,791,938,364	1,372,949,827
Provision during the year	168,117,700	345,005,976
Adjustment for prior year	-	-
Adjustment for completion of prior year tax assessment	-	-
	1,960,056,064	1,717,955,803
11 Cash and cash equivalents		
<i>In BDT</i>	At 30 Jun 2021	At 31 Dec 2020
Cash in hand	124,100,539	91,993
Cash at bank	9,464,254	168,930,076
Cash in transit	226,084	9,126,411
	133,790,877	178,148,480

SINGER BANGLADESH LIMITED
Notes to the Financial Statements (continued)

12 Share capital

<i>In BDT</i>	At 30 Jun 2021	At 31 Dec 2020
Authorised:		
250,000,000 ordinary shares of Taka 10 each	2,500,000,000	2,500,000,000
Issued, subscribed and paid up:		
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
	997,028,380	997,028,380

Shareholding position:

Name of shareholder	At 30 Jun 2021		At 31 Dec 2020	
	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
	99,702,838	997,028,380	99,702,838	997,028,380

Beneficial percentage of holdings

Name of shareholder	2021	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%
	100%	100%

13 Other liabilities

<i>In BDT</i>	At 30 Jun 2021	At 31 Dec 2020
Non-remittable accounts	1,622,235,133	1,562,435,491
Security deposits from shop managers, agent and dealers	322,892,195	312,186,330
Warranty Long term Portion	37,415,695	39,333,381
	1,982,543,023	1,913,955,202

14 Trade and other payables

<i>In BDT</i>	At 30 Jun 2021	At 31 Dec 2020
Trade payables	1,542,009,894	673,528,013
Other payables :		
Royalty	447,763,465	314,648,015
Payable for expenses	974,985,459	809,656,488
Payable for other finance	105,797,100	94,105,042
Leasehold improvements against new shops	2,361,737	12,817,865
	1,530,907,762	1,231,227,410
	3,072,917,656	1,904,755,423

15 Operating expenses

<i>In BDT</i>	Note	At 30 Jun 2021	At 30 Jun 2020
Advertisement and sales promotion	15.1	332,966,124	254,463,860
Shop operating expenses		224,377,560	191,689,862
Salaries and allowances		225,477,188	196,484,318
Rent and occupancy		30,307,493	32,869,212
Royalty		99,378,202	66,135,650
Warranty		114,111,193	90,611,489
Utilities		26,076,597	18,750,028
Depreciation		30,811,226	29,803,385
Right-of-use asset depreciation		123,892,335	119,516,452
Bad debts		20,832,628	56,213,863
Office administration		34,619,045	27,611,274
Repairs and maintenance		27,403,180	19,634,383
Directors' fee and remuneration	15.2	15,603,822	13,923,412
Travelling		16,561,929	13,204,344
Amortisation		2,655,765	3,593,140
Bank charge		14,308,160	8,063,200
Insurance		6,502,986	2,265,394
Fuel and car maintenance		1,393,843	934,469
Professional and technical fees		5,844,610	3,295,230
Statutory audit fee		833,750	575,000
Entertainment		2,047,544	2,503,238
Dues and subscription		453,245	414,160
Demurrage cost**		109,313,775	-
		1,465,772,201	1,152,555,363

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 materials 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 had suffered additional port and shipping charges as demurrage costs.

15.1 Advertisement and sales promotion

<i>In BDT</i>	At 30 Jun 2021	At 30 Jun 2020
Advertisement	135,139,748	70,127,650
Selling expenses	155,950,882	106,809,690
Sales promotion	15,450,494	55,472,707
Meeting & conference expenses	26,425,000	22,053,813
	332,966,124	254,463,860

SINGER BANGLADESH LIMITED
Notes to the Financial Statements (continued)

15.2 Director's fee and remuneration	At 30 Jun 2021	At 30 Jun 2020
<i>In BDT</i>		
Remuneration	12,788,170	12,039,836
Housing	1,142,128	175,252
Medical and welfare	1,514,824	1,604,824
Fees	158,700	103,500
	15,603,822	13,923,412

