



A House of Power & Material Handling Solution



ANNUAL REPORT 2023

www.saifpowertec.com





Container Terminal Operation

SAIF POWERTEC

A House of Power & Material Handling Solution



Storage Power Solutions



ZPMC Quay Gantry Cranes



ZPMC Straddle Carrier



Liebherr Reachstacker



LED Lighting Solutions



Renewable Energy



Doosan Excavator



Doosan Forklift



SMF Battery



Generators



Plastic Products



ANNUAL REPORT 2023

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Letter of Transmittal

To
The Members,
The Bangladesh Securities & Exchange Commission,
The Registrar of Joint Stock Companies & Firms,
The Dhaka Stock Exchange Limited,
The Chittagong Stock Exchange Ltd.,
The Central Depository Bangladesh Limited,

Subject: Annual Report for the year ended on 30th June 2023.

Dear Sir(s)

We are pleased to transmit a copy of Annual Report for the year ended on 30th June 2023 including all relevant annual consolidated audited financial statements, auditor's reports, management's discussion and analysis, report or certificate on compliance of the Corporate Governance Code and Directors' Report along with the notice of the annual general meeting, etc. for your record and necessary measures.

Yours sincerely,



F. Md. Salehin
Company Secretary

SAIF POWERTEC LIMITED

Corporate Office: 72, Mohakhali C/A, Rupayan Centre (8th floor) Dhaka-1212, Bangladesh
Tel: +88 02 222291639, 222261128, 222291562, 222264705, Fax: +88 02 222285949
Email: shambhu@saifpowertec.com, Website: www.saifpowertec.com

Notice of the 20th Annual General Meeting

Notice is hereby given that the **20th Annual General Meeting (AGM)** of the Members of **Saif Powertec Limited** will be held on Monday, December 30, 2024 at 11:00 A.M. by using Digital Platform through the link <http://saifpower20agm.digitalagmbd.net> in accordance with the Bangladesh Securities and Exchange Commission (BSEC) order SEC/SRMIC/94-231/25 dated July 08, 2020 to transact the following businesses: -

ORDINARY BUSINESS

1. Report and Accounts:

To receive, consider and adopt the Financial Statements of the Company for the year ended on June 30, 2023 together with the Reports of the Board of Directors' and the Auditor's thereon.

2. Dividend:

To declare the dividend for the financial year ended on June 30, 2023 as recommended by the Board of Directors.

3. Election of Directors:

To elect/re-elect Directors as per terms of the relevant provision of the Articles of Association of the Company.

4. Appointment of Independent Director/s:

To approve the appointment/reappointment of Independent Director/s of the Company.

5. Appointment of Auditors:

To consider and approve the appointment of Statutory Auditors of the Company for the term until the next Annual General Meeting and to fix their remuneration.

6. Appointment of Compliance Auditor regarding Certificate on Compliance of Corporate Governance Code:

To consider and approve the appointment of Compliance Auditor regarding Certificate on Compliance of Corporate Governance Code of the Company for the term until the next Annual General Meeting and to fix their remuneration.

7. Miscellaneous:

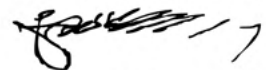
To transact any other related business of the Company with the permission of the Chairperson

Special Business:

8. To Change the name of the Company:

To approve the change name of the company as Saif Powertec PLC instead of Saif Powertec Limited. All Members of the Company are requested to attend the meeting as mentioned above.

By order of the Board of Directors



Company Secretary

Dated: Dhaka, December 08, 2024

NOTES:

- a) The Board of Directors has recommended **No Dividend** for the year ended on June 30, 2023 subject to approval of Members of the Company in the 20th Annual General Meeting (AGM).
- b) The Record Date was **November 17, 2024 (Sunday)**. The shareholders whose names appeared in the Share Register of Members of the Company or in the Depository Register (CDBL) on the Record Date are eligible to attend/participate and vote in the Annual General Meeting through digital platform and qualify for Dividend.
- c) A member eligible to attend/participate and vote at the Annual General Meeting (AGM) may appoint a proxy in his/her stead. Scanned copy of Proxy Form duly stamped must be send through email to shambhu@saifpowertec.com not later than 48 hours before the Meeting.
- d) Annual Report, Attendance Slip and Proxy Form along with the Notice will be sent to all Members by Courier Service and/or email. The Members may also collect the same from the Share Department or website address: www.saifpowertec.com of the Company.
- e) AGM Notice, link for joining for Digital Platform (audio-visual meeting) and digital login process will be mailed to the respective member's email address available with the Company.
- f) The members will be able to submit their questions/comments, and vote electronically 24 hours before commencement of the AGM and during the AGM. For logging in to the system, the members need to enter their 16-degit Beneficial Owner (BO) ID number and other credentials as proof of their identity by visiting the link <http://saifpower20agm.digitalagmbd.net>.
- g) Member whose email addresses have updated/changed subsequently are kindly requested to email at shambhu@saifpowertec.com referring their full name, BOID and email address to get the digital platform meeting invitation link.

NB: No gift and or food shall be given for attending the 20th Annual General Meeting of the Company as per rules.



SAIF POWERTEC LIMITED

AT A GLANCE

The Company was incorporated in Bangladesh as a Private Limited Company on 29th of December 2003, which was limited by shares as a Public Limited Company under the Companies Act, 1994 on 28th June 2010, along with the subdivision of shares from Taka 1000 to Taka 10 each and increased its Authorized Capital from Tk. 15.00 million to Tk. 1,000.00 million. The Company was subsequently converted into a publicly traded company with the permission of the Bangladesh Securities & Exchange Commission on 22nd April 2014, and listed on the Dhaka Stock Exchange Limited on 10th of September 2014 and on the Chittagong Stock Exchange Ltd., on 17th September 2014. At present the Paid-up Capital of the Company is Taka 3,793,386,470 and Authorized Capital is Taka 5,000,000,000.

The principal activity of the Company is to carry on the business of infrastructure-support services. The company is also engaged in importing, trading, assembling and installing generators, sub-stations, electrical equipment and grid-lines, installation and erection of power plants, coal as well as it acts as a berth/ terminal operator for operation of Chittagong Container Terminal (CCT) and New Mooring Container Terminal (NCT) of Chittagong Port Authority (CPA). The Company has been producing new Battery unit situated at Pubail, Gazipur, and Dhaka, financed out of IPO, Rights Share Issue & its own fund, which commenced from August 05, 2017.

VISION

To become a Pioneer in the engineering arena by providing significant contribution to create an Economically powerful, Self-sufficient and Prosperous Bangladesh.

MISSION

SAIF Powertec Limited (SPL) has a steadfast mission to rigorously improve the quality of our expertise and services so that we can provide best possible outcome to our clients and increase our capability to meet newer challenges each day, and ultimately become one of the most advanced and innovative companies in the country.

OBJECTIVES

To provide container handling and all related procedural activities as an efficient terminal operator cum port operator through the application of state-of-art port operation technologies through the best affordable policies for the growth of business in Bangladesh.

To provide the best technical support services and technical consultancy service for installation, commission and complete overhaul of power plants, chemical and fertilizer plants for the development of utility and large infrastructure sectors.

To produce quality alternative power sources, high and medium voltage equipment and backup power products.



CORPORATE FOCUS

Our vision, our mission and our objectives are to ensure efficiency in the Company regarding quality, pricing, process and services to the growth of the Company in compliance with good governance practices.

Corporate Information

Name of the Company : SAIF POWERTEC LIMITED
Company Registration No. : C-51420(1715)2003

Legal Form : Public Limited Company, listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Ltd., having incorporated in Bangladesh under the Companies Act, 1994.

Board of Directors

Mrs. Tarafder Nigar Sultana	Chairperson
Mr. Tarafder Md. Ruhul Amin	Managing Director
Mrs. Rubya Chowdhury	Director
Mr. Tarafder Md. Ruhul Saif	Director
Mr. Mohammad Saifur Rahman	Independent Director
Mr. Jalal Uddin Ahmed Choudhury	Independent Director

Company Secretary : Mr. F. Md. Salehin

Audit Committee

Mr. Jalal Uddin Ahmed Choudhury	Chairperson
Mr. Mohammad Saifur Rahman	Member
Mr. Tarafder Md. Ruhul Saif	Member
Mrs. Rubya Chowdhury	Member
Mr. F. Md. Salehin	Secretary

Nomination and Remuneration Committee:

Mr. Mohammad Saifur Rahman	Chairperson
Mr. Jalal Uddin Ahmed Choudhury	Member
Mrs. Rubya Chowdhury	Member
Mr. Tarafder Md. Ruhul Saif	Member
Mr. F. Md. Salehin	Secretary

Management Committee

Mr. Tarafder Md. Ruhul Amin	Chairperson
Mr. Engr. Md. Nasiruddin Chowdhury	Member
Mr. Md. Abu Sayeed	Member
Mr. Md. Hasan Reza	Member
Mr. Major Farukh Ahmed Khan (Retd)	Member
Mr. Md. Shawkat Hossain Khan	Member
Mr. N. I. M. Shujaudowla	Member
Mr. A B M Kamruzzaman	Member
Mr. S.M. Aftab Hossain	Member
Mr. Ajoy Kumar Das	Member
Mr. Khondaker Abdul Kayum	Member
Mr. Syed Salim Reza	Member
Mr. Md. Didar Hossain Bhuiyan	Member
Mr. Md. Afshin-Uz-Zaman	Member

BOARD OF DIRECTORS



Mrs. Tarafder Nigar Sultana
Chairperson



Tarafder Md. Ruhul Amin
Managing Director



Rubya Chowdhury
Director



Tarafder Md. Ruhul Saif
Director



Mohammad Saifur Rahman
Independent Director



Jalal Uddin Ahmed Chaudhury
Independent Director

PHOTO GALLERY

ANNUAL GENERAL MEETINGS OF PREVIOUS YEARS



PHOTO GALLERY

ANNUAL GENERAL MEETINGS OF PREVIOUS YEARS



PHOTO GALLERY

PORT OPERATION



PHOTO GALLERY

BATTERY FACTORY



Operational Management Team

Mr. Engr. Md. Nasiruddin Chowdhury
Mr. Md. Abu Sayeed
Mr. Md. Hasan Reza
Mr. Major Farukh Ahmed Khan (Retd)
Mr. N. I. M. Shujaudowla
Mr. A B M Kamruzzaman
Mr. Ajoy Kumar Das
Mr. S.M. Aftab Hossain
Mr. Khondaker Abdul Kayum
Mr. Md. Amirul Islam
Mr. Syed Salim Reza
Mr. Md. Afshin-Uz-Zaman
Mr. Md. Didar Hossain Bhuiyan

Registered Office

Rupayan Centre (8th Floor), 72, Mohakhali C/A,
Dhaka-1212, Bangladesh.
Phone: 88-02 9856358-9, 9845705,9841128, 9891597
Fax: 88-02 9855949

Sales Office: (Dhaka)

Khawja Tower, 95, Bir Uttam AK Khandakar Road,
Mohakhali C/A, Dhaka-1212, Bangladesh.
Phone:88-02-9887534, 9882286, 9892287
Fax: 88-02 9893311

Factory

Bashugoan, Pubail, Gazipur-1721, Bangladesh.

Chattogram Office

Makkah Madina Trade Centre,
78 (17th Floor), Agrabad C/A, Chattogram
Phone: 031-2524071-2, 031-2524106
Fax: 031-2524108

Auditors

ARTISAN
Chartered Accountants
Sonargaon Tarrage (@nd Floor)
Level-2, Flat-2N, House-51 Road-13C,
Block – E, Banani, Dhaka 1213
Email: afmalamgir28@gmail.com
Afmalamgir28@hotmail.com,
website: www.artisan-ca.net

Listing

Dhaka Stock Exchange Limited
Chittagong Stock Exchange Ltd.

Listing Recognition

Scrip Code. 20625,
Trading Code: SAIFPOWER

Additional Managing Director
Director- Corporate Affairs (Finance, Banking & Restructuring)
Chief Financial Officer
Executive Director, Admin & Logistics
Chief Operation Officer (CCT & NCT)
Executive Director, Energy & Mineral Resources
Chief Marketing Officer
Chief Operation Officer, Switchgear Division
Head of Internal Audit & Compliance
Chief Operation Officer, Commercial
Chief Operation Officer, Battery Division
General Manager, Human Resources
General Manager, Quality Management Systems

Insurer

Eastland Insurance Company Limited, Dhaka.

Credit Rating Agency

Credit Rating Agency of Bangladesh Ltd. (CRAB)

Subsidiary Companies

Saif Plastic & Polymer Industries Limited
Saif Port Holdings Limited
Saif Logistics Alliance Limited
88 Innovations Engineering Limited

100% Owned Company:

Saif Maritime LLC
Saif United Shipping & Trading

Website:www.saifpowertecLtd.com

Bankers

1. Dhaka Bank Limited
2. Mercantile Bank Limited
3. One Bank Limited
4. Jamuna Bank Limited
5. AB Bank Limited
6. Premier Bank Limited
7. Sonali Bank Limited
8. Eastern Bank Limited
9. BRAC Bank Limited
10. Islami Bank Bangladesh Limited
11. United Commercial Bank Limited
12. Southeast Bank Limited
13. NCC Bank Limited
14. Padma Bank Limited
15. Premier Bank Limited
16. Trust Bank Limited
17. NRB Commercial Bank Limited
18. Midland Bank Limited
19. South Bangla Agriculture & Commerce Bank Ltd.



CHAIRPERSON'S STATEMENT

Bismillahir Rahmanir Rahim
**Dear Valued Members of
Saif Powertec Limited**

Assalamu Alaikum,

It is indeed a great honor and privilege for me to greet you all at the 20th Annual General Meeting and place before you the Annual Report including all relevant annual consolidated audited financial statements, auditor's reports, management's discussion and analysis, report or certificate on compliance of the Corporate Governance Code and Directors' Report along with the notice of the annual general meeting, etc. for the year ended on June 30, 2023.

I have the pleasure to inform you that Saif Powertec Limited has been operating its business as the Market leader in the Chittagong Port Terminal operation sector of the country since a long time.

- Profit after tax was Taka 288,213,331 compared to Taka 500,670,740 in the previous year.
- The Net Asset Value per share is Taka 16.31
- Total Assets rose to Taka 29,004,080,213.00

Further I would like to explain to you about the activities of the subsidiary company "Saif Plastic and Polymer Industries Limited". The Company produces food grade PET bottles such as CSD Cap, Spoon, Measurement glass and stopper etc.

"Saif Port Holdings Limited" is engaged with the project of "Development and Operation of two Jetties at Mongla Port" through PPP.

Saif Logistics Alliance Limited is established a Special Purposes Company to carry on, organize, manage, run, charter, conduct, contract, develop, handle, own on the land of Mouja Middle Halishahar, Chattogram to operate and do all or any business related to bulk inter modal, vessel operations, inland river terminal operation, river, rail, road & sea transportation, development & operate of Inland Container Depot, Inter-modal Container Depot with Rail & Road Transportation, sea port operations within the country and abroad.

"88 Innovations Engineering Limited" is established to carry on business of all types of information technology and telecommunication projects, information technology enabled services (ITeS), facilities, services or works and to buy, sell, acquire, install, erect, undertake, lay down, commission, establish, own operate, manage, develop, invent, improve, assemble, test, design, alter, repair, renovate, refurbish, recondition, hire, lease, supply, let out, transfer, control and administer all kinds of information technology and telecommunication projects, facilities or works including that relating to computers, hardware and software, mobile phones, internet services, internet leased lines, computer accessories and spare parts, connectivity products, networking, computer bureau, online and offline exam centers, data processing centers, business support, computer related maintenance contracts and consultancy services thereof.

Saif Maritime LLC are services related to customs broker, cargo transport by light trucks, cargo transport by heavy trucks, cargo loading & unloading services, sea shipping lines agents, shipping containers loading and unloading services, freight broker, shipping lines of freight and passengers' transportation, sea freight and passengers' charters and sea cargo.

Saif United Shipping & Trading are logistics, importing, exporting, wholesale, ships management and operation, shipment containers loading and offloading services and goods marine shipment services.

The Company is following the Corporate Governance Code carefully and strictly which is clearly evident from the transparency in all our dealing and decision makings of all processes which are further validated through the ISO 9001 regulations of Quality Management Systems.

Bangladesh has a strong track record of growth and development, even in times of elevated global uncertainty. Despite uncertainties and frequent natural disasters, Bangladesh has witnessed robust economic growth and poverty reduction since its independence in 1971. From being one of the poorest nations at birth in 1971, Bangladesh reached lower-middle income status in 2015. Stable macroeconomic conditions underpinned an average annual real GDP growth of 6.4 percent between 2010 and 2023. Poverty declined from 11.8 percent in 2010 to 5.0 percent in 2022, based on the international poverty line of \$2.15 a day (using 2017 Purchasing Power Parity and a comparable welfare series). Similarly, moderate poverty declined from 49.6 percent in 2010 to 30.0 percent in 2022, based on the international poverty line of \$3.65 a day (using 2017 PPP). Moreover, human development outcomes improved along many dimensions, like a reduction in infant mortality and stunting, and an increase in literacy rates and access to electricity. Despite these gains, inequality has slightly narrowed in rural areas and widened in urban areas.

Challenges

At a crossroads to upper middle income, Bangladesh faces intertwined challenges in the short and medium terms. Bangladesh's economic growth over the past decade has faced significant challenges in recent years. Real GDP growth is estimated to have moderated to 5.2 percent in FY24 down from 5.8 percent in FY23. Inflation has remained elevated, financial sector vulnerabilities worsened, and pressure on the external sector persisted. Growth is expected to rebound gradually over the medium-term.

To achieve its vision of attaining upper middle-income status, Bangladesh needs to create jobs through a competitive business environment, increase human capital and build a skilled labor force, build efficient infrastructure, and establish a policy environment that attracts private investment.

Development priorities include diversifying exports beyond the RMG sector; resolving financial sector vulnerabilities; making urbanization more sustainable and strengthening public institutions, including fiscal reforms to generate more domestic revenue for development. Addressing infrastructure gaps would accelerate growth. Addressing vulnerability to climate change and natural disasters will help Bangladesh to continue to build resilience to future shocks. Pivoting towards green growth would support the sustainability of development outcomes for the next generation.

The achievement would not have been possible without the dedication, hard work and commitment of all our employees, who are the foundation and backbone of the Company. We paid a great deal of emphasis on the different attributes of growth and invested on necessary infrastructure to enhance the capabilities of our people by encouraging and assisting them to improve their knowledge and skill. The senior management of the Company is encouraging, acknowledging and rewarding innovation and there is effort for continuous improvement in our business activities.

Here, I would like to take this opportunity on behalf of the Board of Directors to express my heartiest congratulations to all our valued Members for their continuous support and confidence, my deepest appreciation to all our valued customers for their confidence in our products and services, my heartfelt thanks and gratitude to all stakeholders, such as suppliers, employees, distributors, bankers, financial institutions, Insurer and various government authorities. I express my gratitude to the Bangladesh Securities & Exchange Commission, the Dhaka Stock Exchange PLC, the Chittagong Stock Exchange PLC, the Central Depository Bangladesh Limited and all well-wishers of the company for their support.

N. Sultana
Tarafder Nigar Sultana
Chairperson



MESSAGE FROM THE MANAGING DIRECTOR

Bismillahir Rahmanir Rahim

**Dear Valued Members of
Saif Powertec Limited**

Assalamu Alaikum,

With the expression of my heartfelt thanks and gratitude to you for the support and faith you placed on us and our accomplishment, on behalf of the Board of Directors of the company as well as on my behalf, I take the opportunity to welcome you all at the 20th Annual General Meeting of the Company and thank you for taking the trouble to attend the meeting.

The economy of Bangladesh is progressing day by day, and now Bangladesh has become a middle-income country. Industrialization, the development of large and medium-scale infrastructure, development policies for existing power plants as well as government policies for the overall development of power sectors and growing demand for electricity for industrial and commercial units, the current and future economic scenarios, ultimately creates bright prospects for the increased expansion of business activities for power and related sectors.

Sustained economic growth has created an increased demand for energy, transport and urbanization. Insufficient planning and investment have resulted in severe infrastructure bottlenecks, congestion and pollution. To become an upper-middle income economy, continued sound macroeconomic management, financial

sector stability, structural reforms, investment in human capital, higher female labor force participation, and global integration will be important. Improving infrastructure as well as the business climate would allow new productive sectors to develop and generate quality employment.

Bangladesh is both an inspiration and a challenge for policymakers and practitioners of development. While the country recorded strong performance in income growth and human development, Bangladesh faces daunting challenges with an increased level of vulnerability with about 39 million people still living below the national poverty line.

The COVID-19 pandemic will deepen the challenges including a decline in exports, lower private investment, and job losses. Investment and exports are likely to continue suffering amid uncertainty about the recovery of global demand. The poor and vulnerable are more impacted with income loss and poverty may rise. The implementation of the government's COVID-19 response program will remain a paramount priority.

Creating more and better jobs for its youth remains a critical priority for Bangladesh to turn around and achieve its development vision. To do so, Bangladesh will need to remove the barriers to higher investment posed by low access to reliable and affordable power, poor transportation infrastructure, limited availability of serviced land, uncertain and complex business regulation, among others. Challenges related to COVID-19, rapid urbanization and climate change need to be addressed through long-term planning.

With the right policies, flexible planning and timely action, Bangladesh can accelerate its recovery from the economic downturn and continue to progress towards upper-middle income status.

Since 2007, your Company has established a proven track record in Bangladesh for modernizing the operations of the Chittagong Container Terminal & New Mooring Container terminal by applying modern technologies and state-of-art container-handling equipment under the Chittagong Port Authority (CPA), thus contributing to the growth of import-export business, which ultimately increases the gross domestic product (GDP). By serving this sector, your Company has achieved an internationally recognized reputation through ISO 9001 certification as regard to Quality Management Systems.

Your Company contributes to the country's power sectors as well as government owned chemical and fertilizer plants by providing efficient technical support and efficient consultation services for installation cum overhauling work and has earned a world-class reputation in Bangladesh.

Your Company has established new Battery unit situated at Pubail, Gazipur Dhaka, financed out of IPO, Rights Share Issue & own fund, which were commenced from August 05, 2017 and going to produce different types of batteries for the domestic market and export global markets. SAIF solar division holds major market share in Bangladesh and has been expanding very rapidly across the country.

We are continuously trying to increase the efficiency and productivity of other business units as well as subsidiaries of the Company through various business activities under the Project Division, which is very promising for the Company to earn more revenue by providing complete high-tech consultancy and technical support services. The Terminal Engineering Department has been involved with operating the Chittagong Container Terminal and the New Mooring Container Terminal by providing high-tech engineering support services for heavy-duty container-handling equipment. The Service Department has provided technical support and overhauling services for power-generating equipment, construction and material-handling equipment.

Saif Plastic & Polymer Industries Limited (a subsidiary Company of Saif Powertec Limited) produces food grade PET bottles such as CSD Cap, Spoon, Measurement glass and stopper etc., of different sizes for use in the pharmaceutical appliances for Food and Beverage Companies and Edible Oil companies and different uses and purposes. The company has a good reputation and holds good market share in Bangladesh.

Saif Port Holdings Limited (a subsidiary Company of Saif Powertec Limited) to carry on all or any business of all Engineering works in the field of Civil, Mechanical, Electrical, Chemical and Meteorological Engineering constructor along with consultation and undertaking to execute contracts to design, plan and control, construction of any buildings, road, bridges, railways of different project of BPDB, DESA, WASA, DPDC, DESCO to construct waterways, dock yards, sea port, land port, river port, airport and any type of port related works and operation etc.

Saif Logistics Alliance Limited (a subsidiary Company of Saif Powertec Limited) is establish a Special Purposes Company to carry on, organize, manage, run, charter, conduct, contract, develop, handle, own on the land of Mouja Middle Haliashahar, Chattogram to operate and do all or any business related to bulk inter modal, vessel operations, inland river terminal operation, river, rail, road & sea transportation, development & operate of Inland Container Depot, Inter-modal Container Depot with Rail & Road Transportation, sea port operations within the country and abroad.

“88 Innovations Engineering Limited” (a subsidiary Company of Saif Powertec Limited) is established to carry on business of all types of information technology and telecommunication projects, information technology enabled services (ITeS), facilities, services or works and to buy, sell, acquire, install, erect, undertake, lay down, commission, establish, own operate, manage, develop, invent, improve, assemble, test, design, alter, repair, renovate, refurbish, recondition, hire, lease, supply, let out, transfer, control and administer all kinds of information technology and telecommunication projects, facilities or works including that relating to computers, hardware and software, mobile phones, internet services, internet leased lines, computer accessories and spare parts, connectivity products, networking, computer bureau, online and offline exam centers, data processing centers, business support, computer related maintenance contracts and consultancy services thereof.

Saif Maritime L.L.C (100% owned by Saif Powertec Limited) are services related to customs broker, cargo transport by light trucks, cargo transport by heavy trucks, cargo loading & unloading services, sea shipping lines agents, shipping containers loading and unloading services, freight broker, shipping lines of freight and passengers’ transportation, sea freight and passengers’ charters and sea cargo.

Saif United Shipping & Trading (100% owned by Saif Powertec Limited) are services related to logistics, importing, exporting, wholesale, ships management and operation, shipment containers loading and offloading services and goods marine shipment services.

The results we achieved are commendable, thanks to our employees at all levels. They all worked hard and long to accomplish their tasks. Those who provided leadership in the various businesses were strategic in their decision making, which has taken most of our businesses to higher level of performance, qualitative as well as in term of growth and market share.

Lastly, I believe that the confidence and belief of our valued Members, the Bangladesh Securities & Exchange Commission, the Dhaka Stock Exchange PLC, the Chittagong Stock Exchange PLC, the Central Depository Bangladesh Limited, Customers and Suppliers, Bankers, NBFIs, Insurers, Advisors, Workers, Employees, Professional & Supervising Management, Government Authorities and others are the key success factors for your Company. I would like to express my heartfelt gratitude to all these organizations and individuals for their kind support and guidance.



Tarafder Md. Ruhul Amin
Managing Director



DIRECTORS' REPORT TO THE SHAREHOLDERS

Bismillahir Rahmanir Rahim

Dear Valued Members:

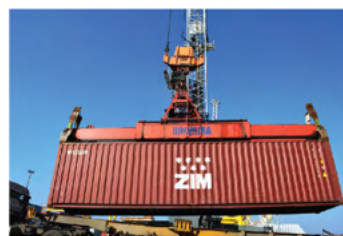
On behalf of the Board of Directors, I welcome you all to the 20th Annual General Meeting of SAIF POWERTEC LIMITED.

It is a matter of immense pleasure to present the Director's Report together with the Consolidated Annual Financial Statement of the Company for the year ended June 30, 2023 to you to consider, adopt and approve the same.

An Industry Outlook and Possible Future Development in the Industry

The size of the battery market is around Tk 8,000 crore which is growing year on year. The market ballooned three to four times in the last ten years, registering a 10% to 12% growth in the last one year. A growing demand for automotive battery, fueled mostly by widespread use of battery-run three-wheelers in rural and semi-urban areas, has led to booming business of local companies as Saif Powewrtec Ltd. The automotive replacement battery segment will continue to offer a secular and profitable growth opportunity, driven by increasing penetration of automobiles driving expansion in automobile population. The flourishing segment like E-Rickshaws and other segments would drive in the replacement market of automotive and inverter batteries. There is an inherent threat from new battery technologies such as Lithium-Ion technology, which is likely to penetrate automotive applications as well as various industrial applications. Saif Powertec Ltd is ready to address these challenges through the adoption of latest technologies and lean manufacturing practices in order to rapid development of differentiated products that will change the price-value equation in its favour. The brand equity of Saif Powertec Ltd is very high and one of its key strengths. It has taken all necessary measures to build on it, ensuring controls to protect the brand. The mid-to long-term outlook is quite positive.

The LED (Light Emitting Diode) segment has grown significantly because of the energy saving benefit and longer life.



The Segment-wise or Product-wise Performance

The company has been involved with technical consultation with service providers, manufacturers, import and local sales

Years	Product performance	Turnover		Production capacity		Capacity utilization	
		Consolidated	The company	Consolidated	The company	Consolidated	The company
2022-2023	Contract	1,975,159,863	1,975,159,863		657,000 Containers		60%
	Maintenance	306,635,810	306,635,810		657,000 Containers		60%
	Imported goods	31,056,216	31,056,216		Not applicable		Not applicable
	Manufacturing (Battery)	1,345,183,857	1,345,183,857		550,000 Pcs		45%
	Subsidiary	1,779,494,689	-			40%	
2021-2022	Contract	1,918,581,569	1,918,581,569		657,000 Containers		60%
	Maintenance	719,714,145	719,714,145		657,000 Containers		60%
	Imported goods	196,812,427	196,812,427		Not applicable		Not applicable
	Manufacturing (Battery)	979,012,805	979,012,805		550,000 Pcs		45%
	Subsidiary	411,434,913	-			45%	
2020-2021	Contract	2,795,576,509	2,795,576,509		657,000 Containers		60%
	Maintenance	279,924,097	279,924,097		657,000 Containers		60%
	Imported goods	146,598,454	146,598,454		Not applicable		Not applicable
	Manufacturing (Battery)	1,522,453,996	1,522,453,996		550,000 Pcs		45%
	Subsidiary	50,528,713	-			48%	
2019-2020	Contract	2,124,787,313	2,124,787,313		657,000 Containers		68%
	Maintenance	260,970,531	260,970,531		657,000 Containers		60%
	Imported goods	497,323,582	497,323,582		Not applicable		Not applicable
	Manufacturing (Battery)	904,302,178	904,302,178		550,000 Pcs		45%
	Subsidiary	61,178,398				60%	
2018-2019	Contract	2,060,545,031	2,060,545,031		657,000 Containers		68%
	Maintenance	399,193,362	399,193,362		657,000 Containers		60%
	Imported goods	733,207,385	733,207,385		Not applicable		Not applicable

Risks and Concerns including internal and external risk factors, threat to sustainability and negative impact on environment

Internal risk factors

The Company is aware of the different risk associated with doing business and is prepared to manage those risks through a professional approach. The financial and other risks have been disclosed in the note 1.4 of the Audited Financial Statements.

External risk factors

The Company's results may be affected outside its control such as political unrest, strike, civil commotion and act of terrorism.

Threat to sustainability and negative impact on environment

In line with global practice, the government initiates change in environmental, health and safety laws and regulations and energy saving activities from time to time. The Company keeps track on these changes and special attention and proactive business strategies are being formulated to ensure conformity with the changes.

While many of the risk areas are beyond control of any single company, Saif Powertec Limited closely monitors the trends and developments in each of the risk areas and takes the best possible measures to mitigate them through product and market diversification, efficient sourcing of materials, use of latest technology and investment in research and development to gain sustained competitive advantage.

A Discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin

Particulars	2022-2023		2021-2022		Increase/(Decrease)	
	Consolidated	The company	Consolidated	The company	Consolidated	The company
Sales	5,437,530,435	3,658,035,746	4,225,555,859	3,814,120,946	28.67%	(4.20%)
Cost of Sales	(3,564,605,799)	(1,989,156,475)	(2,388,069,284)	(2,083,909,655)	49.57%	(4.80%)
Gross Profit Margin	1,872,924,636	1,668,879,271	1,837,486,575	1,730,211,291	2.18%	(4.04%)
Profit from operations	1,152,991,872	1,162,480,601	1,262,954,125	1,210,268,574	(8.73%)	(4.13%)
Net profit after WPPF	370,657,084	383,458,436	627,804,809	575,927,523	(40.32)	(33.33%)
Net Profit of the year	288,213,331	297,180,289	500,670,740	466,221,381	(42.40%)	(36.24%)

(a) Cost of Sales

Compared to that of the previous financial year of the Company, the cost of sales of the year under the report witnessed at 4.80% decreased due to Sales and Consumption decreased.

(b) Gross Profit Margin

Compared with that of the previous year, the Gross Profit (GP) Margin of the Company in the year under report recorded at 4.04% decreased due to sales decreased.

(c) Net Profit Margin

The Net Profit Margin of the Company, in relation to the turnover of the year under report, was 36.24% decreased due to sales value were decreased.

A Discussion on Continuity of any extraordinary activities and their implications (gain or loss)

There was no extraordinary gain or loss in the financial statement under report during the financial year 2022-2023 except Taka 27,717,807/- Interest on FDR against bank guarantee and others.

Detailed discussion on related party transaction

There were no related party transactions during the financial year July 01, 2022 to June 30, 2023 except the director's remuneration and Short-term employees benefits of Taka 37,880,891/-. Which have been details disclosed in the Annex II/a of the Consolidated Audited Financial Statements.

A Statement of Utilization of proceed raised through public issue, right issue and/or through any other instruments.

The Company has been raised up its fund through Rights Issue (RI) issuing 116,295,348 shares @ Taka 15/- each (including Taka 5/- premium per share) totaling Taka 1,744,430,220/- (One Hundred Seventy-Four Crore Forty-Four Lakh Thirty Thousand Two Hundred and Twenty) only according to Bangladesh Securities and Exchange Commission approval for issuance of rights shares vide letter no. BSEC/CI/RI-108/2016/27 dated January 17, 2017. The Rights issue proceeds has been fully utilized as no March 31, 2020 by the company.

An explanation if the financial results deteriorated after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Right Offer, Direct Listing etc.

The Company's IPO was made in the year 2014 and Rights Share Offer in the year 2017. After gone Initial Public Offering (IPO) and Right Share Offer no significant financial results deteriorated of the Company are requiring explanation.

An explanation on any Significant Variation that occurs between Quarterly Financial Performance and Annual Financial Statement

Due to Sale decrease and Financial Expenses increased significant deviation happened in Annual Financial Performance income to the Company business operation.

A Statement of Remuneration paid to Directors including Independent Directors.

During the year the company has paid Taka 36,00,000 to the Mr. Tarafder Md. Ruhul Amin, Managing Director. No payment has been paid to the Independent Director.

Directors also report that

- a) The Financial Statements prepared by the management of Saif Powertec Limited fairly present its state of affairs, the result of its operations, cash flows and changes in its equity.
- b) Proper books of account of Saif Powertec Limited have been maintained.
- c) Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- d) International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of financial statements and any departure there from has been adequately disclosed.
- e) The system of internal control is sound in design and has been effectively implemented and monitored.
- f) Minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress.
- g) There are no significant doubts regarding the Saif Powertec Limited's ability to continue as a going concern.
- h) No bonus share or stock dividend has been or shall be declared as interim dividend.

A Statement of Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.

Particulars	2022-2023		2021-2022	
	Consolidated	The Company	Consolidated	The Company
Turnover	5,437,530,435	3,658,035,746	4,225,555,859	3,814,102,946
Cost of Sales	3,564,605,799	1,989,156,475	2,388,069,284	2,083,909,655
Gross Profit	1,872,924,636	1,668,879,271	1,837,486,575	1,730,211,291
Net Profit	288,213,331	297,180,289	500,670,740	466,221,381

Reason for significant increase in EPS compared to the previous year:

Current year's EPS has been decreased due to decreasing Maintenance Import and Manufacturing (Battery) sales to the Company business operation.

A Statement of Operational and Financial data of at least preceding 5 (five) years are summarized:

Details	2022-2023		2021-2022		2020-2021		2019-2020		2018-2019	
	Consolidated	The Company	Consolidated	The Company	Consolidated	The Company	Consolidated	The Company	Consolidated	The Company
Turnover	5,437,530,435	3,658,035,746	4,225,555,859	3,814,120,946	4,795,081,769	4,744,553,056	3,848,562,002	3,787,383,604	3,968,863,398	3,885,345,395
Cost of Sales	3,564,605,799	1,989,156,475	2,388,069,284	2,083,909,655	2,813,027,764	2,774,847,671	2,023,878,143	1,979,974,259	2,014,078,363	1,958,701,103
Gross Profit	1,872,924,636	1,668,879,271	1,837,486,575	1,730,211,291	198,205,4005	1,969,705,385	1,824,683,859	1,807,409,345	1,954,785,035	1,926,644,292
Operating Profit	1,152,991,872	1,162,480,601	1,262,954,125	1,210,268,574	1,438,495,012	1,439,172,818	1,275,039,949	1,271,636,929	1,477,813,023	1,454,849,488
Profit before Tax & Reserve	370,657,084	383,458,436	627,804,809	575,927,523	836,120,049	836,799,025	518,382,352	514,962,682	687,633,012	664,479,800
Profit after Tax	288,213,331	297,180,289	500,670,740	466,221,381	626,348,819	627,599,269	388,152,444	386,222,010	510,333,965	498,359,849
Proposed Declared Dividend		No		10% Cash		16% (10% Cash and 6% Stock)		10% (5% Cash and 5% Stock)		10% (4% Cash and 6% Stock)
Earnings per Share	0.76	0.78	1.32	1.23	1.75	1.75	1.14	1.13	1.59	1.55

Dividend:

An Explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year

Due to profit declined from the comparatively year and paying down debt the Board of Directors of the company has recommended No dividend for the year ended June 30, 2023.

