




ANNUAL REPORT 2018






Olympic





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AMAR STOCK

MISSION, BRAND VALUES & ORGANIZATIONAL STRUCTURE

MISSION STATEMENT

At Olympic, we believe that being a good business means contributing to the well-being of our workers, our customers, our community, and our planet. We want to add value by making good products which nourish people, all the while creating jobs and contributing to the Bangladesh economy.

We aspire to

- Maintain our leadership position in the biscuit industry by producing the best quality products for our consumers that are unique, innovative and delicious
- Protect the interest of our shareholders through fiscal prudence
- Be an employer of choice while developing future leaders for our organization and the country
- Be stewards of social responsibility in Bangladesh through our initiatives

We believe that quality and integrity is the recipe of our success. Now the leader in the biscuit market, we were only able to get to where we are today by staying true to our core values and by developing new quality products we believe our customers will love.

VALUES

QUALITY

We are dedicated to making products that are healthy, safe and hygienic.

INTEGRITY

We believe that the best way to succeed is by staying true to our core values.

COMMITMENT

We work hard, and we work with passion.

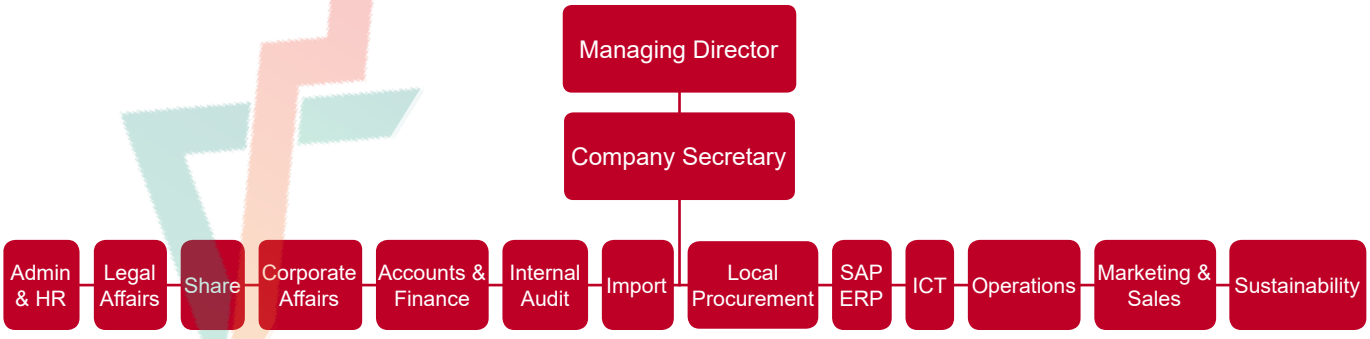
PROFESSIONALISM

We are always learning and adapting, as we are keen to follow best practices.

VISION

Sustainability, innovation, and strategic planning play key roles in our business processes. The future is here, and we want to be part of it.

ORGANIZATIONAL STRUCTURE



MILESTONES

May 2018
Commencement of noodles and carton lines and increased bakery capacity

February 2017
Received CIP status in the large scale industrial category

November 2016
Commencement of eighth biscuit line
Received NBR Award for payment of 2nd highest income tax in food and allied sector for 2015-2016

October 2014
Commencement of sixth and seventh biscuit lines

August 2012
Commencement of fifth biscuit line

September 2010
Commencement of fourth biscuit line

July 2008
Commencement of third biscuit line

December 1996
Commencement of biscuit and confectionery production

June 1996
Name changed to Olympic Industries Limited

April 1982
Commencement of battery production

May 2017
Commencement of ninth biscuit (cookies) line

January 2017
Commencement of PET sheet forming and tray making operations

July 2015
Received NBR Award for payment of highest VAT in production sector for 2013-2014

February 2014
Received ISO 22000 Certification

July 2012
Received NBR Award for payment of highest VAT in production sector for 2010-2011

August 2008
Amalgamation of Tripti Industries Limited with Olympic Industries Limited

July 2003
Commencement of second biscuit line

September 1996
Listing on Chittagong Stock Exchange Limited

June 1984
Listing on Dhaka Stock Exchange Limited

June 1979
Incorporation as Bengal Carbide Limited

FAIRSTOCK

CORPORATE INFORMATION

NAME OF THE COMPANY
Olympic Industries Limited
(Formerly Bengal Carbide Limited)

INCORPORATION NO. & DATE
C-7096/826 of 1978-1979 dated June 26, 1979

LEGAL STATUS
Public Limited Company

NATURE OF BUSINESS
Manufacture, marketing, distribution and sale of quality biscuits, confectionery & bakery products, and dry cell batteries

REGISTERED OFFICE
Lolati, Union Parishad Kanchpur
P.S. & Upazilla Sonargaon, District Narayanganj

CORPORATE OFFICE
Amin Court, 6th Floor
62-63, Motijheel C/A
Dhaka-1000, Bangladesh
t: +880-2-9565228
f: +880-2-9565555
secretariat2@olympicbd.com
info@olympicbd.com
www.olympicbd.com

FACTORIES
Biscuit, Confectionery & Bakery
Madanpur, Keodhala, Bondar, Narayanganj
Lolati, Kanchpur, Sonargaon, Narayanganj

Noodles, Snacks, Corrugated Carton & Battery
Kutubpur, Kanchpur, Bondar, Narayanganj

LISTINGS
Dhaka Stock Exchange Limited: June 9, 1984
Chittagong Stock Exchange Limited: September 19, 1996

MEMBERSHIPS
Chambers of Commerce and Industry
Metropolitan Chamber of Commerce and Industry
Dhaka Chamber of Commerce & Industry
Bangladesh-Malaysia Chamber of Commerce and Industry
India-Bangladesh Chamber of Commerce and Industry

Associations
Bangladesh Association of Publicly Listed Companies
Bangladesh Auto Biscuits and Bread Manufacturers Association
Bangladesh Agro-Processors Association
Intellectual Property Association of Bangladesh

CAPITAL STRUCTURE

Authorized Capital	– Tk. 2,000,000,000
Paid-Up Capital	– Tk. 1,999,388,860

SHARE STRUCTURE

Number of Issued Shares	– 199,938,886
Face Value	– Tk. 10.00 (Effective December 4, 2011)
Number of Shareholders	– 11,314
Start of Demat Trading	– June 15, 2004

SHAREHOLDING PATTERN

Directors and Sponsors	– 55,517,626 shares
Institutions	– 26,294,846 shares
Foreign Investors	– 88,282,361 shares
General Public	– 29,844,053 shares
Total	**– 199,938,886 shares**

STATUTORY AUDITORS
M/s. Shafiq Basak & Co., Chartered Accountants
House 42, 1st Floor, Road 1
Block A, Niketan, Gulshan 1, Dhaka-1212

CORPORATE GOVERNANCE COMPLIANCE AUDITORS
Huda & Co., Chartered Accountants
House 51, Road 13, Sector-13
Uttara Model Town, Dhaka

MAIN BANKERS
Agrani Bank Limited, Amin Court Corporate Branch, Dhaka
United Commercial Bank Limited, Principal Branch, Dhaka
The City Bank Limited, Head Office, Dhaka
Habib Bank Limited, Motijheel Branch, Dhaka

CREDIT RATINGS
National Credit Ratings Limited has awarded the following ratings based on the audited financial statements up to June 30, 2017. Valid up to June 2019.

Surveillance Entity Rating	: AA+ (Long-Term)
Initial Entity Rating	: AA (Long-Term)
Bank Loan Ratings	
Short-Term	: ST-1
Long-Term	: AA+

OUR PEOPLE



BOARD OF DIRECTORS



Mubarak Ali, Managing Director

Mr. Ali is a truly dedicated businessman and has been an industrial entrepreneur for over 40 years. He has been the Managing Director of Olympic since its inception and is solely credited with its success to date. In addition to his business accomplishments, he is a former Vice President and treasurer of the Lions Club, an executive committee member of the Bangladesh Association of Publicly Listed Companies and former Chairman of the Aga Khan Foundation National Committee, Bangladesh.



Aziz Mohammad Bhai, Director

Mr. Bhai is a charismatic personality and a successful industrial entrepreneur in Bangladesh. He was actively engaged in the management of a steel producer for over three decades and has been an innovator in the local pharmaceutical manufacturing industry. In addition to his long list of business accomplishments, Mr. Bhai is a life member of the SAARC Chamber of Commerce.



Safinaz Bhai, Director

Mrs. Bhai, a British citizen, has completed her education in the United Kingdom and has been involved in several businesses and social institutions since moving to Bangladesh in 1980. She is also a Director of RMB Fisheries Limited. An avid bridge player, she has represented Bangladesh at various tournaments, both locally and internationally.



Munir Ali, Director

Mr. Ali, educated at Indiana University in the United States, has been involved in the development of the company's biscuit and confectionery businesses. He is the founder and Managing Director of Asia Commodity Limited.



Noorbanu Virji, Independent Director

Ms. Virji has been an Independent Director of Olympic since September 2014. She has a long career in voluntary activities and has held several key positions with His Highness The Aga Khan's organizations. She was the Vice President of the Aga Khan National Council for Bangladesh, Director of Aga Khan Education Service, Bangladesh and is Honorary Secretary of the Ismailia Cooperative Society.



Begum Sakwat Banu, Independent Director

Ms. Banu was appointed as an Independent Director of Olympic effective October 27, 2016. Ms. Banu obtained her M. Com in Accounting from the University of Dhaka. She is the Chairperson of Prime (BD) Inspection Services Limited and Vice Chairperson of Times University Bangladesh. She has more than three decades of experience in business management.

Audit Committee



Begum Sakwat Banu
Chairman



Noorbanu Virji



Safinaz Bhai

MANAGEMENT



Mubarak Ali
Managing Director



Tanveer Ali
Executive Director



Samad Miraly
Executive Director



Madad Ali Virani
Executive Director



Md. Nazimuddin
Executive Director & Company Secretary



Harun Al-Rashid
Chief Financial Officer



Satya Ranjan Mondal
Accounts & Finance



Mazharul Hasan Khan
Legal Affairs



A.B.M. Abdul Hakim
Import



Feroze Huda
Operations



Nazrul Islam
Operations



Abdur Rob Khan
Operations



Md. Rafiqul Islam
Human Resources



Enamul Kabir Miah
Internal Audit



Imdadul Haque
Sales



Md. Shamsul Alam
Enterprise Resource Planning



Kamrul Islam
Accounts



Arman Mahmud
Operations



Roshan Ali Lakhani
Operations



Imran Hossain
Information Technology



Marion Pellegrin
Sustainability



Mahbubul Ameen
Marketing



Md. Nazim Uddin
Export



Mohammed Ala Uddin
Local Procurement

MANAGEMENT



Mollah Zahidur Rahman
Sales



A.B.M Moniruzzaman
Sales



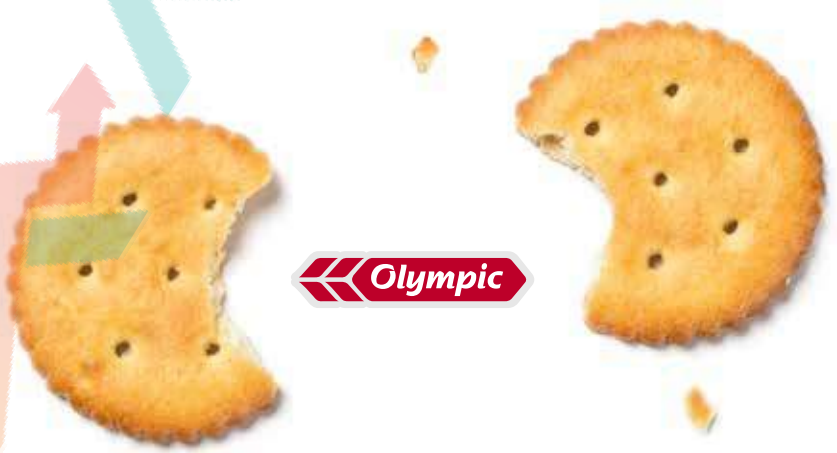
Jurrat Hasan
Risk & Compliance



Mintu Kumar Das
Assistant Company Secretary



Mahmud-uz-Zaman Chowdhury
Import





AWARDS, EVENTS & CELEBRATIONS



■ Olympic's award-winning pavilion at the Dhaka International Trade Fair 2018



■ Customers sampling our products at Olympic's DITF 2018 pavilion



■ Customers sampling our products at Olympic's DITF 2018 pavilion



■ Regional Sales Managers at their monthly meeting with our Managing Director Mubarak Ali



■ Customers visiting Olympic's stall at the 2017 Bangladesh Agro-Processors Association Fair



■ Olympic team members distributing biscuits to villagers who lost their homes in the 2017 summer floods



■ Student performers sampling our Energy Plus Malai Cream biscuits at the School-E-Oboshore program



■ Students enjoying our Energy Plus Malai Cream biscuits at the School-E-Oboshore program



■ Students participating in the “Fresher’s Reception” at Shahjalal University sponsored by Olympic Nutty



OUR MANUFACTURING CAPABILITIES



KEY OPERATING & FINANCIAL DATA

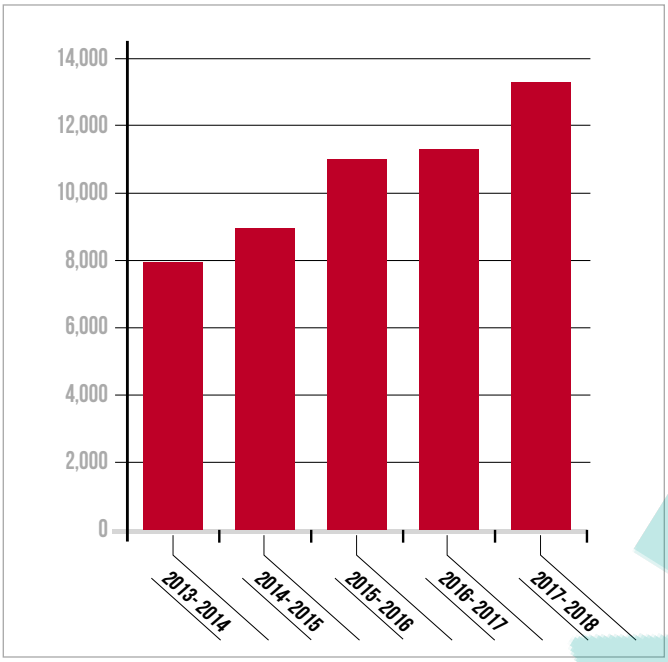
Condition 1.5 (xix) of the BSEC's Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated June 3, 2018 on Corporate Governance Code

Year Year ended on	2017-2018 June 30, 2018	2016-2017 June 30, 2017	2015-2016 June 30, 2016	2014-2015 June 30, 2015	2013-2014 June 30, 2014
FINANCIAL POSITION					
Total Assets	10,816,953,287	9,120,317,797	7,640,768,208	5,763,679,785	5,048,637,186
Total Liabilities	4,512,759,568	3,707,466,711	3,109,495,848	2,382,025,686	2,526,239,640
Shareholders Equity	6,304,193,719	5,412,851,086	4,531,272,360	3,381,654,099	2,522,397,546
Total Current Assets	7,642,791,332	6,756,491,439	5,677,517,033	3,853,733,709	3,179,172,694
Total Current Liabilities	4,022,783,303	3,408,642,811	2,859,716,979	1,988,098,981	1,977,232,044
Current Ratio	1.90:1	1.98:1	1.99:1	1.94:1	1.61:1
OPERATING RESULTS					
Revenue	12,928,501,078	11,290,557,541	11,034,522,095	8,996,148,594	7,922,353,876
Gross Profit	4,220,782,456	3,767,442,394	3,702,206 ,280	2,657,913,536	2,282,579,239
Net Profit Before Tax	2,399,637,128	2,222,785,352	2,204,929,150	1,545,547,868	1,206,850,426
Net Profit After Tax	1,791,067,620	1,643,250,674	1,625,663,229	1,094,340,489	869,036,213
Earnings per Share (Tk.10.00 par value)	8.96	8.22	8.54	5.75	7.39
No. of Shares Used in Computing EPS	199,938,886	199,938,886	190,417,987	190,417,987	117,541,968
DISTRIBUTION OF PROFIT					
Cash Dividend Paid/ Recommended	48%	45%	40%	30%	20%
Stock Dividend Issued/ Recommended	---	---	5%	20%	35%
CONTRIBUTION TO THE NATIONAL EXCHEQUER					
VAT, AIT, Customs Duty etc.	2,590,724,752	2,321,656,992	2,153,746,842	1,672,137,930	1,540,004,216
CAPITALIZATION					
Authorized Capital	2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000
Paid-Up Capital	1,999,388,860	1,999,388,860	1,904,179,870	1,586,816,560	1,175,419,680
SHARE INFORMATION					
Face Value per Share (Tk.)	10.00	10.00	10.00	10.00	10.00
No. of Authorized Shares	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
No. of Shares Subscribed and Paid-Up	199,938,886	199,938,886	190,417,987	158,681,656	117,541,968
Shareholders Equity per Share	31.53	27.07	23.80	21.31	21.46
Closing Price per Share (Tk.10.00 par value)					
Dhaka Stock Exchange Ltd	224.75	278.50	345.30	234.76	222.58
Chittagong Stock Exchange Ltd	227.60	276.70	345.20	232.55	224.00
No. of Shareholders	11,314	12,490	10,747	12,230	12,608
Date of AGM	Dec. 20, 2018	Dec.14, 2017	Dec. 22, 2016	Dec. 17, 2015	Dec. 24, 2014
No. of Board Members	4+2 Indep Dir	5+2 Indep Dir	5+2 Indep Dir	6+2 Indep Dir	6+2 Indep Dir

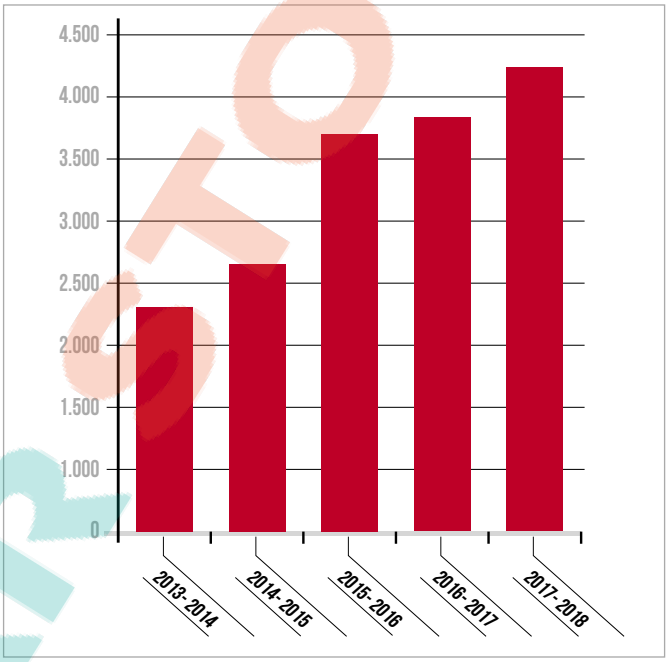
KEY PERFORMANCE INDICATORS

TAKA, MILLIONS

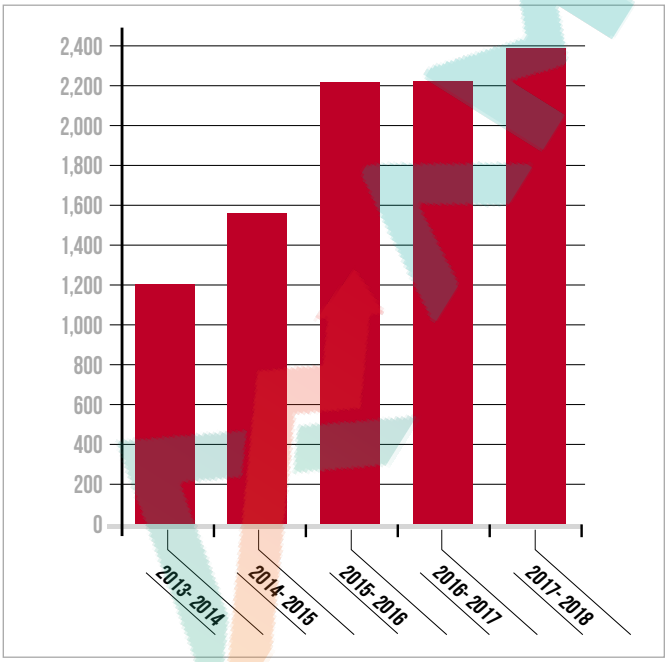
SALES



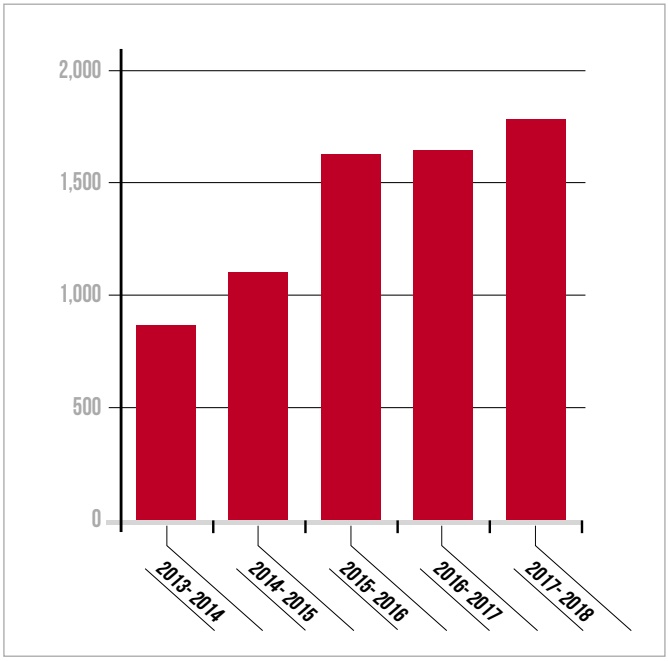
GROSS PROFIT



PROFIT BEFORE TAX



PROFIT AFTER TAX



LETTER OF TRANSMITTAL

OLYMPIC INDUSTRIES LIMITED
অলিম্পিক ইন্ডাস্ট্রিজ লিমিটেড

December 6, 2018

Esteemed Shareholders
Bangladesh Securities and Exchange Commission (BSEC)
Dhaka Stock Exchange Limited (DSE)
Chittagong Stock Exchange Limited (CSE)
Registrar of Joint Stock Companies and Firms (RJSC)

Dear Sir / Madam,

Subject : Annual Report for the FY ended June 30, 2018

It is our pleasure to inform you that the 39th Annual General Meeting of Olympic Industries Limited will be held on Thursday, December 20, 2018 at 10:00 A.M. at the Battery Factory premises of the company at Kutubpur under Kanchpur Union Parishad, P.S. & Upazilla Sonargaon, District Narayanganj.

We are, therefore, forwarding herewith the Annual Report 2018 of our company that includes the Audited Financial Statements for the FY 2017-2018 ended June 30, 2018; Commemoration; Report of the Board of Directors; Report on Compliance of Corporate Governance; Sustainability Report; Certificate on Review of Financial Statements; Report of the Audit Committee and Certificate on Compliance of Corporate Governance.

The Financial Statements comprise the Value Added Statement, Economic Value Added Statement, Independent Auditor's Report to the Shareholders, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Shareholders Equity, Cash Flow Statement, Accounting Policies & Explanatory Notes, Unit-Wise Result, Schedule of Non-Current Assets and Statement of Profit or Loss and Other Comprehensive Income.

The Proxy Form with Attendance Slip is given at the end of the Annual Report for your use. The completed Attendance Slip is to be handed over to any of our executives on duty for admission to the meeting venue. If you want to appoint a Proxy, please complete the Proxy Form, sign it and submit it to our Corporate Office at Amin Court (6th Floor), 62-63, Motijheel C/A, Dhaka-1000 at least 48 hours before the scheduled meeting time. We welcome your presence in the Annual General Meeting.

Thanking you,

Yours sincerely
For Olympic Industries Limited
Md. Nazimuddin
Executive Director & Company Secretary

t: +880-2-9565228
f: +880-2-9567485
info@olympicbd.com
www.olympicbd.com

Amin Court, 6th Floor
62-63 Motijheel C/A
Dhaka-1000
Bangladesh

NOTICE OF 39TH ANNUAL GENERAL MEETING

OLYMPIC INDUSTRIES LIMITED
অলিম্পিক ইন্ডাস্ট্রিজ লিমিটেড

December 4, 2018

Notice is hereby given to all members of Olympic Industries Limited that the 39th Annual General Meeting of the company will be held on Thursday, December 20, 2018 at 10:00 A.M. at the Battery, Noodles, Snacks & Carton Factory premises of the company at Kutubpur under Kanchpur Union Parishad, P.S. & Upazilla Sonargaon, District Narayanganj to transact the following business:

AGENDA

1. To receive, consider and adopt the audited financial statements of the company for the year ended June 30, 2018 together with the Reports of Directors and Auditors thereon.

2. To consider and approve the payment of 48% Cash Dividend i.e. Tk. 4.80 per share to the shareholders for the year ended June 30, 2018 as recommended by the Board of Directors.

3. To consider and approve benefits equivalent to one month's remuneration for each year of service by Mr. Mubarak Ali, Managing Director, considering his remarkable track record and commitment, when he retires or discontinues his service to the company.

4. To consider retirement by rotation and reappointment of Mr. Munir Ali, Director. His brief resume is enclosed as per CGC Condition 1.5 (xxiv)(a).

5. To appoint or re-appoint auditors for the financial year 2018-2019 ending on June 30, 2019 and to determine their remuneration. The existing auditors, M/s. Shafiq Basak & Co., Chartered Accountants, have completed one year and are eligible for reappointment. They received Tk. 800,000 as remuneration.

6. To consider appointment of a practicing professional firm of Chartered Accountants or Chartered Secretaries to provide a certificate on compliance with the Corporate Governance Code and determine their remuneration. M/s. Huda & Co., Chartered Accountants, have long been providing this certificate to the company and they have expressed their interest in being reappointed for next year. They are currently being paid Tk. 200,000 as remuneration. This year, three new firms of Chartered Secretaries M/s. SA Rashid & Associates, M/s. Jasmin & Associates and M/s. Suraiya Parveen & Associates have expressed their interest in being appointed.

7. To transact any other business of the company with the permission of Chairman of the meeting.

By Order of the Board

Md. Nazimuddin
Executive Director, Corporate Affairs
& Company Secretary

t: +880-2-9565228
f: +880-2-9567485
info@olympicbd.com
www.olympicbd.com

Amin Court, 6th Floor
62-63 Motijheel C/A
Dhaka-1000
Bangladesh

Notes:

1. The Record Date to attend the 39th Annual General Meeting and for entitlement of approved Cash Dividend is November 15, 2018.

2. A member eligible to attend the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf at the Annual General Meeting. A Proxy Form for this purpose as per specimen enclosed with Annual Report bearing Revenue Stamp of Tk. 20.00 must be deposited at the corporate office of the company at Amin Court (6th Floor), 62-63, Motijheel C/A, Dhaka-1000 at least 48 hours before the meeting. The Proxy must be a shareholder of the company and his/her signature is to be verified by the shareholder appointing the proxy.

3. Admission to the meeting venue will be on production of Attendance Slip attached with the Annual Report, duly signed. Children and non-members are not permitted to attend the meeting. The Attendance Register shall remain open until 10:00 A.M. on the date of AGM and shareholders are requested to record their attendance by that time.

4. Any change of address should be notified in writing to the company.

5. Any questions pertaining to the Financial Statements or Directors' Report or Auditors' Report must be submitted in writing to the Corporate Office of the company at least 48 hours before the meeting to facilitate providing proper response.

6. To comply with BSEC directives as contained in Notification No. SEC/SRMI/2000-953/1950 dated October 24, 2000 published in the Bangladesh Gazette on November 7, 2000 and also as contained in Circular No. SEC/CMRRCD/2009-193/154 dated October 24, 2013, no gifts, benefits, food items, etc. shall be provided to shareholders attending the 39th Annual General Meeting of the company.

7. Shareholders who have not yet submitted their 12-digit TIN to their respective Depository Participants (DP) or to the company's Share Department as requested to do so by December 19, 2018, failing which, income tax at source on dividends payable will be deducted at 15% instead of 10%.

8. To facilitate the payment of dividend using BEFTN directly to the designated bank accounts of shareholders, shareholders are requested to update their active bank account number, routing number, address and mobile number through their respective Depository Participant (DP).

9. The concerned Merchant Banks and Depository Participants are requested to send the details (name, BOID number, number of shares held, gross and net dividend receivable, rate and amount of tax deductible at source, name of bank, bank account number and routing number, etc.) of their margin loan holders on or before December 10, 2018 to the Share Department of the company at Amin Court, 6th Floor, 62-63 Motijheel C/A, Dhaka-1000.

