

**THE PENINSULA CHITTAGONG PLC
INDEPENDENT AUDITORS' REPORT
AND FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED 30 JUNE 2024**

INDEPENDENT AUDITORS' REPORT
to the Shareholders of
THE PENINSULA CHITTAGONG PLC

Opinion

We have audited the financial statements of THE PENINSULA CHITTAGONG PLC (the Company), which comprise the Statement of Financial Position as at 30 June 2024, the Statement 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 to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with the Companies Act, 1994, the Securities and Exchange Rules, 2020 and other applicable laws and regulations.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that in our professional judgment, were of most significance in the audit of the financial statements for the year ended 30 June 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

| Key audit matters | How our audit addressed the key audit matter |
|--|--|
| <p>1 Revenue</p> <p>Refer to Note 3.14 & 25</p> <p>Revenue recognition has significant and wide influence on the financial statements.</p> <p>The Company recognizes revenue upon transfer of service as per IFRS 15: Revenue from Contracts with Customers in its financial statements.</p> <p>The Company has reported revenue BDT 417.26 million in the financial statements for FY 2023-24.</p> <p>This material item is subject to considerable inherent risk due to the complexity and identifying revenue and the high number of transactions from which revenue is being recognized.</p> <p>Besides, the proper application of the accounting standards and assumptions made by management are considered to be complex and is therefore considered as key audit matter.</p> | <ul style="list-style-type: none"> • Assessed whether the relevant systems support the accounting of revenue & tested the design of the operating effectiveness of internal controls related to revenue recognition. • Performed walkthrough test to understand the adequacy and the design of the revenue cycle. • Assessed the invoicing and measurement systems up to entries in the general ledger. • Examined customer contracts, invoices and receipts of invoice amount on a test basis. • Conducted analytical procedures such as trend analysis, ratio analysis, and variance analysis on a sample basis. • Obtained and reviewed supporting documents for sales transactions recorded. • Tested the timing of revenue recognition as well as cut off checked. • Tested the revenue charging model against the regulatory guidelines, contractual provisions and accounting standards, on a sample basis & assessed whether the sufficient disclosure has been given. |



| Key audit matters | | How our audit addressed the key audit matter |
|--|--|---|
| 2 Inventories | | |
| <p>Refer to Note 3.07 & 9</p> <p>The Company has disclosed inventory BDT 35.04 million in its financial statements for FY 2023-24. Inventory is carried at the lower of cost and net realisable value in the financial statements.</p> <p>The exercise for the assessment of the net realisable value involves the use of judgement and assumptions that may vary depending on technological and socio-economical conditions and is therefore considered key audit matter.</p> | | <ul style="list-style-type: none"> • Verified a sample of inventory items to ensure that costs have been appropriately recorded. • Tested on a sample basis the net realisable value by comparing costs to recent selling prices and assessing the reasonableness of any resulting write down of inventory items. • Performed cut-off tests to determine that the purchases and sales of the inventories have been captured in the correct accounting period. • Confirmed physical existence and completeness by performing annual physical inventory on a sample basis. • Confirmed all necessary disclosures have been made and that the information is appropriately presented. |
| Key audit matters | | How our audit addressed the key audit matter |
| 3 Capital Work-in-Progress (CWIP) | | |
| <p>Refer to Note 3.03 & 6</p> <p>The Company has reported significant addition in CWIP. During the year the Company has disclosed addition amounting to BDT 1,161.97 million in CWIP for constructing new hotel building namely Peninsula Airport Garden situated in Plot no 2190, Naval Academy Road, South Patenga Bandar, Chattogram. The capitalization of costs and the assessment of whether these costs meet the criteria for capitalization under relevant accounting standards involve significant judgment by the management.</p> <p>There is also a risk that costs may be incorrectly classified as CWIP. Due to the value and volume of transactions, we have considered CWIP as key audit matter.</p> | | <ul style="list-style-type: none"> • Assessed the Company's policies and procedures for identifying and capitalizing costs related to CWIP. We reviewed key contracts, invoices, and supporting documents to ensure that costs capitalized as CWIP met the criteria under IAS 16. • Performed a physical inspection of the construction site to verify existence. We also select a sample of costs included in CWIP and traced them in supporting documentation, including supplier invoices and construction contracts, to confirm that they were directly attributable to the CWIP and appropriately classified. • Reviewed the financial statements' disclosures related to CWIP to ensure that they were adequate and complied with relevant accounting standards. |
| Key audit matters | | How our audit addressed the key audit matter |
| 4 Long-term loan | | |
| <p>Refer to Note 3.10 & 19</p> <p>The Company has significant long-term loan amounting to BDT 1456.42 million as on 30 June 2024 for financing the construction and development of a new hotel building. The loan terms include specific covenants that need to be complied with, and the repayment schedule extends over several years.</p> <p>Given the size of the loan and the long-term nature of the asset under construction, there is a heightened risk that non-compliance with loan covenants or changes in the estimated useful life of the hotel could lead to a material misstatement in the financial statements. So we have considered long term loan as key audit matter.</p> | | <ul style="list-style-type: none"> • Obtained and reviewed the loan agreements to understand the terms, including the interest rates, covenants, and repayment schedules. We verified that these terms were correctly reflected in the Company's financial statements. • Evaluated the appropriateness of the capitalization of borrowing costs into the cost of the hotel project, ensuring that these costs were in accordance with the applicable accounting standards (IAS 23: Borrowing Costs). • Re-calculated interest & confirmed the loan balance from the bank through balance confirmation. |

| Key audit matters | How our audit addressed the key audit matter |
|---|---|
| <p>5 Short-Term Investments</p> <p>Refer to Note 3.08 & 13</p> <p>Short-Term Investments includes investment in FDR & investment in tradable securities. Investment in tradable securities has been shown amounting to BDT 42.15 million.</p> <p>As described in the accounting policy note 3.08 to the financial statements, financial asset is recognized at fair value through Profit or loss account.</p> <p>Due to the value and volume of short-term investment in tradeable securities being held by the Company at the reporting date and complexities involved in the accounting and presentation thereof, short-term investments have been considered as key audit matter.</p> | <ul style="list-style-type: none"> Assessed that company has the ownership of existing securities & also performing the test of details to ensure cost/valuation of traded securities from Portfolio Statement. Performed test of details to ensure the disposal of traded securities by seeing the sales proceeds have been correctly accounted for and re-calculated the Profit/(Loss) on disposal of securities. Assessed the appropriate disclosure have been given to the notes as per IFRS-7: Financial Instruments Disclosures. |

| Key audit matters | How our audit addressed the key audit matter |
|---|---|
| <p>6 Lease</p> <p>Refer to Note 3.04 & 5</p> <p>The Company has disclosed Right-of-use assets (ROU) of BDT 86.24 million and lease liabilities BDT 107.40 million, arising from the lease rental agreements for its land spaces. For calculation of the lease liability, the management applies its judgement in determination of lease term where certainty of exercising the option to extend or the option not to terminate the lease is considered.</p> <p>The incremental borrowing rate is used as discounting rate in calculation of lease liability.</p> <p>We considered the implementation of IFRS 16: Leases as a key audit matter, since the balances recorded are material. Management had to apply several judgments and estimates such as lease term, discount rates, measurement basis among others and undertake a significant data extraction exercise to summarize the lease data for input into their lease calculation model.</p> | <ul style="list-style-type: none"> Obtained an understanding of the managements approach for implementing IFRS 16 and its impact on the financial statements & also obtained, read and evaluated the contracts for lease arrangements, especially the terms and conditions related to payments, lease incentives, any indirect costs, dismantling and restoration, option to extend the lease or not to terminate the lease. Tested the lease amortization schedule and depreciation schedule for each of the leases & adjustment is suggested to management, if any. Assessed whether the disclosures within the financial statements are as prescribed by the relevant IFRS Standards. Tested management assumptions in determining the certainty of exercising option to extend or terminate lease and the discounting rate applied to calculate lease liability. |

Reporting on other information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. The draft annual report is expected to be made available to us after the date of this auditor's report but before finalization of the annual report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report before finalization, if we conclude that there is a material misstatement therein, we will communicate the matter to those charged with governance of the Company so that the matter is duly addressed in the annual report.



Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements of the Company in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Securities and Exchange Rules, 2020 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- (a) identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- (c) evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (e) evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



We determine those matters, from the matters communicated with those charged with governance, that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules, 2020, we also report the following:

- 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 account as required by law have been kept by the Company so far as it appeared from our examination of these books and;
- iii) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns;
- iv) the expenditure incurred was for the purposes of the Company's business.

Firm Name : Hussain Farhad & Co., Chartered Accountants
Registration No. : 4/452/ICAB-84

Signature of the auditor :

Name of the auditor : 
Sarwar Uddin FCA, Partner/ICAB Enrollment No: 0779
FRC Enrollment No: CA-001-136

DVC No. : 2410280779AS284185


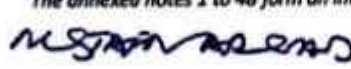
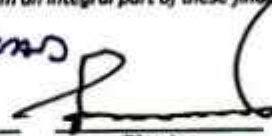

Place : Chattogram

Date : 28 OCT 2024

THE PENINSULA CHITTAGONG PLC
Statement of Financial Position
As at 30 June 2024

| | | 30 June 2024 | 30 June 2023 |
|---------------------------------------|---------|----------------------|----------------------|
| | Note(s) | Taka | Taka |
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | 4 | 2,599,444,055 | 2,567,787,102 |
| Right of use assets | 5 | 86,244,718 | 93,602,063 |
| Capital work in progress | 6 | 2,096,083,847 | 977,533,881 |
| Intangible assets | 7 | - | - |
| Investments | 8 | 2,375,000 | 2,375,000 |
| Total non-current assets | | 4,784,147,620 | 3,641,298,046 |
| Current assets | | | |
| Inventories | 9 | 35,044,263 | 37,087,056 |
| Accounts receivable | 10 | 39,736,375 | 29,787,933 |
| Interest receivable | 11 | 764,566 | 1,397,297 |
| Advances, deposits and prepayments | 12 | 351,329,361 | 160,609,918 |
| Short term investments | 13 | 43,577,627 | 104,384,835 |
| Cash and cash equivalents | 14 | 96,532,908 | 260,927,241 |
| Total current assets | | 566,985,100 | 594,194,280 |
| Total assets | | 5,351,132,720 | 4,235,492,326 |
| Equity and Liabilities | | | |
| Equity | | | |
| Share capital | 15 | 1,186,668,000 | 1,186,668,000 |
| Retained earnings | 16 | (162,159,693) | (39,132,357) |
| Share premium | | 1,050,958,284 | 1,050,958,284 |
| Revaluation surplus | 17 | 1,228,413,842 | 1,228,413,842 |
| Total equity | | 3,303,880,433 | 3,426,907,769 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Deferred tax liabilities | 18 | 51,839,270 | 55,502,744 |
| Long Term Loan | 19 | 1,456,418,709 | - |
| Lease Liabilities-Non-Current Portion | 5.01.03 | 99,248,156 | 103,181,108 |
| Total non-current liabilities | | 1,607,506,135 | 158,683,852 |
| Current liabilities | | | |
| Accounts & other payable | 20 | 60,783,455 | 36,326,089 |
| Short term borrowings | 21 | 348,185,196 | 597,762,912 |
| Provision for income tax | 22 | 20,949,481 | 4,760,714 |
| Unclaimed dividend | 23 | 1,677,020 | 1,677,340 |
| Provision for WPPF and Welfare Fund | 24 | - | - |
| Lease Liabilities-Current Portion | 5.01.03 | 8,151,000 | 9,373,650 |
| Total current liabilities | | 439,746,152 | 649,900,705 |
| Total liabilities | | 2,047,252,287 | 808,584,557 |
| Total equity and liabilities | | 5,351,132,720 | 4,235,492,326 |
| Net Asset Value Per Share | 34 | 27.84 | 28.88 |

The annexed notes 1 to 48 form an integral part of these financial statements.


Company Secretary Managing Director Director Chairman

As per our annexed report of same date.

Place : Chattogram

Dated : 28 OCT 2024




DVC : 2410280779AS284185


 Hussain Farhad & Co.
 Chartered Accountants

THE PENINSULA CHITTAGONG PLC
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2024

| | Note(s) | 01 July 2023 | 01 July 2022 |
|---|---------|----------------------|---------------------|
| | | to 30 June 2024 | to 30 June 2023 |
| | | Taka | Taka |
| Revenue | 25 | 417,259,950 | 379,044,408 |
| Cost of sales | 26 | (316,746,388) | (266,583,697) |
| Gross profit | | 100,513,562 | 112,460,711 |
| Administrative expenses | 27 | (78,178,045) | (65,683,182) |
| Selling and distribution expenses | 28 | (1,666,030) | (1,318,774) |
| Operating Profit | | 20,669,487 | 45,458,755 |
| Finance costs | 29 | (74,133,797) | (67,713,111) |
| Finance income | 30 | 4,272,731 | 23,314,238 |
| Non-operating income/(loss) | 31 | (53,882,058) | (44,708,070) |
| Profit/(Loss) before tax and WPPF and Welfare Fund | | (103,073,637) | (43,648,188) |
| Contribution to WPPF and Welfare Fund | 24 | - | - |
| Profit/(Loss) before tax | | (103,073,637) | (43,648,188) |
| Income tax expenses: | | | |
| Current tax | 22 | (23,617,173) | (7,428,406) |
| Deferred tax | 18 | 3,663,474 | 11,025,752 |
| | | (19,953,699) | 3,597,346 |
| Net profit/(Loss) after tax for the year | | (123,027,336) | (40,050,842) |
| Other comprehensive income | | | |
| Items that will never be reclassified to profit or loss | | - | - |
| Items that are or may be reclassified to profit or loss | | - | - |
| Total other comprehensive income | | - | - |
| Total comprehensive income | | (123,027,336) | (40,050,842) |
| Earnings Per Share (Basic) | 33 | (1.04) | (0.34) |

The annexed notes 1 to 48 form an integral part of these financial statements.

| | | | |
|---|---|---|--|
|  _____ Company Secretary |  _____ Managing Director |  _____ Director |  _____ Chairman |
|---|---|---|--|

As per our annexed report of same date.