The number of Board meetings held during the year and attendance by each director shall be disclosed.

The Board of Directors had 22 meetings during the year ended June 30, 2023. Name of the Directors and number of meetings attended are given below:

Name of Directors	Meeting Held	Meeting Attended
Mrs. Tarafder Nigar Sultana	22	22
Mr. Tarafder Md. Ruhul Amin	22	22
Mrs. Rubya Chowdhury	22	22
Mr. Tarafder Md. Ruhul Saif	22	22
Mr. Mohammad Saifur Rahman	22	22
Mr. Jalal Uddin Ahmed Choudhury	06	06

The number of Audit Committee meetings held during the year and attendance by each director.

Name of Directors	Meeting Held	Meeting Attended
Mr. Mohammad Saifur Rahman	4	4
Mrs. Rubya Chowdhury	4	4
Mr. Jalal Uddin Ahmed Choudhury	2	2
Mr. Tarafder Md. Ruhul Saif	4	4

The number of NR Committee meetings held during the year and attendance by each director.

Name of Directors	Meeting Held	Meeting Attended
Mr. Mohammad Saifur Rahman	1	1
Mrs. Rubya Chowdhury	1	1
Mr. Tarafder Md. Ruhul Saif	1	1

Shareholding Pattern

Pattern of Shareholding as at 30 June 2023

Sl. No.	Member's Group	Status	No. of Share Held	Percentage
a)	Share held by Parent/Subsidiary/Associated Company and other related parties		Nil	-
b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children			
	Mrs. Tarafder Nigar Sultana	Chairperson	6,6928,687	17.64%
	Mr. Tarafder Md. Ruhul Amin	Managing Director	68,738,646	18.12%
	Mrs. Rubya Chowdhury	Director	8,144,097	2.15%
	Mr. Tarafder Md. Ruhul Saif	Director	8,144,096	2.15%
	Mr. Mohammad Saifur Rahman	Independent Director	Nil	-
	Mr. Jalal Uddin Ahmed Choudhury	Independent Director	Nil	-
	F. Md. Salehin	Company Secretary	Nil	-
	Md. Hasan Reza	Chief Financial Officer	Nil	-
	Mr. Khodaker Abdul Kayum	Head of Internal Audit & Compliance	Nil	-
c)	Executives		Nil	-
	Mr. Engr. Md. Nasiruddin Chowdhury	Additional Managing Director	Nil	-
	Mr. Md. Abu Sayeed	Director	Nil	-
	Major Farukh Ahmed Khan (Retd)	Executive Director	Nil	-
	A B M Kamruzzaman	Executive Director	Nil	-
	Mr. N. I. M. Shujaudowla	Executive Director	Nil	-
d)	Shareholders holding 10% or more voting right:			
	Mrs. Tarafder Nigar Sultana	Chairperson	6,6928,687	17.64%
	Mr. Tarafder Md. Ruhul Amin	Managing Director	68,738,646	18.12%

Short Bio-Data of Directors:

Mrs. Tarafder Nigar Sultana, Chairperson

Mrs. Tarafder Nigar Sultana is the Director as well as Chairperson of SAIF Powertec Limited. She is a graduate in Arts. She has a long business experience in Indenting, import of power generation equipment, manufacturing electrical transformers, marketing of electrical generators and container handling. Mrs. Tarafder Nigar Sultana, along with her husband Mr. Tarafder Md. Ruhul Amin, established SAIF Powertec Limited. She is also director of Saif Plastic & Polymer Industries Limited, Saif Port Holdings Limited, Trust Regional Equity Limited, 88 Innovations Engineering Limited and E-Engineering Limited.

Mr. Tarafder Md. Ruhul Amin, Managing Director

Mr. Tarafder Md. Ruhul Amin is the Managing Director of SAIF Powertec Limited. Mr. Amin has a Diploma in Power Engineering from Khulna Polytechnical Institute, Khulna. He has been in the business for more than 20 years. He has a vast business experience in indenting of construction & Material Handling Equipment, import of power generation equipment, manufacturing electrical transformers, solar power system and container handling with port operation. He is also sponsor director of Saif Plastic & Polymer Industries Limited, Saif Port Holdings Limited, Trust Regional Equity Limited, 88 Innovations Engineering Limited, Saif Logistics Alliance Limited and E-Engineering Limited.

Mrs. Rubya Chowdhury, Director

Mrs. Rubya Chowdhury is Director of SAIF Powertec Limited. She obtained Bachelor of Business Administrative (Marketing & HR) from Masquarie University, Australia. She has a long business experience in indenting, import of power generation equipment, manufacturing electrical transformers. Mrs. Rubya Chowdhury is a sponsor director of Saif Plastic & Polymer Industries Limited, Saif Port Holdings Limited, 88 Innovations Engineering Limited and Trust Regional Equity Limited and also a member of the Audit Committee & Nomination and Remuneration Committee of the Company.

Mr. Tarafder Md. Ruhul Saif, Director

Mr. Tarafder Md. Ruhul Saif is Director of SAIF Powertec Limited. He obtained Diploma in Business Administration from School of Applied Studies, Singapore. He has a wide business experience in indenting, import of power generation equipment, manufacturing electrical transformers. He is a sponsor director Saif Port Holdings Limited, 88 Innovations Engineering Limited, Saif Logistics Alliance Limited, E-engineering Limited and Trust Regional Equity Limited. He also a member of the Audit Committee & Nomination and Remuneration Committee of the Company.

Mr. Mohammad Saifur Rahman, Independent Director

Mr. Mohammad Saifur Rahman is an Independent Director of SAIF Powertec Limited. He obtained B. Sc Engineering ((Mechanical) from BUET, Dhaka and also a fellow member of the Institution of Engineers, Bangladesh. He was a former official of government in the position 4th Grade of the national pay scale in Ashuganj Fertilizer and Chemical Company Ltd., Ashuganj, B-Baria (an enterprise of BCIC under the Ministry of Industries). He has a vast experience in inspection of equipment parameters, monitoring and troubleshooting of mechanical Machineries & equipment, assessment of machineries of plant & equipment. He is also directors of Saif Plastic & Polymer Industries Limited, Saif Port Holding Limited, Saif Logistic Alliance Limited and 88 Innovations Engineering Limited.

Mr. Jalal Uddin Ahmed Choudhury, Independent Director

Mr. Jalal Uddin Ahmed Choudhury is an Independent Director of SAIF Powertec Limited. He obtained B. Sc Engineering from Chittagong Engineering College and also a fellow member of the Institution of Engineers, Bangladesh. He has a vast business experience in indenting of construction & Material Handling Equipment, Power Generation Equipment, Manufacturing Electrical Transformers, Solar Power System and Container handling with Port Operation

Director's Involvement in Other Companies

	Company	Status
Mrs. Tarafder Nigar Sultana	Saif Powertec Limited	Chairperson
	Saif Plastic & Polymer Industries Limited	Managing Director
	Saif Port Holding Limited	Director
	E-Engineering Limited	Managing Director
	Trust Regional Equity Limited	Director
	88 Innvations Engineering Limited	Director
Tarafder Md. Ruhul Amin	Saif Powertec Limited	Managing Director
	Saif Plastic & Polymer Industries Limited	Chairperson
	Saif Port Holding Limited	Chairperson
	E-Engineering Limited	Chairperson
	Trust Regional Equity Limited	Chairperson
	Saif Logistic Alliance Limited	Chairperson nominated by Saif Powertec Limited
	88 Innovations Engineering Limited	Director
	Saif Maritime L.L.C	Manager represented by Saif Powertec Limited.
Mrs. Rubya Chowdhury	Saif Powertec Limited	Director
	Saif Plastic & Polymer Industries Limited	Director
	Saif Port Holding Limited	Director
	E-Engineering Limited	Director
	Trust Regional Equity Limited	Managing Director
	88 Innovations Engineering Limited	Chairperson
Mr. Tarafder Md. Ruhul Saif	Saif Powertec Limited	Director
	Saif Port Holding Limited	Managing Director
	E-Engineering Limited	Director
	Trust Regional Equity Limited	Director
	Saif Logistic Alliance Limited	Managing Director nominated by Saif Powertec Limited
	88 Innovations Engineering Limited	Managing Director
Mr. Mohammad Saifur Rahman	Saif Powertec Limited	Independent Director
	Saif Plastic & Polymer Industries Limited	Independent Director
	Saif Port Holding Limited	Independent Director
	Saif Logistic Alliance Limited	Independent Director
	88 Innovations Engineering Limited	Independent Director
Mr. Jalal Uddin Ahmed Choudhury	Saif Powertec Limited	Independent Director

Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and

The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.

Financial Results

The company's financial results for the year ended June 30, 2023 with recommendation of appropriations are as follows:

Particulars	Amount in Taka
Net Profit for the year 2021-2022	959,952,255
Profit Brought Forwarded	297,180,289
Profit Available for Appropriation	1,257,132,543
Appropriations:	
Proposed No Dividend	-
Transferred to Retained Earnings	1,257,132,543

Financial Statements:

Financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules, 2020 and other applicable rules and regulations. The financial data are captured from the financial reports generated from the system. These financial statements, once prepared, are reviewed initially by the CFO and CEO and then by the Audit Committee. After thorough scrutiny, the financial reports are placed before the Board for final review and adoption.

Environment Role

The company maintains a high standard of pollution free environment as per Government laws.

Human Resources Development

In order to improve productivity of Human Resources input the company periodically provides formal and informal training to the employee at every level of operation and management which will be helpful to make a great contribution to the company's profitability as well their own remuneration in due course.

Business Activities

The main activities of this Company are to trade and sell power-generating equipment, lease equipment for port operations, construction and material-handling processes, provide technical support service for government infrastructure sectors as well as major overhauling of power plants, fertilizer plants and chemical plants and going to manufacture batteries such as automotive, industrial, Motorcycle, MF etc.

The Company during the year under report is responsible for operating the Chittagong Container Terminal (CCT) and the New Mooring Container Terminal (NCT), the only two export-import container terminals at Chittagong Port under the authority of Chittagong Port (CPA) along with backup container-handling operations at the Inland Container Depots (ICD) at the Pangaon Inland Container Terminal and the Kamalapur Inland Container Depot. The other major business activities of the Company include acting as the Technical Consultation and Service Provider for installing, commissioning and overhauling electrical power plants under the Bangladesh Power Development Board (BPDB), fertilizer plants and chemical plants under the Bangladesh Chemical Industries Corporation (BCIC) by supplying spare parts under joint technical assistance from world-renowned foreign business counterparts in Europe and Asia. These businesses operate under the Project Division of the Company and have very good national repute.

The Company is involved in manufacturing various types of SAIF brand distributed electrical transformers, along with PFI and sub-stations of different capacities.

The Company has also been involved in trading of coal through import along with assembling and marketing SAIF brand Solar Home System, Solar Power Grids of various capacities under the re-financing agreement with the Industrial Development Company Limited (IDCOL), an international funding agency under the auspices of the World Bank. The Company has been involved with marketing power-generating capital machinery from South Korea and Turkey, leasing heavy-duty construction and material-handling equipment, container-handling cranes and all equipment, and has gained a major market share in Bangladesh.

The company have four subsidiary companies named Saif Plastic & Polymer Industries Limited which produces food-grade plastic containers, bottles and caps for pharmaceutical, oil and beverage industries has a good reputation. Saif Port Holdings Limited which carry on all or any business of all Engineering works in the field of Civil, Mechanical, Electrical, Chemical and meteorological engineering constructor along with consultation and performing undertaking to execute contracts to design, plan and control, construction of any buildings, road, bridges, railways of different project of BPDB, DESA, WASA, DPDC, DESCO to construct waterways, dock yards, sea port, land port, river port, airport, any type of port related works and operation etc.

Saif Logistics Alliance Limited is establish a Special Purposes Company to carry on, organize, manage, run, charter, conduct, contract, develop, handle, own on the land of Mouja Middle Haliashahar, Chattogram to operate and do all or any business related to bulk inter modal, vessel operations, inland river terminal operation, river, rail, road & sea transportation, development & operate of Inland Container Depot, Inter-modal Container Depot with Rail & Road Transportation, sea port operations within the country and abroad.

88 Innovations Engineering Limited is established to carry on business of all types of information technology and telecommunication projects, information technology enabled services (ITeS), facilities, services or works and to buy, sell, acquire, install, erect, undertake, lay down, commission, establish, own operate, manage, develop, invent, improve, assemble, test, design, alter, repair, renovate, refurbish, recondition, hire, lease, supply, let out, transfer, control and administer all kinds of information technology and telecommunication projects, facilities or works including that relating to computers, hardware and software, mobile phones, internet services, internet leased lines, computer accessories and spare parts, connectivity products, networking, computer bureau, online and offline exam centers, data processing centers, business support, computer related maintenance contracts and consultancy services thereof.

Saif Maritime LLC (100% owned by Saif Powertec Limited) are services related to customs broker, cargo transport by light trucks, cargo transport by heavy trucks, cargo loading & unloading services, sea shipping lines agents, shipping containers loading and unloading services, freight broker, shipping lines of freight and passengers' transportation, sea freight and passengers' charters and sea cargo.

Saif United Shipping & Trading are logistics, importing, exporting, wholesale, ships management and operation, shipment containers loading and offloading services and goods marine shipment services.

Research and Development

Businesses of today are competitive in nature. Newer and innovative approaches to product design and modification are only way to survive in the competitive business environment. Discovering new products in existing product lines, qualitative products based on customer perceptions and demand, cost reduction using different quality materials/production technology, new product promotion strategy, etc., are the main weapons for ensuring survival amidst the competition. We formed a committee to establish a Research and Development (R&D) Department with the objective of market research and technical research.

Purchase Manual

A detailed purchase manual is being prepared, and supply chain policies are implemented for procuring raw materials to ensure purchasing quality at low cost and to ensure the uninterrupted flow of production to safeguard the Company's reputation in the market.

Subsidiary Companies

Saif Powertec Limited has held 80% shares of Saif Plastic & Polymer Industries Limited since November 30, 2010, 65% shares of Saif Port Holdings Limited since July 23, 2017, 80% shares of Saif Logistic Alliance Limited since September 27 2021, 55% shares of 88 Innovations Engineering Limited and 100% owned of Saif Maritime LLC and Saif United Shipping & Trading. As required by the Corporate Governance Code, minutes of the Board meeting of the subsidiary companies of Saif Plastic & Polymer Industries Limited, Saif Port Holdings Limited, Saif Logistic Alliance Limited, 88 Innovations Engineering Limited, Saif Maritime LLC and Saif United Shipping & Trading are now being placed regularly for review at the following Board meeting of this holding company, and the affairs of the subsidiary companies are also reviewed at such Board meeting of this holding company.

Clarification regarding Emphasis of Matters:

The management of the Company decided to maintained Register for Property, Plant & Equipment and Inventory in proper/standard format recording all important and necessary information therein to ensure management control & better reporting requirement.

Directors' Appointment, Retirement and Re-Appointment

The appointment, retirement, and re-appointment of Directors are governed by the Article 128 of the Company Articles of Association and the Companies Act of 1994.

At the forthcoming 20th Annual General Meeting of the Company, the following Directors will retire and will be eligible for reappointment:

- A) Mrs. Tarafder Nigar Sultana
- B) Mrs. Rubya Chawdhury

Appointment/Re-appointment of Independent Director(s):

Mr. Mohammad Saifur Rahman is an existing as an Independent Director of the Company and as per Corporate Governance code condition no 1(2) (e) Board of Directors has recommended to re-appointment to extend for another next 01 (one) term only.

The Board of Directors has recommended to appointment Mr. Jalal Uddin Ahmed Chaudhury is an Independent Director of the Company for 01 (one) term only.

Appointment of Auditor

The existing auditor "Artisan" Chartered Accountants were appointed as the statutory auditor of the Company at 19th Annual General Meeting held on December 29, 2022 and "Artisan" Chartered Accountants have expressed their willingness to be appointed as statutory auditors of the company. The Board recommends their appointment for the year 2023-2024 and to continue till the next Annual General meeting.

Appointment of Compliance Auditor regarding Certificate on Compliance of Corporate Governance Code:

The existing auditor "Ahmed Hoq Siddiqui & Co" were appointed as the Compliance auditor of the Company at 19th Annual General Meeting held on December 29, 2022 and "Ahmed Hoq Siddiqui & Co.," Chartered Accountants have expressed their willingness to be appointed as Compliance auditors of the company. The Board recommends their appointment for the year 2023-2024 and to continue till the next Annual General meeting.

Audit Committee

There is an Audit Committee established by the Board. The Primary role of the Audit Committee is to oversee the financial reporting process and disclosure of financial information, to review the financial statements before submission to the Board, to review adequacy of internal control systems and review findings of internal investigations and recommending appointment/removal of statutory auditors and fixing their remuneration. A separate report on activities of the Audit Committee is attached as "Annexure D" of this report pursuant to condition # 5.7 of the Corporate Governance Code.

Nomination and Remuneration Committee:

The Board has also established a Nomination and Remuneration (NRC) as required by regulatory guideline. The primary role of the NRC is to oversee the structure, size and composition (including the skills, knowledge and experience) of the Board Members and to make recommendations to the Board on the Company's policies and structure for remuneration of Directors and Senior Management, reviewing and approving the compensations payable to the Managing Director & CEO and Senior Management. The Policy of NRC is attached as "Annexure E" of this report pursuant to condition # 6.5(C) of the Corporate Governance Code.

Internal Control System

The Board of Directors assures all its shareholders of the Company that it has a robust risk management process to ensure that the system of internal control is sound in design and has been effectively implemented and monitored.

To Change the name of the Company:

As per the new section 11A were inserted by the sec 3 of the Companies (2nd Amendment) Act 2020 (Act 24 of 2020)

(a) In the case of a limited liability public company, “Public Limited Company or the words “PLC” must be written at the end of its name.

The Board has recommended to approve the Change of the name of the Company as **Saif Powertec PLC** instead of **Saif Powertec Limited** the 20th Annual General Meeting.

Code of Conduct

In compliance with the conditions of corporate governance, the Company’s Code of Conduct (CoC) has been adopted by the Board which applies to all members of the company including the Board of Directors and Key Management Personnel. The CoC was reviewed and confirmed/ ratified by the NRC. Annual compliance of the code is also recorded accordingly. The Code of Conduct of Saif Powertec Limited is attached “**Annexure F**” of this report.

CAPITAL MARKET STABILIZATION FUND (CMSF):

Pursuant to the Bangladesh Securities and Exchange Commission (Capital Market Stabilization Fund) Rules, 2021 and BSEC Directive No. BSEC/CMRRCD/2021-386/03 dated, January 14, 2021, the Company has transferred unclaimed dividend amount to CMS Fund those cash dividend remains unclaimed thereon for a period of 3 (three) years from the date of declaration or approval or record date, as the case may be as directed by the Commission. The detailed information of unclaimed dividend is published in the website of the Company at www.saifpowertec.com.

Credit Rating:

The company has taken the Credit Rating from renowned Agency, Credit Rating Agency of Bangladesh Limited (CRAB) with the prior approval of the company’s Board of Directors. The Board of Directors believe the Credit Rating can bring transparency: Confirm the compliance of rules and regulation of both the company and regulatory Authorities; to protect the company and can open the door for achieving excellence. As per rating dated April 25, 2024, bank liability on April 16, 2024. We achieved A2 with stable outlook.

Compliance of Corporate Governance Code

The Company has taken an effective stand on best practices of corporate governance. The Company is determined to ensure good governance by complying with all applicable rules and regulations of the corporate governance code of the Bangladesh Securities & Exchange Commission (BSEC).

The compliance status of Bangladesh Securities & Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 of annexed here as Annexure -C along with the Declaration of Chief Executive Officer and Chief Financial Officer to the Board as an Annexure-A, the Professional Certificate compliance on the Corporate Governance Code as an Annexure-B, Audit Committee Report as an Annexure –D and Nomination and Remuneration Committee Report as an Annexure-E.

Appreciation

We are proud of the confidence maintained in us continuously by our valued Members and for supporting the Company’s activities. At the same time, we extend our sincere thanks and appreciation to the Banks, NBFIs, Insurance Companies, Auditors, Customers, Stakeholders, Customers and all well-wishers for their support and co-operation as well as the confidence they reposed on the Company. We also convey our heartfelt appreciation, gratitude and thanks to the government and its other agencies, the regulatory authorities, including the Bangladesh Securities and Exchange Commission, the Dhaka Stock Exchange Ltd, the Chittagong Stock Exchange Ltd., the Central Depository Bangladesh Ltd. and the Registrar of Joint Stock Companies and Firms for their cordial help, assistance, guidance and advice the Company received from time to time. Your Company could not have achieved such progress and present status without their support and co-operation.

For me and on behalf of the Board of Directors

N. Sultana

Tarafder Nigar Sultana
Chairperson

Management Discussion and Analysis on Financial Position and Performance

In the last five financial years the Company achieved a well growth in terms of business activities. In 2018-2019 sales volume was Taka 3,968,863,398 and in 2022-2023 the sales volume is Taka 5,437,530,435 in overall business activities of the Company. In the last five years, net profit after tax has been decreased to Taka 288,213,331 in 2022-2023 from the amount of net profit of Taka 510,222,965 in 2017-2018.

In the last five financial years, net operating cash flow per share for the year 2019, 2020, 2021, 2022 and 2023 net operating cash flow per share were positive. In the backdrop as well as expansion of different business of the above scenario, it indicates that the company is moving forward and it has good promise and great potential to achieve more business growth in the long run.

Accounting policy and estimation for preparing financial statements of the Company which have been remained same as it were before. Hence, there is no effect in this regard.

The Economic Condition of Bangladesh

Export:

Like many other third-world countries, Bangladesh relies heavily on exports to fulfil the needs of its densely populated nation. The country's export earnings witnessed 2.91 percent increase in July 2024 as compared to same period in the previous year, mainly driven by increased exports of agricultural products, chemical products, specialized textile, plastic products, woven garments, knitwear and frozen & live fish. On the other hand, total export earnings increased in July 2024 USD 3,823.70 million against USD 3,715.60 million during the same month of FY 2023-24.

Import:

Generally, in developed countries, exports are greater than or closer to import payments. But in Bangladesh Exports always fall short of Import payments at a good margin. However, import payments during the month of July 2024 in the FY 2024-25 stand lower by 2.54 percent to USD 5,247.80 million, against USD 5,384.60 million during the same month of FY 2023-24.

Worker's Remittance:

Workers' remittance is the key foreign earning source of Bangladesh to fill-up the huge gap between foreign exchange earnings and expenditure. Total remittances receipts during the month of August 2024 in the FY 2024-25 increased by 38.54 percent to USD 2,215.88 million against USD 1,599.45 million of same month from the previous year.


Foreign Exchange Reserve:

In August, 2024 the gross foreign exchange reserves decreased by 1.00 percent to USD 25,565.80 million against USD 25,823.59 million in July 2024.

Inflation:

The average inflation in August 2024 stood at 9.95 percent as 9.90 percent in July 2024. Although, Bangladesh has never experienced a negative economic growth during the last 47 years since its independence and maintained around 6% GDP growth rate for last one and half decade, the high rate of inflation always lessened the benefit of good GDP rate.

As far as risks are concerned, Saif Powertec Limited is exposed to interest rate risk, exchange rate risk, industry risk, market risk, technology related risk, operation risk. The Company has been trying to reduce the said risk factors by repaying borrowed funds on a continuous basis to reduce interest rate risk. Exchange rate risk is being mitigated by changing the price of service and product of the Company in accordance with the change in exchange rate. Market risk is being mitigated by establishing strong marketing and brand management network for the related product and services of the Company. Technology related risk is trying to be mitigated mitigate by adopting new advanced technology in its production line according to its need. Operation risk is being mitigated under insurance coverage in order to get reasonable compensation for any damage and by practicing standard operating procedures in related business activities.



Tarafder Md. Ruhul Amin
Managing Director



**Saif Powertec Limited (“the Company”)
Declaration by CEO and CFO**

October 24, 2024

The Board of Directors
Saif Powertec Limited
72, Mohakhali C/A,
Rupayan Centre (8th Floor), Dhaka-1212

Subject: Declaration on Financial Statements for the year ended on June 30, 2023

Dear Sir (s),

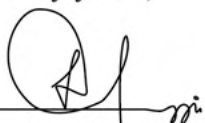
Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission’s Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated 03 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Saif Powertec Limited for the year ended on June 30, 2023 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company’s state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management’s use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern.

In this regard, we also certify that: -

- (i) We have reviewed the financial statements for the year ended on June 30, 2023 and that to the best of our knowledge and belief:
 - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) These statements collectively present true and fair view of the Company’s affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company’s Board of Directors or its members.

Sincerely yours,



Tarafder Md. Ruhul Amin
Chief Executive Officer (CEO)



Md. Hasan Reza
Chief Financial Officer (CFO)



Ahmed Hoq | Chartered
Siddiqui & Co. | Accountants

**Report to the shareholders of
Saif Powertec Limited
On compliance on the Corporate Governance Code**

We have examined the compliance status to the Corporate Governance Code by Saif Powertec Limited for the year ended on 30 June 2023. This Code relates to the Notification No. **BSEC/CMRRCD/2006-158/207/Admin/80** dated 03 June 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

- a) The company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission except condition no. 1(3);
- b) The company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the Securities Laws and other relevant laws;
- d) The governance of the company is highly satisfactory.

Date: December 17, 2024
Place: Dhaka

Mostaque Ahmed Sarwar, FCA
Partner
Ahmed Hoq Siddiqui & Co.
Chartered Accountants

Saif Powertec Limited

Status of Compliance with the Corporate Governance Code (CGC)

For the Year ended 30th June, 2023

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

(Report under Condition No. 9)

Condition No.	Title	Compliance Status (Put \checkmark in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.0	Board of Directors:			
1(1)	Board's Size: The number of the board members of the company shall not be less than 5 (five) and more than 20 (twenty).	\checkmark		There are 6 (Six) members in the Board.
1.2	Independent Directors:			
1(2)(a)	At least 2 (two) directors or one fifth (1/5) of the total number of directors in the company's board, which is higher, shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s).	\checkmark		There are 2 (two) Independent Directors in the Board
1(2) (b)	Without contravention of any provision of any other laws, for the purpose of this clause "independent director" means a director-			
1(2) (b)(i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	\checkmark		Does not hold any Shares
1(2) (b)(ii)	Who is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company:	\checkmark		
1(2) (b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years	\checkmark		
1(2) (b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies.	\checkmark		Independent Directors have no relationship
1(2) (b)(v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange	\checkmark		

1(2) (b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	√		
1(2) (b)(vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	√		
1(2) (b)(viii)	who is not independent director in more than 5 (five) listed companies;	√		
1(2) (b)(ix)	who has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank non-payment of any loan or advance or obligation to a bank or Financial Institution; and	√		
1(2) (b)(x)	who has not been convicted for a criminal offence involving moral turpitude;	√		
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM): Provided that the Board shall appoint the Independent director, subject to prior consent of the commission, after due consideration of recommendation of the Nomination and Remuneration Committee (NRC) of the company;	√		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	√		No Vacancy
1(2) (e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only: Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]: Provided further that the independent director shall not be subject to retirement by rotation as per the Companies Act, 1994.	√		The Board of Directors has recommended to appointment Mr Jalal Uddin Ahmed Choudhury and re-appointment as an Independent Director Mr. Mohammad Saifur Rahman for next 01 (one) term only
1.3	Qualification of Independent director			

1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	√		
1(3)(b)	Independent director shall have following qualifications:			
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or registered business association; or	-	-	N/A
1(3)(b)(ii)	Corporate Leader who is or was a top-level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company; or	-	-	N/A
1(3)(b)(iii)	Former or existing official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law; Provided that in case of appointment of existing official as independent director, it requires clearance from the organization where he or she is in services; or	-	-	Mr. Mohammad Saifur Rahman (B. Sc Engineering, Mechanical from BUET) re-appointed as an Independent Director and he was a former official of government in the position of 4th Grade of the National Pay Scale. Mr. Jalal Uddin Ahmed Chaudhury B. Sc Engineering from Chittagong Engineering appointed as an Independent Director and he was a former official of government in the position of 2nd Grade of the National Pay Scale.
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	-	-	N/A

1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	-	-	N/A
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	√		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.			No such issue arose
1.4	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer.			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	√		Mrs. Tarafder Nigar Sultana, Chairperson and Mr. Tarafder Md. Ruhul Amin, Managing Director
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	√		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	√		
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No such issue arose
1.5	The Directors' Report to Shareholders			
	The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994):			

1(5)(i)	An industry outlook and possible future developments in the industry;	√		Stated in the Directors' Report
1(5) (ii)	The segment-wise or product-wise performance;	√		Do
1(5) (iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		Do
1(5) (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	√		Do
1(5) (v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	√		Do
1(5) (vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		Do
1(5) (vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;			N/A
1(5) (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;	√		
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements	√		
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	√		Independent Directors has not taken any remuneration except meeting fee.
1(5) (xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	√		
1(5) (xii)	A statement that proper books of account of the issuer company have been maintained;	√		
1(5) (xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	√		

1(5) (xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	√		
1(5) (xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	√		
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress	√		
1(5) (xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	√		
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	√		
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	√		
1(5) (xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	√		The Board of Director recommended No Dividend for the year June 30, 2023.
1(5) (xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	√		Stated in the Directors' Report
1(5) (xxii)	The total number of Board meetings held during the year and attendance by each director;	√		22 (Twenty-Two) Board meeting held.
1(5) (xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:			
1(5) (xxiii)(a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details).	√		

1(5) (xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details)	√		Stated in the Annual Report.
1(5) (xxiii)(c)	Executives; and	√		Stated in the Annual Report.
1(5) (xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	√		Stated in the Annual Report.
1(5) (xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:			
1(5) (xxiv)(a)	A brief resume of the directors.	√		Stated in the Annual Report.
1(5) (xxiv)(b)	Nature of his/her expertise in specific functional areas; and	√		Do
1(5) (xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	√		Do
1(5) (xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
1(5) (xxv)(a)	Accounting policies and estimation for preparation of financial statements;	√		Stated in the Annual Report.
1(5) (xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	√		Stated in the Annual Report.
1(5) (xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediately preceding five years explaining reasons thereof;	√		Stated in the Annual Report.
1(5) (xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√		Stated in the Annual Report.
1(5) (xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	√		Stated in the Annual Report.
1(5) (xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	√		Stated in the Annual Report.

1(5) (xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	√		Stated in the Annual Report.
1(5) (xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	√		Stated in the Annual Report.
1(5) (xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	√		Stated in the Annual Report.
1(5) (xxviii)	The Director' report to the shareholders does not require to include the business strategy or technical specification related to product or services, which have business confidentiality			
1(6)	Meetings of the Board of Directors: The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code	√		
1.7	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	√		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	√		
2.0	Governance of Board of Directors of Subsidiary Company			

2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	√		
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;	√		
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	√		
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	√		
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	√		
3.0	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)			
3(1)	Appointment			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	√		In Practice
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	√		Do
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time: “Provided that CFO or CS of any listed company may be appointed for the same position in any other listed or non-listed company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission: Provided further that the remuneration and perquisites of the said CFO or CS shall be shared by appointing companies proportionately;”	√		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	√		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s)			No such incidence arose.

3(2)	Requirement to attend Board of Directors' Meetings: The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters	√		In Practice
3.3	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	√		Certify by CEO and CFO
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	√		Do
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	√		Do
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	√		Do
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√		Do
4.0	Board of Directors' Committee For ensuring good governance in the company, the Board shall have at least following sub-committees:			
4(i)	Audit Committee; and	√		
4(ii)	Nomination and Remuneration Committee.	√		
5.0	Audit Committee			
5 (1)	Responsibility to the Board of Directors:			
5 (1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	√		
5 (1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	√		

5 (1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√		
5 (2)	Constitution of the Audit Committee:			
5 (2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	√		
5 (2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	√		Non-Executive Directors are appointed by the Board
5 (2)(c)	All members of the audit committee should be “financially literate” and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	√		
5 (2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 60 (sixty) days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;”			No such vacancy arose
5 (2)(e)	The company secretary shall act as the secretary of the Committee;	√		
5 (2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		
5 (3)	Chairperson of the Audit Committee:			
5 (3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	√		
5 (3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No such incidence arose.
5 (3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM):	√		Present
5 (4)	Meeting of the Audit Committee:			
5 (4) (a)	The Audit Committee shall conduct at least its four meetings in a financial year:	√		4 (Four) meeting held in

5 (4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√		
5 (5)	Role of Audit Committee:			
5 (5)(a)	The Audit Committee shall: Oversee the financial reporting process;	√		
5 (5)(b)	Monitor choice of accounting policies and principles;	√		
5 (5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	√		
5 (5)(d)	Oversee hiring and performance of external auditors;	√		
5 (5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√		
5 (5)(f)	Review along with the management, the annual financial statements before submission to the Board for approval;	√		
5 (5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	√		
5 (5)(h)	Review the adequacy of internal audit function;	√		
5 (5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	√		
5 (5)(j)	Review statement of all related party transactions submitted by the management;	√		
5 (5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;			No such event found
5 (5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	√		
5 (5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission: Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results: Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the	√		

5.6	Reporting of the Audit Committee			
5 (6)(a)	Reporting to the Board of Directors:			
5 (6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√		
5 (6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:			
5 (6)(a)(ii)(a)	Report on conflicts of interests;			No such event occurred
5 (6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements			No such event occurred
5 (6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			No such event occurred
5 (6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately			No such event occurred
5 (6)(b)	Reporting to the Authorities: If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			No such event found
5 (7)	Reporting to the Shareholders and General Investors: Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	√		
6.0	Nomination and Remuneration Committee (NRC).			
6(1)	Responsibility to the Board of Directors:			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board;	√		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	√		

6(2)	Constitution of the NRC:			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	√		
6(2)(b)	At least 02 (two) members of the Committee shall be non-executive directors;	√		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	√		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee	√		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			No such vacancy arose.
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee			No such vacancy arose.
6(2)(g)	The company secretary shall act as the secretary of the Committee;	√		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	√		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	√		
6(3)	Chairperson of the NRC:			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	√		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			No such incident arose
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM	√		Attend in the last AGM
6(4)	Meeting of the NRC:			

6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	√		1 (one) Meeting held in the financial year.
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;			No such meeting conveyed
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	√		In practice
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC	√		Do
6(5)	Role of the NRC:			Do
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	√		Do
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board;	√		Do
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:			Do
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	√		Do
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	√		Do
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	√		Do
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	√		Do
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	√		Do
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	√		Do

6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	√		Do
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	√		Do
7.0	External or Statutory Auditors			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-			
7(1)(i)	appraisal or valuation services or fairness opinions;	√		Declared by the Auditor's
7(1)(ii)	Financial information systems design and implementation;	√		Do
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements;	√		Do
7(1)(iv)	Broker-dealer services;	√		Do
7(1)(v)	Actuarial services;	√		Do
7(1)(vi)	Internal audit services or special audit services;	√		Do
7(1)(vii)	Any service that the Audit Committee determines;	√		Do
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	√		Do
7(1)(ix)	Any other service that creates conflict of interest.	√		Do
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members	√		Do
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√		Attended in the last AGM
8.0	Maintaining a website by the Company.			
8(1)	The company shall have an official website linked with the website of the stock exchange.	√		In Practice
8(2)	The company shall keep the website functional from the date of listing.	√		Do
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√		Do
9.0	Reporting and Compliance of Corporate Governance.			

9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting	√		
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	√		

Audit Committee Report:

The Audit Committee of Saif Powertec Limited is appointed by the Board of Directors, as recommended by Bangladesh Securities and Exchange Commission (BSEC) notification. The Audit Committee ensuring good governance of the Company and it is a sub-committee of the Board. The Audit Committee consists of three members, of which one is independent director who is chairperson of the committee. Meetings of the Committee were attended by the Managing Director, Chief Financial Officer of the Company on invitation.

The Composition of the Audit Committee

The terms of reference of Audit Committee have been set up by the Board of Directors in accordance with BSEC notification. The existing members of the committee are:

Chairperson	: Mr. Jalal Uddin Ahmed Choudhury
Member	: Mr. Mohammad Saifur Rahman
Member	: Mr. Tarafder Md. Ruhul Saif
Member	: Mrs. Rubya Chowdhury
Member Secretary	: Mr. F. Md. Salehin

Four (4) meetings of Audit Committee were held during the year under review. In all meetings internal auditor gave presentation to the committee which covered internal audit plan, number of audits carried out during the year, audit observations, audit recommendations and status of its implementation. Audit Committee also met external auditor to discuss their observations on statutory audit and their recommendations for improvement.