10. As per BSEC Notification dated June 20, 2018, our Annual Report shall be sent by email to shareholders' email addresses as per their BO account details. Our Annual Report shall also be published on our website (www.olympicbd.com). Interested shareholders may also collect a copy of our Annual Report by making a written request to our Share Department.

t: +880-2-9565228
f: +880-2-9567485
info@olympicbd.com
www.olympicbd.com

Amin Court, 6th Floor
62-63 Motijheel C/A
Dhaka-1000
Bangladesh

COMMEMORATION



Dear Shareholders,

Mr. Mohammad Bhai, a leading industrialist and chairman of Olympic Industries Limited since June 1980, passed away on January 9, 2018.

In addition to serving as Chairman for over 37 years, he was a former president of the Dhaka Chamber of Commerce & Industry, director of Commerce Bank and founding director of the Ismailia Cooperative Society.

Mr. Bhai, during his tenured career, served as chairman of the following organizations: Industrial Promotion Services (Bangladesh) Limited, Leather Industries of Bangladesh Limited, Jessore Jute Industries Limited, Platinum Finance Corporation. Dhaka Multi-Purpose Society, Bengal Steel Works Limited and Tripti Industries Limited.

On behalf of the entire Olympic family, we pray to Allah for the salvation of his soul and to grant him peace and heaven in eternity.

REPORT OF THE BOARD OF DIRECTORS

Dear Shareholders,

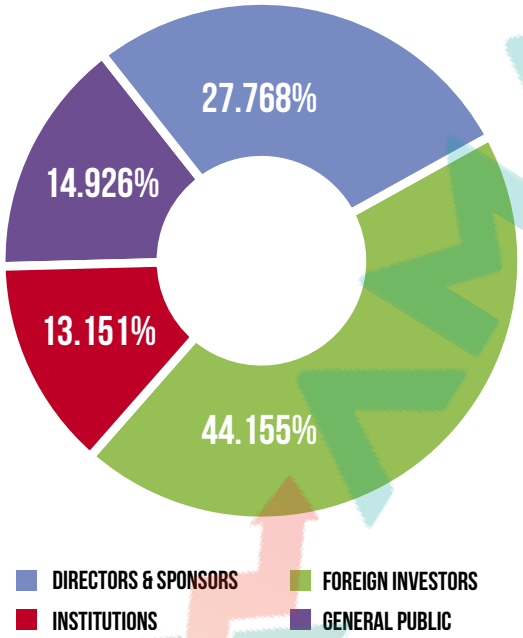
It gives us pleasure to present you with the Report of the Board of Directors, together with the audited financial statements for the year ended June 30, 2018. After a significant decade of substantial growth followed by a few years that proved to be more challenging, we are pleased with this year's results, reaffirming that we are on the right path towards our goal of building the best snacking company in Bangladesh. We have provided commentary on the company, our individual business units and our macroeconomic views below that we hope you will find informative.

REVENUE	+14.51%	GROSS PROFIT	+12.03%	NET PROFIT AFTER TAX	+9.00%

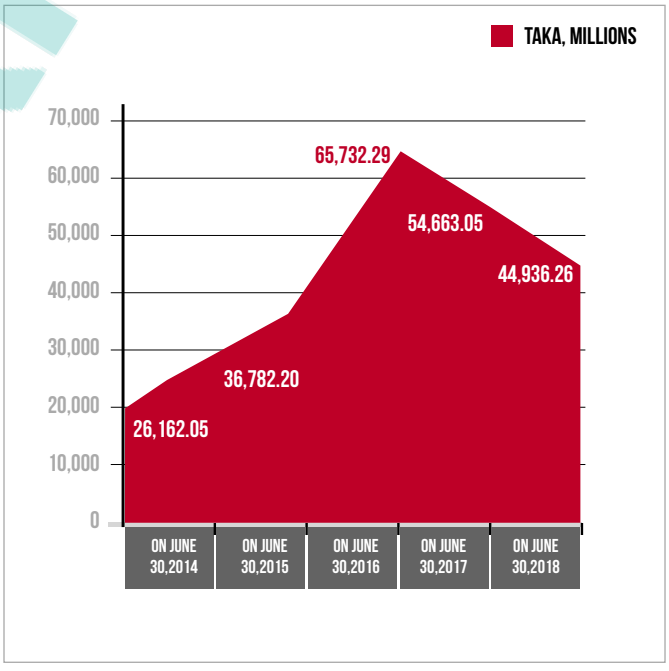
This Year's Cover

Before we dive into our commentary on the business itself, we felt it would be appropriate to discuss our annual report cover. In the past, we have typically highlighted our hero brands or our flagships such as Energy Plus and Nutty that have become well represented within the Olympic portfolio.

SHAREHOLDING PATTERN AS ON JUNE 30, 2018



MARKET CAPITALIZATION



This year's hero is each and every single member of the Olympic family.

We're highlighted some of the people that make Olympic what it is. We are very fortunate to have such wonderful employees who tirelessly work day in and day out to make this company run the way it does; we would not be here today without them. We are immensely grateful for the contribution that each and every single member makes every single day, on our journey to be the best consumer goods manufacturer in Bangladesh.

Credit Rating

Olympic is pleased to advise that National Credit Ratings Limited (NCR) has maintained its credit rating of Olympic at AA+ (double A plus) long-term rating with stable outlook and ST-1 short-term rating, valid until June 27, 2019. Please visit NCR's website at www.ncrbd.com for a full explanation of their rating methodology.

Board Decisions

In January 2017, we made a decision to diversify our non-biscuit snacking categories to instant noodles and snacks and to expand our bakery initiatives. We are pleased to announce that, in May 2018, we successfully commissioned our instant noodles manufacturing line. This line was imported from Japan and has an annual production capacity of 9,000 metric tons. We launched our instant noodles product under the brand name Foodie in single packs and four and eight piece family packs. Our launch flavour was Spicy Masala, given the current market demand and the local taste palette; we aim to launch new flavours in 2019 as we build our instant noodles portfolio for various tastes and preferences. We aim to launch our snacks products in the very near future too.

Instant noodles and snacks represent unique diversification opportunities for us as they both use the same upstream and downstream channels as our existing biscuits. As we grow these new white space businesses, it is expected that our increased consumption of key raw materials such as flour, sugar and oil will grow and provide us the ability to obtain better commercial terms from our suppliers. It is also expected that we will be able to utilize a substantially large part of the existing distribution network that we have spent years building and optimizing, to distribute these new products.

In January 2017, we also decided it would be in the best interest of the company to develop our own supply chain efficiencies with respect to carton manufacturing. In last year's report, we discussed the challenges we have faced over the past several years to procure millions of cartons every month with consistent levels of quality, especially given our robust growth over the past number of years has put significant pressure on many of our suppliers. As we encounter significant variances in weight and density of cartons supplied, we have found it challenging to further our automation initiatives without having full control of the supply of cartons that we use for our products. We decided to import a carton manufacturing line, with corrugation and printing, which would give us both the flexibility to produce cartons based on our requirements as well as the consistency in quality that we having been seeking.

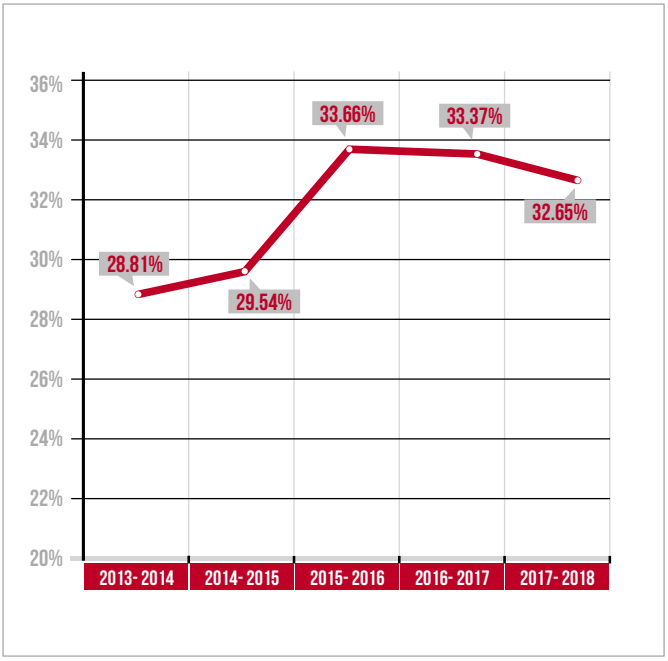
We are pleased to announce that we successfully commissioned our carton manufacturing facility in May 2018, with an estimated annual production capacity of 66.00 million cartons. We are pleased to advise shareholders that most of our carton requirements are now being met internally, while only a small number of cartons for a handful of SKUs are being purchased externally (as it makes more sense for us to primarily focus on larger, uninterrupted production runs).

As we discussed in last year's annual report, while we have generally stayed away from significant vertical integration expenditures, we have chosen to focus on selective initiatives where we have experienced problems with consistency and/or quality of supply and have anticipated that further growth of certain products could be affected as a result or quite simply, the opportunity to lower input costs has been quite significant. As such, now that we have focused our efforts on carton manufacturing, PET sheet forming and tray making as well as jar moulding and blowing, we are quite prepared to internally meet the growing demand for our products that utilize these packing components.

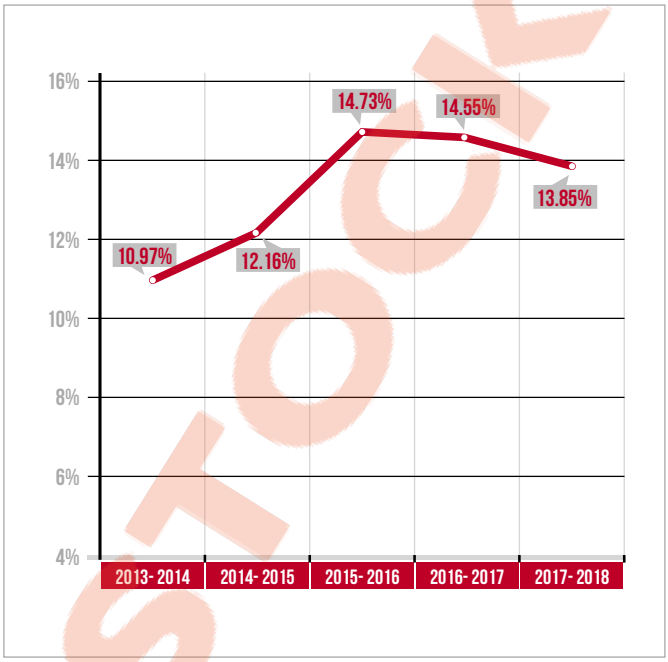
We are pleased to advise shareholders that in May 2018, we also successfully commissioned an additional tunnel oven to increase our annual bakery capacity by 1,800 metric tons. We believe there is a very unique and attractive opportunity in the bakery space, as taste preferences develop and evolve, by introducing new flavours and variants of products such as cakes and toasts.

In September 2018, we took a decision to further drive our investment initiatives in the confectionery space; we decided to import a wafer production line from Franz Haas Waffelmaschinen Gmbh of Austria, the global market leader in wafer manufacturing machinery, with an annual production capacity of 1,800 metric tons as well as a toffee manufacturing line from India, also with an annual production capacity of 1,800 metric tons. We believe these two new capital expenditures will allow the company to be well represented in existing confectionery categories as well as offer new, unique, premium confectionery products not offered in Bangladesh.

GROSS PROFIT MARGIN



NET PROFIT MARGIN



Website & Corporate Rebranding Initiative

In 2016, we announced the re-launch of our website (www.olympicbd.com) with the objective of providing more transparency and valuable information to all of our stakeholders and improving the online presence of our brands that are already highly visible offline. In addition to financials and annual reports from the past decade, we have added many reports to the sustainability section of our website.

We have also completed the company-wide corporate rebranding initiative we discussed two years ago. All of our collateral and branding, from business cards to billboards to our website to all of our packaging material, have now been successfully aligned under this initiative. We believe that a well-articulated and cohesive brand, horizontally and vertically, will allow us to significantly build on brand association and recognition initiatives.

Fundamentals & Metrics

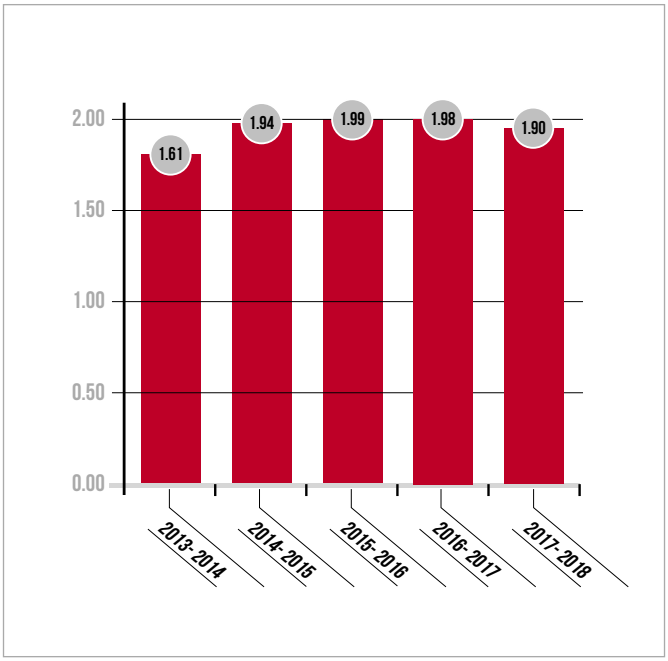
In the past twelve months, our revenue increased to Tk. 12.93 billion, a 14.51% increase from Tk. 11.29 billion a year ago. During the same period, gross profit increased by 12.03% to Tk. 4.22 billion and net profit after tax increased by 9.00% to Tk. 1.79 billion.

Our gross profit margin declined 72bp to 32.65% this year as compared to 33.37% a year ago. A portion of the decline in gross margin can be attributed to the effects of launching new products in new spaces for us. Without an existing presence, we often offer competitive pricing on new products we have launched and this has a short-term impact on margins, though keeping in mind, these new product launches do not necessarily represent a substantial contribution to top line initially.

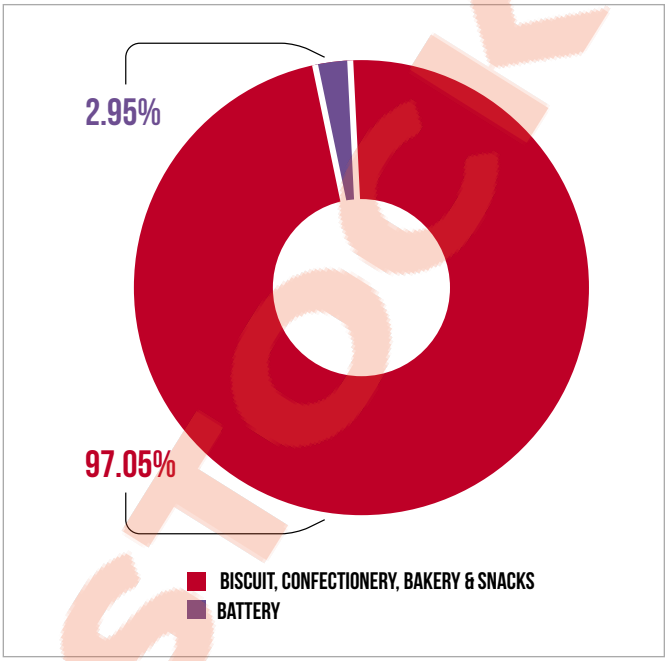
Our cost of goods sold increased to Tk. 8.71 billion from Tk. 7.52 billion a year ago, representing a year over year increase of 15.75%, primarily as a result of higher global input costs and the depreciation of the Bangladesh Taka. We are generally able to pass on a majority of increases in raw material costs to our consumers, primarily through the adjustment of our pack sizes (rather than changes to prices of the packs themselves) however there is typically a lag of one to two quarters to fully pass down cost increases.

Our net profit margin decreased this year by 70bp to 13.85%, as compared to 14.55% a year ago; our net profit margin in 2010-2011 was 6.59%. For illustrative purposes, our net profit after tax this year was Tk. 1.79 billion as compared to Tk. 191.17 million in 2009-2010, representing an 836.34% increase over the nine-year period.

CURRENT RATIO



BREAKDOWN OF 2017-2018 NET TURNOVER



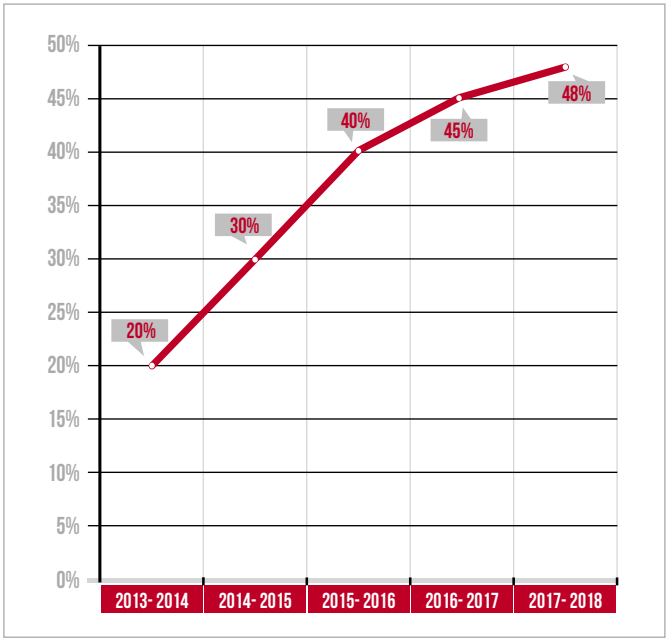
Net Assets, Cash Flows & Non-Operating Income

Our net assets grew by Tk. 891.34 million in the year ended June 30, 2018, to Tk. 6.34 billion this year representing a year over year increase of 16.47% from Tk. 5.41 billion a year ago. As we build our capital base, we will continue to assess how best to deploy our resources to generate returns on invested capital similar to those that shareholders have seen from us in the past decade.

Cash flows from operating activities decreased 7.63% to Tk. 913.21 million from Tk. 988.67 million a year ago, with net operating cash flow per share decreasing to Tk. 4.57 per share from Tk. 4.94 per share a year ago. As advised earlier, we have started using our cash in more constructive ways to generate more positive operating returns rather than non-operating income.

We received Tk. 279.40 million in interest on our deposits as compared to Tk. 281.45 million a year ago. Similarly, in comparison, we paid Tk. 148.69 million in interest on our loans as compared to Tk. 114.07 million a year ago. We must reiterate that while it is nice to see our deposits, through strong treasury management, earn significant non-operating income, the primary purpose of this company is to generate operating income through the manufacturing and sales of consumer goods. Our business has traditionally been one built on negative working capital. We have found that paying in cash or prepaying for certain cost of goods sold, rather than buying on credit, often yields better discounts and appears to be a good use of our cash.

CASH DIVIDEND



Dividends & Payout Ratio

The Board of Directors is pleased to recommend 48% cash dividend i.e. Tk. 4.80 (Taka four and eighty paisa) per each ordinary share of Tk. 10.00 for the year ended

June 30, 2018. Payment of the cash dividend as recommended above shall be subject to approval of the shareholders at the 39th Annual General Meeting of the company. Shareholders whose names shall appear on either the list of shareholders or the CDBL Register on the Record Date of November 15, 2018 shall be entitled to the cash dividend.

We have recommended increasing our cash dividend to Tk. 4.80 per share this year as compared to Tk. 4.50 per share last year. The company is now in a position to responsibly distribute healthy dividends to shareholders without any risk to its capital base. Our payout ratio in 2010-2011 was 13.60%; we are pleased to advise shareholders that not only has it increased over the years but it has also exceeded 50% in each of the previous three fiscal years. This year's payout ratio is 53.57%.

Macroeconomic Insights & Industry Developments

With the right conditions, Bangladesh appears to be on track to hit its annual GDP growth rate target of 5-7% over the next five years. While there are certainly risks and other factors that this performance is contingent on, Bangladesh has proven to be remarkably resilient. While the past couple of years have been challenging, Bangladesh's population continues to grow and continues to have more and more disposable income. This increase in disposable income paired with a significant development of the Bangladesh taste palette, affords us a very unique opportunity. With annual GDP growth exceeding 6% over the past decade and an expectation for similar growth over the next 5-7 years, there are not too many places in the world that have the same opportunity set that one may find in Bangladesh.

There has been substantial growth in the biscuit industry over the past decade, albeit from a lower base, with an increase in the country's population, growing per capita consumption and conversion from traditional to automated biscuit manufacturing. As a result, the industry has grown to a very large size of approximately 240,000 metric tons or approximately 1.5 kg per capita annually. As the market has grown substantially over the years to its current size, it appears that the biscuit and confectionery industries should grow at GDP + 100bp annually over the same period. We should continue to grow at rates higher than our respective industries, capturing market share along the way, with additional growth coming our new diversification projects we have recently announced. We continue to explore opportunities to grow through non-organic methods in the biscuit industry, however we believe these opportunities will remain limited for the near foreseeable future.

Risks & Concerns

Credit, liquidity and market risks have been addressed within the notes to the financial statements. Increased competition is a risk that we expect and have been expecting for quite some time. New lines from existing biscuit manufacturers and new entries from food manufacturers are expected in the coming years. It will be up to us to execute on our mandate and continue to capture market share in a space where we will be seeing new entrants. We welcome competition as it continually ensures that we strive for better and motivates us to maintain and build on the relationships we have with all of our stakeholders. Competition also forces us to keep improving, becoming better at what we do and of course, ensuring that understand the needs of our consumers to provide them with unique, innovative products at attractive price points.

Olympic procures most of the raw materials for biscuit and confectionery production locally. However, Bangladesh is not a significant producer of wheat, palm oil or sugar, which are the major ingredients used in biscuit manufacturing. These raw materials, though locally procured by us, are imported from all around the world and, as such, are priced in US Dollars. Fluctuations in commodity prices are a risk for us however, with certain key commodities on the rise, we will continue to assess and exploit unique opportunities with creative solutions to maintain our margins. The implementation of our deeper and stronger supply chain processes definitely assists in mitigating these sorts of risks that exist.

We often see imitations of our products and we continue to undertake mitigation efforts including educating consumers, vigilance and proactive cooperation with law enforcement and government agencies, as these imitations frequently include infringements on Olympic's registered marks and names. We have successfully shut down many of these producers for infringements through legal recourse however often, the resources available to the authorities are limited and these processes take a significant amount of time. We treat these infringements very seriously and will take any and all steps necessary to protect and safeguard our brands.

Biscuits, Confectionery, Bakery & Snacks

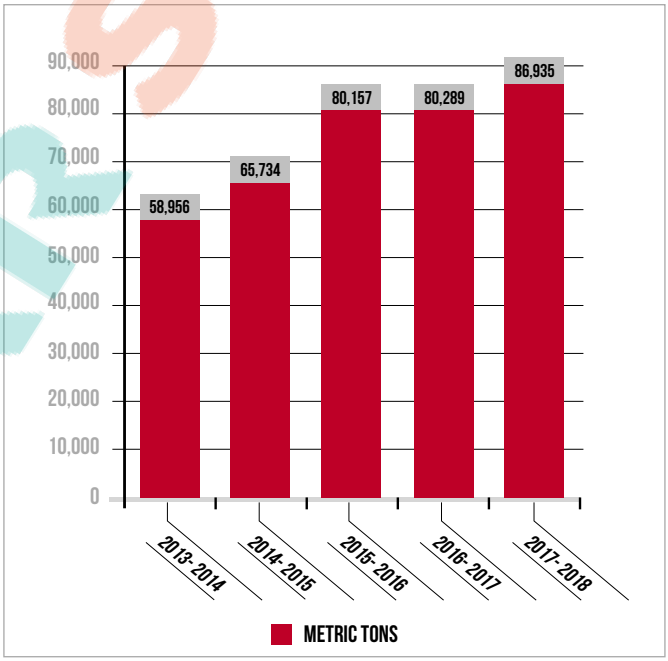
Biscuits, confectionery, bakery and snack products accounted for 97.05% of this year's total revenue as compared to 96.80% last year. As we commission new production lines within these categories, it should come as no surprise that we anticipate that these products will continue to account for a higher percentage of overall revenue in subsequent years. In future years, where possible, we will aim to provide more granular data within the various categories.

This year, we sold 86,934.59 metric tons of biscuits, confectionery products, bakery products and snacks, as compared to 80,289.21 metric tons a year ago, representing an 8.28% year over year increase in volume. Revenue in these categories grew 14.80% to Tk. 12.55 billion from Tk. 10.93 billion a year ago. We recognized Tk. 144,321.71 per metric ton we sold this year as compared to Tk. 136,121.78 a year ago, representing a year over year increase of 6.02% in revenue per metric ton sold.

We continue to invest in new opportunities within the bakery industry; as indicated earlier, we commissioned a new tunnel oven to increase our annual capacity for our existing dry cake products by 1,800 metric tons, due to rising market demand. This now allows for much of the production process to be automated, thereby increasing our efficiency substantially. Our recent soft cake launch has been quite well received by the market. We are exploring opportunities to add new flavours and variants to our bakery portfolio.

This year, we exported products valued at Tk. 130.68 million as compared to Tk. 57.56 million a year ago, a year over year increase of 127.04%. In addition to revenue, we received a Tk. 12.19 million cash incentive as export promotion benefit last year. Volume wise, we exported 1,031.86 metric tons of products as compared to 468.33 metric tons a year ago. While we have and will continue to explore opportunities for export, given our recent increase in production capacity, we are still very much focused on building a local market brand that is trusted by consumers and recognized as being safe and hygienic. Exports accounted for 1.01% of our total revenue this year.

ANNUAL BISCUIT, CONFECTIONERY, BAKERY & SNACKS SALES



We believe we are well on our way to becoming a full-line snacks manufacturer, as we continue to add new categories and products that allow us to capture different forms and moments of snacking. Whenever the moment, whatever the occasion, we want to ensure that our products across various categories are well represented and meet the needs of the Bangladeshi consumer. Starting from our base of existing biscuit and confectionery portfolio, we added additional confectionery products such as Pulse, bakery products such as Dry Cake, Soft Cake and toast, and we've recently added snacks such as instant noodles. With plans to launch savoury snacks soon as well as our recent announcement to import wafer and toffee lines, we're adding the right value added propositions for our consumers' snacking occasions.

Selling Expenses, Advertising & Promotion

Our selling expenses this year increased to Tk. 1.49 billion as compared to Tk. 1.32 billion a year ago, representing an increase of 13.24% year over year. Within our selling expenses, related salaries and allowances increased from Tk. 316.75 million to Tk. 528.38, primarily for two reasons. Firstly, and foremost, there was a change in accounting policy that moved most of our selling-related travel and conveyance to salaries and allowances. Secondly, during this fiscal year, we made the decision to split our sales and marketing departments and also reposition management of our national teams, across various roles. It is often a challenge to rightly incentivize a head of sales to focus on marketing, not only because it is outside of their area of expertise but also because we, as a company, measure

success based on sales performance. We were aware that, in the short term, this would have some effects on the overall team structure; this is to be anticipated when a decision of this scale is made. However, understanding that short-term pains would result in long-term gains made the decision much easier.

Advertising and promotion increased to Tk. 436.56 million in 2016-2017 as compared to Tk. 402.70 million a year ago, representing an 8.41% year over year increase. This year A&P was 3.38% of total revenue as compared to 3.57% a year ago. Olympic again participated in several key tradeshows and fairs. We are pleased to advise that we received third prize for our premium pavilion at the 2018 Dhaka International Trade Fair. We have included photos of our award-winning pavilion in the awards, events and celebrations section. We also participated in the 2017 Bangladesh Agro-Processors Association fair. We also supported and sponsored several events throughout the year including the School-E-Oboshore program as well as Shahjalal University's 'Fresher's Reception'.

While we continue to expand our focus on traditional advertising channels, we have spent considerable time understanding and refining our digital strategy for the Olympic brand and our individual product brands. Over 40% of Bangladesh's population is under the age of 25 and, with smartphone penetration increasing and Internet bandwidth prices decreasing, having a strong, consistent and unified brand presence will be very important for us.

Procurement & Supply Chain Management

Aggressive procurement policies, creative use of our cash and extra warehousing space to stockpile raw materials allow us to take advantage of special situations, such as discounts for cash or advanced payment rather than 15 or 30 days of interest-free credit. In certain circumstances, we are able to maintain price consistency with contracts of up to 120 days by negotiating forward contracts for many raw and packaging materials.

As we diversify into products that use the same raw materials and our consumption of these raw materials grows, we will strengthen our ability to negotiate lower prices and better commercial terms or in many instances, just better prepayment discounts, which is an excellent use of our cash.

Our supply chain teams' work largely pertains to supplier relations, not only to ensure that we get the best possible raw materials at the best possible price but also to ensure consistency of quality and supply of the raw materials that we procure. Auditing and approving suppliers based on their capabilities has allowed us to build strong relationships with our trusted suppliers, which in turn has allowed them the opportunity to better understand our requirements. We've seen a correlation between the strength of the relationship with a supplier and the overall reduction in the rejection of raw or packaging materials supplied by them.