Place : Chattogram

Dated : 28 OCT 2024





DVC : 2410280779AS284185



Hussain Farhad & Co.
Chartered Accountants

THE PENINSULA CHITTAGONG PLC
 Statement of Changes in Equity
 For the year ended 30 June 2024

| | Amount in Taka | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| | Share Capital | Share Premium | Revaluation Surplus | Retained Earnings | Total |
| Balance as on 01 July 2022 | 1,186,668,000 | 1,050,958,284 | 1,228,413,842 | 30,585,185 | 3,496,625,311 |
| Cash dividend for the year ended 30 June 2022 | - | - | - | (29,666,700) | (29,666,700) |
| Net Profit/(Loss) for the year ended 30 June 2023 | - | - | - | (40,050,842) | (40,050,842) |
| Balance as at 30 June 2023 | 1,186,668,000 | 1,050,958,284 | 1,228,413,842 | (39,132,357) | 3,426,907,769 |
| Balance as on 01 July 2023 | 1,186,668,000 | 1,050,958,284 | 1,228,413,842 | (39,132,357) | 3,426,907,769 |
| Net Profit/(Loss) for the year ended 30 June 2024 | - | - | - | (123,027,336) | (123,027,336) |
| Balance as at 30 June 2024 | 1,186,668,000 | 1,050,958,284 | 1,228,413,842 | (162,159,693) | 3,303,880,433 |

| | | | |
|---|---|---|--|
|  _____ Company Secretary |  _____ Managing Director |  _____ Director |  _____ Chairman |
|---|---|---|--|




THE PENINSULA CHITTAGONG PLC
Statement of Cash Flows
For the year ended 30 June 2024

| | Note(s) | 01 July 2023 to 30 June 2024 Taka | 01 July 2022 to 30 June 2022 Taka |
|--|---------|---|---|
| a. Operating activities | | | |
| Receipts from customers against revenue | 45.01 | 407,311,508 | 392,150,227 |
| Receipts from other sources | 45.02 | 4,171,665 | 1,729,439 |
| Cash paid to suppliers | 45.03 | (260,769,959) | (253,393,967) |
| Cash paid for administrative, selling & distribution expenses | 45.04 | (30,103,408) | 971,416 |
| Cash generated by operations | 32.00 | 120,609,806 | 141,457,115 |
| Receipts/(payments) from interest-Net | 45.05 | (60,360,515) | (31,001,806) |
| Income tax paid | 45.06 | (23,941,306) | (8,517,075) |
| Net cash inflow/(Outflow) generated by operating activities | | 36,307,985 | 101,938,234 |
| b. Investing activities | | | |
| Acquisition of property, plant and equipment | 46.01 | (1,401,708,195) | (341,892,147) |
| Proceeds from sale of property, plant and equipment | 46.02 | 1,865,000 | 60,000 |
| (Increase)/decrease in investments | 46.03 | 2,731,932 | 919,845 |
| Dividend received (net of tax) | 46.04 | 975,902 | 46,958 |
| Net cash inflow/(Outflow) used in investing activities | | (1,396,135,361) | (340,865,344) |
| c. Financing activities | | | |
| Receipts /(repayments) of short term borrowings | 47.01 | (249,577,716) | 45,718,292 |
| (Repayment) / Receipt of long term borrowings | 47.02 | 1,456,418,709 | - |
| Right of Use Assets (Lease Payment) | 47.03 | (11,407,629) | (8,521,500) |
| Dividend paid | 47.04 | (320) | (30,240,360) |
| Net cash inflow/(Outflow) in financing activities | | 1,195,433,044 | 6,956,432 |
| d. Net increase/(Decrease) in cash and cash equivalents (a+b+c) | | (164,394,333) | (231,970,678) |
| e. Opening cash and cash equivalents | | 260,927,241 | 492,897,919 |
| f. Cash and cash equivalents at the end of the year (d+e+f) | 14.00 | 96,532,908 | 260,927,241 |
| Net operating cash flows per share | 35.00 | 0.31 | 0.86 |


Company Secretary


Managing Director


Director


Chairman



THE PENINSULA CHITTAGONG PLC
Notes to the Financial Statements
As at and for the year ended 30 June 2024

1.00 REPORTING ENTITY

1.01 Legal form of the entity

The company was formed on 25 July 2002 under The Companies Act 1994 vide registration no. C-46488 in the name of Voyager Bangladesh Limited. Later, it was renamed as The Peninsula Chittagong Limited on 7 June 2010 vide special resolution of the shareholders in the Extra Ordinary General Meeting (EGM). It was renamed again The Peninsula Chittagong PLC on 16 March 2024. The company converted from Private Limited Company to Public Limited Company on 30 November 2010 vide special resolution of the shareholders in the Extra Ordinary General Meeting (EGM) and obtained approval of Registrar of Joint Stock Companies & Firms accordingly. The company offloaded 55,000,000 shares after getting approval from Bangladesh Securities and Exchange Commission (BSEC) on 19 February 2014 through Initial public offering. The company's shares were enlisted in both Dhaka and Chittagong Stock Exchanges on 04 June 2014 & 22 May 2014 respectively in accordance with letter ref. DSE/Listing/ULC/2014/5035 & CSE/Listing/TPCL-2014.

1.02 Registered Office of the Company

The registered office of the company is located at Bulbul Center, 486/B, O.R. Nizam Road, CDA Avenue, Chattogram 4100, Bangladesh.

1.03 Nature of the business

The principal activities of the company includes carrying of business of modern hotel, restaurants, etc. In this context the company offers a range of hotel facilities including fitness centre, a luxurious oasis within the hotel with gymnasium, swimming pool, sauna, steam bath and massage treatments etc. The company started commercial operation on 17 February 2006.

2.00 BASIS OF PREPARATION

2.01 Statement of Compliance

The financial statements have been prepared in accordance with the International Accounting Standards (IASs), International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations in Bangladesh. Cash flows from operating activities are prepared under direct method as prescribed by the Securities and Exchange Rules 2020.

2.02 Basis of Reporting

The financial statements are prepared and presented for external users by the company in accordance with identified financial reporting framework. Presentation has been made in compliance with the requirements of IAS 1 – "Presentation of Financial Statements". The financial statements comprise of:

- a) A statement of financial position as at 30 June 2024
- b) A statement of profit or loss and other comprehensive income for the year ended 30 June 2024
- c) A statement of changes in equity for the year ended 30 June 2024
- d) A statement of cash flows for the year ended 30 June 2024
- e) Notes, comprising a summary of significant accounting policies and explanatory information.

2.03 Other Regulatory Compliances

The company is also required to comply with the following major laws and regulations along with the Companies Act 1994:

- A. The Income Tax Act, 2023 & applicable Income Tax Rules
- B. The Value Added Tax and Supplementary Duty Act, 2012
- C. The Value Added Tax and Supplementary Duty Rule, 2016
- D. The Securities and Exchange Ordinance, 1969
- E. The Securities and Exchange Rules, 2020
- F. Securities and Exchange Commission Act, 1993
- G. The Customs Act, 1969 & The Custom Act 2023
- H. Bangladesh Labour Law, 2006



2.04 Basis of Measurement

These financial statements have been prepared on going concern basis under the historical cost convention except for Land & Land Development of Property, Plant & Equipment and Investment in quoted shares which are measured at fair value.

2.05 Use of Estimates and Judgments

The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and assumptions are reviewed on an ongoing basis.

The estimates and underlying assumptions are based on past experience 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.

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.

In the process of applying entities accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements.

| | |
|--|----------|
| Property, plant and equipment | Note: 4 |
| Right of Use Assets | Note: 5 |
| Intangible assets | Note: 7 |
| Inventories | Note: 9 |
| Accounts receivable | Note: 10 |
| Deferred tax liabilities | Note: 18 |
| Accounts payable | Note: 20 |
| Provision for income tax | Note: 22 |
| Contingent liabilities and Commitments | Note: 41 |

2.06 Going Concern

The Company has adequate resources to continue its operation for foreseeable future and hence, the financial statements have been prepared on going concern basis. As per management's assessment there are no material uncertainties related to events or conditions which may cast significant doubt upon the company's ability to continue as a going concern.

2.07 Reporting Period

The financial statements of the Company cover the year from 01 July to 30 June and followed consistently.

2.08 Authorization for Issue

These financial statements for the year ended 30 June 2024 have been authorized for issue by the Board of Directors on 28 October 2024.

2.09 Functional and Presentation Currency

These financial statements are presented in Bangladesh Taka (BDT/Tk) which is the company's functional currency. All financial information presented in BD Taka has been rounded off to the nearest Taka except when otherwise indicated.

2.10 Comparative Information

The financial statements provides comparative information in respects of the previous period for all amount reported in the current period's financial statements. Comparative figures have been rearranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

Cash & cash equivalents in previous year included cash at the Premier Bank Limited (A/C # 012313100000647) which was related to The Peninsula Chittagong PLC Employees (Contributory) Provident Fund and accounts payables included PF payables which were settled in earlier. Hence, both cash at the Premier Bank Limited (A/C # 012313100000647) and PF payables have been adjusted/eliminated in comparative figures for true and fair presentation. Accordingly, cash flows from operational activities and closing balances of cash & cash equivalents have been changed in comparative figures.



2.11 Consistency of presentation

Unless otherwise stated, the accounting policies and methods of computation used in preparation of the financial statements as at and for the year ended 30 June 2024 are consistent with those policies and methods applied in preparing the financial statements for the year ended 30 June 2023.

2.12 Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- a) expected to be realized or intended to sold or consumed in the normal operating cycle;
- b) held primarily for the purpose of trading;
- c) expected to be realized within twelve months after the reporting period; or
- d) cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.

A liability is current when:

- a) it is expected to be settled in the normal operating cycle;
- b) it is held primarily for the purpose of trading;
- c) it is due to be settled within twelve months after the reporting period; or
- d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

3.00 SIGNIFICANT ACCOUNTING POLICIES

The specific accounting policies selected and applied by the company's directors for significant transactions and events that have material effect within the framework of IAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the period and were also consistent with those used in earlier periods.

For a proper understanding of the financial statements, these accounting policies are set out below in one place as prescribed by the IAS-1 "Presentation of Financial Statements". The recommendations of IAS-1 relating to the format of financial statements were also taken into full consideration for fair presentation.

Set out below is an index of the significant accounting policies, the details of which are available on the following:

- 3.01 Property, Plant and Equipment
- 3.02 Revaluation of Property, Plant and Equipment
- 3.03 Capital Work-In-Progress
- 3.04 Right of Use Assets
- 3.05 Intangible Asset
- 3.06 Borrowing Costs
- 3.07 Inventories
- 3.08 Financial Instruments
- 3.09 Share Capital
- 3.10 Loans & Borrowings
- 3.11 Transactions with Related Parties
- 3.12 Provisions, Contingent liability and Contingent assets
- 3.13 Employee Benefits
- 3.14 Revenue
- 3.15 Income Tax Expenses
- 3.16 Foreign currency
- 3.17 Earnings Per Share
- 3.18 Event after the reporting period
- 3.19 Fair Value Measurement



3.01 Property, Plant and Equipment

Items of property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

The cost of an item of property, plant and equipment comprises:

It's purchase price, import duty and non-refundable taxes (after deducting trade discount and rebates).

Any cost directly attributable to the acquisition of the assets.

The cost of self-constructed/installed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner and the cost of dismantling and removing the items and restoring the site on which they are located.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

The cost of replacing or upgrading part of an item of property, plant and equipment is recognised 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 profit or loss.

Land is held on a freehold basis and is not depreciated considering the unlimited life. In respect of all other property, plant and equipment, depreciation is recognized in statement of profit or loss and other comprehensive income on diminishing balance method over the estimated useful lives of property, plant and equipment. Significant parts of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

| Asset Category | Rate of Depreciation (%) |
|---------------------------|--------------------------|
| Hotel Building | 2% |
| Plant and Machineries | 5% |
| Equipment and Appliance | 5% - 10% |
| • Office Equipment | 10% |
| • Electrical Equipment | 10% |
| • Air Conditioner | 5% |
| • Kitchen Equipment | 5% |
| • House Keeping Equipment | 10% |
| • Bar Equipment | 10% |
| • Security Equipment | 10% |
| • Linen | 10% |
| • SPA | 5% |
| • Wooden Floor | 5% |
| • Tumbler Drier | 5% |
| Motor Vehicles | 10% |
| Furniture & Fixtures | 5% |
| Office Decoration | 5% |

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

3.02 Revaluation of Property, Plant and Equipment

Since inception, the company revalued its non-current assets for the 1st time in the year 2010-2011 by Syful Shamsul Alam & Co, Chartered Accountants. Reserve was created by the sum of revaluation surplus as per the provision of IAS-16.

The board of directors agreed to discard the revaluation surplus of all assets except Land & Land Development in a board meeting held on 05 August 2012 and instructed the management to consider the proper accounting policies for it.

The frequency of revaluations depends upon the changes in fair values of the items of property, plant & equipment being revalued. When the fair value of a revalued asset differs materially from its carrying amount, a further revaluation is required. During the year the management of the company did not notice any significant changes in the fair value of the revalued land.

3.03 Capital Work-in-Progress

Property, Plant and Equipment under construction/acquisition is accounted for as capital work-in-progress until construction/acquisition is completed and measured at cost.

3.04 Right of Use Assets

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less). For these leases, the Company recognises the lease payments as an expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

The lease liability is presented as a separate line in the statement of financial position under current & non-current portion.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

At the derecognition of a lease, the right-of-use asset and associated lease liability are removed from the books of the lessee. The difference between the two amounts is accounted for as a profit or loss at that time.

3.05 Intangible Asset

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

A summary of the intangible assets is as follows:

| | ERP (Tally) | Hotel Management Software |
|----------------------------------|------------------------------------|------------------------------------|
| Useful lives | Finite (10 years) | Finite (10 years) |
| Amortisation method used | Amortised on a straight line basis | Amortised on a straight line basis |
| Internally generated or acquired | Acquired | Acquired |

3.06 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.07 Inventories

Nature of Inventories

Inventories comprise of food & beverage, house keeping materials, printing & stationary, hard drinks, stores & spares etc.

Valuation of the inventories

Inventories are measured at lower of cost and net realizable value (NRV). The cost of inventories include expenditure incurred in acquiring these inventories, and other costs incurred in bringing them to their existing location and condition in accordance with IAS 2 "Inventories".

3.08 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Accounting policies relating to different type of financial instruments are described below:



i) Recognition and measurement

Accounts receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. Company comprises Accounts Receivables, Interest Receivable, Advance & Deposit, Investment, Cash & Cash Equivalents as financial assets & Accounts payable, short term borrowing, Provision for income tax, & provision for WPPF & Lease Liabilities as financial liabilities.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI and FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL.

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets – Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objective for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated—e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets-Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities- Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.



iii) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

iv) Offsetting a financial asset and a financial liability

Financial assets and financial liabilities are offset and the net amount 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 them on a net basis or to realize the asset and settle the liability simultaneously.

v) Impairment

Financial assets

Financial assets not carried at fair value through profit or loss and receivables are assessed at each reporting date to determine whether there is objective evidence that any particular asset is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the 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.

Non-financial assets

The carrying value of the non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of the asset or its cash generating unit exceeds its recoverable amount. Impairment losses, if any, are recognised in the statement of profit or loss and other comprehensive income.