Role of Audit Committee

The Audit Committee is empowered with Boards oversight responsibility to investigate any activity within its terms of reference. The Committee reports to Board of Directors as per terms of reference, on the activities assigned. The role of the committee includes:

- Review the financial statement with respect to presentation, disclosure and accuracy of data.
- Monitor and review effectiveness of internal and external audit.
- Review effectiveness of the financial internal control of the Company.
- Review effectiveness of risk management system of the Company.
- Review ethical standard and procedures to ensure compliance with regulatory and financial reporting requirements.
- Any other activities as per audit committee charter.

Meeting

There were four meetings during the period. The quorum shall be not less than two directors, one of whom, at least, shall be independent director.

The audit committee may invite such other person (e.g., the CEO, CFO, internal auditor) to its meetings, as it deems necessary. The external auditor shall sometimes, normally attend the meetings of the committee at which it communicates audit risks and planning and the full year results. Company Secretary shall act as the secretary of the committee.

Activities carried out by the Audit Committee:

Audit Committee acted as per guideline mentioned in the charter of the Committee. The Committee reviewed effectiveness of internal control and external audit procedures and reports thereon and regularly updates the Board of Directors on their observations and status of control environment. The members of Committee were apprised duly by:

- The external auditor on accounting policies, internal controls, compliance of statutory provisions of law and other regulatory authorities, Compliance of IAS and IFRS and appropriateness of disclosure in the Financial Statements. The committee reviewed the audit findings and management responses.
- The Chief Financial Officer on financial performance of the Company for the period under review.

Reporting

Pursuant to condition # 5(6)(a) of the Corporate Governance Code–2018 issued by BSEC, the Committee reports that it did not find any conflict of interest, any fraud, irregularity or material defect in the internal control system. There also are no infringement of laws, rules and regulations.

After due verification Audit Committee formed the opinion that adequate financial control and procedures are in place to provide reasonable assurance that the Company's resources are safeguarded and the financial position of the Company is well managed.

On behalf of the Audit Committee.



Jalal Uddin Ahmed Choudhury
Chairperson, Audit Committee

Report on the Nomination & Remuneration Committee (NRC):

The Nomination & Remuneration Committee of Saif Powertec Limited is appointed by the Board of Directors, as required by Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC) notification. The NRC consists of three members, of whom one is independent director who is the chairperson of the committee and other two are non-executive directors. Company Secretary is the secretary of the committee.

Pursuant to code 6.5(c) of the codes of corporate governance, the Nomination & Remuneration Policy of the Company is presented hereunder at a glance:

Nomination & Remuneration Committee (NRC)

The Nomination & Remuneration Committee (NRC) was set up with clear terms of reference. The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executive as well as a policy for formal process of considering remuneration of directors, top level executive. The Nomination and Remuneration Committee (NRC) shall conduct at least one meeting a year, consider its own act and terms of reference to ensure that it is functioning at maximum usefulness and recommend any updates necessary to the Board for consent.

During the year, NRC recommended all Directors including Independent Director and Managing director to the Board as required to identify individuals who are qualified to become Directors in accordance with the nomination criteria laid down, and recommend their appointment/re-appointment and removal to the Board.

The Composition of the NRC

The Board of Directors has appointed the Nomination & Remuneration Committee comprising three members including of whom one is independent director who is the chairperson of the committee and other two are non-executive directors. Company Secretary is the secretary of the committee. The following members of the Committee are:

Chairperson	: Mr. Mohammad Saifur Rahman
Member	: Mr. Jalal Uddin Ahmed Choudhury
Member	: Mrs. Rubya Chowdhury
Member	: Mr. Tarafder Md. Ruhul Saif
Member Secretary	: Mr. F. Md. Salehin

The Responsibilities of the Nomination Committee

The Committee shall be independent and responsible or accountable to the Board and to the Shareholders. The responsibilities of the Committee are as follows:

- Review and recommend to the Board the policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality.
- Review the Code of Conduct of Board on a periodic basis, and recommend any amendments for Board consideration.
- Ensure that an effective induction process is in place for any newly appointed Director and regularly review its effectiveness.
- Identifying the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria.

- Developing, recommending and reviewing annually the Company's human resources and training policies.
- Review and recommend a policy to Board relating to the remuneration of the Directors and top-level executive, considering the following:
 - The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable Directors to run the Company successfully,
 - The relationship of remuneration to performance is clear and meets appropriate performance benchmarks, and
 - Remuneration to Directors and top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- Assist the Board to formulate the criteria for evaluation of performance of the Board including Independent Director.
- Review and recommend to the Board the meeting attendance fees for the Non-Executive Directors of the Board.
- Recommend a report to the Board on activities of the Committee during the financial year.
- Such other key issues/matters as may be referred by the Board or as may be necessary in view of the provisions of the Country's Laws, Rules and Regulations.

On behalf of the Nomination & Remuneration Committee



Mohammad Saifur Rahman
Chairperson,
Nomination & Remuneration Committee (NRC)

Code of Conduct of Saif Powertec Limited

Applicability:

This Code of Conduct (“this Code”) shall be called “The Code of Conduct for the Chair of the Board, other Board members and Chief Executive Officer of “Saif Powertec Limited”. This Code of Conduct is in compliance with the requirement of the Corporate Governance Code 2018 of the Bangladesh Securities and Exchange Commission.

Standards of Conduct:

The Company expects all Directors, Employees, Agents and Contractors to take steps for furthering safety and welfare of citizens and for ensuring a cooperative, efficient, positive, harmonious and productive work environment

Those who neglect or willfully breach this Code may be subject to corrective action, which may include termination.

Shareholder Value:

The Directors and Employees of the Company shall be fully committed to enhancing shareholder value and net worth. Every member of the Board and all employees shall take adequate steps and measures that would have been taken by a person of ordinary prudence towards achieving this objective.

Conflict of interest:

The Directors and Employees shall not participate in the decision making process in respect of any subject matter where there is a conflict of interest between the interest of the Company and the personal interest of such persons. The Directors and Employees shall also not participate in taking decisions in respect of any matter or transaction involving an organization, firm or a person in which case such Directors or Employees may be deemed to be interested.

Gifts:

The Directors and Employees shall not accept any gift, hospitality or material benefits from any agent/contractors/vendors or other parties with whom the Company has a business relationship. Gifts customarily given on special occasions like New Year, Eid, Christmas, etc. not exceeding Tk 2,000/- in value or distributed generally and openly at ceremonies and a business lunch or dinner which is not excessive in nature shall not come under purview of this Clause. Participation by employees in general customer meets, seminars conferences organized by business partners an open invitation will also not fall under the purview of this clause.

Business Opportunity:

The Directors and Employees shall not take advantage of any business opportunity belonging to the Company and known to them to be so belonging.

Time and attention:

The whole-time Directors and Employees shall devote full time and attention to the affairs of the Company and shall not engage in any other profession or calling which impairs their ability to do so.

Quality:

Directors and Employees shall function so as to ensure that the Company preserves its reputation in the market, supplies quality products and valued services to the customers, both internal and external, and will continuously work towards enhancement of the Company’s goodwill.

Confidentiality and Information Handling:

Directors and Employees shall ensure that all information, which is made available by the Company to the public, is correct, and is free from ambiguity. Information related to the Company and not in the public domain will be generally treated as confidential. Confidential information will be deemed to be a valuable asset and shall be treated as such by all employees and Directors. The Company shall be entitled to take all such steps as may be required to prevent any unauthorized disclosure of information. Share confidential information when we are authorized to do so and there is a legitimate reason for doing so, do not discuss sensitive topics in public places and treat information from third parties with the same level of confidentiality and care as our own information.

Relationship with Environment:

Directors and Employees shall support environmentally friendly and energy efficient technologies and we seek to minimize carbon emissions from all parts of our operations. Secure sustainable waste management and we reuse, recycle or safely dispose of all electronic waste

Always consider the environment when purchasing, and we use sustainable criteria in our procurement processes for major contracts. Transparent about our environmental footprint, and we accurately report our environmental performance including energy use, carbon emissions, and waste/recycling. Focus on extreme weather and climate change and protect existing infrastructure and plan network expansion accordingly and shall be report immediately if we see an incident that is actively harming the environment.

Insider Trading:

Directors and Employees do not trade, engage in tipping or suggest others should trade in any securities when in possession of inside information about Saif Powertec Limited. Treat all inside information that is not generally available to the investing public as proprietary and confidential and do not discuss sensitive topics in public places.

Records:

Every Employee shall take necessary steps to preserve records as may be necessitated by law and the Company's business. Records include written documents, CDs, computer hard disks, USB drive, microfilm, microfiche and all other media.

Compliance with Laws, Rules and Regulations:

The Directors and Employees shall take steps to ensure that the Company complies with applicable laws, regulations, rules and regulatory orders. They will also seek such compliance from the Company's contractors and agents.

All employees shall comply with applicable laws in Bangladesh and non-compliance will render them susceptible to action by the Company.

Utilization of Assets:

The Directors and employees shall ensure that the assets of the Company are utilized in the best interest of the Company and not for their personal benefit, unless specifically allocated for such purpose.

Non-Discrimination:

All other factors being equal, Directors and employees shall not discriminate on the basis of race, religion, colour, creed, sex, disability or marital status. Any form of sexual harassment is prohibited. Complaints of sexual harassment will be investigated and action taken against offending persons.

Benefits:

No Director or employee shall derive any undue benefit from the Company which would not be otherwise available to him or her in the course of the Company's business.

Enforcement

1. All the present Directors and employees of the Company shall be deemed to have accepted this Code. All other persons who may become Directors and employees shall be deemed to have accepted the Code from the date when they become Director or employee of the Company.
2. The Company Secretary shall be the compliance officer for the purpose of this Code.
3. All Directors and Managers will have to make an annual affirmation of the Code. Any person aware of violation of the Code may lodge a written complaint with the Compliance Officer.
4. The Company may suo motu undertake internal investigation or enquiry in respect of suspected breach of the Code.
5. This Code may be amended by the Board of Directors of the Company.

DIVIDEND DISTRIBUTION POLICY

Introduction:

In compliance with the Directives No. BSEC/CMRRCD/2021-386/03 of Bangladesh Securities and Exchange Commission (BSEC) dated January 14, 2021; SAIF Powertec Limited formulated a policy known as “**Dividend Distribution Policy**”. The highlights of the said policy are given below:

Purpose:

The purpose of the policy is to comply with the Directives of Bangladesh Securities and Exchange Commission (BSEC). The parameters set out in the policy are applicable for distribution of dividend.

Dividend Recommendation and Approval process:

Dividend to be recommended and approved as per applicable Acts and Regulatory Directives issued by BSEC from time to time.

Entitlement of Dividend:

Shareholders whose names shall appear in the Members Register of the Company or in the Depository Register of CDBL on the ‘Record Date’ of the respective year’s AGM will receive entitled dividend.

Process of Distribution of Cash Dividend:

Cash dividend shall be paid directly to the bank account within 30 (thirty) days from the date of approval by the Shareholders in the AGM subject to comply of circulars/ directives of BSEC or other regulatory authority from time to time.

- Through Bangladesh Electronic Funds Transfer Network (BEFTN);
- Through Bank Transfer or any Electronic Payment System as recognized by the Bangladesh Bank (if not possible through BEFTIN);
- In case of margin loan and claim by loan provider, through the Consolidated Customer’s Bank Account (CCBA);
- To the separate Bank Account of the Merchant Banker or Portfolio Manager through BEFTN;
- Through the security custodian following guidelines of Foreign Exchange Regulation for non-resident sponsor, director, shareholder, unit holder or foreign portfolio investor (FPI) in compliance with Rules, Regulations in this regard;
- Through issuance of Cash Dividend warrant and send it through post in case of non-availability of information of the shareholder or unit holder.
- Amount of declared cash dividend payable for the concerned year/period shall be kept in a separate Bank Account as per circular of BSEC or other regulatory authority from time to time.

Manner and procedure of stock dividend distribution:

The stock dividend shall be credited within 30 (thirty) days of approval subject to the clearance of the regulatory requirement.

- To the BO account;
- To the suspense BO Account for undistributed or unclaimed stock dividend/bonus shares. A new Suspense BO Account has been opened in every year for the respective year’s suspense shares;
- The bonus dividend shall be transferred to the suspense BO account if BO account is not available or BO account is inactive;
- The sale proceeds of fractional bonus dividend shall be paid off as per circular of BSEC or other regulatory authority from time to time.

Unpaid or unclaimed of unsettled cash dividend:

Unpaid or unclaimed of unsettled cash dividends shall be settled as per instructions of BSEC or other regulatory authority from time to time.

Unpaid or unclaimed of unsettled stock dividend:

Unpaid or unclaimed of unsettled stock dividends shall be settled as per instructions of BSEC or other regulatory authority from time to time.

Tax matters:

Tax will be deducted at source as per applicable tax laws.

Submission of Dividend Distribution Compliance Report:

In-compliance with the Dhaka Stock Exchange (Listing) Regulation-2015 and Chittagong Stock Exchange (Listing) Regulation-2015 SAIF Powertec Limited has been submitted a Dividend Distribution Compliance Report to BSEC, DSE and CSE within 7 (Seven) Working days from the date of completion of dividend distribution of the concerned years. This report shall submit to BSEC, DSE and CSE in a specified format issued by the regulator (s) within stipulated time.

Amendments / Modifications:

To the extent any change/amendment is required in terms of any applicable law or change in regulations, the applicable law and regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with the law of the land. Such amended policy shall be placed before the Board for approval.

Disclosure Policy:

The Dividend Distribution Policy has available on the Company's website and annexed.

Summary of Unclaimed Dividend:

As of 30.06. 2024 total amount of unclaimed dividend is Taka 23,561,373 laying with respective year's Bank Accounts.



BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: CM-2023/304



Date of issue : December 20, 2023

Renewed Certificate

This is to certify that

SAIF POWERTEC LIMITED

*is an Ordinary Member of **Bangladesh Association of Publicly Listed Companies**
and is entitled to all the rights and privileges appertaining thereto.*

This certificate remains current until 31st December 2023.




Secretary General

Credit Rating Report (10th Surveillance) Saif Powertec Limited

Particular	Rating	Remark
Saif Powertec Limited	A ₂	-
BDT 3,641.3 million Long-term Outstanding	A ₂ (Lr)	
BDT 1,854.8 million Short-term Funded Limit	ST-3	Vide Appendix-1
BDT 4,550.6 million Short-term Non-funded Limit	ST-3	
Outlook	Stable	-

Lr: Loan Rating, *ST* - Short Term

Date of Rating: 25 April, 2024.

Validity: 24 April, 2025.

Rating Based on: 3 years audited financial statement (FYE 30/06/2023, FYE 30/06/2022 and FYE 30/06/2021), bank liability position as on 16 April 2024, and other quantitative as well as qualitative information up to the date of rating declaration.

Methodology: CRAB's Corporate Rating Methodology (www.crab.com.bd)

Analysts:

Mir Arif Billah
mab@crab.com.bd

Md. Abdur Rahman Evan
evan@crabrating.com



CERTIFICATE OF REGISTRATION

This is to certify that the Occupational Health & Safety Management System of

SAIF POWERTEC SAIF POWERTEC LIMITED

Corporate Office: 72, Mohakhali C/A, Rupayan Centre (8th Floor), Dhaka, Bangladesh.
 Site-1: Khawaja Tower (2nd Floor), 95 Mohakhali C/A, Dhaka.
 Site-2: Makkah Madinah Trade Centre (17th Floor), 78 Agrabad C/A, Chattogram
 has been assessed and registered by Frenchcert as conforming to the requirements of:

ISO 45001:2018
 For the following Scope

"Operation of Container Terminal and Maintenance of Container Handling Equipment, Port Development Works, Sales, Marketing & After Sales Service of Generator (diesel, gas & marine) Equipment, Substation & Switchgear, Supply of Power Plant & Petrochemical Industry Equipment including Overhauling, Installation & Commissioning, Manufacturing, Distribution, Installation & After Sales Service of Renewable Energy Equipment including all types of Accessories, Supply of all types of Equipment especially in the Gas, Oil, Water, Aviation, Defense, IT, Telecommunication & Metrological fields, Exploration, Extraction and Maintenance of Oil and Gas Facilities."

Certificate Number : 2205090800301
 Issue Date: 09th May, 2022
 Valid Until: 08th May, 2025
 1st Surveillance on or before: 09th Apr, 2023
 2nd Surveillance on or before: 09th Apr, 2024
 Revision: 00



FrenchCert UK Ltd.
 (Formerly known as TUV Certification UK Ltd.)
 Registered in England (Company No. 08543988) - Registered Office: 100, Brook Street, London, W1S 1TL, United Kingdom
 Email: info@frenchcert.com
 Certificate can be verified on www.frenchcert.com and Accreditation Board's website: www.abcb.org

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Certificate Sertifikat ceprnphukar Ching chi



Health & Safety Management System-ISO 45001:2018



This is to Certify that the Information Security Management System of

SAIF POWERTEC SAIF POWERTEC LIMITED

Corporate Office: Rupayan Center (8th Floor), 72 Mohakhali C/A, Dhaka-1212, Bangladesh
 Site-1: Khawaja Tower (3rd Floor), 95 Mohakhali C/A, Dhaka-1212, Bangladesh
 Site-2: Makkah Madinah Trade Center, 17th Floor, 78 Agrabad C/A, Chattogram, Bangladesh

has been independently assessed and registered by B-ADVANCY as conforming to the requirements of

ISO/IEC 27001:2022

For the following Scope:

"Container Terminal Operation & Container Handling Equipment's Maintenance Management of Chattogram Port including Pangaon Inland Container Terminal and Kamalpur Inland Container Depot"
 "SoA Ver 1.0 (05/05/2024)"

Certificate No. : 2407115BD
 Date of initial registration : 25th July 2024
 Date of this certificate : 25th July 2024
 Date of expiry : 24th July 2027
 1st Surveillance audit on or before : 25th June 2025
 2nd Surveillance audit on or before : 25th June 2026

Validity of the certificate is subject to completion of surveillance audit on or before the due date. In case the surveillance audit is not carried out as scheduled, this certificate will be suspended/subject to withdrawal.



Signature
 Director



Certificate can be verified on www.badvancy.com and Accreditation Board's website: www.aib.co.uk website
 This Certificate is the property of B-ADVANCY Certification UK Ltd. and shall be returned immediately when demanded.

B-ADVANCY Certification UK Limited, Registered in England and Wales
 71-75 Shelton Street, Covent Garden, London, England, WC2H 9JQ, UK
 Tel: +44 (0) 20 63168750, Email: info@badvancy.com
 Website: www.badvancy.com



Information Security Management System- ISO 27001:2022



Supply Chain Security Management System- ISO 28000:2022



Energy Management System- ISO 50001:2018

CERTIFICATE OF COMPLIANCE



This is to certify that

SAIF POWERTEC LTD.

Terminal Name - CCT & NCT, Chattogram Port, Bandar Bhaban,
P. O. Box 2013, Chattogram, 4100 Bangladesh.

In recognition of the organisation's Security Management system which
Complies with Border Protection guidelines for

C-TPAT

(CUSTOMS TRADE PARTNERSHIP AGAINST TERRORISM)

SCOPE OF CERTIFICATION

Container Terminal Operation and Container Handling Equipment's
Maintenance Management

Certificate Number : QCAS-SPL-24-051581153

Initial Certification Date : 13 Mar 2024

Date of Expiry : 12 Mar 2025

Verify the Certificate: <https://gaafs.us/site/search/>

Issued by QCAS Certifications Inc.

Neil
Managing Director



Created: March 2024, SAIF Powertec, S.C. 2024

This certificate is issued by SAIF Powertec, S.C. in accordance with the terms of the contract. The validity of the certificate is subject to successful completion of surveillance audits. Further certification requires successful completion of the audit and the availability of adequate resources for the Organisation.



Customs-Trade Partnership Against Terrorism-C-TPAT



AUDITED CONSOLIDATED FINANCIAL
STATEMENTS-2023



**Independent Auditors' Report
To the shareholders of Saif Powertec Limited.
Report on the Audit of the Financial Statements**

Opinion

We have audited the financial statements of **Saif Powertec Limited** (the “Company”), which comprise the Statement of Financial Position as at 30 June 2023 and 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 and other explanatory information.

In our opinion, except for the effect of the matters described in the basis for Opinion section of our report, the accompanying financial statements presents fairly in all material respects the financial position of the company as at June 30, 2023 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994.Reporting Standards (IFRS)

Basis for 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 Ethical Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the requirements of IESBA Code and the institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter:

Without modifying our audit opinion, we would advise the management to maintain Registers for Property, Plant & Equipment and Inventory in proper/standard format recording all important and necessary information therein to ensure management control & better reporting requirement.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statement of the current period. 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.

Risk	Our response to the risk
Revenue recognition	
<p>During the year, the Company recognized sales turnover of BDT. 3,658,035,746/= which has decreased by BDT. 156,085,200/= as compared with previous year.</p> <p>Sales revenue recognized by the Company as per IFRS: 15, 'Revenue from Contracts with Customers' & Company Policy. Revenue is recognized based on point of delivery and when relevant performance obligations are satisfied. The company adopted IFRS: 15 'Revenue from Contracts with Customers' as continued from last year.</p> <p>We considered sales revenue as an item of significant audit areas during our audit because of its predominance in determining the financial performance of the Company.</p>	<p>Our audit procedures included the following to test the design and operating effectiveness of key control focusing on:</p> <ul style="list-style-type: none"> - Segregation of duties in invoice creation and modification. - Timing of revenue recognition considering step by step procedure. Our substantive procedures in relation to revenue recognition measurement comprise the following: <ul style="list-style-type: none"> - Obtaining understanding and documenting the process of revenue recognition and measurement followed by the Company. - Tracing performance obligations stipulated and contract value in the contract with invoice and delivery challan issued to evaluate point of recognition and measurement. - Testing occurrence and accuracy of sales revenue recognized by inspecting source documents such as contract made with the customer, delivery challan and VAT challan. - Assessing accuracy and comparing revenue recognized during the year with VAT returns submitted to VAT authority; - Finally assessing the appropriateness and presentation of disclosure notes with IFRS 15: Revenue from contracts with customers.
Valuation of closing inventories	
<p>Closing inventories aggregating to BDT. 1,552,242,904/= was recognized in the statement of financial position as on 30 June 2023. Compared with previous year, this has increased by BDT. 222,406,953/=</p> <p>Closing inventories were all held at factory premises of the Company. Since determining valuation of these inventories involves management judgments which results in estimation uncertainty, we considered this an area of significant audit attention to be emphasized during the audit.</p>	<p>Our audit responses comprise the following procedures:</p> <ul style="list-style-type: none"> - Evaluating the design and implementation of key inventory control operating across factory premises. - Attending and observing the physical inventory at the reporting date. - Evaluating compliance with instructions of management count procedures during the count. - Inspecting physical stock counting report as on 30 June 2023 and reconciling count results to closing inventories listings and performing test count on selected items to test completeness, accuracy and existence of inventories. - Reviewing composition of cost of inventories comprising raw materials, work-in-process and finished goods and comparing net realizable value on selected samples to test their valuation.
See note no. 5, Inventories in the financial statements	

Property, plant and equipment	
<p>Property, plant and equipment (PPE) was carried at BDT. 4,446,474,843/= representing over 89.35% of total assets of the company as on 30 June 2023. The company reported addition to PPE of BDT. 302,783,195/= during the year.</p> <p>Property, plant and equipment (PPE) are subject to recognition and measurement criteria only after satisfactorily meeting relevant requirement as per IAS 16.</p> <p>The company is also required to perform assessment for impairment when there is condition which suggests indication of assets being impaired.</p>	<p>Our audit procedures performed during the audit to address the risks identified consist of the following:</p> <ul style="list-style-type: none"> - Obtaining and documenting detailed understanding regarding procurement process of PPE and identified relevant control points and their implementation. - Reviewing recognition, measurement and valuation basis of PPE in compliance with requirement of IAS 16: Property, plant and equipment. - Inspecting supporting documents against the acquisition of PPE made during the year to test their accuracy, valuation and ownership in the financial statements. - Assessing the appropriateness and presentation of disclosures notes to the financial statements with the requirement of IAS 16 and other relevant IFRSs.
See note no. 3, Property, plant and equipment in the financial statements	
Bank Loan	
<p>As the financial statement of the company recognized Bank Loan of BDT. 10,734,864,193/= at their reporting date.</p> <p>Loan liability borrowings from bank were considered key audit matter because this external form of credit facilities availed by the company require fulfillment of several terms and require fulfillment of several terms and conditions as mentioned in loan sanction letter issued by lending bank.</p>	<ul style="list-style-type: none"> - Our substantive audit procedure adopted during the audit includes the following test or details - Inspecting relevant board minutes in support of bank loan reported in the financial statement. - Agreeing outstanding balances with confirmation letter received from the bank. - Agreeing finance costs charged by the company with loan statements provided by bank to test accuracy and completeness of expenses in relation to bank loan

Other Information

Management is responsible for the other information. The other information comprises all the information in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

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 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The companies Act, 1994 require the management to ensure effective internal audit, internal control and risk management factions of the company.

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.

Auditor's 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 auditor's 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 exercised professional judgment and maintained professional skepticism throughout the audit. We also:

- Identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained 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.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in circumstances.

- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluded 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 auditor's 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 auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and event in a manner that achieves fair presentation.
- Obtained sufficient appropriate audit evidence regarding the financial information of the entity to express an opinion on the financial statements. We are solely responsible for our audit opinion.

We communicated 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 identified during our audit.

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

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We described these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determined 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 we also report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts and records as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) The Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income of the Company dealt with by the report are in agreement with the books of account and returns;
- d) The expenditures incurred were for the purposes of the Company's business.
- e) The company adopted IFRS: 15 'Revenue from Contracts with Customers' & IFRS 16: 'Leases' as continued from last year.

10th December, 2024
Dhaka, Bangladesh


AMK Lohani, FCA
Senior Partner
Enrollment no:575
ARTISAN
Chartered Accountants
DVC: 2412100575AS633658

SAIF POWERTEC

Consolidated Statement of Financial Position
As at 30 June 2023

Particulars	Notes	Amount in Taka			
		At 30 June 2023		At 30 June 2022	
		Consolidated	The Company	Consolidated	The Company
Assets:					
Non-current assets					
Property, plant and equipment	Annex I	4,983,972,600	4,446,474,843	4,687,010,499	4,394,499,168
Capital works-in-progress	4	12,361,011,935	3,135,961,825	9,929,917,910	2,765,264,842
Preliminary Expenses		1,040,765	-	2,136,301	-
Intangible Assets	5	4,865,384	-	-	-
Investment in subsidiary companies		-	261,624,600	-	258,708,350
		17,350,890,684	7,844,061,269	14,619,064,710	7,418,472,361
Current assets					
Inventories	6	1,555,556,845	1,552,242,904	1,333,538,637	1,329,835,951
Accounts and others receivable	7	3,207,353,201	2,312,127,878	2,220,354,732	2,156,398,220
Related Party Transactions		211,595,605	-	62,883,432	-
Advances, deposits and prepayments	8	5,395,649,428	4,757,626,193	4,612,298,858	3,375,990,627
Fixed deposit receipt (FDR)	9	561,187,283	554,713,208	530,103,142	530,103,142
Receivable from shareholders		524,500,000	-	536,500,000	-
Cash and cash equivalents	10	197,347,166	141,520,531	123,927,269	113,382,878
		11,653,189,528	9,318,230,714	9,419,606,071	7,505,710,818
Total assets		29,004,080,212	17,162,291,983	24,038,670,781	14,924,183,179
Equity and Liabilities:					
Capital and reserves					
Share capital	11	3,793,386,470	3,793,386,470	3,793,386,470	3,793,386,470
Share premium	12	976,713,054	976,713,054	976,713,054	976,713,054
Revaluation reserve	13	82,059,122	82,059,122	82,059,122	82,059,122
Statutory Reserve		341,658	-	145,307	-
Calls in Arrear		524,500,000	-	536,500,000	-
Amount to be distributed as dividend	14	-	-	379,338,656	379,338,656
Currency Translation Gain/(Loss)		601,280	-	-	-
Retained earnings	15	1,333,555,942	1,257,132,543	1,025,323,189	959,952,255
		6,711,157,527	6,109,291,189	6,793,465,799	6,191,449,557
Non-controlling interest	16	89,453,579	-	86,751,383	-
		6,800,611,106	6,109,291,189	6,880,217,182	6,191,449,557
Non-current liabilities					
Long term loan from banks and NBFIs	17	11,784,101,897	2,035,813,411	10,442,211,891	2,285,935,963
Provision for employees' end of service benefits	19	1,154,398	-	-	-
Deferred tax liability		286,339,748	256,646,942	257,020,938	230,936,809
		12,071,596,043	2,292,460,353	10,699,232,829	2,516,872,772
Current Liabilities					
Current portion of long-term loan	18	1,203,047,567	1,203,047,567	1,268,850,471	1,268,850,471
Short term loan	20	5,928,159,953	5,926,199,416	3,370,794,550	3,370,794,550
Amount due to Related parties		551,495,070	-	51,076,282	-
Share money refundable		1,227,750	1,227,750	1,227,750	1,227,750
Accounts payable	21	816,230,135	42,401,592	212,248,430	45,305,016
Undistributed Profit (Cash Dividend)	22	60,149,448	60,149,448	57,710,981	57,710,981
Accrued expenses	23	1,348,252,659	1,313,214,186	1,270,137,646	1,253,807,421
Share money deposit (SPPIL)		9,010,000	-	9,010,000	-
Workers profit participation/Welfare fund	24	214,300,481	214,300,481	218,164,660	218,164,660
		10,131,873,062	8,760,540,439	6,459,220,770	6,215,860,850
Total shareholders' equity and liabilities		29,004,080,212	17,162,291,983	24,038,670,781	14,924,183,179
Net asset value per share of Taka 10 each	30	16.31	16.11	16.49	16.32
Net asset value per share without revaluation of Taka 10 each	30	16.09	15.89	16.28	16.11

The annexed notes form an integral part of the Statement of Financial Position.

N. Sultana
Chairman
Tarafder Nigar Sultana

Ruhul Amin
Managing Director
Tarafder Md. Ruhul Amin

Ruhul Saif
Director
Tarafder Md. Ruhul Saif

Hasan Reza
Chief Financial Officer
Md. Hasan Reza

Salehin
Company Secretary
F Md. Salehin

Place: Dhaka, Bangladesh
Date: 10.12.2024


AMK Lohani
AMK Lohani, FCA
Senior Partner
Enrollment no: 575
ARTISAN
Chartered Accountants

Consolidated Statement of Profit or Loss and Other Comprehensive Income
for the period from 1 July 2022 to 30 June 2023

Particulars	Notes	Amount in Taka			
		1st July 2022 to 30 June 2023		1st July 2021 to 30 June 2022	
		Consolidated	The Company	Consolidated	The Company
Revenue					
Sales (net)	25	5,437,530,435	3,658,035,746	4,225,555,859	3,814,120,946
Cost of sales	26	(3,564,605,799)	1,989,156,475)	(2,388,069,284)	(2,083,909,655)
Gross profit		1,872,924,636	1,668,879,271	1,837,486,575	1,730,211,291
General and administrative expenses	27	(719,932,764)	(506,398,670)	(574,532,450)	(519,942,717)
Profit from operations		1,152,991,872	1,162,480,601	1,262,954,125	1,210,268,574
Other comprehensive income		27,717,807	27,664,970	53,583,984	53,505,730
Finance expenses	28	(790,879,673)	(787,514,213)	(659,936,924)	(659,050,404)
Net profit before WPPF & Tax		389,830,006	402,631,358	656,601,185	604,723,900
Workers profit participation/Welfare fund		(19,172,922)	(19,172,922)	(28,796,376)	(28,796,376)
Net profit before tax		370,657,084	383,458,436	627,804,809	575,927,523
Income tax expenses	29	(91,741,557)	(86,278,147)	(114,232,714)	(109,706,142)
Net profit after tax		278,915,527	297,180,289	513,572,095	466,221,381
Profit attributable to ordinary shareholders					
Total Non controlling interest (20%, 35%, 18% and 45 %)		9,297,804	-	(12,901,355)	-
		288,213,331	297,180,289	500,670,740	466,221,381
Basic Earnings per share	31	0.76	0.78	1.32	1.23
Diluted Earnings per share	31	0.76	0.78	1.32	1.23
Appropriation of subsidiary company's net profit :					
SPPIL					
Saif Powertec Limited (parent company) - 80%		2,533,253		6,603,288	
Non-controlling interest (minority interest) - 20%		633,313		1,650,822	
		3,166,566		8,254,110	
SPHL		3,166,566			
Saif Powertec Limited (parent company) - 65%		(14,920,682)		(11,468,109)	
Non-controlling interest (minority interest) - 35%		(8,034,213)		(6,175,136)	
		(22,954,895)		(17,643,245)	
SLAL		(22,954,895)			
Saif Powertec Limited (parent company) - 82%		(89,885)		(62,917)	
Non-controlling interest (minority interest) - 18%		(19,731)		(13,811)	
		(109,616)		(76,728)	
88 Innovations Eng. Ltd		(109,616)			
Saif Powertec Limited (parent company) - 55%		(2,294,322)		21,314,920	
Non-controlling interest (minority interest) - 45%		(1,877,173)		17,439,479	
		(4,171,495)		38,754,399	

The annexed notes form an integral part of the Statement of Profit or Loss and Other Comprehensive Income.