16 Other income	At 30 Jun 2021	At 30 Jun 2020
Sale of scrapped inventories and others	9,665,243	104,500
Gain/(loss) on sale of fixed assets	57,630	-
Fire loss of inventory	-	-
Hire agreement fees	56,256,178	48,426,144
Reverts Product Income	9,334,739	1,494,315
Income from financial & related services	1,016,020	1,118,945
Foreign exchange gain/(loss)	1,632,278	-
Other	418,759	16,193
	78,380,847	51,160,097

17 Net finance costs	At 30 Jun 2021	At 30 Jun 2020
Finance income	97,236	-
Interest expenses on borrowings	(115,481,392)	(159,340,269)
Interest expenses on leases	(50,239,865)	(47,845,692)
Finance costs	(165,624,021)	(207,185,961)

18 Income tax expense	At 30 Jun 2021	At 30 Jun 2020
<i>In BDT</i>		
Current tax expense	168,117,700	112,494,839
Deferred tax expense/(income) relating to origination and reversal of temporary differences	17,192,779	(25,330,428)
	185,310,479	87,164,411

18.1 Reconciliation of effective tax rate	At 30 Jun 2021		
<i>In BDT</i>	Note	Percentage	BDT
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		2.06%	13,422,427
Other components of tax as per Income Tax Ordinance 1984		8.06%	52,609,494
Temporary differences		2.63%	17,192,779
Adjusted unabsorbed depreciation		-8.50%	(55,511,714)
		28.38%	185,310,479

<i>In BDT</i>	Note	Percentage	At 30 Jun 2020
			BDT
Profit before tax			288,290,035
Tax using the Company's tax rate		25.00%	72,072,509
Tax effect of:			
Provision for non-deductible expenses		3.70%	10,656,250
Adjustments / provision released during the year		4.47%	12,891,530
Other components of tax as per Income Tax Ordinance 1984		5.85%	16,874,551
Temporary differences		-8.79%	(25,330,428)
Adjusted unabsorbed depreciation		0.00%	-
		30.23%	87,164,411

19 Earnings per share (EPS)

19.1 Basic earnings per share	At 30 Jun 2021	At 30 Jun 2020
Earnings attributable to the ordinary shareholders	467,690,824	201,125,624
Number of Shares used to compute EPS	99,702,838	99,702,838
Basic earnings per share	4.69	2.02

Earning per share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as of 30 Jun 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 period/year as there was no potentially dilutive potential ordinary shares during the

20 Net Assets Value (NAV) Per Share

	At 30 Jun 2021	At 31 Dec 2020
Total assets	15,537,601,334	9,912,765,611
Total liability	(12,175,222,049)	(6,456,837,290)
Net assets value	3,362,379,285	3,455,928,321
Number of Shares used to compute NAV	99,702,838	99,702,838
Net assets value (NAV) per share	33.72	34.66

21 Net Operating Cash Flow Per Share (NOCFPS)

	At 30 Jun 2021	At 30 Jun 2020
Net cash from operating activities	(3,681,358,694)	(3,609,661,143)
Number of ordinary shares outstanding	99,702,838	99,702,838
Net Operating Cash Flow Per Share (NOCFPS)	(36.92)	(36.20)

22 Reconciliation of net income with cash flows from operating activities

	At 30 Jun 2021	At 30 Jun 2020
Net income	467,690,824	201,125,624
Add/(deduct) for noncash items:		
Depreciation & amortization	184,735,588	158,982,155
Deferred tax expenses/(income)	(17,192,779)	(25,330,428)
Tax expenses	185,310,479	87,164,411
Finance expenses/(Income)	165,624,021	207,185,961
Changes in:		
(Increase)/Decrease in deposits and prepayments	(922,000)	(150,000)
(Increase)/Decrease in inventories	(2,849,661,350)	(2,411,777,655)
(Increase)/Decrease in trade and other receivables	(1,518,936,246)	(1,009,523,653)
(Increase)/Decrease in Advances, deposits and prepayments	(630,176,263)	(422,681,001)
Increase/(Decrease) in retirement benefits obligation	3,188,487	533,194
Increase/(Decrease) in other liability (except non remittable account)	10,705,865	11,369,577
Increase/(Decrease) in accounts payables (excluding dividend payable)	857,889,792	9,778,607
Tax paid	(334,975,387)	(187,906,281)
Interest paid	(193,113,887)	(228,431,653)
Increase/(Decrease) in short term liability	(11,468,208)	-
	(4,149,049,518)	(3,810,786,767)
Net cash flows from operation activities	(3,681,358,694)	(3,609,661,143)