3.09 Share Capital

Paid-up-capital represents total amount contributed by the shareholders and bonus shares issued by the company to the ordinary shareholders. Incremental costs directly attributable to the issue of ordinary shares are recognised as expenses as and when incurred. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the company, ordinary shareholders rank after all other shareholders. Creditors are fully entitled to any proceeds of liquidation before all shareholders.

3.10 Loans & Borrowings

Principal amount of the loans and borrowings are stated at their outstanding amount. Borrowings repayable within twelve months from the financial position date are classified as current liabilities whereas borrowings repayable after twelve months from the financial position date are classified as non-current liabilities. Accrued interest and other charges are classified as current liabilities.

Interest and other costs incurred by the Company in connection with the borrowing of funds are recognized as expense in the period in which they are incurred, unless such borrowing cost relates to acquisition/construction of assets in progress that are capitalized as per IAS 23 "Borrowing Costs".



3.11 Transactions with Related Parties

The objective of IAS 24 "Related Party Disclosure" is to ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

Parties are considered to be related if one party has the ability to control the other party or to exercise significant influence or joint control over the other party in making financial and operating decisions.

A party is related to an entity if: [IAS 24.9] directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the entity has an interest in the entity that gives it significant influence over the entity, has joint control over the entity, the party is a member of the key management personnel of the entity or its parent, the party is a close member of the family of any individual, the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual and the party is a post-employment benefit plan for the benefit of employees of the entity.

3.12 Provisions, Contingent liability and Contingent assets

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss 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, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

Contingent liability is a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation cannot be measured with sufficient reliability.

3.13 Employee Benefits

The company maintain both defined contribution plan and defined benefit plan for its eligible permanent employees.

3.13.01 Defined Contribution plan

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate fund and will have no legal or constructive obligation to pay further amount. The company maintains the Provident Fund for all permanent employees at which both the company and employees contribute @ 7% of basic salary. The Employees' Provident Fund is considered as defined contribution plan as it meets the recognition criteria specified for this purpose in IAS-19.

Obligation for contribution to defined contribution plan is recognised as provident fund (PF) contribution expenses in profit or loss in the year during which services are rendered by employees. Advance against PF is recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

3.13.02 Defined benefit plan

Workers profit participation and welfare funds

The company also recognised a provision for workers profit participation and welfare funds @ 5% of net profit before tax as per Bangladesh labour law 2006.

3.14 Revenue

Revenue is recognised as per IFRS-15: Revenue from contract with Customers. Revenue is recognised by the company when service is delivered to customers.

Revenue is measured at the fair value of the consideration received or receivable. Revenue comprises sale of rooms, foods, beverages and allied services relating to hotel operations. Revenue is recognised upon rendering of the service, provided pervasive evidence of an arrangement exists, tariff / rates are fixed or are determinable and collectability is reasonably certain. Revenue recognised is net of indirect taxes, returns and discounts.

3.15 Income Tax Expenses

Income tax expenses comprise current tax and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

3.15.1 Current Tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using rates enacted or substantially enacted at the reporting date and any adjustment to tax payable in respect of previous years.

3.15.2 Deferred Tax

Deferred tax is recognised in compliance with IAS 12: Income taxes, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and amount 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 at 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 authority on the same taxable entity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised. 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.

Deferred tax on revaluation surplus of lands has not been recognized in the financial statements on the ground that entity will continue for foreseeable period and entity has no intention to sale the land. Hence, possibility of having any income tax implications on land is remote.

3.16 Foreign currency

Foreign currency transactions are recorded in BDT at applicable rates of exchange ruling at the dates of transactions in accordance with IAS-21 "The Effects of Changes in Foreign Exchange Rates." Exchange rate difference at the statement of financial position date are charged/credited to statement of profit or loss and other comprehensive income, to the extent that this treatment does not contradict with the Schedule XI of Companies Act 1994. This Schedule requires all exchange gains and losses arising from foreign currency borrowings, taken to finance acquisition of construction of property, plant and equipment, to be credited/ charged to the cost/value of such assets.

The financial statements are presented in BDT, which is company's functional currency. Transactions in foreign currencies are recorded in the books at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies at the date of statement of financial position are translated into BDT at the exchange rate prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined. Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

3.17 Earnings Per Share

Basic earnings per share (EPS) is calculated by dividing the profit or loss for the year by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share is required to be calculated for the year when scope for dilution exists.

3.18 Event 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 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.

3.19 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:



- In the principal market for the asset or liability
- Or
- In the absence of a principal market, in the most advantageous market for the asset or liability

When measuring the fair value of an asset or liability, the entity uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data.

If the inputs used to measure the fair value of an asset or liability might be categorized in different levels of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed.



4.00 Property, plant and equipment

| | Amount in Taka | | | | | | | |
|--|--|--------------------|--------------------------|----------------------------|-------------------|---------------------------|----------------------|----------------------|
| | At Revaluation Land and Land Development | Hotel Building | Plant and Machineryes | Equipment and Appliance | Motor Vehicles | Furniture and Fictures | Office Decoration | Total |
| At cost/ revaluation amount | | | | | | | | |
| Balance as on 01 July 2022 | 1,527,687,698 | 827,854,816 | 88,134,471 | 467,990,131 | 37,531,133 | 97,200,273 | 69,508,564 | 3,115,907,086 |
| Addition during the year | - | 27,707,820 | 6,660,408 | 55,804,294 | - | 1,054,852 | 15,405,060 | 106,632,434 |
| Disposals/Adjustments during the year | - | - | - | - | (222,400) | - | - | (222,400) |
| Balance as at 30 June 2023 | 1,527,687,698 | 855,562,636 | 94,794,879 | 523,794,425 | 37,308,733 | 98,255,125 | 84,913,624 | 3,222,317,120 |
| Balance as on 01 July 2023 | 1,527,687,698 | 855,562,636 | 94,794,879 | 523,794,425 | 37,308,733 | 98,255,125 | 84,913,624 | 3,222,317,120 |
| Addition during the year | - | 45,118,142 | 18,289,954 | 7,075,986 | - | 37,400 | 589,253 | 71,110,735 |
| Disposals/Adjustments during the year | - | - | (7,324,522) | - | - | - | - | (7,324,522) |
| Balance as at 30 June 2024 | 1,527,687,698 | 900,680,778 | 105,760,311 | 530,870,411 | 37,308,733 | 98,292,525 | 85,502,877 | 3,286,103,333 |
| Accumulated depreciation | | | | | | | | |
| Balance as on 01 July 2022 | - | 211,006,908 | 50,600,011 | 253,473,440 | 19,902,375 | 45,219,416 | 40,100,186 | 620,302,336 |
| Depreciation Rate | - | 2% | 5% | 5%-10% | 10% | 5% | 5% | - |
| Charged for the year | - | 12,721,263 | 1,870,018 | 13,380,446 | 1,684,280 | 2,580,384 | 2,122,263 | 34,358,654 |
| Adjustment for disposals during the year | - | - | - | - | (130,972) | - | - | (130,972) |
| Balance as at 30 June 2023 | - | 223,728,171 | 52,470,029 | 266,853,886 | 21,455,683 | 47,799,800 | 42,222,449 | 654,530,018 |
| Balance as on 01 July 2023 | - | 223,728,171 | 52,470,029 | 266,853,886 | 21,455,683 | 47,799,800 | 42,222,449 | 654,530,018 |
| Depreciation Rate | - | 2% | 5% | 5%-10% | 10% | 5% | 5% | - |
| Charged for the year | - | 12,536,727 | 2,079,212 | 15,697,360 | 1,514,626 | 2,467,135 | 2,095,397 | 36,390,457 |
| Adjustment for disposals during year | - | - | (4,261,197) | - | - | - | - | (4,261,197) |
| Balance as at 30 June 2024 | - | 236,264,898 | 50,288,044 | 282,551,246 | 22,970,309 | 50,266,935 | 44,317,846 | 686,659,278 |
| Carrying amount | | | | | | | | |
| As at 30 June 2023 | 1,527,687,698 | 631,834,465 | 42,324,850 | 256,940,539 | 15,853,050 | 50,455,325 | 42,691,175 | 2,567,787,102 |
| As at 30 June 2024 | 1,527,687,698 | 664,415,880 | 55,472,267 | 248,319,165 | 14,338,424 | 48,025,590 | 41,185,031 | 2,599,444,055 |
| Depreciation allocated to: | | | | | | | | |
| Cost of sales | 26.01 | 29,476,270 | 27,916,406 | | | | | |
| Administrative expenses | 27.00 | 6,914,187 | 6,442,248 | | | | | |
| | | 36,390,457 | 34,358,654 | | | | | |



4.01. Property, plant and equipment - at cost model

| | Amount in Taka | | | | | | | |
|--|---------------------------|----------------|-----------------------|-------------------------|----------------|------------------------|-------------------|---------------|
| | Land and Land Development | Hotel Building | Plant and Machineries | Equipment and Appliance | Motor Vehicles | Furniture and Fixtures | Office Decoration | Total |
| All costs | | | | | | | | |
| Balance as on 01 July 2022 | 299,273,856 | 827,854,816 | 88,134,471 | 467,990,131 | 37,531,133 | 97,200,273 | 69,508,564 | 1,887,493,244 |
| Addition during the year | - | 27,707,820 | 6,660,408 | 55,804,294 | - | 1,054,852 | 15,405,060 | 106,632,434 |
| Disposals/Adjustments during the year | - | - | - | - | (222,400) | - | - | (222,400) |
| Balance as at 30 June 2023 | 299,273,856 | 855,562,636 | 94,794,879 | 523,794,425 | 37,308,733 | 98,255,125 | 84,913,624 | 1,993,903,278 |
| Balance as on 01 July 2023 | 299,273,856 | 855,562,636 | 94,794,879 | 523,794,425 | 37,308,733 | 98,255,125 | 84,913,624 | 1,993,903,278 |
| Addition during the year | - | 45,118,142 | 18,289,954 | 7,075,986 | - | 37,400 | 589,253 | 71,110,735 |
| Disposals/Adjustments during the year | - | - | (7,324,522) | - | - | - | - | (7,324,522) |
| Balance as at 30 June 2024 | 299,273,856 | 900,680,778 | 105,760,311 | 530,870,411 | 37,308,733 | 98,292,525 | 85,502,877 | 2,057,689,491 |
| Accumulated depreciation | | | | | | | | |
| Balance as on 01 July 2022 | - | 211,006,908 | 50,600,011 | 253,473,440 | 19,903,375 | 45,219,416 | 40,100,186 | 620,307,336 |
| Depreciation Rate | - | 2% | 5% | 5%-10% | 10% | 5% | 5% | - |
| Charged for the year | - | 12,721,263 | 1,870,018 | 13,380,446 | 1,684,280 | 2,580,364 | 2,122,263 | 34,358,654 |
| Adjustment for disposals during the year | - | - | - | - | (130,972) | - | - | (130,972) |
| Balance as at 30 June 2023 | - | 223,728,171 | 52,470,029 | 266,853,886 | 21,455,683 | 47,799,800 | 42,222,449 | 654,530,018 |
| Balance as on 01 July 2023 | - | 223,728,171 | 52,470,029 | 266,853,886 | 21,455,683 | 47,799,800 | 42,222,449 | 654,530,018 |
| Depreciation Rate | - | 2% | 5% | 5%-10% | 10% | 5% | 5% | - |
| Charged for the year | - | 12,536,727 | 2,079,212 | 15,697,360 | 1,514,626 | 2,467,135 | 2,095,397 | 36,390,457 |
| Adjustment for disposals during year | - | - | (4,261,197) | - | - | - | - | (4,261,197) |
| Balance as at 30 June 2024 | - | 236,264,898 | 50,288,044 | 282,551,246 | 22,970,309 | 50,266,935 | 44,317,846 | 686,659,278 |
| Carrying amount | | | | | | | | |
| As at 30 June 2023 | 299,273,856 | 631,834,465 | 42,324,850 | 256,940,539 | 15,853,050 | 50,455,325 | 42,691,175 | 1,339,373,260 |
| As at 30 June 2024 | 299,273,856 | 664,415,880 | 55,472,267 | 248,319,165 | 14,338,424 | 48,025,590 | 41,185,031 | 1,371,030,213 |



5.00 Lease - Right of Use Assets

5.01 As a Lessee

5.01.01 Right of Use Assets

| Particulars | Land | | | Amount in Taka |
|--|-------------------|-------------------------|-----------------------------|----------------|
| | Lease from (BWDB) | Lease from (CPA)-1 acre | Lease from (CPA)- 0.30 acre | Total |
| At 01 July 2022 | 1,932,970 | 88,402,251 | 24,937,647 | 115,272,868 |
| Addition during the year | - | - | - | - |
| Disposals/adjustment during the year | - | (5,830,021) | 548,006 | (5,282,015) |
| At 30 June 2023 | 1,932,970 | 82,572,230 | 25,485,653 | 109,990,853 |
| At 01 July 2023 | 1,932,970 | 82,572,230 | 25,485,653 | 109,990,853 |
| Addition during the year | 1,774,629 | - | - | 1,774,629 |
| Disposals/adjustment during the year | (1,932,970) | (3,500,511) | (1,065,599) | (6,499,080) |
| At 30 June 2024 | 1,774,629 | 79,071,719 | 24,420,054 | 105,266,402 |
| AMORTISATION | | | | |
| At 01 July 2022 | 644,323 | 15,470,397 | 831,255 | 16,945,975 |
| Charge during the year | 644,323 | 3,058,231 | 849,522 | 4,552,076 |
| Disposals/adjustment during the year | - | (5,977,050) | 867,789 | (5,109,261) |
| At 30 June 2023 | 1,288,646 | 12,551,578 | 2,548,566 | 16,388,790 |
| At 01 July 2023 | 1,288,646 | 12,551,578 | 2,548,566 | 16,388,790 |
| Charge during the year | 890,800 | 2,897,539 | 953,214 | 4,741,553 |
| Disposals/adjustment during the year | (1,932,970) | (123,263) | (52,426) | (2,108,659) |
| At 30 June 2024 | 246,476 | 15,325,854 | 3,449,354 | 19,021,684 |
| CARRYING AMOUNT | | | | |
| At 30 June 2024 | 1,528,153 | 63,745,865 | 20,970,700 | 86,244,718 |
| At 30 June 2023 | 644,324 | 70,020,652 | 22,937,087 | 93,602,063 |
| 5.01.02 Lease liabilities | | | | |
| | Note | 30 June 2024 | 30 June 2023 | |
| Opening balance | 29.00 | 112,554,758 | 111,251,890 | |
| Add: Addition during the Year obligations (Principal) | | 1,774,629 | - | |
| Add: Addition During the year (Interest) | | 8,867,820 | 9,997,122 | |
| Adjustment | | (4,390,422) | (172,754) | |
| Less: Paid during the year | | (11,407,629) | (8,521,500) | |
| Lease Liabilities | | 107,399,156 | 112,554,758 | |
| 5.01.03 Lease Liabilities- Maturity analysis | | | | |
| Lease liabilities - non-current portion | | 99,248,156 | 103,181,108 | |
| Lease liabilities - current portion | | 8,151,000 | 9,373,650 | |
| | | 107,399,156 | 112,554,758 | |
| 5.01.04 Amounts recognised in profit or loss | | | | |
| Interest on lease liabilities | | 8,867,820 | 9,997,122 | |
| | | 8,867,820 | 9,997,122 | |
| 5.01.05 Amount recognised in the statements of cash flows | | | | |
| Principal & Interest paid on lease liabilities | | 11,407,629 | 8,521,500 | |
| | | 11,407,629 | 8,521,500 | |
| 5.01.06 Allocation of Amortisation of ROU Asset: | | | | |
| Administrative expenses | 27.00 | 4,741,553 | 4,552,076 | |
| | | 4,741,553 | 4,552,076 | |
| 5.01.07 The Company has considered 9% incremental borrowing rate to determine present value of right of use assets. Total number lease agreements were Three (3) and Tenure of lease agreements were 3 to 30 Years. | | | | |