Chairman
Tarafder Nigar Sultana


Managing Director
Tarafder Md. Ruhul Amin


Director
Tarafder Md. Ruhul Saif


Chief Financial Officer
Md. Hasan Reza


Company Secretary
F Md. Salehin

Place: Dhaka , Bangladesh
Date: 10.12.2024


AMK Lohani, FCA
Senior Partner
Enrollment no:575
ARTISAN
Chartered Accountants

Consolidated Statement of Changes in Equity
for the period from 1 July 2022 to 30 June 2023

Amounts in Taka

Particulars	Share capital	Share premium	Amount to be distributed as dividend	Revaluation reserve	Retained earnings	Non-Controlling Interest	Statutory Reserve	Call in Arrear	Currency Translation Difference	Total
Balance at 01 July 2021	3,578,666,490	976,713,054	572,586,638	82,059,122	914,217,938	43,850,028	-	-	-	6,168,093,270
Opening Balance (Saif Maritime LLC)	-	-	-	-	(10,081,534)	-	-	-	-	(10,081,534)
Net income for the year	-	-	-	-	500,670,740	-	-	-	-	500,670,740
Issue of Bonus Shares	214,719,980	-	(214,719,980)	-	-	-	-	-	-	-
Cash Dividend paid	-	-	(357,866,649)	-	-	-	-	-	-	(357,866,649)
Amount to be distributed as dividend	-	-	379,338,647	-	(379,338,647)	-	-	-	-	-
Share of profit of subsidiary (SLAL)	-	-	-	-	-	29,986,189	-	-	-	29,986,189
Share of profit of subsidiary (SPHL)	-	-	-	-	-	(6,175,136)	-	-	-	(6,175,136)
Share of profit of subsidiary (SPPIL)	-	-	-	-	-	1,650,822	-	-	-	1,650,822
Share of profit of subsidiary (88 Innovations Eng Ltd)	-	-	-	-	-	17,439,480	-	-	-	17,439,480
Call in Arrear (SLAL)	-	-	-	-	-	-	-	336,500,000	-	336,500,000
Call in Arrear (88 Innovations Eng Ltd)	-	-	-	-	-	-	-	200,000,000	-	200,000,000
Statutory Reserve (Saif Maritime LLC)	-	-	-	-	(145,307)	-	145,307	-	-	-
Currency Translation	-	-	-	-	-	-	-	-	-	-
Balance at 30 June 2022	3,793,386,470	976,713,054	379,338,656	82,059,122	1,025,323,189	86,751,383	145,307	536,500,000	-	6,880,217,182
Balance at 01 July 2022	3,793,386,470	976,713,054	379,338,656	82,059,122	1,025,323,189	86,751,383	145,307	536,500,000	-	6,880,217,182
Opening Balance (Saif Maritime LLC)	-	-	-	-	-	-	-	-	-	-
Prior Year Tax Provision Adjustment of 88 Innovation Eng. Ltd	-	-	-	-	(16,609,028)	-	-	-	-	(16,609,028)
Net income for the year	-	-	-	-	288,213,331	-	-	-	-	288,213,331
Opening Balance of Saif United & Shipping	-	-	-	-	36,628,450	-	-	-	-	36,628,450
Cash Dividend paid	-	-	(379,338,656)	-	-	-	-	-	-	(379,338,656)
Amount to be distributed as dividend	-	-	-	-	-	-	-	-	-	-
Share of profit of subsidiary (SLAL)	-	-	-	-	-	(19,731)	-	-	-	(19,731)
Share of profit of subsidiary (SPHL)	-	-	-	-	-	(8,034,213)	-	-	-	(8,034,213)
Share of profit of subsidiary (SPPIL)	-	-	-	-	-	633,313	-	-	-	633,313
Share of profit of subsidiary (88 Innovations Ltd)	-	-	-	-	-	(1,877,173)	-	-	-	(1,877,173)
Call in Arrear (SLAL)	-	-	-	-	-	-	-	-	-	-
Call in Arrear (88 Innovation Eng. Ltd)	-	-	-	-	-	12,000,000	-	(12,000,000)	-	-
Statutory Reserve (Saif Maritime LLC)	-	-	-	-	-	-	196,351	-	-	196,351
Currency Translation	-	-	-	-	-	-	-	-	601,280	601,280
Balance at 30 June 2023	3,793,386,470	976,713,054	-	82,059,122	1,333,555,942	89,453,579	341,658	524,500,000	601,280	6,800,611,106

N. Sultana
Chairman
Tarafder Nigar Sultana

Tarafder Md. Ruhul Amin
Managing Director
Tarafder Md. Ruhul Amin

Tarafder Md. Ruhul Saif
Director
Tarafder Md. Ruhul Saif

Md. Hasan Reza
Chief Financial Officer
Md. Hasan Reza

F Md. Salehin
Company Secretary
F Md. Salehin

Place: Dhaka, Bangladesh
Date: 10.12.2024

AMK Lohani
AMK Lohani, FCA
Senior Partner
Enrollment no:575
ARTISAN
Chartered Accountants

Consolidated Statement of Cash Flows
for the period from 1 July 2022 to 30 June 2023

Particulars	Amount in Taka			
	01 July 2022 to 30 June 2023		01 July 2021 to 30 June 2022	
	Consolidated	The Company	Consolidated	The Company
Cash flows from operating activities				
Cash receipt from customers and others	4,899,286,726	3,529,971,058	3,690,389,245	3,429,044,729
Cash paid to employees and suppliers	4,418,319,037	3,234,877,213	2,732,133,994	(2,936,780,750)
Cash generate from operating activities	480,967,689	295,093,845	958,255,251	492,263,979
Paid against WPPF	(23,037,101)	(23,037,101)	(31,798,363)	(31,798,363)
Paid against advance income tax	(174,387,702)	(157,953,135)	(176,513,357)	(171,239,482)
Net cash provided by operating activities (A)	283,542,885	114,103,609	749,943,531	289,226,134
Cash flows from investing activities				
Purchase of property, plant and equipment	(718,934,710)	(520,783,170)	(516,058,807)	(374,666,030)
Capital works-in-progress	(2,105,777,039)	(612,721,475)	(2,917,395,190)	(679,135,293)
Investment in subsidiary companies	(2,916,250)	(2,916,250)	(146,208,350)	(146,208,350)
Preliminary Exp	-	-	(2,136,301)	-
Fixed deposit receipt (FDR)	(31,084,141)	(24,610,066)	(19,464,084)	(19,464,084)
Net cash used in investing activities (B)	(2,858,712,140)	(1,161,030,961)	(3,601,262,732)	(1,219,473,757)
Cash flows from financing activities				
Short term loan received	3,285,144,864	3,283,184,327	2,245,624,679	2,245,624,679
Short term loan re-paid	(727,779,462)	(727,779,462)	(1,504,592,762)	(1,504,592,762)
Interest and financial expenses	(787,687,739)	(787,514,213)	(659,762,260)	(659,050,404)
Cash dividend paid	(376,900,190)	(376,900,190)	(329,975,008)	(329,975,008)
Issue of Capital	14,916,250	-	163,500,000	-
Long term loan received	1,704,668,865	181,175,613	4,356,729,423	2,223,258,704
Long term loan re-paid	(497,101,070)	(497,101,070)	(1,820,541,310)	(1,447,924,025)
Net cash provided by financing activities (C)	2,615,261,518	1,075,065,005	2,450,982,762	527,341,184
Effect of exchange rate change on cash and cash equivalents	-	-	-	-
Net changes in cash and cash equivalents (A+B+C)	40,092,263	28,137,652	(400,336,439)	(402,906,439)
Opening cash and cash equivalents of Saif United & Shipping	33,327,634	-	-	-
Opening cash and cash equivalents	123,927,269	113,382,878	524,263,708	516,289,317
Closing cash and cash equivalents	197,347,166	141,520,531	123,927,269	113,382,878
Net Operating cash flows per share (Note: 32)	0.75	0.30	1.98	0.76

Saif Powertec Limited

Notes to the financial statements As at and for the year ended 30 June 2023

1. Reporting entity

Saif Powertec Limited (hereinafter referred to as 'the company') was incorporated on 29 December 2003 as a private limited company under Companies Act 1994. The company has since been converted into a public limited company vide a special resolution of the shareholders in their extra ordinary general meeting held on 28 June 2010. The registered office of the company is situated at 72, Mohakhali, Rupayan Centre (8th Floor), Dhaka 1212. The shares of Saif Powertec Limited is listed with DSE and CSE and traded in the regular market.

1.1 Nature of business

Principal activity of the company is to carry on business of infrastructure-support service. The company is also engaged in importing, trading, assembling and installing generators, sub-stations, electrical equipment and grid-lines, installation and erection of power plants, producing Battery as well as acts as a berth/ terminal operator for operation of Chittagong Container Terminal (CCT) and New Mooring Container Terminal (NCT) of Chittagong Port Authority (CPA).

1.2 Subsidiary Companies

Saif Plastic & Polymer Industries Limited, a subsidiary company of Saif Powertec Limited was incorporated on 13 November 2010 as a private limited company under Companies Act 1994 with an authorised capital of Taka 200,000,000 divided into 20,000,000 ordinary shares of Taka 10 each and paid up capital of Taka 100,000,000. Saif Powertec Limited holds 80% shares of Saif Plastic & Polymer Industries Limited (the subsidiary). The registered office of the subsidiary is located at 72, Mohakhali, Rupayan Centre (8th Floor), Dhaka 1212. Saif Plastic & Polymer Industries Limited has started its commercial operation during the year.

The shareholding position of Saif Plastic & Polymer Industries Limited has been shown in Annexure-III

Saif Port Holdings Limited, a subsidiary company of Saif Powertec Limited was incorporated in Bangladesh as a private company, limited by shares, on 23 July 2017 under Companies Act 1994 vide certificate of incorporation no.C-138908/2017. Authorised capital of Taka 100,000,000 divided into 10,000,000 ordinary shares of Taka 10 each and paid up capital of Taka 50,000,000. Saif Powertec Limited holds 65% shares of Saif Port Holdings Limited (the subsidiary). The registered and corporate office of the Company is located at 72, Mahakhali, Rupayan Center (8th floor), Dhaka-1212.

The shareholding position of Saif Port Holdings Limited has been shown in Annexure-IV

Saif Logistics Alliance Limited, a subsidiary company of Saif Powertec Limited was incorporated in Bangladesh as a private company, limited by shares, on 27 September 2021 under Companies Act 1994 vide certificate of incorporation no. C-174505/2021. Authorised capital of Taka 1,000,000,000 divided into 100,000,000 ordinary shares of Taka 10 each and paid up capital of Taka 500,000,000. Saif Powertec Limited will be holds 80% shares of Saif Logistics Alliance Limited (the subsidiary). The registered and corporate office of the Company is located at 72, Mahakhali, Rupayan Center (8th floor), Dhaka-1212.

The shareholding position of Saif Logistics Alliance Limited has been shown in Annexure-V

88 Innovations Engineering Ltd, a subsidiary company of Saif Powertec Limited was incorporated in Bangladesh as a private company, limited by shares, on 18 November 2021 under Companies Act 1994 vide certificate of incorporation no. C--176381/2021. Authorised capital of Taka 1,000,000,000 divided into 100,000,000 ordinary shares of Taka 10 each and paid up capital of Taka 200,000,000. Saif Powertec Limited will be holds 55% shares of on 18 November 2021 under Companies Act 1994 vide certificate of incorporation no. C--176381/2021 (the subsidiary). The registered and corporate office of the Company is located at 72, Mahakhali, Rupayan Center (8th floor), Dhaka-1212.

The shareholding position of 88 Innovations Engineering Ltd has been shown in Annexure-VI

Saif Maritime LLC is a Limited Liability Company-Single Owner (LLC-SO) incorporated on September 29, 2020 in accordance with provisions of UAE Federal Law No (8) of 1984 regarding commercial companies and its subsequent amendments and registered with Department of Economic Development, Government of Dubai, United Arab Emirates under registration No 1687857. The Company is licensed to operate in UAE under Commercial License No 907608. The registered address of the Company is P.O Box-18870, Dubai, UAE.

Subsidiaries are entities controlled by Saif Powertec Limited (The Company). Control exists when Saif Plastic & Polymer Industries Limited, Saif Port Holdings Limited, Saif Logistics Alliance Limited, 88 Innovations Engineering Limited and 100% owned of Saif Maritime LLC has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights presently exercisable are taken into account. The financial statements of Saif Plastic & Polymer Industries Limited, Saif Port Holdings Limited, Saif Logistics Alliance Limited, 88 Innovations Engineering Limited and 100% owned of Saif Maritime LLC have been included in the consolidated financial statements from the date that control commences until the date that it ceases.

1.3 Basis of consolidation

The financial statements of the company and its subsidiary, as mentioned in note 1.2 have been consolidated in accordance with International Financial Reporting Standards (IFRS) 10 Consolidated Financial Statements the accounting policies of the subsidiary have been changed when necessary to align them with the policies adopted by the group. During the period statement of financial position, statement of profit or loss and other comprehensive income, and statement of cash flows has been consolidated on the basis of audited financial statements.

Transactions eliminated on consolidation

The financial statements of the subsidiaries has been consolidated in accordance with International Financial Reporting Standards (IFRS) 10 "Consolidated Financial Statements" Intragroup balances and transactions, and any unrealized income and expenses arising from intragroup transactions, have been eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with associates are eliminated against the investment to the extent of Saif Powertec Limited's (The Company) interest in the investee. Unrealized losses, if any, are eliminated in the same way as unrealized gains, but only to the extent there is no evidence of impairment.

Non-controlling Interest

During the year statement of financial position, statement of profit or loss and other comprehensive income, and statement of cash flows has been consolidated on the basis of audited financial statements. Total profits of the Company and its Subsidiary are shown in the Consolidated Statement of Profit or Loss & Other Comprehensive Income with the proportion after taxation pertaining to non-controlling shareholders being deducted as "Non-controlling interest".

All Assets and Liabilities of the company and of its subsidiary are shown in the consolidated statement of financial position. The Interest of Non-controlling shareholders of the subsidiary is shown separately in the consolidated statement of financial position under the head "Non-controlling Interest".

1.4 Risk exposure

a. Interest rate risk

Interest rate risk is the risk that company faces due to unfavorable movements in the interest rates. Changes in the government's monetary policy, along with increased demand for loans/investments tend to increase the interest rates. Such rises in interest rates mostly affect companies having floating rate loans or companies investing in debt securities.

Management perception:

The company has been repaying borrowed funds on a continuous basis to reduce such interest risk.

b. Exchange Rate Risk

Exchange rate risk occurs due to changes in exchange rates. As the company imports equipment from abroad and also earns revenue in foreign currency, unfavorable volatility or currency fluctuation may affect the profitability of the company. If exchange rate is increased against local currency opportunity will be created for generating more profit.

Management perception:

Saif Powertec Limited changes the price of their services in accordance with the change in exchange rate to mitigate the affect of unfavorable volatility in exchange rate on the company's earnings.

c. Industry risks

Industry risk refers to the risk of increased competition from foreign and domestic sources leading to lower prices, revenues, profit margins, market share, etc which could have an adverse impact on the business, financial condition and results of operation.

Management perception:

The Company continuously carries out research and development (R&D) to keep pace with the customer choices and fashions. As a local company, Saif Powertec Limited has a unique understanding of the requirements of its clients and customers and as such, shall continuously position itself as the first choice to its domestic market. Many foreign companies which wish to enter the Bangladesh market will seek Saif Powertec Limited as competitor.

d. Market Risks

Market risk refers to the risk of adverse market conditions affecting the sales and profitability of the company. Mostly, the risk arises from falling demand for the product or service which would harm the performance of the company. On the other hand, strong marketing and brand management would help the company increase their customer base.

Management perception:

The needs for power, construction and infrastructure support services will continue to grow much faster in a developing country than other developed markets in the world. Strong management, timely and quality service has enabled the company to capture significant market share in the sector. And the company is continuously penetrating the market and upgrading the quality of their service to minimize the risk.

e. Technology Related Risks

Technology always plays a vital role for each and every type of business. Better technology can increase productivity and reduce costs of production. Firms are exposed to technology risks when there are better technologies available in the market than the one used by the company which may cause technological obsolescence and negative operational efficiency.

Management perception:

The Company is aware of technological changes and has adopted new technology according to its needs. Furthermore, routine and proper maintenance of the equipment carried out by the Company ensures longer service life for the existing equipment and facilities.

f. Potential or Existing Government Regulations

The company operates under Companies Act 1994 and other related regulations, Income Tax Ordinance 1984, Income Tax Rules 1984, Value Added Tax Act 1991 and Value Added Tax Rules 1991. Any abrupt changes of the policies made by the regulatory authorities may adversely affect the business of the company.

Management perception:

Since the Company operates in power, energy and infrastructure sector, the Government regulations are mostly investment-friendly. However, unless any policy change that may negatively and materially affect the industry as a whole, the business of the Company is expected not to be affected. As it is a thrust sector, it is highly unlikely that the Government will frustrate the growth of the industry with adverse policy measures.

g. Operational risks

Non-availability of materials/equipment/services may affect the smooth operational activities of the company. On the other hand, the equipment may face operational and mechanical failures due to natural disasters, unforeseen events, lack of supervision and negligence, leading to severe accidental losses, etc.

Management perception:

The company's equipment is under insurance coverage in order to get reasonable compensation for any damages. Apart from these, routine security check and proper maintenance of the equipment also reduce/eliminate the operational risk.

2. Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with International Accounting Standards (IAS), International Financial Reporting Standards (IFRS) and the Companies Act 1994, Income Tax Ordinance 1984, Income Tax Rules 1984, Value Added Tax Act 1991 and the Value Added Tax Rules 1991, Bangladesh Securities and Exchange Rules 1987 and other related regulations. Any abrupt changes of the policies made by the regulatory authorities may adversely affect the business of the company.

2.2 Basis of measurement

The financial statements have been prepared on historical cost basis except financial assets and liabilities which are stated at "fair value".

2.3 Functional and presentational currency

These financial statements are prepared in Bangladeshi Taka, which is the Company's functional currency.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with IAS/IFRS 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. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a ongoing basis.

2.5 Reporting period

The financial reporting period of the company covers one year from 01 July 2022 to 30 June 2023

2.6 Comparative Information and Rearrangement Thereof

In accordance with the provisions of IAS-1: Presentation of Financial Statements, Comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statements.

2.7 Corporate Accounting Standards Practiced

Applicable International Accounting Standards (IASs) are as follows:

IAS 1	Presentation of Financial Statements	Complied
IAS 2	Inventories	Complied
IAS 7	Cash Flows Statement	Complied
IAS 8	Accounting policies , Changes in Accounting Estimates and Errors	Complied
IAS 10	Events after the Reporting Period	Complied
IAS 12	Income Taxes	Complied
IAS 16	Property, Plant and Equipment	Complied
IAS 17	Leases	Complied
IAS 19	Employee Benefits	Complied
IAS 20	Accounting for Government Grants and Disclosure of Government Assistance	Not Applicable
IAS 21	The Effects of Changes in Foreign Exchange Rates	Complied
IAS 23	Borrowing Costs	Complied
IAS 24	Related Party Disclosures	Complied
IAS 26	Accounting and Reporting by Retirement Benefit Plans	Not Applicable
IAS 27	Separate Financial Statements	Not Applicable
IAS 28	Investments in Associates and Joint Ventures	Not Applicable
IAS 29	Financial Reporting in Hyperinflationary Economies	Not Applicable
IAS 32	Financial Instruments: Presentation	Complied
IAS 33	Earnings Per Share	Complied
IAS 34	Interim Financial Reporting	Complied
IAS 36	Impairment of Assets	Complied
IAS 37	Provision , Contingent Liabilities and Contingent Assets	Complied
IAS 38	Intangible Assets	Not Applicable
IAS 39	Financial Instruments: Recognition and Measurement	Complied
IAS 40	Investment Property	Not Applicable

Applicable International Financial Reporting Standards (IFRSs) are as follows:

IFRS 1	First-time Adoption of Bangladesh Financial Reporting Standard	Complied
IFRS 2	Share-based Payment	Not Applicable
IFRS 3	Business Combinations	Complied
IFRS 4	Insurance Contracts	Not Applicable
IFRS 5	Non-current Assets Held for Sale and Discontinued Operations	Not Applicable
IFRS 6	Exploration for and Evaluation of Mineral Resources	Not Applicable
IFRS 7	Financial Instruments: Disclosures	Complied
IFRS 8	Operating Segments	Complied
IFRS 9	Financial Instruments	Complied
IFRS 10	Consolidated Financial Statements	Complied
IFRS 11	Joint Arrangements	Not Applicable
IFRS 12	Disclosure of Interests in Other Entities	Not Applicable
IFRS 13	Fair Value Measurement	Not Applicable
IFRS 14	Regulatory Deferral Accounts	Not Applicable
IFRS 15	Revenue from contracts with customers	Complied
IFRS 16	Leases	Not Applicable

2.8 Financial instruments

IFRS 9 sets out requirements for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement. The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below.

Classification and measurement of financial assets and financial liabilities

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. However, it eliminates the previous IAS 39 categories for financial assets of held to maturity, loans and receivables and available for sale. The adoption of IFRS 9 has not had a significant effect on the company's accounting policies related to financial liabilities. The impact of IFRS 9 on the classification and measurement of financial assets is set out below

Under IFRS 9, on initial recognition, a financial asset is classified as measured at: amortized cost; Fair Value through Other Comprehensive Income (FVOCI)–debt investment; Fair Value through Other Comprehensive Income (FVOCI)–equity investment; or Fair Value through Profit or Loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

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.

A debt investment is measured at FVOCI 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 achieved by both collecting contractual cash flows and selling financial assets; 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.

On initial recognition of an equity investment that is not held for trading, the company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis. All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition. The following accounting policies apply to the subsequent measurement of financial assets.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

2.9 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 recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss. Trade receivables are classified as financial assets measured at amortised cost.

2.10 Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On de-recognition, gains and losses accumulated in OCI are reclassified to profit or loss.

2.11 Impairment of financial assets

IFRS 9 replaces the ‘incurred loss’ model in IAS 39 with an ‘expected credit loss’ (ECL) model. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments. The financial assets at amortised cost consist of trade receivables, cash and cash equivalents, and corporate debt securities. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on The Company’s historical experience and informed credit assessment and including forward-looking information. The company considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the company in full, without recourse by The company to actions such as realizing security (if any is held).

2.12 Measurement of Expected Credit Losses (ECL)

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the company expects to receive). ECLs are discounted at the effective interest rate of the financial asset. At each reporting date, the company assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is ‘credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. The Company expected that they have no credit losses on Trade Receivables.

The company did not account for any loss allowance in respect of ECL and assumes all its credit as recoverable within stipulated time frame. Since almost all the service contracts of the company is mainly with the Government, the Management considered all credit status as good.

2.13 Presentation of impairment

Loss allowances (if any) for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is recognized in OCI, instead of reducing the carrying amount of the asset. Impairment losses related to trade receivables and others, including contract assets, are presented separately in the notes to the financial statement if any.

2.14 IFRS-16 Leases:

An entity shall assess a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. In line with IFRS-16 Leases, an entity shall determine the lease term as the non-cancellable period of a lease together with both:

- i Period covered by the option to extend the lease and;
- ii Period covered by the option to terminate the lease.

Initial measurement of right of use asset shall be measured at cost and subsequently either by fair value or follow revaluation model.

The company does not hold any such right of use of asset for non-cancellable period of time in exchange for any consideration.

2.15 IFRS-8 Operating Segments:

All entities shall disclose information to enable users of its financial statements to evaluate the nature and financial effects of the business activities in which it engages and the economic environment in which it operates. As per IFRS-8 Operating Segments, an operating segments is a component of an entity;

- i that engaged in business, earns revenue & incur expenses;
- ii economic results and performance evaluated by chief operating decision maker on regular basis and;
- iii for which discrete financial information is available.

The company disclosed financial information regarding Saif Plastic & Polymer Industries Limited & Saif Port Holdings Limited as separate and consolidated form throughout the financial statement.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all period presented in these financial statements.

3.1 Property, plant and equipment

3.1.1 Recognition and measurement

Property, plant and equipment are measured at cost and valuation (only land) less accumulated depreciation and impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset. It is carried at the lower of its carrying amount and fair value less cost. Any write-down is shown as an impairment loss. Cost includes expenditures that are directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

3.1.2 Subsequent costs

The cost of replacing 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 recognised in the statement of comprehensive income as incurred.

3.1.3 Depreciation on property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation thereon. Depreciation is charged applying diminishing balance method on all fixed assets other than land and land development. Depreciation has been charged on addition when the related asset is available for use and no depreciation has been charged when the related assets are de-recognized/disposed off. After considering the useful life of the assets as per IAS-16: Property Plant and Equipment, the depreciation rates have been applied as under which is considered reasonable by the management:

Rates of depreciation on various classes of property, plant and equipment are as under:

<u>Category of property, plant and equipment</u>	<u>Rate (%)</u>
Furniture and fixtures	10
Building	5
Pre-fabricated building	10
Office and electrical equipment	10
Tools and equipment	10
Workshop	10
Vehicles	20
Plant and machinery	20
Plant and machinery (Manufacturing)	10
Others	10

3.1.4 Impairment of assets

I) Financial Assets

Accounts receivable and others receivables are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective 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 flow of that asset that can be estimated reliably. Objective evidence that financial assets are impaired can include default of delinquency by a debtor, indicates that a debtor of issuer will enter bankruptcy etc.

II) Non-Financial assets

An asset is impaired when its carrying amount exceeds its recoverable amount. The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less cost to sell and its value in use. Carrying amount of the assets is reduced to its recoverable amount by recognizing an impaired loss is recognized immediately in statement of comprehensive income unless the asset is carried at revalued amount. Any impaired loss of a revalued asset treated as a revaluation decrease. During the year no impaired loss occurred to recognize in the Financial Statements.

3.2 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is valued at weighted average cost method and includes costs for acquiring the inventories and bringing them to their existing locations and conditions.

3.3 Provisions

A provision is recognised on the balance sheet date if, as a result of past events, the Company has a present legal or constructive obligation that can be estimated reliably, and it is provable that an outflow of economic benefits will be required to settle the obligation.

In accordance with the guidelines as prescribed by IAS-37: Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations;

- when the company has an obligation (legal or constructive) as a result of past events;
- when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- Reliable estimates can be made of the amount of the obligation.

3.4 Capital works-in-progress

Capital-work-in-progress is stated at cost. These are expensed of a capital nature directly incurred in the construction of factory building, land, machineries and capital expenditure. No depreciation is charged on the capital work in progress which is in accordance with IAS-16 : Property , Plant and Equipment.

3.5 Earnings per share (EPS)

This has been calculated in compliance with the requirement of IAS-33 : Earnings per share. Earnings per share by dividing the net earnings after Tax by the number of ordinary shares outstanding during the period.

Basic Earnings per share (Numerator /Denominator)

Earnings (Numerator)

*This represents earning for the year attributable to ordinary shareholders

No. of ordinary shares (Denominator)

This represents number of ordinary share outstanding during the year.

Diluted Earnings per share

As per the existing conditions of the loans taken by the company from various financial institutions or other contracts with various parties including employees, there is no condition related to conversion or stipulation related to share based payments for material and services supplied by them to the company. Hence, no Diluted EPS of the company has been calculated.

3.6 Revenue

As per IFRS-15: “Revenue from Contracts form Customers” an entity shall account for a contract with a customer only when all of the following criteria are met:

- (a) The parties to the contract have approved the contract (in writing , orally or in accordance with other customary business practices) and are committed to perform their respective obligations ;
- (b) The entity can identify each party `s rights regarding the goods or services to be transferred ;
- (c) The entity can identify the payment terms for the goods or services to be transferred ;
- (d) The contract has commercial substance (i.e. the risk , timing or amount of the entity `s future cash flows is expected to change as a result of the contract); and
- (e) It is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

3.7 Trade receivables

Trade receivables at the balance sheet date are stated at amounts which are considered realisable.

3.9 Finance income and expenses

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues. Finance expenses comprise interest expense on borrowings, bank charges and guarantee costs. All borrowing costs are recognised in the Statement of Profit or Loss and Other Comprehensive Income using the effective interest rate.

3.10 Cash and cash equivalents

It includes cash in hand and other deposits with banks which were held and available for use by the company without any restriction.

Cash flows from operating activities have been presented under direct method as per IAS-7 : Statement of Cash Flows

3.11 Taxation

A provision for current tax @ 22.50% on net profit of the company has been provided during the year under review.

3.10 Deferred tax

Deferred tax liabilities are the amount of income taxes payable in future years in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future years in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or subsequently enacted at the financial statement date.

3.12 Foreign Currency Transaction

Foreign currency transactions are recorded, on initial recognition in the functional currency at the spot exchange rate ruling at the transaction date.

At the end of each reporting period, in compliance with the provision of IAS 21: The Effects of Changes in Foreign Exchange Rates, are determined as under :

- (a) Foreign currency monetary items are translated using the closing rate.
- (b) Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rate at the date of the transaction.
- (c) Non-monetary items that are measured at fair value in a foreign currency is translated using the exchange rate at the date when the fair value is determined.

Exchange differences arising on the settlement of monetary items or on translating monetary Items at rate different from those at which they were translated on initial recognition during the year or in previous financial statements is recognized in profit or loss in the year in which they arise.

As the import L/Cs were settled on spot payment basis, no exchange loss or gain occurred.

3.13 Employee Benefits:

The Company is operating Workers Profit Participation Fund (WPPF) and Welfare Fund according to Bangladesh Labour Law 2006 and Bangladesh labour (Amendments) Act 2013 are accounted for securing benefits to the employees in accordance with the provision of International Accounting Standard (IAS)-19, “ Employee Benefit”. The company pays two festival bonuses to all employees in every year.

3.14 Contribution to Workers’ Profit Participation and Welfare Funds

This represents 5% of net profit before tax, contributed by the company as per provisions of the Bangladesh Labour Act, 2006 (amendment-2013). The Company recognizes contribution to Workers Profit Participation and Welfare Fund in the accounts from the year 2019-2020. The fund transfer is under process and will be paid after completion of necessary legal process.

The company made provision for WPPF in line with section 234 (a) chapter-XV (Workers ‘participation in Companies Profits) of Bangladesh Labour Act-2006 and complied with section 234 (b). Transfer of the amount to a separate bank account is under process. The management of the company tried to disburse the amount to workers through banking channel but in fact, it was very hard to find a separate bank account of all the workers. Considering circumstance and requirement for compliance with chapter-XV section 234 (a) 7 (b) of Bangladesh Labour Act-2006, the management of the Company decided to pay out the benefit in cash basis.

3.15 Related party disclosure

As per IAS 24: Related Party Disclosure, parties are considered to be related if one has the ability to control or exercise significant influence over other in making financial and operating decisions. During the year the Company made number of related parties transaction are given as annex ii/a.

SL	Particulars	Amount in Taka			
		At 30 June 2023		At 30 June 2022	
		Consolidated	The Company	Consolidated	The Company
4	Capital works-in-progress				
	Opening balance	9,929,917,910	2,765,264,842	7,499,734,091	2,759,554,984
	Add: Addition during the year	2,488,147,121	370,696,983	2,727,497,770	303,023,809
	Less: Transferred during the year	(57,053,096)	-	(297,313,951)	(297,313,951)
	Closing balance	12,361,011,935	3,135,961,825	9,929,917,910	2,765,264,842
5	Investment in subsidiary companies				
	Investment in Saif Plastic and Polymer Industries Limited (8,000,000 ordinary shares @ Taka 10 each)		80,000,000		80,000,000
	Investment in Saif Port Holdings Limited (3,250,000 ordinary shares @ Taka 10 each)		32,500,000		32,500,000
	Investment in Saif Logistic Alliance Limited (13,350,000 ordinary shares @ Taka 10 each)		133,500,000		133,500,000.00
	Investment in Saif United Shipping (100 ordinary shares @ AED 1000 each @ Taka 29.1625)		2,916,250		-
	Investment in Saif Maritime LLC (500 ordinary shares @ AED 1000 each @ Taka 25.4167)		12,708,350		12,708,350.00
			261,624,600		258,708,350
6	Inventories				
	Generators	34,585,642	34,585,642	19,586,809	19,586,809
	Spare parts	267,854,285	267,854,285	273,340,967	273,340,967
	Electric goods	498,567,825	498,567,825	258,468,213	258,468,213
	Manufacturing (Battery) Note 6.01	751,235,152	751,235,152	778,439,962	778,439,962
	Closing stock subsidiary company	3,313,941	-	3,702,686	-
	Total	1,555,556,845	1,552,242,904	1,333,538,637	1,329,835,951
6.01	Manufacturing (Battery)				
	Raw materials	248,567,855	248,567,855	276,582,954	276,582,954
	Work In Process	243,698,755	243,698,755	254,258,463	254,258,463
	Finished Goods	258,968,542	258,968,542	247,598,545	247,598,545
	Total	751,235,152	751,235,152	778,439,962	778,439,962
7	Accounts and others receivable				
	Imported goods	596,854,255	596,854,255	582,845,962	582,845,962
	Contract execution	725,364,358	725,364,358	652,548,382	652,548,382
	Manufacturing	602,555,853	602,555,853	594,598,265	594,598,265
	Shipping agent	379,855,822	379,855,822	318,659,768	318,659,768
	Receivable (Subsidiary Company)	895,225,323	-	63,956,512	-
	Interest Receivable	7,497,590	7,497,590	7,745,843	7,745,843
	Total	3,207,353,201	2,312,127,878	2,220,354,732	2,156,398,220
	Dues upto 6 months	1,568,548,252	1,457,594,225	1,550,566,880	1,487,914,772
	Dues above 6 months	1,638,804,949	854,533,653	669,787,852	668,483,448
	Total	3,207,353,201	2,312,127,878	2,220,354,732	2,156,398,220

The classification of receivables as required by the schedule XI of the Companies Act, 1994 are given below:

Receivable considered good in respect of which the company is fully secured.	-	-	-	-
Receivable considered good in respect of which the company holds no security other than the debtor personal security.	3,207,353,201	2,312,127,878	2,220,354,732	2,156,398,220
Receivables considered doubtful bad.	-	-	-	-
Receivable to Directors.	-	-	-	-
Receivables due by common management.	-	-	-	-
The maximum amount of receivable due by any director or other officer of the company.	-	-	-	-
Total	3,207,353,201	2,312,127,878	2,220,354,732	2,156,398,220

SL	Particulars	Amount in Taka			
		At 30 June 2023		At 30 June 2022	
		Consolidated	The Company	Consolidated	The Company
8	Advances, deposits and prepayments				
	Advances to/against				
	VAT Curreant Account	60,222,479	60,009,171	40,486,503	40,460,911
	Income tax	1,516,504,152	1,485,012,500	1,342,116,450	1,327,059,365
	Salary	5,227,155	5,227,155	6,008,465	6,008,465
	Office rent	19,025,485	19,025,485	19,568,556	19,568,556
	Advance against work	1,557,157,080	1,083,862,495	1,317,680,518	841,838,003
	Others	1,938,839,107	1,805,815,417	1,235,979,018	1,087,419,473
	Sub-total	5,096,975,458	4,458,952,223	3,961,839,510	3,322,354,773
	Deposits and prepayments:				
	Bank guarantee	8,037,878	8,037,878	27,636,041	23,564,741
	L/C margin	270,956,271	270,956,271	603,139,739	10,387,545
	Earnest money	10,200	10,200	10,200	10,200
	Security money	14,319,694	14,319,694	14,319,694	14,319,694
	Capital Market Stibilization Fund	5,349,927	5,349,927	5,353,674	5,353,674
	Sub-total	298,673,970	298,673,970	650,459,348	53,635,854
	Total	5,395,649,428	4,757,626,193	4,612,298,858	3,375,990,627
	Dues upto 6 months	2,302,572,753	1,427,287,858	1,376,937,131	506,398,594
	Dues above 6 months	3,093,076,675	3,330,338,335	3,235,361,727	2,869,592,033
	Total	5,395,649,428	4,757,626,193	4,612,298,858	3,375,990,627
9	Fixed deposit receipt (FDR):				
	Dhaka Bank Limited	257,222,057	257,222,057	233,136,574	233,136,574
	Padma Bank Limited	115,555,041	115,555,041	112,650,906	112,650,906
	Premier Leasing & Finance Ltd	85,882,869	85,882,869	80,849,361	80,849,361
	National Bank Limited	25,095,189	25,095,189	24,000,000	24,000,000
	NCC Bank Limited	64,912,135	64,912,135	76,373,301	76,373,301
	United Commercial Bank Limited	6,045,917	6,045,917	3,093,000	3,093,000
	Saif Maritime LLC	6,474,075	-	-	-
	Total	561,187,283	554,713,208	530,103,142	530,103,142

SL	Particulars	Amount in Taka			
		At 30 June 2023		At 30 June 2022	
		Consolidated	The Company	Consolidated	The Company
10	Cash and cash equivalents				
	Cash in hand				
	Branch Office	10,112,662	10,112,662	14,586,852	14,586,852
	Factory	3,986,852	3,986,852	2,685,942	2,685,942
	Dhaka Office	11,385,961	9,815,825	9,359,810	7,586,942
	Saif Maritime LLC	2,246,037	-	273,585	-
	Saif United & Shipping	5,960,582	-	-	-
		33,692,094	23,915,339	26,906,189	24,859,736
	Bank balances with:				
	Bank Asia Limited	22	11	22	11
	Bangladesh Commerce Bank Limited	7,173	7,173	1,290	1,290
	Dhaka Bank Limited	56,556,997	56,437,352	35,277,050	35,187,511
	Mercantile Bank Limited, Dhaka	37,936	37,936	43,327	43,327
	One Bank Limited	8,014,857	8,014,857	2,967,417	2,967,417
	Jamuna Bank Limited	1,121,892	1,121,892	5,048,588	5,048,588
	AB Bank Limited	2,567	2,567	2,567	2,567
	The Premier Bank Limited	-	-	-	-
	Sonali Bank Limited	5,021,214	5,021,214	1,634,989	1,634,989
	South Bangla Agriculture & Commerce Bank Ltd	9,319	9,319	11,593	11,593
	BRAC Bank Limited	569,334	569,334	569,514	569,514
	Community Bank Bangladesh Limited	2,037,457	1,039,512	-	-
	Islami Bank Bangladesh Limited	5,009,392	5,009,392	14,888,359	14,888,359
	NCC Bank Limited	24,115,827	24,092,545	16,549,022	16,274,889
	NRB Commercial Bank Limited	1,493	1,493	2,182	2,182
	United Commercial Bank Limited	5,205,257	4,962,675	4,051,068	1,679,450
	Southeast Bank Limited	76,193	76,193	76,901	76,901
	Padma Bank Limited	2,995,710	2,824,249	834,111	662,305
	Dutch Bangla Bank Ltd	1,764,067	1,764,067	2,970,490	2,970,490
	Standard Bank Limited	463,437	463,437	464,277	464,277
	National Bank Limited	2,847,318	2,706,257	2,743,705	2,688,136
	Dhaka Bank Limited (Rights)	272	272	1,746	1,746
	Dhaka Bank Limited (IPO)	3,009,620	3,009,620	2,964,736	2,964,736
	Shahajalal Islami Bank Limited	8,435	8,435	7,400	7,400
	Eastern Bank Limited	17,546	17,546	11,703	11,703
	Trust Bank Limited	379,849	379,849	331,156	331,156
	Midland Bank Limited	24,910	24,910	25,600	25,600
	Al Arafa Islami Bank Limited	16,388	3,085	20,997	7,005
	Saif Maritime LLC	5,725,882	-	5,521,270	-
	Saif United & Shipping	38,614,708	-	-	-
	Total	163,655,072	117,605,192	97,021,080	88,523,142
		197,347,166	141,520,531	123,927,269	113,382,878
11	Share capital				
	Authorised capital				
	500,000,000 ordinary shares of Taka 10 each	5,000,000,000	5,000,000,000	5,000,000,000	5,000,000,000
	Paid-up capital				
	137,689,348 ordinary shares @ Tk.10 each in Cash	1,376,893,480	1,376,893,480	1,376,893,480	1,376,893,480
	241,649,299 ordinary shares @ Tk.10 each in Bonus	2,416,492,990	2,416,492,990	2,416,492,990	2,416,492,990
	Total	3,793,386,470	3,793,386,470	3,793,386,470	3,793,386,470
	Company's shareholding position as on 30 June 2023 were as under:				
11.1	<u>Shareholdings</u>		<u>Percentage (%)</u>	<u>No. of shares</u>	<u>Value (Taka)</u>
	Directors and Sponsor		40.06	151,955,526	1,519,555,260
	Institutional shareholders		17.88	67,825,755	678,257,550
	Individual shareholders		42.06	159,557,366	1,595,573,660
	Total		100.00	379,338,647	3,793,386,470