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 Parent and ultimate controlling party

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 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 2021	At 30 Jun 2020
Remuneration	12,788,170	12,039,836
Housing	1,142,128	175,252
Medical and welfare	1,514,824	1,604,824
Board meeting fees	158,700	103,500
	15,603,822	13,923,412
<i>b) Post employment benefit</i>	-	-
<i>c) Other long-term benefit</i>	-	-
<i>d) Termination benefit</i>	-	-
<i>e) Share-based payment</i>	-	-
	15,603,822	13,923,412

23.3 Other related party transactions

Read this note in conjunction with note no. 15.2.

Name of related parties	Relationship	Nature of	At 30 Jun 2021	At 30 Jun 2020
			BDT	BDT
Retail Holdings Asia B.V.	Subsidiary of former ultimate parent	Royalty payment**	30,547,822	166,701,032
International Appliances Limited	Subsidiary of Singer	Procurement of products	-	1,420,768,310
International Appliances Limited	Subsidiary of Singer	Current account	-	97,700,000
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	156,674,683
Arcelik A.S.	Ultimate parent	Procurement of products	70,903,184	30,285,615
Defy Appliances (pvt) Ltd	Subsidiary of ultimate parent	Procurement of products	-	6,979,029
Dawlance (Private) Limited	Subsidiary of ultimate parent	Procurement of products	-	2,898,200

**Royalty payment presents consolidated amount as at 30 Jun 2020 including refrigerator's royalty amount.

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 2021	At 30 Jun 2020
			BDT	BDT
Retail Holdings Asia B.V.	Subsidiary of former ultimate parent	Royalty payable	(6,753,227)	(30,547,822)
Retail Holdings Bhold B.V., The Netherlands	Parent company	Royalty payable	(441,010,238)	(206,153,363)
International Appliances Limited	Subsidiary of	Current account	-	(464,259,046)
International Appliances Limited	Subsidiary of	Procurement of products	-	-
Arcelik A.S.	Ultimate parent	Current account	-	108,696,871
Arcelik A.S.	Ultimate parent	Reimbursement of Expenses	(10,687,835)	-
Arcelik A.S.	Ultimate parent	Expenses	-	2,515,043
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)	-
BEKO Thai Co. Ltd.	Subsidiary of ultimate parent	Procurement of products	-	-
Defy Appliances (pvt) Ltd	Subsidiary of ultimate parent	Procurement of products	-	(6,979,029)
Dawlance (Private) Limited	Subsidiary of ultimate parent	Procurement of products	-	(2,898,200)

24 Significant deviation

The COVID-19 pandemic circumstances have been continued to have the adverse bearing on the macroeconomic performance of the country as well as the Company's operations and its financial position. With the deterioration of COVID-19 since the end of Q1 2021 the achieved results have been deviated much than it was expected, although the company could manage to recoup its business growth and fetch better financial results than Q2 2020. Consequently, the Earning per share (EPS) has been improved being compared to Q2 2020. However, despite higher payment of costs and expenses for early imports and demurrage costs and income taxes to support the upcoming festivals and high targets in view of seasonality NOCFPS per share has been almost flat compared to the same period of last year. Better collection of turnover has helped to deter decrease of NOCFPS. 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 Jun 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 Q2 2021 NAV per share has slightly reduced as at 30 Jun 2021 owing to actualization of loss of investment in subsidiary IAL in compliance with the verdict of the High Cour Division of the Bangladesh Supreme Court.

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.