| | | | | 30 June 2024 | 30 June 2023 |
|--|-----------------------------|----------------------------------|------------------------------------|-----------------------------------|-----------------------------------|
| | | | Note(s) | Taka | Taka |
| 6.00 Capital Work In Progress | | | | | |
| Opening balance | | | | 977,533,881 | 742,274,168 |
| Add: Addition during the year | | | 6.01 | 1,161,968,848 | 235,259,713 |
| Less: Capitalized during the year | | | | <u>(43,418,882)</u> | <u>-</u> |
| Closing balance | | | | <u>2,096,083,847</u> | <u>977,533,881</u> |
| 6.01 Details of capital work-in-progress | | | | | |
| A. Peninsula Airport Garden | | | | | |
| Particulars | Opening Balance | Additions during the year | Capitalized during the Year | Balance as on 30 June 2024 | Balance as on 30 June 2023 |
| Civil Works | 722,211,606 | 204,759,683 | - | 926,971,289 | 722,211,606 |
| Lift and Generator | 6,677,108 | 1,110,750 | - | 7,787,858 | 6,677,108 |
| Machineries and Equipment | 149,797,415 | 835,463,482 | - | 985,260,897 | 149,797,415 |
| Interior Decoration (Renovation) | 40,241,862 | 44,577,450 | - | 84,819,312 | 40,241,862 |
| Bank Interest & Charges | - | 76,057,483 | - | 76,057,483 | - |
| Parking | 15,187,008 | - | - | 15,187,008 | 15,187,008 |
| Sub Total | <u>934,114,999</u> | <u>1,161,968,848</u> | <u>-</u> | <u>2,096,083,847</u> | <u>934,114,999</u> |
| B. Existing Hotel Renovation | | | | | |
| Interior Decoration | 43,418,882 | - | (43,418,882) | - | 43,418,882 |
| Sub Total | <u>43,418,882</u> | <u>-</u> | <u>(43,418,882)</u> | <u>-</u> | <u>43,418,882</u> |
| Grand Total (A+B) | <u>977,533,881</u> | <u>1,161,968,848</u> | <u>(43,418,882)</u> | <u>2,096,083,847</u> | <u>977,533,881</u> |
| 7.00 Intangible assets | | | | | |
| Software (ERP Tally) | | | 7.01 | - | - |
| Hotel Management Software | | | 7.01 | - | - |
| | | | | <u>-</u> | <u>-</u> |
| 7.01 Intangible assets schedule | | | | | |
| | Software (ERP Tally) | Hotel Management Software | | 30 June 2024 | 30 June 2023 |
| | | | | Taka | Taka |
| <u>Cost</u> | | | | | |
| Opening balance | 100,000 | 3,471,560 | | 3,571,560 | 3,571,560 |
| Add: Addition during the year | - | - | | - | - |
| Closing balance | <u>100,000</u> | <u>3,471,560</u> | | <u>3,571,560</u> | <u>3,571,560</u> |
| <u>Accumulated amortisation</u> | | | | | |
| Opening balance | 100,000 | 3,471,560 | | 3,571,560 | 3,249,061 |
| Add: Charged during the year | - | - | | - | 322,499 |
| Closing balance | <u>100,000</u> | <u>3,471,560</u> | | <u>3,571,560</u> | <u>3,571,560</u> |
| Carrying amount | <u>-</u> | <u>-</u> | | <u>-</u> | <u>-</u> |
| 8.00 Investments | | | | | |
| Investments in non-tradable shares at cost | | | 8.01 | 2,375,000 | 2,375,000 |
| | | | | <u>2,375,000</u> | <u>2,375,000</u> |
| 8.01 Investments in non-tradable shares at cost | | | | | |
| | Quantity | | | | |
| Energy Prima Limited | 25,000 | | | 2,375,000 | 2,375,000 |
| | | | | <u>2,375,000</u> | <u>2,375,000</u> |
| 9.00 Inventories | | | | | |
| Food | | | 9.01 | 16,927,595 | 11,810,476 |
| House keeping materials | | | 9.02 | 2,166,008 | 2,971,167 |
| Printing and stationeries | | | 9.03 | 2,967,777 | 3,824,094 |
| Beverage | | | 9.04 | 10,778,559 | 13,328,275 |
| Stores and spares | | | 9.05 | 2,204,324 | 5,153,044 |
| | | | | <u>35,044,263</u> | <u>37,087,056</u> |



| | Note(s) | 30 June 2024 Taka | 30 June 2023 Taka |
|---|---------|----------------------|----------------------|
| 9.01 Food | | | |
| Opening balance | | 11,810,476 | 6,944,263 |
| Add: Purchased during the year | | 114,964,875 | 95,383,983 |
| Available for consumption | | <u>126,775,351</u> | <u>102,328,246</u> |
| Less: Consumed during the year | | (109,847,756) | (90,517,770) |
| Closing balance | | <u>16,927,595</u> | <u>11,810,476</u> |
| 9.02 House keeping materials | | | |
| Opening balance | | 2,971,167 | 3,142,943 |
| Add: Purchased during the year | | 16,550,558 | 14,578,504 |
| Available for consumption | | <u>19,521,725</u> | <u>17,721,447</u> |
| Less: Consumed during the year | | (17,355,717) | (14,750,280) |
| Closing balance | | <u>2,166,008</u> | <u>2,971,167</u> |
| 9.03 Printing and stationeries | | | |
| Opening balance | | 3,824,094 | 1,923,042 |
| Add: Purchased during the year | | 1,770,894 | 2,432,901 |
| Available for consumption | | <u>5,594,988</u> | <u>4,355,943</u> |
| Less: Consumed during the year | | (2,627,211) | (531,849) |
| Closing balance | | <u>2,967,777</u> | <u>3,824,094</u> |
| 9.04 Beverage | | | |
| Opening balance | | 13,328,275 | 19,809,250 |
| Add: Purchased during the year | | - | - |
| Available for consumption | | <u>13,328,275</u> | <u>19,809,250</u> |
| Less: Consumed during the year | | (2,549,716) | (6,480,975) |
| Closing balance | | <u>10,778,559</u> | <u>13,328,275</u> |
| 9.05 Stores and spares | | | |
| Opening balance | | 5,153,044 | 3,168,731 |
| Add: Purchased during the year | | 8,884,443 | 11,576,221 |
| Available for consumption | | <u>14,037,487</u> | <u>14,744,952</u> |
| Less: Consumed during the year | | (11,833,163) | (9,591,908) |
| Closing balance | | <u>2,204,324</u> | <u>5,153,044</u> |
| 10.00 Accounts receivable* | | | |
| Opening Balance | | 29,787,933 | 42,754,509 |
| Add: Addition during the year | | 721,656,457 | 708,591,380 |
| Less: Realised during the year | | (711,708,015) | (721,557,956) |
| Closing Balance | | <u>39,736,375</u> | <u>29,787,933</u> |
| 10.01 Ageing of accounts receivable | | | |
| Dues within 6 months | | 33,857,879 | 23,909,437 |
| Dues over 6 months | | 5,878,496 | 5,878,496 |
| | | <u>39,736,375</u> | <u>29,787,933</u> |
| <p>* In the financial year 2022-2023, accounts receivable were shown amounting to Tk. 29,927,176 which inter-alia included advance to employees Tk. 1,519,658. Accordingly, the amount has been rearranged to advance against employees/salary for better presentation.</p> <p>Besides, in the financial year 2022-23, an amounting to Tk. 1,380,415 related to The Bangladesh Monitor Ltd. was included in accounts payable with negative balance which was related to accounts receivable. Hence, amounting to Tk. 1,380,415 related to The Bangladesh Monitor Ltd. has been rearranged to accounts receivable.</p> | | | |
| 11.00 Interest receivable | | | |
| Interest receivable on Fixed Deposits Receipts (FDR) | | 764,566 | 1,397,297 |
| | | <u>764,566</u> | <u>1,397,297</u> |
| 12.00 Advances, deposits and prepayments | | | |
| Advances | 12.01 | 336,577,991 | 146,353,248 |
| Deposits | 12.02 | 12,013,654 | 12,013,654 |
| Prepayments | 12.03 | 2,737,716 | 2,243,016 |
| | | <u>351,329,361</u> | <u>160,609,918</u> |

| | Note(s) | 30 June 2024 | 30 June 2023 |
|---|----------|--------------------|--------------------|
| | | Taka | Taka |
| 12.01 Advances | | | |
| Advance income tax | 12.01.01 | 116,167,797 | 99,654,897 |
| Advance to suppliers* | | 212,047,494 | 40,888,275 |
| Lankabangla securities PLC | | 57,782 | 60,257 |
| ICB Securities Trading Company Limited | | 1,908 | 1,908 |
| Advance for Supplementary Duty | | 68,480 | 68,480 |
| VAT current account | | 1,840,317 | 1,840,317 |
| The Peninsula Chittagong - Airport Garden Hotel | | 327,219 | 24,708 |
| Advance against employees/salary** | | 4,113,003 | 3,814,406 |
| L/C in Transit | | 1,953,991 | - |
| | | 336,577,991 | 146,353,248 |

* In financial year 2022-23, accounts payables included amounting to Tk. 40,888,275 (as negative figure) against advance to various suppliers. Accordingly, that amount has been rearranged to advance to suppliers for better presentation.

** In the financial year 2022-2023, accounts receivable were shown amounting to Tk. 29,927,176 which inter-alia included advance to employees Tk. 1,519,658. Accordingly, that amount has been rearranged to advance against employees/salary.

| | | | |
|---|--|--------------------|-------------------|
| 12.01.01 Advance income tax | | | |
| Opening balance | | 99,654,897 | 98,638,619 |
| Add: Paid/deducted during the year | | 23,941,306 | 8,517,075 |
| Less: Adjusted during the year | | (7,428,406) | (7,500,797) |
| Closing balance | | 116,167,797 | 99,654,897 |
| 12.02 Deposits | | | |
| Bangladesh Telecommunications Company Limited | | 140,000 | 140,000 |
| Karnaphuli Gas Distribution Company Limited | | 1,445,212 | 1,445,212 |
| Bangladesh Power Development Board | | 285,000 | 285,000 |
| Rainbow CNG service station | | 25,000 | 25,000 |
| Chittagong Port Authority | | 5,000,000 | 5,000,000 |
| Bangladesh Water Development Board | | 4,986,225 | 4,986,225 |
| Shah Amanat International Airport | | 52,217 | 52,217 |
| Chittagong WASA | | 80,000 | 80,000 |
| | | 12,013,654 | 12,013,654 |
| 12.03 Prepayments | | | |
| Prepaid insurance | | 2,737,716 | 2,243,016 |
| | | 2,737,716 | 2,243,016 |

The management has considered that all the above advances and deposits are either adjustable or recoverable in cash or in kind and for that no provision against them are required at this stage.

| | | | |
|---|-------|-------------------|--------------------|
| 13.00 Short term investments | | | |
| Investment in Fixed Deposit Receipts (FDR) | 13.01 | 1,424,701 | 2,069,130 |
| Investment in tradable securities at fair value | 13.02 | 42,152,926 | 102,315,705 |
| | | 43,577,627 | 104,384,835 |

| 13.01 Investment in Fixed Deposit Receipts (FDR) | | | | | |
|--|------------|-----------|------------------|------------------|------------------|
| Name of banks | Purpose | Tenure | Rate of interest | | |
| AB Bank PLC | Investment | 12 Months | 6% | 1,424,701 | 2,069,130 |
| | | | | 1,424,701 | 2,069,130 |

| | | | |
|--|----------|--------------------|---------------------|
| 13.02 Investment in tradable securities at fair value | | | |
| Opening balance | | 102,315,705 | 146,034,658 |
| Add: Purchase of tradable securities | | - | 512,947,330 |
| Less: Sale of tradable securities | 13.02.02 | (2,087,503) | (510,201,505) |
| Add: Realized Gain/(Loss) on sales during the year | 13.02.02 | (1,628,561) | (43,559,960) |
| Net purchase during the year | | (3,716,064) | (40,814,134) |
| Add/(less): Unrelaised Profit/(Loss) on tradable securities | 13.02.01 | (56,446,715) | (2,904,819) |
| Closing balance | | 42,152,926 | 102,315,705 |



13.02.01 Fair value of tradable securities

| Particulars | 30 June 2024 | | | 30 June 2023 | |
|--------------------------------|------------------|--------------------|------------------------------------|-------------------|--------------------|
| | Quantity | Purchase/ (Sales) | Increase/ (Decrease) In Fair value | Fair value | Fair value |
| Padma Life Ins. Co. Ltd (BRAC) | 100 | - | (2,000) | 2,450 | 4,450 |
| Padma Life Ins. Co. Ltd (DBL) | 1,140 | - | (22,800) | 27,930 | 50,730 |
| Prime Insurance Co. Ltd | 1,174,998 | - | (56,399,904) | 40,889,930 | 97,289,834 |
| Prime Insurance Co. Ltd | - | (3,716,064) | - | - | 3,716,064 |
| Lanka Bangla Securities PLC | 73,370 | - | (22,011) | 1,232,616 | 1,254,627 |
| | <u>1,249,608</u> | <u>(3,716,064)</u> | <u>(56,446,715)</u> | <u>42,152,926</u> | <u>102,315,705</u> |