Dry-cell Battery

In fiscal year 2017-2018, dry-cell battery sales were 51.51 million pieces, as compared to 49.58 million pieces in 2016-2017, representing a 3.88% increase. This unit's turnover this year was Tk. 381.95 million, as compared to Tk. 361.45 million a year ago, representing a 5.67% increase. As stated in previous years, given the outlook and declining trends we have seen within the industry, we are satisfied with these results. Dry-cell battery sales this year accounted for 2.95% of the company's total net turnover, slightly lower than 3.20% a year ago.

Oil Refining & Hydrogenation

The oil refining and hydrogenation unit is still dormant and is expected to remain that way due to considerable risks and many unknown factors within the edible oil market. As per discussions held during the 29th Annual General Meeting, we are have been and will continue to explore opportunities to dispose of the production unit, with or without the accompanying land. A decision would then be taken, considering the offered price from the prospective buyer and the best interests of the company; no decision has yet been made and prospective buyers are still being sought out. We will continue to update our shareholders on the status of this unit however, in the meanwhile, we would like to reassure our shareholders that much caution and prudence is being exercised to preserve and retain shareholder value.

Contribution to the National Exchequer

During the financial year ended at June 30, 2018, Olympic contributed Tk. 2,590,724,752.46 to the National Exchequer in the form of Value Added Tax, Advance Income Tax, Local Purchase VAT, Service VAT and Customs Duty, which equates to 20.04% of the company's annual revenue. This year's contribution represents an 11.59% increase from the previous year's contribution of Tk. 2,321,656,992.09. A breakdown of this year's contribution is as follows:

	2017-2018
Advance Income Tax	585,292,451.31
VAT Deposit	1,259,000,000.00
Local Purchase VAT	400,436,613.21
Service VAT	23,206,449.43
Customs Duty	281,146,232.12
VAT deducted at source	17,071,577.82
VAT on Transport Bill	24,571,428.57
Total contribution	**2,590,724,752.46**
Contribution during last year	**2,321,656,992.09**
Excess contribution	**269,067,760.37**

Contributions in the form of Port Charges, Land Registration Charges, Land Development Tax, Licenses and Permit Renewal Fees, etc. have not been taken into consideration and, as such, have not been included in the aforementioned amount.

Corporate Compliance & new Corporate Governance Code

We are pleased to advise that we are fully compliant with regulations and requirements set out within the Bangladesh Securities & Exchange Commission's Corporate Governance Code. In addition to this Report of the Board of Directors, all other requirements have been addressed within our Report on Compliance of Corporate Governance and the relevant annexures.

As per BSEC's new Corporate Governance Code dated June 3, 2018, section (5), "the Board of the company shall include the following additional statements in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994):

(i)	An industry outlook and possible future developments in the industry → Addressed within the Report of the Board of Directors
(ii)	The segment-wise or product-wise performance → Addressed within the Report of the Board of Directors
(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environments → Addressed within the Report of the Board of Directors, Sustainability Report and Note 40.00 of the Notes to the FS
(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit margin, where applicable → Addressed within the Report of the Board of Directors
(v)	A discussion on the continuity of any extraordinary activities and their implications (gain or less) -> Not applicable
(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions → Addressed within Note 33.00 of the Notes to the fS
(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments → Not applicable
(viii)	An explanation if the financial results deteriorate after the company goes for IPO, RPO, rights share offer, direct listing, etc. → Not applicable
(ix)	An explanation on any significant variance that occurs between the Quarterly Financial performances and Annual Financial Statements → Not applicable, no significant variance

(x)	A statement of remuneration paid to the directors including independent directors → Addressed within Note 33.00, 33.01 and 34.00 of the Notes to the FS
(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity → Addressed within Note 1.00 of the Notes to the FS
(xii)	A statement that proper books of account of the issuer have been maintained → Addressed within Note 1.00 of the Notes to the FS
(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgement → Addressed within Note 1.00 of the Notes to the FS
(xiv)	A statement that IAS or IFRS, as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure therefrom has been adequately disclosed → Addressed within Note 1.00 of the Notes to the FS
(xv)	A statement that the internal control system is sound in design, has been effectively implemented and monitored → Addressed within Note 1.00 of the Notes to the FS
(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress → The Board of Directors confirms that interests of minority shareholders have been protected from abusive actions
(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern → Addressed within Note 1.00 of the Notes to the FS
(xviii)	A explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained → Not applicable, as there have not been any significant deviations from the previous year's operating results
(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized → Addressed within the Key Operating & Financial Data section of the Annual Report
(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year → Not applicable, as the company has declared dividend for the year
(xxi)	Board's statement that no bonus shares or stock dividend has been or shall be declared as interim dividend → The Board of Directors confirms that no bonus shares/stock dividend has been declared as interim dividend
(xxii)	The total number of Board meetings held during the year and attendance by each director → Addressed within Note 26.01 of the Notes to the FS
(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (with specific details) → Addressed within Report on Compliance of Corporate Governance
(xxiv)	In the case of the appointment or reappointment of a director, a disclosure (with specific details) to be provided → Addressed within the Report of the Board of Directors
(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements (with specific details) → Addressed within the Report of the Board of Directors
(xxvi)	Declaration or certification by CEO and CFO to the Board as required under Condition No.3(3) → Annexure A is included within the Annual Report
(xxvii)	Report and certificate regarding compliance of conditions of this Code as required under Condition No. 9 → Annexure B and Annexure C are included within the Annual Report

Service Completion Benefit for Managing Director

Mubarak Ali, promoter and Director of Olympic Industries Limited since its incorporation in 1979, became Managing Director of the company in May 1984 and has held this key position since then without interruption. Mr. Ali has a long, established history of setting up and running key industries in Bangladesh in the steel and oil refining sectors and, of course, the biscuit industry. Olympic has grown to be a model company under his leadership, with nine biscuit lines, three confectionery lines, battery manufacturing and new investments in bakery lines. The company has also earned the praise and recognition of the National Board of Revenue as one of the largest payers of VAT in the production sector as well as the second highest payer of income tax in the food and allied sector.

The Board of Directors of the company proposes, considering his remarkable track record, success, dedication and commitment to the company, to consider allowing Mubarak Ali to draw benefits equivalent to one month's remuneration for each year of completed service to the company when he retires or discontinues his service to the company.

Retirement and Reappointment of Director

At the 39th Annual General Meeting of the company to be held on December 20, 2018, the following director will retire by rotation, as per clause 119 of the Articles of Association of the company:

1. **Munir Ali**

Being eligible, as per clause 121 of the Articles of Association of the company, the aforementioned retiring director has offered himself for reappointment at the 39th Annual General Meeting of the company. Munir Ali's brief resume, as per Corporate Governance Code Condition No. 1(5)(xxiv)(x) has been included for reference.



Brief Resume of Mr. Munir Ali

Father's name	:	Mr. Mubarak Ali
Mother's name	:	Late Mrs. Shanaz Ali
Address: Present & Permanent	:	"Charukanta" Apartment No. 5A & 5B, Plot No. 11, Road No. 67, Gulshan Model Town Dhaka-1212
Nationality	:	Bangladeshi
Place of birth	:	Dhaka
Date of Birth	:	09.08.1964
Educational Qualification	:	B.B.A. from USA

Business and Industrial Experience:

a) Director for 27 years at Olympic Industries Limited (formerly Bengal Carbide Limited), a publicly listed company formed in 1979.

b) Director for 28 years at Tripti Industries Limited (formerly Bengal Food Limited), a formerly publicly listed company formed in 1984. Tripti amalgamated with Olympic Industries Limited in 2008.

c) Founding Managing Director of following companies engaged in various trading operations: Asia Commodity Limited, Canadian Commodity Limited and Asia Food Limited.

Re-Appointment of Statutory Auditor

M/s Shafiq Basak & Co, Chartered Accountants, was appointed as the statutory auditor of the company at the 38th Annual General Meeting of the company held on December 14, 2017. The statutory auditor has completed its first year of service to the company and has expressed its willingness to be reappointed for the fiscal year ending June 30, 2019. The remuneration of the current statutory auditor was fixed at Tk. 800,000.00.

Appointment of Professional Firm with respect to BSEC Corporate Governance Code

The Board of Directors of the company propose to appoint a practicing professional firm (Chartered Accountant or Chartered Secretary) to provide certification with respect to the company's compliance and adherence to the Bangladesh Securities and Exchange Commission's Corporate Governance Code.

M/s Huda & Co., Chartered Accountants, has provided this service for several years with a fixed remuneration of Tk. 200,000.00 and they have expressed their willingness to be reappointed for the fiscal year ended June 30, 2019. This year, three additional firms, all Chartered Secretaries, have offered their services – the firms are M/s SA Rashid & Associates, M/S Jasmin & Associates, and M/s Suraiya Parveen & Associates.



SUSTAINABILITY REPORT



Dear Shareholders,

The following section will outline this year's successes and lessons learned as our Sustainability program ramped up to full capacity this year and continues to grow. After identifying our key stakeholders and conducting a thorough assessment of our stakeholders' needs in 2016, we began implementing projects last year. This year, we finalized the projects that are to become the bedrock of our Sustainability program. Our Health & Nutrition Centre was founded last year and now sees up to 75 patients per week and organizes free health camps in our community, which reach even more patients. As we work to make new services available, we anticipate continued growth and reach for this key Health & Nutrition project. Our worker training initiatives have been bearing fruit, and we have now expanded from training on nutrition to other topics such as sexual and reproductive health and rights (SRHR), an underserved and important topic within our consistuency. Similarly, our first group of female scholars recently graduated, having completed training and mentorship sessions to become assistant machine operators.

We also started new projects, filling gaps which were left by last year's challenges to find partners and projects which could deliver quality outcomes at reasonable costs. Our department's newest team member, Saifullah Al Azad, started a project which he strongly believes will contribute to improving educational outcomes and diversifying learning opportunities in our immediate community from his many years as an education professional. The Integrated Cultural-Educational Program he initiated in collaboration with Fulki, a well-known and impactful NGO, is engaging students, teaching them about their rights and motivating them to stay in school.

To meet our environmental goal of reducing our CO_2 emissions, we piloted a solar panel project at our Lolati factory. These solar panels have a small but significant impact on our footprint; they are the best solution currently available in Bangladesh. We continue to search for bigger and better ways to reduce and offset our carbon footprint as new technologies and services become accessible to us. We anticipate being able to integrate cogeneration technology, heat and steam recovery in our production systems shortly. We invite you to read more on our goals and impact in our KPI report and our newly renamed Environmental Performance Report, both published on our website.

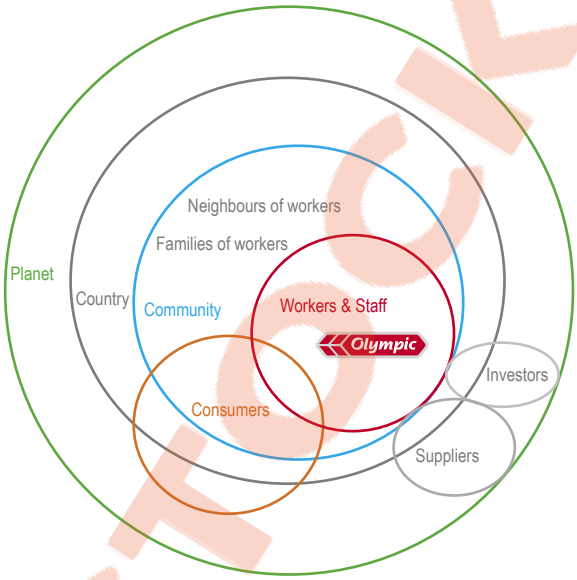
On the more business side of things, we believe that a good business prioritizes responsibility and consumer well-being in its products as well as its projects. Seeing that there was a need for micronutrient fortification in our consumers' diets and that it had been declared a national priority by the government, we fortified our instant noodle products from launch. This allows us to both offer a unique product and improve nutrition in our broader community.

We are proud to have solved for many of the issues we faced last year, such as budgetary ones. We are confident that we can continue to implement valuable projects and scale our budget year on year to reach the recommended expenditure according to SDG 17 (0.7% of Net Profit After Tax – interpreted from the recommendation for developed countries) by 2020. We see our department itself becoming sustainable, with responsible processes becoming repeatable and standardized throughout the business. The challenges we encountered in the process of implementing these projects taught us how to best adapt for next year. Having witnessed the benefits of each of these projects, we are humbled by the positive impact Olympic can and does have on its workers, community and planet and we are determined to keep working toward a sustainable future.



Marion Pellegrin
Head of Sustainability

Sustainability Mission Statement



At Olympic, we believe that being a good business means contributing to the well-being of our workers, our customers, our community, and our planet. We believe that our business can, and should, aim to add value to society and operate in a sustainable way. We want to add value by making good products that nourish people, all the while creating jobs and contributing to the Bangladesh economy. We know that one company cannot by itself fix the world's problems, but we want to make sure we do everything we can to make this world a better place. This is why we have decided to introduce a Sustainability program.

As a company, our goals are to a) be the employer of choice by providing our employees with an exciting and fulfilling work environment; b) be stewards of social responsibility in Bangladesh through our initiatives; and c) instil confidence in our external stakeholders that our practices are aligned with their social responsibility values. We believe that a good business must be sustainable. We want to take on goals that not only give back to society, but that also hold us to a higher standard as corporate citizens. We are committed to sustainability for the long-run, and we welcome accountability for our actions.

We believe that any good program needs stable funding. This is why we aim, in the long run, to align our funding with the Sustainable Development Goals' recommendations on donor country spending. By committing to this number, we hope to contribute in a meaningful way to our country's development, and to set an example for our peers.

In order to better guide our decisions, we have tied all of our projects to the Sustainable Development Goals set out by the United Nations. We have chosen goals which are most applicable to our line of work and which are closest to our employees' hearts; those which relate to health & nutrition, education, equity, and climate change.

We are committed to providing our workers with a better life by providing them the working conditions they deserve. We aim to achieve this by complying with labour laws, implementing programs focused on skills and knowledge development, and creating new opportunities for our workers. We want to build a working environment which helps our workers thrive and be proud to work in.



Achieve full employment and decent work for all women and men, and equal pay for work of equal value. (8.5)

Protect labour rights and promote safe and secure working environments for all workers. (8.8)

We are committed to providing our customers with products which are both healthy and delicious. Why compromise? We aim to improve our customers' nutrition by providing them with fortified products they will actually want to eat. We also aim to eliminate unfair business practices by creating and enforcing marketing policies which protect the rights of children and vulnerable people.

End hunger and ensure access by all people to safe, nutritious and sufficient food all year round. (2.1)

End all forms of malnutrition. (2.2)





Achieve universal health coverage and access to quality essential health-care services for all (3.8)

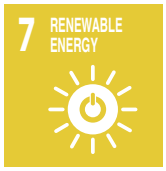
We are committed to giving back to our community by contributing to their good health and nutrition, and increasing access to education. We have chosen these goals because, as we are in the food industry, we believe it is our duty to ensure that our country has access to good nutrition and has the education necessary to make healthy decisions and to lift themselves out of poverty. We are aware of the virtuous cycle of education and nutrition, where children can only succeed in their studies if they are well fed, and if they are educated, they tend to eat better and be healthier.

Ensure that all girls and boys complete primary and secondary education. (4.1)

Ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university. (4.3)



We are committed to ensuring that our planet stays healthy and plentiful. We believe we have a duty to ensure that our children will have a flourishing planet to live on for generations to come. In order to make this happen, we plan to reduce our impact on climate change by reducing waste and greenhouse gas emissions, increasing our use of renewable materials and energies, and mitigating climate change's impact on our communities.



Increase substantially the share of renewable energy in the global energy mix. (7.2)

Double the global rate of improvement in energy efficiency. (7.3)



Substantially reduce waste generation through prevention, reduction, recycling and reuse. (12.5)

In undertaking all our projects, we commit to considering gender issues and to actively contribute to the elimination of discrimination against women.



Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in economic, political and public life. (5.5)

Finally, we commit to holding ourselves accountable for the way we conduct business and for the projects we engage in. In designing our projects, we will strive to remain independent and to make a wise cost-benefit analysis based on our key goals, all the while ensuring that our work is measurable, sustainable, efficient and relevant. We also aim to ensure that our projects are not duplicating the work of another agency, but rather that our projects are unique and complementary. We commit to continuously monitoring and evaluating the projects that we fund or take on. We commit to producing detailed reports that are accessible to all our stakeholders on a frequent basis.

We are committed to building a sustainability program we can all be proud of.



Our Key Initiatives

Occupational Health & Safety

At Olympic, we are committed to being a better company in every possible way. This includes the way we treat our workers. From a clean working environment to generous profit sharing mechanisms, we provide everything workers need to be as satisfied and productive as possible.

WATER & SANITATION

We provide safe drinking water on every floor of the factory, as well as Oral Rehydration Saline during the summer months, to ensure that our workers are well hydrated. As water is the source of life, we want to ensure its quality. We have our water tested by SGS annually, and by ICCDR,B weekly. We provide and clean workers' uniforms daily, and provide them with clean shoes to wear in the factory. Workers have access to spotless gender-designated bathrooms, and separate changing rooms. We are committed to rigorous pest control in these areas and throughout our facilities, and have contracted an independent third party to maintain, monitor, and document the hygiene and sanitation of our factories on a weekly basis.

HEALTH & SAFETY

All of our workers are over 18 years old and certified as fit to work by a doctor before they are employed. We always have a first aid team on the premises, a certified paramedic available, and an arrangement with the local hospital for our workers to have access to 24-hour care in the event of an accident. Sick and injured employees have access to free medical healthcare and paid medical leave. All of our factory and field force employees are covered by a life insurance paid for by the company.

All of our workers are trained for seven days when they join our company. They receive training specific to their position, as well as various trainings on topics such as proper hygiene methods, and safety procedures. At the battery factory, workers have protective gloves and have hearing protectors at their disposition. We actively monitor air quality in our factories, regularly cleaning and maintaining a series of filters, dehumidifiers, and auditing devices to ensure a safe, consistent, flow of air. Thanks to all these preventive measures, we pride ourselves on having low accident rates.

BUILDING SAFETY

We are determined to provide the safest work environment our workers could hope for. Before commencing the construction of our earthquake-proof factories, we acquire approvals for construction by the local authorities (union parishad), and soil samples are tested through an external laboratory. Our building pile loads are tested through external assessors to fit the ASTM D 1143-81 standard and our loads test pressure gauge is tested by the Bangladesh University of Engineering and Technology. We hold licences for loads up to five times our actual requirement, for which our consultants issue a certificate in accordance with the Bangladesh National Building Code.



FIRE SAFETY, EMERGENCY PREPAREDNESS & RESPONSE

We hold a Fire Licence, certifying that we follow all the fire safety rules applicable to us, and we have assembled a fire marshal team of 130 employees trained by the local fire service, at least 30 of which are on duty at any given time. We are equipped with state of the art fire detection, evacuation and monitoring technology, including multiple extinguishers, heat and smoke detectors, fire hydrant boxes, and fire alarms on every floor. We have built in several fail-safe redundancies, including automatic transition between electrical, diesel and manual (jockey) pumps.

We have also assembled a disaster management committee which designs our disaster management and fire safety plans. We have developed safe evacuation methods, which we practice with workers weekly during our randomized fire drills. Every quarter, we organize a refresher training on fire safety with the Bangladesh Fire Service and Civil Defence Agency, as well as a general health and safety refresher training, and earthquake preparedness training sessions and simulations.



WAGE & BENEFITS

Our workers not only work in a safe and friendly environment; they are also well-compensated for their hard work. We share 5% of our profits with our workers, the majority of which is distributed to our workers directly, with the remainder being split between our company's worker welfare fund, and the government's Worker Welfare Foundation Fund. We are proud to follow the Bangladesh Labour Act when it comes to all financial matters, including termination benefits and gratuities.

We provide two annual festival bonuses to our workers, as well as systematic cash incentives for workers who come to work regularly and to those who work night shifts. We pay overtime and grant festival, medical, casual and maternity leave as mandated by the Labour Act.

All of our factory and field force workers have life insurance, including our third-party construction workers through a very comprehensive construction all risks policy. Always seeking to set new standards, we are proud to be the first company in Bangladesh to insure the lives of third-party workers.

FACILITIES

To make our staff's life easier and more enjoyable, we provide dormitories for technical staff and supervisors who need to work at night and/or live far away. We provide meals for all officer-level employees and above, as well as a canteen for regular workers. Finally, we have planted "green areas" composed of flowers and plants in various places around the factory, and we play classical music at night in our new biscuit factory as a way to motivate workers and create a good working atmosphere. Our facilities go above and beyond what Bangladesh law requires.

Environmental Impact

ENERGY

The majority of our energy comes from natural gas, government-supplied electricity, and diesel. We have one solar panel at each factory, which supply energy for lighting and ventilation. We have switched over 100% of our light bulbs from less efficient CFLs to LEDs.

MATERIALS

100% of our carton boxes, plastic trays and jars are made from recycled materials.

WASTE

We have already managed to reduce our solid waste to very small amounts. We produce over 1,500 metric tons of goods weekly, for which our total waste (including canteen and cleaning waste) amounts to only 2 metric tons.

EMISSIONS

To reduce both noise and pollution, we use canopies and special chimneys with our gas and diesel burners. We calibrate these burners regularly to ensure that no sulphur oxide, nitrous oxide or carbon monoxide are emitted into the environment. The air is regularly tested by a third party to ensure we do not emit those toxins. We are proud to adhere to all the energy safety procedures mandated by the government, and to internationally-set standards on pollution.

EFFLUENTS

We treat all our waste water according to the Bangladesh Standards and Testing Institution. We use a settling tank to separate oils from waste water at each factory, as well as two deep tube wells, an underground reservoir and an overhead tank. We adjust the water's pH and dissolve oxygen level before releasing it into the pond. We partly reuse waste water after treating it with UV lights. We do not use or emit any toxic chemicals at our biscuit factories. As for our battery factories, 100% of the water we use is fully utilized in the production of our batteries, and as such, we produce zero effluents.

Quality Control & Product Safety



Quality is our first priority. As a food manufacturing company, our main goal is to provide customers with products that are safe, tasty and made with utmost care. From ingredients to packaging, we only source the best materials. Every new product is tested and approved by the Bangladesh Standards and Testing Institution before it is produced. We conduct a variety of tests on our raw materials as well as finished products. For instance, we test finished products for shelf-life consistency and heat resistance. We aim to use minimal yet efficient packaging, which lists all the information a consumer could need, from ingredients to nutritional facts and certifications.

We believe that quality control is intrinsically linked with our company's sustainability. By reducing risks, constantly improving business processes, and demonstrating to consumers our commitment to them, quality control contributes to sustained profitability and growth. To maintain our high business process standards, we have implemented SAP enterprise resource planning system which brings together all business processes and ensures proper documentation is kept, therefore reducing rates of error. We have also adopted ISO 22000, a Food Safety Management System that ensures that all materials and finished products are tested for quality, moisture and nutritional content.

Our facilities are kept with the highest health and safety standards. Production lines are equipped with highly sensitive metal detectors to prevent contamination, as well as scales to ensure weight consistency. Our employees are trained to adopt Good Manufacturing Practices, which include every type of hygiene. To reaffirm of this dedication to health and safety, we contract SGS to audit our factories annually.

New Initiatives in 2017-2018

UNDP COLLABORATION

Olympic is proud to be partnering with UNDP-UNV Innovation Hub in reaching out to the Bangladeshi private sector. We have been selected as one of the companies with the most impact on Sustainable Development Goals (SDGs) and are featured on the UNDP-UNV Innovation Hub's new Responsible Business webpage.

Last October, Olympic took part in a private sector forum organized by the United Nations Development Programme and UN Volunteers Innovation Hub. With over 200 private sector companies in attendance, the forum aimed at exploring ways of reaching the Sustainable Development Goals (SDGs) through partnership with companies like ours. Our Head of Sustainability and our Head of Risk and Compliance shared their perspectives on how businesses can contribute to and profit from the SDGs.

Health & Nutrition

LOLATI HEALTH & NUTRITION CENTRE

Many of our workers did not have access to quality, affordable healthcare. In September 2017, the Lolati Health & Nutrition Centre (HNC) became fully operational, providing our workers and our community access to a general practitioner at one-seventh the available market price, free consultations with a nutritionist for all patients, and in the upcoming months, access to medical tests at cost. Our partners, the Centre for Woman & Child Health (CWCH) have been working relentlessly to promote the HNC's services through community announcements, banners television advertisements. It has made the HNC well-known in the community and has gradually increased the number of patients. We are currently in the final stages of making our lab operational next year.



Patients are waiting to attend a free health camp.

The HNC is located less than 1 km away from our most remote factory, to provide healthcare to those who have been underserved. The HNC doctor visits our Lolati factory every day at lunchtime to provide on-site consultations for our workers.

NOODLES FORTIFICATION

Malnutrition is rampant in Bangladesh, with micronutrient deficiency affecting most of the population. Olympic's new noodle products provide a great opportunity to use the company's far-reaching distribution system and renowned brand value to influence consumers into eating more wholesome, healthy foods. Foodie, our new noodles brand, is fortified with zinc, iodine, folic acid and vitamin B6. Each pack fulfills up to 40% of our consumers' daily needs of these minerals and vitamins so that they can go through their day feeling healthy and fulfilled.

BISCUIT DONATIONS FOR REFUGEES

In August and September 2017, Rohingya refugees crossed the border into Bangladesh to seek shelter from violence, fear and oppression. To address immediate needs, Olympic distributed over 1,000 packs of biscuits through organizations operating in the refugee camps. We wish to thank the Global Shapers, Dhaka Hub and Obhizatrik Foundation for their dedication toward improving the conditions of Rohingya refugees and for providing Olympic the opportunity to be part of their community of collaborators.

Education

INTEGRATED EDUCATIONAL-CULTURAL PROGRAM

Despite recent improvements in the formal education system, teaching techniques in Bangladesh still focus on memorization and test-based lessons, rather than capacity building. At Olympic, we believe that it is essential to impart a holistic approach to literature, art, history, logic and current issues from an early age. To have a long-term impact on students' lives, we partnered with Fulki to launch an educational and cultural program in five schools around our factories. This program is teaching nearly 2,000 students about topics such as storytelling, writing, poetry and human rights and encourages them to apply these lessons in their daily lives. It also engages local youths as facilitators. We hope that in this process, both facilitators and students will enhance their creativity and become responsible citizens.

SCHOLARSHIPS FOR FEMALE LEADERS

At Olympic, we recognize the need for women to be hired not only as casual employees, but in higher positions as well. Women can contribute to our company in a unique way, using their different mindsets, creativity and problem-solving techniques to improve our company.

Olympic initiated a pilot scholarship program aimed at providing free vocational and soft skills training for 6 women in the packaging section who wanted to become machine operators. We started to address the issue by initiating a pilot scholarship program aimed at providing free vocational and soft skills training for 6 women in the packaging department who were selected through a rigorous process. Our female leaders were trained for two weeks at the Bangladesh Industrial and Technical Centre. The course content included an introduction to general machinery, basic machine maintenance and repair for entry-level workers. Following this, they started practicing under a mentor at their respective factories and will soon be promoted as assistant machine operators. We are hoping to scale this program, promoting more women to take higher positions at our factories.

NUTRITION TRAINING

The foundation for good nutrition is knowledge. A person with proper knowledge of nutrition can improve their entire family's health status. Our workers often have little knowledge of what is both healthy and affordable. To remedy the situation, we started a Nutrition Training Program last year which trained 154 peer educators, who in turn imparted their knowledge onto 22 of their colleagues, thus ensuring all our workers were educated on issues ranging from a balanced diet to maternal nutrition. During the follow-up, we were delighted to find that the workers integrated their knowledge in their daily life and shared it with their family and community. We found that, on average, 80% of workers could demonstrate a superior understanding of the topics and 98% of workers gained some knowledge as a result of the training. To ensure that the process continues in a sustainable way, Change Associates, our partner for this project, formed a team of in-house trainers who are now in charge of discussing these important lessons with new workers.

SEXUAL & REPRODUCTIVE HEALTH & RIGHTS (SRHR) TRAINING

To improve access to and knowledge of vital SRHR issues amongst our workers, we provided training on reproductive health, STIs & HIV/AIDS, family planning, gender based violence and discrimination following the same model of peer-assisted learning used for the nutrition training. So far, over 85 peer educators and 2,000 workers have been trained. Based on our follow-up assessments, 75% of workers could demonstrate a good understanding of the issues, and 95% of workers gained some knowledge as a result of the training. We will continue providing these trainings until all of our workers have been served.

ACCESS TO HEALTH & RIGHTS RELATED INFORMATION

Borrowing its name from the first birth control campaigns in Bangladesh, Maya Apa created an online platform dedicated to answering people's SRHR, health, legal and lifestyle questions. As a result of the Maya Apa team's outreach activities and on-the-spot medical consultations last year, our workers are using the Maya App on their mobile phones. In addition, workers without smartphones have easy access to the service through Maya kiosks installed in our factories' medical centres.

APPRENTICESHIP PROGRAM

Education and career development are very important to us, which is why we enrolled 120 female and male workers from different skills and age groups in the Bangladesh Skills for Employment and Productivity Project, supported by the ILO and implemented by the Access to Information (A2i) department of Prime Minister's Office. Through this program, workers acquired skills and technological know-how through theoretical and on-the-job training sessions. Their participation enabled them to receive a nationally recognized certificate, and climb the ranks of the corporate ladder. Training workers according to these specific standards has contributed to advancing their career as well as increased our factories' efficiency and output.