SL	Particulars	Amount in Taka			
		At 30 June 2023		At 30 June 2022	
		Consolidated	The Company	Consolidated	The Company
12	Share premium	976,713,054	976,713,054	976,713,054	976,713,054
13	Revaluation reserve	82,059,122	82,059,122	82,059,122	82,059,122
	In 2010, land under the ownership of Saif Powertec Limited was professionally revalued by G. Kibria & Co, Chartered Accountants. at Fair market value was estimated at Taka 121,734,000 as against net book value of Taka 25,193,856 resulting in a revaluation surplus of Taka 96,540,144 which was accounted for and transferred to revaluation reserve. The company does not feel it necessary to revalue is property during the year since the value does not differ significantly from its carrying amount.				
14	Amount to be distributed as Dividend				
	Opening Balance	379,338,656	379,338,656	572,586,638	572,586,638
	Add: Addition this year	-	-	379,338,647	379,338,647
	Less: 10% Cash Dividend adjustment for the year ended June 30, 2022 (2021: 10% Cash)	(379,338,656)	(379,338,656)	(357,866,649)	(357,866,649)
	Less: 6% Stock Dividend adjustment for the year ended June 30, 2021	-	-	(214,719,980)	(214,719,980)
	Total	-	-	379,338,656	379,338,656
15	Retained earnings:				
	Opening Balance	1,025,323,189	959,952,255	914,217,938	873,069,520
	Opening Balance of Saif United & Shipping (2022: Saif Maritime LLC)	36,628,450	-	(10,081,534)	-
	Add: Addition this year	288,213,331	297,180,289	500,670,740	466,221,381
	Less: Prior Year Tax Provision Adjustment of 88 Innovation Eng. Ltd	(16,609,028)	-	-	-
	Less: Amount to be distributed as dividend as per U/S-16G of ITO, 1984.	-	-	(379,338,647)	(379,338,647)
	Less: Tranfer to Statutory Reserve (Saif Maritime LLC)	-	-	(145,307)	-
	Total	1,333,555,942	1,257,132,543	1,025,323,189	959,952,255
16	Non Controlling Interest:				
	16.01: Non-Controlling Interest of Saif Plastic and Polymer Industries Limited				
	This is made up as follows:				
	A. Subsidiary Share Capital	100,000,000		100,000,000	
	B. Saif Powertec Limited invest to Subsidiary Company	80,000,000		80,000,000	
	Percentage of holding share of Subsidiary company By SPL (B/A)	80%		80%	
	Non Controlling interest Percentage	20%		20%	
	C. Non controlling interest on Share Capital	20,000,000		20,000,000	
	Opening Retained earnings	76,750,281		68,496,171	
	D. Non controlling interest on Opening retained earnings @20% Restated	15,350,056		13,699,234	
	Current years profit of subsidiaries	3,166,566		8,254,110	
	E. Non controlling interest on current years profit of subsidiary @ 20%	633,313		1,650,822	
	Total Non controlling Interest of SPIL (C+D+E)	35,983,369		35,350,056	

SL	Particulars	Amount in Taka			
		At 30 June 2023		At 30 June 2022	
		Consolidated	The Company	Consolidated	The Company
	16.02: Non-Controlling Interest of Saif Port Holdings Limited				
	This is made up as follows:				
	A. Subsidiary Share Capital	50,000,000		50,000,000	
	B. Saif Powertec Limited invest to Subsidiary Company	32,500,000		32,500,000	
	Percentage of holding share of Subsidiary company By SPHL (B/A)	65%		65%	
	Non Controlling interest Percentage	35%		35%	
	C. Non controlling interest on Share Capital	17,500,000		17,500,000	
	Opening profit of subsidiaries	(38,640,977)		(20,997,732)	
	D. Non controlling interest on current years profit of subsidiary @ 35%	(13,524,342)		(7,349,206)	
	Current years profit of subsidiaries	(22,954,895)		(17,643,245)	
	E. Non controlling interest on current years profit of subsidiary @ 35%	(8,034,213)		(6,175,136)	
	Total Non controlling Interest of SPHL (C+D+E)	(4,058,555)		3,975,658	
	16.03: Non-Controlling Interest of Saif Logistics Alliance Limited				
	This is made up as follows:				
	A. Subsidiary Share Capital	163,500,000		163,500,000	
	B. Saif Powertec Limited invest to Subsidiary Company	133,500,000		133,500,000	
	Percentage of holding share of Subsidiary company By SLAL (B/A)	82%		82%	
	Non Controlling interest Percentage	18%		18%	
	C. Non controlling interest on Share Capital	30,000,000		30,000,000	
	Opening profit of subsidiaries	(76,728)		-	
	D. Non controlling interest on current years profit/(loss) of subsidiary @ 18%	(13,811)		-	
	Current years profit of subsidiaries	(109,616)		(76,728)	
	E. Non controlling interest on current years profit of subsidiary @ 18%	(19,731)		(13,811)	
	Total Non controlling Interest of SPHL (C+D+E)	29,966,458		29,986,189	
	16.04: Non-Controlling Interest of 88 Innovations Engineering Limited				
	This is made up as follows:				
	A. Subsidiary Share Capital	200,000,000		200,000,000	
	B. Saif Powertec Limited invest to Subsidiary Company	110,000,000		110,000,000	
	Percentage of holding share of Subsidiary company By SPHL (B/A)	55%		55%	
	Non Controlling interest Percentage	45%		45%	
	C. Non controlling interest on Share Capital	90,000,000		90,000,000	
	Non controlling interest on Share Capital Issued	12,000,000		-	
	Opening profit of subsidiaries	38,754,399		-	
	D. Non controlling interest on current years profit/(loss) of subsidiary @ 45%	17,439,480		-	
	Current years profit of subsidiaries	(4,171,495)		38,754,399	
	E. Non controlling interest on current years profit of subsidiary @ 45%	(1,877,173)		17,439,480	
	Total Non controlling Interest of 88 Innovatios Engineering Ltd (C+D+E)	27,562,307		17,439,480	
	Total Non controlling Interest	89,453,579		86,751,383	

SL	Particulars	Amount in Taka			
		At 30 June 2023		At 30 June 2022	
		Consolidated	The Company	Consolidated	The Company
17	Long term loan from Banks and NBFIs				
	The company has availed long-term credit facilities from the following banks:				
	Dhaka Bank Limited	85,711,118	85,711,118	150,714,217	150,714,217
	NCC Bank Limited	10,756,098	10,756,098	14,263,196	14,263,196
	One Bank Limited	1,394,924,477	1,394,924,477	1,686,854,810	1,686,854,810
	Premier Bank Limited	65,634,688	65,634,688	34,387,382	34,387,382
	United Commercial Bank Limited	73,855,730	73,855,730	127,149,087	127,149,087
	Hajj Finance Company Limited	73,838,055	73,838,055	-	-
	Premier Leasing and Finance Limited	327,934,346	327,934,346	262,367,906	262,367,906
	National Bank Limited	9,679,769,180	-	8,156,275,928	-
	LankaBangla Finance Ltd.	3,158,899	3,158,899	10,199,365	10,199,365
	Saif Maritime LLC	68,519,306	-	-	-
		11,784,101,897	2,035,813,411	10,442,211,891	2,285,935,963
17.1	Long-term loan				
	<u>Dhaka Bank Limited</u>				
	Opening Balance	236,603,289	236,603,289	300,048,258	300,048,258
	Add: Principal this year	-	-	-	-
	Add: Interest this year	20,042,898	20,042,898	27,138,726	27,138,726
	Less: Payment this year	(83,049,168)	(83,049,168)	(90,583,695)	(90,583,695)
	Sub Total (A)	173,597,019	173,597,019	236,603,289	236,603,289
	<u>One Bank Limited</u>				
	Opening Balance	2,031,589,836	2,031,589,836	930,216,157	930,216,157
	Add: Principal this year	-	-	2,012,433,031	2,012,433,031
	Add: Interest this year	184,705,854	184,705,854	115,035,759	115,035,759
	Less: Payment this year	(283,724,000)	(283,724,000)	(1,026,095,111)	(1,026,095,111)
	Sub Total (B)	1,932,571,690	1,932,571,690	2,031,589,836	2,031,589,836
	<u>NCC Bank Limited</u>				
	Opening Balance	17,558,946	17,558,946	-	-
	Add: Principal this year	-	-	18,661,000	18,661,000
	Add: Interest this year	1,479,401	1,479,401	733,631	733,631
	Less: Payment this year	(4,648,464)	(4,648,464)	(1,835,685)	(1,835,685)
	Sub Total (B)	14,389,883	14,389,883	17,558,946	17,558,946
	<u>Premier Bank Limited</u>				
	Opening Balance	343,646,021	343,646,021	373,191,329	373,191,329
	Add: Principal this year	146,000,000	146,000,000	170,986,830	170,986,830
	Add: Interest this year	33,012,232	33,012,232	39,557,268	39,557,268
	Less: Payment this year	(221,232,578)	(221,232,578)	(240,089,406)	(240,089,406)
	Sub Total (C)	301,425,675	301,425,675	343,646,021	343,646,021
	<u>Bangladesh Finance Limited</u>				
	Opening Balance	236,536,282	236,536,282	236,842,059	236,842,059
	Add: Principal this year	-	-	-	-
	Add: Interest this year	21,733,757	21,733,757	40,322,655	40,322,655
	Less: Payment this year	(106,432,047)	(106,432,047)	(40,628,432)	(40,628,432)
	Sub Total (D)	151,837,992	151,837,992	236,536,282	236,536,282

SL	Particulars	Amount in Taka			
		At 30 June 2023		At 30 June 2022	
		Consolidated	The Company	Consolidated	The Company
Infrastructure Development Company Limited					
	Opening Balance	-	-	179,759,413	179,759,413
	Add: Principal this year	-	-	-	-
	Add: Interest this year	-	-	-	-
	Less: Payment this year	-	-	(71,192,486)	(71,192,486)
	Less: Principal waived this year	-	-	(108,566,927)	(108,566,927)
	Sub Total (E)	-	-	-	-
Premier Leasing & Finance Limited					
	Opening Balance	379,553,824	379,553,824	88,791,411	388,791,411
	Add: Principal this year	-	-	-	-
	Add: Interest this year	54,255,596	54,255,596	48,284,466	48,284,466
	Less: Payment this year	(48,500,000)	(48,500,000)	(57,522,053)	57,522,053)
	Sub Total (F)	385,309,420	385,309,420	379,553,824	379,553,824
IPDC Finance Limited					
	Opening Balance	19,761,943	19,761,943	27,083,988	27,083,988
	Add: Principal this year	-	-	-	-
	Add: Interest this year	2,160,460	2,160,460	3,204,250	3,204,250
	Less: Payment this year	(14,486,315)	(14,486,315)	(10,526,295)	10,526,295)
	Sub Total (G)	7,436,088	7,436,088	19,761,943	19,761,943
Haji Finance Company Limited					
	Opening Balance	82,303,356	82,303,356	98,963,737	98,963,737
	Add: Principal this year	35,175,613	35,175,613	-	-
	Add: Interest this year	17,313,986	17,313,986	3,154,751	3,154,751
	Less: Payment this year	(16,105,044)	(16,105,044)	(19,815,132)	(19,815,132)
	Sub Total (H)	118,687,911	118,687,911	82,303,356	82,303,356
National Bank Limited					
	Opening Balance	8,156,275,928	-	5,764,486,706	-
	Add: Principal this year	721,128,649	-	2,133,470,719	-
	Add: Interest this year	802,364,603	-	630,935,788	-
	Less: Payment this year	-	-	(372,617,285)	-
	Sub Total (I)	9,679,769,180	-	8,156,275,928	-
United Commercial Bank Limited					
	Opening Balance	189,745,389	189,745,389	19,589,255	219,589,255
	Add: Principal this year	-	-	-	-
	Add: Interest this year	15,372,131	15,372,131	18,445,853	18,445,853
	Less: Payment this year	(62,850,882)	(62,850,882)	(48,289,719)	(48,289,719)
	Sub Total (J)	142,266,638	142,266,638	189,745,389	189,745,389
LankaBangla Finance Limited					
	Opening Balance	17,487,551	17,487,551	24,966,151	24,966,151
	Add: Principal this year	-	-	21,177,843	21,177,843
	Add: Interest this year	1,589,290	1,589,290	3,805,145	3,805,145
	Less: Payment this year	(7,738,177)	(7,738,177)	(32,461,588)	(32,461,588)
	Sub Total (K)	11,338,664	11,338,664	17,487,551	17,487,551
	Total (A+B+C+D+E+F+G+H+I+J)	12,918,630,160	3,238,860,980	11,711,062,362	3,554,786,434
	Less: Long-term loan	11,784,101,897	2,035,813,411	10,442,211,891	2,285,935,963
	Transferred to current portion loan	1,134,528,263	1,203,047,569	1,268,850,471	1,268,850,471

SL	Particulars	Amount in Taka			
		At 30 June 2023		At 30 June 2022	
		Consolidated	The Company	Consolidated	The Company
	Nature	Long term loan			
	Purpose	Working Capital			
	Tenure	1 Year to 6 Years			
	Repayment	1/25/2022			
	Rate of interest	12% ~ 18%			
	Security	Registered mortgage of 82.00 decimal land situated at Khilgaon, Gazipur. Lien of readily saleable 4,118,834 shares. Hypothecation underlying assets, 32.43 Decimal land at Basugaon, pubail, 32.20 Decimal land at khilgaon, pubail, 122 decimal. Bashugaon, Gazipur. 8.77 decimals land at Gazipur Sadar, 69.80 decimal land at khilgaon, Gazipur.			
18	Current portion of long-term loan				
	Dhaka Bank Limited	87,885,900	87,885,900	85,889,069	85,889,069
	Bangladesh Finance and Investment Company Limited	151,837,992	151,837,992	236,536,282	236,536,282
	One Bank Limited	537,647,213	537,647,213	344,735,025	344,735,025
	Premier Bank Limited	235,790,986	235,790,986	309,258,638	309,258,638
	United Commercial Bank Limited	68,410,908	68,410,908	62,596,302	62,596,302
	NCC Bank Limited	3,633,785	3,633,785	3,295,750	3,295,750
	Premier Leasing and Finance Limited	57,375,074	57,375,074	117,185,918	117,185,918
	LankaBangla Finance Limited	8,179,765	8,179,765	7,288,188	7,288,188
	IPDC Finance Limited	7,436,088	7,436,088	19,761,943	19,761,943
	Hajj Finance Company Limited	44,849,856	44,849,856	82,303,356	82,303,356
	Saif Maritime LLC	-	-	-	-
	Total	1,203,047,567	1,203,047,567	1,268,850,471	1,268,850,471
19	Deferred Tax Liability:				
	Deferred tax liability end of the period	256,646,942	256,646,942	230,936,809	230,936,809
	Deferred Tax liability (Subsidiary Com.)	29,692,806	-	26,084,129	-
	Total	286,339,748	256,646,942	257,020,938	230,936,809
	Details are shown in Annexure -V				
20	Short-term loan				
	<u>Time Loan and LTR</u>				
	Dhaka Bank Limited	-	-	31,582,278	31,582,278
	NCC Bank Limited	-	-	51,148,859	51,148,859
	Bangladesh Commerce Bank Limited	180,027,417	180,027,417	198,438,076	198,438,076
	National Bank Limited	964,541,679	964,541,679	-	-
	United Commercial Bank Limited	2,461,048,114	2,461,048,114	903,995,806	903,995,806
		3,605,617,210	3,605,617,210	1,185,165,019	1,185,165,019
	<u>Bank Overdraft</u>				
	Dhaka Bank Limited	102,833,913	102,833,913	208,668,531	208,668,531
	National Bank Limited	1,231,244,121	1,231,244,121	1,174,114,453	1,174,114,453
	NCC Bank Limited	215,087,756	215,087,756	249,710,170	249,710,170
	One Bank Limited	94,927,729	94,927,729	95,295,736	95,295,736
	South Bangla Agricultural Bank Limited	224,579,446	224,579,446	202,537,635	202,537,635
	United Commercial Bank Limited	451,909,241	451,909,241	255,303,006	255,303,006
	Saif Maritime LLC	1,960,537	-	-	-
		2,322,542,743	2,320,582,206	2,185,629,531	2,185,629,531
		5,928,159,953	5,926,199,416	3,370,794,550	3,370,794,550

SL	Particulars	Amount in Taka			
		At 30 June 2023		At 30 June 2022	
		Consolidated	The Company	Consolidated	The Company
	20.01 Time Loan and LTR				
	<u>Dhaka Bank Limited</u>				
	Opening Balance	31,582,278	31,582,278	20,776,554	20,776,554
	Add: Principal this year	36,881,527	36,881,527	79,335,346	79,335,346
	Add: Interest this year	2,351,350	2,351,350	2,105,510	2,105,510
	Less: Payment this year	(70,815,155)	(70,815,155)	(70,635,132)	(70,635,132)
		-	-	31,582,278	31,582,278
	<u>One Bank Limited</u>				
	Opening balance	-	-	678,747,801	678,747,801
	Add: Principal this year	-	-	352,243,484	352,243,484
	Add: Interest this year	-	-	81,471,670	81,471,670
	Less: Payment this year	-	-	(1,112,462,955)	(1,112,462,955)
		-	-	-	-
	<u>National Bank Limited</u>				
	Opening balance	-	-	-	-
	Add: Principal this year	934,487,098	934,487,098	-	-
	Add: Interest this year	41,443,269	41,443,269	-	-
	Less: Payment this year	(11,388,689)	(11,388,689)	-	-
		964,541,678	964,541,678	-	-
	<u>NCC Bank Limited</u>				
	Opening balance	51,148,859	51,148,859	-	-
	Add: Principal this year	-	-	50,000,000	50,000,000
	Add: Interest this year	4,070,196	4,070,196	4,796,359	4,796,359
	Less: Payment this year	(55,219,055)	(55,219,055)	(3,647,500)	(3,647,500)
		-	-	51,148,859	51,148,859
	<u>United Commercial Bank Limited</u>				
	Opening balance	903,995,806	903,995,806	378,449,625	378,449,625
	Add: Principal this year	1,990,010,028	1,990,010,028	895,091,050	895,091,050
	Add: Interest this year	151,460,850	151,460,850	52,678,014	52,678,014
	Less: Payment this year	(584,418,570)	(584,418,570)	(422,222,883)	(422,222,883)
		2,461,048,114	2,461,048,114	903,995,806	903,995,806
	<u>Bangladesh Commerce Bank Limited</u>				
	Opening balance	198,438,076	198,438,076	233,838,911	233,838,911
	Add: Principal this year	186,852,999	186,852,999	1,275,010	1,275,010
	Add: Interest this year	17,173,386	17,173,386	20,421,155	20,421,155
	Less: Payment this year	(222,437,044)	(222,437,044)	(57,097,000)	(57,097,000)
		180,027,417	180,027,417	198,438,076	198,438,076

SL	Particulars	Amount in Taka			
		At 30 June 2023		At 30 June 2022	
		Consolidated	The Company	Consolidated	The Company
	Purpose	Working Capital			
	Tenure	1 Year			
	Repayment	11/30/2019			
	Rate of interest	11% to 16.50%			
	Security	Pledge of 3.225 Million Ordinary Share of SAIF Powerte Limited, Hypothecation underlying assets, 32.43 Decimal land at Basugaon, pubail, 32.20 Decimal land at khilgaon, pubail, 122 dec. Bashugaon , Gazipur.			
21	Accounts payable				
	A & J Traders	1,882,533	1,882,533	3,025,846	3,025,846
	M. H Chy	2,361,149	2,361,149	3,584,684	3,584,684
	New Model Art press	356,822	356,822	245,262	245,262
	Deferred L/C Liabilities	29,254,264	29,254,264	30,184,642	30,184,642
	Others	8,546,824	8,546,824	8,264,582	8,264,582
	Subsidiary	773,828,543	-	166,943,414	-
	Total	816,230,135	42,401,592	212,248,430	45,305,016
	Dues upto 6 months	739,993,785	36,532,110	115,864,863	36,697,063
	Dues above 6 months	76,236,350	5,869,482	96,383,567	8,607,953
	Total	816,230,135	42,401,592	212,248,430	45,305,016
22	Undistributed profit (Cash Dividend)				
	Opening balance	57,710,981	57,710,981	29,819,340	29,819,340
	Add: Addition during the year	379,338,656	379,338,656	357,866,649	357,866,649
	Less : Adjustment during the year	(376,900,190)	(376,900,190)	(329,975,008)	(329,975,008)
	Closing balance	60,149,448	60,149,448	57,710,981	57,710,981
23	Accrued expenses				
	Salary and allowances	31,433,992	29,865,258	31,482,197	30,254,864
	Others payable	4,009,597	3,957,682	4,168,843	3,897,516
	Tax Payable against WPPF	521,743	521,743	1,673,598	1,673,598
	Office rent	1,765,900	1,613,900	1,765,900	1,613,900
	Income tax payable (Note: 23.01)	1,303,666,310	1,271,038,238	1,224,634,535	1,210,470,224
	Audit fee	977,500	460,000	805,000	460,000
	Service charge	55,825	55,825	53,520	53,520
	Utility bill	5,811,538	5,691,286	5,545,507	5,375,253
	Telephone bill	10,254	10,254	8,546	8,546
	Total	1,348,252,659	1,313,214,186	1,270,137,646	1,253,807,421
	23.01	Income tax provision			
	Opening Balance	1,224,634,535	1,210,470,224	1,128,800,203	1,118,444,363
	Addition during the year	62,422,747	60,568,014	95,834,332	92,025,861
	Add: Prior Year Tax Provision				
	Adjustment of 88 Innovation Eng. Ltd	16,609,028	-	-	-
	Total	1,303,666,310	1,271,038,238	1,224,634,535	1,210,470,224
24	Workers profit participation/Welfare fund				
	Opening balance	218,164,660	218,164,660	221,166,647	221,166,647
	Add: During this year	19,172,922	19,172,922	28,796,376	28,796,376
	Less: Adjustment During the year	(23,037,101)	(23,037,101)	(31,798,363)	(31,798,363)
	Total	214,300,481	214,300,481	218,166,660	218,166,660

SL	Particulars	Amount in Taka					
		At 30 June 2023				At 30 June 2022	
		Consolidated		The Company		Consolidated	The Company
25	Sales	Period from 01 July 2022 to 30 June 2023				Period from 01 July 2021 to 30 June 2022	
		Gross revenue	VAT	Net revenue	Consolidated	Net revenue	Consolidated
	Contract	2,160,515,355	185,355,492	1,975,159,863	1,975,159,863	1,918,581,569	1,918,581,569
	Maintenance	306,635,810	-	306,635,810	306,635,810	719,714,145	719,714,145
	Imported goods	33,641,401	2,585,185	31,056,216	31,056,216	196,812,427	196,812,427
	Manufacturing (Battery)	1,544,810,566	199,626,709	1,345,183,857	1,345,183,857	979,012,805	979,012,805
	Net sales (subsidiary)	-	-	-	1,779,494,689	-	411,434,913
	Total	4,045,603,132	387,567,386	3,658,035,746	5,437,530,435	3,814,120,946	4,225,555,859
26	Cost of sales						
	Contracts (Note 26.01)			536,480,233	536,480,233	655,003,162	655,003,162
	Maintenance (Note 26.02)			132,369,805	132,369,805	364,937,720	364,937,720
	Imported goods (Note 26.03)			23,347,096	23,347,096	136,947,591	136,947,591
	Manufacturing (Note 26.04)			1,296,959,341	1,296,959,341	927,021,182	927,021,182
	Cost of sales (Note 26.05)			1,575,449,325	-	304,159,629	-
	Total			3,564,605,799	1,989,156,475	2,388,069,284	2,083,909,655
26.01	Contracts:						
	Wages and salary			136,674,548	136,674,548	139,256,482	139,256,482
	Project implementation cost & wages			358,301,050	358,301,050	469,859,752	469,859,752
	Salary and allowance			5,908,012	5,908,012	6,135,264	6,135,264
	Trailer and prime mover rent			6,258,555	6,258,555	7,455,821	7,455,821
	Fuel and oil			11,124,582	11,124,582	13,597,454	13,597,454
	Utility bill			5,746,328	5,746,328	5,868,762	5,868,762
	Uniform expenses (dress)			568,208	568,208	645,825	645,825
	Repair and maintenance			11,831,654	11,831,654	12,125,154	12,125,154
	Hotel rent			67,296	67,296	58,648	58,648
	Total			536,480,233	536,480,233	655,003,162	655,003,162
26.02	Maintenance:						
	Salary and allowance			42,580,856	42,580,856	78,598,546	78,598,546
	Salary and wages for causal Labour			83,114,151	83,114,151	278,958,462	278,958,462
	Fuel and oil			4,985,256	4,985,256	5,482,148	5,482,148
	Repair and maintenance			1,689,542	1,689,542	1,898,564	1,898,564
	Total			132,369,805	132,369,805	364,937,720	364,937,720
26.03	Imported goods:						
	Cost of imported goods			10,961,097	10,961,097	62,564,852	62,564,852
	Clearing charge and others			75,864	75,864	75,864	75,864
	L/C expenses			162,548	162,548	62,548	62,548
	Marine insurance			145,264	145,264	45,264	45,264
	Carriage inward			73,581	73,581	73,581	73,581
	Wages and salary			11,928,742	11,928,742	74,125,482	74,125,482
	Total			23,347,096	23,347,096	136,947,591	136,947,591

SL	Particulars	Amount in Taka			
		At 30 June 2023		At 30 June 2022	
		Consolidated	The Company	Consolidated	The Company
26.04	Manufacturing:				
	Raw materials consumption				
	Opening stock of raw materials	276,582,954	276,582,954	231,524,582	231,524,582
	Purchases during the year	813,836,233	813,836,233	577,617,555	577,617,555
	Closing stock of raw materials	(248,567,855)	(248,567,855)	(276,582,954)	(276,582,954)
		841,851,332	841,851,332	532,559,183	532,559,183
	Manufacturing expenses:				
	Clearing charge & others	2,995,122	2,995,122	2,826,594	2,826,594
	L/C expenses and others	4,326,681	4,326,681	3,555,035	3,555,035
	Depreciation	216,016,055	216,016,055	220,593,764	220,593,764
	Marine insurance and others	4,125,425	4,125,425	3,925,846	3,925,846
	Utilities	88,207,419	88,207,419	77,805,964	77,805,964
	Carriage inward	4,180,402	4,180,402	4,058,643	4,058,643
	Wages and salary	132,584,652	132,584,652	132,584,652	132,584,652
	Others	3,482,542	3,482,542	3,685,942	3,685,942
	Total	455,918,298	455,918,298	449,036,440	449,036,440
	Total Manufacturing Expenses	1,297,769,630	1,297,769,630	981,595,623	981,595,623
	Opening work-in process	254,258,463	254,258,463	198,586,725	198,586,725
	Closing work-in process	(243,698,755)	(243,698,755)	(254,258,463)	(254,258,463)
	Opening finished product	247,598,545	247,598,545	248,695,842	248,695,842
	Closing finished product	(258,968,542)	(258,968,542)	(247,598,545)	(247,598,545)
	Cost of Sales	1,296,959,341	1,296,959,341	927,021,182	927,021,182
26.05	Cost of sales of subsidiary	1,575,449,325	-	304,159,629	-
27	General and administrative expenses				
	Salary and allowances	275,379,706	120,325,484	147,734,854	120,325,485
	Office rent	24,120,601	16,444,640	25,984,804	22,685,855
	Travelling and conveyance	2,102,979	1,173,254	1,275,057	1,173,254
	Vehicle running expenses	8,122,884	6,032,485	6,265,047	6,032,485
	Publicity, promotional and CSR expenses	14,927,012	13,348,443	60,468,186	53,393,772
	Utility bills	6,917,254	3,158,648	3,418,301	3,158,648
	Communication expenses	1,103,497	1,077,497	1,050,852	1,024,852
	Printing and stationery & office Expenses	6,336,421	3,258,468	5,931,613	3,689,755
	Employees welfare, Entertainment & Insurance	4,844,134	4,682,865	5,943,571	5,025,462
	Medical expenses	2,125,423	2,125,423	2,568,542	2,568,542
	Business license fee	336,366	198,524	368,712	201,545
	Depreciation	275,103,913	252,791,440	210,450,311	203,336,209
	Preliminary Expenses (Written off), impairment of Assets	1,386,082	-	-	-
	Service charge	757,400	655,258	753,478	655,258
	Telephone and mobile phone bills	1,558,849	1,485,695	1,564,412	1,485,695
	Postage and courier	411,893	385,945	437,706	409,655
	Carriage outward	865,215	865,215	985,642	985,642
	Repair and maintenance	4,586,261	1,689,582	2,011,758	1,765,895
	Tender expenses	575,869	575,869	685,942	685,942
	Marketing salary and expenses	66,744,732	66,225,733	81,789,867	81,258,568
	Audit and Professional fee	8,143,587	460,000	5,107,419	460,000
	Paper and periodicals	58,083	32,585	61,196	36,952
	Sundry expenses	13,424,603	9,405,617	9,675,181	9,583,246
	Total	719,932,764	506,398,670	574,532,450	519,942,717

SL	Particulars	Amount in Taka			
		At 30 June 2023		At 30 June 2022	
		Consolidated	The Company	Consolidated	The Company
28	Financial expenses:				
	Bank interest				
	Dhaka Bank Limited	34,378,146	34,378,146	49,147,870	49,147,870
	One Bank Limited	194,126,596	194,126,596	213,457,976	213,457,976
	South Bangla Agriculture & Commerce Bank Ltd	21,986,866	21,986,866	15,383,573	15,383,573
	NCC Bank Limited	26,953,990	26,953,990	22,661,261	22,661,261
	Bangladesh Finance Limited	21,733,757	21,733,757	40,322,655	40,322,655
	Hajj Finance Company Limited	17,313,986	17,313,986	3,154,751	3,154,751
	Premier Leasing and Finance Limited	54,255,596	54,255,596	48,284,466	48,284,466
	United Commercial Bank Limited	204,532,217	204,532,217	84141164	84141164
	The Premier Bank Limited	33,012,232	33,012,232	39,557,268	39,557,268
	Bangladesh Commerce Bank Limited	17,173,386	17,173,386	20,421,155	20,421,155
	National Bank Limited	149,639,507	149,639,507	91,838,159	91,838,159
	IPDC Finance Limited	2,160,460	2,160,460	3,204,250	3,204,250
	LankaBangla Finance Limited	1,589,290	1,589,290	3,805,145	3,805,145
		<u>778,856,029</u>	<u>778,856,029</u>	<u>635,379,693</u>	<u>635,379,693</u>
	Bank charge, commission & others.				
	AB Bank Limited	-	-	-	-
	Bank Asia Limited	-	-	-	-
	Bangladesh Commerce Bank Limited	7,318	7,318	5,679	5,679
	BRAC Bank Limited	1,190	1,190	1,190	1,190
	Community Bank Bangladesh Limited	15,488	15,488	-	-
	Dhaka Bank Limited	2,514,756	2,514,756	5,903,054	5,903,054
	Padma Bank Limited	2,830	2,830	102,520	102,520
	Islami Bank (Bangladesh) Limited	80,784	80,784	48,026	48,026
	Jamuna Bank Limited	5,521	5,521	5,406	5,406
	Mercantile Bank Limited	3,680	3,680	2,304	2,304
	NCC Bank Limited	2,942,423	2,942,423	10,797,419	10,797,419
	ONE Bank Limited	239,649	239,649	3,982,332	3,982,332
	South Bangla Agriculture Bank Limited	222,055	222,055	1,040,459	1,040,459
	Shajalal Islami Bank Ltd	1,536	1,536	517	517
	Sonali Bank Limited	25,902	25,902	54,817	54,817
	Premier Bank Limited	75,962	75,962	31,099	31,099
	Southeast Bank Limited	1,150	1,150	1,897	1,897
	Standard Bank Limited	840	840	345	345
	Dutch Bangla Bank Limited	514,276	514,276	131,033	131,033
	Eastern Bank Limited	-	-	230	230
	Cash, loan processing and others	24,026	24,026	14,594	14,594
	United Commercial Bank Limited	1,284,728	1,284,728	329,167	329,167
	Trust Bank Limited	27,352	27,352	26,622	26,622
	NRB Commercial Bank Limited	690	690	690	690
	National Bank Limited	612,223	612,223	1,189,644	1,189,644
	Midland Bank Limited	50,345	50,345	690	690
	Al Arafa Islami Bank Ltd	3,460	3,460	977	977
	Subsidiary Companies	3,365,460	-	886,520	-
		<u>12,023,644</u>	<u>8,658,184</u>	<u>24,557,231</u>	<u>23,670,711</u>
	Total	790,879,673	787,514,213	659,936,924	659,050,404

SL	Particulars	Amount in Taka			
		At 30 June 2023		At 30 June 2022	
		Consolidated	The Company	Consolidated	The Company
29	Income Tax Expense:				
	Current tax payable (Note: 29.01)	62,422,747	60,568,014	95,834,332	92,025,861
	Gain on Deferred tax liabilities for rate change	-	-	(19,877,551)	(19,877,551)
	Deferred tax expenses	29,318,810	25,710,133	38,275,933	37,557,832
	Total	91,741,557	86,278,147	114,232,714	109,706,142
	29.01				
	Current tax payable (The Company):				
	Income before tax during the year	383,458,436	383,458,436	575,927,523	575,927,523
	Add: Accounting depreciation	468,807,495	468,807,495	423,929,973	423,929,973
	Less: Tax depreciation	(583,074,756)	(583,074,756)	(590,853,669)	(590,853,669)
	Taxable Income	269,191,175	269,191,175	409,003,827	409,003,827
	Tax Rate	22.50%	22.50%	22.50%	22.50%
	Current Tax	60,568,014	60,568,014	92,025,861	92,025,861
	Add: Tax on Subsidiaries	1,854,732	-	3,808,471	-
	Total	62,422,747	60,568,014	95,834,332	92,025,861
30	Net asset value per share (NAV)				
	Shareholders Equity and Reserve	6,186,056,247	6,109,291,189	6,256,965,799	6,191,449,557
	Number of shares	379,338,647	379,338,647	379,338,647	379,338,647
	Net asset value per share of Taka 10 each	16.31	16.11	16.49	16.32
	Shareholders Equity and Reserve without revaluation reserve	6,103,997,125	6,027,232,067	6,174,906,677	6,109,390,435
	Number of shares	379,338,647	379,338,647	379,338,647	379,338,647
	Net asset value per share without revaluation of Taka 10 each	16.09	15.89	16.28	16.11
31	Earnings per share (EPS)				
	Basic Earning per share:				
	Earnings attributable to ordinary shares:				
	Net profit after tax as per statement of comprehensive income	288,213,331	297,180,289	500,670,740	466,221,381
	Number of shares (Note 32.01):	379,338,647	379,338,647	379,338,647	379,338,647
	Basic Earning per share (Per value of Taka 10)	0.76	0.78	1.32	1.23
	Diluted Earnings per share:				
	Net profit after tax as per statement of comprehensive income	288,213,331	297,180,289	500,670,740	466,221,381
	Number of shares (Note 31.01):	379,338,647	379,338,647	379,338,647	379,338,647
	Diluted Basic Earning per share (Per value of Taka 10)	0.76	0.78	1.32	1.23
	The reason for significant deviation in EPS is due to decreasing overall export import activities of the country.				