13.02.02 Gain/(Loss) on sale of securities during the year

| Particulars | 30 June 2024 | | | 30 June 2023 | |
|--------------------------------|---------------|---------------------|------------------|--------------------|---------------------|
| | Quantity | Purchase/Fair Value | Sales | Profit/(Loss) | Profit/(Loss) |
| Padma Life Ins. Co. Ltd (BRAC) | - | - | - | - | 82,594 |
| Padma Life Co. Ltd (BRAC) | - | - | - | - | (43,631,063) |
| Padma Life Ins. Co. Ltd (DBL) | - | - | - | - | (339) |
| Prime Insurance Co Ltd | 44,880 | 3,716,064 | 2,087,503 | (1,628,561) | (11,152) |
| | <u>44,880</u> | <u>3,716,064</u> | <u>2,087,503</u> | <u>(1,628,561)</u> | <u>(43,559,960)</u> |

Investments in tradable securities have been classified as held for trading and changes in fair value of these tradable securities have been charged to the statement of profit or loss.

| | Note(s) | 30 June 2024 | 30 June 2023 |
|---------------------------------|---------|-------------------|--------------------|
| | | Taka | Taka |
| 14.00 Cash and cash equivalents | | | |
| Cash in hand | | 107,400 | 1,767,857 |
| Cash at banks | 14.01 | 7,268,864 | 37,419,827 |
| Fixed Deposit Receipts (FDR) | 14.02 | 89,156,644 | 221,739,557 |
| | | <u>96,532,908</u> | <u>260,927,241</u> |

14.01 Cash at banks

| Name of the Banks | Branches | Account Type | | |
|----------------------------|----------------|--------------|------------------|-------------------|
| AB Bank PLC | CDA Avenue | CD | 1,887,729 | 1,502,946 |
| AB Bank PLC | CDA Avenue | SND | 1,422 | 6,754 |
| AB Bank PLC | CDA Avenue | CD | - | 40 |
| AB Bank PLC | CDA Avenue | SND | 732,366 | 3,688,408 |
| AB Bank PLC | CDA Avenue | CD | 278,133 | 279,427 |
| Agrani Bank PLC | Agrabad | CD | 6,702 | 7,392 |
| Al-Arafah Islami Bank PLC | Anderkilla | CD | 6,008 | - |
| Brac Bank PLC | Kazir Dhewri | Credit Card | 7,131 | - |
| Brac Bank PLC | Kazir Dhewri | CD | 255,769 | 22,948 |
| Dutch Bangla Bank PLC | Agrabad | CD | 58,458 | 59,838 |
| Eastern Bank PLC | Agrabad | Credit Card | 70,563 | 132,034 |
| Eastern Bank PLC | Agrabad | HPA | 170,581 | 5,289,169 |
| Eastern Bank PLC | O.R Nizam Road | STD | 137,696 | 63,269 |
| Islami Bank Bangladesh PLC | CDA Avenue | CD | 963,829 | 90,877 |
| Islami Bank Bangladesh PLC | CDA Avenue | Credit Card | 132,576 | 525,267 |
| Modhumoti Bank PLC | O.R Nizam Road | CD | 52,028 | 1,281,419 |
| Prime Bank PLC | O.R Nizam Road | CD | 1,985 | 2,962 |
| The City Bank PLC | O.R Nizam Road | CD | 1,339,816 | 92,729 |
| The City Bank PLC | O.R Nizam Road | Credit Card | 331,770 | 589,680 |
| The Premier Bank PLC | O.R Nizam Road | CD | (1,804,373) | 18,726,273 |
| The Premier Bank PLC | O.R Nizam Road | CD | (2,829,654) | 375,303 |
| United Commercial Bank PLC | Jubilee Road | SND | 1,368,939 | 480,993 |
| United Commercial Bank PLC | Khatungonj | SND | 277,664 | 276,288 |
| United Commercial Bank PLC | Khatungonj | Credit Card | 469,026 | 621,817 |
| United Commercial Bank PLC | Kamal Bazar | SND | 3,352,700 | 3,303,994 |
| | | | <u>7,268,864</u> | <u>37,419,827</u> |

All bank balances are reconciled with bank statements and negative balance shown in the bank book represent book overdraft.

14.02 Fixed Deposits Receipts (FDR)

| Name of banks | Purpose | Tenure | Rate of Interest | | |
|---------------------------|------------|----------|------------------|-------------------|--------------------|
| Al-Arafah Islami Bank PLC | Investment | 3 months | 6.00% | 11,099,265 | - |
| The Premier Bank PLC | Investment | 3 months | 6.00% | 78,057,379 | 221,739,557 |
| | | | | <u>89,156,644</u> | <u>221,739,557</u> |

15.00 Share capital

| | | | | | |
|---|--|--|--|----------------------|----------------------|
| Authorised capital: | | | | | |
| 300,000,000 Ordinary Shares of Tk. 10 each | | | | 3,000,000,000 | 3,000,000,000 |
| | | | | <u>3,000,000,000</u> | <u>3,000,000,000</u> |
| Issued, Subscribed and Paid-up capital: | | | | | |
| 250,000 Ordinary Shares of Tk.10 each as at 25 July 2002 | | | | 2,500,000 | 2,500,000 |
| 9,000,000 Ordinary Shares of Tk.10 each as at 20 June 2010 | | | | 90,000,000 | 90,000,000 |
| 23,125,000 Ordinary Shares of Tk.10 each as at 10 October 2011 | | | | 231,250,000 | 231,250,000 |
| 12,950,000 Ordinary Shares of Tk.10 each as at 31 December 2011 | | | | 129,500,000 | 129,500,000 |
| 12,691,000 Ordinary Shares of Tk.10 each as at 31 January 2013 | | | | 126,910,000 | 126,910,000 |
| 55,000,000 Ordinary Shares of Tk.10 each as at 30 April 2014 | | | | 550,000,000 | 550,000,000 |
| 5,650,800 Ordinary Shares of Tk.10 each as at 08 December 2015 | | | | 56,508,000 | 56,508,000 |
| <u>118,666,800</u> Ordinary Shares of Tk 10 each | | | | <u>1,186,668,000</u> | <u>1,186,668,000</u> |

15.01 Classification of shares by holding

| Class by number of shares | No. of Holders | No. of Shares | Holding (%) |
|---------------------------|----------------|--------------------|-------------|
| Less than 500 | 9,929 | 1,794,236 | 1.51% |
| From 500 to 5,000 | 3,910 | 7,104,622 | 5.99% |
| From 5,001 to 10,000 | 589 | 4,421,336 | 3.73% |
| From 10,001 to 20,000 | 323 | 4,807,936 | 4.05% |
| From 20,001 to 30,000 | 140 | 3,522,360 | 2.97% |
| From 30,001 to 40,000 | 54 | 1,948,682 | 1.64% |
| From 40,001 to 50,000 | 40 | 1,815,860 | 1.53% |
| From 50,001 to 100,000 | 59 | 4,414,282 | 3.72% |
| From 100,001 to 1,000,000 | 53 | 13,683,310 | 11.53% |
| From 1,000,001 to above | 17 | 75,154,176 | 63.33% |
| | <u>15,114</u> | <u>118,666,800</u> | <u>100%</u> |

15.02 Shareholding position

| Name of shareholders | 30 June 2024 | | 30 June 2023 | |
|--------------------------------------|-----------------------|--------------------|-----------------------|--------------------|
| | Percentage of holding | Number of shares | Percentage of holding | Number of shares |
| Mr. Mustafa Tahseen Arshad | 12.32% | 14,620,032 | 12.32% | 14,620,032 |
| Mrs. Bilkis Arshad | 7.70% | 9,137,520 | 7.70% | 9,137,520 |
| Engineer Mosharraf Hossain | 7.50% | 8,903,016 | 7.50% | 8,903,016 |
| Mrs. Ayesha Sultana | 5.09% | 6,036,344 | 5.09% | 6,036,344 |
| Mr. Mustafa Tahir Arshad | 4.62% | 5,482,512 | 4.62% | 5,482,512 |
| Mr. Mahboob Ur Rahman | 3.10% | 3,675,840 | 3.10% | 3,675,840 |
| Mrs. Mirka Rahman | 2.57% | 3,045,840 | 2.57% | 3,045,840 |
| Mr. Aminur Rahman | 2.57% | 3,045,840 | 2.57% | 3,045,840 |
| Investment Corporation of Bangladesh | 4.46% | 5,296,384 | 4.46% | 5,296,384 |
| Sayeman Beach Resort Limited | 4.21% | 5,000,000 | 0.00% | - |
| Mr. Darius Faris Rahman | 0.15% | 180,000 | 0.00% | - |
| General Shareholders | 45.71% | 54,243,472 | 50.08% | 59,423,472 |
| | <u>100%</u> | <u>118,666,800</u> | <u>100%</u> | <u>118,666,800</u> |

16.00 Retained earnings

| | 30 June 2024 | | 30 June 2023 | |
|--|--------------|----------------------|--------------|---------------------|
| | Note(s) | Taka | Taka | Taka |
| Opening balance | | (39,132,357) | | 30,585,185 |
| Add: Net profit after tax for the year | | (123,027,336) | | (40,050,842) |
| Less: Dividend paid | | - | | (29,666,700) |
| | | <u>(162,159,693)</u> | | <u>(39,132,357)</u> |

| | Note(s) | 30 June 2024 Taka | 30 June 2023 Taka |
|----------------------------------|---------|----------------------|----------------------|
| 17.00 Revaluation surplus | | 1,228,413,842 | 1,228,413,842 |

Revaluation of company's assets were carried out by, an independent valuer, Syful Shamsul Alam & Co., Chartered Accountants, following Estimated Net Realisable Value Method of Valuation based on the nature of the assets as on 30 April 2011 and submitted their report on 23 June 2011. Revaluation surplus has been credited to Revaluation Surplus Account and treated as per IAS and IFRS and other applicable laws, regulations and guidelines.

The board of directors agreed to discard the revaluation surplus of all assets except Land & Land Development in a board meeting held on 05 August 2012 and instructed the management to consider the proper accounting policies for it.

| | | | |
|---------------------------------------|-------|-------------------|-------------------|
| 18.00 Deferred tax liabilities | | | |
| Opening balance | 18.02 | 55,502,744 | 66,528,496 |
| Add: Provision made during the year | | (3,663,474) | (11,025,752) |
| Closing balance | 18.01 | 51,839,270 | 55,502,744 |

18.01 Reconciliation of deferred tax liabilities/ (assets)

| | As at 30 June 2024 | | | | |
|---|--------------------|-------------|------------|---|--|
| | Carrying amount | Tax base | Tax rate | Taxable/ (Deductible) temporary difference | Deferred tax liabilities/ (assets) |
| | Taka | Taka | Percentage | Taka | Taka |
| Property, plant and equipment (except land) | 1,071,756,357 | 780,644,427 | 22.5% | 291,111,930 | 65,500,184 |
| Intangible assets | - | 4,155 | 22.5% | (4,155) | (935) |
| Investment in tradable securities | 42,152,926 | 101,487,792 | 15% | (59,334,866) | (8,900,230) |
| Right of Use Asset (Net) | (21,154,438) | - | 22.5% | (21,154,438) | (4,759,749) |
| Total deferred tax liabilities | | | | | 51,839,270 |

18.02 Reconciliation of deferred tax liabilities/ (assets)

| | As at 30 June 2023 | | | | |
|---|--------------------|-------------|------------|---|--|
| | Carrying amount | Tax base | Tax rate | Taxable/ (Deductible) temporary difference | Deferred tax liabilities/ (assets) |
| | Taka | Taka | Percentage | Taka | Taka |
| Property, plant and equipment (except land) | 1,040,099,404 | 773,188,061 | 22.5% | 266,911,343 | 60,055,052 |
| Intangible assets | - | 5,194 | 22.5% | (5,194) | (1,169) |
| Investment in tradable securities | 102,315,705 | 105,183,537 | 10% | (2,867,832) | (286,783) |
| Right of Use Asset (Net) | (18,952,695) | - | 22.5% | (18,952,695) | (4,264,356) |
| Total deferred tax liabilities | | | | | 55,502,744 |

| | Note(s) | 30 June 2024 | 30 June 2023 |
|--|----------|----------------------|--------------|
| | | Taka | Taka |
| 19.00 Long Term Loan | | | |
| Opening Balance | | - | - |
| Add: Addition During the Year | 19.01 | 1,456,418,709 | - |
| Less: Paid During the Year | | - | - |
| Closing Balance | | 1,456,418,709 | - |
| 19.01 Details of long term borrowings | | | |
| Modhumoti Bank PLC | 19.01.01 | 831,891,260 | - |
| Premier Bank PLC | 19.01.02 | 624,527,449 | - |
| | | 1,456,418,709 | - |

19.01.01 A. Modhumoti Bank PLC, O.R. Nizam Road Branch, Chattogram .

- i) Total sanctioned amount : Tk. 10,000 Lac
 ii) Year : 2023
 iii) Purpose : For retirement of shipping documents to be Imported for the project named Peninsula Airport Garden & purchase local machineries, equipments, fittings, Vehicles, Installation and construction purpose to Implement a luxurious 5-star Hotel Project In the name of "Peninsula Airport Garden".
 iv) Interest rate : 9%-14.50% (Revised from time to time as per Bangladesh Bank circular)
 v) Tenure : Eleven years
 vi) Payment method : The loan is repayable in equal monthly installment (EMI).
 vii) Securities : a) Hypothecation of imported machinery(s) & other raw materials, work in progress & finished goods/stock(s) under Bank Finance
 b) Personal guarantee of all director(s) of the Company
 c) 07 (Seven) nos. post-dated cheque(s) covering 06 monthly installment amount & 01 (one) no. Undated cheque covering the limit.
 d) Execution of usual charge documents.
 e) Other as details below:
 i) 20.50 decimal land and 6.04 decimal land with 17 storied (with 2 Basement) and 6 storied commercial building with commercial space 88247.75 sft floor space and 44 nos. of car parking at mouza: East Nasirabad, PS: Panchlaish, Dist: Chattogram
 ii) 24.75 decimal land with semi-pucca building at mouza: Uttar Pahartali(Present Khulsi), Dist: Chattogram
 iii) Tagging of already registered mortgage properties of in the name of Sayeman Beach Resort Ltd. With this approved facility
 iv) Pari-passu charge creation on fixed and floating assets of The Peninsula Chittagong PLC.
 v) Insurance covering Fire, RSD, Cyclone and earthquake favouring Modhumoti Bank PLC and other financing partners (at the time of commercial operation)
 vi) Usual charge documents.
 vii) MICR cheque covering each limits.