SPONSORING LOCAL SCHOOLS

Local schools often struggle to provide their students the facilities they need and deserve. Budgets are tight, and capacity is limited. This is why Olympic is proud to sponsor schools in the communities in which it operates, both in Dhaka and Narayanganj, where its head office and factories are located. Sponsorship is most often dedicated towards hiring additional teachers.



The students are showing their new books from Fulki.

Environmental Impact

ENVIRONMENTAL PERFORMANCE REPORTING

At Olympic, we closely monitor the impact our business has on the planet with an aim to reduce it as best we can. Following the example set by the Centre for Sustainable Development of the University of Liberal Arts Bangladesh with last year's Environmental Performance Report, this year we published the assessment using our in-house resources. We have ensured that this process is sustainable by training our team to gather the necessary data on a regular basis and to contribute innovative, practical suggestions to achieve our goals. We will be publishing these reports annually as they allow us to measure, track and be transparent about our impact.

GOALS & KEY PERFORMANCE INDICATORS FOR 2017-2030

We are committed to sustainability for the long-run, and we welcome accountability for our actions. Based on the findings of our Environmental Performance Report, we have set goals to reduce our waste and greenhouse gas emissions, increase our use of renewable materials and energies, and mitigate climate change's impact on our communities. Our goals for 2030, as well as our short-term targets for 2020 and 2025, are ambitious, yet they take into account Bangladesh's unique set of opportunities and circumstances. We invite you to visit our Activities page on our website to learn more about these goals.

RENEWABLE ENERGY

The use of fossil fuels accounts for a large source of our CO_2 emissions. This year, we installed solar panels in our Lolati factory, as solar energy remains the most viable source of renewable energy in Bangladesh. These panels can generate 30 kWp at their peak, which translates into a monthly average of 3 MW. This is estimated to reduce 33.6 metric tons of CO_2 per year. We hope to expand our adoption of solar panels to our other factories in the coming year.

REPORT ON COMPLIANCE OF CORPORATE GOVERNANCE

Board of Directors – Roles and Responsibilities of the Board

The Board of Directors of Olympic Industries Limited is responsible to ensure that the company is managed properly and equipped to best achieve its objectives and goals. The actions and decisions taken by the Board are for the best interest of the company, its employees, shareholders, management, all other stakeholders and the society at large.

The Board determines business strategy, channels investments in the right direction, and guides management to minimize risks and maximize returns. It also establishes corporate values and standards, contributes to effective human resource planning, and directs efficient financial management. The Board of Directors of Olympic Industries Limited believes that the highest level of integrity, transparency and accountability are necessary to establish good governance in managing the business effectively with responsibility and care.

A) Board Size – Condition 1.1

Olympic Industries Limited has a total of 6 directors including two independent directors on its Board, in line with the Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated June 3, 2018 of the Bangladesh Securities and Exchange Commission which prescribes that the number shall not be less than five or more than twenty and that the independent directors comprise one fifth of the total number of directors in the company (fractions are rounded up). The independent directors were appointed by the Board and their appointments were approved by the shareholders at the AGM. Other relevant information is provided in the Status of Compliance in Annexure C. The size of the Board is also within the prescribed limits of the company's Articles of Association, specifically Article 105, where the minimum number is stated to be three and the maximum number is stated to be twelve.

B) Appointment of Independent Directors – Condition 1.2

In its six-members Board of Directors, Olympic Industries Limited has two independent directors who were first appointed by the Board and, thereafter, their appointments were approved by the shareholders at the AGM. The details of independent directors are as follows:

1) Ms. Noorbanu Virji : She was first appointed by the Board of Directors on September 25, 2014 and her appointment was approved by the shareholders during the 35th annual general meeting held on December 24, 2014. Upon completion of her first term of three years on September 24, 2017, she was reappointed by the Board of Directors for one more term of three years from September 25, 2017 to September 24, 2020 and her reappointment was approved by the shareholders of the company in 38th annual general meeting held on December 14, 2017.

2) Begum Sakwat Banu : Her first term of appointment for three years from October 27, 2016 to October 26, 2019 made by the Board of Directors was approved by the shareholders of the company in 37th annual general meeting held on December 22, 2016. She also acts as chairperson of our Audit Committee.

Olympic Industries Limited complies with all conditions necessary for the appointment of independent directors as specified in Conditions 1.2 and 1.3 of the Corporate Governance Guidelines. More details are provided in Annexure C.

C) Chairman of the Board and Managing Director – Condition 1.4

At Olympic Industries Limited, there is no post of Chief Executive Officer (CEO), as the Managing Director performs the functions of the CEO. The positions of Chairman of the Board and Managing Director are filled by different individuals as mandated by the Corporate Governance Code. As our chairman, Mohammad Bhai, passed away on January 9, 2018, the post of Chairman is now vacant. Mubarak Ali has been continuing as Managing Director. A new chairman will be elected from among the non-executive directors of the company, as mandated by the Corporate Governance Code.

In line with the guidelines of the notification, Olympic's Board of Directors has defined the following roles and responsibilities for the Chairman and Managing Director.

Chairman

Roles: The Chairman leads the Board to ensure that the Board functions effectively and smoothly to promote high standards of uprightness, integrity and corporate governance. He does not participate or interfere with the day-to-day operations or administrative functions of the company. The role of Chairman is to formulate broad policy guidelines for the company, to oversee that the functions are performed properly and within the set policy guidelines. He extends his support to the Managing Director, whenever required, to implement the guidelines.

Responsibilities:

The responsibilities of Chairman include, among others, the following:

- Attend and preside over the meetings of the Board of Directors
- Ensure that the members of the Board actively participate in the discussions and voice their opinions to make effective decisions
- Ensure that the meeting agendas are properly discussed and decisions are harmoniously taken by the Board, as well as help assuage discord and resolve disagreements when necessary
- Ensure that the Board of Directors performs well, achieves the objectives of the company, and discharges its responsibilities to the various stakeholders
- Support and guide the Managing Director in discharging his responsibilities properly and smoothly
- Ensure that Board committees are properly formed, and that they discharge their functions adequately.

Managing Director

Roles: The managing director is in charge of implementing policies and decisions of the Board of Directors, as well as looking after the overall management of the company. He acts as liaison between the Board of Directors and the management. He is in charge of motivating employees and workers, as well as improving the performance of the company so that employees can enjoy their work and help achieve the company's objectives. He speaks to various stakeholders, regulators, government agencies, employees, and to shareholders on behalf of the company. The managing director is the visionary, guide and key decision-maker of the company.

Responsibilities:

The managing director has the following responsibilities:

- Set goals for the company, formulate policies and guidelines, lead and empower the company's key management to achieve these goals
- Present to the Board various plans, projects, and strategies, as well as arrange funding for the implementation of various plans
- Ensure that proper recruitment takes place through effective human resource planning
- Maintain a convivial working environment, discipline, and team spirit in the organization
- Maintain effective dialogue between the company and its stakeholders
- Effectively control costs, reduce wastage, and improve efficiency at all levels in order to fulfill the objectives of the company
- Promote and maintain management succession and development plans
- Identify various risks for the company and develop strategies to overcome those risks
- Ensure that performance is consistent and is recognized
- Ensure that the obligations of the company to its various stakeholders and to the society at large are fulfilled.

As indicated in the Corporate Governance Code, the company will constitute a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board by December 31, 2018. Based on the recommendation of the said NRC, the Board shall lay down, if necessary, a revised code of conduct for the Chairman, other Board members and Managing Director of the company.

D) Audit Committee – Condition 5.1, 5.2 & 5.3

The Audit Committee acts as a sub-committee of the Board of Directors and is accountable to the Board. It assists the Board in ensuring that the company's financial statements reflect a true and fair view of the state of affairs and in ensuring a good monitoring system within the business. The Company Secretary acts as the secretary of the committee.

E) Audit Committee Meetings – Condition 5.4

The Audit Committee of Olympic Industries Limited held 4 meetings during the 2017-2018 financial year. They performed their assigned roles including the review of quarterly, half-yearly and annual financial statements, as indicated in the Corporate Governance Code.

F) Role of the Audit Committee – Condition 5.5

The roles of Audit Committee include, among others, the following:

- Oversee the financial reporting process
- Monitor the choice of accounting policies and principles
- Monitor the internal risk control management process
- Oversee the hiring and adequate performance of external or statutory auditors
- Hold meetings with the statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption
- Review the quarterly, half-yearly and annual financial statements with the management, before submission to the Board for approval
- Review the adequacy of internal audit functions
- Review the Management's Discussion and Analysis before disclosing it in the Annual Report
- Review the statements of all related party transactions submitted by the management
- Review management letters / letters of internal control weakness issued by statutory auditors
- Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors
- Oversee the utilization of proceeds raised through IPO, RPO or Right Share Offer as per the purposes stated in relevant offer documents / prospectus approved by the Commission.

G) Reporting by the Audit Committee – Condition 5.6 & 5.7

As there was no irregularity in the company with regards to conflicts of interest, fraud, irregularity and material defect in the internal audit or the compliance processes or in the financial statements, no infringement of laws, rules and regulations, etc., it was not necessary to submit any report to the Board of Directors or to the Commission.

The Report of Audit Committee is enclosed herewith in compliance with Condition 5.7.

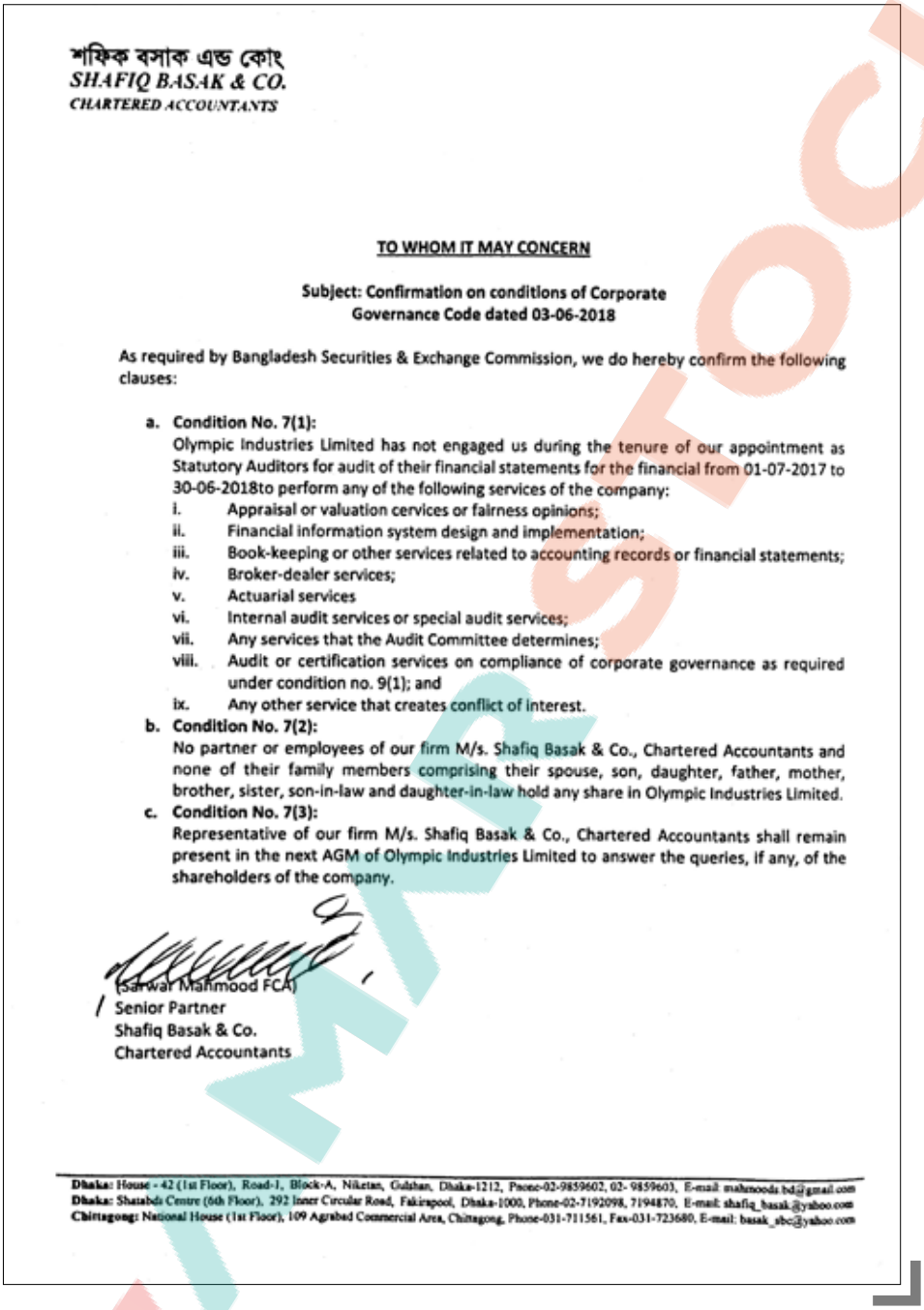
H) Role of the Nomination and Remuneration Committee – Condition 5.5

As previously stated, the company will constitute a Nomination and Remuneration Committee (NRC) as a sub-committee of its Board within December 31, 2018, to comply with the requirements of Corporate Governance Code.

I) Statutory Auditors – Condition 7

Olympic Industries Limited did not engage its appointed statutory auditors to perform any of the functions as mentioned in Condition 7.1 of the CGC. No partner or employee of the appointed external audit firm possess any share of the

company. The statutory auditors have provided a certificate covering the Conditions 7.1, 7.2 & 7.3, below.



শফিক বসাক এন্ড কোং
SHAFIQ BASAK & CO.
CHARTERED ACCOUNTANTS

TO WHOM IT MAY CONCERN

Subject: Confirmation on conditions of Corporate Governance Code dated 03-06-2018

As required by Bangladesh Securities & Exchange Commission, we do hereby confirm the following clauses:

a. **Condition No. 7(1):**
Olympic Industries Limited has not engaged us during the tenure of our appointment as Statutory Auditors for audit of their financial statements for the financial from 01-07-2017 to 30-06-2018to perform any of the following services of the company:
i. Appraisal or valuation cervices or fairness opinions;
ii. Financial information system design and implementation;
iii. Book-keeping or other services related to accounting records or financial statements;
iv. Broker-dealer services;
v. Actuarial services
vi. Internal audit services or special audit services;
vii. Any services that the Audit Committee determines;
viii. Audit or certification services on compliance of corporate governance as required under condition no. 9(1); and
ix. Any other service that creates conflict of interest.

b. **Condition No. 7(2):**
No partner or employees of our firm M/s. Shafiq Basak & Co., Chartered Accountants and none of their family members comprising their spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law hold any share in Olympic Industries Limited.

c. **Condition No. 7(3):**
Representative of our firm M/s. Shafiq Basak & Co., Chartered Accountants shall remain present in the next AGM of Olympic Industries Limited to answer the queries, if any, of the shareholders of the company.

(Sarwar Mahmood FCA)
Senior Partner
Shafiq Basak & Co.
Chartered Accountants

Dhaka: House - 42 (1st Floor), Road-1, Block-A, Niketan, Gulshan, Dhaka-1212, Phone-02-9859602, 02- 9859603, E-mail: mahmoods bd@gmail.com
Dhaka: Shatabdi Centre (6th Floor), 292 Inner Circular Road, Fakirapool, Dhaka-1000, Phone-02-7192098, 7194870, E-mail: shafiq_basak@yahoo.com
Chittagong: National House (1st Floor), 109 Agrabad Commercial Area, Chittagong, Phone-031-711561, Fax-031-723680, E-mail: basak_sbc@yahoo.com

J) Website – Condition 8

Olympic Industries Limited maintains a functional official website (www.olympicbd.com) linked with the websites of the Stock Exchanges. The required disclosures are made available on the website.

K) Reporting and Compliance of CGC – Condition 9

The certificates obtained from practicing CA Firm M/s. Huda & Co., and the Report on Compliance of Corporate Governance provided in Annexure B and in Annexure C are enclosed in the Annual Report.

REPORT OF THE AUDIT COMMITTEE

OLYMPIC INDUSTRIES LIMITED
অলিম্পিক ইন্ডাস্ট্রিজ লিমিটেড

October 20, 2018

The Board of Directors
Olympic Industries Limited
Amin Court, 6th floor
62-63, Motijheel C/A
Dhaka-1000.

Dear Sirs,

Subject: Report of the Audit Committee under Conditions 5.6 & 5.7 of Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 3, 2018 of the BSEC.

The Audit Committee of Olympic Industries Limited takes pleasure to submit to you the following report on its activities:

1) We have discharged the audit activities of Olympic Industries Limited throughout the financial year 2017-2018 and we found that the financial reporting process, accounting policies and principles, internal audit and compliance plan and process, the hiring and performance of external auditors, internal audit functions, etc. are in line with the requirements for the company.
2) We reviewed the quarterly, half-yearly as well as annual financial statements of Olympic Industries Limited for the financial year ended at June 30, 2018 before submission to the Board of Directors for approval and we found those in order.
3) We also reviewed the internal audit functions, management's discussion and analysis, the monitoring system prevailing within the business as well as the statement of related party transactions of the company and found those adequate, good and proper.
4) We supervised the hiring and performance of external or statutory auditors including determination of their audit fees, held meetings with them to review of annual financial statements before submission to the Board for approval and found the statutory auditors' performance satisfactory and their fees justified based on the scope and magnitude of the work and time required to ensure effective performance.
5) Olympic Industries Limited did not raise any money during the year 2017-2018 through Initial Public Offering (IPO), Repeat Public Offering (RPO) or issuance of Rights Shares.
6) During discharge of responsibilities, we neither found any weakness in the internal control functions of the company nor any conflicts of interest, fraud or irregularity, infringement of laws, rules and regulations or any other matter which should be reported to the Board of Directors. We did not find any letter of internal control weakness issued by statutory auditors.
7) We always assisted the Board of Directors of Olympic Industries Limited in ensuring that the financial statements of the company reflect true and fair view of the state of affairs.

Thanking you,
Yours sincerely

S.Hossain.

Begum Sakwat Banu
Independent Director & Chairman
Audit Committee

t: +880-2-9565228
f: +880-2-9567485
info@olympicbd.com
www.olympicbd.com

Amin Court, 6th Floor
62-63 Motijheel C/A
Dhaka-1000
Bangladesh

ANNEXURE A

CERTIFICATE FROM MD & CFO ON FINANCIAL STATEMENTS

October 23, 2018

OLYMPIC INDUSTRIES LIMITED
অলিম্পিক ইন্ডাস্ট্রিজ লিমিটেড

Certificate under Condition 1.5 (xxvi) of the Notification No. BSEC/ CMRRCD/2006-158/207/Admin/80 dated June 3, 2018 of the Bangladesh Securities and Exchange Commission

We hereby certify to the Board of Directors of Olympic Industries Limited that:

(1) Olympic Industries Limited's financial statements for the year ended on June 30, 2018 have been prepared in compliance with the International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, and any departure therefrom has been adequately disclosed;

(2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;

(3) The form and substance of transactions and the company's state of affairs have been reasonably and fairly presented in its financial statements;

(4) To ensure the above, the company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;

(5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and

(6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern.

In this regard, we also certify that:

(i) We have reviewed the financial statements for the year ended on June 30, 2018 and that to the best of our knowledge and belief:

(a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(b) these statements together present a true and fair view of the affairs of Olympic Industries Limited and are in compliance with existing accounting standards and applicable laws.

(ii) To the best of our knowledge and belief, there were no transactions entered into by the company during the year 2017-2018 which were fraudulent, illegal or violation of Olympic Industries Limited's Code of Conduct.

Mubarak Ali
Managing Director
Olympic Industries Limited

Harun-Al-Rashid
C. F. O.
Olympic Industries Limited

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info@olympicbd.com
www.olympicbd.com

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62-63 Motijheel C/A
Dhaka-1000
Bangladesh

ANNEXURE B

CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

HUDA & CO.
Chartered Accountants

House No. 51, Road No. 13,
Sector - 13, Uttara Model
Town, Dhaka

Tel: 7911445
Mobile: 017 15 030 823

Report to the Shareholders on Compliance of Corporate Governance Code to the Shareholders' of Olympic Industries Limited

We have examined the compliance status with the Corporate Governance Code by Olympic Industries Limited for the year ended on June 30, 2018. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 3, 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

(a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;

(b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;

(c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and

(d) The Governance of the company is satisfactory.

Dated, Dhaka
25 October 2018

HUDA & CO.
Chartered Accountants

ANNEXURE C

COMPLIANCE OF BSEC GUIDELINES FOR CORPORATE GOVERNANCE

Status of compliance with the conditions imposed by the Commission's Notification No.SEC/CMRRCD/2006-158/207/Admin/80 dated June 3, 2018 issued under Section 2CC of the Securities and Exchange Ordinance, 1969

(Report under Condition No.9)

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.1	**Board Size** (minimum 5 directors and maximum 20 directors)	√		
1.2	**Independent Directors:**	√		
(a)	At least 1/5th of total number of directors			
(b)(i)	Either holds no share or holds less than 1% share of the total paid-up shares of the company	√		One independent director holds 0.0359% of the total paid-up shares of the company.
(b)(ii)	Has no connection with any sponsor or director or shareholder who holds 1% or more shares of the company on the basis of family relationship. His / her family members (spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law) also should not hold above mentioned shares	√		The sister of an independent director holds 0.036% of shares and 0.006% of the total paid-up shares of the company.
(b)(iii)	Was not an executive of the company during the immediately preceding two financial years	√		
(b)(iv)	Has no pecuniary or other relationship with the company or its subsidiary / associated companies	√		One independent director receive remuneration as per approval of shareholders
(b)(v)	Is not a member, Trading Right Entitlement Certificate (TREC) holder, director or officer of any stock exchange	√		
(b)(vi)	Is not a shareholder, director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market	√		
(b)(vii)	Is not or was not during the preceding three years, a partner or an executive of company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code	√		
(b)(viii)	Is not an independent director in more than five listed companies	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
(b)(ix)	Has not been convicted by a court of competent jurisdiction as a loan defaulter of any bank or NBFI	√		
(b)(x)	Has not been convicted for a criminal offence involving moral turpitude	√		
(c)	Is appointed by the Board of Directors and is approved by the shareholders in AGM	√		
(d)	Post cannot remain vacant for more than 90 days	√		
(e)	Tenure of office for three years which may be extended for one term only provided that a former independent director may be reappointed for another tenure after a time gap of one tenure i.e. three years from his or her completion of consecutive two tenures i.e. six years (any partial term of tenure shall be deemed to be a full tenure), provided further that the independent director shall not be subject to retirement by rotation as per Companies Act, 1994	√		
1.3	**Qualification of Independent Director (ID):**			
(a)	Shall be knowledgeable individual with integrity; able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business	√		
(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk.100.00 million or any listed company or a member of any national or international chamber of commerce or business association			We requested both the independent directors in writing to confirm that they have the required qualification. Their response is pending.
(b)(ii)	Corporate leader who is or was a top level executive not lower than CEO or MD, AMD or DMD, Chief Operating Officer (COO), CFO or Head of Finance or Accounts, Company Secretary, Head of Internal Audit and Compliance, Head of Legal Service, Head of Administration and Human Resources or equivalent position and same level or ranked or salaried officials of a listed company or an unlisted company having minimum paid-up capital of Tk.100.00 million			Response pending
(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below fifth grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law			Response pending

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
(b)(iv)	University Teacher who has educational background in Economic or Commerce or Business Studies or Law			Response pending
(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification			Response pending
(c)	The independent director shall have at least ten years of experiences in any field mentioned in clause (b)			Response pending
(d)	Relaxation of above qualifications in special cases with prior approval by the Commission			If our independent directors confirm us that they do not have required qualifications under 1(3)(b), then we will seek special approval of the Commission to continue with them until expiry of their tenure and, thereafter, we will appoint person having required qualification.
1.4	**Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:**			
(a)	The Chairperson of the Board and the Managing Director (MD) and / or Chief Executive Officer (CEO) of the company shall be filled by different individuals	√		The Managing Director acts as CEO
(b)	MD and / or CEO of a listed company shall not hold the same position in another listed company	√		
(c)	The Chairperson (Chairman) of the Board shall be elected from among the non-executive directors of the company	√		Due to the passing of Mr. Mohammad Bhai, the post of Chairman is now vacant. A new Chairman of the company shall be appointed from non-executive directors by December 31, 2018.
(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson, the Managing Director and / or CEO	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
(e)	In the absence of Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		Previously, in absence of the Chairman at a Board meeting, the Managing Director used to be appointed as Chairman of that Board meeting. Now, to comply with these CGC, one of the non-executive directors is appointed as the Chairman.
1.5 (i)	**Inclusion of following additional statements in the Directors' Report to shareholders:** Industry outlook and possible future developments in the industry	√		
(ii)	Segment-wise or product-wise performance	√		Notes 24.00, 25.00 and unit-wise result provided in the audited financial statements
(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any	√		The following notes have been provided in the audited financial statements: a) Financial Risk Management 01.00 (ff) & 40.00 b) Credit Risk 01.00 (ff) & 40.01 c) Liquidity Risk 01.00 (ff) & 40.02 d) Market Risk including Currency Risk and Interest Rate Risk 01.00 (ff) & 40.03
(iv)	Discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin	√		
(v)	Discussion on continuity of any extraordinary activities and their gain or loss	√		
(vi)	Related party transactions with statement showing amount, nature of related party, nature of transactions and basis of transactions	√		Notes 'aa' and 33.00 of the audited financial statements
(vii)	Utilization of proceeds from public issues, right issues and/ or through any other instruments	√		No such proceeds received during the year
(viii)	Explanation for deterioration of financial results after the company goes for IPO, RPO, Right Offer, Direct Listing, etc.	√		No such event occurred during the year
(ix)	Explanation about the significant variance that occurred between quarterly financial performance and Annual Financial Statements	√		No such significant variance occurred during the year
(x)	Remuneration to directors including independent directors	√		Notes 33.00, 33.01 and 34.00 of the audited financial statements

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
(xi)	Statement that the financial statements prepared by the management of the company fairly present state of its affairs, result of its operation, cash flows and changes in equity	√		Certificate included in the Annual Report
(xii)	Statement that proper books of account of the company have been maintained	√		
(xiii)	Statement that appropriate accounting policies have been consistently applied in preparation of financial statements and the accounting estimates are based on reasonable and prudent judgment	√		
(xiv)	Statement that (IAS) or (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed	√		Certificate included in the Annual Report and Notes 01.00 (h) & 01.00 (n) of the audited financial statements
(xv)	Declaration that the system of internal control is sound in design and has been effectively implemented and monitored	√		
(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress.	√		
(xvii)	Declaration that there are no significant doubts upon the company's ability to continue as a going concern. If the company is not considered to be a going concern, the fact along with reasons thereof should be disclosed	√		Certificate included in the Annual Report
(xviii)	The significant deviations, if any, from last year's operating results shall be highlighted and reasons thereof should be explained	√		No significant deviation occurred
(xix)	Providing summarized form of key operating and financial data of at least preceding 5 years	√		
(xx)	If cash or stock dividend is not declared for the year, the reasons thereof shall be given	√		Cash Dividend has been recommended by the Board
(xxi)	Statement that no Bonus Share or Stock Dividend has been declared as Interim Dividend	√		
(xxii)	Total number of Board meetings held during the year and attendance by each director	√		Note 26.01 of the audited annual financial statements
(xxiii)	Report on the pattern of shareholding disclosing the aggregate number of shares (with name-wise details) held by:	√		
(xxiii)(a)	Parent or Subsidiary or Associated companies and other related parties			

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
(xxiii)(b)	Directors, MD or CEO, Company Secretary, CFO, Head of Internal Audit and Compliance and their spouses and minor children	√		
(xxiii)(c)	Executives (top five salaried employees of the company other than Directors, MD or CEO, CS, CFO and HIAC	√		
(xxiii)(d)	Shareholders holding 10% or more voting interest in the company	√		
(xxiv)	**In case of the appointment or reappointment of a director, the disclosure of following information to the shareholders:**			
(xxiv)(a)	A brief resume of the director	√		A brief resume of Mr. Munir Ali, Director who will retire by rotation and will be considered for reappointment in next 39th AGM for 2018, is included in the Annual Report.
(xxiv)(b)	Nature of his or her expertise in specific functional areas	√		Included in brief resume of Mr. Munir Ali
(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board	√		IIncluded in brief resume of Mr. Munir Ali
(xxv)	Discussion and Analysis signed by MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:	√		Included in the Annual Report
(xxv)(a)	Accounting policies and estimation for preparation of financial statements	√		Included in the Annual Report and in Note 01.00(j) of the audited financial statements
(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes	√		Included in the Annual Report
(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof	√		Included in the Annual Report
(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario	√		Included in the Annual Report
(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe	√		Included in the Annual Report

