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

		Consolidated		Company	
		30 September	31 December	30 September	31 December
In BD Taka	*Note*	2018	2017	2018	2017
Assets					
Property, plant and equipment	*3*	**1,415,316,309**	1,424,361,116	**1,048,008,916**	1,046,463,051
Intangible assets	*4*	**33,725,922**	39,542,064	**33,610,754**	39,542,064
Investments	*5*	**4,199,450**	4,199,450	**355,987,045**	355,987,045
Deferred tax assets	*6*	**20,534,060**	18,871,202	**32,191,222**	24,836,206
Deposits and prepayments	*7*	**318,764,473**	283,998,887	**306,242,254**	272,258,939
Non-current assets		**1,792,540,214**	1,770,972,719	**1,776,040,191**	1,739,087,305
Inventories	*8*	**3,263,123,571**	2,968,387,371	**2,772,026,259**	2,664,943,659
Trade and other receivables	*9*	**4,021,637,229**	1,856,060,667	**3,932,069,870**	1,855,636,074
Advances, deposits and prepayments	*7*	**177,049,814**	237,332,959	**124,012,925**	216,821,832
Current tax assets	*10*	**139,537,262**	35,896,460	**-**	-
Cash and cash equivalents	*11*	**149,490,911**	202,934,615	**148,242,665**	202,786,490
Current assets		**7,750,838,787**	5,300,612,072	**6,976,351,719**	4,940,188,055
Total assets		**9,543,379,001**	7,071,584,791	**8,752,391,910**	6,679,275,360
Equity					
Share capital	*12*	**766,944,910**	766,944,910	**766,944,910**	766,944,910
Reserves		**573,225,477**	577,857,676	**573,225,477**	577,857,676
Retained earnings		**890,665,367**	815,464,263	**887,042,032**	839,743,865
Equity attributable to owners of the Company		**2,230,835,754**	2,160,266,849	**2,227,212,419**	2,184,546,451
Non-controlling interest		**68,545,738**	63,164,284	**-**	-
Total equity		**2,299,381,492**	2,223,431,133	**2,227,212,419**	2,184,546,451
Liabilities					
Retirement benefit obligations		**2,064,311**	3,618,300	**-**	2,174,000
Long term debt	*13*	**45,872,825**	-	**-**	-
Other liabilities	*14*	**1,686,571,716**	1,470,774,961	**1,686,571,716**	1,470,774,961
Non-current liabilities		**1,734,508,852**	**1,474,393,261**	**1,686,571,716**	1,472,948,961
Trade and other payables	*15*	**1,962,224,093**	1,508,412,542	**1,948,681,274**	1,522,526,822
Short-term borrowings - secured		**3,468,461,454**	1,587,039,816	**2,811,123,391**	1,457,644,580
Current tax liabilities	*16*	**78,803,110**	-	**78,803,110**	41,608,546
Short term liability		**-**	278,308,039	**-**	-
Current liabilities		**5,509,488,657**	3,373,760,397	**4,838,607,775**	3,021,779,948
Total equity and liabilities		**9,543,379,001**	7,071,584,791	**8,752,391,910**	6,679,275,360
Net assets value per share (NAVPS)	19	**29.09**	28.17	**29.04**	28.48

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

Sd/-	Sd/-	Sd/-
A. F. Nesaruddin	**Dr. Syed Ferhat Anwar**	**M. H. M. Fairoz**
Director	Director	Managing Director
Sd/-	Sd/-	
Akram Uddin Ahmed	**Mohammad Sanaullah**	
Chief Financial Officer	Company Secretary	

Dated: 29 October 2018

SINGER BANGLADESH LIMITED

Statement of Profit or Loss and ther Comprehensive Income (Un-audited)