19.01.02 B. Premier Bank PLC, O.R. Nizam Road Branch, Chattogram .

- i) Total sanctioned amount : Tk. 9,550 Lac
 ii) Year : 2023
 iii) Purpose : To retire shipping documents of LCs to import capital machineries, Equipment, Interior-Exterior items, Lights, Kitchen items & others to be installed in own project namely Peninsula Airport Garden. And to meet up capital expenditure, import & collection cost of building management & security equipment, electronics items & HVAC, fire fighting & protection equipment, furniture & linen, health club & other equipment, interior -door, window, floor, wall & ceiling finish and sanitary fixtures, kitchen and food & beverage equipment's and vehicle purchase etc. own project namely Peninsula Airport Garden.
 iv) Interest rate : 9%-14.50% (Revised from time to time as per Bangladesh Bank circular)
 v) Tenure : Seven- Eight years
 vi) Payment method : The loan is repayable in equal monthly installment (EMI).
 vii) Securities : i) Hypothecation of machineries & equipment duly insured covering the risk of fire & RSD with bank's mortgage clause.
 ii) Undertaking / Indemnity bond on non-judicial stamp of appropriate value to the effect that the borrower will be held responsible for any damage/loss to the hypothecated items due to all other risks including MBD, flood & cyclone, theft & burglary, Earthquake etc. and indemnify the bank in the event of such loss or damage.
 iii) NIGPA empowering the bank to sell/foreclose the hypothecated items without intervention of the court of law in case of default.
 iv) 20.50 (15.6250+4.88) decimal land along with 15 storied building with 02 basement (building of The Peninsula Chittagong PLC)
 v) 6.04 (six point zero four) decimal lands along with 06 storied building (extended building of The Peninsula Chittagong PLC)
 vi) 24.75 decimal land located at plot no.04 Dist.: Chattogram, P.S former pahartali at present Khulshi, Mouza: North Pahartali



| 20.00 Accounts & other payables* | Note(s) | 30 June 2024 | 30 June 2023 |
|----------------------------------|---------|-------------------|-------------------|
| | | Taka | Taka |
| Accounts payables | 20.01 | 25,235,081 | 6,489,852 |
| Other payables | | 35,548,374 | 29,836,237 |
| | | 60,783,455 | 36,326,089 |

20.01 Accounts payable

| | | |
|-------------------------------|-------------------|------------------|
| Opening balance | 6,489,852 | 31,572,944 |
| Add: Addition during the year | 417,885,431 | 231,336,098 |
| Less: Paid during the year | (399,140,202) | (256,419,190) |
| Closing balance | 25,235,081 | 6,489,852 |

* In the financial year 2022-23, accounts payables were shown as Tk. 7,562,401 which inter-alia included receivable from Bangladesh Monitor Limited amounting to Tk. 1,380,415 and advance to various suppliers amounting to Tk. 40,888,275. Accordingly, receivable from Bangladesh Monitor Ltd. Tk. 1,380,415 has been rearranged to accounts receivable (refer to note #10) and advance against suppliers Tk. 40,888,275 has been rearranged to advances (i.e. advance against suppliers, refer to note #12).

21.00 Short term borrowings

| | | | |
|----------------------------------|-------|--------------------|--------------------|
| Cash credit (Hypo) and overdraft | 21.01 | 348,185,196 | 597,762,912 |
| | | 348,185,196 | 597,762,912 |

21.01 Borrowings against CC (Hypo) and overdraft

| Name of the Banks | Branches | Types | | |
|-------------------------------|----------------|-------------|--------------------|--------------------|
| The Premier Bank PLC | O.R Nizam Road | OD | - | 212,376,813 |
| The Premier Bank PLC | O.R Nizam Road | OD | 257,074,755 | 302,547,272 |
| Dhaka Bank Securities Limited | | Margin Loan | (770) | (1,220) |
| BRAC EPL Securities Limited | | Margin Loan | 91,111,211 | 82,840,047 |
| | | | 348,185,196 | 597,762,912 |

The Break Up

| Name of the Bank | Purpose | Sanction Amount | Interest Rate | Securities |
|--|-----------------|-----------------|---------------|--|
| The Premier Bank Limited (O.R Nizam Road Branch) | Working Capital | 297,000,000 | 9% | Legal Mortgage of 20.50 Decimal Land along with 15 storied building situated at PS. Panchlalsh. Mouza-Nasirabad, Chittoogram |

| 22.00 Provision for income tax | Note(s) | 30 June 2024 | 30 June 2023 |
|-------------------------------------|---------|-------------------|------------------|
| | | Taka | Taka |
| Opening balance | | 4,760,714 | 4,833,105 |
| Provided during the year | | | |
| Against current year | 48.00 | 23,617,173 | 7,428,406 |
| | | 23,617,173 | 7,428,406 |
| Less: Paid/adjusted during the year | | (7,428,406) | (7,500,797) |
| Closing balance | | 20,949,481 | 4,760,714 |

22.01 Reconciliation of effective tax rate

| | 30 June 2024 | | 30 June 2023 | |
|---|----------------|---------------------|-----------------|------------------|
| | Rate | Taka | Rate | Taka |
| Profit before Tax | | (103,073,637) | | (43,648,188) |
| Tax using the applicable tax rate | 22.50% | (23,191,568) | 22.50% | (9,820,842) |
| Tax effect of: | | | | |
| Difference between accounting and fiscal depreciation | 23% | (5,445,366) | 77% | (7,536,562) |
| Inadmissible expenses | 21% | (4,844,380) | 62% | (6,057,947) |
| Impact on other income tax | -11% | 2,526,480 | -57% | 5,646,566 |
| Implication for minimum tax | -63% | 14,664,609 | -330% | 32,391,883 |
| Effect of deferred tax | 16% | (3,663,474) | 112% | (11,025,752) |
| | -13.96% | (19,953,699) | -136.63% | 3,597,346 |

| | Note(s) | 30 June 2024 | 30 June 2023 |
|--|---------|------------------|------------------|
| | | Taka | Taka |
| 23.00 Unclaimed dividend | | | |
| Opening balance | | 1,677,340 | 2,251,000 |
| Add: Provision made during the year | | - | 29,666,700 |
| Less: Deposit to Capital Market Stabilization Fund | | - | (754,943) |
| Less: Paid during the year | | (320) | (29,485,417) |
| | | <u>1,677,020</u> | <u>1,677,340</u> |

| Year | Balance as on 01 July 2023 | Provision/ Addition | Payment | Capital Market Stabilization Fund | Balance as on 30 June 2024 | Balance as on 30 June 2023 |
|------------|----------------------------|---------------------|--------------|-----------------------------------|----------------------------|----------------------------|
| 2019-2020* | 949,486 | - | - | - | 949,486 | 949,486 |
| 2020-2021 | 530,803 | - | - | - | 530,803 | 530,803 |
| 2021-2022 | 197,051 | - | (320) | - | 196,731 | 197,051 |
| | <u>1,677,340</u> | <u>-</u> | <u>(320)</u> | <u>-</u> | <u>1,677,020</u> | <u>1,677,340</u> |

*An Amount of Tk. 949,486 has been transferred to Capital Market Stabilization Fund, on 27 October 2024 through pay order No 7632746, United Commercial PLC.

| | Note(s) | 30 June 2024 | 30 June 2023 |
|--|---------|------------------------------|------------------------------|
| | | Taka | Taka |
| 24.00 Provision for WPPF and Welfare Fund | | | |
| Opening Balance | | - | 2,161,478 |
| Add: Provision made for the year | | - | - |
| | | - | 2,161,478 |
| Less: Paid during the year | | - | (2,161,478) |
| Closing Balance | | - | - |
| | | | |
| | | 01 July 2023 to 30 June 2024 | 01 July 2022 to 30 June 2023 |
| | | Taka | Taka |
| 25.00 Revenue | | | |
| Rooms | | 139,716,556 | 156,539,451 |
| Food & beverages | | 247,877,734 | 203,970,368 |
| Minor operating departments | | 28,280,948 | 17,431,965 |
| Space rent | | 1,384,712 | 1,102,624 |
| | | <u>417,259,950</u> | <u>379,044,408</u> |
| 26.00 Cost of sales | | | |
| Cost of sales | 26.01 | 316,746,388 | 266,583,697 |
| | | <u>316,746,388</u> | <u>266,583,697</u> |
| 26.01 Cost of sales | | | |
| Cost of materials | 26.02 | 112,397,472 | 96,998,745 |
| Complementary guest service | | 1,409,180 | 920,692 |
| Depreciation | 4.00 | 29,476,270 | 27,916,406 |
| Function and amenities | | 1,586,389 | 2,218,995 |
| House keeping expenses | | 17,355,716 | 14,750,280 |
| Packet and packing materials | | 1,809,974 | 1,708,899 |
| Purchased services | | 420,876 | 399,791 |
| Repair and maintenance | 26.04 | 10,886,512 | 8,824,555 |
| Salary, wages, bonus and benefits | | 87,887,574 | 77,063,358 |
| Staff uniform | | 4,276,322 | 996,108 |
| Utility and fuel expenses | | 49,240,103 | 34,785,868 |
| | | <u>316,746,388</u> | <u>266,583,697</u> |



26.02 Cost of sales

| Particulars | Note(s) | 30 June 2024 | | | | | Total | 30 June 2023 |
|-----------------------------------|---------|--------------------|--------------------|----------------------------|------------------|----------|--------------------|--------------|
| | | Room | Food & Beverage | Minor Operating Department | Rental | | | |
| | | Taka | Taka | Taka | Taka | Taka | | |
| Cost of materials | | - | 109,587,535 | 2,809,937 | - | - | 96,998,745 | |
| Complementary guest service | | 704,590 | 704,590 | - | - | - | 1,409,180 | |
| Depreciation | 4.00 | 21,540,351 | 5,895,254 | 2,040,665 | - | - | 27,916,406 | |
| Function and amenities | | - | 1,586,389 | - | - | - | 1,586,389 | |
| House keeping expenses | | 12,015,496 | 4,338,929 | 1,001,291 | - | - | 17,355,716 | |
| Packet and packing materials | | 1,809,974 | - | - | - | - | 1,809,974 | |
| Purchased services | | 420,876 | - | - | - | - | 420,876 | |
| Repair and maintenance | 26.04 | 6,699,392 | 1,674,848 | 418,712 | 2,093,560 | - | 10,886,512 | |
| Salary, wages, bonus and benefits | | 48,338,166 | 36,912,781 | 2,636,627 | - | - | 87,887,574 | |
| Staff uniform | | 2,309,214 | 1,539,476 | 427,632 | - | - | 4,276,322 | |
| Utility and fuel expenses | | 21,173,244 | 23,142,849 | 4,924,010 | - | - | 49,240,103 | |
| | | 115,011,303 | 185,382,651 | 14,258,874 | 2,093,560 | - | 316,746,388 | |

26.03 Repair and maintenance

| Particulars | 30 June 2024 | | | | 30 June 2023 |
|-------------------|--------------------------------------|------------------|--------------------------------------|-------------------|------------------|
| | Opening Inventory of Stores & Spares | Purchase | Closing Inventory of Stores & Spares | Expenses | |
| | Taka | Taka | Taka | Taka | |
| Building | 824,775 | 1,683,228 | 352,815 | 2,155,188 | 348,616 |
| Machineries | 1,563,790 | 1,746,345 | 668,944 | 2,641,191 | 4,339,867 |
| General | 2,764,479 | 1,901,112 | 1,182,565 | 3,483,026 | 1,484,609 |
| Kitchen equipment | - | 382,803 | - | 382,803 | 403,780 |
| Vehicles | - | 936,733 | - | 936,733 | 692,614 |
| Lifts | - | 554,993 | - | 554,993 | 330,850 |
| Computers | - | 1,206,924 | - | 1,206,924 | 1,475,650 |
| Electrical goods | - | 472,305 | - | 472,305 | 515,922 |
| | 5,153,044 | 8,884,443 | 2,204,324 | 11,813,163 | 9,591,908 |

26.04 Allocation of Repair and Maintenance Expense

| | 01 July 2023 to 30 June 2024 | 01 July 2023 to 30 June 2023 |
|-------------------------|------------------------------|------------------------------|
| Notel(s) | Taka | Taka |
| Cost of sales | 26.01 | 26.01 |
| Administrative expenses | 27.00 | 27.00 |
| | 11,813,163 | 9,591,908 |



| | | 01 July 2023 to 30 June 2024 | 01 July 2022 to 30 June 2023 | |
|---|--|---------------------------------|---------------------------------|---------------------------------|
| | Note(s) | Taka | Taka | |
| 27.00 | Administrative expenses | | | |
| Salaries and allowances | | 32,516,367 | 28,502,885 | |
| Directors' remuneration | 27.01 | 107,500 | 100,000 | |
| Annual general meeting expenses | | 277,300 | 555,720 | |
| Association and membership fees | | 63,200 | 76,400 | |
| Audit fee | | 345,000 | 345,000 | |
| Conveyance expenses | | 546,466 | 379,254 | |
| Depreciation | 4.00 | 6,914,187 | 6,442,248 | |
| Amortisation on Intangible Asset | 7.01 | - | 322,499 | |
| Amortisation on Lease | 5.01.06 | 4,741,553 | 4,552,076 | |
| Entertainment expenses | | 469,303 | 462,513 | |
| Fees and renewals | | 1,249,484 | 1,133,918 | |
| Insurance expenses | | 4,156,102 | 3,076,409 | |
| Legal fees and other professional charges | | 775,848 | 1,296,714 | |
| Office expenses | | 1,775,393 | 263,415 | |
| Printing and stationery | | 2,627,211 | 531,849 | |
| Rating fee | | 70,000 | 70,000 | |
| Regulatory fees | | 1,230,668 | 1,180,668 | |
| Rent, rate and taxes | | 1,513,755 | 2,274,870 | |
| Repair and maintenance | 26.04 | 946,651 | 767,353 | |
| Staff uniform | | 475,147 | 110,679 | |
| Telephone and communication | | 1,372,406 | 1,469,337 | |
| Tours and travel expenses | | 2,012,016 | 1,152,517 | |
| Utility and fuel expenses | | 12,310,026 | 8,696,467 | |
| VAT Expenses | | - | 1,920,391 | |
| Lease Expenses | | 1,682,462 | - | |
| | | <u>78,178,045</u> | <u>65,683,182</u> | |
| 27.01 | Directors' remuneration | | | |
| Details of Directors' remuneration paid during the period are as follows: | | | | |
| Directors' Name | Relationship | Remuneration Taka | Board Meeting Fee Taka | Gross Remuneration Taka |
| Mr. Mahboob Ur Rahman | Chairman | - | 15,000 | 15,000 |
| Mr. Mustafa Tahir Arshad | Managing Director | - | 15,000 | 15,000 |
| Mr. Mustafa Tahseen Arshad | Director | - | 2,500 | 2,500 |
| Mrs. Ayesha Sultana | Executive Director | - | 15,000 | 15,000 |
| Mrs. Bilkis Arshad | Director | - | 2,500 | 2,500 |
| Dr. Sheikh Md. Shafiqul Azam | Independent Director | - | 15,000 | 15,000 |
| Dr. Sultan Ahmed | Independent Director | - | 15,000 | 15,000 |
| Mr. Md. Abul Hossain | Director | - | 15,000 | 15,000 |
| Mr. Darius Faris Rahman | Director | - | 12,500 | 12,500 |
| | | - | <u>107,500</u> | <u>107,500</u> |
| | | | 01 July 2023 to 30 June 2024 | 01 July 2022 to 30 June 2023 |
| | Note(s) | Taka | Taka | Taka |
| 28.00 | Selling and distribution expenses | | | |
| Advertisement | | | 1,658,030 | 1,318,774 |
| Carriage Outwards | | | 8,000 | - |
| | | | <u>1,666,030</u> | <u>1,318,774</u> |
| 29.00 | Finance costs | | | |
| Interest on loan & overdraft | | | 50,462,504 | 42,922,195 |
| Interest on margin loan | | | 11,325,769 | 10,632,490 |
| Bank charges | | | 3,477,704 | 4,161,304 |
| Interest on lease liability | 5.01.04 | | 8,867,820 | 9,997,122 |
| | | | <u>74,133,797</u> | <u>67,713,111</u> |
| 30.00 | Finance income | | | |
| Interest on fixed deposit receipts | | | 3,447,600 | 22,877,833 |
| Interest on bank deposits | | | 825,131 | 436,405 |
| | | | <u>4,272,731</u> | <u>23,314,238</u> |