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company	√		Included in the Annual Report
(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof	√		Included in the Annual Report
(xxvi)	Declaration or certification by the MD and the CFO to the Board as per Annexure A on financial statements	√		Included in the Annual Report
(xxvii)	Certificate from practicing professional on compliance of and Report on Status of Compliance with the conditions of Corporate Governance Code as per Annexure B and Annexure C	√		Included in the Annual Report
1.6	**Meetings of the Board of Directors:** The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of Corporate Governance Code	√		
1.7	**Code of Conduct for the Chairperson, other Board members and MD / Chief Executive Officer**	√		
1.7 (a)	The Board shall lay down a Code of Conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) for the Chairperson of the Board, other board members and Managing Director / Chief Executive Officer of the company	√		The Nomination and Remuneration Committee for the company will be formed by Dec. 31, 2018 and based on the recommendation of the said committee, the Board of Directors shall lay down a Code of Conduct for the Chairperson, MD / CEO and other Board members of the company.
1.7 (b)	The Code of Conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independence	√		Will comply accordingly

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
2	**Governance of Board of Directors of Subsidiary Company:**			
(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company	N/A		Olympic Industries Limited has no Subsidiary Company
(b)	At least one independent director on the Board of the holding company shall be a director on the Board of the subsidiary company	N/A		Olympic Industries Limited has no Subsidiary Company
(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company	N/A		Olympic Industries Limited has no Subsidiary Company
(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also	N/A		Olympic Industries Limited has no Subsidiary Company
(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company	N/A		Olympic Industries Limited has no Subsidiary Company
3	**Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS):**			
3.1 (a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC)	√		The Managing Director was reappointed by the shareholders during the 38th AGM held on Dec. 14, 2017 for five years. To comply the condition of CGC, this appointment will be ratified by the Board of Directors by Dec. 31, 2018. The Managing Director appointed the Company Secretary, Chief Financial Officer and Head of Internal Audit and Compliance. Those appointments will also be ratified by the Board of Directors by Dec. 31, 2018.
(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time	√		
(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS	√		
(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s)	N/A		Will comply accordingly when it becomes necessary
3.2	**Requirement to attend Board of Directors' Meetings** The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters	N/A		To comply with the Corporate Governance Code they attend the meetings of the Board as necessary
3.3	**Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)**			
(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief: (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws	√		Certificate included in the Annual Report (Annexure A)
(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members	√		Certificate included in the Annual Report (Annexure A)
(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
4	**Board of Directors' Committee** For ensuring good governance in the company, the Board shall have at least following subcommittees: (i) Audit Committee (ii) Nomination and Remuneration Committee.	√		The Nomination and Remuneration Committee will be formed by Dec. 31, 2018.
5	**Audit Committee**			
5.1	**Responsibility to the Board of Directors**			
(a)	The company shall have an Audit Committee as a sub-committee of the Board	√		
(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business	√		Report of the Audit Committee included in the Annual Report
(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing	√		
5.2	**Constitution of the Audit Committee**			
(a)	The Audit Committee shall be composed of at least three members	√		
(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 independent director	√		
(c)	All members of the Audit Committee should be financially literate i.e. they are able to read and understand the financial statements like statement of financial position, statement of comprehensive income, statement of changes in equity and cash flows statement. At least one member shall have accounting or related financial management background i.e. he or she possesses professional qualification or Accounting or Finance graduate with at least ten years of corporate management or professional experiences.	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
(d)	Appointment of new Committee member by the Board if the number becomes lower than prescribed number of three persons upon expiry of term of service of any committee member or if for any circumstance any committee member becomes unable to hold office before expiration of the term of service and appointment to fill-up the vacancy shall be immediately or not later than one month from date of vacancy to ensure continuity of performance of work of Audit Committee	N/A		Will comply accordingly when it becomes necessary
(e)	Company Secretary shall act as the Secretary of Audit Committee	√		
(f)	To form quorum of Audit Committee meeting, at least one independent director should remain present	√		
5.3	**Chairperson of the Audit Committee:**			
(a)	The Board shall select an independent director to be the Chairperson of Audit Committee	√		
(b)	In the absence of the chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No.5(4)(b) and the reason of absence of the regular chairperson shall be duly recorded in the minutes	√		Will comply if and when situation arises
(c)	The chairperson of the Audit Committee shall remain present in AGM: Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the AGM and reason for absence of the chairperson of the Audit Committee shall be recorded in the minutes of AGM	√		
5.4 (a)	**Meeting of the Audit Committee:** The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
(b)	The quorum of the meeting of Audit Committee shall be constituted in the presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must	√		
5.5	**Role of Audit Committee:**	√		
(a)	Oversee the financial reporting process			
(b)	Monitor the choice of accounting policies and principles	√		
(c)	Monitor internal audit and compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report	√		
(d)	Oversee hiring and performance of external auditors	√		
(e)	Hold meetings with the external or statutory auditors for review of annual financial statements before submission to the Board for approval	√		
(f)	Review, along with the management, the annual financial statements before submission to the Board for approval	√		
(g)	Review, along with the management, the quarterly and half-yearly financial statements before submission to the Board for approval	√		
(h)	Review the adequacy of internal audit functions	√		
(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report	√		
(j)	Review statement of all related party transactions submitted by the management	√		
(k)	Review management letters or Letter of Internal Control weakness issued by statutory auditors	N/A		Will comply accordingly when it becomes necessary
(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
(m)	Oversee whether the proceeds raised through IPO or RPO or Rights Share Offer have been utilized as per the purposes stated in relevant offer documents or prospectus approved by the Commission: Provided that management shall disclose to the Audit Committee the uses or applications of the proceeds by the major category (capital expenditure, sales and marketing expenses, working capital, etc.) on a quarterly basis, as a part of their quarterly declaration of financial results; Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with comments of the Audit Committee	N/A		No such proceeds were raised during the year
5.6 (a)	**Reporting of the Audit Committee** **Reporting to the Board of Directors**			
(a)(i)	The Audit Committee shall report on its activities to the Board.	√		Report of the Audit Committee included in the Annual Report
(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:			
(a)(ii)(a)	Report on conflicts of interests	√		No such conflict arose during the year
(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements	√		No such incident occurred during the year
(a)(ii)(c)	Suspected infringement of laws, irregularity compliances including securities related laws, rules and regulations	√		No such incident occurred during the year
(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately.	√		No such matter occurred during the year

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
(b)	**Reporting to the Authorities:** If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the commission, upon reporting of such matters to the Board for three times or completion of a period of six months from the date of first reporting to the Board, whichever is earliest	√		No such incident occurred during the year
5.7	**Reporting to the Shareholders and General Investors:** Report on activities carried out by Audit Committee, including any report made to the Board under condition No.5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the company	√		No such disclosure was necessary during the year
6	**Nomination and Remuneration Committee (NRC)**			
6.1	**Responsibility to the Board of Directors**			
(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board	√		The Nomination and Remuneration Committee will be formed by Dec. 31, 2018
(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive	√		Upon its formation, the NRC will take necessary action
(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b)	√		ToR for NRC will be set after the formation of the NRC
6.2 (a)	**Constitution of the NRC** The Committee shall comprise of at least three members including an independent director	√		Will comply accordingly during the formation of the NRC
(b)	All members of the Committee shall be non-executive directors	√		Will comply accordingly during the formation of the NRC
(c)	Members of the Committee shall be nominated and appointed by the Board	√		Will comply accordingly during the formation of the NRC

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
(d)	The Board shall have authority to remove and appoint any member of the Committee	N/A		Will comply accordingly when it becomes necessary
(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the Board shall fill the vacancy within 180 days of occurring such vacancy in the Committee	N/A		Will comply accordingly when it becomes necessary
(f)	The chairperson of the Committee may appoint or co-opt any external expert and/ or member(s) of staff to the Committee as advisor who shall be non-voting member, if the chairperson feels that advice or suggestion from such external expert and/ or member(s) of staff shall be required or valuable for the Committee	N/A		Will comply accordingly when it becomes necessary
(g)	The company secretary shall act as the secretary of the Committee	√		Will comply accordingly
(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director	√		Will comply accordingly
(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than director's fees or honorarium from the company	√		Will comply accordingly
6.3	**Chairperson of the NRC**			
(a)	The Board shall select one member of the NRC to be chairperson of the Committee, who shall be an independent director	√		Will comply accordingly during the formation of the NRC
(b)	In the absence of the chairperson of the NRC, the remaining members may elect one of themselves as chairperson for that particular meeting, the reason of absence of the regular chairperson shall be duly recorded in the minutes	N/A		Will comply accordingly when it becomes necessary
(c)	The chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence of chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the chairperson of the NRC shall be recorded in the minutes of the AGM	N/A		Will comply accordingly when it becomes necessary

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6.4 (a)	**Meeting of the NRC** The NRC shall conduct at least one meeting in a financial year	√		Will comply accordingly after the formation of the NRC
(b)	The chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC	N/A		Will comply accordingly after the formation of the NRC, if necessary
(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No.6(2)(h)	√		Will comply accordingly after the formation of the NRC
(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC	√		Will comply accordingly after the formation of the NRC
6.5 (a)	**Role of the NRC** NRC shall be independent and responsible or accountable to the Board and to the shareholders	√		Will comply accordingly after the formation of the NRC
(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board	√		
(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following	√		
(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully	√		Will comply accordingly after the formation of the NRC
(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks	√		Will comply accordingly after the formation of the NRC
(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals	√		Will comply accordingly after the formation of the NRC

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality	√		Will comply accordingly after the formation of the NRC
(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board	√		Will comply accordingly after the formation of the NRC
(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board	√		Will comply accordingly after the formation of the NRC
(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria	√		Will comply accordingly after the formation of the NRC
(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies	√		Will comply accordingly after the formation of the NRC
(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report	√		Will comply accordingly after the formation of the NRC
7	**External or Statutory Auditors**			
7.1	The company shall not engage its external or statutory auditors to perform the following services of the company:	√		
(i)	Appraisal or valuation services or fairness opinions	√		
(ii)	Financial information systems design and implementation	√		
(iii)	Bookkeeping or other services related to the accounting records or financial statements	√		
(iv)	Broker-dealer services	√		
(v)	Actuarial services	√		
(vi)	Internal audit services or special audit services	√		
(vii)	Any service that the Audit Committee determines	√		
(viii)	Audit or certification services on compliance of Corporate Governance as required under condition No.9(1)	√		

AMARSTOCK

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
7.1 (ix)	Any other service that creates conflict of interest	√		
7.2	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of the company; his or her family members i.e. spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law also shall not hold any shares in the said company	√		
7.3	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders	√		
8	**Maintaining a website by the company**			
8.1	The company shall have an official website linked with the website of the stock exchange	√		
8.2	The company shall keep the website functional from the date of listing	√		
8.3	The company shall make available the detailed disclosures on its website as required under the listing regulations of the stock exchanges	√		
9	**Reporting and Compliance of Corporate Governance**			
9.1	The company shall obtain a certificate from a practicing professional Chartered Accountant or Cost and Management Accountant or Chartered Secretary, other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and such certificate shall be disclosed in the Annual Report	√		Certificate from M/s. Huda & Co., Chartered Accountants, included in the Annual Report
9.2	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting	√		The appointment will be set by the shareholders during the 39th AGM.
9.3	The directors of the company shall state, in accordance with the Annexure C, in the directors' report whether the company has complied with these conditions or not	√		The Report on Status of Compliance (Annexure C) is included in the Annual Report

STOCK YEAR

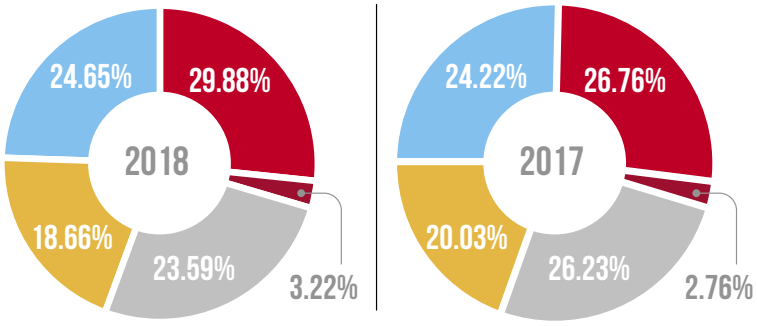
VALUE ADDED STATEMENT

The Value Added Statement (VAS) depicts the company's wealth creation and distribution, its contribution towards socio-economic activities of the country through the employment of personnel, the payment of dividends to shareholders, payments made to finance providers and the National Exchequer, as well as wealth retained by the company to be invested in its future growth.

	June 30, 2018		June 30, 2017	
	Amount (Tk.)	%	Amount (Tk.)	%
Value Added				
Revenue	**12,928,501,078**		**11,290,557,541**	
Other Income	**285,926,925**		**299,186,803**	
	13,214,428,003		11,589,744,344	
Less: Paid to Suppliers of Materials and Service Providers	(8,392,168,679)		(7,311,326,043)	
Total Value Added	**4,822,259,324**	100.00	**4,278,418,301**	100.00
Distributed as follows:				
To Employees				
Wages, Salaries, Remuneration & Allowances, Incentives and Other Benefits	1,440,789,616	29.88	1,144,775,261	26.76
To Finance Providers	**155,519,117**	3.22	118,234,767	2.76
To the Government				
Duties, Taxes & VAT	**1,137,346,528**	23.59	**1,122,195,124**	26.23
To Shareholders				
Dividend	**899,724,987**	18.66	856,880,938	20.03
	3,633,380,248		**3,242,086,090**	
Retained for Re-Investment & Future Growth				
Depreciation & Amortization	297,536,443		249,962,475	
Retained Earnings	891,342,633		786,369,736	
	1,188,879,076	24.65	**1,036,332,211**	24.22
	4,822,259,324	**100.00**	**4,278,418,301**	**100.00**

Distributed as follows:

- To Employees
- To Finance Providers
- To the Government
- To the Shareholders
- Depreciation & Retained Earnings



ECONOMIC VALUE ADDED STATEMENT

The Economic Value Added (EVA) provides a measurement of a company's financial performance over a period of time based on the residual wealth calculated by deducting its Cost of Capital from its Net Operating Profit, adjusted for taxes on a cash basis.

	Amount in Taka	
	June 30, 2018	June 30, 2017
Net Operating Profit After Tax **(NPAT)**	1,791,067,620	1,643,250,674
Total Capital Employed (Total Assets minus Current Liabilities)	6,794,169,984	5,711,674,986
Cost of Capital in % (average rate)	14.56%	14.69%
Cost of Capital **(COC)***	989,040,955	839,180,403
Economic Value Added (EVA) = NPAT - COC	**802,026,665**	**804,070,271**

The positive number in both the years reflects the company's financial strength and demonstrates that it has more coverage than its Cost of Capital.

*Calculation of Cost of Capital

Market weight shows:		
Debt: 7.21% (2017: 5.23%)	489,976,265	298,823,900
Equity: 92.79% (2017: 94.77%)	6,304,193,719	5,412,851,086
	6,794,169,984	**5,711,674,986**
Borrowing Cost % (weighted average rate)	8.86%	9.12%
Equity Cost of Capital %	15%	15%
Average Rate	14.56%	14.69%
Cost of Capital (COC)		
Debt	43,411,897	27,252,740
Equity	945,629,058	811,927,663
	989,040 ,955	**839,180 ,403**

MARKET VALUE ADDED STATEMENT

The Market Value Added (MVA) provides a measurement of a company's external performance in relation to its equity. It compares the market value of shares and their book value. A positive MVA indicates that the company could add to the value to the shareholders' wealth.

		Amount in Taka	
		June 30, 2018	June 30, 2017
Market Value of Shares Outstanding	Note A	44,981,250,878	55,503,034,754
Book Value of Shares Outstanding	Note B	6,304,193,719	5,412,851,086
Market Value Added		38,677,057,159	50,090,183,668
Market Value Added per Share (with regard to Share Capital as existing)		193.44	250.53

Note A - Market Price per Share (as quoted in the stock exchanges):

Dhaka Stock Exchange Ltd		224.75	278.50
Chittagong Stock Exchange Ltd		225.20	276.70
	Average Rate	224.98	277.60
No. of Shares Outstanding		199,938,886	199,938,886
Market Value of Shares Outstanding		44,981,250,878	55,503,034,754

Note B - No. of Shares Outstanding at June 30	199,938,886	199,938,886
Book Value of Shares (Tk. 10 per value)	1,999,388,860	1,999,388,860
Retained Earnings at June 30	4,304,804,859	3,413,462,226
Book Value of Shares Outstanding	**6,304,193,719**	**5,412,851,086**

AMAR STOCK

AUDITORS' REPORT TO THE SHAREHOLDERS

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF OLYMPIC INDUSTRIES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Olympic Industries Limited which comprise the Statement of Financial Position as at 30 June 2018 and the Statements of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 30 June 2018, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Report on other Legal and Regulatory requirements

In accordance with the requirements of the Companies Act 1994 and the Securities and Exchange Rules 1987, we

report that:

i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;

ii) In our opinion, proper books of accounts as required by law have been kept by the company so far as it appeared from our examination of those books;

iii) The company's Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income dealt with by this report are in agreement with the books of accounts; and

iv) The expenditures incurred and payment made were for the purpose of the company's business for the year.

Dhaka, October 23, 2018

SHAFIQ BASAK & CO.
Chartered Accountants

AMAR STOCK

STATEMENT OF FINANCIAL POSITION

As at June 30, 2018

Particulars	Notes	Amount in Taka	
		June 30, 2018	June 30, 2017
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	02.00	2,243,553,821	1,907,118,367
(at cost less Accumulated Depreciation)			
Capital Work-in-Progress	03.00	930,608,133	450,255,126
Intangible Assets	04.00	1	6,452,865
		3,174,161,955	**2,363,826,358**
Current Assets			
Inventories	05.00	1,306,910,332	889,663,238
Trade & Other Receivables	06.00	178,459,954	163,380,305
Advances, Deposits & Prepayments	07.00	1,725,403,875	1,360,608,025
Investments	08.00	3,970,700,921	4,095,492,162
Cash & Cash Equivalents	09.00	461,316,250	247,347,709
		7,642,791,332	**6,756,491,439**
Total Assets		**10,816,953,287**	**9,120,317,797**
EQUITY & LIABILITIES			
Shareholders' Equity			
Share Capital	10.00	1,999,388,860	1,999,388,860
Retained Earnings		4,304,804,859	3,413,462,226
(As per Statement of Changes in Shareholders' Equity)			
		6,304,193,719	**5,412,851,086**
Non-Current Liabilities			
Long-Term Loan - Non-Current Portion	11.00	361,912,071	176,148,442
Lease Finance - Non-Current Portion	12.00	4,634,269	14,971,692
Deferred Tax Liability	13.00	123,429,925	107,703,766
		489,976,265	**298,823,900**
Total Equity & Non-Current Liabilities		**6,794,169,984**	**5,711,674,986**
Current Liabilities & Provisions			
Short-Term Loans & Overdraft	14.00	1,571,406,579	846,439,265
Long-Term Loan - Current Portion	11.00	174,225,982	144,803,219
Lease Finance - Current Portion	12.00	9,248,053	25,410,811
Interest Payable	15.00	98,923	406,227
Creditors for Goods	16.00	456,418,351	529,203,787

As at June 30, 2018

Particulars	Notes	Amount in Taka	
		June 30, 2018	June 30, 2017
Creditors for Services	17.00	12,580,993	15,780,537
Accrued Expenses	18.00	104,782,112	58,898,027
Advance Against Sales	19.00	87,988,924	131,633,278
Liabilities for Other Finance	20.00	94,875,855	53,816,000
Provision for Taxation	21.00	1,149,733,308	1,138,136,995
Unclaimed Dividend	22.00	160,773,483	111,632,675
Employee Benefit Obligations	23.00	200,650,740	352,481,990
		4,022,783,303	**3,408,642,811**
Total Liabilities		**4,512,759,568**	**3,707,466,711**
Total Equity & Liabilities		**10,816,953,287**	**9,120,317,797**

The annexed notes 01 to 43 and Annexures A & B form an integral part of these financial statements. These financial statements were approved by the Board of Directors on Oct. 23, 2018 and were signed on its behalf by:

Mubarak Ali	**Noorbanu Virji**	**Md. Harun-Al-Rashid**	**Md. Nazimuddin**
Managing Director	Director	Chief Financial Officer	Company Secretary

Signed in terms of our separate report of even date annexed

Dhaka, October 23, 2018

SHAFIQ BASAK & CO.
Chartered Accountants

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended at June 30, 2018

Particulars	Notes	Amount in Taka	
		2017 - 2018	2016- 2017
Revenue	24.00	12,928,501,078	11,290,557,541
Cost of Sales	25.00	(8,707,718,622)	(7,523,115,147)
Gross Profit		4,220,782,456	3,767,442,394
Operating Expenses			
Administrative Expenses	26.00	(328,563,859)	(292,089,909)
Selling Expenses	27.00	(1,497,230,341)	(1,322,222,891)
		(1,825,794,200)	(1,614,312,800)
Profit from Operations		2,394,988,256	2,153,129,594
Finance Cost	28.00	(155,519,117)	(118,234,767)
		2,239,469,139	2,034,894,827
Other Income	29.00	285,926,925	299,186,803
Profit / (Loss) for the year		2,525,396,064	2,334,081,630
Net Changes in Fair Value of Investment in Shares of Listed Companies	08.01	(5,777,080)	(157,010)
		2,519,618,984	2,333,924,620
Contribution to Workers Profit Participation & Welfare Funds	23.01	(119,981,856)	(111,139,268)
Profit Before Tax		**2,399,637,128**	**2,222,785,352**
Income Tax Expenses		**(608,569,508)**	**(579,534,678)**
Current Tax	21.00	(592,843,349)	(565,599,025)
Deferred Tax		(15,726,159)	(13,935,653)
Profit After Taxation		**1,791,067,620**	**1,643,250,674**
Other Comprehensive Income		-	-
Total Comprehensive Income for the year		**1,791,067,620**	**1,643,250,674**

For the year ended at June 30, 2018

Particulars	Notes	Amount in Taka	
		2017 - 2018	2016- 2017
Profit / (Loss) for the year		**1,791,067,620**	**1,643,250,674**
Basic & Diluted Earnings Per Share (EPS) (Par value Tk 10.00)	30.00	**8.96**	**8.22**
Number of shares used to compute EPS		**199,938,886**	**199,938,886**

The annexed notes 01 to 43 and Annexures A & B form an integral part of these financial statements. These financial statements were approved by the Board of Directors on Oct. 23, 2018 and were signed on its behalf by:

Mubarak Ali Managing Director	**Noorbanu Virji** Director	**Md. Harun-Al-Rashid** Chief Financial Officer	**Md. Nazimuddin** Company Secretary

Signed in terms of our separate report of even date annexed

Dhaka, October 23, 2018

SHAFIQ BASAK & CO.
Chartered Accountants

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

As at June 30, 2018

Particulars	Amount in Taka		
	Share Capital	Retained Earnings	Total
Balance as on July 1, 2016	1,904,179,870	2,627,092,490	4,531,272,360
Transactions with the shareholders:			
Cash dividend for 2016	-	(761,671,948)	(761,671,948)
Stock dividend for 2016	95,208,990	(95,208,990)	-
Net profit for the year ended June 30, 2017	-	1,643,250,674	1,643,250,674
Balance as on June 30, 2017	**1,999,388,860**	**3,413,462,226**	**5,412,851,086**
No. of shares at Balance Sheet Date			**199,938,886**
Net Asset Value (NAV) per share (Note-31.00)			**27.07**
Balance as on July 1, 2017	1,999,388,860	3,413,462,226	5,412,851,086
Transactions with the shareholders:			
Cash dividend for 2017	-	(899,724,987)	(899,724,987)
Net profit for the year ended June 30, 2018	-	1,791,067,620	1,791,067,620
Balance as on June 30, 2018	**1,999,388,860**	**4,304,804,859**	**6,304,193,719**
No of Shares at Balance Sheet Date			**199,938,886**
Net Asset Value (NAV) Per share (Note-31.00)			**31.53**

The annexed notes 01 to 43 and Annexures A & B form an integral part of these financial statements. These financial statements were approved by the Board of Directors on Oct. 23, 2018 and were signed on its behalf by:

Mubarak Ali	**Noorbanu Virji**	**Md. Harun-Al-Rashid**	**Md. Nazimuddin**
Managing Director	Director	Chief Financial Officer	Company Secretary

Signed in terms of our separate report of even date annexed

SHAFIQ BASAK & CO.
Chartered Accountants

Dhaka, October 23, 2018

CASH FLOW STATEMENT

For the year ended June 30, 2018

(Refer to Accounting Policy Note 01.00(p) and Note 32.01)

	Particulars	Notes	Amount in Taka	
			June 30, 2018	June 30, 2017
A.	**Cash Flows from Operating Activities**			
	Cash Received from Customers & Others		12,873,666,075	11,077,744,283
	Cash Paid to Suppliers and Employees		(11,368,359,111)	(9,410,191,043)
	Cash Generated from Operations		**1,505,306,964**	**1,667,553,240**
	Bank Charges		(6,823,122)	(4,164,994)
	Income Taxes Paid		(585,270,408)	(674,720,508)
	Net Cash generated from Operating Activities		**913,213,434**	**988,667,738**
B.	**Cash Flows from Investing Activities**			
	Acquisition of Capital Assets		(1,107,872,044)	(650,537,658)
	Investments		118,983,970	(525,232,358)
	Proceeds from Sale of Fixed Assets		1,010,810	-
	Interest Received		280,887,954	292,692,297
	Net Cash used in Investing Activities		**(706,989,310)**	**(883,077,719)**
C.	**Cash Flows from Financing Activities**			
	Short-Term Loan		724,967,314	632,272,882
	Long-Term Loan		215,186,392	(12,154,257)
	Related Parties		32,888,827	-
	Interest Paid		(129,273,611)	(113,779,972)
	Lease Finance		(26,500,181)	(15,029,765)
	Liabilities for Other Finance		41,059,855	(11,025,901)
	Dividend Paid		(850,584,179)	(720,234,023)
	Net Cash from Financing Activities		**7,744,417**	**(239,951,036)**
	Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)		213,968,541	(134,361,017)
	Cash & Cash Equivalents at Opening		247,347,709	381,708,726
	Cash & Cash Equivalents at Closing		**461,316,250**	**247,347,709**

AMARSTOCK

For the year ended June 30, 2018

(Refer to Accounting Policy Note 01.00(p) and Note 32.01)

Particulars	Notes	Amount in Taka	
		June 30, 2018	June 30, 2017
Net Operating Cash Flow per Share	**32.00**	**4.57**	**4.94**
Number of Shares Used to Compute Net Operating Cash Flow per Share		**199,938,886**	**199,938,886**

The annexed notes 01 to 43 and Annexures A & B form an integral part of these financial statements. These financial statements were approved by the Board of Directors on Oct. 23, 2018 and were signed on its behalf by:

Mubarak Ali	**Noorbanu Virji**	**Md. Harun-Al-Rashid**	**Md. Nazimuddin**
Managing Director	Director	Chief Financial Officer	Company Secretary

Signed in terms of our separate report of even date annexed

SHAFIQ BASAK & CO.
Chartered Accountants

Dhaka, October 23, 2018

AMAR STOCK

ACCOUNTING POLICIES AND EXPLANATORY NOTES

As at and for the year ended at June 30, 2018

01.00 Significant Accounting Policies and Other Material Information:

a. Company Information

i) Legal Form of the Enterprise:
Olympic Industries Ltd. (Formerly Bengal Carbide Limited) (the "Company"), is a company incorporated and domiciled in Bangladesh as a public limited company. The Company was incorporated in Bangladesh on 26th June, 1979 bearing registration number C-7096/826 of 1978-1979.

It commenced commercial operation in 1982 and went for public issue of shares in 1984. The shares of the Company are listed in Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. in Bangladesh.

ii) Nature of Business Activities:
The Company is engaged in manufacturing and marketing of dry cell batteries, biscuits, candy and confectionery items, noodles, snacks, corrugated cartons and plastic products.

The products are sold in the local market as well as abroad.

The corrugated cartons and plastic products are mainly used for the company's own consumption and are sold outside at a limited scale.

iii) Address of Registered Office, Corporate Office and Factories
The registered office of the Company is located at Lolati, Kanchpur, P.S. Sonargaon, in the district of Narayanganj.

The corporate office of the Company is at 62-63, Motijheel Commercial Area, Dhaka-1000.

The factories are located at Kanchpur and Lolati, P.S. Sonargaon and at Madanpur, P.S. Bondar, both in the district of Narayanganj.

b. Reporting Period

The financial period of the Company covers one year from July 1 to June 30.

c. Functional and Presentation Currency

These financial statements are presented in Bangladesh Taka (Tk.), which is both functional currency and presentation currency of the Company.

d. Level of Precision

The figures in the financial statements have been rounded off to the nearest Taka.

e. Components of Financial Statements

The financial statements include the following components as per IAS 1 "Presentation of Financial Statements".

i. Statement of Financial Position;
ii. Statement of Profit or Loss and Other Comprehensive Income;
iii. Statement of Changes in Equity;
iv. Cash Flow Statement;
v. Accounting Policies and Explanatory Notes.

f. Comparative Information

Comparative information has been disclosed with respect to the year 2017 for all numerical information of the financial statements as well as narrative and descriptive information when it is relevant for understanding of the current period's financial statements.