	Note	For the period ended 01 January - 30 September				For the period ended 01 July - 30 September			
		Consolidated		Company		Consolidated		Company	
In BD Taka		**2018**	2017*	**2018**	**2017**	**2018**	2017*	**2018**	**2017**
Turnover		**11,577,039,301**	9,178,774,351.00	**11,577,039,301.00**	9,178,774,351.00	**5,130,033,986**	4,070,104,644.00	**5,130,033,986**	4,070,104,644.00
Cost of sales		**(8,460,019,965)**	(6,748,469,871)	**(8,590,327,443)**	(6,748,469,871)	**(3,735,908,369)**	(2,941,352,217)	**(3,764,438,058)**	(2,988,110,055)
Gross profit		**3,117,019,336**	2,430,304,480	**2,986,711,858**	2,430,304,480	**1,394,125,617**	1,128,752,427	**1,365,595,928**	1,081,994,589
Operating expenses	17	**(1,811,426,299)**	(1,511,913,289)	**(1,787,541,296)**	(1,511,913,289)	**(731,598,376)**	(651,923,780)	**(721,489,084)**	(605,165,942)
Other income/(loss)		**112,891,310**	85,253,248	**105,480,499**	85,253,248	**44,066,217**	36,594,586	**41,506,824**	36,594,586
Operating profit		**1,418,484,347**	1,003,644,439	**1,304,651,061**	1,003,644,439	**706,593,458**	513,423,233	**685,613,668**	513,423,233
Finance income		**59,809,934**	60,002,062	**59,809,934**	60,002,062	**27,930,006**	32,245,314	**27,930,006**	32,245,314
Finance costs		**(250,742,183)**	(116,853,510)	**(197,230,682)**	(116,853,510)	**(110,344,100)**	(48,129,161)	**(90,963,406)**	(48,129,161)
Net finance costs		**(190,932,249)**	(56,851,448)	**(137,420,748)**	(56,851,448)	**(82,414,094)**	(15,883,847)	**(63,033,400)**	(15,883,847)
Share of profit/(loss) of equity-accounted investees, net of tax		-	24,715,417	-	24,715,417	-	10,124,179	-	10,124,179
Profit before contribution to workers' profit participation fund		**1,227,552,098**	971,508,408	**1,167,230,313**	971,508,408	**624,179,364**	507,663,565	**622,580,268**	507,663,565
Contribution to workers' profit participation fund		**(59,637,866)**	(48,575,420)	**(58,361,516)**	(48,575,420)	**(29,366,092)**	(25,383,178)	**(31,129,014)**	(25,383,178)
Profit before taxation		**1,167,914,232**	922,932,988	**1,108,868,797**	922,932,988	**594,813,272**	482,280,387	**591,451,254**	482,280,387
Income tax expense		**(327,388,787)**	(239,554,392)	**(301,627,743)**	(239,554,392)	**(154,594,591)**	(123,039,051)	**(154,456,084)**	(123,039,051)
Profit after tax		**840,525,445**	683,378,596	**807,241,054**	683,378,596	**440,218,681**	359,241,336	**436,995,170**	359,241,336
Profit attributable to			-		-		-		-
Equity holders of the Company (SBL)		**835,143,991**	-	-	-	**439,697,500**	-	-	-
Non-controlling interest		**5,381,454**	-	-	-	**521,181**	-	-	-
		840,525,445	-	-	-	**440,218,681**	-	-	-
Other comprehensive income									
Items that will not be reclassified to profit or loss		-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
Total comprehensive income for the period		**840,525,445**	683,378,596	**807,241,054**	683,378,596	**440,218,681**	359,241,336	**436,995,170**	359,241,336
Total comprehensive income attributable to:									
Equity holders of the Company (SBL)									
Profit after tax		**835,143,991**	-	-	-	**439,697,500**	-	-	-
Other comprehensive income		-	-	-	-	-	-	-	-
		835,143,991	-	-	-	**439,697,500**	-	-	-
Non-controlling interest									
Profit after tax		**5,381,454**	-	-	-	**521,181**	-	-	-
Other comprehensive income		-	-	-	-	-	-	-	-
		5,381,454	-	-	-	**521,181**	-	-	-
Total comprehensive income for the period		**840,525,445**	-	-	-	**440,218,681**	-	-	-
Earnings per share (EPS)	18	**10.89**	8.91	**10.53**	8.91	**5.73**	4.68	**5.70**	4.68

*** Comparative amounts of 2017 in the consolidated columns represents amount of the company for the period ended 30 September 2017**

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

Sd/-
A. F. Nesaruddin
Director

Sd/-
Dr. Syed Ferhat Anwar
Director

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

Sd/-
Akram Uddin Ahmed
Chief Financial Officer

Sd/-
Mohammad Sanaullah
Company Secretary

Dated: 29 October 2018

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

For the Preiod ended 30 September 2018

	Attributable to owner of the Company								
In BD Taka	**Share capital**	**Revaluation reserve**	**Capital reserve**	**Non-remittable special capital reserves**	**Non-distributable special reserves**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total equity**
Balance at 1 January 2017	766,944,910	566,586,093	18,190,942	370,178	232,847	594,705,557	1,947,030,527	-	1,947,030,527
Total comprehensive income									
Profit	-	-	-	-	-	683,378,595	683,378,595	-	683,378,595
Acquisition of business	-	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	683,378,595	683,378,595	-	683,378,595
Transaction with owners of the Company									
Contributions and distributions									
Dividends:									
Cash dividend - 2016	-	-	-	-	-	(536,861,437)	(536,861,437)	-	(536,861,437)
Total contributions and distributions	-	-	-	-	-	(536,861,437)	(536,861,437)	-	(536,861,437)
Adjustment for deferred tax arising from revaluation of property, plant and equipment	-	-	-	-	-	1,880,593	1,880,593		1,880,593
Transfer of depreciation on revaluation surplus	-	(5,641,778)	-	-	-	5,641,778	-	-	-
	-	(5,641,778)	-	-	-	7,522,371	1,880,593	-	1,880,593
Balance at 30 September 2017	766,944,910	560,944,315	18,190,942	370,178	232,847	748,745,086	2,095,428,278	-	2,095,428,278
Balance at 1 January 2018	**766,944,910**	**559,063,709**	**18,190,942**	**370,178**	**232,847**	**815,464,263**	**2,160,266,849**	**63,164,284**	**2,223,431,133**
Total comprehensive income									
Profit	**-**	**-**	**-**	**-**	**-**	**835,143,991**	**835,143,991**	**5,381,454**	**840,525,445**
Acquisition of business	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**835,143,991**	**835,143,991**	**5,381,454**	**840,525,445**
Transaction with owners of the Company									
Contributions and distributions									
Dividends:									
Cash dividend 2017	**-**	**-**	**-**	**-**	**-**	**(766,944,910)**	**(766,944,910)**	**-**	**(766,944,910)**
Total contributions and distributions	**-**	**-**	**-**	**-**	**-**	**(766,944,910)**	**(766,944,910)**	**-**	**(766,944,910)**
Adjustment for deferred tax arising from revaluation of property, plant and equipment	**-**	**-**	**-**	**-**	**-**	**2,369,824**	**2,369,824**		**2,369,824**
Transfer of depreciation on revaluation surplus	**-**	**(4,632,199)**	**-**	**-**	**-**	**4,632,199**	**-**	**-**	**-**
	-	**(4,632,199)**	**-**	**-**	**-**	**7,002,023**	**2,369,824**	**-**	**2,369,824**
Balance at 30 September 2018	**766,944,910**	**554,431,510**	**18,190,942**	**370,178**	**232,847**	**890,665,367**	**2,230,835,754**	**68,545,738**	**2,299,381,492**