| | Note(s) | 01 July 2023 to 30 June 2024 Taka | 01 July 2022 to 30 June 2023 Taka |
|--|----------|---|---|
| 31.00 Non-operating income/(loss) | | | |
| Dividend income on tradable securities | | 1,219,878 | 58,697 |
| Misc. Income | | 51,533 | 50,498 |
| Sale of wastage | | 4,072,805 | 1,678,941 |
| Realized Gain/(Loss) on sale of tradable securities | 13.02.02 | (1,628,561) | (43,559,960) |
| Unrealized Profit or/(Loss) tradable securities | 13.02.01 | (56,446,715) | (2,904,819) |
| Gain/(Loss) on sale of property, plant and equipment | | (1,198,325) | (31,428) |
| Income from forfeiture Account of PF | | 47,327 | - |
| | | <u>(53,882,058)</u> | <u>(44,708,070)</u> |
| 32.00 Reconciliation of cash generated by operations | | | |
| Profit before income tax | | (103,073,637) | (43,648,188) |
| Depreciation charged | | 36,390,457 | 34,358,654 |
| Amortization charged | | 4,741,553 | 4,874,575 |
| Gain on sale of property, plant and equipment | | 1,198,325 | 31,428 |
| Gain on sale of tradable securities | | 1,628,561 | 43,559,960 |
| Changes in fair value of tradable securities | | 56,446,715 | 2,904,819 |
| Dividend income | | (1,219,878) | (58,697) |
| Finance Cost | | 74,133,797 | 67,713,111 |
| Interest income on bank deposits | | (825,131) | (436,405) |
| Interest income on Fixed Deposits Receipts (FDR) | | (3,447,600) | (22,877,833) |
| (Increase)/ decrease in inventory | | 2,042,793 | (2,098,827) |
| (Increase)/ decrease in Accounts receivable | | (9,948,442) | 13,105,819 |
| Increase in Advances, Deposits and Pre-payments | | 38,084,927 | 58,818,027 |
| Increase / (decrease) in Accounts payables | | 24,457,366 | (12,627,849) |
| Increase in provision of WPPF and WF | | - | (2,161,478) |
| | | <u>120,609,806</u> | <u>141,457,115</u> |
| 33.00 Earnings per share | | | |
| 33.01 Basic earnings per share (EPS) | | | |
| Profit attributable to the ordinary shareholders | | (123,027,336) | (40,050,842) |
| Weighted average number of shares outstanding during the year | | 118,666,800 | 118,666,800 |
| Basic earnings per share (EPS) | | <u>(1.04)</u> | <u>(0.34)</u> |
| 33.02 Reason for Significant deviation in Earning Per Share (EPS): | | | |
| EPS has been decreased in current year due to an increase in financial cost 9.48% and decrease in financial income 81.67% and loss on non-Operating income/(Loss) compare to previous year. Moreover, cost of sales, administrative expenses and selling & distribution expenses have been increased by 18.82 %, 19.02% , 26.33% respectively in the current year compared to previous year. | | | |
| | | <u>30 June 2024</u> | <u>30 June 2023</u> |
| | | Taka | Taka |
| 34.00 Net asset value per share (NAV) | | | |
| Total Assets | | 5,351,132,720 | 4,235,492,326 |
| Less: Liabilities | | (2,047,252,287) | (808,584,557) |
| Net asset value (NAV) | | <u>3,303,880,433</u> | <u>3,426,907,769</u> |
| Number of ordinary shares outstanding during the year | | 118,666,800 | 118,666,800 |
| Net Asset Value (NAV) per share | | <u>27.84</u> | <u>28.88</u> |
| 35.00 Net operating cash flow per share | | | |
| Net operating cash flows (from statement of cash flows) | | 36,307,985 | 101,938,234 |
| Number of ordinary shares outstanding during the year | | 118,666,800 | 118,666,800 |
| Net operating cash flow per share | | <u>0.31</u> | <u>0.86</u> |
| 35.01 Reasons for deviation in Net Operating Cash Flow Per Share (NOCFPS) | | | |
| NOCFPS has been decreased in current year due to increase in cash payment to suppliers and increase in payment for non-operating expenses & interest expense compared to previous year. | | | |
| | | <u>01 July 2023</u> | <u>01 July 2022</u> |
| | | to 30 June 2024 | to 30 June 2023 |
| | | Taka | Taka |
| 36.00 Employees | | | |
| Number of employees whose monthly salary was below Tk. 3,000 | | - | - |
| Number of employees whose monthly salary was above Tk. 3,000 | | 349 | 307 |
| | | <u>349</u> | <u>307</u> |

During June 2024, Total 251 (238 During 2023) number of employees were in the permanent payroll of the company.

37.00 Aggregate amount of remuneration paid to all Directors & Employees:

| Particulars | Payment Type | 30 June 2024 | 30 June 2023 |
|--------------------------|--------------------|--------------------|--------------------|
| | | Taka | Taka |
| Chairman & All Directors | Board Meeting Fees | 107,500 | 100,000 |
| | Remuneration | - | - |
| Officials & Others | Salary & Benefits | 120,403,941 | 105,566,243 |
| | | 120,511,441 | 105,666,243 |

38.00 Related party transactions

38.01 Details of Transactions:

During the year the Company carried out a number of transactions with related parties in the normal course of business on an arms' length basis. Names of those related parties, nature of those transactions and their total value have been set out in accordance with the provisions of IAS-24: Related Party Disclosures.

Related party comprises of company under common ownership and common management control.

| Name of party | Relationship | Mode of Transaction | Nature of Transactions | 30 June 2024 | 30 June 2023 |
|----------------|---------------------|--------------------------|------------------------|--------------|--------------|
| Gesmin Limited | Common Directorship | Market price /Negotiated | Revenue | 99,750 | 535,965 |
| Gesmin Limited | Common Directorship | Market price /Negotiated | Expense | (473,599) | (641,942) |

38.02 Key Management personnel compensation:

In accordance with Para 17 of IAS-24 related party disclosure: During the Year the amount of compensation paid to Key management personnel including Board of Directors is as follows:

| | 30 June 2024 | 30 June 2023 |
|------------------------------|----------------|----------------|
| | Taka | Taka |
| Short Term Employee Benefits | 107,500 | 100,000 |
| Post Employment Benefits | - | - |
| Other Long Term Benefits | - | - |
| Termination Benefit | - | - |
| Share Based Payment | - | - |
| | 107,500 | 100,000 |

Here, short term employee benefits include only Board Meeting fees.

39.00 Service rendering capacity and current utilization

| Description | 01 July 2023 to 30 June 2024 | | | 01 July 2022 to 30 June 2023 | | |
|-------------|------------------------------|-----------------------------|-----------------|------------------------------|-----------------------------|-----------------|
| | Capacity (Room per year) | Utilization during the year | Utilization (%) | Capacity (Room per year) | Utilization during the year | Utilization (%) |
| Guest Room | 52,560 | 29,297 | 55.74% | 52,560 | 26,581 | 50.57% |

40.00 Attendance status of Directors in Board Meetings

During the year ended 30 June 2024, 06 (Six) board meetings were held. The attendance status of all the meetings are as follows:

| Name of the Director | Position | Meetings Held | Attendance |
|-----------------------------|----------------------|---------------|------------|
| Mr. Mahboob Ur Rahman | Chairman | 6 | 6 |
| Mr. Mustafa Tahir Arshad | Managing Director | 6 | 6 |
| Mr. Mustafa Tahseen Arshad | Director | 6 | 1 |
| Mrs. Ayesha Sultana | Director | 6 | 6 |
| Mrs. Bilkis Arshad | Director | 6 | 1 |
| Mr. Darius Faris Rahman | Director | 6 | 5 |
| Mr. Md. Abul Hossain | Director | 6 | 6 |
| Dr. Sheikh Md. Shafiul Azam | Independent Director | 6 | 6 |
| Mr. Sultan Ahmed | Independent Director | 6 | 6 |

41.00 Contingent liabilities and Commitments

41.01 Contingencies

There is no contingent Liabilities from 1 July 2023 to 30 June 2024

41.02 Capital expenditure commitment

The company has no capital expenditure commitment at the reporting date.

41.03 Directors' interest in contracts with the company

There was no transaction resulting in Directors' interest with the company and no leasing facilities have been made available to the Directors.

41.04 Segment reporting

As there is a single business and geographic segment within which the company operates no segment reporting is felt necessary.

41.05 Credit facility not availed

There was no credit facility available to the company under any contract, but not availed as on 30 June 2024 other than trade credit available in the ordinary course of business.

42.00 Events after reporting period

The Board of Directors meeting held on 28 October 2024 has recommended no dividend for the year ended 30 June 2024.



43.00 Financial Instruments- Accounting classifications and fair values

The following table shows the carrying amounts of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amount is a reasonable approximation of fair value.

| | Note ref. | Carrying amount | | | | | | Total | | |
|---|---------------|-----------------------------------|------|------------------|-----------------------|-------------|--------------------|---------------|-----------------------------|------|
| | | Fair value through profit or loss | | Held to maturity | Loans and receivables | | Available for sale | | Other financial liabilities | |
| | | Taka | Taka | | Taka | Taka | | | Taka | Taka |
| 30 June 2024 | | | | | | | | | | |
| Financial assets measured at fair value | | | | | | | | | | |
| Investment in tradable securities at fair value | 13.02 | 42,152,926 | - | - | - | - | - | - | 42,152,926 | |
| Financial assets not measured at fair value | | | | | | | | | | |
| Investments in non-tradable shares at cost | 8.01 | - | - | - | - | - | 2,375,000 | - | 2,375,000 | |
| Accounts and other receivables | 10 & 11 | - | - | - | 40,500,941 | - | - | - | 40,500,941 | |
| Deposits | 12.02 | - | - | - | 12,013,654 | - | - | - | 12,013,654 | |
| Investments in FDRs | 13.01 & 14.02 | - | - | - | - | 90,581,345 | - | - | 90,581,345 | |
| Cash at banks | 14.01 | - | - | - | 7,268,864 | - | - | - | 7,268,864 | |
| | | | | | 59,783,459 | | 92,956,345 | | 152,739,804 | |
| Financial liabilities not measured at fair value | | | | | | | | | | |
| Long Term Loan | 19 | - | - | - | - | - | - | 1,456,418,709 | 1,456,418,709 | |
| Accounts & other payables | 20 | - | - | - | - | - | - | 60,783,455 | 60,783,455 | |
| Short term borrowings | 21 | - | - | - | - | - | - | 348,185,196 | 348,185,196 | |
| Unclaimed dividend | 23 | - | - | - | - | - | - | 1,677,020 | 1,677,020 | |
| | | | | | | | | 410,645,671 | 410,645,671 | |
| 30 June 2023 | | | | | | | | | | |
| Financial assets measured at fair value | | | | | | | | | | |
| Investment in tradable securities at fair value | 13.02 | 102,315,705 | - | - | - | - | - | - | 102,315,705 | |
| Financial assets not measured at fair value | | | | | | | | | | |
| Investments in non-tradable shares at cost | 8.01 | - | - | - | - | - | 2,375,000 | - | 2,375,000 | |
| Accounts and other receivables | 10 & 11 | - | - | - | 31,185,230 | - | - | - | 31,185,230 | |
| Deposits | 12.02 | - | - | - | 12,013,654 | - | - | - | 12,013,654 | |
| Investments in FDRs | 13.01 & 14.02 | - | - | - | - | 223,808,687 | - | - | 223,808,687 | |
| Cash at banks | 14.01 | - | - | - | 37,419,827 | - | - | - | 37,419,827 | |
| | | | | | 80,618,711 | | 226,183,687 | | 306,802,398 | |
| Financial liabilities not measured at fair value | | | | | | | | | | |
| Accounts & other payables | 20 | - | - | - | - | - | - | 36,326,089 | 36,326,089 | |
| Short term borrowings | 21 | - | - | - | - | - | - | 597,762,912 | 597,762,912 | |
| Unclaimed dividend | 23 | - | - | - | - | - | - | 1,677,340 | 1,677,340 | |
| | | | | | | | | 635,766,341 | 635,766,341 | |



44.00 Financial Instruments- Financial risk management

International Financial Reporting Standard IFRS 7 - Financial Instruments: Disclosures - requires disclosure of information relating to both recognized and unrecognized financial instruments, their significance and performance, accounting policies, terms and conditions, net fair values and risk information- the company's policies for controlling risks and exposures.

The 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, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. This note presents information about the company's exposure to each of the following risks, the company's objectives, policies and processes for measuring and managing risk, and the company's management of capital. The company has exposure to the following risks from its use of financial instruments.

- a) Credit risk
- b) Liquidity risk
- c) Market risk

44.01 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 which arises principally from the Company's receivables and investments.

44.01.01 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

| | Note(s) | 30 June 2024 | 30 June 2023 |
|-----------------------------------|---------------|--------------------|--------------------|
| | | Taka | Taka |
| Investments in FDRs | 13.01 & 14.02 | 90,581,345 | 223,808,687 |
| Advances and deposits | 12.01 & 12.02 | 348,591,645 | 158,366,902 |
| Accounts and interest receivables | 10 & 11 | 40,500,941 | 31,185,230 |
| Cash at banks | 14.01 | 7,268,864 | 37,419,827 |
| | | 486,942,795 | 450,780,646 |

(i) Accounts receivable

The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry in which customers operate.