The previous year's figures have been rearranged, reclassified and restated, where considered necessary, to conform to current year's presentation.

g. Consistency of Presentation

The presentation and classification of all items with the financial statements have been retained from one period to another period except where it is apparent that another presentation or classification would be more appropriate with regard to the selection criteria and application of accounting policies or changes required by other IFRSs.

As required under the provision of the International Financial Reporting Standards in the presentation of the financial statements, Profit or Loss and Other Comprehensive Income for the preceding year have separately reflected the results of continuing operations and discontinued operations.

For the year under review, no such disclosure is required because there was no discontinuation of business during the year and in the preceding year.

h. Statement of Compliance

The financial statements have been prepared and information has been disclosed in accordance with the requirements of the Companies Act, 1994 and International Financial Reporting Standards (IFRSs) as long as applicable to the Company.
IFRSs are comprised of:

- International Financial Reporting Standards (IFRSs)
- International Accounting Standards (IASs)
- Interpretations

i. Other Regulatory Compliance

As required, Olympic Industries Limited also complies with the following major regulatory provisions in addition to the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations:

- The Income Tax Ordinance, 1984
- The Income Tax Rules, 1984
- The Securities and Exchange Commission Ordinance, 1969
- The Securities and Exchange Commission Act, 1993
- The Value Added Tax Act, 1991

- The Value Added Tax Rules, 1991
- The Customs Act, 1969
- Bangladesh Labour Law, 2006

j. Accounting Assumptions

Accrual basis of accounting

The financial statements have been prepared, excepting Statement of Cash Flows and Bank Deposits, under accrual basis of accounting in accordance with applicable International Accounting Standards which do not vary from the requirements of the Companies Act, 1994 and other laws and rules as applicable in Bangladesh.

Going Concern

The financial statements are prepared on a going concern basis. As per the management's assessment, there is no material uncertainty relating to events or condition which may cast doubt upon the Company's ability to continue as a going concern.

k. Basis of Measurement

The financial statements have been prepared under historical cost basis except for the following material items in the Statement of Financial Position.

Non-derivative financial instruments, available for sale, are measured at fair value.

l. Use of Estimates and Judgments

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and underlying assumptions are based on past experiences and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

m. Management of Capital

Capital consists of total equity attributable to the shareholders. The Board of Directors monitors the level of capital. The Company's policy is to maintain a strong capital base so as to maintain investors, creditors and market confidence and to sustain future development of the business. No changes were made in the objectives, policies or processes for managing capital during the year. The Company is not subject to any externally imposed capital requirement.

n. Application of International Financial Reporting Standards (IFRS)

The Accounting and Financial Reporting Standards that are applicable for the financial statements for the year under review, include the following:

IAS 1	Presentation of Financial Statements
IAS 2	Inventories

IAS 7	Statements of Cash Flows
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS 10	Events after the Reporting Period
IAS 12	Income Taxes
IAS 16	Property, Plant and Equipment
IAS 17	Leases
IAS 18	Revenues
IAS 19	Employee Benefits
IAS 20	Accounting for Government Grants and Disclosure for Government Assistance
IAS 21	The Effects of Changes in Foreign Exchange Rates
IAS 23	Borrowing Costs
IAS 24	Related Party Disclosures
IAS 26	Accounting and Reporting by Retirement Benefits Plans
IAS 32	Financial Instruments: Presentation
IAS 33	Earnings per Share
IAS 36	Impairment of Assets
IAS 37	Provisions, Contingent Liabilities and Contingent Assets
IAS 38	Intangible Assets
IAS 39	Financial Instruments: Recognition and Measurement
IFRS 5	Non-Current Assets Held for Sale and Discontinued Operations
IFRS 7	Financial IInstruments: Disclosures
IFRS 8	Operating Segments
IFRS 9	Financial Instruments
IFRS 13	Fair Value Measurement
IFRS 15	Revenue from Contracts with Customers

New standards and amendments to standards adopted by the Institute of Chartered Accountants of Bangladesh subsequent to June 30, 2018 that are applicable to the Company will be taken into consideration in due course.

o. Inventories

Inventories are valued at lower of cost and net realizable value. Cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Cost of inventories is determined by using the weighted average cost formula. Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realizable value. Net realizable value is based on estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

p. Cash Flow Statement

The Cash Flow Statement has been prepared in accordance with the requirements of IAS 7: Statement of Cash Flows. The cash generating from operating activities has been reported using the Direct Method.

However, a reconciliation statement of the net profit with cash flows from operating activities making adjustment for non-cash items, for non-operating items and for the net changes in operating activities, has been made as required under the provision of a notification issued on June 20, 2018 by the Bangladesh Securities & Exchange Commission (Note 32.01).

Cash & cash equivalents comprise short term deposits, highly liquid investments and current deposits.

q. Accounting Policies, Changes in Accounting Estimates and Errors

i) Accounting Policies

Accounting policies are the specific principles, bases, conventions, requirements and practices used by an entity in preparing and presenting its financial statements.

An existing accounting policy should only be changed where a new accounting will result in reliable and more relevant information being presented.

Any changes in accounting policy required to be accounted for retrospectively except where it is not practicable to determine the effect in prior periods.

ii) Accounting Estimates

The preparation of financial statements requires many estimates to be made on the basis of latest available, reliable information.

The effect of a change in accounting estimates therefore, is recognized prospectively.

iii) Prior Period Error

A prior period error is where an error has occurred even though reliable information was available when those financial statements were authorized for issue.

IAS 8 requires retrospective restatement of financial statements to adjust prior period errors as if the prior period error had never occurred.

r. Events After the Reporting Period

Events after the reporting period that provide additional information about the Company's position at the date of Statement of Financial Position or those that indicate that the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

s. Taxation

i) Current Tax

The current tax provision is maintained at the rate of 25% on business income, 25% on non-operating income, at the rate of 20% on dividend income and at the rate of 10% on capital gain, if any, taking into consideration due allowances and possible ad-backs as per Rules, 1984 and related SROs.

ii) Deferred Tax

Deferred tax is recognized in compliance with IAS 12 "Income Taxes", providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

t. Property, Plant and Equipment

i) Recognition and Measurement

Items of property, plant and equipment, excluding freehold land, freehold building and leasehold buildings, are

measured at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is measured at Cost Model. The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes (after deducting trade discount and rebates) and any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner.

ii) Subsequent Costs

The cost of replacing or upgrading part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the Statement of Comprehensive Income as incurred.

iii) Depreciation

Depreciation is charged for the year on Straight Line Method on all fixed assets other than land. For additions during the year, depreciation is charged for the remaining days of the year and for disposal, depreciation is charged up to the date of disposal.

The rate of depreciation varies according to the estimated useful lives of the items of property, plant and equipment.

The rates of depreciation and amortization of each class of assets are as follows:

Depreciation	
Buildings & Other Constructions	5-25%
Plant & Machinery	10-15 %
Office Equipment	10-25 %
Furniture & Fixtures	10%
Transport	20 %
Amortization	
ERP Software (Useful Life of 5 Years)	20 %

iv) Major Maintenance Activities

The Company incurs maintenance costs for all of its major items of property, plant and equipment. Repairs and maintenance costs are charged as expenses when incurred.

v) Gains or Losses on Disposal

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized as other income / other expenses.

vi) Capital Work in Progress

Capital Work in Progress consists of acquisition costs, directly attributable borrowing cost for capital components and related installation cost, until the date when the asset is ready to use for its intended purpose. In case of import of components, capital work in progress is recognized when risks and rewards associated with such assets are transferred to the Company.

u. Leases

A Finance Lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not be transferred eventually. Financial leases are capitalized at the commencement of the lease term at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments.

Assets under Finance Lease are recognized in the Statement of Financial Position and the future lease payments are

recognized as Lease Liability. Expenses for the period correspond to depreciation of the leased assets and interest costs for the lease finance are charged in the Statement of Comprehensive Income.

v. Revenues

Revenues are recognized when the risks and rewards of the ownership are transferred to the buyer, recovery of the consideration is probable, the associated cost and possible return can be estimated reliably, and there is no continuing management involvement with the goods delivered.

w. Employee Benefit

The employees enjoy benefits from statutorily formed Workers Profit Participant and Welfare Funds.

Other than usual short-term benefits like salaries, wages & allowances, bonus, leave, and others, the employees enjoy the following.

i) Provident Fund

The Company operates a Contributory Provident Fund for its eligible employees. It is funded by the equal contribution from the employees as well as the company. The Fund is recognized by the National Board of Revenue, Government of the People's Republic of Bangladesh.

It is administered by a Board of Trustees.

ii) Gratuity Fund

The Company maintains a gratuity scheme and provision is made annually for the employees. A fund, namely, Olympic Industries Limited's Employees' Gratuity Fund established in accordance with Part C of the First Schedule of the Income Tax Ordinance, 1984, has been accorded due recognition by the National Board of Revenue, Government of the People's Republic of Bangladesh.

The Fund is administered by a Board of Trustees.

Benefits like pension schemes, share-based payments have not been introduced by the Company.

x. Accounting for Government Grants and Disclosure for Government Assistance

A government grant (cash subsidy) that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related cost is recognized in profit and loss of the period on cash basis consistently.

y. Foreign Currency Transactions

Foreign currencies are converted into Bangladesh Taka at rates ruling on the date of transaction and the balance in hand at the close of the business, at the rate prevailing on the Statement of Financial Position date in accordance with IAS 21 "The Effects of Changes in Foreign Exchange Rates".

z. Borrowing Cost

The borrowing cost that can be directly attributable to a qualifying asset is capitalized during construction period. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are those borrowing costs that would have been avoided if the expenditure or the qualifying asset had not been made. All other borrowing costs are recognized in Statement of Comprehensive Income in the period in which they are incurred. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss as finance cost.

aa. Transactions with Related Parties

The company carried out a number of transactions with related parties in the course of business and on arm's length basis. Transactions with related parties have been recognized and disclosed according to IAS 24, "Related Party Disclosures".

bb. Financial Instruments

a) Non-Derivative Financial Assets
The Company initially recognizes receivables and deposits on the date they are originated. All other financial assets are recognized initially on the date at which the Company becomes a party to the contractual provisions of the transaction.

Financial assets and liabilities are netted off and the net amount is presented in the Statement of Financial Position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the assets and settle the liability simultaneously.

Financial assets include accounts receivables comprising trade and other receivables, advances, deposits and prepayments, loans and advances, investments, cash and cash equivalents, and available-for-sale financial assets.

i) Account Receivables
Account Receivables comprise Trade and Other Receivables. Trade Receivables represent the amounts due from distributors and institutional customers.

These are stated at original invoice amount without making any provision for doubtful debts.
Provision for doubtful debts is made as and when it is applicable and is reflected in the financial statements or notes to the accounts.

Other receivables include accrued interest on fixed and short term deposits at balance sheet date, invested by the Company or by the established Gratuity Fund.

ii) Loans and Advances
Loans and advances are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and advances are measured at amortized cost using the effective interest method, less any impairment losses.

iii) Investments
The Company invests its money to fixed deposit and other schemes as deemed fit for the Company's benefit.

Investment in shares of listed companies and mutual funds is recognized at fair value based on the quoted market price of Dhaka Stock Exchange Ltd.

iv) Advance, Deposits and Prepayments
Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or any other changes.

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges for the year.

v) Cash and Cash Equivalents
Cash and Cash Equivalents comprise cash in hand, cash in transit and cash at bank including fixed deposits, having maturity of three months or less, which are available for use by the company without any restrictions.

Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalent.

There is insignificant risk of changes in value of the same.

b) Non-Derivative Financial Liabilities

The Company recognizes all financial liabilities on the transaction date which is the date the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

Financial liabilities include accounts payable and other payables, loans and borrowings, and finance lease obligations.

i) Accounts and Other Payables

Accounts and other payables are recognized when its contractual obligations arising from past events are certain and settlement of which is expected to result in an outflow from the Company of resources embodying economic benefits.

The Company recognizes a financial liability at fair value less any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method.

Accounts payables represent the amounts due to suppliers of materials and service providers.

ii) Loans and Borrowings

Principal amounts of the loans and borrowings are stated at their amortized amount. Borrowings repayable after twelve months from the date of the Statement of Financial Position are classified as non-current liabilities, whereas the portion of borrowings repayable within twelve months from the date of the Statement of Financial Position, unpaid interest and other charges are classified as current liabilities.

cc. Impairment of Assets

i) Non-Derivative Financial Assets

A financial asset not classified at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

ii) Loans and Receivables

The Company considers evidence of impairment for loans and receivables at both a specific asset and collective levels. All individually significant receivables are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

iii) Non-Derivative Non-Financial Assets

In compliance with IAS 36 "Impairment of Assets", the carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For intangible assets, that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time. An impairment loss is recognized if the carrying amount of an asset or its related cash generated unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a pro rata basis.

dd. Provisions and Contingencies

A provision is recognized in the Statement of Financial Position when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the date of Statement of Financial Position. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Comprehensive Income net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent liabilities and assets are not recognized in the Statement of Financial Position of the Company.

ee. Intangible Assets

i) Recognition and Measurement

Intangible assets are measured at cost less accumulated amortization and accumulated impairment loss, if any. An intangible asset is recognized when all the conditions for recognition are met as per IAS 38 “Intangible Assets”. The cost of the intangible assets comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the asset for its intended use.

Intangible assets of immaterial amounts are charged in the comprehensive income at the time of incurrence of such expenses.

ii) Subsequent Expenditure

Subsequent expenditure is capitalized only when it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. All other expenditures are recognized in the Statement of Comprehensive Income when incurred.

iii) Amortization

Amortization is recognized in the Statement of Comprehensive Income on Straight Line Method over the estimated useful lives of intangible assets, from the date they are available for use.

ff. Financial Risk Management

The Company has exposure to the following risks from its use of financial instruments:

- Credit risks
- Liquidity risks
- Market risks

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

The Company management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Credit Risk
Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, institutional and export customers, etc.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

In monitoring credit risk, debtors are grouped according to whether they are an individual or legal entity, ageing profile, maturity and existence of previous financial difficulties. Accounts and other receivables are mainly related to the Company's customers. The exposure of the Company to credit risk on accounts receivables is mainly influenced by the individual payment characteristics of the customers. Credit risk from this receivable is very minimal. Credit risk does not arise in respect any other receivables.

Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, the Company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

The Company possesses a strong capacity against its long term as well as short-term liabilities as assessed by National Credit Ratings Ltd.

The company gets its liquidity risk assessed by competent valuator every year.

Market Risk
Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

gg. Risk and Uncertainties for Use of Estimates in Preparation of Financial Statements

The preparation of financial statements in conformity with the International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and revenues and expense during the period reported. Actual results could differ from those estimates. Estimates are used for accounting of certain items such as depreciation and amortization and taxes.

hh. Responsibility for Preparation and Presentation of Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of financial statements in accordance with International Financial Reporting Standards (IFRSs), Section 183 of the Companies Act, 1994 and other applicable laws and regulations.

	Particulars	Notes	Amount in Taka	
			June 30, 2018	June 30, 2017
02.00	**Property, Plant & Equipment**			
	(Refer to Accounting Policy Note 01.00(t) and Annex A)			
	Land & Land Development		221,991,351	213,080,584
	Factory Buildings & Other Construction		418,513,653	341,710,935
	Plant & Machinery		1,502,126,493	1,297,766,909
	Office Equipment		9,584,143	7,587,636
	Furniture & Fixtures		18,896,106	14,827,916
	Transport & Vehicles		72,442,075	32,144,387
			2,243,553,821	**1,907,118,367**

* The measurement basis for determining the gross carrying amount, the depreciation method used & depreciation rates used have been disclosed in Policy Note 01.00(t)(iii).

* The gross carrying amount and the accumulated depreciation at the beginning and end of the period and a reconciliation of the carrying amount at the beginning and end of the period showing additions, disposals and depreciation have been stated in Annexure A named "Schedule of Property, Plant & Equipment".

* 6.12 decimal land at Madanpur have been purchased by the company during the year under review for Tk 4,600,000. Further, land development cost of Tk 4,310,767 has been incurred during the year.

* 490 decimal land was mortgaged against term loans received from United Commercial Bank Ltd. and The City Bank Ltd. (Note 11.01)

The said 490 decimal land is located at :

Madanpur	213	Decimal
Lolati	277	Decimal
	490	Decimal

* Additions to Plant & Machinery of Tk. 421,006,991 (2017: Tk. 384,368,502) as stated in Annexure A named Schedule of Property, Plant and Equipment include Tk. 6,863,369 (2017: Tk. 8,586,356) being attributed borrowing costs in relation to the items of Plant & Machinery (transferred from Capital Work in Progress).

* Other information as to assets held for sale, acquisition through business combination, effect for revaluation, impairment losses, restrictions of title, contractual commitment for acquisition, etc. is not applicable for the year under review.

03.00	**Capital Work in Progress**			
	(Refer to Accounting Policy Note 01.00(t)(vi)			
	Machinery		384,640,280	47,111,438
	Civil Construction		545,967,853	403,143,688
			930,608,133	**450,255,126**

	Particulars	Notes	Amount in Taka	
			June 30, 2018	June 30, 2017
03.01	**Capital Work in Progress of Tk. 930,608,133 (2017: Tk. 450,255,126) has been reconciled as follows:**			
	Opening Balance at July 1		450,255,126	**278,962,060**
	Additions during the year (other than borrowing costs)		997,002,076	557,337,556
	Directly attributed borrowing costs capitalized during the year		8,024,824	8,704,381
			1,005,026,900	**566,041,937**
			1,455,282,026	**845,003,997**
	Less: Net capitalization to fixed assets including borrowing cost		(524,673,893)	(394,748,871)
	Closing Balance at June 30		**930,608,133**	**450,255,126**
04.00	**Intangible Assets**			
	(Refer to accounting Policy Note 01.00(ee))			
	Represent Software (ERP) and arrived at as follows:			
	Cost at July 1, 2016		**32,264,325**	**32,264,325**
	Accumulated amortization (considering life to be 5 years):		**(32,264,324)**	**(25,811,460)**
	At July 1, 2017		(25,811,460)	(19,358,595)
	For the year		(6,452,864)	(6,452,865)
			1	6,452,865
	Amortization for the year of Tk. 6,452,864 as above has been allocated as expense to:			
	Factory Overhead	25.03	2,150,955	2,150,955
	Administrative Expenses	26.00	2,150,954	2,150,955
	Selling & Distribution Expenses	27.00	2,150,955	2,150,955
			6,452,864	**6,452,865**

* Other intangible assets of insignificant amounts are expensed when acquired

05.00	**Inventories**			
	(Refer to Accounting Policy Note 01.00(o))			
	Materials		974,513,025	602,981,862
	In-Transit		129,825,430	100,334,646
	Work in Progress		13,549,153	11,345,717
	Finished Goods		102,254,862	125,758,881
	Stores & Spares		86,767,862	49,242,132
			1,306,910,332	**889,663,238**

Particulars	Notes	Amount in Taka	
		June 30, 2018	June 30, 2017
06.00 Trade & Other Receivables			
Trade Debtors		38,151,404	21,584,127
Other receivables being accrued interest on:		**140,308,550**	**141,796,178**
Fixed & Short Term Deposits		131,328,050	141,796,178
Zero Coupon Bonds issued by IPDC Finance Ltd.		8,980,500	-
		178,459,954	**163,380,305**

01. Receivables are considered good in respect of which the company holds no security other than personal security of the relevant parties and security deposits of nominal amounts received from almost all of them.

02. No amount was due from the directors (including Managing Director) managing agents, managers and other officers of the company and any of them severally or jointly with any other person.

03. This includes Tk. 1,274,471 (2017: Tk. 1,437,091) due from Ambee Pharmaceuticals Ltd, an associated undertaking of the company. (Note 33.00)

04. Ageing of Trade Debtors of Tk. 38,151,404 that have subsequently been realized or adjusted in full, is as under:

Exceeding six months	1,772,340	1,871,649
Below six months	36,379,064	19,712,478
	38,151,404	**21,584,127**

05. Trade Debtors include Tk. 9,275,599 (equivalent USD 112,819) (2017: Tk. 55,64,579 equivalent USD 69,678.30) being the amount receivable from overseas customers, which has subsequently been received/adjusted.

07.00 Advances, Deposits & Prepayments			
Advances	07.01	1,622,116,950	1,252,191,163
Deposits	07.02	91,410,710	94,848,475
Prepayments	07.03	11,876,215	13,568,387
		1,725,403,875	**1,360,608,025**

07.01 Advances		
Related Parties (Note 33.00)		
Bengal Steel Works Ltd. (Associated Undertaking)	-	11,276,491
Panther Steel Mills Ltd. (Associated Undertaking)	-	21,442,980
	-	**32,719,471**

Particulars	Notes	Amount in Taka	
		June 30, 2018	June 30, 2017
Others:			
Income Tax		1,028,747,137	1,024,723,765
Employees		19,713,337	20,377,741
Suppliers & Contractors		573,656,476	174,370,186
		1,622,116,950	**1,219,471,692**
		1,622,116,950	**1,252,191,163**

(a) Advances to related parties were secured by personal guarantee given by the Directors. During the year under review, the entire amount of principal along with interest thereon was realized.

(b) The maximum amount due during the year under review from associated undertaking was Tk. 32,888,827 (2017: Tk.32,719,471).

(c) The maximum amount due during the year under review from Officers of the company was Tk. 1,000,000 (2017: Tk. 1,000,000).

(d) No amount was due from the directors (including Managing Director) and managing agents of the company and any of them severally or jointly with any other persons.

07.02 Deposits

Security & Other Deposits	48,848,290	47,129,390
VAT Deposits	34,966,453	36,449,483
Lease Deposits	5,349,563	5,595,613
Guarantee Margin	2,246,404	5,673,989
	91,410,710	**94,848,475**

07.03 Prepayments

Prepaid Insurance	8,233,046	7,691,921
Prepaid Rates & Taxes (licence fees to Bangladesh Standards & Testing Institution (BSTI))	3,643,169	5,876,466
	11,876,215	**13,568,387**

07.04 Reconciliation of Advances, Deposit and Prepayments:

Advances

These have been arrived at as follows:		
Opening Balance	1,252,191,163	859,021,303
Add: Additions made during the year	2,057,384,184	1,582,764,162
	3,309,575,347	**2,441,785,465**
Less: Adjustments/recovery made during the year	(1,687,458,397)	(1,189,594,302)
	1,622,116,950	**1,252,191,163**

Particulars	Notes	Amount in Taka	
		June 30, 2018	June 30, 2017
Deposits			
Opening Balance		94,848,475	102,093,278
Add: Additions made during the year		2,047,401,893	1,226,313,065
		2,142,250,368	**1,328,406,343**
Less: Recovery/adjustments made during the year		(2,050,839,658)	(1,233,557,868)
		91,410,710	**94,848,475**
Prepayments			
Represent prepaid insurance, rates and taxes, and have been arrived at as follows:			
Opening Balance		13,568,387	12,652,858
Add: Additions during the year		18,217,926	16,477,504
		31,786,313	**29,130,362**
Less: Adjustments made during the year		(19,910,098)	(15,561,975)
		11,876,215	**13,568,387**

08.00 Investments

i) Fixed deposits with banks & other financial institutions (maturity period of which is more than 3 months)		3,832,314,513	4,073,484,034
ii) Shares of Listed Companies - as at fair value through Profit or Loss Account	08.01	15,672,440	21,579,333
iii) Zero Coupon Bonds issued by IPDC Finance Ltd.	08.02	122,055,742	
iv) Current Account Balance with brokerage house (City Bank Capital Resources Ltd.)		658,226	428,795
		3,970,700,921	**4,095,492,162**

08.01 Shares of Listed Companies (as at fair value through profit or loss account)

(Refer to Accounting Policy Note 01.00(bb)(iii) Financial Instruments - Investments)

Particulars	Qty of Shares	Cost	Fair Value	Fair Value Gain/(Loss)
Argon Denims Limited	100,000	3,191,130	2,610,000	(581,130)
Brac Bank Ltd.	30,000	2,312,883	2,136,000	(176,883)
The City Bank Ltd.	260,400	13,157,313	8,749,440	(4,407,873)
Golden Harvest Agro Industries Ltd.	5,000	204,182	188,000	(16,182)
IDLC Finance Ltd.	30,000	2,584,012	1,989,000	(595,012)
		21,449,520	**15,672,440**	**(5,777,080)**

Fair Value represents quoted price on June 30, 2018 of Dhaka Stock Exchange Ltd.

08.02(i) The company invested Tk.1,38,414,000 on August 22, 2017 in Non-Convertible Redeemable Zero Coupon Bonds issued by IPDC Finance Ltd. (formerly Industrial Promotion and Development Company of Bangladesh Ltd.)

The Bonds are redeemable every six months over five years and according to the following schedule:

Series	Number of Bonds Subscribed	Subscription Amount	Redemption Amount	Date of Redemption
Class A	17	16,358,258	17,000,000	22 February 2018
Class B	17	15,740,741	17,000,000	22 August 2018
Class C	17	15,146,535	17,000,000	22 February 2019
Class D	17	14,574,760	17,000,000	22 August 2019
Class E	17	14,024,569	17,000,000	22 February 2020
Class F	17	13,495,148	17,000,000	22 August 2020
Class G	17	12,985,712	17,000,000	22 February 2021
Class H	17	12,495,507	17,000,000	22 August 2021
Class I	17	12,023,808	17,000,000	22 February 2022
Class J	17	11,569,914	17,000,000	22 August 2022
		138,414,952	**17,000,000**	

	Particulars	Notes	Amount in Taka	
			June 30, 2018	June 30, 2017
(ii)	The investment amount of Tk. 122,055,742 as noted in 08.00(iii) has been arrived at as follows:			
	Subscribed on August 22, 2017		138,414,000	-
	Less : Redemption during the year		(16,358,258)	-
			122,055,742	-
09.00	Cash & Cash Equivalents			
	(a) Cash in Hand		10,190,879	7,900,396
	(b) Cash at Banks			
	In Current Accounts		72,001,493	59,888,255
	In STD account		244,885,474	164,062,475
	FDRs with Banks & Other Financial Institutions (Maturity period of which is 3 months or less)	09.01	**134,238,404**	**15,496,583**
			461,316,250	**247,347,709**

09.01 Fixed deposits with banks, maturity periods of which are 3 months or less than 3 months, at varying interest rates of 7.25% to 10.75% per annum, categorized as cash equivalents are:

Bank Name	Interest rate Per annum	Maturity date	Amount in Taka	
			June 30, 2018	June 30, 2017
Delta Brac Housing	10.75%	18-07-2018	30,000,000	-
Brac Bank Ltd.	9%	23-09-2018	100,000,000	-
The City Bank Ltd.	7.25%	28-08-2018	4,238,404	4,077,852
Habib Bank Limited	5%	16-08-2017	-	10,000,000
Bank Al-Falah Limited	4.75%	08-07-2017	-	1,418,731
			134,238,404	**15,496,583**

Particulars	Notes	Amount in Taka	
		June 30, 2018	June 30, 2017
10.00 Share Capital			
a. Authorized Capital			
200,000,000 (2017: 200,000,000) Ordinary Shares of Tk.10 each		**2,000,000,000**	**2,000,000,000**
b. Issued, Subscribed & Paid-Up Capital			
i. 7,948,070 Ordinary Shares of Tk.10 each fully paid up in cash		79,480,700	79,480,700
ii. 2,054,720 Ordinary Shares of Tk.10 each issued on merger		20,547,200	20,547,200
iii. 189,936,096 (2017: 189,936,096) Ordinary Shares Tk. 10 each issued as Bonus Shares		1,899,360,960	1,899,360,960
Total 199,938,886 Ordinary Shares of Tk.10 each		**1,999,388,860**	**1,999,388,860**
b.i Ordinary Share Capital Paid-Up in Cash			
450,000 Ordinary Shares of Tk.10 each fully paid-up in cash in 1979 & 1980		4,500,000	4,500,000
450,000 Ordinary Shares of Tk.10 each fully paid up in cash in 1984		4,500,000	4,500,000
1,350,000 Ordinary Shares of Tk.10 each (right issue at 1:1 in 1994)		13,500,000	13,500,000
79,570 Ordinary Shares of Tk.100 each along with premium of Tk.1025/- per share (as right at 1:1 ratio) in 1995 which of present face value of Tk.10 each total to 795,700 shares		7,957,000	7,957,000

Particulars	Notes	Amount in Taka	
		June 30, 2018	June 30, 2017
490,237 Ordinary Shares of Tk.100 each along with premium of Tk.100 (as right at 1:1 ratio) in 1998 which of present face value of Tk.10 each totals to 4,902,370 shares		49,023,700	49,023,700
		79,480,700	**79,480,700**
b.ii 2,054,720 Ordinary Shares of Tk.10 each issued in 2008 to the shareholders of erstwhile Tripti Industries Ltd. upon amalgamation with the company.		20,547,200	20,547,200
		20,547,200	**20,547,200**
b.iii Bonus Share Capital			
450,000 Bonus Shares of Tk.10 each issued from retained earnings at 2:1 in 1988.		4,500,000	4,500,000
2,700,000 Bonus Shares of Tk.10 each issued from retained earnings at 1:1 in 1994.		27,000,000	27,000,000
2,065,230 Bonus Shares of Tk.10 each issued from share premium at 3:1 in 1996.		20,652,300	20,652,300
4,130,460 Bonus Shares of Tk.10 each issued from share premium at 2:1 in 1997.		41,304,600	41,304,600
3,869,690 Bonus Shares of Tk.10 each issued from share premium at 5:1 in 2009.		38,696,900	38,696,900
11,609,080 Bonus Shares of Tk.10 each issued from share premium and retained earnings at 2:1 in 2010.		116,090,800	116,090,800
17,413,625 Bonus Shares of Tk.10 each issued from retained earning at 2:1 in 2011.		174,136,250	174,136,250
26,120,437 Bonus Shares of Tk. 10 each issued from retained earning at 2:1 in 2012.		261,204,370	261,204,370
39,180,656 Bonus Shares of Tk. 10 each issued from retained earning at 2:1 in 2013.		391,806,560	391,806,560
41,139,688 Bonus Shares of Tk. 10 each issued from retained earning at 10:3.5 in 2014.		411,396,880	411,396,880
31,736,331 Bonus Shares of Tk. 10 each issued from retained earning at 5:1 in 2015.		317,363,310	317,363,310

AMARSTOCK

Particulars	Notes	Amount in Taka	
		June 30, 2018	June 30, 2017
9,520,899 Bonus Shares of Tk. 10 each issued from retained earning at 20:1 in 2016		95,208,990	95,208,990
		1,899,360,960	**1,899,360,960**

	June 30, 2018		June 30, 2017	
	No. of Shares	%	No. of Shares	%
c. Composition of Share Holdings				
Directors and Sponsors	55,517,626	27.77	57,827,413	28.92
Institutions	26,294,846	13.15	24,550,190	12.28
Foreign Investors	88,282,361	44.15	84,947,427	42.49
General Public	29,844,053	14.93	32,613,856	16.31
	199,938,886	**100.00**	**199,938,886**	**100.00**

d. The distribution schedule showing the number of shareholders and their share-holdings in percentage has been disclosed below as a requirement of Listing Regulation of Dhaka and Chittagong Stock Exchanges.