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

Sd/-
A. F. Nesaruddin
Director

Sd/-
Dr. Syed Ferhat Anwar
Director

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

Sd/-
Akram Uddin Ahmed
Chief Financial Officer

Sd/-
Mohammad Sanaullah
Company Secretary

Dated: 29 October 2018

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

For the Preiod ended 30 September 2018

In BD Taka	Share capital	Revaluation reserve	Capital reserve	Non-remittable special capital reserves	Non-distributable special reserves	Retained earnings	Total equity
Balance at 1 January 2017	766,944,910	566,586,093	18,190,942	370,178	232,847	594,705,557	1,947,030,527
Total comprehensive income							
Profit	-	-	-	-	-	683,378,595	683,378,595
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	683,378,595	683,378,595
Transaction with owners of the Company							
Contributions and distributions							
Dividends:							
Cash dividend - 2016	-	-	-	-	-	(536,861,437)	(536,861,437)
Total contributions and distributions	-	-	-	-	-	(536,861,437)	(536,861,437)
Adjustment for deferred tax arising from revaluation of property, plant and equipment	-	-	-	-	-	1,880,593	1,880,593
Transfer of depreciation on revaluation surplus	-	(5,641,778)	-	-	-	5,641,778	-
	-	(5,641,778)	-	-	-	7,522,371	1,880,593
Balance at 30 September 2017	766,944,910	560,944,315	18,190,942	370,178	232,847	748,745,086	2,095,428,278
Balance at 1 January 2018	**766,944,910**	**559,063,709**	**18,190,942**	**370,178**	**232,847**	**839,743,865**	**2,184,546,451**
Total comprehensive income							
Profit	**-**	**-**	**-**	**-**	**-**	**807,241,054**	**807,241,054**
Other comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**807,241,054**	**807,241,054**
Transaction with owners of the Company							
Contributions and distributions							
Dividends:							
Cash dividend 2017	**-**	**-**	**-**	**-**	**-**	**(766,944,910)**	**(766,944,910)**
Total contributions and distributions	**-**	**-**	**-**	**-**	**-**	**(766,944,910)**	**(766,944,910)**
Adjustment for deferred tax arising from revaluation of property, plant and equipment	**-**	**-**	**-**	**-**	**-**	**2,369,824**	**2,369,824**
Transfer of depreciation on revaluation surplus	**-**	**(4,632,199)**	**-**	**-**	**-**	**4,632,199**	**-**
	-	**(4,632,199)**	**-**	**-**	**-**	**7,002,023**	**2,369,824**
Balance at 30 September 2018	**766,944,910**	**554,431,510**	**18,190,942**	**370,178**	**232,847**	**887,042,032**	**2,227,212,419**

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

Sd/-
A. F. Nesaruddin
Director

Sd/-
Dr. Syed Ferhat Anwar
Director

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

Sd/-
Akram Uddin Ahmed
Chief Financial Officer

Sd/-
Mohammad Sanaullah
Company Secretary

Dated: 29 October 2018

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

In BD Taka	Note	For the period ended 30 September			
		Consolidated		Company	
		2018	2017*	2018	2017
Cash flows from operating activities					
Collections from turnover and other income		**11,479,338,310**	9,041,199,992	**11,477,749,186**	9,041,199,992
Payments for costs and expenses		**(12,180,881,315)**	(8,830,334,008)	**(11,761,417,386)**	(8,830,334,008)
Interest paid on borrowings		**(186,313,787)**	(107,200,002)	**(132,420,748)**	(107,200,002)
Payments to workers' profit participation fund		**(45,142,800)**	(41,030,308)	**(45,142,800)**	(41,030,308)
Income tax paid		**(352,345,271)**	(196,869,922)	**(270,244,129)**	(196,869,922)
Net cash from operating activities		**(1,285,344,863)**	(134,234,248)	**(731,475,877)**	(134,234,248)
Cash flows from investing activities					
Acquisition of property, plant and equipment		**(75,072,774)**	(59,039,976)	**(56,226,229)**	(59,039,976)
Encash in short term/term deposits		-	(1,000,000)	-	(1,000,000)
Proceeds from sale of property, plant and equipment		-	1,277,886	-	1,277,886
Net cash from/(used in) investing activities		**(75,072,774)**	(58,762,090)	**(56,226,229)**	(58,762,090)
Cash flows from financing activities					
Term loan received		**45,872,825**	-	-	-
Dividends paid		**(620,320,530)**	(424,921,579)	**(620,320,530)**	(424,921,579)
Net cash used in financing activities		**(574,447,705)**	(424,921,579)	**(620,320,530)**	(424,921,579)
Net increase/(decrease) in cash		**(1,934,865,342)**	(617,917,917)	**(1,408,022,636)**	(617,917,917)
Cash and cash equivalents at 1 January		**(1,384,105,201)**	(466,915,300)	**(1,254,858,090)**	(466,915,300)
Cash and cash equivalents at 30 September		**(3,318,970,543)**	(1,084,833,217)	**(2,662,880,726)**	(1,084,833,217)
Closing cash and cash equivalents have been arrived at as follows:					
Cash and cash equivalents		**149,490,911**	152,429,314	**148,242,665**	152,429,314
Short-term borrowings - secured (bank overdrafts)		**(3,468,461,454)**	(619,344,614)	**(2,811,123,391)**	(619,344,614)
		(3,318,970,543)	(466,915,300)	**(2,662,880,726)**	(466,915,300)
Net Operating Cash Flow Per Share (NOCFPS)	**20**	**(16.76)**	**(1.75)**	**(9.54)**	**(1.75)**