SL	Particulars	Amount in Taka			
		At 30 June 2023		At 30 June 2022	
		Consolidated	The Company	Consolidated	The Company
31.01	Number of shares:				
	Opening Balance/weighted average outstanding no. of shares	379,338,647	379,338,647	357,866,649	357,866,649
	Bonus Shares	-	-	21,471,998	21,471,998
		379,338,647	379,338,647	379,338,647	379,338,647
32	Net Operating cash flows per share				
	Net cash provided by operating activities	283,542,885	114,103,609	749,943,531	289,226,134
	Number of shares	379,338,647	379,338,647	379,338,647	379,338,647
	Net Operating cash flows per share	0.75	0.30	1.98	0.76
33	Directors' responsibility statements				
	The Board of Directors takes the responsibility for the preparation and presentation of these financial statements.				
34	Authorisation for issue:				
	These financial statements have been authorised for issue by the Board of Directors of the company on 24 October, 2024				
	Others				
35	Number of Employees				
	All the employees receive salary/wages in excess of Taka 5,000 per month				
	Number of permanent staff		1,819		
36	Figures are rounded off to the nearest Taka.				
37	These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.				
38	Production capacity and current utilization				

Name of Product / Service	Capacity	Capacity Utilizations
Chittagong Port Operation	657,000 containers per year	60%
Maintenance	657,000 containers per year	60%
Import	Not applicable	Not applicable
Sub-contract	Not applicable	Not applicable
Solar	Not applicable	Not applicable
Manufacturing	550,000 pcs	40%
Substation	Not applicable	Not applicable
Contract	11 nos. of RTG	45%
	4 nos. of QGC	100%

Annex J**Details of Property, Plant and Equipment (except Manufacturing unit) and Depreciation at 30 June 2023**

Asset category	Cost and Valuation						Depreciation				Written down value at 30 June 2023
	At 01 July 2022	Additions	Revaluation	Adjustment/disposal	Total at 30 June 2023	Rate (%)	To 01 July 2022	Charge for the Period	Adjustment on disposal	Total at 30 June 2023	
Tools and equipment	1,325,349,503	-	-	-	1,325,349,503	10	797,350,329	52,799,917	-	850,150,246	475,199,257
Land and land development	406,914,074	-	-	-	406,914,074	-	-	-	-	-	406,914,074
Pre-fabricated building	25,550,054	-	-	-	25,550,054	10	17,356,023	614,552	-	17,970,576	7,579,478
Building	345,897,448	-	-	-	345,897,448	5	137,283,510	7,823,023	-	145,106,533	200,790,915
Plant and machinery	920,031,840	255,482,864	-	-	1,175,514,704	20	310,726,988	164,441,448	-	475,168,436	700,346,268
Motor vehicles	317,967,522	35,246,525	-	-	353,214,047	20	213,966,407	21,975,107	-	235,941,514	117,272,533
Workshop	6,353,600	-	-	-	6,353,600	10	5,273,100	108,050	-	5,381,150	972,450
Office and electrical equipment	56,131,046	11,919,706	-	-	68,050,752	10	34,929,224	2,815,498	-	37,744,722	30,306,030
Furniture and fixtures	40,132,533	134,100	-	-	40,266,633	10	23,146,809	1,699,690	-	24,846,499	15,420,134
Others	7,157,082	-	-	-	7,157,082	10	2,015,535	514,155	-	2,529,689	4,627,393
Sub-Total at 30 June 2023	3,451,484,702	302,783,195	-	-	3,754,267,897		1,542,047,924	252,791,440	-	1,794,839,364	1,959,428,533
Sub-Total at 30 June 2022	3,076,818,672	374,666,030	-	-	3,451,484,702		1,338,711,715	203,336,209	-	1,542,047,924	1,909,436,778

Manufacturing Unit**Details of Property, Plant and Equipment and Depreciation at 30 June 2023**

Asset category	Cost and Valuation				Depreciation				Written down value at 30 June 2023		
	At 01 July 2022	Additions	Revaluation	Adjustment/disposal	Total at 30 June 2023	Rate (%)	To 01 July 2022	Charge for the Period		Adjustment on disposal	Total at 30 June 2023
Tools and equipment	160,165,990	-	-	-	160,165,990	10	48,833,048	11,133,294	-	59,966,342	100,199,648
Land and land development	275,563,280	-	-	-	275,563,280	-	-	-	-	-	275,563,280
Building	190,654,813	-	-	-	190,654,813	5	37,358,056	7,664,838	-	45,022,894	145,631,919
Plant and machinery	2,488,462,981	202,525,113	-	-	2,690,988,094	10	574,977,240	193,205,054	-	768,182,294	1,922,805,800
Motor vehicles	17,784,365	12,564,252	-	-	30,348,617	20	11,422,067	1,481,864	-	12,903,931	17,444,686
Office and electrical equipment	12,724,837	2,532,642	-	-	15,257,479	10	5,060,434	791,767	-	5,852,201	9,405,278
Furniture and fixtures	27,245,202	325,426	-	-	27,570,628	10	10,867,055	1,640,852	-	12,507,907	15,062,721
Others	1,611,995	52,542	-	-	1,664,537	10	633,171	98,386	-	731,557	932,980
Sub-Total at 30 June 2023	3,174,213,463	217,999,975	-	-	3,392,213,438		689,151,072	216,016,055	-	905,167,127	2,487,046,311
Sub-Total at 30 June 2022	6,625,698,165	297,313,951	-	-	3,174,213,463		468,557,308	220,593,764	-	689,151,072	2,485,062,391
Sub-Total at 30 June 2023	6,625,698,165	520,783,170	-	-	7,146,481,335		2,231,198,996	468,807,495	-	2,700,006,491	4,446,474,843
Sub-Total at 30 June 2022.	9,702,516,837	671,979,981	-	-	6,625,698,165		1,807,269,023	423,929,973	-	2,231,198,996	4,394,499,169

**Consolidated Property, Plant & Equipment except Saif Maritime LLC and Saif United Shipping & Trading
Details of Property, Plant and Equipment and Depreciation at 30 June 2023**

Asset category	Cost and Valuation				Depreciation				Written down value at 30 June 2023		
	At 01 July 2022	Additions	Revaluation	Adjustment/disposal	Total at 30 June 2023	Rate (%)	To 01 July 2022	Charge for the Period		Adjustment on disposal	Total at 30 June 2023
Tools and equipment	1,486,182,307	128,642	-	-	1,486,310,949	-	846,625,438	63,958,903	-	910,584,341	575,726,608
L and land development	785,433,912	-	-	-	785,433,912	-	-	-	-	-	785,433,912
Pre-fabricated building	25,550,054	-	-	-	25,550,054	-	17,356,023	614,552	-	17,970,576	7,579,478
Building	536,552,261	-	-	-	536,552,261	-	174,641,566	15,487,861	-	190,129,427	346,422,834
Plant and machinery	3,557,220,246	458,007,977	-	-	4,015,228,223	-	943,459,537	362,195,008	-	1,305,654,545	2,709,573,678
Motor vehicles	395,540,775	59,310,777	-	-	454,851,552	-	239,219,387	28,627,768	-	267,847,156	187,004,396
Workshop	6,353,600	-	-	-	6,353,600	-	5,273,100	108,050	-	5,381,150	972,450
Office and electrical equipment	71,243,176	14,667,590	-	-	85,910,766	-	40,703,218	3,792,575	-	44,495,794	41,414,972
Furniture and fixtures	74,338,966	545,168	-	-	74,884,134	-	37,490,927	3,696,096	-	41,187,023	33,697,111
Others	8,769,077	52,542	-	-	8,821,619	-	2,648,706	612,541	-	3,261,247	5,560,372
Total at 30 June 2023	6,947,184,374	532,712,696	-	-	7,479,897,070	-	2,307,417,903	479,093,354	-	2,786,511,256	4,693,385,815
Total at 30 June 2022	6,274,775,894	722,544,396	-	-	6,997,320,290	-	1,873,028,050	437,281,741	-	2,310,309,791	4,687,010,498

Saif Maritime LLC and Saif United Shipping & Trading

Asset category	Cost and Valuation				Depreciation				Written down value at 30 June 2023		
	At 01 July 2022	Additions	Revaluation	Adjustment/disposal	Total at 30 June 2023	Rate (%)	To 01 July 2022	Charge for the Period		Adjustment on disposal	Total at 30 June 2023
Freehold Land	-	4,741,069	-	-	4,741,069	-	-	-	-	-	4,741,069
Leasehold Improvements	-	3,263,914	-	-	3,263,914	-	-	196,033	-	196,033	3,067,881
Furniture and fixtures	2,095	100,206	-	-	102,301	-	2,095	26,183	-	28,278	74,023
Containers	1,822,061	194,814	-	-	2,016,875	-	87,877	235,036	-	322,913	1,693,962
Computer and office equipment	66,877	324,569	-	-	391,446	-	3,822	100,151	-	103,973	287,473
Motor vehicles	126,030	23,938	-	-	149,968	-	19,885	30,092	-	49,977	99,991
Capital work in progress	2,244,709	-	-	2,244,709	-	-	-	-	-	-	-
Sub-Total at 30 June 2023	4,261,772	8,648,510	-	2,244,709	10,665,573	-	113,679	587,495	-	701,174	9,964,399

Figure in AED

Currency Translation Amount in Taka											29,1625
Proterty Plant & Equipment (Consolidated)											290,586,786
											4,983,972,600

Annex II/a

Related party disclosure

During the year the Company carried out a number of transactions with related parties on an arm's length basis. Name of those related parties, nature of those transaction and their total value has been shown in below table in accordance with the provision:

Name of the Party	Relationship	Nature of Transaction	Opening balance as at 01 July 2022 Dr/(Cr)	Dr	Cr	Closing balance at 30 June 2023 Dr/(Cr)
Tarafder Md. Ruhul Amin	Director	Salary and allowances	(300,000)	3,600,000	3,600,000	(300,000)
Tarafder Nigar Sultana	Director	Salary and allowances	-	-	-	-
Tarafder Md. Ruhul Saif	Director	Salary and allowances	-	-	-	-
Rubya Chowdhury	Director	Salary and allowances	-	-	-	-
Saif Port Holdings Limited (*)	Subsidiary Company	Investment in Shares	32,500,000	-	-	32,500,000
Investment in Saif Logistic Alliance Limited (**)	Subsidiary Company	Investment in Shares	133,500,000	-	-	133,500,000
Investment in Saif Maritime LLC (***)	Subsidiary Company	Investment in Shares	12,708,350	-	-	12,708,350
Saif Plastic & Polymer Industries Limited (****)	Subsidiary Company	Investment in Shares	80,000,000	-	-	80,000,000
Total			258,408,350	3,600,000	3,600,000	258,408,350

(*) The company holds 65% shares of Saif Port Holdings Limited

(**) The company holds 82% shares of Saif Logistics Alliance Limited

(***) The company holds 100% shares of Saif Maritime LLC

(****) The company holds 80% shares of Saif Plastic & Polymer Industries Limited

Annex II/b

Transaction with Key Management Personnel of the entity:

No.	Particulars	Value in Taka
(a)	Managerial Remuneration paid or payable during the year to the directors, including managing directors, a managing agent or manager.	3,600,000
(b)	Expenses reimbursed to Managing Agent	Nil
(c)	Commission or Remuneration payable separately to a managing agent or his associate	Nil
(d)	Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company.	Nil
(e)	The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year.	Nil
(f)	Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable.	Nil
(g)	Other allowances and commission including guarantee commission	Nil
(h)	Pensions etc.	Nil
	(i) Pensions	Nil
	(ii) Gratuities	Nil
	(iii) Payments from a provident funds, in excess of own subscription and interest thereon	Nil
(i)	Share Based payments	Nil

As per IAS- 24:

An entity shall disclose key management personnel compensation in total and for each of the following benefits:

(a) Short-term employee benefits	37,880,891
(b) Post-employee benefits	-
(c) Other long term benefits	-
(d) termination benefits and	-
(e) share- based payment	-
Total	37,880,891

Annex III

Shareholdings Position in Subsidiary Company (SPIL)

Total shareholding:

	%	Number of shares	Value of shares/Taka
Saif Powertec Limited	80%	8,000,000	80,000,000
Tarafder Md. Ruhul Amin	14%	1,400,000	14,000,000
Tarafder Nigar Sultana	3%	300,000	3,000,000
Rubya Chowdhury	3%	300,000	3,000,000
	<u>100%</u>	<u>10,000,000</u>	<u>100,000,000</u>

Non-controlling interest

	%	Number of shares	Value of shares/Taka
Tarafder Md. Ruhul Amin	14%	1,400,000	14,000,000
Tarafder Nigar Sultana	3%	300,000	3,000,000
Rubya Chowdhury	3%	300,000	3,000,000
	<u>20%</u>	<u>2,000,000</u>	<u>20,000,000</u>
Opening balance			35,350,056
Profit share for this year			633,313
			<u>35,983,369</u>

Annex IV

Shareholdings Position in Subsidiary Company (SPHL)

Total shareholding:

	%	Number of shares	Value of shares/Taka
Saif Powertec Limited	65%	3,250,000	32,500,000
Tarafder Md. Ruhul Amin	13%	650,000	6,500,000
Tarafder Nigar Sultana	8%	400,000	4,000,000
Rubya Chowdhury	5%	250,000	2,500,000
Tarafder Md. Ruhul Saif	5%	250,000	2,500,000
Tasnim Tarafder	4%	200,000	2,000,000
	100%	5,000,000	50,000,000

Non-controlling interest

	%	Number of shares	Value of shares/Taka
Tarafder Md. Ruhul Amin	13%	650,000	6,500,000
Tarafder Nigar Sultana	8%	400,000	4,000,000
Rubya Chowdhury	5%	250,000	2,500,000
Tarafder Md. Ruhul Saif	5%	250,000	2,500,000
Tasnim Tarafder	4%	200,000	2,000,000
	35%	1,750,000	17,500,000
Opening balance			3,975,658
Profit share for this year			(8,034,213)
			(4,058,555)

Annexure-V

Shareholdings Position in Subsidiary Company (SLAL)

<u>Total shareholding:</u>	<u>%</u>	<u>Number of shares</u>	<u>Value of shares/Taka</u>
Saif Powertec Limited	82%	13,350,000	133,500,000
E-Engineering Limited	18%	3,000,000	30,000,000
	100%	16,350,000	163,500,000
<u>Non-controlling interest</u>			
	<u>%</u>	<u>Number of shares</u>	<u>Value of shares/Taka</u>
E-Engineering Limited	18%	3,000,000	30,000,000
	18%	3,000,000	30,000,000
Opening balance			29,986,189
Profit share for this year			(19,731)
			29,966,458

Annexure-VI

Shareholdings Position in Subsidiary Company (88 Innovations Engineering Ltd)

<u>Total shareholding:</u>	<u>%</u>	<u>Number of shares</u>	<u>Value of shares/Taka</u>
Saif Powertec Limited	55%	11,000,000	110,000,000
Tarafder Md. Ruhul Amin	13%	2,500,000	25,000,000
Mrs. Tarafder Nigar Sultana	12%	2,400,000	24,000,000
Rubya Chowdhury	9%	1,800,000	18,000,000
Tarafder Md. Ruhul Saif	9%	1,800,000	18,000,000
Md. Jobaer Kabir	3%	500,000	5,000,000
	<u>100%</u>	<u>20,000,000</u>	<u>200,000,000</u>

Non-controlling interest

	<u>%</u>	<u>Number of shares</u>	<u>Value of shares/Taka</u>
Tarafder Md. Ruhul Amin	13%	2,500,000	25,000,000
Mrs. Tarafder Nigar Sultana	12%	2,400,000	24,000,000
Rubya Chowdhury	9%	1,800,000	18,000,000
Tarafder Md. Ruhul Saif	9%	1,800,000	18,000,000
Md. Jobaer Kabir	3%	500,000	5,000,000
	<u>45%</u>	<u>9,000,000</u>	<u>90,000,000</u>
Opening balance		38,754,400	17,439,480
Share Capital introduced			12,000,000
Profit share for this year			(1,877,173)
			<u>27,562,307</u>

Annexure-VII

Calculation of Deferred Tax (The Company):

Particulars	30, June 2023	30, June 2022
a) On cost:		
Carrying amount of Property Plant & Equipment:	3,763,997,490	3,712,021,815
Tax base of Property Plant & Equipment:	2,687,704,510	2,749,996,096
Taxable/(deductible) temporary deference	1,076,292,980	962,025,719
Tax rate	22.50%	22.50%
Deferred tax (Assets) / Liability at the end of the year	242,165,920	216,455,787
Gain on Deferred tax liabilities for rate change		(19,877,551)
Deferred tax (income) /expense recognized in Statement of Profit or Loss and Other Comprehensive Income	25,710,133	37,557,832
b) On Revaluation:		
Carrying amount of Property Plant & Equipment:	96,540,144	96,540,144
Tax base of Property Plant & Equipment:		
Taxable/(deductible) temporary deference	96,540,144	96,540,144
Tax rate	15%	15%
Deferred tax (Assets) / Liability at the end of the year	14,481,022	14,481,022
Deferred tax (income) /expense recognized in Statement of Changes in Equity		
Total Deferred tax (Assets) / Liability at the end of the period/year (a+b)	256,646,942	230,936,809



AUDITED FINANCIAL
STATEMENTS-2023



**SAIF PLASTIC & POLYMER
INDUSTRIES LIMITED**

Annual Report 2023

Independent Auditor's Report to the Shareholders of Saif Plastic & Polymer Industries Limited

Opinion

We have audited the financial statements of **Saif Plastic & Polymer Industries Limited**, which comprise the statement of financial position as at June 30, 2023, and 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 and Comparative Financial Statement as prepared by the management.

In our opinion, the financial statements, prepared in accordance with International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) give a true and fair view of the state of the affairs as at June 30, 2023 and of the results of its operations for the year then ended and comply with requirements and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' 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 in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the Statement of Financial Position, where "Share Money Deposits" is shown amounting Tk. 9,010,000 as of 30.06.2023, which has been carried forward from previous year. This is a deviation from the regulations imposed by the Financial Reporting Council (FRC) Despite of emphasising the matter in last audit report, management has not allotted shares against these share money yet. Our opinion is not modified in respect of this matter.

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 in accordance with International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), requirements and other applicable laws and regulation 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.

Auditor's 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 auditor's 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:

- 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.
- 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 project's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 project ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- 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.

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.

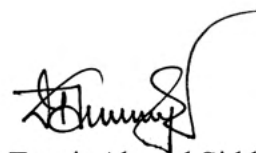
Report on other Legal and Regulatory Requirements

We also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made do verification thereof.
- b) in our opinion, proper books of account as required by law have been kept by the organization so far as it appeared from our examination of those books.
- c) The statement of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of account.
- d) The expenditure incurred was for the purposes of the Company's business.

Date: 10 December, 2023

Place: Dhaka



Dhali Tanvir Ahmad Siddiqui, FCA
Partner
 Ahmmed Hoq Siddiqui & Co.
 Chartered Accountants
 DVC: 2312101391AS407656

**Statement of Financial Position
as at 30 June 2023**

Particulars	Notes	30th June 2023	30th June 2022
ASSETS			
<u>Non-Current Assets</u>		190,730,967	185,906,738
Property, Plant & Equipment	3	110,063,560	114,338,691
Capital Work-in-Progress	4	80,667,407	71,568,048
<u>Current Assets</u>		40,359,769	40,784,886
Advance, Deposit & Pre-payments	5	18,189,471	15,930,666
Cash & Cash Equivalents	6	1,822,220	2,913,870
Inventories	7	3,313,941	3,702,686
Accounts Receivable	8	17,034,138	18,237,664
Total Assets		<u>231,090,736</u>	<u>226,691,624</u>
EQUITY AND LIABILITIES			
<u>Equity</u>		179,916,846	176,750,281
Share Capital	9	100,000,000	100,000,000
Retained Earnings	10	79,916,846	76,750,281
<u>Non Current Liabilities</u>		31,282,541	31,596,091
Deferred Tax liability	11	22,272,541	22,586,091
Share Money Deposit		9,010,000	9,010,000
<u>Current Liabilities</u>		19,891,349	18,345,252
Liabilities for Expenses	12	16,966,757	14,997,350
Accounts Payable	13	2,924,592	3,347,902
Total Equity and Liabilities		<u>231,090,736</u>	<u>226,691,624</u>

The annexed notes form an integral part of this Financial Statement.

N. Sultana
Managing Director
(Tarafder Nigar Sultana)

(Signature)
Director
(Tarafder Md. Ruhul Amin)

Signed in terms of our separate report of even date annexed.

Date: 10 December, 2023
Place: Dhaka

(Signature)
Dhali Tanvir Ahmad Siddiqui, FCA
Partner
Ahmmed Hoq Siddiqui & Co.
Chartered Accountants
DVC: 2312101391AS407656

**SAIF PLASTIC & POLYMER INDUSTRIES LIMITED****Statement of Profit or Loss and other Comprehensive Income
For the period from 01 July 2022 to 30 June 2023**

Particulars	Notes	For the year ended 30 June	
		2023	2022
Sales	14	39,761,417	57,693,087
Less: Cost of Goods Sold	15	27,502,670	41,328,888
Gross Profit/(Loss)		12,258,747	16,364,199
Less: Administrative Expenses	16	7,058,525	4,119,569
Less: Marketing and Selling Expenses	17	518,999	531,299
Net Operating Income		4,681,223	11,713,331
Add: Other Non-Operating Income	18	26,525	78,254
Net Profit Before Tax		4,707,748	11,791,585
Less: Current Tax	19.01	1,854,732	3,808,472
Less: Deferred Tax Income	19.02	313,550	270,996
Income Tax Expense		1,541,182	3,537,476
Net Profit after Tax		<u>3,166,566</u>	<u>8,254,110</u>

The annexed notes form an integral part of this Financial Statement.

N. Sultana
Managing Director
(Tarafder Nigar Sultana)

(Signature)
Director
(Tarafder Md. Ruhul Amin)

Signed in terms of our separate report of even date annexed.

Date: 10 December, 2023
Place: Dhaka

(Signature)
Dhali Tanvir Ahmad Siddiqui, FCA
Partner
Ahmmed Hoq Siddiqui & Co.
Chartered Accountants
DVC: 2312101391AS407656



Statement of Changes in Equity
For the period from 01 July 2022 to 30 June 2023

Particulars	Share Capital	Retained Earnings	Total Equity
Balance as at 01 July 2022	100,000,000	76,750,281	176,750,281
Net Profit after Tax for this year	-	3,166,566	3,166,566
Balance as at 30 June 2023	100,000,000	79,916,847	179,916,846

Particulars	Share Capital	Retained Earnings	Total Equity
Balance as at 01 July 2021	100,000,000	68,496,171	168,496,171
Net Profit after Tax for this year	-	8,254,110	8,254,110
Balance as at 30 June 2022	100,000,000	76,750,281	176,750,281

The annexed notes form an integral part of this Financial Statement.

M. Sultana
 Managing Director
 (Tarafter Nigar Sultana)

(Signature)
 Director
 (Tarafter Md. Ruhul Amin)

Signed in terms of our separate report of even date annexed.

Date: 10 December, 2023
 Place: Dhaka

(Signature)
 Dhali Tanvir Ahmad Siddiqui, FCA
Partner
 Ahmmed Hoq Siddiqui & Co.
 Chartered Accountants
 DVC: 2312101391AS407656



Statement of Cash Flow
For the period from 01 July 2022 to 30 June 2023

Particulars	For the year ended 30 June	
	2023	2022
Cash Flows from Operating Activities		
Cash receipt from customer	40,991,469	58,668,067
Cash paid to suppliers and employees	30,295,427	39,887,124
Cash generated from operations	10,696,042	18,780,943
VAT Receivable	(187,716)	1,736,264
Advance income tax	(1,509,828)	(837,875)
Net cash flow from operating activities	8,998,498	19,679,332
Cash flow from investing activities		
Purchases of property, plant and equipment	(429,526)	-
Capital Work-in progress	(9,099,359)	(16,954,960)
Advance against civil work	(561,262)	(1,337,866)
Net cash used in investing activities	(10,090,147)	(18,292,826)
Cash flow from financial activities		
Financial cost	-	-
Net cash from/(used in) financing activities	-	-
Net cash inflow/(outflow) for the period	(1,091,649)	1,386,506
Opening cash and cash equivalents	2,913,870	1,527,364
Closing cash and cash equivalents	<u>1,822,221</u>	<u>2,913,870</u>

The annexed notes form an integral part of this Financial Statement.

N. Sultana
 Managing Director
 (Tarafter Nigar Sultana)

(Signature)
 Director
 (Tarafter Md. Ruhul Amin)

Signed in terms of our separate report of even date annexed.

Date: 10 December, 2023
 Place: Dhaka

(Signature)
 Dhali Tanvir Ahmad Siddiqui, FCA
Partner
 Ahmmed Hoq Siddiqui & Co.
 Chartered Accountants
 DVC: 2312101391AS407656



1.00 Legal Status and Nature of the Company

1.01 Background of the Company

Saif Plastic & Polymer Industries Limited was incorporated on dated 30 November 2010 under the Companies Act 1994 (Act XVIII) vide Reg. No.C-88473/2010 with the Registrar of Joint Stock Companies and Firms, Dhaka as a Private limited Company.

1.02 Registered Office of the Company

Registered Office of the company situated at 72, Mohakhali C/A, (8th floor}, Rupayan Center, Gulshan, Dhaka, PO: 1212, Bangladesh.

1.03 Nature of the business

The company formed with a wide range of objective to carry on business for export, import, indent, manufacturing all kinds of Plastic products & raw materials of all kinds of plastic products including medical products. To set up and establish industries for manufacturing of Plastic jug, mug, bowl, plate, container, water tank, plastic door, box, frame and other allied products. Including and reducing of plastic products including all medical products.

2.00 Basis of preparation and significant accounting policies

2.01 Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), the Compliance Act 1994 and other applicable laws and regulations. The format of the statements follows the requirements of IFRSs which is to some extent different from the statements of the companies Act, 1994. However, for better presentation IAS has been followed for the preparation and presentation of the financial statements.

2.02 Basis of preparation and presentation of financial statements

The financial statements as at and for the period ended on 30 June 2023 have been prepared under the historical cost convention and in accordance with International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), the Companies Act 1994 and other laws and rules applicable in Bangladesh.

2.03 Basis of Measurement

The financial statements have been prepared on historical cost basis.

2.04 Components of the financial statements

The financial statements comprise of:

- i. Statement of Financial Position as at 30 June 2023
- ii. Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2023.
- iii. Statement of Changes in Equity for the year ended 30 June 2023.
- iv. Statement of Cash Flows for the year ended 30 June 2023.
- v. Accounting Policies and Explanatory Notes.

2.05 Functional and presentational currency

The financial statements have been presented in Bangladeshi Taka which is the company's functional currency. Figures have been rounded off to nearest Taka.

2.06 Use of estimates and judgments

The preparation of the financial statements in conformity with IFRSs requires management to use judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

2.07 Going concern

The Company has adequate resources to continue in operation for foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the accounts. The current credit facilities and resources of the Company provide sufficient funds to meet the present requirements of its existing businesses and operations.

2.08 Reporting Period

The financial Statements have been prepared for 12 months for the year 01 July 2022 to 30 June 2023.

2.09 Directors' responsibility statement

The Board of Directors is responsible for the preparation and presentation of Financial Statements under Section 183 of the Companies Act 1994 and as per the provision of The Framework for the Preparation and Presentation of Financial Statements as stated in International Accounting Standards.

2.10 Property, Plant & Equipment

2.10.1 Recognition and measurement

Items of property, plant and equipment are measured initially at cost and subsequently at cost less accumulated depreciation in compliance with International Accounting Standards (IAS) 16 Property, Plant & Equipment. The cost acquisition of an asset comprises its purchase price and any direct cost for bringing the asset to its working condition for its intended use. Expenditures incurred after the asset have been put into use, such as repairs and maintenance are normally charged off as revenue expenditure in the period in which it is incurred. Software and all up gradation/ enhancement are generally charged off as revenue expenditure unless they bring similar significant additional benefits. When parts of item of property, plant & equipment have different useful lives, they are accounted for as separate items (measure components) of property, plant & equipment.

2.10.2 Subsequent cost

The cost of replacing part of an item of a property, Plant & equipment is recognized in the carrying amount for the item if it probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. Cost of the day-to-day servicing of property, plant & equipment are recognized in profit and loss accounts as expenses.

2.10.3 Depreciation

Depreciation is based on the cost of an asset less its residual value. Depreciation is recognized in profit or loss based on reducing balance method over the estimated useful lives of each component of an item of property, plant & equipment. Depreciation is charged on addition of fixed assets has been charged from the date of the assets are available for use.

2.10.4 Disposal of fixed Asset

Gains and losses of disposal of an item of property, plant & equipment are to be determined by comparing the proceeds from the disposal with the carrying amount of the property, plant & equipment.

2.11 Consistency

In accordance with the IFRS framework for the presentation of financial statements together with IAS 1 and IAS 8, company applies the accounting disclosure principles consistently from one period to the next. Where selecting and applying new accounting policies, changes in accounting policies applied, correction of errors, the amounts involved are accounted for and disclosed retrospectively in accordance with the requirement of IAS-8. The company however has applied the same accounting and valuation principles consistently.

2.12 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and cash at bank.

2.13 Share capital

Only ordinary shares are classified as equity.

2.14 Financial risk management

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

2.15 Revenue recognition

As per International Financial Reporting Standards (IFRS) 15 Revenue from contracts with customers, is recognized when the parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations, the entity can identify each party's rights regarding risk and rewards to be transferred, the contract has commercial substance, it is probable that the economy benefits associated with the transaction will flow to the company and the amount of revenue and the cost incurred or to be incurred in respect of the transaction can be measured reliability.

2.16 Income and expenditures

Income and expenditures are recognized on accrual basis and income is only recognized if its realization is reasonably certain.

2.17 Contingent Liabilities and Assets

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the company. There is no Contingent Assets or Liabilities in the reporting period in accordance with IAS-37 Provisions, Contingent Liabilities and Contingent Assets.

2.18 Accounts Receivable

Accounts Receivable is carried at original invoice amount. There is no risk of recovery of the amount of accounts receivable.

2.19 Earnings Per Share

An earnings per share (EPS) is calculated in accordance with the Bangladesh Accounting Standard IAS-33 "Earnings per share".

2.20 Events after the Reporting period

In compliance with the requirements of IAS 10: Events After the Reporting Period, post statement of financial position events that provide additional information about the company's position at the reporting date are reflected in the financial statements and events after the reporting date that are not adjusting events are disclosed in the notes when material. All material events occurring after the balance sheet date has been considered.

2.21 Related Party Disclosure

As per International Accounting Standards (IAS) 24 "Related Party Disclosures", parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

2.22 Comparative Figures

Relevant notes and disclosures are also presented in a comparative way for better understanding. Previous year's figures have been rearranged for the better understanding and presentation of comparatives information.

2.23 Application of International Accounting Standards (IASs)

The financial statements have been prepared in compliance with requirement of IAS as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and applicable in Bangladesh. The following IASs are applicable for the financial statements for the period under review:

Name and Number of IAS

- IAS - 1 Presentation of Financial Statements
- IAS - 7 Statement of Cash Flows
- IAS - 8 Accounting Policies, Changes in Accounting Estimates and Errors
- IAS - 10 Events after the Reporting Period
- IAS - 12 Income Taxes
- IAS - 16 Property, Plant & Equipment
- IAS - 24 Related Party Disclosures
- IAS - 33 Earnings per share
- IAS - 36 Impairment of assets
- IAS - 37 Provisions, Contingent Liabilities and Contingent Assets

Name and Number of IFRS

- IFRS - 1 First - time Adoption of Bangladesh Financial Reporting Standards
- IFRS - 15 Revenue from Contracts with Customers



Notes to financial statements for the period ended 30 June 2023

	Amount in (BDT) 30/06/2023	Amount in (BDT) 30/06/2022
3.00 Property, Plant & Equipment: BDT. 110,063,560		
The breakup of the above balance is as under		
Written down value as of 30.06.2022	114,338,691	119,271,794
Add: Addition during the year	429,526	
	<u>114,768,217</u>	<u>119,271,794</u>
Less: Disposal of Assets during the year	-	-
Less: Depreciation charged during the year	4,704,658	4,933,103
Written down value as of 30.06.2023	<u>110,063,560</u>	<u>114,338,691</u>
<i>Details are shown in "Schedule- A"</i>		
4.00 Capital Work-in-Progress: BDT. 80,667,407		
The breakup of the above balance is as under		
Opening Balance	71,568,048	54,613,088
Add: Addition during the year	9,099,359	16,954,960
Less: Adjustment during the year	-	-
Closing Balance	<u>80,667,407</u>	<u>71,568,048</u>
5.00 Advance, Deposit & Pre-payments: BDT.18,189,471		
The breakup of the above balance is as under		
VAT Receivable	213,308	25,592
Advance Income Tax	12,130,913	10,621,085
Advance against works	5,845,250	5,283,989
Total	<u>18,189,471</u>	<u>15,930,666</u>
6.00 Cash and Cash Equivalents: BDT. 1,822,220		
The breakup of the above balance is as under		
Cash in Hand	339,034	290,416
Cash at Bank	6.01 1,483,186	2,623,454
Total	<u>1,822,220</u>	<u>2,913,870</u>
6.01 Cash at Bank		
The breakup of the above balance is as under		
Bank Asia Limited	693	11
United Commercial Bank Limited	219,250	2,357,251
Dhaka Bank Limited	70,461	71,151
Padma Bank Limited	171,461	171,806
National Bank Limited	10,755	9,243
Al Arafa Islami Bank Limited	13,303	13,992
Community Bank Bangladesh Limited	997,945	-
Total	<u>1,483,868</u>	<u>2,623,454</u>

**Notes to financial statements for the period ended 30 June 2023**

	Amount in (BDT)	Amount in (BDT)
	30/06/2023	30/06/2022
7.00 Inventories: BDT. 3,313,941		
The breakup of the above balance is as under		
Raw materials	1,189,542	1,358,462
Finished goods	925,824	985,462
Work-in-process	1,198,575	1,358,762
Total	3,313,941	3,702,686
8.00 Accounts receivable: BDT. 17,034,138		
The breakup of the above balance is as under		
JMI Bangla Pharmaceutical Co. Ltd.	1,011,242	1,158,631
Brac Dairy	1,047,701	1,618,030
BIBS Pharma Ltd.	802,738	822,738
ACI Foods	-	437,910
ACI Oil	686,096	825,161
Beacon Pharma	709,751	48,600
Navana Pharma	-	1,606,772
Leon Pharma	626,026	-
National Homeo	178,546	-
Mundi Pharma	1,258,202	1,854,092
Incepta Pharma	1,179,050	744,494
Jayson Pharma	2,608,324	2,415,674
Jayson Nature	163,632	251,377
Jayson Agrobat	587,231	652,231
Golden Hervest	1,493,014	1,212,998
Others	4,682,585	4,588,956
Total	17,034,138	18,237,664



Notes to financial statements for the period ended 30 June 2023

	Amount in (BDT)	Amount in (BDT)		
	30/06/2023	30/06/2022		
9.00 Share Capital: BDT. 100,000,000				
a) Authorized Share Capital: 20,000,000 Ordinary Shares of Taka 10 each	<u>200,000,000</u>	<u>200,000,000</u>		
b) Issued, Subscribed, Called & Paid up Share Capital: BOT. 100,000,000 10,000,000 Ordinary Shares of Taka 10 each fully called and paid	<u>100,000,000</u>	<u>100,000,000</u>		
c) Composition of Shareholding as at 30 June 2023				
	No. of shares	% of share	Taka	Taka
Saif Powertec Limited	8,000,000	80.00%	80,000,000	80,000,000
Tarafder Md. Ruhul Amin	1,400,000	14.00%	14,000,000	14,000,000
Mrs. Tarafder Nigar Sultana	300,000	3.00%	3,000,000	3,000,000
Rubya Sultana Rumi	300,000	3.00%	3,000,000	3,000,000
Total	<u>10,000,000</u>	<u>100.00%</u>	<u>100,000,000</u>	<u>100,000,000</u>

10.00 Retained Earnings: BDT. 79,916,846
The breakup of the above balance is as under

Opening Balance	76,750,281	68,496,171
Net profit/(loss) during the year	3,166,566	8,254,110
Closing Balance	<u>79,916,846</u>	<u>76,750,281</u>

11.00 Calculation of Deferred Tax. 22,272,541

For the year ended: 30 June 2023

Particular	Carrying Amount	Tax Base	Temporary Difference	Tax Rate	Amount in Taka
Property Plant & Equipment	110,063,560	35,821,756	74,241,804	30%	22,272,541
Deferred Tax liability end of the year					<u>22,272,541</u>