Range of Holdings	No. of Shareholders	No. of Shares	Holdings %
Less than 500 shares	7,535	1,018,712	0.51
500 to 5,000 shares	3,174	4,703,327	2.35
5,001 to 10,000 shares	248	1,793,795	0.90
10,001 to 20,000 shares	123	1,728,975	0.86
20,001 to 30,000 shares	51	1,273,625	0.64
30,001 to 40,000 shares	32	1,138,451	0.57
40,001 to 50,000 shares	13	575,566	0.29
50,001 to 100,000 shares	45	3,016,983	1.51
100,001 to 1,000,000 shares	65	18,213,709	9.11
Over 1,000,000 shares	28	166,475,743	83.26
	11,314	**199,938,886**	**100.00**

e. Market Price

Share of the Company are listed in the Dhaka and Chittagong Stock Exchanges and quoted at Tk. 224.75 per share (2017: Tk. 278.50) and Tk. 225.20 per share (2017: Tk.276.70) in the Dhaka and Chittagong Stock Exchanges respectively on June 30, 2018.

f. Foreign Shareholders

Particulars of foreign shareholders as on June 30, 2018 are as follows :

Particulars	Folio/BO ID	No. of Shares
REGENT MOGHUL FUND LTD.	96	8,860
IS HIMALAYAN FUND NV	1215	2,227
WI CARR (FAR EAST) LTD.	6263	6,210
UBS SECURITIES (EAST ASIA) LTD.	6660	405
MIDLAND BANK INT'L FINANCE CORP. LTD	7001	4,917

LLOYDS BANK PLC	7946	22
HBFS AC ARISAIG INDIA FUND L	1601620058579738	17,991,181
PICTET LUX A/C KFFCF	1601670058688536	23,055,952
CLSA GLOBAL MARKETS PTE LTD	1604300054134389	14,986,633
PICTET LUX A/C KFFCFE	1601670058688552	7,413,226
SCB SG A/C RWC F M E M F	1601670060552639	168,000
SSBT A/C MSIF INC. EMBNP	1601670062465699	16,295
JPMCB NA A/C THE WTLTWT	1601670062508121	1,498,400
NFM ENERGY LIMITED	1205200052717426	2,000
DB AG LONDON-GLBL MKTS EQTS	1601620015600831	268,812
BNYM AC FLORIDA RETIREMENT SYS	1601620020529694	385,000
BNYMSANVAAOPUBEMP RTMASS NMX	1601620033285299	13,590
MORGAN STANLEY AND CO INTL PLC	1601620043385440	1,043,826
BNYM EATON VANCE TR CO COM TR	1601620045001481	34,739
BNYM EATON VANCE TR CO CLTV IV	1601620045005635	405,982
ABERDEEN GLBL FRNTR MRKTS EQTY	1601620045767914	298,000
BNYM GHI HOLDINGS MAURITIUS	1601620059236671	172,430
CACEIS BANK,LB A/C BIS EFME	1601620064498382	40,000
HSBCPLCIFS AC MKC MEASA FOEICL	1601620064723735	33,390
NEWEDGE FINANCIAL HK LTD	1601670000542256	11,879
SSBT FOR SSB LUX GF	1601670014803863	2,076,707
SSBT A/C P EM Fund	1601670016201692	607,819
SSBT A/C Param Tax-Managed EMF	1601670016202702	351,256
SSBT A/C RSL TST CEB Fund:7QS2	1601670019399601	50,313
JPMCB NA Fr JPM LUX A/C MSIF	1601670030710793	230,467
SSBT A/C M.S.F.E.M.Fund, Inc.	1601670032351598	2,058,528
SSBT A/C RIIF PLC (JYFV)	1601670036865556	333,998
SSBT A/C RIIF PLC (JYFW)	1601670036869827	142,000
SSBT FR SS LX A/C GSFGSSMN11EP	1601670042631271	414,447
JPMCB NA A/C GST-GSN-11E FUND	1601670042903716	145,185
SSBT A/C IS MS 100 ETF	1601670045157411	1,003,138
SSBT A/C ABE INS CO F,LL	1601670045528963	449,000
JPMCB NA A/C KLPI.	1601670046485549	97,749
BBH A/C MEAF.	1601670048385557	1,416,833
JPMCB NA A/C FIMM, INC.	1601670052555595	12,000
RBC ISB A/C CS I FM FUND	1601670053468198	1,278,000
BBH A/C GPEMOF	1601670053849721	272,639
JPMCBNAFORJPM LUX A/CTRPFSFMEF	1601670053880589	386,302
JPMCB NA A/C T.RPIFMEF	1601670054453489	53,337
SSBT A/C FEMEIT	1601670055572468	56,472
JPMCB NA A/C FCIPLLC:FEMECF	1601670056059188	62,416

JPMCB NA A/C CGFMF	1601670057331650	60,464
SSBT A/C FIDELITY FEMF	1601670060620623	86,192
SCB DIFC FOR FBG A/C MENAFI	1601670062737207	3,122,374
NTC A.C ABERDEEN FMICL	1601670062896713	224,000
NTC A/C FEET PLC	1601670064128222	1,447,551
EATON VANCE PARAMETRIC EM FUND	1604300050277626	150,698
GOVERNMENT OF NORWAY	1604300059169109	3,830,500
		88,282,361

	Particulars	Notes	Amount in Taka	
			June 30, 2018	June 30, 2017
11.00	**Long-Term Loan (Secured)**			
	United Commercial Bank Ltd.	11.01	347,913,148	313,242,561
	Union Capital Ltd.	11.02	-	935,035
	The City Bank Ltd.	11.03	188,224,905	6,774,065
	Total Term Loan		**536,138,053**	**320,951,661**
	Less : Current portion of long-term loan being payable within 1 year			
	United Commercial Bank Ltd.		127,957,384	142,959,453
	Union Capital Ltd.		-	935,035
	The City Bank Ltd.		46,268,598	908,731
	Long-Term Loan - Current Portion		**174,225,982**	**144,803,219**
	Long-Term Loan - Non-Current Portion		**361,912,071**	**176,148,442**

11.01 Loan from United Commercial Bank Ltd. (UCBL) - Term Loan

The loan balance has been arrived as at follows :		
Opening Balance at July 1	313,242,561	330,503,460
Received during the year	209,494,173	197,561,583
	522,736,734	528,065,043
Repayments made during the year	(174,823,586)	(214,822,482)
Closing Balance at June 30	**347,913,148**	**313,242,561**

Prevailing interest rates on the said loan at different periods are as follows:

- 01-03-2016 to 30-11-2016 @ 10% per annum
- 01-12-2016 to 20-02-2018 @ 8.5% per annum
- 21-02-2018 onward @ 9.5% per annum
- The loans are repayable, along with interest thereon, in monthly equal instalments.

Security

Term Loans from United Commercial Bank Ltd. and The City Bank Ltd., are secured against pari passue charge, of 490 decimal land of the company.

Particulars	Notes	Amount in Taka	
		June 30, 2018	June 30, 2017

11.02 Loan from Union Capital Ltd.

The loan balance has been arrived as at follows:

Opening Balance	935,035	2,602,458
Received during the year	-	-
	935,035	2,602,458
Repayments made during the year	(935,035)	(1,667,423)
Closing Balance	**-**	**935,035**

This loan, initially received in August 2014 in the aggregate sum of Tk 4,769,523 bearing interest @ 15.50% per annum and due for repayment along with interest thereon, in monthly instalments from December 2014 to December 2017, was duly been repaid.

11.03 Loans from The City Bank Ltd. - Term Loan

The loan balance has been arrived as at follows:

Opening balance at July 1	6,774,065	-
Received during the year	192,068,206	6,774,065
	198,842,271	6,774,065
Less: Repayments made during the year	(10,617,366)	-
Closing Balance	**188,224,905**	**6,774,065**

During the year under review, the company received loans from the bank in the aggregate sum of Tk. 140,530,266 against sanctioned limit of Tk. 25.00 crore and also Tk. 51,537,940 against sanction limit of Tk. 20.00 crore at an interest rate of 11.25% per annum.

As regard to security, refer to Note 11.01

12.00 Lease Finance

(i) This represents lease obligation for acquisition of lease hold assets and classified as under:

	Amount in Taka			
	June 30, 2018		June 30, 2017	
	Principal	Interest	Principal	Interest
Classified as Lease Finance - Current Portion				
Due within one year	**9,248,053**	**1,228,650**	**25,410,811**	**3,083,775**
Classified as Lease Finance - Non-Current Portion				
Due after one year but within five years	4,634,269	186,436	14,971,692	1,344,671
Due after five years	-	-	-	-
	4,634,269	**186,436**	**14,971,692**	**1,344,671**
	13,882,322	**1,415,086**	**40,382,503**	**4,428,446**

(ii) Obligation of interest of Tk. 1,415,086 (2017: Tk. 4,428,446) as stated above represents interest amount payable to the lessors from July 1, 2018 up to maturity of the leases, in terms of 'Repayment Schedules' as agreed between the measures and the company.

Particulars	Amount in Taka	
	June 30, 2018	June 30, 2017
(iii) Lease obligation at year end in the aggregate sum of Tk. 13,882,322 (2017: Tk. 40,382,503) as stated above is due to:		
International Leasing & Financial Services Ltd.	-	3,201,784
National Finance Ltd.	13,498,481	28,500,687
Union Capital Ltd.	-	8,296,191
People's Leasing & Financial Services Ltd. (adjustable with lease deposits)	383,841	383,841
	13,882,322	**40,382,503**
(iv) The above obligation of Tk. 13,882,322 (2017:Tk. 40,382,503) has been arrived at as follows:		
Opening Balance at July 1	40,382,503	55,412,268
Additions during the year	-	23,957,969
	40,382,503	79,370,237
Less: Obligation liquidated during the year	(26,500,181)	(38,987,734)
Closing Balance at June 30	**13,882,322**	**40,382,503**
(v) The net carrying amounts of the related assets acquired under lease finances are as follows and have been disclosed in Annex A to the accounts:		
Plant & Machinery	44,226,231	55,121,811
Transport & Vehicles	24,264,205	31,748,663
	68,490,436	**86,870,474**

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13.00 Deferred Tax Liability: Tk. 123,429,925 (2017: Tk. 107,703,766)

This has been calculated as under, based on the deductible/taxable temporary difference arising from the difference between the carrying amounts of the assets or liabilities and their tax bases in accordance with the provision of IAS 12 : Income Taxes

Particulars	Amount in Taka					
	2017 - 2018				2016 - 2017	
	Carrying Amount on Reporting Date	Tax Base	Taxable Temporary Difference / (Deductible Temporary Difference)	Carrying Amount on Reporting Date	Tax Base	Taxable Temporary Difference / (Deductible Temporary Difference)
Deferred Tax relating to items of profit or loss						
Property, Plant & Equipment (Depreciable Items)	2,021,562,470	1,467,460,870	554,101,600	1,694,037,783	1,220,895,293	473,142,490
Provision for Gratuity	(60,381,902)	-	(60,381,902)	(42,327,426)	-	(42,327,426)
Net Taxable Temporary Difference	**1,961,180,568**	**1,467,460,870**	**493,719,698**	**1,651,710,357**	**1,220,895,293**	**430,815,064**
Applicable Tax Rate			25%			25%
Deferred Tax Liability relating items of profit or loss at the end of the year (a)			123,429,925			107,703,766
Deferred Tax Liability relating items of profit or loss at the beginning of the year			107,703,766			93,768,113
Deferred Tax Income/(expense) recognized in profit or loss			(15,726,159)			(13,935,653)

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Particulars	Amount in Taka					
	2017 - 2018				2016 - 2017	
	Carrying Amount on Reporting Date	Tax Base	Taxable Temporary Difference / (Deductible Temporary Difference)	Carrying Amount on Reporting Date	Tax Base	Taxable Temporary Difference / (Deductible Temporary Difference)
Deferred Tax Assets relating to items directly recognized in Other Comprehensive Income						
Gain/(loss) directly recognized in Other Comprehensive Income			-			-
Applicable Tax Rate			25%			25%
Deferred Tax Liability/(assets) relating to items directly recognized in Other Comprehensive Income at the end of the year			-			-
Deferred Tax Liability (assets) relating to items directly recognized in Others Comprehensive Income at the beginning of the year (b)			-			-
Net Deferred Tax (assets) / liability (a+b)			**123,429,925**			**107,703,766**

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	Particulars	Notes	Amount in Taka	
			June 30, 2018	June 30, 2017
14.00	**Short-Term Loan and Overdraft**			
	Secured: From Banking Companies			
	United Commercial Bank Ltd.	14.01		
	Loan on Trust Receipt (LTR)		380,802,012	251,626,769
	Offshore Banking		151,001,739	126,304,507
			531,803,751	**377,931,276**
	The City Bank Ltd.	14.01		
	Loan on Trust Receipt (LTR)		265,844,611	208,820,105
	Short-Term Loan (STL)		44,625,700	8,319,108
	Offshore Banking		91,697,374	58,686,670
			402,167,685	**275,825,883**
	Secured Overdraft (SOD)			
	Brac Bank Ltd.	14.02	371,065,709	-
	City Bank Ltd.	14.03	261,927,670	-
	Habib Bank Ltd.		-	188,240,342
			1,566,964,815	**841,997,501**
	Unsecured:			
	Loan from Directors		1,967,088	1,967,088
	Loan from Others		2,474,676	2,474,676
			1,571,406,579	**846,439,265**

14.01 Short-term loans in the nature of Trust Receipt, Offshore Banking, etc. from United Commercial Bank Ltd. and The City Bank Ltd. are secured against creation of pari passu charges on the plant, machinery & equipments and stock & book debts of the Company.

14.02 Secured Overdraft (SOD) from Brac Bank Ltd. is secured against lien of FDR's of an aggregate face value of Tk. 45 crore, the overdraft limit being Tk. 40 crore and interest rate thereon being 1% higher than the average interest rate against the fixed deposits pledged.

14.03 Secured Overdraft from The City Bank Ltd. is secured against lien of FDR's of an aggregate face value of Tk. 30 crore, the overdraft limit being Tk. 30 crore and interest rate on thereon being 1% higher than the average interest rate against the fixed deposits pledged.

15.00 Interest Payable: Tk. 98,923 (2017: Tk. 406,277)

This represents provision for outstanding interest for the last month of the year on loan balances due to United Commercial Bank Ltd., which has subsequently been paid.

16.00 Creditors for Goods

This represents amounts due to various suppliers of raw and packing and stores materials, the ageing of which liability is as follows:

Period exceeding six months	Tk.	3,917,497	720,236
Period below six months	Tk.	452,500,854	528,483,551
		456,418,351	**529,203,787**

Particulars	Notes	Amount in Taka	
		June 30, 2018	June 30, 2017

17.00 Creditors for Services

This represents amounts due to various service providers (e.g. landlord for head office premises, security guard providers, ad firm, fuel suppliers etc.) the ageing of which liability is as follows

Period exceeding six months	Tk.	738,476	848,004
Period below six months	Tk.	11,842,517	14,932,533
		12,580,993	**15,780,537**

18.00 Accrued Expenses

Represent provision for the following expenses :

Audit Fees		800,000	800,000
Directors' Remuneration & Allowances		1,269,000	1,585,000
Directors' Board Meeting Attendance Fees		1,457,250	778,500
Salaries, Wages & Allowances		96,170,102	50,429,786
Utility Bills		5,029,235	4,762,627
Marketing Expenses		-	196,432
Transport Bills		-	129,157
Sundry Expenses		56,525	216,525
		104,782,112	**58,898,027**

Ageing of the above liability is as under :

Period exceeding six months	Tk.	778,500	216,525
Period below six months	Tk.	104,003,612	58,681,502
		104,782,112	**58,898,027**

19.00 Advance Against Sales: Tk. 87,988,924 (2017 : Tk.131,633,278)

This represents advances received from distributors within June 30, 2018, against order placed by them, which liability has subsequently been liquidated.

20.00 Liabilities for Other Finance

Tax Deducted at Source	60,917,652	19,086,172
VAT Deducted at Source	804,124	2,357,584
Government Levy (Surcharges) Payable	1,993,529	1,993,529
Debenture Redemption Money Payable (TIL)	677,947	677,947
Security Deposits	9,206,553	8,086,539
Other Payables on Account of Employees	12,994,799	12,994,799
Sales Proceeds of Fraction Shares	6,566,310	6,580,557
Unclaimed Share Warrant (Fraction Shares) (TIL)	35,343	35,343
Others on Leased Assets	302,000	302,000
Expenses under a project of Bangladesh Employeers' Federation	1,377,598	1,701,530
	94,875,855	**53,816,000**

	Particulars	Notes	Amount in Taka	
			June 30, 2018	June 30, 2017
21.00	**Provision for Taxation**			
	Represents :			
	Provision for the assessment year 2016-2017		-	580,171,076
	Provision for the assessment year 2017-2018		557,965,919	557,965,919
	Provision for the assessment year 2018-2019		591,767,389	-
			1,149,733,308	**1,138,136,995**
	This has been arrived at as follows :			
	Opening Balance at July 1		**1,138,136,995**	**968,656,378**
	Add: Provision made during the year :			
	for the assessment year 2015-2016		**-**	**7,633,106**
	for the assessment year 2016-2017		**1,075,960**	**-**
	for the assessment year 2017-2018		**-**	**557,965,919**
	for the assessment year 2018-2019		**591,767,389**	**-**
			592,843,349	**565,599,025**
			1,730,980,344	**1,534,255,403**
	Less: Payments made during the year against assessment year 2016-2017		**(581,247,036)**	**(396,118,408)**
			1,149,733,308	**1,138,136,995**
22.00	**Unclaimed dividend**			
	Years-wise break up of the above is as follows:			
	1995		116,888	116,888
	1997		880,568	882,968
	2002		1,011,918	1,014,618
	2003		900,147	902,647
	2004		829,518	831,518
	2005		778,623	781,197
	2006		1,306,658	1,310,402
	2007		561,515	564,337
	2008		3,332,921	3,342,353
	2009		1,487,808	1,492,677
	2010		2,257,748	2,266,768
	2011		2,675,400	2,686,666
	2012		5,067,171	5,092,098
	2013		5,937,717	5,972,754
	2014		13,969,873	14,093,057
	2015		26,132,041	26,373,060
	2016		41,522,908	42,578,211
	2017		50,673,605	-
	In respect of erstwhile Tripti Industries Ltd (1988 to 2002)		1,330,456	1,330,456
			160,773,483	**111,632,675**

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Particulars	Notes	Amount in Taka	
		June 30, 2018	June 30, 2017
22.01 This has been arrived at as follows:			
Opening Balance at July 1		111,632,675	70,194,750
Add: Net dividend for the year		775,240,964	658,203,283
		886,873,639	728,398,033
Less: Paid during the year		(726,100,156)	(616,765,358)
Closing Balance at June 30		**160,773,483**	**111,632,675**

22.02 The above figures represent the dividends for which the warrants are either lying with the shareholders and have not been presented as yet by them to the bank for encashment or have been returned to the company undelivered due to change of address of those shareholders and their new address have not yet been communicated to the company. Under instruction from SEC, press advertisements were made to collect the past dividend warrants but many shareholders are yet to turn up to collect their respective warrants.

23.00 Employee Benefit Obligations

These comprise:			
Workers Profit Participation and Welfare Funds	23.01	139,711,544	309,485,305
Contributory Provident Fund	23.02	557,294	669,259
Gratuity Fund	23.03	60,381,902	42,327,426
		200,650,740	**352,481,990**

23.01 Workers' Profit Participation & Welfare Funds

These represent obligation due to Workers' Profit Participation & Welfare Funds and Bangladesh Workers' Welfare Foundation Fund and the amount has been arrived at as follows:

Opening Balance at July 1, 2017	309,485,305	265,075,252
Add: During the year		
Contribution to the Funds for the year	119,981,856	111,139,268
Interest for the year	19,729,688	43,578,795
	139,711,544	154,718,063
	449,196,849	**419,793,315**
Less : Paid to the Funds during the year	**(309,485,305)**	**(110,308,010)**
Closing balance at June 30, 2018	**139,711,544**	**309,485,305**

(i) Contribution to the Workers' Profit Participation & Welfare Funds for the year under review allocated to:

Olympic Industries Ltd. Workers' Profit Participation Fund (80%)	95,985,484	88,911,414
Olympic Industries Ltd. Workers' Welfare Fund (10%)	11,998,186	11,113,927
Bangladesh Workers' Welfare Foundation Fund (10%)	11,998,186	11,113,927
	119,981,856	**111,139,268**

(ii) Number of beneficiaries entitled to the Fund for the year under review is as follows:

Male	2,736	2,435
Female	44	30
Total	**2,780**	**2,465**

Particulars	Notes	Amount in Taka	
		June 30, 2018	June 30, 2017

(iii) Workers' Profit Participation & Welfare Funds

As required by law, the company provides 5% of its net profit for each year before charging such expenses.

Such contribution to be allocated and payable to in percentage term is as follows:

(a) Workers' Profit Participation Fund of the Company	80%	80%
(b) Workers' Welfare Fund of the Company	10%	10%
(c) Bangladesh Workers' Welfare Foundation Fund	10%	10%

In terms of the provision of Section 234(1)(b) of Bangladesh Labour Act 2006 (as amended in 2013), the amounts under (a) & (b) above are due for payment to the Workers' Profit Participation & Welfare Funds within 9 months from the close of the company's accounting period. However, there is provision of utilization of the Fund's money by the company on payment of due interest as specified in the Act.

The amount under (c) above shall be paid by the company to the Workers' Welfare Foundation Fund, as formed under the provision of the Bangladesh Workers' Welfare Foundation Act, 2006.

* In terms of the provision under Chapter XV of the Bangladesh Labour Act 2006, a Board of Trustees of the company's Workers Profit Participation Fund has been formed on November 22, 2015.

* Bangladesh Workers' Welfare Foundation Fund has been established under Section 14 of Bangladesh Workers Welfare Foundation Act 2006.

23.02 Defined benefit Plan: Contributory Provident Fund

The company operates a contributory Provident Fund for its eligible employees. The Fund is administered by a Board of Trustees and funded by the equal contribution from the employees as well as the company. The rate of such contribution, as existing, is 8% of the basic pay of the member to the Fund. The fund is recognized by the National Board of Revenue, Government of the People's Republic of Bangladesh.

This has been arrived at as follows:

Opening balance at July 1	669,259	6,834
Add: Contribution to the Fund during the year		
Employees' contribution	2,322,190	2,129,129
Company's contribution (note-a)	2,322,190	2,129,129
	4,644,380	**4,258,258**
	5,313,639	4,265,092
Less : Paid during the year to the Fund	(4,756,345)	(3,595,833)
	557,294	**669,259**

(a) Company's contribution to the Fund during the year has been charged to:

Administrative expenses	26	1,470,952	1,360,465
Selling & distribution expenses	27	304,440	271,704
Factory overhead	25.03	546,798	496,960
		2,322,190	**2,129,129**

Particulars	Notes	Amount in Taka	
		June 30, 2018	June 30, 2017

23.03 Defined Benefit Plan: Gratuity Fund

(i) The company maintains a gratuity scheme and provision is made annually for the employees. Gratuity provision at the end of each year is determined on the following basis:

Service length	Basis of provision
Up to 6 months	Nil
6 months to 10 years	1 (one) time of last month's basic pay multiplied by year (s) of service
More than 10 years	1.5 (one and a half) times of last month's basic pay multiplied by year (s) of service

A Fund, namely, Olympic Industries Ltd.'s Employees' Gratuity Fund established on October 28, 2015, in accordance with Part C of First Schedule of the Income Tax Ordinance, 1984, has been accorded due recognition by the National Board of Revenue, Government of the People's Republic of Bangladesh.

The Fund is administered by a Board of Trustees.