* Comparative amounts of 2017 in the consolidated columns represents amount of the company for the period ended 30 September 2017

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

Sd/-
A. F. Nesaruddin
Director

Sd/-
Dr. Syed Ferhat Anwar
Director

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

Sd/-
Akram Uddin Ahmed
Chief Financial Officer

Sd/-
Mohammad Sanaullah
Company Secretary

Dated: 29 October 2018

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 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 period were manufacturing of panel televisions, air conditioners, refrigerators and furniture and marketing of refrigerators, televisions, air conditioners, furniture, sewing machines, computers, washing machines and other consumer electronics and household appliances. The manufacturing plant of the Company is situated at Rajfulbaria, Jhamur, Savar, Dhaka 1340.

1.3 Description of subsidiary

International Appliances Limited (IAL)

International Appliances Limited (the Company) was incorporated in Bangladesh as a private limited company on 23 December 2014 under Companies Act 1994 as a joint venture with a local investor and an another foreign investor. It has been an associate of Singer Bangladesh Limited since inception. SBL acquired the Company as a subsidiary on 16 October 2017. The address of the registered office of the Company is Mousa Koulashur, Hemayetpur, Savar, Dhaka, Bangladesh. Principal activities of the Company are 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.

2 Basis of preparation

2.1 Presentation of financial statements

The interim Financial Statements of the Company and Group have been prepared on the basis of the same accounting policies and methods applied for the year ended 31st December 2017 except mentioned below in the para 2.1.1 and 2.1.2 which have been adopted in accordance with newly effective BFRS 15 *Revenue from Contracts with Customers*. The consolidated financial statements of Singer Bangladesh Limited for the period ended 30 September 2018 encompasses the Company and its subsidiary International Appliances Limited.

2.1.1 Earned Carrying Charges

According to paragraph 65 of BFRS 15, an entity shall present the effects of financing (interest revenue or interest expense) separately from revenue from contracts with customers in the statement of comprehensive income. Interest revenue or interest expense is recognized only to the extent that a contract asset (or receivable) or a contract liability is recognized in accounting for a contract with a customer. A hire sale contract includes a significant financing component. Paragraph 60 states that- a significant financing component may exist regardless of whether the promise of financing is explicitly stated in the contract or implied by the payment terms agreed to by the parties to the contract.

Since hire sales comprise two performance obligations, the revenue for the product is recognized when the delivery is made and the interest income is recognized as earned, according to paragraph 65 of the said standard. Therefore, the hire sale has been analyzed in the light of the 5 stage model as envisaged in BFRS 15 in the following way:

A contract is formed through an agreement between Singer & the customer. Following two performance obligations:

i. delivery of the product and;
ii. financing service.

Transaction price is determined considering the price of the product and the number of instalments agreed in the contract. The stand-alone product price is determined as declared in the 'price declaration' less discount (if any). The interest rate is determined by management by assessing the market rates. SBL recognizes the stand-alone selling price of product as revenue when the delivery is complete and recognizes interest income for the financing service over the period of instalments.

2.1.2 Agreement Fees

Paragraph 25 of BFRS states that "Performance obligations do not include activities that an entity must undertake to fulfil a contract unless those activities transfer a good or service to a customer. For example, a services provider may need to perform various administrative tasks to set up a contract. The performance of those tasks does not transfer a service to the customer as the tasks are performed. Therefore, those setup activities are not a performance obligation."

In view of above, the contract setup costs do not form a performance obligation and thus, the agreement fees do not constitute a separate performance obligation. Agreement fees arise only in case of hire sale transactions. Agreement fees are therefore related to the performance obligation of financing services. But it does not form a separate performance obligation. Therefore, proceeds from agreement fee needs to be classified as 'other income' and hence, be presented accordingly.

2.2 Statement of compliance

The financial statements have been prepared in compliance with the requirements of the Bangladesh Financial Reporting Standards (BFRS) and Bangladesh Accounting Standards (BAS), 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.