Ageing of accounts receivable

The ageing of gross value at the reporting date that was not impaired was as follows:

| | 30 June 2024 | 30 June 2023 |
|----------------------|-------------------|-------------------|
| | Taka | Taka |
| Dues within 6 months | 33,857,879 | 23,909,437 |
| Dues over 6 months | 5,878,496 | 5,878,496 |
| | 39,736,375 | 29,787,933 |

The management believes that the amounts are collectible in full, based on historic payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

(ii) Cash at banks

The company held cash at banks of Tk. 7,268,864 at 30 June 2024 (30 June 2023: Tk. 37,419,827), which represents its maximum credit exposure on these assets. The balance with banks are maintained with both local branch of International banks and domestic scheduled banks.

44.01.02 Impairment losses

Impairment loss at the reporting date

| | 30 June 2024 | 30 June 2023 |
|--|--------------|--------------|
| | Taka | Taka |
| | - | - |
| | - | - |



| | 30 June 2024 | 30 June 2023 |
|---|--------------------|--------------------|
| | Taka | Taka |
| 44.01.03 Exposure to credit risk | | |
| Accounts receivable | 39,736,375 | 29,787,933 |
| Investments | 2,375,000 | 2,375,000 |
| Interest receivable | 764,566 | 1,397,297 |
| Advances, deposits and prepayment | 351,329,361 | 160,609,918 |
| Cash and cash equivalents | 96,532,908 | 260,927,241 |
| | 490,738,210 | 455,097,389 |

| | 30 June 2024 | 30 June 2023 |
|--|--------------|--------------|
| | Taka | Taka |
| 44.01.04 Credit Rating | | |
| Credit Rating Agency of Bangladesh (CRAB Rating) | AA3 | AA3 |

44.02 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash. The Company's approach to managing liquidity 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.

Exposure to liquidity risk

The following are the contractual maturities of financial liabilities:

| Non-derivative financial liabilities | Carrying amount | Interest rate | Contractual cash flows | | | Total |
|--------------------------------------|----------------------|---------------|------------------------|--------------|----------------------|----------------------|
| | | | Within 12 months | 1 to 5 years | More than 5 years | |
| | Taka | | Taka | Taka | Taka | Taka |
| 30 June 2024 | | | | | | |
| Accounts & other payable | 60,783,455 | N/A | 60,783,455 | - | - | 60,783,455 |
| Long Term Loan | 1,456,418,709 | 9%-10% | - | - | 1,456,418,709 | 1,456,418,709 |
| Short term borrowings | 348,185,196 | 8%-9% | 348,185,196 | - | - | 348,185,196 |
| Unclaimed dividend | 1,677,020 | N/A | 1,677,020 | - | - | 1,677,020 |
| | 1,867,064,380 | | 410,645,671 | - | 1,456,418,709 | 1,867,064,380 |

| Non-derivative financial liabilities | Carrying amount | Interest rate | Contractual cash flows | | | Total |
|--------------------------------------|--------------------|---------------|------------------------|--------------|-------------------|--------------------|
| | | | Within 12 months | 1 to 5 years | More than 5 years | |
| | Taka | | Taka | Taka | Taka | Taka |
| 30 June 2023 | | | | | | |
| Accounts & other payable | 36,326,089 | N/A | 36,326,089 | - | - | 36,326,089 |
| Short term borrowings | 597,762,912 | 8%-9% | 597,762,912 | - | - | 597,762,912 |
| Unclaimed dividend | 1,677,340 | N/A | 1,677,340 | - | - | 1,677,340 |
| | 635,766,341 | | 635,766,341 | - | - | 635,766,341 |

44.03 Market risk

Market risk is the risk that changes in market prices such as foreign exchange 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, while optimizing the return.

(a) Currency risk exposure and its management

The company is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the functional currencies of the company. To manage this exposure, the company is adapted direct risk reduction methods based on matching receipts and payments on assets and liabilities.

(b) Transaction risk

Transaction risk is the risk that the company will incur exchange losses when the accounting results are translated into the home currency.

(c) Economic risk

Economic risk refers to the effect of exchange rate movements on the international competitiveness of the company.

(d) Interest risk

Interest rate risk arises from movement in interest rates. The company needs to manage interest rate risk so as to be able to re-pay debts as they fall due and to minimize the risks surrounding interest payments and receipts.

Exposure to interest rate risk

The interest rate profile of the company's interest-bearing financial instruments as reported to the management of the company is as follows.

| | <u>30 June 2024</u> | <u>30 June 2023</u> |
|-----------------------------------|----------------------|----------------------|
| | Taka | Taka |
| Fixed- rate instruments | | |
| Financial assets | 90,581,345 | 223,808,687 |
| Financial liabilities | <u>(348,185,196)</u> | <u>(597,762,912)</u> |
| | <u>(257,603,851)</u> | <u>(373,954,225)</u> |
| Variable- rate instruments | | |
| Financial assets | - | - |
| Financial liabilities | - | - |
| | <u>-</u> | <u>-</u> |

(e) Other market price risk

The company is exposed to equity price risk, which arises from available for sale equity securities. Management of the company monitors its investment portfolio based on market indices and all buy and sell decisions are approved by the Directors.



| Related Notes for Statement of Cash Flows | | 01 July 2023 to 30 June 2024 | 01 July 2022 to 30 June 2023 |
|--|----------|---------------------------------|---------------------------------|
| | | Taka | Taka |
| 45.00 Cash flows from operating activities | | | |
| 45.01 Receipts from customers against revenue | | | |
| Revenue | 25.00 | 417,259,950 | 379,044,408 |
| (Increase)/ Decrease - Trade Receivables (Gross) | 10.00 | (9,948,442) | 13,105,819 |
| | | 407,311,508 | 392,150,227 |
| 45.02 Receipts from other source | | | |
| Sale of wastage | 31.00 | 4,072,805 | 1,678,941 |
| Misc. Income | 31.00 | 51,533 | 50,498 |
| Income from forfeiture Account of PF | 31.00 | 47,327 | - |
| | | 4,171,665 | 1,729,439 |
| 45.03 Cash Paid to Suppliers | | | |
| Cost of sales | 26.00 | (316,746,388) | (266,583,697) |
| (Increase)/Decrease in Inventory | 9.00 | 2,042,793 | (2,098,827) |
| Increase /(Decrease) in Trade & other payables | 20.01 | 24,457,366 | (12,627,849) |
| Depreciation - Cost of sales | 4.00 | 29,476,270 | 27,916,406 |
| Cash paid to suppliers | | (260,769,959) | (253,393,967) |
| 45.04 Cash paid for administrative, selling & distribution expenses | | | |
| Selling and distribution costs | 28.00 | (1,666,030) | (1,318,774) |
| Administrative costs | 27.00 | (78,178,045) | (65,683,182) |
| Depreciation - Administrative expenses | 4.00 | 6,914,187 | 6,442,248 |
| Amortisation on Intangible Asset | 7.01 | - | 322,499 |
| Amortisation on Lease | 5.01.06 | 4,741,553 | 4,552,076 |
| WPPF and WF paid during the year | 24.00 | - | (2,161,478) |
| Adjustment for TDS on dividend income | | 243,976 | 11,739 |
| | | (67,944,359) | (57,834,872) |
| (Increase) / Decrease in Advances, Deposits & Prepayment | | | |
| Advances, Deposits & Prepayment | 12.00 | (190,719,443) | 57,790,010 |
| Advance to suppliers* | 12.01 | 212,047,494 | - |
| Advance Income tax | 12.01.01 | 16,512,900 | 1,016,278 |
| | | 37,840,951 | 58,806,288 |
| | | (30,103,408) | 971,416 |
| 45.05 Interest paid (Net) | | | |
| Interest received on FDR | | | |
| Interest on Fixed Deposits Received (FDR) | 30.00 | 3,447,600 | 22,877,833 |
| (Increase)/ decrease Interest receivable | 11.00 | 632,731 | 3,399,944 |
| | | 4,080,331 | 26,277,777 |
| Finance costs (Interest paid during the year) | | | |
| Interest Expenses on Lease | 29.00 | (74,133,797) | (67,713,111) |
| Interest on bank deposits | 29.00 | 8,867,820 | 9,997,122 |
| | 30.00 | 825,131 | 436,405 |
| | | (60,360,515) | (31,001,806) |



| | Note(s) | 01 July 2023 to 30 June 2024 Taka | 01 July 2022 to 30 June 2023 Taka |
|---|----------|---|---|
| 45.06 Income Tax Paid | | | |
| Increase/(decrease) in Provision for tax Provided during the period | 22.00 | 16,188,767 | (72,391) |
| (Increase)/decrease in advance for tax | 12.01.01 | (23,617,173) | (7,428,406) |
| | | (16,512,900) | (1,016,278) |
| | | <u>(23,941,306)</u> | <u>(8,517,075)</u> |
| Net cash (used in)/generated by operating activities | | <u>36,307,985</u> | <u>101,938,234</u> |
| 46.00 Cash flows from investing activities | | | |
| Addition of Property, plant and equipment during the year | 4.00 | (71,110,735) | (106,632,434) |
| Capital work-in-progress | 6.01 | (1,161,968,848) | (235,259,713) |
| Advance to suppliers* | 12.01 | (212,047,494) | - |
| Capitalized during the year | 6.01 | 43,418,882 | - |
| | | <u>(1,401,708,195)</u> | <u>(341,892,147)</u> |
| 46.01 Acquisition of non-current assets | | | |
| Disposal during the year | 4.00 | 7,324,522 | 222,400 |
| Adjustment for depreciation | 4.00 | (4,261,197) | (130,972) |
| Gain/(loss) on sale of non-current assets | 31.00 | (1,198,325) | (31,428) |
| | | <u>1,865,000</u> | <u>60,000</u> |
| 46.02 Proceeds from sale of property, plant and equipment | | | |
| Realized Gain/(Loss) on sale of tradable securities | 13.02.02 | (1,628,561) | (43,559,960) |
| (Increase) / Decrease in Investments in non Tradable Securities | 8.00 | - | 3,750,000 |
| (Increase)/decrease in investments in tradable securities | 13.02 | 60,162,779 | 43,718,953 |
| Changes in fair value of tradable securities | 13.02.01 | (56,446,715) | (2,904,819) |
| | | <u>2,087,503</u> | <u>1,004,175</u> |
| Investment in FDR (Short Term) | 13.01 | 644,429 | (84,330) |
| 46.03 (Increase)/decrease in investments | | <u>2,731,932</u> | <u>919,845</u> |
| 46.04 Dividend received (net of tax) | | | |
| Dividend Income | 31.00 | 1,219,878 | 58,697 |
| Less: Tax deducted at source | | (243,976) | (11,739) |
| | | <u>975,902</u> | <u>46,958</u> |
| Net cash (used in)/generated by investing activities | | <u>(1,396,135,361)</u> | <u>(340,865,344)</u> |
| 47.00 Cash flows from financing activities | | | |
| 47.01 (Repayment) / Receipt of short term borrowings | | | |
| | 21.00 | (249,577,716) | 45,718,292 |
| | | <u>(249,577,716)</u> | <u>45,718,292</u> |
| 47.02 (Repayment) / Receipt of long term borrowings | | | |
| | 19.00 | 1,456,418,709 | - |
| | | <u>1,456,418,709</u> | <u>-</u> |
| 47.03 (Repayment) / Receipt of Lease | | | |
| Cash dividend declared & disbursed | 5.01.05 | (11,407,629) | (8,521,500) |
| Increase/(decrease) in Unclaimed dividend | 23.00 | - | (29,666,700) |
| | | (320) | (573,660) |
| 47.04 Dividend paid during the year | | | |
| | | (320) | (30,240,360) |
| Net cash provided by/(used in) financing activities | | <u>1,195,433,044</u> | <u>6,956,432</u> |
| Net increase/(decrease) in cash and cash equivalent | | <u>(164,394,333)</u> | <u>(231,970,678)</u> |
| Opening cash and cash equivalents | 14.00 | 260,927,241 | 492,897,919 |
| Closing cash and cash equivalents | | <u>96,532,908</u> | <u>260,927,241</u> |

48.00 Computation of Income Tax & Tax Liability

30 June 2024

Taka

Net profit before Income Tax as per Audited Financial Statements

(103,073,637)

Less: Items for separate consideration

Dividend income (Gross)

(1,219,878)

Misc. Income

(51,533)

Other income (Sale of wastage)

(4,072,805)

Realized Gain/(Loss) on sale of tradable securities

1,628,561

Unrealized Profit or/(Loss) tradable securities

56,446,715

Gain/(Loss) on sale of property, plant and equipment

1,198,325

Income from forfeiture Account of PF

(47,327)

Finance Income

(4,272,731)

49,609,327

(53,464,310)

Add: Expenses for Separate Consideration

Accounting depreciation

36,390,457

Amortization cost on Lease

4,741,553

Interest Expenses on Lease Liabilities

8,867,820

Entertainment expenses

469,303

50,469,133

(2,995,177)

Less: Allowable expenses

Tax depreciation u/s 50 (1) ITA-23

(60,592,083)

Lease payment

(11,407,629)

(71,999,712)

Business Income before separate consideration of Entertainment Expenses

(74,994,889)

Less: Entertainment Allowance

(Since there is no business income entertainment allowance will not be allowed)

Business Income for the current year

(74,994,889)

Finance Income

4,272,731

Dividend Income (Gross)

1,219,878

Revenue gain on sale of Non-current Assets

1,700,066

On sale of listed securities (Cost > Sales)

(1,643,425)

Other Income (Mis. Income & Wastage sale & PF Forfeiture)

4,171,665

Tax Payable on Taxable Income:

On Business Income

Rate

22.50%

Taxable Income

(74,994,889)

On Finance Income

22.50%

4,272,731

On Dividend Income (Gross)

20%

1,219,878

On Revenue gain on sale of PPE

22.50%

1,700,066

On gain sale of listed securities

15%

(1,643,425)

On Other Income

22.50%

4,171,665

Tax payable as per calculation

961,364

243,976

382,515

-

938,625

2,526,480

Calculation of minimum tax:

a) **Tax payable as per calculation**

2,526,480

b) **As per section 163 (2)**

On Local Sales U/S 89

3,814,277

On Interest Income on FDR U/S 102

855,937

On Interest Income on STD U/S 102

171,712

On Import Stage U/S 120

18,531,271

On Dividend Income U/S 117

243,976

23,617,173



30 June 2024

Taka

- c) As per section 163 (5)
 Gross Receipt against sales
 Receipt against Dividend Income (Gross)
 Receipt against Finance Income
 Proceeds on sale of property, plant and equipment
 Proceeds on sale of Shares
 Receipt against Other income (Mis. Income & Wastage sale & PF Forfeiture)

| |
|--------------------|
| 407,311,508 |
| 1,219,878 |
| 4,272,731 |
| 1,865,000 |
| 2,087,503 |
| 4,171,665 |
| 420,928,285 |
| 2,525,570 |
| 23,617,173 |

Tax liability @ 0.60 on gross receipts


Therefore, tax liability, the higher of above three (a, b & c)



 Company Secretary



 Managing Director



 Director



 Chairman