(ii) Obligation to the Gratuity Fund at June 30, 2018 is arrived at as follows:

Opening Balance at July 1		42,327,426	53,202,210
Add: Obligation as provided during the year and Charged to:			
Factory Overhead	25.03	16,822,140	15,762,262
Administrative Expenses	26.00	10,707,532	10,409,142
Selling & Distribution Expenses	27.00	4,483,262	3,724,837
		32,012,934	29,896,241
		74,340,360	83,098,451
Less: Paid by the company during the year to the Fund		(13,958,458)	(40,771,025)
Closing Balance at June 30		**60,381,902**	**42,327,426**

24.00 Revenue (Net of VAT)

	Qty.(Pcs/Mt)		Amount in Taka	
	June 30, 2018	June 30, 2017	June 30, 2018	June 30, 2017
Battery Unit (Pcs)	51,506,116	49,580,514	381,952,756	361,447,280
Biscuit & Conf. Unit (MT)	86,934.59	80,289.21	12,546,548,322	10,929,110,261
			12,928,501,078	**11,290,557,541**

Turnover comprises:			
Domestic Sales		12,797,823,365	11,233,000,763
Export sales (1,031,860 kg of biscuit & confectionery items at US$ 1,589,593)	41.00	130,677,713	57,556,778
(2017: 468,325.74 kg at US$ 727,174.75)			
		12,928,501,078	**11,290,557,541**

* Domestic sales include Tk.565,440 (2017 : Tk.238,080) being sales to associated undertakings (Note-33.00)

	Particulars	Notes	Amount in Taka	
			June 30, 2018	June 30, 2017
25.00	**Cost of Goods Sold**			
	Work in Progress (Opening)		11,345,717	7,891,555
	Materials Consumed (Note 25.01)		7,473,934,416	6,586,916,535
	Stores Consumed (Note 25.02)		108,910,722	107,030,909
	Factory Overhead (Note 25.03)		812,489,322	693,799,899
	Depreciation		291,083,579	243,509,610
	Work in Progress (Closing)		(13,549,153)	(11,345,717)
	Cost of Goods Manufactured		**8,684,214,603**	**7,627,802,791**
	Finished Goods (Opening)		125,758,881	21,071,237
	Finished Goods (Closing)		(102,254,862)	(125,758,881)
			8,707,718,622	**7,523,115,147**

		Qty.(Pcs/Mt)		Amount in Taka	
		June 30, 2018	June 30, 2017	June 30, 2018	June 30, 2017
	Finished Goods				
	Opening Stock :				
	Battery	1,033,392 pcs.	1,456,992 pcs.	5,112,055	5,864,550
	Biscuits	1,239.89 MT	155.21 MT	108,380,970	13,120,193
	Candy & Snacks	68.78 MT	15.96 MT	12,265,856	2,086,494
				125,758,881	**21,071,237**
	Closing Stock:				
	Battery	1 766 688 pcs.	1,033,392 pcs.	8,835,913	5,112,055
	Biscuits	814.08 MT	1,239.89 MT	70,083,868	108,380,970
	Candy & snacks	146.87 MT	68.78 MT	23,335,081	12,265,856
				102,254,862	**125,758,881**

25.01	**Materials Consumed**		
	Opening Stock	602,981,862	401,199,956
	Purchases during the year	7,845,465,579	6,788,698,441
	Closing Stock	(974,513,025)	(602,981,862)
		7,473,934,416	**6,586,916,535**

25.02	**Stores Consumed**		
	Opening Stock	49,242,132	47,759,422
	Purchases during the year	146,436,452	108,513,619
	Closing Stock	(86,767,862)	(49,242,132)
		108,910,722	**107,030,909**

	Particulars	Notes	Amount in Taka	
			June 30, 2018	June 30, 2017
25.03	**Factory Overhead**			
	Wages & Salaries		470,104,052	422,246,291
	Company's contribution to Provident Fund	23.02(a)	546,798	496,960
	Bonuses		29,626,865	28,344,133
	Gratuity	23.03(ii)	16,822,140	15,762,262
	Group Insurance		871,643	1,412,715
	Repairs & Maintenance		39,458,536	38,593,648
	Rent, Rates, Taxes & Fees		7,368,000	6,136,418
	Insurance		13,805,530	11,675,862
	Power & Fuel		135,144,013	93,319,163
	Vehicles Repair & Maintenance		1,966,509	5,898,647
	Printing & Stationery		3,119,052	3,986,042
	Postage, Telephone & Telegram		431,957	458,602
	Travelling & Conveyance		7,793,458	5,766,083
	Subs. Newspaper & Periodicals		19,219	13,842
	Entertainment		561,829	225,517
	Legal Fees		226,300	196,555
	Factory Maintenance Expenses		11,805,145	6,124,902
	Transport & Carriage		41,135,656	30,306,803
	Medical Expenses		2,305,383	2,392,909
	Staff Food		8,442,141	6,567,407
	Donations		416,000	207,000
	Technician Expenses		2,108,153	2,379,465
	Labour Handling Charges		9,221,853	5,913,650
	Advertisement		192,500	268,500
	Research, Training & Development		6,845,635	2,955,568
	Amortization of Intangible Asset - Software (ERP)	04.00	2,150,955	2,150,955
			812,489,322	**693,799,899**
26.00	**Administrative Expenses**			
	Salaries & Allowances		173,717,838	146,898,966
	Company's Contribution to Provident Fund	23.02(a)	1,470,952	1,360,465
	Bonuses		10,108,250	8,836,362
	Gratuity	23.03(ii)	10,707,532	10,409,142
	Repairs & Maintenance		6,080,980	2,876,740
	Rent		12,905,192	11,213,245
	Rates & Taxes		981,912	423,179
	Research, Training & Development		19,000	-
	Electricity, Gas & Water		2,308,059	2,614,536
	Vehicles Repairs & Maintenance		9,231,039	6,067,942
	Petrol, Oil & Lubricant		6,149,497	5,404,730
	Printing & Stationery		1,302,283	1,124,604

Particulars	Notes	Amount in Taka	
		June 30, 2018	June 30, 2017
Postages, Telephone & Telegram		6,377,313	5,051,991
Travelling & Conveyance		20,140,045	19,873,735
Subs. Newspaper & Periodicals		2,268,273	4,965,455
Entertainment		417,759	316,206
Audit Fees		800,000	800,000
Legal & Consultancy Fees		5,634,709	4,732,946
Directors' remuneration & allowances (including house accommodation Tk. 1,20,00000 (2017: Tk. 1,20,00,000)	33.01	36,253,846	43,388,710
Director's Board Meeting Attendance Fees	26.01 & 33(vii)	678,750	102,750
Office Maintenances Expenses		7,012,443	7,054,143
Donation		5,942,300	422,300
Medical Expenses		718	110,000
Advertisement		1,758,868	3,660,733
Annual General Meeting Expenses		4,145,347	2,230,074
Amortization of Intangible Asset - Software (ERP)	04.00	2,150,954	2,150,955
		328,563,859	**292,089,909**

26.01 Break-up of Directors' Board Meeting Attendance Fees is as follows:

Name of Directors	Position	Meetings Held	Attended	Amount in Taka
Mohammad Bhai (Late)	Chairman	41	25	65,000
Mubarak Ali	Managing Director	41	41	225,000
Aziz Mohammad Bhai	Director	41	-	-
Safinaz Bhai	Director	41	32	162,750
Munir Ali	Director	41	-	-
Noorbanu Virji	Independent Director	41	14	112,250
Begum Sakwat Banu	Independent Director	41	16	113,750
				678,750

Particulars	Notes	Amount in Taka	
		June 30, 2018	June 30, 2017
27.00 Selling Expenses			
Salaries & Allowances		528,382,754	316,752,926
Company's Contribution to Provident Fund	23.02(a)	304,440	271,704
Bonus		25,377,538	23,280,556
Gratuity	23.03(ii)	4,483,262	3,724,837
Repairs & Maintenance		1,012,100	1,070,210
Rent		8,617,652	8,186,859
Rates, Taxes & Fees		318,215	222,859
Group Insurance		1,074,035	991,012
Donation		100,000	-

Particulars	Notes	Amount in Taka	
		June 30, 2018	June 30, 2017
Electricity, Gas & Water		1,453,020	1,464,695
Vehicle Repairs & Maintenance		5,001,149	3,531,903
Petrol, Oil & Lubricant		18,588,762	4,996,945
Printing & Stationery		14,770,998	12,227,192
Postage, Telephone & Telegram		1,769,941	2,150,309
Travelling & Conveyance		26,061,692	196,677,679
Subscription Newspaper & Periodical		3,828	2,471
Entertainment		356,276	400,107
Legal Fees		15,000	-
Office Maintenances Expenses		579,471	942,412
Sales Promotion		368,055,224	316,547,364
Transport & Carriage		398,529,359	331,962,695
Medical Expenses		207,573	388,636
Advertisement		68,503,747	86,149,089
Research, Training & Development		392,144	90,965
Export Expenses		21,121,206	8,038,511
Amortization of Intangible Asset - Software (ERP)	04.00	2,150,955	2,150,955
		1,497,230,341	**1,322,222,891**

28.00 Finance Cost

Bank Charges		6,823,122	4,164,994
Interest	28.01	148,695,995	114,069,773
		155,519,117	**118,234,767**

28.01 Interest

Interest on Term Loan with Banks & Other Financial Institutions		
United commercial Bank Ltd.	27,265,825	22,292,460
Union Capital Ltd.	42,728	288,158
The City Bank Ltd	10,333,465	8,351
	37,642,018	22,588,969
Interest on LIM, LTR, STL, Offshore Banking with Canks	59,505,835	31,969,480
Interest on Short Term Overdraft with:		
The City Bank Ltd.	16,672,654	-
Brac Bank Ltd.	10,840,799	-
Habib Bank Ltd.	1,242,703	8,616,435
	28,756,156	8,616,435
	125,904,009	63,174,884
Interest on Balance with WPP & W. Funds	19,729,688	43,578,795
Finance Charges for Leases	3,062,298	7,316,094
	148,695,995	**114,069,773**

	Particulars	Notes	Amount in Taka	
			June 30, 2018	June 30, 2017
29.00	**Other Income**			
	Export Promotion Benefit - Cash Incentive received during the year		12,197,500	13,294,000
	Interest Income on Deposits with Banks and Other Financial Institutions			
	Fixed Deposits		261,576,467	272,019,420
	Short-Term Deposits		8,201,617	9,435,087
	Zero Coupon Bonds issued by IPDC Finance Ltd.		9,622,242	-
			279,400,326	281,454,507
	Interest income on balance with related parties	33.00	169,356	554,126
	Exchange (Loss) / Gain	29.01	(9,888,224)	(224,235)
	Sale of by-product net of VAT Tk. 203,373 (2017: Tk. 78,300)		1,355,817	522,000
	Rental income		1,040,000	960,000
	Gain on disposal of capital assets	29.02	1,010,806	-
	Income /(Loss) on investment on portfolio management account maintained			
	with City Bank Capital Resources Ltd.:			
	Realized (Loss) / Gain		(166,191)	1,821,377
	Dividend income		136,000	568,140
	Other income including scrap sales		(30,191)	2,389,517
			671,535	236,888
			285,926,925	**299,186,803**

29.01	Exchange (Loss) of Tk. 98,88,224 (2017: Tk. 224,235) has been arrived at as follows:			
	(i) Received Against Export Sales		130,033,543	57,332,543
	Less: Sales recorded at rates of exchange ruling at transaction date		130,677,713	57,556,778
			(644,170)	**(224,235)**
	(ii) Exchange difference arising from offshore banking		**(9,244,054)**	**-**
			(9,888,224)	**(224,235)**

29.02	**Gain / (Loss) on Disposal of Fixed Assets**			
	a. Gain on Disposal of Vehicles			
	Sale Proceeds of 3 Vehicles		325,810	
	Less: Book Value Thereof			
	Original Cost		1,730,528	
	Accumulated Depreciation		(1,730,525)	
			3	
	b. Gain on Disposal of Machinery		**325,807**	
	Sale Proceeds		685,000	

Particulars	Notes	Amount in Taka	
		June 30, 2018	June 30, 2017
Less : Book value thereof			
Cost		827,668	
Accumulated Depreciation		(827,667)	
		1	
		684,999	
Total gain on disposal of capital assets	(a+b)	**1,010,806**	

30.00 Earnings Per Share (EPS)

(a) Earnings attributable to the Ordinary Shareholders (Net Profit After Tax)	**1,791,067,620**	**1,643,250,674**
(b) Weighted Average Number of Ordinary Shares outstanding during the year	199,938,886	199,938,886
(c) Earnings Per Share (EPS)	**8.96**	**8.22**

Note: Basic & Diluted Earnings Per Shares are the same as there was no potential dilutive shares outstanding during the years.

31.00 Net Asset Value

Total Assets	10,816,953,287	9,120,317,797
Total Liabilities	(4,512,759,568)	(3,707,466,711)
	6,304,193,719	**5,412,851,086**
Number of Ordinary Shares of Tk. 10 each at Balance Sheet Date	199,938,886	199,938,886
NAV per Share		
On Shares at Balance Sheet date		
	31.53	**27.07**

32.00 Net Operating Cash Flow Per Share

Cash flows from operating activities as per Cash Flows Statement	913,213,434	988,667,738
Number of Ordinary Shares of Tk.10 each at Balance Sheet Date	199,938,886	199,938,886
Net Operating Cash Flow per Share		
On Shares at Balance Sheet Date	**4.57**	**4.94**

32.01 Reconciliation of Net Profit with Cash Flows from Operating Activities making adjustment for Non-cash items, for Non-operating items and for the Net changes in Operating Activities

(As required under the provision of Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated June 20, 2018 issued by Bangladesh Securities and Exchange Commission)

Net Profit Before Tax as per Profit or Loss and Other Comprehensive Income	2,399,637,128	2,222,785,352
Adjustments for items not involving flow of cash		
Depreciation	291,083,579	243,509,610
Amortization	6,452,864	6,452,865

Particulars	Notes	Amount in Taka	
		June 30, 2018	June 30, 2017
		297,536,443	249,962,475
Bank Charges		(6,823,122)	(4,164,994)
Income Taxes Paid		(585,270,408)	(674,720,508)
		(592,093,530)	(678,885,502)
		2,105,080,041	1,793,862,325
Adjustments for Non-Operating Items:			
Interest Expenses		128,966,307	70,490,978
Net Changes in Fair Value of Investment in Shares		5,777,080	157,010
Other adjustments (Investments activities & Related parties)		(273,727,175)	(234,264,844)
		(138,983,788)	(163,616,856)
Adjustments for Net Changes in Operating Activities:			
(Increase) / Decrease in :		(417,247,094)	(308,376,997)
Inventories			
Advances:		664,404	(13,201,197)
Employees		(399,286,290)	(100,812,437)
Suppliers & Contractors		3,437,765	7,244,803
Deposits		1,692,172	(915,529)
Prepayments		(16,567,277)	(4,280,282)
Trade Debtors			
Increase / (Decrease) in:			
Creditors for goods		(72,785,436)	(49,617,361)
Creditors for services		(3,199,544)	7,498,783
Advance against sales		(43,644,354)	(225,711,146)
Obligation against employee benefits		(151,831,250)	34,197,694
Accrued expenses		45,884,085	12,395,938
		(1,052,882,819)	**(641,577,731)**
Net Cash Flows from Operating Activities		**913,213,434**	**988,667,738**

33.00 Related Party Transactions

The company carried out a number of transactions with related parties in the normal course of business. The nature of transactions and their values are shown below in terms of IAS 24 Related Party Transactions:

Sl. No	Name of Related Parties	Nature of Transactions	Opening Balance at July 1, 2017	Transactions during the Year		Closing Balance at June 30, 2018
			Debit /(Credit)	Debit	(Credit)	
(i)	Ambee Pharmaceuticals Ltd.	Receivables & Sales	1,437,091	565,440	(728,060)	1,274,471
(ii)	Bengal Steel Works Limited	Loans & Advances	11,276,491	12,892	(11,289,383)	-
(iii)	Panther Steel Mills Limited	Loans & Advances	21,442,980	156,464	(21,599,444)	-

Sl. No	Name of Related Parties	Nature of Transactions	Opening Balance at July 1, 2017	Transactions during the Year		Closing Balance at June 30, 2018
			Debit /(Credit)	Debit	(Credit)	
		Interest Income		169,356		
(iv)	Mohammad Bhai, Chairman [note-33.01 a(i)]	Remuneration, Bonus & House Accommodation	-	11,653,846	(11,653,846)	-
(v)	Mubarak Ali, Managing Director [note-33.01 a(ii)]	Remuneration, Bonus & House Accommodation	-	22,000,000	(22,000,000)	-
(vi)	Ms. Sakwat Banu Independent Director [note-33.01 a(iii)]	Remuneration & Bonus	-	2,600,000	(2,600,000)	-
(vii)	Directors (Meeting Fees) (note : 26.01 & 18.00)	Board Meeting Attendance Fees	(778,500)	-	(678,750)	(1,457,250)
(viii)	Directors (Loan)	Loan from Directors	(1,967,088)	-	-	(1,967,088)

33.01 (a) Short-Term Benefits:

	Directors Remuneration & Perquisites	Remuneration	Bonus	House Accommodation	Others	Total
(i)	Mohammad Bhai Chairman	6,000,000	1,153,846	4,500,000	-	**11,653,846**
(ii)	Mubarak Ali, Managing Director	12,000,000	2,500,000	7,500,000	-	**22,000,000**
(iv)	Begum Sakwat Banu Independent Director	2,400,000	200,000	-	-	**2,600,000**
	Total (Tk.)	**20,400,000**	**3,853,846**	**12,000,000**	**-**	**36,253,846**

The Chairman and the Managing Director of the company were also provided with full-time use of company's cars with related expenses.

(b) Post-employment benefits, other long-term benefits, termination benefit and share based payments: None during the year under review or in the preceding year.

34.00 Salaries / Perquisites to Directors & Officers

The aggregate amounts paid / provided during the year in respect of directors and officers of the company as defined in the Securities and Exchange Rules, 1987 are disclosed below:

Particulars	Amount in Taka			
	2018 (Tk)		2017 (Tk)	
	Directors	Officers	Directors	Officers
	(Note-33.00)			
Board Meeting Fees	678,750	-	102,750	-
Remuneration / Salaries & Allowance	20,400,000	142,816,291	26,188,710	109,236,336
Bonuses	3,853,846	8,671,680	5,200,000	7,591,861
Accommodation	12,000,000	-	12,000,000	-
Company's Contribution to Provident Fund	-	1,917,947	-	1,740,293

35.00 Production Capacity & Capacity Utilization Operative Units

Products	Unit	Capacity		Utilization		Shortfall		Reason for Shortfall
		2018	2017	2018	2017	2018	2017	
Battery	Pcs	117,760,000	117,760,000	52,239,412	49,939,814	65,520,588	67,820,186	Less Demand for UM-1 Battery
Biscuit & Confectionery Items	MT	119,919.00	86,332.00	86,586.87	79,551.90	33,332.13	6,780.10	

36.00 The number of employees of the Company that includes regular, contractual & casual ones, existed at June 30, 2018 was as under:

Corporate Office	94	89
Marketing Department	2,032	1,902
Factories	5,186	3,779
Total	**7,312**	**5,770**

37.00 Contingent Liabilities

a. The Company had the following contingent liabilities as on June 30, 2018

	2018 (Tk.) in Lac	2017 (Tk.) in Lac
Bank Guarantee Issued by Banks (Note 38.00)	216.72	563.80
SLC with United Commercial Bank Ltd.	1,762.56	1,944.63
ULC with United Commercial Bank Ltd.	1,227.44	558.45
Acceptance of Bills (Overseas & Local)	1,511.98	1,263.05
Local L/C	-	1,518.96
Shipping Guarantee (UCBL)	39.80	-
	4,758.50	**5,848.89**
With The City Bank Ltd:		
Sight L/C	1,366.81	-
ULC (Accepted Import Liability)	916.97	-
	2,283.78	-
Grand Total	**7,042.28**	**5,848.89**

b. There may arise contingent liability for unassessed income tax cases pending with tax department.

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38.00 Bank Guarantees

The following Bank Guarantees were issued on behalf of the company, to various beneficiaries as under:

Issuing Bank	Beneficiary	Gurantee Amount	Validity
United Commercial Bank Limited	Titas Gas Transmission & Distribution Co. Ltd.	3,656,000	June 06, 2022
United Commercial Bank Limited	Titas Gas Transmission & Distribution Co. Ltd.	718,500	February 13, 2022
United Commercial Bank Limited	Titas Gas Transmission & Distribution Co. Ltd.	412,364	October 11, 2022
United Commercial Bank Limited	Titas Gas Transmission & Distribution Co. Ltd.	12,909,400	May 22, 2023
United Commercial Bank Limited	Nitol Insurance Company Ltd.	200,000	July 28, 2018
United Commercial Bank Limited	Phoenix Insurance Company Ltd.	200,000	September 23, 2018
The City Bank Ltd.	Collector of Customs, Customs House Chittagong	1,344,733	Continuous
National Bank of Pakistan	Titas Gas Transmission & Distribution Co. Ltd.	412,364	October 15, 2018
National Bank of Pakistan	Titas Gas Transmission & Distribution Co. Ltd.	601,414	April 22 , 2023
Habib Bank Limited	Titas Gas Transmission & Distribution Co. Ltd.	372,000	April 30, 2020
Habib Bank Limited	Collector of Customs, Customs House Chittagong	845,411	Continuous
	Total (Tk.)	**21,672,186**	

39.00 Capital Expenditure Commitment

The Board of Directors of the company adopted the following decisions with regard to Capital Expenditures:

Projects	Estimated Cost (Tk.) in Millions
(i) Import a Wafer Manufacturing Line, complete with ancillary machinery with estimated annual capacity of 1,800 metric tons, from Austria, to be funded by Company's own source and Bank financing.	125.45
(ii) Import a Toffee Manufacturing Line, complete with ancillary and packing machinery, with estimated annual capacity of 1,800 metric tons, from India, to be funded by Company's own source and Bank financing.	11.42

40.00 Financial Risk Management

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the company's risk management framework. The Board is responsible for developing and monitoring the company's risk management policies.

Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. It also oversees the risk management strategies to achieve current and accurate compliance with operational and legal requirement and identification of foreseeable trends that could significantly impact the company's overall business activities.

The company has exposure to the following risks from its use of financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

40.01 Credit Risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables. Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. Risk exposures from other financial assets, i.e. cash at bank and other external receivables are nominal.

40.02 Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. Typically, the Company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, prepared based on timeline to payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

Present Credit Rating as assessed by National Credit Ratings Limited for Long Term Liability is AA+ (signifies very strong capacity) & for Short Term Liability is ST-1 (signifies strongest capacity), which are valid upto June 27, 2019.

40.03 Market Risk

Market risk is the risk that any change in market prices such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

(a) Currency Risk

As at June 30, 2018 there was no exposure to currency risk as there were no foreign currency transactions made during the year under review other than in normal course of business and as disclosed in the accounts (Notes 06.05, 24.00 & 29(i))

(b) Interest Rate Risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowing. There was no foreign currency loan which is subject to floating rates of interest. Local loans are, however, not significantly affected by fluctuations in interest rates. The Company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

41.00 Foreign Exchange Earning

During the year under review, an aggregate sum of US$ 1,589,593 (equivalent Tk. 130,677,713) (2017: US$ 727,174.75 (equivalent Tk. 57,556,778)) was earned in foreign currency against export of biscuits and confectionery items (referred to Note 24 to the accounts)

42.00 Post Balance Sheet Events - Disclosure Under BAS-10 "Events After Reporting Period"

Non-Adjusting Events After the Reporting Period:

Dividend for the year :

Subsequent to the Balance Sheet Date, the Board of Directors recommended 48% (forty eight percent) cash dividend i.e. Taka 4.80 per fully paid Ordinary Share of Tk.10 each, which will be recognized in the accounts as and when approved by the shareholders in the Annual General Meeting.

Adjusting Events After the Reporting Period:

There was no adjusting events after the reporting period.

43.00 Approval of the Financial Statements

These financial statements were authorized for issue in accordance with a resolution of the Company's Board of Directors on October 23, 2018.

Mubarak Ali	**Noorbanu Virji**	**Md. Harun-Al-Rashid**	**Md. Nazimuddin**
Managing Director	Director	Chief Financial Officer	Company Secretary

Dhaka, October 23, 2018

SCHEDULE OF NON-CURRENT ASSETS

As at June 30, 2018

Annexure A

Property, Plant & Equipment

Particulars	Land & Land Development	Factory Building & Other Construction	Plant & Machinery	Office Equipment	Furniture & Fixtures	Transport & Vehicles	Total 2018	Total 2017
Cost at July 1, 2017	213,080,584	707,500,809	2,259,853,046	23,795,715	28,621,181	109,530,002	3,342,381,337	2,863,136,745
Additions during the year	8,910,767	133,086,822	421,006,991	4,507,153	6,232,938	53,774,366	627,519,037	479,244,592
Sale of Fixed Asset	-	-	(827,668)	-	-	(1,730,528)	(2,558,196)	-
Cost at June 30, 2018	**221,991,351**	**840,587,631**	**2,680,032,369**	**28,302,868**	**34,854,119**	**161,573,840**	**3,967,342,178**	**3,342,381,337**
Accumulated Depreciation at July 1, 2017	-	365,789,874	962,086,137	16,208,079	13,793,265	77,385,615	1,435,262,970	1,191,753,360
Depreciation for the year	-	56,284,104	216,647,406	2,510,646	2,164,748	13,476,675	291,083,579	243,509,610
Adjustment for Disposal	-	-	(827,667)	-	-	(1,730,525)	(2,558,192)	-
	-	**422,073,978**	**1,177,905,876**	**18,718,725**	**15,958,013**	**89,131,765**	**1,723,788,357**	**1,435,262,970**
Carrying Value at June 30, 2018	**221,991,351**	**418,513,653**	**1,502,126,493**	**9,584,143**	**18,896,106**	**72,442,075**	**2,243,553,821**	**1,907,118,367**
			-					
Carrying Value at June 30, 2017	**213,080,584**	**341,710,935**	**1,297,766,909**	**7,587,636**	**14,827,916**	**32,144,387**	**1,907,118,367**	**1,671,383,385**

This includes written down value of lease hold assets of Tk. 68,490,436 (2017: Tk.86,870,474) which is made up as follows:

As at June 30, 2018 Annexure A

Property, Plant & Equipment

Particulars	Land & Land Development	Factory Building & Other Construction	Plant & Machinery	Office Equipment	Furniture & Fixtures	Transport & Vehicles	Total	Total
Gross Carrying Amounts as on July 1, 2017	-	-	157,488,819	572,000	-	67,007,974	225,068,793	200,088,935
Additions during the year	-	-	-	-	-	-	-	24,979,858
Adjustment /Deletion of Fixed Asset	-	-	-	-	-		-	-
Gross Carrying Amounts as on June 30, 2018	**-**	**-**	**157,488,819**	**572,000**	**-**	**67,007,974**	**225,068,793**	**225,068,793**
Accumulated Depreciation as on July 1, 2017	-	-	102,367,008	572,000		35,259,311	138,198,319	116,422,568
Depreciation for the year	-	-	10,895,580			7,484,458	18,380,038	21,775,751
Adjustment of Depreciation			-	-	-		-	-
Accumulated Depreciation as on June 30, 2018	**-**	**-**	**113,262,588**	**572,000**	**-**	**42,743,769**	**156,578,357**	**138,198,319**
Net Carrying Amounts as on June 30, 2018	**-**	**-**	**44,226,231**	**-**	**-**	**24,264,205**	**68,490,436**	**86,870,474**
Net Carrying Amounts as on June 30, 2017	**-**	**-**	**55,121,811**	**-**	**-**	**31,748,663**	**86,870,474**	**83,666,367**

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UNIT - WISE RESULT

For the year ended at June 30, 2018

Annexure B

(AS PER REQUIREMENT OF THE SECURITIES AND EXCHANGE RULES, 1987)

Particulars	Notes	Amount in Taka			
		Battery Unit	Biscuit & Other Units	June 30, 2018	June 30, 2017
Revenue	24.00	381,952,756	12,546,548,322	12,928,501,078	11,290,557,541
Cost of Goods Sold	25.00	(251,828,135)	(8,455,890,487)	(8,707,718,622)	(7,523,115,147)
Gross Profit		**130,124,621**	**4,090,657,835**	**4,220,782,456**	**3,767,442,394**
Operating Expenses		(53,940,292)	(1,771,853,908)	(1,825,794,200)	(1,614,312,800)
Administrative Expenses	26.00	(9,706,916)	(318,856,943)	(328,563,859)	(292,089,909)
Selling Expenses	27.00	(44,233,376)	(1,452,996,965)	(1,497,230,341)	(1,322,222,891)
Profit from Operations		**76,184,329**	**2,318,803,927**	**2,394,988,256**	**2,153,129,594**
Finance Cost	28.00	(4,594,574)	(150,924,543)	(155,519,117)	(118,234,767)
		71,589,755	**2,167,879,384**	**2,239,469,139**	**2,034,894,827**
Other Income	29.00	8,447,273	277,479,652	285,926,925	299,186,803
		80,037,028	**2,445,359,036**	**2,525,396,064**	**2,334,081,630**
Net changes in fair value of investment in shares of listed company				**(5,777,080)**	**(157,010)**
				2,519,618,984	**2,333,924,620**
Contribution to WPPF & W Fund				(119,981,856)	(111,139,268)

For the year ended at June 30, 2018 Annexure B

(AS PER REQUIREMENT OF THE SECURITIES AND EXCHANGE RULES, 1987)

Particulars	Notes	Amount in Taka			
		Battery Unit	Biscuit & Other Units	June 30, 2018	June 30, 2017
Profit Before Tax				**2,399,637,128**	**2,222,785,352**
Current Tax				(592,843,349)	(565,599,025)
Deferred Tax Income / (Expense)				(15,726,159)	(13,935,653)
				(608,569,508)	(579,534,678)
Profit After Taxation				**1,791,067,620**	**1,643,250,674**
Other Comprehensive Income				**-**	**-**
Total Comprehensive Income				**1,791,067,620**	**1,643,250,674**

AMAR STOCK

PROXY FORM

I/We .....

of .....

being a shareholder of Olympic Industries Limited and a holder of ..... shares do hereby appoint

Mr. / Mrs. .....

of .....

as my/our proxy to attend and vote for me/us on my/our behalf at the 39th Annual General Meeting of the company to be held on Thursday, December 20, 2018 at 10:00 AM and/or at any adjournment thereof.

The specimen signature and Folio / B.O. Number of the Proxy are furnished below.

As witness my/our hands this ..... day of ..... 2018 in the presence

of .....

Signature of Proxy Folio /B.O. No. of Proxy:	Signature of Shareholder(s) Folio / B.O. No. of Shareholder(s):
Signature of Witness	

Note: A shareholder entitled to attend and vote at the 39th Annual General Meeting may appoint another shareholder as a proxy to attend and vote on his/her behalf. The Proxy Form duly completed, signed and stamped must be deposited at the corporate office of the company at least 48 hours before the meeting.

Signature Verified

Authorized Signatory
Olympic Industries Limited

Please complete this Attendance Slip and hand it over at the venue of the meeting	Please produce this portion at entry point
OLYMPIC INDUSTRIES LIMITED অলিম্পিক ইন্ডাস্ট্রিজ লিমিটেড **ATTENDANCE SLIP** I hereby record my attendance at the 39th Annual General Meeting on December 20, 2018 at 10:00 AM at Kutubpur under Kanchpur Union Parishad, P.S. & Upazilla Sonargaon, District Narayanganj. Name of Shareholder/Proxy: ..... Register Folio No. ..... B.O. Account No.	**OLYMPIC INDUSTRIES LIMITED** Folio No. ..... BO Account No..... ..... Signature of Shareholder

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Dhaka-1000
Bangladesh

AMARSTOCK

AMAR STOCK

OLYMPIC INDUSTRIES LIMITED
অলিম্পিক ইন্ডাস্ট্রিজ লিমিটেড

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