3 Property, plant and equipment

	Consolidated		Company	
In BDT	**At 30 Sep 2018**	At 31 Dec 2017	**At 30 Sep 2018**	At 31 Dec 2017
Cost	**2,214,760,974**	2,153,857,788	**1,766,352,289**	1,722,291,267
Accumulated amortisation	**799,444,665**	729,496,672	**718,343,373**	675,828,216
	1,415,316,309	**1,424,361,116**	**1,048,008,916**	1,046,463,051
	-		-	

4 Intangible assets

	Consolidated		Company	
In BDT	**At 30 Sep 2018**	At 31 Dec 2017	**At 30 Sep 2018**	At 31 Dec 2017
Cost	**70,535,187**	70,415,012	**70,415,012**	70,415,012
Accumulated amortisation	**36,809,265**	30,872,948	**36,804,258**	30,872,948
	33,725,922	**39,542,064**	**33,610,754**	39,542,064
	-		-	

5 Investments

	Consolidated		Company	
In BDT	**At 30 Sep 2018**	At 31 Dec 2017	**At 30 Sep 2018**	At 31 Dec 2017
Investment in subsidiary	**-**	-	**351,787,595**	351,787,595
Investment in term deposit	**2,630,000**	2,630,000	**2,630,000**	2,630,000
Investment in Central Depository Bangladesh Limited (CDBL)	**1,569,450**	1,569,450	**1,569,450**	1,569,450
	4,199,450	4,199,450	**355,987,045**	355,987,045
	-		-	

6 Deferred tax assets

	Consolidated		Company	
In BDT	**At 30 Sep 2018**	At 31 Dec 2017	**At 30 Sep 2018**	At 31 Dec 2017
Opening balance	**18,871,202**	37,391,385	**24,836,206**	37,391,385
Acquisition of business	**-**	6,851,867	**-**	-
Released/(expense) during the year	**118,792**	(28,960,762)	**5,810,950**	(16,143,891)
Remeasurement of defined benefit liability		1,081,250	**-**	1,081,250
Transferred to retained earnings	**1,544,066**	2,507,462	**1,544,066**	2,507,462
	20,534,060	18,871,202	**32,191,222**	24,836,206
	-		-	

7 Advances, deposits and prepayments

	Consolidated		Company	
In BDT	**At 30 Sep 2018**	At 31 Dec 2017	**At 30 Sep 2018**	At 31 Dec 2017
Employees against expenses	**2,210,416**	5,897,314	**-**	4,897,314
Advances to others	**53,198,640**	21,002,785	**5,850,156**	6,489,123
Advances	**55,409,056**	26,900,099	**5,850,156**	11,386,437
Security deposits	**24,726,725**	32,957,562	**22,090,778**	19,177,367
Deposits	**24,726,725**	32,957,562	**22,090,778**	19,177,367
Prepayments	**415,678,506**	461,474,185	**402,314,245**	458,516,967
Prepayments	**415,678,506**	461,474,185	**402,314,245**	458,516,967
	495,814,287	521,331,846	**430,255,179**	489,080,771
7.1 Non-current portion of deposits and prepayments	**318,764,473**	283,998,887	**306,242,254**	272,258,939
Current portion of advances, deposits and prepayments	**177,049,814**	237,332,959	**124,012,925**	216,821,832
	495,814,287	521,331,846	**430,255,179**	489,080,771
	-	-	-	-

8 Inventories

	Consolidated		Company	
In BDT	**At 30 Sep 2018**	At 31 Dec 2017	**At 30 Sep 2018**	At 31 Dec 2017
Finished goods	**2,504,401,605**	2,241,450,738	**2,510,788,172**	2,194,355,907
Raw materials	**598,900,875**	187,147,662	**102,088,965**	78,525,895
Goods in transit	**251,503,536**	634,971,415	**250,831,567**	487,244,301
	3,354,806,016	3,063,569,815	**2,863,708,704**	2,760,126,103
Provision for inventory obsolescence	**(91,682,445)**	(95,182,444)	**(91,682,445)**	(95,182,444)
	3,263,123,571	2,968,387,371	**2,772,026,259**	2,664,943,659
	-		-	

9 Trade and other receivable

	Consolidated		Company	
In BDT	**At 30 Sep 2018**	At 31 Dec 2017	**At 30 Sep 2018**	At 31 Dec 2017
Trade receivable				
Hire receivable from customers	**3,423,245,171**	2,014,388,386	**3,423,245,171**	2,014,388,386
Unearned carrying charges	**(432,669,555)**	(269,843,049)	**(432,669,555)**	(269,843,049)
	2,990,575,616	1,744,545,337	**2,990,575,616**	1,744,545,337
Provision for doubtful debts	**(37,676,133)**	(26,071,552)	**(37,676,133)**	(26,071,552)
	2,952,899,483	1,718,473,785	**2,952,899,483**	1,718,473,785
Receivable from dealers	**510,128,091**	20,773,859	**510,128,091**	20,773,859
Trade receivables	**414,775,657**	80,463,330	**331,018,900**	80,463,330
Provision for doubtful debts	**(5,782,584)**	(6,194,753)	**(5,782,584)**	(6,194,753)
	3,872,020,647	1,813,516,221	**3,788,263,890**	1,813,516,221
Other receivables				
Receivable from employees	**4,786,971**	2,631,675	**4,786,971**	2,631,675
Receivable from shop managers	**30,668,383**	27,430,313	**30,668,383**	27,430,313
Receivable from Singer Asia Limited	**11,452,755**	11,452,755	**11,452,755**	11,452,755
Other receivables	**121,084,122**	19,075,450	**115,273,520**	18,650,857
Provision for doubtful debts	**(18,375,649)**	(18,045,747)	**(18,375,649)**	(18,045,747)
	149,616,582	42,544,446	**143,805,980**	42,119,853
	4,021,637,229	1,856,060,667	**3,932,069,870**	1,855,636,074