For the year ended: 30 June 2022

Particular	Carrying Amount	Tax Base	Temporary Difference	Tax Rate	Amount Taka
Property Plant & Equipment	114,338,691	39,051,721	75,286,970	30%	22,586,091
Deferred Tax liability end of the year					<u>22,586,091</u>



Notes to financial statements for the period ended 30 June 2023

	Amount in (BDT)	Amount in (BDT)
	30/06/2023	30/06/2022
12.00 Liabilities for Expenses: BDT.		
16,966,757		
The breakup of the above balance is as under		
Salary & wages	560,461	395,785
Electricity bill	120,252	170,254
Rent	152,000	152,000
Audit fee	115,000	115,000
Income tax payable	16,019,044	14,164,311
Total	<u>16,966,757</u>	<u>14,997,350</u>
13.00 Accounts Payable : BDT. 2,924,592		
The breakup of the above balance is as under		
Rani House & CO	902,550	637,791
Zaman Polytech	295,000	345,000
Maa Enterprise	1,228,120	1,828,120
Shahed International	373,500	358,462
Others	125,422	178,529
Total	<u>2,924,592</u>	<u>3,347,902</u>
14.00 Sales: BDT. 39,761,417		
The breakup of the above		
Bills Received	45,725,630	66,347,051
Gross Sales	45,725,630	66,347,051
Less: Value Added Tax	5,964,212	8,653,963
Net Sales	<u>39,761,417</u>	<u>57,693,087</u>
15.00 Cost of Goods Sold: BDT. 27,502,670		
Opening stock of raw materials	(1,358,462)	1,775,982
Purchases during the year	16,245,862	29,545,865
Closing stock of raw materials	(1,189,542)	(1,358,462)
Raw Materials Consumption	<u>13,697,858</u>	<u>29,963,385</u>
Opening work-in process	985,462	1,445,985
Closing work-in process	(925,824)	(985,462)
Opening finished product	1,358,762	1,285,648
Closing finished product	(1,198,575)	(1,358,762)
Cost of Materials	<u>13,917,683</u>	<u>30,350,794</u>



Notes to financial statements for the period ended 30 June 2023

	Amount in (BDT)	Amount in (BDT)
	30/06/2023	30/06/2022
Manufacturing Overhead		
Salary & wages	2,142,512	2,185,648
Insurance	-	40,251
Electricity bill	6,333,753	2,038,652
Overtime bill	102,452	142,582
Factory rent	-	1,200,000
Raw materials import charge	102,542	129,865
Packing materials	86,524	135,981
Carriage inward	112,546	172,012
Depreciation	4,704,658	4,933,103
	13,584,987	10,978,094
Cost of Goods Sold	27,502,670	41,328,888

16.00 Administrative Expenses: BDT. 7,058,525

The breakup of the above balance is as under

Salary & allowances	5,540,878	2,408,795
Office rent	624,000	624,000
Entertainment	111,011	117,852
Repair and maintenance	214,523	245,863
Audit fee	115,000	115,000
License fee	112,542	127,585
Vehicle expenses	91,252	135,852
Printing & stationary	28,656	35,824
Cleaner expenses	52,142	72,568
Internet bill	26,000	26,000
Mobile bill	25,125	28,646
Conveyance	59,865	64,253
Allowance	-	36,895
Paper and periodical	10,253	8,268
Bank Charge	12,372	16,417
Postage & Courier	15,652	17,895
Miscellaneous Expenses	19,254	37,856
Total	7,058,525	4,119,569



Notes to financial statements for the period ended 30 June 2023

	Amount in (BDT) 30/06/2023	Amount in (BDT) 30/06/2022
17.00 Marketing and Selling Expenses: BDT. 518,999		
The breakup of the above balance is as under		
Salary	435,236	434,520
Carriage outward	24,521	30,254
Conveyance	59,242	66,525
Total	518,999	531,299
18.00 Other Non-Operating Income: BDT. 26,525		
The breakup of the above balance is as under		
Other Income	26,525	78,254
Total	26,525	78,254
19.00 Income Tax Expense: BDT. 1,541,182		
The breakup of the above balance is as under		
Current tax payable	19.01 1,854,732	3,808,472
Reversal of deferred Tax 2.50% rate difference		
Deferred Tax Expense/ (Income)	19.02 (313,550)	(270,996)
Total	1,541,182	3,537,476
19.01 Current Tax Payable: BDT. 1,854,732		
The above balance is made up as follows:		
Income tax on business income	1,846,775	3,784,995
Income tax on other income	7,958	23,476
Total	1,854,732	3,808,472
a) Income Tax on Business Income:		
Net Profit before tax during the period except other income	4,681,223	11,713,331
-		
Add: Accounting Depreciation	4,704,658	4,933,103
Less: Tax Depreciation	(3,229,965)	(4,029,783)
Taxable Profit/(Loss)	6,155,916	12,616,651
Tax Rate	30%	30%
Income Tax on Business Income	1,846,775	3,784,995


SAIF PLASTIC & POLYMER INDUSTRIES LIMITED

Notes to financial statements for the period ended 30 June 2023

Schedule- A

Particulars	W.D.V				Rate of Dep.	Depreciation			W. D. V. as on 30.06.2023
	Opening Balance	Addition during the year	Disposal/ Adjustment	Closing Balance		Charged during the year	Total		
Land & Land Development	22,625,706	-	-	22,625,706	-	-	-	-	22,625,706
Plant & Machinery	147,445,925	-	-	147,445,925	5%	57,547,319	4,494,930	62,042,249	85,403,675
Motor Vehicles	3,502,000	-	-	3,502,000	10%	2,280,928	122,107	2,403,035	1,098,965
Furniture & Fixture	491,600	85,642	-	577,242	10%	325,903	23,707	349,610	227,632
Tools & Equipments	666,814	128,642	-	795,456	10%	442,060	25,691	467,751	327,705
Office Equipments	601,850	215,242	-	817,092	10%	398,993	38,223	437,216	379,876
Total as on June 30, 2023	175,333,895	29,526	-	175,763,421		60,995,203	4,704,658	65,699,861	110,063,560
Total as on June 30, 2022	175,333,895	-	-	175,333,895		56,062,101	4,933,103	60,995,204	114,338,691



Calculation of Deferred Tax

30/Jun/23	Particulars	Opening	Addition	Closing balance	Rate	Depreciation	Written Down Value
	Land and land development	22,625,706	-	22,625,706			22,625,706
	Plant and machinery	15,497,604	-	15,497,604	20%	3,099,521	12,398,083
	Motor Vehicles	376,024	-	376,024	20%	75,205	300,819
	Furniture and fixture	154,268	-	154,268	10%	15,427	138,841
	Tools and equipments	209,253	-	209,253	10%	20,925	188,328
	Office equipments	188,866	-	188,866	10%	18,887	169,979
	Total	39,051,721	-	39,051,721		3,229,965	35,821,756

30/Jun/22	Particulars	Opening	Addition	Closing balance	Rate	Depreciation	Written Down Value
	Land and land development	22,625,706	-	22,625,706			22,625,706
	Plant and machinery	19,372,005	-	19,372,005	20%	3,874,401	15,497,604
	Motor Vehicles	470,030	-	470,030	20%	94,006	376,024
	Furniture and fixture	171,409	-	171,409	10%	17,141	154,268
	Tools and equipments	232,503	-	232,503	10%	23,250	209,253
	Office equipments	209,851	-	209,851	10%	20,985	188,866
	Total	43,081,504	-	43,081,504		4,029,783	39,051,721

	30-Jun-23	30-Jun-22
Carrying amount of Property Plant & Equipment:	110,063,560	114,338,691
Tax base of Property Plant & Equipment:	35,821,756	39,051,721
Taxable/(deductible) temporary deferral	74,241,804	75,286,970
Tax Rate	30%	30%
Deferred Tax liability at the end of the year	22,272,541	22,586,091
Deferred Tax liability at the beginning of the year	22,586,091	22,857,087
Deferred Tax expenses/(Income)	(313,549.79)	(270,996)



AUDITED FINANCIAL
STATEMENTS-2023



IINDEPENDENT AUDITOR'S REPORT

to the Shareholders of Saif Port Holdings Limited

Opinion

We have audited the financial statements of Saif Port Holdings Limited hereinafter referred to as "the company" which comprise the Statement of Financial Position as at June 30, 2023, Statement of Profit and Loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at June 30, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standard on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter: 1

We draw your attention to the note no. 4 where an amount of BDT. 9,502,067,463 is showing as Capital Work-in-Progress. During the year there was an addition of TK. 2,108,350,779 Out of that we have verified supporting 52% addition and management could not provide documents for the remaining 48%.The reason behind the non production of those documents is a fire occurred in Khawaja Tower, 95, Mohakhali, B/A, Gulshan, Dhaka-1212, Bir Uttam A-K, Khondokar Road. on dated 26th October,2023. Due the occurrence of that fire many of the documents has been burned and management had no control & access into the premises during our audit.

Independence and Other Ethical Responsibilities

We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and ICAB by laws.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS) and the Companies Act 1994 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.

Auditor's 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 International Standards on Auditing (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 International Standards on Auditing (ISAs), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.
- 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.

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.

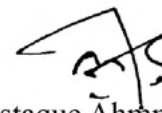
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 we also report the following:

- a) We have obtained all the information and explanations except mentioned in our opinion which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, except mentioned above proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) The Company's statement of financial position and the statement of profit or loss and other comprehensive income along with the annexed notes dealt with by the report are in agreement with the books of account; and
- d) The expenditure incurred was for the purposes of the Company's business.

Date: 21 December, 2023
Place: Dhaka



Mostaque Ahmmed Sarwar, FCA
Managing Partner
Ahmmed Hoq Siddiqui & Co.
Chartered Accountants
DVC: 2312211893AS760923

Statement of Financial Position
As at 30 June 2023

Particulars	Notes	Amount in BDT	
		30 June 2023	30 June 2022
ASSETS			
<u>Non-Current Assets</u>		9,188,541,437	7,074,230,365
Property, Plant & Equipment	3	136,473,974	130,513,681
Capital Work-in-Progress	4	9,052,067,463	6,943,716,684
<u>Current Assets</u>		488,308,761	1,097,866,032
Advance, Deposit & Pre-payments	5	487,455,529	1,096,925,364
Cash & Cash Equivalents	6	853,232	940,668
Total Assets		<u>9,676,850,198</u>	<u>8,172,096,397</u>
EQUITY AND LIABILITIES			
<u>Equity</u>		(11,595,872)	11,359,023
Share Capital	7	50,000,000	50,000,000
Retained Earnings	8	(61,595,872)	(38,640,977)
<u>Non Current Liabilities</u>		9,687,189,445	8,159,773,966
Long term loan	9	9,679,769,180	8,156,275,928
Deferred Tax liabilities	10	7,420,265	3,498,038
<u>Current Liabilities</u>		1,256,625	963,408
Liabilities for Expenses	11	1,256,625	963,408
Total Equity and Liabilities		<u>9,676,850,198</u>	<u>8,172,096,397</u>

The annexed notes form an integral part of this Financial Statement.



Managing Director
(Tarafder Md. Ruhul Saif)



Chairman
(Tarafder Md. Ruhul Amin)

Signed in terms of our separate report of even date annexed.



Mostaque Ahmmed Sarwar, FCA
Managing Partner
Ahmmed Hoq Siddiqui & Co.
Chartered Accountants
DVC: 2312211893AS760923

Date: 21 December, 2023
Place: Dhaka

Statement of Profit or Loss and other Comprehensive Income
For the year ended 30 June 2023

Particulars	Notes	Amount in BDT	
		For the year ended 30th June	
		2023	2022
Revenue		-	-
Less: Cost of Revenue		-	-
Gross profit/(loss)		-	-
Less: Administrative Expenses	12	19,032,667	16,654,147
Net Operating Income		(19,032,667)	(16,654,147)
Add: Other Non-Operating Income		-	-
Net Profit Before Tax		(19,032,667)	(16,654,147)
Less: Deffered Tax Expenses/(Income)		3,922,227	989,098
Net Profit after Tax		(22,954,895)	(17,643,245)

The annexed notes form an integral part of this Financial Statement.



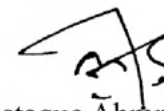
Managing Director
(Tarafter Md. Ruhul Saif)



Chairman
(Tarafter Md. Ruhul Amin)

Signed in terms of our separate report of even date annexed.

Date: 21 December, 2023
Place: Dhaka



Mostaque Ahmmed Sarwar, FCA
Managing Partner
Ahmmed Hoq Siddiqui & Co.
Chartered Accountants
DVC: 2312211893AS760923

**Statement of Changes in Equity
For the year ended 30 June 2023**

Amount in BDT

Particulars	Share Capital	Retained Earnings	Total Equity
Balance as at 01 July 2022	50,000,000	(38,640,977)	11,359,023
Net Profit after Tax for this year	-	(22,954,895)	(22,954,895)
Balance as at 30 June 2023	50,000,000	(61,595,872)	(11,595,872)

Particulars	Share Capital	Retained Earnings	Total Equity
Balance as at 01 July 2021	50,000,000	(20,997,732)	29,002,268
Net Profit after Tax for this year	-	(17,643,245)	(17,643,245)
Balance as at 30 June 2022	50,000,000	(38,640,977)	11,359,023



Managing Director
(Tarafder Md. Ruhul Saif)



Chairman
(Tarafder Md. Ruhul Amin)

Signed in terms of our separate report of even date annexed.

Date: 21 December, 2023
Place: Dhaka



Mostaque Ahmmed Sarwar, FCA
Managing Partner
Ahmmed Hoq Siddiqui & Co.
Chartered Accountants
DVC: 2312211893AS760923

Statement of Cash Flow
For the year ended 30 June 2023

Amount in BDT

Particulars	For the year ended 30th June	
	2023	2022
Cash Flows from Operating Activities		
Cash receipt from customer	-	-
Cash paid to suppliers and employees	596,270,092	(9,942,122)
Cash generated from operations	596,270,092	(9,942,122)
Advance, deposits and prepayment	-	469,774,098
Net cash flow from operating activities	596,270,092	459,831,976
Cash flow from investing activities		
Capital Work-in progress	(2,108,350,779)	(2,219,967,071)
Purchase of Property and Equipment	(11,500,000)	-
Net cash used in operating activities	(2,119,850,779)	(2,219,967,071)
Cash flow from financial activities		
Share Capital	-	-
Financial Expenses	-	(671,860)
Loan received from Bank	1,523,493,252	2,133,470,719
Loan repaid to Bank	-	(372,617,285)
Net cash from/(used in) financing activities	1,523,493,252	1,760,181,574
Net cash inflow/(outflow) for the period	(87,435)	46,479
Opening cash and cash equivalents	940,668	894,190
Closing cash and cash equivalents	853,232	940,668



Managing Director
(Tarafter Md. Ruhul Saif)



Chairman
(Tarafter Md. Ruhul Amin)

Signed in terms of our separate report of even date annexed.



Mostaque Ahmmed Sarwar, FCA
Managing Partner
Ahmmed Hoq Siddiqui & Co.
Chartered Accountants
DVC: 2312211893AS760923

Date: 21 December, 2023
Place: Dhaka

**Notes to the Financial Statements
For the year ended 30 June 2023**

1.00 Legal Status and Nature of the Company

1.01 Background of the Company

Saif Port Holdings Limited was incorporated on dated 23 July 2017 under the Companies Act 1994 (Act XVIII) vide Reg. No.C-138908/2017 with the Registrar of Joint Stock Companies and Firms, Dhaka as a Private limited Company.

1.02 Registered Office of the Company

Registered Office of the company situated at 72, Mohakhali C/A, (8th floor), Rupayan Center, Gulshan, Dhaka, PO: 1212, Bangladesh.

1.03 Nature of the business

The company formed with a wide range of objective to carry on any business of civil, Mechanical, Electrical, Chemical and meteorological engineering constructor and consulting, undertaking to execute contracts to design, plan and control, contrasting of any buildings, road, bridges, railways, BPDB, DESA WASA, DPDC, DESCO, Waterways, dock yards, sea port, land port, river port, airport, any type of port related works and operation, Gas works, reservoirs and other kind of works.

2.00 Basis of preparation and significant accounting policies

2.01 Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), the Compliance Act 1994 and other applicable laws and regulations. The format of the statements follows the requirements of IFRSs which is to some extent different from the statements of the companies Act, 1994. However, for better presentation IAS has been followed for the preparation and presentation of the financial statements.

2.02 Basis of preparation and presentation of financial statements

The financial statements as at and for the period ended on 30 June 2023 have been prepared under the historical cost convention and in accordance with International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), the Companies Act 1994 and other laws and rules applicable in Bangladesh.

2.03 Basis of Measurement

The financial statements have been prepared on historical cost basis.

2.04 Components of the financial statements

The financial statements comprise of:

- i. Statement of Financial Position as at 30 June 2023
- ii. Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2023.
- iii. Statement of Changes in Equity for the year ended 30 June 2023.
- iv. Statement of Cash Flows for the year ended 30 June 2023.
- v. Accounting Policies and Explanatory Notes.

2.05 Functional and presentational currency

The financial statements have been presented in Bangladeshi Taka which is the company's functional currency. Figures have been rounded off to nearest Taka.

2.06 Use of estimates and judgments

The preparation of the financial statements in conformity with IFRSs requires management to use judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

2.07 Going concern

The Company has adequate resources to continue in operation for foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the accounts. The current credit facilities and resources of the Company provide sufficient funds to meet the present requirements of its existing businesses

2.08 Reporting Period

The financial Statements have been prepared for 12 months for the year 01 July 2022 to 30 June 2023

2.09 Directors' responsibility statement

The Board of Directors is responsible for the preparation and presentation of Financial Statements under Section 183 of the Companies Act 1994 and as per the provision of The Framework for the Preparation and Presentation of Financial Statements as stated in International Accounting Standards.

2.10 Property, Plant & Equipment

2.10.1 Recognition and measurement

Items of property, plant and equipment are measured initially at cost and subsequently at cost less accumulated depreciation in compliance with International Accounting Standards (IAS) 16 Property, Plant & Equipment. The cost acquisition of an asset comprises its purchase price and any direct cost for bringing the asset to its working condition for its intended use. Expenditures incurred after the asset have been put into use, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. Software and all up gradation / enhancement are generally charged off as revenue expenditure unless they bring similar significant additional benefits. When parts of item of property, plant & equipment have different useful lives, they are accounted for as separate items (measure components) of property, plant & equipment.

2.10.2 Subsequent cost

The cost of replacing part of an item of a property, Plant & equipment is recognized in the carrying amount for the item if it probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. Cost of the day-to-day servicing of property, plant & equipment are recognized in profit and loss accounts as expenses.

2.10.3 Depreciation

Depreciation is based on the cost of an asset less its residual value. Depreciation is recognized in profit or loss based on reducing balance method over the estimated useful lives of each component of an item of property, plant & equipment. Depreciation is charged on addition of fixed assets has been charged from the date of the assets are available for use.

2.10.4 Disposal of fixed Asset

Gains and losses of disposal of an item of property, plant & equipment are to be determined by comparing the proceeds from the disposal with the carrying amount of the property, plant & equipment.

2.11 Consistency

In accordance with the IFRS framework for the presentation of financial statements together with IAS 1 and IAS 8, company applies the accounting disclosure principles consistently from one period to the next. Where selecting and applying new accounting policies, changes in accounting policies applied, correction of errors, the amounts involved are accounted for and disclosed retrospectively in accordance with the requirement of IAS-8. The company however has applied the same accounting and valuation principles consistently.

2.12 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and cash at bank.

2.13 Share capital

Only ordinary shares are classified as equity.

2.14 Financial risk management

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

2.15 Revenue recognition

As per International Financial Reporting Standards (IFRS) 15 Revenue from contracts with customers, is recognized when the parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations, the entity can identify each party's rights regarding risk and rewards to be transferred, the contract has commercial substance, it is probable that the economy benefits associated with the transaction will flow to the company and the amount of revenue and the cost incurred or to be incurred in respect of the transaction can be measured reliability.

2.16 Income and expenditures

Income and expenditures are recognized on accrual basis and income is only recognized if its realization is reasonably certain.

2.17 Contingent Liabilities and Assets

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the company. There is no Contingent Assets or Liabilities in the reporting period in accordance with IAS-37 Provisions, Contingent Liabilities and Contingent Assets.

2.18 Accounts Receivable

Accounts Receivable is carried at original invoice amount. Company has not stated if's operation rent hence is no balance of Accounts Receivable.

2.19 Earnings Per Share

An earnings per share (EPS) is calculated in accordance with the Bangladesh Accounting Standard IAS-33 "Earnings per share".

2.20 Events after the Reporting period

In compliance with the requirements of IAS 10: Events After the Reporting Period, post statement of financial position events that provide additional information about the company's position at the reporting date are reflected in the financial statements and events after the reporting date that are not adjusting events are disclosed in the notes when material. All material events occurring after the balance sheet date has been considered.

2.21 Borrowing Cost

The interest charged against the long-term loan taken for financing the construction of the port has been capitalized as per International Accounting Standards (IAS) 23 “Borrowing Cost”.

2.22 Related Party Disclosure

As per International Accounting Standards (IAS) 24 “Related Party Disclosures”, parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

2.23 Comparative Figures

Relevant notes and disclosures are also presented in a comparative way for better understanding. Previous year’s figures have been rearranged for the better understanding and presentation of comparatives information.

2.24 Application of International Accounting Standards (IASs)

The financial statements have been prepared in compliance with requirement of IAS as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and applicable in Bangladesh. The following IASs are applicable for the financial statements for the period under review:

Name and Number of IAS

- IAS - 1 Presentation of Financial Statements
- IAS - 7 Statement of Cash Flows
- IAS - 8 Accounting Policies, Changes in Accounting Estimates and Errors
- IAS - 10 Events after the Reporting Period
- IAS - 12 Income Taxes
- IAS - 16 Property, Plant & Equipment
- IAS - 23 Borrowing Cost
- IAS - 24 Related Party Disclosures
- IAS - 33 Earnings per share
- IAS - 36 Impairment of assets
- IAS - 37 Provisions, Contingent Liabilities and Contingent Assets

Name and Number of IFRS

- IIFRS - 1 First - time Adoption of Bangladesh Financial Reporting Standards
- IFRS - 15 Revenue from Contracts with Customers

Notes to financial statements for the period ended 30 June 2023

	Amount in (BDT) 30-06-2023	Amount in (BDT) 30-06-2022
3.00 Property, Plant & Equipment: BDT. 136,473,974		
The breakup of the above balance is as under		
Opening Balance	145,723,814	145,723,814
Add: Addition during the year	11,500,000	-
Closing Balance	157,223,814	145,723,814
Accumulated Depreciation		
Opening Balance	15,210,133	9,696,925
Add: Addition during the year	5,539,707	5,513,208
Closing Balance	20,749,840	15,210,133
Written down value as of 30.06.2023	136,473,974	130,513,681
<i>Details are shown in "Schedule- A"</i>		
4.00 Capital Work-in-Progress: BDT. 9,052,067,463		
The breakup of the above balance is as under		
Opening Balance	6,943,716,684	4,685,566,019
Add: Addition during the year	2,108,350,779	2,258,150,665
	9,052,067,463	6,943,716,684
Less: Transferred during the year	-	-
Closing Balance	9,052,067,463	6,943,716,684
5.00 Advance, Deposit & Prepayments: BDT. 487,455,529		
The breakup of the above balance is as under		
Advance against works	409,507,100	421,542,325
Bank Guarantee	-	4,071,300
Advance Income Tax	14,924,739	-
LC Margin	-	592,752,194
Advance against others	63,023,690	78,559,545
Total	487,455,529	1,096,925,364
6.00 Cash and Cash Equivalents: BDT. 853,232		
The breakup of the above balance is as under		
Cash in Hand	664,087	875,954
Cash at Bank	189,145	64,714
Total	853,232	940,668
6.01 Cash at Bank		
National Bank Limited Acc. No- 1067002625469	116,714	40,871
National Bank Limited Acc. No- 1215005082002	12,432	4,455
Dhaka Bank Limited Acc. No- 2121000010583	49,184	18,388
NBL-Escrow Account Acc. No-1067003312063	1,160	1,000
United Commercial Bank PLC-Acc No.-0781101000002838	9,655	-
Total	189,145	64,714

Notes to financial statements for the period ended 30 June 2023

Amount in (BDT)	Amount in (BDT)
30-06-2023	30-06-2022

7.00 Share Capital: BDT. 50,000,000

Authorized Share Capital:

a) 10,000,000 ordinary shares of Taka 10 each	<u>100,000,000</u>	<u>100,000,000</u>
b) Issued, Subscribed, Called & Paid up Share Capital: BDT. 50,000,000 5,000,000 ordinary shares of Taka 10 each fully called and paid	<u>50,000,000</u>	<u>50,000,000</u>

c) **Composition of Shareholding as at 30 June 2023**

Name of the Shareholders	No. of shares	% of share	Taka	Taka
Saif Powertec Ltd. (Represent by Tarafder Ruhul Saif)	3,250,000	65.00%	32,500,000	32,500,000
Tarafder Md. Ruhul Amin	650,000	13.00%	6,500,000	6,500,000
Tarafder Nigar Sultana	400,000	8.00%	4,000,000	4,000,000
Rubya Chowdhury	250,000	5.00%	2,500,000	2,500,000
Tarafder Md. Ruhul Saif	250,000	0.05	2,500,000	2,500,000
Tasnim Tarafder	200,000	4.00%	2,000,000	2,000,000
Total	<u>5,000,000</u>	<u>100%</u>	<u>50,000,000</u>	<u>50,000,000</u>

8.00 Retained Earnings: BDT. -61,595,872

The breakup of the above balance is as under

Opening Balance	(38,640,977)	(20,997,732)
Net profit/(loss) during the year	(22,954,895)	(17,643,245)
Closing Balnce	<u>(61,595,872)</u>	<u>(38,640,977)</u>

9.00 Long term loan : BDT. 9,679,769,180

The breakup of the above balance is as under

National Bank Limited		
Opening Balance	8,156,275,928	5,764,486,706
Add: Principal this year	721,622,872	2,133,470,719
Add: Interest this year	801,870,380	630,935,788
Less: Payment this year	-	(372,617,285)
Total	<u>9,679,769,180</u>	<u>8,156,275,928</u>

10.00 Deferred Tax Liability: BDT. 3,922,227

The breakup of the above balance is as under

Carrying amount of Property Plant & Equipment:	136,473,974	130,513,681
Tax base of Property Plant & Equipment:	111,739,756	118,853,554
Taxable/(deductible) temporary deferrence	24,734,218	11,660,127
Tax Rate	30%	30%
Deferred Tax liability at the end of the year	<u>7,420,265</u>	<u>3,498,038</u>
Deferred Tax Expenses /(Income)	<u>3,922,227</u>	<u>989,098</u>

Notes to financial statements for the period ended 30 June 2023

	Amount in (BDT) 30-06-2023	Amount in (BDT) 30-06-2022
11.00 Liabilities for Expenses: BDT. 1,256,625		
The breakup of the above balance is as under		
Salaries	1,008,273	831,549
Audit fee	230,000	115,000
Others	18,352	16,859
Total	1,256,625	963,408
12.00 Administrative Expenses: BDT. 19,032,667		
The breakup of the above amount is as under		
Salary & Allowances	12,589,201	9,821,571
Entertainment	24,325	28,759
Office Rent	240,000	240,000
Audit Fee	230,000	115,000
Credit Rating Fees	90,000	
License Fee	25,300	21,582
Vehicle Expenses	65,024	71,258
Printing & Stationary	25,682	35,864
Mobile Bill	40,508	40,215
Conveyance	25,642	28,965
Paper and Periodical	11,724	12,452
Bank Charge	108,060	671,860
Postage & Courier	7,042	7,588
Miscellaneous Expenses	10,452	45,825
Depreciation	5,539,707	5,513,208
Total	19,032,667	16,654,147



Schedule of Property, Plant & Equipment
For the year June 30, 2023

Schedule- A

Particulars	Cost			Rate of Dep.	Depreciation			W. D.V. as on 30.06.2023
	Opening Balance	Addition during the year	Closing Balance		Opening Balance	Charged during the year	Total	
Land and land development	80,330,852	-	80,330,852	0%	-	-	80,330,852	
Plant and machinery	1,279,500	-	1,279,500	5%	207,990	53,576	1,017,935	
Motor Vehicles	56,286,888	11,500,000	67,786,888	10%	11,549,986	5,048,690	51,188,212	
Furniture and fixture	6,469,631	-	6,469,631	10%	3,151,160	331,847	2,986,624	
Office equipments	1,356,943	-	1,356,943	10%	300,997	105,595	950,351	
Total as on June 30, 2023	145,723,814	1,500,000	157,223,814		15,210,133	5,539,707	136,473,974	
Total as on June 30, 2022	145,723,814	-	145,723,814		9,696,925	5,513,208	130,513,681	

Calculation of Deferred Tax
30-Jun-23

Particulars	Opening	Addition	Closing balance	Rate	Depreciation	Written Down Value
Land and land development	80,330,852	-	80,330,852	0%	-	80,330,852
Plant and machinery	655,104	-	655,104	20%	131,021	524,083
Motor Vehicles	31,960,177	-	31,960,177	20%	6,392,035	25,568,142
Furniture and fixture	4,898,034	-	4,898,034	10%	489,803	4,408,230
Tools and equipments	-	-	-	0%	-	-
Office equipments	1,009,387	-	1,009,387	10%	100,939	908,448
	118,853,554				7,113,798	111,739,756

30-Jun-22

Particulars	Opening	Addition	Closing balance	Rate	Depreciation	Written Down Value
Land and land development	80,330,852	-	80,330,852	0%	-	80,330,852
Plant and machinery	818,880	-	818,880	20%	163,776	655,104
Motor Vehicles	39,950,222	-	39,950,222	20%	7,990,044	31,960,177
Furniture and fixture	5,442,260	-	5,442,260	10%	544,226	4,898,034
Tools and equipments	-	-	-	0%	-	-
Office equipments	1,121,541	-	1,121,541	10%	112,154	1,009,387
	127,663,754				8,810,200	118,853,554

Particulars

	30-Jun-23	30-Jun-22
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Carrying amount of Property Plant & Equipment:

136,473,974

130,513,681

Tax base of Property Plant & Equipment:

111,739,756

118,853,554

Taxable/(deductible) temporary deferrence

24,734,218

11,660,127

Tax Rate
30%
30%
Deferred Tax liability at the end of the year
7,420,265
3,498,038

Deferred Tax liability at the beginning of the year

3,498,038

2,508,940

Deferred Tax Expenses /(Income)
3,922,227
989,098



AUDITED FINANCIAL
STATEMENTS-2023



Independent Auditor's Report to the Shareholders
of
SAIF LOGISTICS ALLIANCE LTD.

Opinion

We have audited the financial statements of **Saif Logistics Alliance Ltd.** hereinafter referred to as "the company" which comprise the Statement of Financial Position as at June 30, 2023, 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 a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at June 30, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw your attention to the note no. 7(d) Where an amount of tk. 33,65,00,000 has been reported as Calls in Arrears. According to the provision of the companies Act 1994 share capital was supposed to be paid within 6 months from the date of incorporation of the company. In case of this company that share capital has not been paid to the company's account as of the reporting date. This nonpayment of share capital is a deviation from the provision of that said Act.

Independence and Other Ethical Responsibilities

We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and ICAB by laws.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS) and the Companies Act 1994 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.

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 International Standards on Auditing (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 International Standards on Auditing (ISAs), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.
- 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.

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.

Report on Other Legal and Regulatory Requirements:

In accordance with the Companies Act, 1994 we also report the following:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) 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 those books;
- c) The Company's statement of financial position and the statement of profit or loss and other comprehensive income along with the annexed notes dealt with by the report are in agreement with the books of account; and
- d) The expenditure incurred was for the purposes of the Company's business.
- e) Notes, comprising a summary of significant accounting policies and other explanatory notes; and
- f) Comparative information prescribed by the standard.

Date: : 05 October, 2023
Place: Dhaka


Md. Wadud Ahmed, FCA
Partner
Ahmed Hoq Siddiqui & Co.
Chartered Accountants
DVC: 2310051350AS600206

Statement of Financial Position
As at 30 June, 2023

Particulars	Notes	Amount in BDT.	
		30 June 2023	30 June 2022
ASSETS			
<u>Non-Current Assets</u>		93,356,004	93,356,004
Capital Work-In-Progress	3	92,315,239	92,315,239
Preliminary Expenditure		1,040,765	1,040,765
<u>Current Assets</u>		406,525,152	406,624,768
Advance, Deposit & Pre-payments	4	70,000,000	70,000,000
Receivable from Share Holders	5	336,500,000	336,500,000
Cash & Cash Equivalents	6	25,152	124,768
Total Assets		499,881,156	499,980,772
EQUITY AND LIABILITIES			
<u>Equity</u>		499,813,656	499,923,272
Share Capital	7	500,000,000	500,000,000
Retained Earnings	8	(186,345)	(76,728)
<u>Current Liabilities</u>		67,500	57,500
Liabilities for Expenses	9	67,500	57,500
Total Equity and Liabilities		499,881,156	499,980,772


The annexed notes form an integral part of this Financial Statement.


Managing Director


Director

Signed in terms of our separate report of even date annexed.

Date: 05 October, 2023
Place: Dhaka


Md. Wadud Ahmed, FCA
Partner
 Ahmmmed Hoq Siddiqui & Co.
 Chartered Accountants
 DVC: 2310051350AS600206

**Statement of Profit or Loss and other Comprehensive Income
For the year ended 30 June, 2023**

Particulars	Notes	Amount in BDT.	
		2022-2023	2021-2022
Revenue		-	-
Less: Cost of Revenue		-	-
Gross Profit/(Loss)		-	-
Less: Operating Expenses			
Administrative Expense	10	109,617	76,728
Net Profit/(Loss) Before Tax		(109,617)	(76,728)
Less: Income Tax Expense		-	-
Net Profit/(Loss) After Tax		(109,617)	(76,728)


The annexed notes form an integral part of this Financial Statement.


Managing Director


Director

Signed in terms of our separate report of even date annexed.

Date: 05 October, 2023
Place: Dhaka


Md. Wadud Ahmed, FCA
Partner
 Ahmmmed Hoq Siddiqui & Co.
 Chartered Accountants
 DVC: 2310051350AS600206

**Statement of Changes in Equity
For the year ended 30 June, 2023**

Year 2023

Amount in BDT.

Particulars	Share Capital	Calls in Arrear	Retained Earnings	Total Equity
Opening Balance as at 1st July, 2022	163,500,000	-	(76,728)	163,423,272
Share capital received during the year	-	-	-	-
Unpaid Share Capital	-	336,500,000	-	336,500,000
Net Profit/(Loss) After Tax for this year	-	-	(109,617)	(109,617)
Balance as at 30 June, 2023	163,500,000	336,500,000	(186,345)	499,813,656

Year 2022

Particulars	Share Capital	Calls in Arrear	Retained Earnings	Total Equity
Opening Balance as at 27 Sep, 2021	-	-	-	-
Share capital received during the period	163,500,000	-	-	163,500,000
Unpaid Share Capital	-	336,500,000	-	336,500,000
Net Profit/(Loss) After Tax for this period	-	-	(76,728)	(76,728)
Balance as at 30 June, 2022	163,500,000	336,500,000	(76,728)	499,923,272


The annexed notes form an integral part of this Financial Statement.


Managing Director


Director

Signed in terms of our separate report of even date annexed.

Date: 05 October, 2023
Place: Dhaka


**Md. Wadud Ahmed, FCA
Partner**
 Ahmmmed Hoq Siddiqui & Co.
 Chartered Accountants
 DVC: 2310051350AS600206

Statement of Cash Flow
For the year ended 30 June, 2023


Particulars	Amount in BDT.	
	2022-2023	2021-2022
Cash Flows from Operating Activities		
Cash receipt from customer	-	-
Cash paid to suppliers and employees	(99,616)	(19,228)
Cash generated from operations	(99,616)	(19,228)
Advance, deposits and prepayment	-	(70,000,000)
Advance Income Tax	-	-
Net cash flow from Operating Activities	(99,616)	(70,019,228)
Cash flow from Investing Activities		
Capital Work-In-Progress	-	(92,315,239)
Preliminary Expenditure	-	(1,040,765)
Net cash used in Investing Activities	-	(93,356,004)
Cash flow from Financial Activities		
Paid up Share Capital	-	163,500,000
Net cash flow from Financing Activities	-	163,500,000
Net cash inflow/(outflow) for the period	(99,616)	124,768
Opening cash and cash equivalents	124,768	-
Closing cash and cash equivalents	25,152	124,768


 Managing Director


 Director

Signed in terms of our separate report of even date annexed.