10 Current tax assets

	Consolidated		Company	
In BDT	**At 30 Sep 2018**	At 31 Dec 2017	**At 30 Sep 2018**	At 31 Dec 2017
Advance income tax	**187,208,285**	950,708,275	**-**	-
Provision for income tax	**(47,671,023)**	(914,811,815)	**-**	-
	139,537,262	35,896,460	**-**	-
	-		-	

11 Cash and cash equivalents

	Consolidated		Company	
In BDT	**At 30 Sep 2018**	At 31 Dec 2017	**At 30 Sep 2018**	At 31 Dec 2017
Cash in hand	**1,724,505**	98,208	**611,413**	33,137
Cash at bank	**134,088,834**	158,502,411	**133,953,680**	158,419,357
Cash in transit	**13,677,572**	44,333,996	**13,677,572**	44,333,996
	149,490,911	202,934,615	**148,242,665**	202,786,490
	-		-	

12 Share capital

In BDT	**At 30 Sep 2018**	At 31 Dec 2017
Authorised:		
100,000,000 ordinary shares of Taka 10 each	**1,000,000,000**	1,000,000,000
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 than cash	**1,025,800**	1,025,800
76,566,241 ordinary shares of Taka 10 each issued as fully paid-up bonus shares	**765,662,410**	765,662,410
	766,944,910	766,944,910

Shareholding position:

	At 30 Sep 2018		At 31 Dec 2017	
Name of shareholder	**No. of share**	**Value (BDT)**	**No. of share**	**Value (BDT)**
Retail Holdings Bhold B.V., The Netherlands	**28,373,941**	**283,739,410**	28,373,941	283,739,410
Retail Holdings Bhold B.V., The Netherlands - non-remittable shares	**15,333,242**	**153,332,420**	15,333,242	153,332,420
Local shareholders	**32,987,308**	**329,873,080**	32,987,308	329,873,080
	76,694,491	**766,944,910**	76,694,491	766,944,910

Beneficial percentage of holdings

Name of shareholder	**2018**	**2017**
Retail Holdings Bhold B.V., The Netherlands	**37.00%**	**37.00%**
Retail Holdings Bhold B.V., The Netherlands - non-remittable shares	**20.00%**	**20.00%**
Local shareholders	**43.00%**	**43.00%**
	100.00%	**100.00%**

13 Long term debt

Represents long term loan obtained from Commercial Bank of Ceylon Plc to invest in capital machinery of IAL which will be repaid within six years.

14 Other liabilities

	Consolidated		Company	
In BDT	**At 30 Sep 2018**	At 31 Dec 2017	**At 30 Sep 2018**	At 31 Dec 2017
Non-remittable accounts	**1,408,949,743**	1,255,617,323	**1,408,949,743**	1,255,617,323
Security deposits from shop managers, agent and dealers	**277,621,973**	215,157,638	**277,621,973**	215,157,638
	1,686,571,716	1,470,774,961	**1,686,571,716**	1,470,774,961
	-		**-**	

15 Trade and other payables

	Consolidated		Company	
In BDT	**At 30 Sep 2018**	At 31 Dec 2017	**At 30 Sep 2018**	At 31 Dec 2017
Trade payables	**582,593,468**	463,027,693	**704,843,761**	586,453,931
Other payables				
Royalty	**288,779,256**	135,234,085	**253,610,494**	119,174,918
Payable for expenses	**950,031,663**	753,831,351	**915,605,252**	715,134,060
Payable for other finance	**140,819,706**	142,682,209	**74,621,767**	88,126,709
Leasehold improvements against new shops	**-**	13,637,204	**-**	13,637,204
	1,379,630,625	1,045,384,849	**1,243,837,513**	936,072,891
	1,962,224,093	1,508,412,542	**1,948,681,274**	1,522,526,822

16 Current tax liabilities

	Consolidated		Company	
In BDT	**At 30 Sep 2018**	At 31 Dec 2017	**At 30 Sep 2018**	At 31 Dec 2017
Provision for income tax	**349,047,239**	-	**349,047,239**	887,209,673
Advance income tax	**(270,244,129)**	-	**(270,244,129)**	(845,601,127)
	78,803,110	**-**	**78,803,110**	**41,608,546**
	-		-	

17 Operating expenses

	Consolidated		Company	
In BDT	**At 30 Sep 2018**	At 30 Sep 2017	**At 30 Sep 2018**	At 30 Sep 2017
Advertisement and sales promotion	**551,037,134**	436,465,245	**551,037,134**	436,465,245
Shop operating expenses	**330,753,501**	285,463,012	**330,753,501**	285,463,012
Salaries and allowances	**223,347,808**	199,519,205	**220,376,092**	199,519,205
Rent and occupancy	**188,866,541**	153,315,553	**188,866,541**	153,315,553
Royalty	**153,545,171**	92,556,494	**134,435,576**	92,556,494
Warranty	**118,018,545**	111,897,362	**118,018,545**	111,897,362
Utilities	**41,069,829**	38,905,069	**41,069,829**	38,905,069
Depreciation	**46,994,858**	44,394,400	**46,977,141**	44,394,400
Bad debts	**28,036,426**	27,992,138	**28,036,426**	27,992,138
Office administration	**38,285,370**	33,143,104	**37,886,666**	33,143,104
Repairs and maintenance	**32,329,577**	30,080,116	**32,319,077**	30,080,116
Directors' fee and remuneration	**339,440**	402,500	**322,000**	402,500
Travelling	**30,014,226**	24,302,080	**30,000,186**	24,302,080
Bank charge	**12,724,396**	11,297,135	**12,180,292**	11,297,135
Insurance	**3,392,183**	3,710,848	**3,392,183**	3,710,848
Fuel and car maintenance	**2,855,636**	2,701,452	**2,855,636**	2,701,452
Professional and technical fees	**5,607,531**	7,286,421	**4,806,344**	7,286,421
Sharing excess profit on IAL product	**-**	5,000,000	**-**	5,000,000
Entertainment	**3,908,456**	3,286,652	**3,908,456**	3,286,652
Dues and subscription	**299,671**	194,503	**299,671**	194,503
	1,811,426,299	1,511,913,289	**1,787,541,296**	1,511,913,289
	-	**-**	**-**	**-**

18 Earnings per share (EPS)

18.1 Basic earnings per share

	Consolidated		Company	
	At 30 Sep 2018	At 30 Sep 2017	**At 30 Sep 2018**	At 30 Sep 2017
Earnings attributable to the ordinary shareholders	**835,143,991**	683,378,596	**807,241,054**	683,378,596
Weighted average number of ordinary shares outstanding	**76,694,491**	76,694,491	**76,694,491**	76,694,491
Basic earnings per share	**10.89**	8.91	**10.53**	8.91

Earning per share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as of 30 Sepember 2018 in terms of Bangladesh Accounting Standard (BAS-33).

18.2 Diluted earnings per share

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

19 Net assets value (NAV) per Share

	Consolidated		Company	
	At 30 Sep 2018	At 31 Dec 2017	**At 30 Sep 2018**	At 31 Dec 2017
Total assets	**9,543,379,001**	7,071,584,791	**8,752,391,910**	6,679,275,360
Total liability	**(7,312,543,247)**	(4,911,317,942)	**(6,525,179,491)**	(4,494,728,909)
Net assets value	**2,230,835,754**	2,160,266,849	**2,227,212,419**	2,184,546,451
Number of ordinary shares outstanding	**76,694,491**	76,694,491	**76,694,491**	76,694,491
Net assets value (NAV) per share	**29.09**	28.17	**29.04**	28.48

20 Net operating cash flow per share (NOCFPS)

	Consolidated		Company	
	At 30 Sep 2018	At 30 Sep 2017	**At 30 Sep 2018**	At 30 Sep 2017
Net cash from operating activities	**(1,285,344,863)**	(134,234,248)	**(731,475,877)**	(134,234,248)
Number of ordinary shares outstanding	**76,694,491**	76,694,491	**76,694,491**	76,694,491
Net Operating Cash Flow Per Share (NOCFPS)	**(16.76)**	(1.75)	**(9.54)**	(1.75)

21 Reconciliation of net income with cashflows from operating activates

	Consolidated		Company	
	At 30 Sep 2018	At 30 Sep 2017	**At 30 Sep 2018**	At 30 Sep 2017
Net income	**840,525,445**	683,378,596	**807,241,054**	683,378,596
Add/(deduct) for noncash items:				
Depreciation & amortization	**88,053,117**	58,018,441	**58,716,633**	58,018,441
Share of profit of equity-accounted investees, net of tax	**-**	(24,751,417)	**-**	(24,751,417)
(Gain) / loss on sale of property, plant and equipment	**1,895,039**	929,362	**1,895,039**	929,362
Deferred tax expenses/(income)	**(118,793)**	(9,096,021)	**(5,810,950)**	(9,096,021)
Changes in:				
(Increase)/Decrease in deposits and prepayments	**(34,765,586)**	(42,652,562)	**(33,983,315)**	(42,652,562)
(Increase)/Decrease in inventories	**(294,736,200)**	(121,894,324)	**(107,082,600)**	(121,894,324)
(Increase)/Decrease in trade and other receivables	**(2,165,576,562)**	(1,376,636,424)	**(2,076,433,796)**	(1,376,636,424)
(Increase)/Decrease in Advances, deposits and prepayments	**60,283,145**	61,330,979	**92,808,907**	61,330,979
Increase/(Decrease) in current tax assets	**(103,640,802)**	-	**-**	-
Increase/(Decrease) in retirement benefits obligation	**(1,553,989)**	10,519,476	**(2,174,000)**	10,519,476
Increase/(Decrease) in other liability (except non remittable account)	**62,464,335**	19,397,034	**62,464,335**	19,397,034
Increase/(Decrease) in accounts payables (excluding dividend payable)	**461,330,917**	555,442,121	**433,688,252**	555,442,121
Increase/(Decrease) in provisions in current tax	**78,803,110**	51,780,491	**37,194,564**	51,780,491
Increase/(Decrease) in short term liability	**(278,308,039)**	-	**-**	-
	(2,125,870,308)	(817,612,844)	**(1,538,716,931)**	(817,612,844)
Net cash flows from operation activities	**(1,285,344,863)**	**(134,234,248)**	**(731,475,877)**	**(134,234,248)**
	-	**-**	**-**	**-**

22 Related party disclosures under BAS-24

Related party transactions are disclosed in compliance with BAS-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:

22.1 Related party transactions

Name of related parties	Relationship	Nature of	Consolidated		Company	
			At 30 Sep 2018	At 30 Sep 2017	**At 30 Sep 2018**	At 30 Sep 2017
			BDT	**BDT**	**BDT**	**BDT**
Retail Holdings Bhold B.V., The Netherlands (formerly Singer Bhold B.V., The Netherlands)	Parent company	Dividend payment	**283,739,410**	268,967,587	**283,739,410**	268,967,587
Retail Holdings Asia B.V.	Subsidiary of ultimate parent	Royalty payment	**153,545,171**	92,556,494	**134,435,576**	92,556,494
Singer India Ltd.	Subsidiary of ultimate parent	Procurement of products	**25,231,217**	63,248,087	**25,231,217**	63,248,087
International Appliances Limited	Associates	Procurement of products	-	-	**1,910,959,482**	1,029,643,497
International Appliances Limited	Associates	Current account			**77,913,701**	2,493,590
Shanghai Sonlu Shangling Enterprice Group Co. LTD	Non-Controlling Interest	Procurement of products	**1,838,652,382**	-	-	-
Shanghai Sonlu Shangling Enterprice Group Co. LTD	Non-Controlling Interest	Procurement of plant & Machinery	**45,358,230**	-	-	-
Sunman Corporation	Non-Controlling Interest	Rent	**23,548,297**	-	-	-

22.2 Related party receivable/(payable)

Name of related parties	Relationship	Nature of transaction	Consolidated		Company	
			At 30 Sep 2018	At 30 Sep 2017	**At 30 Sep 2018**	At 30 Sep 2017
			BDT	**BDT**	**BDT**	**BDT**
Retail Holdings Asia B.V.	Subsidiary of ultimate parent	Royalty payable Current account	(288,779,256)	(190,492,046)	(253,610,494)	(190,492,046)
Singer Asia Ltd.	Subsidiary of ultimate parent	Current account	11,452,755	28,337,374	11,452,755	28,337,374
Singer India Ltd.	Subsidiary of ultimate parent	Procurement of products	-	53,932,466	-	53,932,466
International Appliances Limited	Associates	Procurement of products	-	-	(303,513,486)	(189,050,247)
International Appliances Limited	Associates	Current account	-	-	83,756,760	132,386
Shanghai Sonlu Shangling Enterprice Group Co. LTD	Non-Controlling Interest	Procurement of products	(671,969)	-	-	-
Shanghai Sonlu Shangling Enterprice Group Co. LTD	Non-Controlling Interest	Procurement of plant &	(354,675)	-	-	-
Sunman Corporation	Non-Controlling Interest	Other Receivable	4,594,582	-	-	-
Sunman Corporation	Non-Controlling Interest	Rent	(12,223,031)	-	-	-

23 Significant deviation

Net operating cash flow per share (NOCFPS) decreased significantly from the same period of last year mainly due to the nature and timing of business in terms of hire purchase scheme, credit and other associated factors. This year, credit to dealers has been facilitated extensively compared to last year in line with the market competition in order to fetch more sales for the company. Likewise, credit to institutions has also been used widely. Besides, seasonal effect has also played a role to build inventory to keep the company's readiness to face the demand therein. On the other hand there has been continued time gap between production vs. sales of IAL products. But payments for the costs and expenses have been incurred ahead of production and sales. Consequently, cash flow has been affected. Besides, operating cash flows is staggered over months as usual with increased volume of installment and credit sales compared to previous period having consequential negative affect on cash flows.

In addition, SBL generate a large portion of business centering festivals (around 50%-60% sales are in connection with festivals). The Company invested more in inventory during this period in order to meet and support the demand of festival sales (Eid-ul-Azha) and accordingly expect to achieve more sales which has also contributed in decreased NOCFPS. In addition, SBL generated a large portion of business centering festivals. The Company invested more in inventory prior to the period of festivals in order to meet and support the demand of festival sales (Eid-ul-Azha), which happened in August. Accordingly, the company achieved higher sales from all channels using combination of both cash and credit tools, where sales using credit and hire purchase scheme was reported in significantly large proportion affecting NOCFPS adversely. In addition, IAL is still under minimum tax threshold which is higher than company's normal tax based on its profitability causing cash flows negatively and moreover, tax deducted at port level, from the import of raw materials, has remained largely unaffected to stay as receivable. Higher interest payments have been made on account of borrowing used by IAL due to higher interest rates which could not be fully recovered due to low product margins.

Collections of receivables will be better in coming months bringing the higher amount of receivables down and thereby, improving the cash flow situation.

24 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 to conform to the current year's presentation.