Date: 05 October, 2023
Place: Dhaka


 Md. Wadud Ahmed, FCA
Partner
 Ahmmmed Hoq Siddiqui & Co.
 Chartered Accountants
 DVC: 2310051350AS600206

**Notes to the Financial Statements
For the year ended 30 June 2023****1.00 Legal Status and Nature of the Company****1.01 Background of the Company**

Saif Logistics Alliance Limited was incorporated on dated 27th September 2021 under the Companies Act 1994 (Act XVIII) vide Reg. No.C-174505/2021 with the Registrar of Joint Stock Companies and Firms, Dhaka as a Private limited Company with authorized capital of Tk.1,000,000,000 (One Hundred Crore) divided into 100,000,000 (Ten Crore) shares of taka 10 each.

1.02 Registered Office of the Company

Registered Office of the company situated at 72, Mohakhali C/A, (8th floor), Rupayan Center, Gulshan, Dhaka, PO: 1212, Bangladesh.

1.03 Nature of the business

The company formed with a wide range of objective to carry on, organize, manage, run, charter, conduct, contract, develop, handle, own on the land of Mouja Middle Haliashahar, Chattogram to operate and do all or any business related to bulk inter-model, vessel operations, inland river terminal operation, river, rail, road & sea transportation, development & operate of Inland Container Depot, Inter-model Container Depot with Rail & Road Transportation, sea port operations within the country and abroad.

2.00 Basis of preparation and significant accounting policies**2.01 Statement of Compliance**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), the Compliance Act 1994 and other applicable laws and regulations. The format of the statements follows the requirements of IFRSs which is to some extent different from the statements of the companies Act, 1994. However for better presentation IAS has been followed for the preparation and presentation of the financial statements.

2.02 Basis of preparation and presentation of financial statements

The financial statements as at and for the period ended on 30 June 2022 have been prepared under the historical cost convention and in accordance with International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), the Companies Act 1994 and other laws and rules applicable in Bangladesh.

2.03 Basis of Measurement

The financial statements have been prepared on historical cost basis.

2.04 Components of the financial statements

The financial statements comprises of:

- i. Statement of Financial Position as at 30 June 2023
- ii. Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2023
- iii. Statement of Changes in Equity for the year ended 30 June 2023
- iv. Statement of Cash Flows for the year ended 30 June 2023
- v. Accounting Policies and Explanatory Notes.

2.05 Functional and presentational currency

The financial statements have been presented in Bangladeshi Taka which is the company's functional currency. Figures have been rounded off to nearest Taka.

2.06 Use of estimates and judgments

The preparation of the financial statements in conformity with IFRSs requires management to use judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

2.07 Going concern

The Company has adequate resources to continue in operation for foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the accounts. The current credit facilities and resources of the Company provide sufficient funds to meet the present requirements of its existing businesses and operations.

2.08 Reporting Period

The financial Statements have been prepared for approximately 12 months period ending on June 30, 2023.

2.09 Directors' responsibility statement

The Board of Directors is responsible for the preparation and presentation of Financial Statements under Section 183 of the Companies Act 1994 and as per the provision of The Framework for the Preparation and Presentation of Financial Statements as stated in International Accounting Standards.

2.10 Property, Plant & Equipment

2.10.1 Recognition and measurement

Items of property, plant and equipment are measured initially at cost and subsequently at cost less accumulated depreciation in compliance with International Accounting Standards (IAS) 16 Property, Plant & Equipment. The cost acquisition of an asset comprises its purchase price and any direct cost for bringing the asset to its working condition for its intended use. Expenditures incurred after the asset have been put into use, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. Software and all up gradation / enhancement are generally charged off as revenue expenditure unless they bring similar significant additional benefits. When parts of item of property, plant & equipment have different useful lives, they are accounted for as separate items (measure components) of property, plant & equipment.

2.10.2 Subsequent cost

The cost of replacing part of an item of a property, Plant & equipment is recognized in the carrying amount for the item if it probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. Cost of the day-to-day servicing of property, plant & equipment are recognized in profit and loss accounts as expenses.

2.10.3 Depreciation

Depreciation is based on the cost of an asset less its residual value. Depreciation is recognized in profit or loss based on reducing balance method over the estimated useful lives of each component of an item of property, plant & equipment. Depreciation is charged on addition of fixed assets has been charged from the date of the assets are available for use.

2.10.4 Disposal of fixed Asset

Gains and losses of disposal of an item of property, plant & equipment are to be determined by comparing the proceeds from the disposal with the carrying amount of the property, plant & equipment.

2.11 Consistency

In accordance with the IFRS framework for the presentation of financial statements together with IAS 1 and IAS 8, company applies the accounting disclosure principles consistently from one period to the next. Where selecting and applying new accounting policies, changes in accounting policies applied, correction of errors, the amounts involved are accounted for and disclosed retrospectively in accordance with the requirement of IAS-8. The company however has applied the same accounting and valuation principles consistently.

2.12 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and cash at bank.

2.13 Share capital

Only ordinary shares are classified as equity.

2.14 Financial risk management

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

2.15 Revenue recognition

As per International Financial Reporting Standards (IFRS) 15 Revenue from contracts with customers, is recognized when the parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations, the entity can identify each party's rights regarding risk and rewards to be transferred, the contract has commercial substance, it is probable that the economy benefits associated with the transaction will flow to the company and the amount of revenue and the cost incurred or to be incurred in respect of the transaction can be measured reliability.

2.16 Income and expenditures

Income and expenditures are recognized on accrual basis and income is only recognized if its realization is reasonably certain.

2.17 Contingent Liabilities and Assets

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the company. There is no Contingent Assets or Liabilities in the reporting period in accordance with IAS-37 Provisions, Contingent Liabilities and Contingent Assets.

2.18 Accounts Receivable

Accounts Receivable is carried at original invoice amount. During the period there is no carrying amount of accounts receivable as company has realized all sales on cash on delivery.

2.19 Earnings Per Share

An earnings per share (EPS) is calculated in accordance with the Bangladesh Accounting Standard IAS-33 "Earnings per share".

2.20 Events after the Reporting period

In compliance with the requirements of IAS 10: Events After the Reporting Period, post statement of financial position events that provide additional information about the company's position at the reporting date are reflected in the financial statements and events after the reporting date that are not adjusting events are disclosed in the notes when material. All material events occurring after the balance sheet date has been considered.

2.21 Related Party Disclosure

As per International Accounting Standards (IAS) 24 “Related Party Disclosures”, parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

2.22 Comparative Figures

Relevant notes and disclosures are also presented in a comparative way for better understanding. Previous year’s figures have been rearranged for the better understanding and presentation of comparatives information.

2.23 Application of International Accounting Standards (IASs)

The financial statements have been prepared in compliance with requirement of IAS as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and applicable in Bangladesh. The following IASs are applicable for the financial statements for the period under review:

Name and Number of IAS

- IIAS - 1 Presentation of Financial Statements
- IAS - 7 Statement of Cash Flows
- IAS - 8 Accounting Policies, Changes in Accounting Estimates and Errors
- IAS - 10 Events after the Reporting Period
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- IAS - 16 Property, Plant & Equipment
- IAS - 24 Related Party Disclosures
- IAS - 33 Earnings per share
- IAS - 36 Impairment of assets
- IAS - 37 Provisions, Contingent Liabilities and Contingent Assets

Name and Number of IFRS

- IIFRS - 1 First - time Adoption of Bangladesh Financial Reporting Standards
- IFRS - 15 Revenue from Contracts with Customers

Notes to financial statements for the period ended 30 June 2023

	Amount in (BDT) 30-06-2023	Amount in (BDT) 30-06-2022
3.00 Capital Work-In-Progress: BDT. 92,315,239		
The breakup of the above balance is as under		
Land Development	92,315,239	92,315,239
Total	92,315,239	92,315,239
4.00 Advance, Deposit & Prepayments: BDT. 70,000,000		
The breakup of the above balance is as under		
Security Deposit		
Opening Balance	70,000,000	-
Add : Addition during the year	-	70,000,000
	70,000,000	70,000,000
Less : Adjustment made during the year	-	-
Closing Balance	70,000,000	70,000,000
5.00 Receivable from share holder BDT. 336,500,000		
The breakup of the above balance is as under		
Saif Powertec Limited	266,500,000	266,500,000
E- Engineering Limited	70,000,000	70,000,000
Total	336,500,000	336,500,000
6.00 Cash and Cash Equivalent: BDT. 25,152		
The breakup of the above balance is as under		
Cash in Hand	3,147	50,646
Cash at Bank 6.01	22,005	74,123
Total	25,152	124,768
6.01 Cash at Bank: BDT. 22,005		
The breakup of the above balance is as under		
United Commercial Bank Limited (A/C 002408)	13,678	14,368
NCC Bank Limited (A/C 024834)	8,328	59,755
Total	22,005	74,123

Notes to financial statements for the period ended 30 June 2023

			Amount in (BDT) 30-06-2023	Amount in (BDT) 30-06-2022
7.00 Share Capital: BDT. 500,000,000				
a) Authorized Share Capital:				
100,000,000 ordinary shares of Taka 10 each			<u>1,000,000,000</u>	<u>1,000,000,000</u>
b) Issued, Subscribed & Called Share Capital: BDT. 500,000,000				
50,000,000 ordinary shares of Taka 10 each fully called and subscribed			<u>500,000,000</u>	<u>500,000,000</u>
	Name of the Shareholders	No. of Shares	% of Shares	Taka
	Saif Powertec Limited	40,000,000	80%	400,000,000
	E- Engineering Limited	10,000,000	20%	100,000,000
	Total	<u>50,000,000</u>	<u>100%</u>	<u>500,000,000</u>
c) Paid up Share Capital: BDT. 163,500,000				
The breakup of the above balance is as under				
	Saif Powertec Limited		133,500,000	133,500,000
	E- Engineering Limited		30,000,000	30,000,000
	Total		<u>163,500,000</u>	<u>163,500,000</u>
d) Calls in Arrears: BDT. 336,500,000				
The breakup of the above balance is as under				
	Saif Powertec Limited		266,500,000	266,500,000
	E- Engineering Limited		70,000,000	70,000,000
	Total		<u>336,500,000</u>	<u>336,500,000</u>

Notes to financial statements for the period ended 30 June 2023

	Amount in (BDT) 30-06-2023	Amount in (BDT) 30-06-2022
8.00 Retained Earnings: BDT. -186,345		
The breakup of the above balance is as under		
Opening Balance	(76,728)	-
Net profit/(loss) during the year	(109,617)	(76,728)
Closing Balance	(186,345)	(76,728)
9.00 Liabilities for Expenses: BDT. 67,500		
The breakup of the above balance is as under		
Other Expenses	10,000	
Audit Fees	57,500	57,500
Total	67,500	57,500
10.00 Administrative Expenses: BDT. 109,617		
The breakup of the above balance is as under		
Service Charge	50,000	-
Bank Charge	2,117	19,228
Audit Fees	57,500	57,500
Total	109,617	76,728
10.01 Bank Charge: BDT. 2,117		
The breakup of the above balance is as under		
NCC Bank Limited	1,428	19,228
United Commercial Bank PLC	690	-
Total	2,117	19,228



AUDITED FINANCIAL STATEMENTS-2023



Independent Auditor's Report to the Shareholders of 88 INNOVATIONS ENGINEERING LTD.

Opinion

We have audited the financial statements of 88 INNOVATIONS ENGINEERING LTD. hereinafter referred to as "the company" which comprise the Statement of Financial Position as at June 30, 2023, Statement of Profit and Loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at June 30, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standard on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw your attention to the note no. 4 where an amount of BDT. 57,942,235 is showing as advance against works. During the year there was an addition of TK. 89,26,034 against which management could not provide supporting documents. The reason behind the non production of those documents is a fire occurred in Khawaja Tower, 95, Mohakhali, B/A, Gulshan, Dhaka-1212, Bir Uttam A-K, Khondokar Road. on dated 26th October,2023. Due the occurrence of that fire many of the documents has been burned and management had no control & access into the premises during our audit.

Independence and Other Ethical Responsibilities

We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and ICAB by laws.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS) and the Companies Act 1994 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.

Auditor's 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 International Standards on Auditing (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 International Standards on Auditing (ISAs), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.
- 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.

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.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 we also report the following:

- a) We have obtained all the information and explanations except mentioned in our opinion which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, except mentioned above proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) The Company's statement of financial position and the statement of profit or loss and other comprehensive income along with the annexed notes dealt with by the report are in agreement with the books of account; and
- d) The expenditure incurred was for the purposes of the Company's business.

Date: 14 December, 2023
Place: Dhaka



Mostaque Ahmmed Sarwar, FCA
Managing Partner
Ahmmed Hoq Siddiqui & Co.
Chartered Accountants
DVC: 2312141893AS270969

**Statement of Financial Position
As at 30 June, 2023**

Particulars	Notes	Amount in BDT.	
		30 June 2023	30 June 2022
ASSETS			
Non-Current Assets		373,438	1,510,467
Property, Plant & Equipment	3	373,438	414,931
Preliminary Expenditure		-	1,095,536
Current Assets		250,957,057	254,222,431
Advance, Deposit & Pre-payments	4	62,378,235	53,452,201
Cash & Cash Equivalents	5	578,822	770,230
Receivable from Shareholders	6	188,000,000	200,000,000
Total Assets		251,330,495	255,732,897
EQUITY AND LIABILITIES			
Equity		234,582,904	238,754,399
Share Capital	7	200,000,000	200,000,000
Retained Earnings	8	34,582,904	38,754,399
Current Liabilities		16,747,591	16,978,498
Liabilities for Expenses	9	115,000	115,000
Provision for Income Tax	10	16,609,028	16,609,028
Accounts Payable	11	23,563	254,470
Total Equity and Liabilities		251,330,495	255,732,897


The annexed notes form an integral part of this Financial Statement.


Managing Director
 (Tarafter Md. Ruhul Saif)


Chairman
 (Tarafter Nigar Sultana)

Signed in terms of our separate report of even date annexed.

Dated: 14 December, 2023
Place: Dhaka


Mostaque Ahmmmed Sarwar, FCA
Managing Partner
 Ahmmmed Hoq Siddiqui & Co.
 Chartered Accountants
 DVC: 2312141893AS270969

Statement of Profit or Loss and other Comprehensive Income
For the year ended 30 June, 2023


Particulars	Notes	Amount in BDT.	
		2022-2023	2021-2022
Revenue		-	221,800,000
Less: Cost of Revenue	13	-	158,178,444
Gross Profit/(Loss)		-	63,621,556
Less: Administrative Expenses	14	4,171,495	8,258,128
Net Operating Income/(Loss)		(4,171,495)	55,363,427
Add: Other Non-Operating Income		-	-
Net Profit/(Loss) Before Tax		(4,171,495)	55,363,427
Less: Income Tax Expense	15	-	16,609,028
Net Profit/(Loss) After Tax		(4,171,495)	38,754,399

The annexed notes form an integral part of this Financial Statement.


Managing Director
 (Tarafder Md. Ruhul Saif)


Chairman
 (Tarafder Nigar Sultana)

Signed in terms of our separate report of even date annexed.


 Mostaque Ahmmed Sarwar, FCA
Managing Partner
 Ahmmed Hoq Siddiqui & Co.
 Chartered Accountants
 DVC: 2312141893AS270969

Dated: 14 December, 2023
 Place: Dhaka

**Statement of Changes in Equity
For the year ended 30 June, 2023**

Year 2023

Amount in BDT.

Particulars	Share Capital	Retained Earnings	Total Equity
Opening Balance as at 1st July, 2022	200,000,000	38,754,399	238,754,399
Issue of Share Capital call money		-	-
Net Profit/(Loss) after Tax for this year	-	(4,171,495)	(4,171,495)
Balance as at 30 June, 2023	200,000,000	34,582,904	234,582,904

Year 2022

Amount in BDT.


Particulars	Share Capital	Retained Earnings	Total Equity
Opening Balance as at 18 Novemeber, 2021	-	-	-
Issue of Share Capital call money	200,000,000	-	200,000,000
Net Profit/(Loss) after Tax for this year	-	38,754,399	38,754,399
Balance as at 30 June 2022	200,000,000	38,754,399	238,754,399

The annexed notes form an integral part of this Financial Statement.


Managing Director
(Tarafder Md. Ruhul Saif)


Chairman
(Tarafder Nigar Sultana)

Signed in terms of our separate report of even date annexed.


Mostaque Ahmmed Sarwar, FCA
Managing Partner
Ahmmed Hoq Siddiqui & Co.
Chartered Accountants
DVC: 2312141893AS270969

Dated: 14 December, 2023
Place: Dhaka

Statement of Cash Flow
For the year ended 30 June, 2023

Particulars	2022-2023	2021-2022
Cash Flows from Operating Activities		
Cash Receipt from Customers	-	221,800,000
Cash paid to Suppliers and Employees	(1,286,944)	(166,053,533)
Cash generated from Operations	(1,286,944)	55,746,467
Advance, Deposit & Pre-payments	-	(53,452,201)
Advance Income Tax	-	-
Net Cash Flow from Operating Activities	(1,286,944)	2,294,266
Cash Flow from Investing Activities		
Purchases of Property, Plant and Equipment	-	(428,500)
Preliminary Expenditure	1,095,536	(1,095,536)
Net Cash used in Investing Activities	1,095,536	(1,524,036)
Cash Flow from Financial Activities		
Share Capital	-	-
Net Cash Flow from Financing Activities	-	-
Net Cash Inflow/(Outflow) for the period	(191,408)	770,230
Opening Cash and Cash Equivalents	770,230	-
Closing Cash and Cash Equivalents	578,822	770,230

The annexed notes form an integral part of this Financial Statement.


Managing Director
(Tarafder Md. Ruhul Saif)


Chairman
(Tarafder Nigar Sultana)

Signed in terms of our separate report of even date annexed.


Mostaque Ahmmed Sarwar, FCA
Managing Partner
Ahmmed Hoq Siddiqui & Co.
Chartered Accountants
DVC: 2312141893AS270969

Dated: 14 December, 2023
Place: Dhaka

Notes to the Financial Statements
For the year ended 30 June 2023

1.00 Legal Status and Nature of the Company

1.01 Background of the Company

88 Innovations Engineering Ltd. was incorporated on dated 18 November 2021 under the Companies Act 1994 (Act XVIII) vide Reg. No.C-176381/2021 with the Registrar of Joint Stock Companies and Firms, Dhaka as a Private limited Company.

1.02 Registered Office of the Company

Registered Office of the company situated at 72, Mohakhali C/A, (8th Floor), Rupayan Center, Gulshan, Dhaka, PO: 1212, Bangladesh.

1.03 Nature of the business

The company formed with a wide range of objective to carry on business of all types of information technology and telecommunication projects, information technology enable service (IteS), facilities, service or works and to buy, sell, acquire, install, erect, undertake, lay down, commission, establish, own operate, manage, develop, invent, improve, assemble, test, design, alter, repair, renovate, refurbish, recondition, hire, lease, supply, let-out, transfer, control and administer all kinds of information technology and telecommunication projects.

2.00 Basis of preparation and significant accounting policies

2.01 Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), the Compliance Act 1994 and other applicable laws and regulations. The format of the statements follows the requirements of IFRSs which is to some extent different from the statements of the companies Act, 1994. However, for better presentation IAS has been followed for the preparation and presentation of the financial statements.

2.02 Basis of preparation and presentation of financial statements

The financial statements as at and for the period ended on 30 June 2023 have been prepared under the historical cost convention and in accordance with International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), the Companies Act 1994 and other laws and rules applicable in Bangladesh.

2.03 Basis of Measurement

The financial statements have been prepared on historical cost basis.

2.04 Components of the financial statements

The financial statements comprise of:

- i. Statement of Financial Position as at 30 June 2023
- ii. Statement of Profit or Loss and Other Comprehensive Income for the period from 01 July 2022 to 30 June 2023
- iii. Statement of Changes in Equity from 01 July 2022 to 30 June 2023
- iv. Statement of Cash Flows for the period from 01 July 2022 to 30 June 2023
- v. Accounting Policies and Explanatory Notes.

2.05 Functional and presentational currency

The financial statements have been presented in Bangladeshi Taka/BDT which is the company's functional currency. Figures have been rounded off to nearest Taka.

2.06 Use of estimates and judgments

The preparation of the financial statements in conformity with IFRSs requires management to use judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

2.07 Going concern

The Company has adequate resources to continue in operation for foreseeable future. For this reason, the directors continue to adopt going concern basis in preparing the accounts. The current credit facilities and resources of the Company provide sufficient funds to meet the present requirements of its existing businesses and operations.

2.08 Reporting Period

The financial Statements have been prepared for 12 months for the year 01 July 2022 to 30 June 2023.

2.09 Directors' responsibility statement

The Board of Directors is responsible for the preparation and presentation of Financial Statements under Section 183 of the Companies Act 1994 and as per the provision of The Framework for the Preparation and Presentation of Financial Statements as stated in International Accounting Standards.

2.10 Property, Plant & Equipment

2.10.1 Recognition and measurement

Items of property, plant and equipment are measured initially at cost and subsequently at cost less accumulated depreciation in compliance with International Accounting Standards (IAS) 16 Property, Plant & Equipment. The cost acquisition of an asset comprises its purchase price and any direct cost for bringing the asset to its working condition for its intended use. Expenditures incurred after the asset have been put into use, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. Software and all up gradation / enhancement are generally charged off as revenue expenditure unless they bring similar significant additional benefits. When parts of item of property, plant & equipment have different useful lives, they are accounted for as separate items (measure components) of property, plant & equipment.

2.10.2 Subsequent cost

The cost of replacing part of an item of a property, Plant & equipment is recognized in the carrying amount for the item if it probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. Cost of the day-to-day servicing of property, plant & equipment are recognized in profit and loss accounts as expenses.

2.10.3 Depreciation

Depreciation is based on the cost of an asset less its residual value. Depreciation is recognized in profit or loss based on reducing balance method over the estimated useful lives of each component of an item of property, plant & equipment. Depreciation is charged on addition of fixed assets has been charged from the date of the assets are available for use.

2.10.4 Disposal of fixed Asset

Gains and losses of disposal of an item of property, plant & equipment are to be determined by comparing the proceeds from the disposal with the carrying amount of the property, plant & equipment.

2.11 Consistency

In accordance with the IFRS framework for the presentation of financial statements together with IAS 1 and IAS 8, company applies the accounting disclosure principles consistently from one period to the next. Where selecting and applying new accounting policies, changes in accounting policies applied, correction of errors, the amounts involved are accounted for and disclosed retrospectively in accordance with the requirement of IAS-8. The company however has applied the same accounting and valuation principles consistently.

2.12 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and cash at bank.

2.13 Share capital

Only ordinary shares are classified as equity.

2.14 Financial risk management

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

2.15 Revenue recognition

As per International Financial Reporting Standards (IFRS) 15 Revenue from contracts with customers, is recognized when the parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations, the entity can identify each party's rights regarding risk and rewards to be transferred, the contract has commercial substance, it is probable that the economy benefits associated with the transaction will flow to the company and the amount of revenue and the cost incurred or to be incurred in respect of the transaction can be measured reliability.

2.16 Income and expenditures

Income and expenditures are recognized on accrual basis and income is only recognized if its realization is reasonably certain.

2.17 Contingent Liabilities and Assets

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the company. There is no Contingent Assets or Liabilities in the reporting period in accordance with IAS-37 Provisions, Contingent Liabilities and Contingent Assets.

2.18 Accounts Receivable

Accounts Receivable is carried at original invoice amount. During the period there is no carrying amount of accounts receivable as company has realized all sales on cash on delivery.

2.19 Earnings Per Share

An earnings per share (EPS) is calculated in accordance with the International Accounting Standard IAS-33 "Earnings per share".

2.20 Events after the Reporting period

In compliance with the requirements of IAS 10: Events After the Reporting Period, post statement of financial position events that provide additional information about the company's position at the reporting date are reflected in the financial statements and events after the reporting date that are not adjusting events are disclosed in the notes when material. All material events occurring after the balance sheet date has been considered.

2.21 Related Party Disclosure

As per International Accounting Standards (IAS) 24 “Related Party Disclosures”, parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

2.22 Comparative Figures

Relevant notes and disclosures are also presented in a comparative way for better understanding. Previous year’s figures have been rearranged for the better understanding and presentation of comparatives information.

2.23 Application of International Accounting Standards (IASs)

The financial statements have been prepared in compliance with requirement of IAS as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and applicable in Bangladesh. The following IASs are applicable for the financial statements for the period under review:

Name and Number of IAS

- IAS - 1 Presentation of Financial Statements
- IAS - 7 Statement of Cash Flows
- IAS - 8 Accounting Policies, Changes in Accounting Estimates and Errors
- IAS - 10 Events after the Reporting Period
- IAS - 12 Income Taxes
- IAS - 16 Property, Plant & Equipment
- IAS - 24 Related Party Disclosures
- IAS - 33 Earnings per share
- IAS - 36 Impairment of assets
- IAS - 37 Provisions, Contingent Liabilities and Contingent Assets

Name and Number of IFRS

- IFRS - 1 First - time Adoption of Bangladesh Financial Reporting Standards
- IFRS - 15 Revenue from Contracts with Customers

Notes to financial statements for the period ended 30 June 2023

	Amount in (BDT) 30-06-2023	Amount in (BDT) 30-06-2022
3.00 Property, Plant & Equipment: BDT. 373,438		
The breakup of the above balance is as under		
Cost:		
Opening Balance	428,500	428,500
Add: Addition during the period	-	-
Closing Balance	428,500	428,500
Depreciation:		
Opening Balance	13,569	-
Add: Addition during the year	41,493	13,569
Closing Balance	55,062	13,569
Written down value as of 30.06.2023	373,438	414,931
Details are shown in "Schedule- A"		
4.00 Advance, Deposit & Prepayments: BDT. 62,378,235		
The breakup of the above balance is as under		
Advance against Work	57,942,235	49,016,201
Advance Income Tax	4,436,000	4,436,000
Total	62,378,235	53,452,201
4.01 Advance Income Tax: BDT. 4,436,000		
Opening Balance	4,436,000	-
Add: AIT paid during the year	-	4,436,000
	4,436,000	4,436,000
Less: Adjustment during the year	-	-
Closing Balance	4,436,000	4,436,000
5.00 Cash and Cash Equivalents: BDT. 578,822		
The breakup of the above balance is as under		
Cash in Hand	563,867	555,852
Cash at Bank	14,955	214,378
Total	578,822	770,230
5.01 Cash At Bank: BDT. 14,955		
NCC Bank Limited (AC No.- 0012-0210025173)	14,955	214,378
Total	14,955	214,378

Notes to financial statements for the period ended 30 June 2023

	Amount in (BDT) 30-06-2023	Amount in (BDT) 30-06-2022		
6.00 Receivable from Shareholder: BDT. 188,000,000				
The breakup of the above balance is as under				
Saif Powertec Limited	110,000,000	110,000,000		
Tarafder Md. Ruhul Amin	14,000,000	25,000,000		
Mrs. Tarafder Nigar Sultana	24,000,000	24,000,000		
Rubya Chowdhury	18,000,000	18,000,000		
Tarafder Md. Ruhul Saif	17,000,000	18,000,000		
Md. Jobaer Kabir	5,000,000	5,000,000		
Total	188,000,000	200,000,000		
7.00 Share Capital: BDT. 200,000,000				
a) Authorized Share Capital:				
100,000,000 ordinary shares of Taka 10 each	1,000,000,000	1,000,000,000		
b) Issued, Subscribed & Called Share Capital: BDT. 200,000,000				
20,000,000 ordinary shares of Taka 10 each fully called and subscribed	200,000,000	200,000,000		
	Taka	Taka		
Name of the Shareholders	No. of shares	% of share	Taka	Taka
Saif Powertec Limited	11,000,000	55%	110,000,000	110,000,000
Tarafder Md. Ruhul Amin	2,500,000	13%	25,000,000	25,000,000
Mrs. Tarafder Nigar Sultana	2,400,000	12%	24,000,000	24,000,000
Rubya Chowdhury	1,800,000	9%	18,000,000	18,000,000
Tarafder Md. Ruhul Saif	1,800,000	9%	18,000,000	18,000,000
Md. Jobaer Kabir	500,000	3%	5,000,000	5,000,000
Total	20,000,000	100%	200,000,000	200,000,000
c) Paid up Share Capital: BDT. 12,000,000				
The breakup of the above balance is as under				
Tarafder Md. Ruhul Amin			11,000,000	-
Tarafder Md. Ruhul Saif			1,000,000	-
Total			12,000,000	-

Notes to financial statements for the period ended 30 June 2023

	Amount in (BDT) 30-06-2023	Amount in (BDT) 30-06-2022
d) Calls in Arrears: BDT. 188,000,000		
The breakup of the above balance is as under		
Saif Powertec Limited	110,000,000	110,000,000
Tarafder Md. Ruhul Amin	14,000,000	25,000,000
Mrs. Tarafder Nigar Sultana	24,000,000	24,000,000
Rubya Chowdhury	18,000,000	18,000,000
Tarafder Md. Ruhul Saif	17,000,000	18,000,000
Md. Jobaer Kabir	5,000,000	5,000,000
	188,000,000	200,000,000
8.00 Retained Earnings: BDT. 34,582,904		
The breakup of the above balance is as under		
Opening Balance	38,754,399	-
Net profit/(loss) during the period	(4,171,495)	38,754,399
Closing Balance	34,582,904	38,754,399
9.00 Liabilities for Expenses: BDT. 115,000		
The breakup of the above balance is as under		
Audit Fees	115,000	115,000
Total	115,000	115,000
10.00 Provision for Income Tax: BDT 16,609,028		
The breakup of the above balance is as under		
Opening Balance	16,609,028	-
Add: Addition during the year	-	16,609,028
	16,609,028	16,609,028
Less: Adjustment during the year	-	-
Closing Balance	16,609,028	16,609,028
11.00 Accounts Payable: BDT. 23,563		
The breakup of the above balance is as under		
Others Payable	23,563	254,470
Total	23,563	254,470

Notes to financial statements for the period ended 30 June 2023

	Amount in (BDT) 30-06-2023	Amount in (BDT) 30-06-2022
12.00 Revenue: BDT. 0		
The breakup of the above balance is as under		
Sales	-	221,800,000
Total	-	221,800,000
13.00 Cost of Good Solds: BDT. 0		
Cost of Revenue during the year	-	158,178,444
Total	-	158,178,444
14.00 Administrative Expenses: BDT. 4,171,495		
The breakup of the above balance is as under		
Salary & Allowances	2,600,000	1,400,000
Entertainment	25,933	34,525
Bank Charge	50,978	4,351
Office Rent	180,000	105,000
Audit fee	115,000	115,000
Preliminary Expenses(Written Off)	1,095,536	-
Fees, and Subscription and License & Renewal fee	-	18,000
Fuel, Lubricants and Car Maintenance	20,124	25,450
Printing, Stationary and Photocopy	6,105	12,546
Depreciation	41,493	13,569
Cleaner Expenses	-	25,652
Utilities Expenses	11,252	15,246
Telephone and Mobile bill	7,521	9,856
Travelling and Conveyance	7,254	8,585
Newspaper, Books and Periodicals	3,521	3,524
CSR	-	6,456,000
Postage & Courier	3,254	2,568
Miscellaneous Expenses	3,524	8,256
Total	4,171,495	8,258,128

**Schedule of Property, Plant & Equipment
For the year ended 30 June, 2023**

Particulars	Cost			Rate of Dep.	Depreciation			W.D.V. as on 30.06.2023
	Opening Balance	Addition during the year	Closing Balance		Opening Balance	Charged during the year	Total	
Office equipments	428,500	-	428,500	10%	13,569	41,493	55,062	373,438
Total as on June 30, 2023	428,500	-	428,500		13,569	41,493	55,062	373,438
Total as on June 30, 2022	428,500	-	428,500		-	13,569	13,569	414,931



AUDITED FINANCIAL
STATEMENTS-2023



SAIF MARITIME LLC
Global Shipping & Logistics Network

DUBAI - U.A.E

MANAGER'S REPORT
FOR THE PERIOD ENDED JUNE 30, 2023

The Managers presents their report together with audited financial statements of **SAIF MARITIME L.L.C**, Dubai, United Arab Emirates ('the Company') which comprise the statement of financial position as at June 30, 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended, and a summary of significant accounting policies and other explanatory information.

Activities

The licensed activities of the Company are services relating to customs broker, cargo transport by light trucks, cargo transport by heavy trucks, cargo loading and unloading services, sea shipping lines agents, shipping containers loading and unloading services, freight broker, shipping lines of freight and passengers transportation, sea freight and passengers charters and sea cargo.

Events subsequent to the balance sheet date

There were no major events, which occurred since the period end that materially affect the financial position of the Company.

Financial results

The financial result of the Company is depicted in statement of profit or loss and other comprehensive income.

Shareholder and their interests

Saif Powertec Limited, a Company based in Bangladesh, is the shareholder holding 100% shares of the Company as at the period end.

Managers

Tarafder Md Ruhul Amin Wazed Tarafder and Mohammed Mashud Elahee Noor Mohammed Chowdhury both Bangladeshi nationals served as the Managers of the Company during the period.

Auditor

The auditors, Al Jeroudy Accounting & Auditing Chartered Accountants, Dubai, UAE, has indicated their willingness to continue in office.

FOR SAIF MARITIME L.L.C



Tarafder Md Ruhul Amin Wazed Tarafder
Manager

**INDEPENDENT AUDITOR'S REPORT
TO
THE SHAREHOLDER OF SAIF MARITIME L.L.C**

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **SAIF MARITIME L.L.C**, Dubai, United Arab Emirates ('the Company'), which comprise the statement of financial position as at June 30, 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period 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 Company as at June 30, 2023, and of its financial performance and its cash flows for the year ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for 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 within the meaning of IFAC code of Ethics for Professional Accountants (code IESBA) and we have fulfilled our other responsibilities under these ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Opinion.

Other matter

- a) We draw attention to Note 10 to the financial statements - Cash and cash equivalents. We have verified petty cash balances amounting to AED 77,018 with the confirmation of the existence provided by the Management of the Company. Bank balances amounting to AED 192,867 and payable for credit card amounting to AED 67,228 are verified based on the bank statements provided to us by the Management of the Company. However, we have not received bank statements to verify the bank balance of a bank amounting to AED 3,477. Further, we have not received an independent balance confirmation from the banks confirming the balances as at the reporting date.
- b) We draw attention to Note 24 to the financial statements - Commitments and contingencies. As at the reporting date, the Company has applied short term leases recognition exemption to its leases even though period of leases entered by the Company are more than 12 months and the management of the Company has considered all their lease as short term and rent paid for these leases during the period are included in the line "Rent" in Statement of profit or loss and other comprehensive income. This is not in compliance with IFRS 16 - Leases.
- c) The financial year followed by the Establishment is from January to December. These financial statements are prepared for the period from July 1, 2023 to June 30, 2024 for management group reporting purposes. The comparative figures presented are audited by us. However, we have not issued a separate audit report for the period from July 1, 2022 to June 30, 2023.

Other information

Management is responsible for the other information. The other information comprises the Manager's report, which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information 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.

**INDEPENDENT AUDITOR'S REPORT
TO
THE SHAREHOLDER OF SAIF MARITIME L.L.C (CONTINUED)**

Based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, if we conclude that there is a material misstatement of this other information, we are required to report that fact. However, we have nothing to report in this regard.

Responsibilities of Management and the Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs, 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.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

The objectives of our audit 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 auditor's 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 planning and performance of the audit. We also:

- 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.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 auditor's 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

**INDEPENDENT AUDITOR'S REPORT
TO
THE SHAREHOLDER OF SAIF MARITIME L.L.C (CONTINUED)**

- 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.

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.

Report on other legal and regulatory requirements

As required by the UAE Federal Law No. (2) of 2015 (revoked by UAE Federal Law No. (32) of 2021), we report that:

- i. we have obtained all the information and explanations we considered necessary for the purposes of our audit.
- ii. the financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Law No. (2) of 2015 (revoked by UAE Federal Law No. (32) of 2021).
- iii. the Company has maintained proper books of account.
- iv. note to the financial statements of the Company discloses material related party transactions, the terms under which they were conducted and principles of managing conflict of interests.
- v. based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Company has contravened during the six months period ended June 30, 2023, any of the applicable provisions of the UAE Federal Law No. (2) of 2015 (revoked by UAE Federal Law No. (32) of 2021) or of its Articles of Association which would materially affect its activities or its financial position as at June 30, 2023.

**FOR AL JEROUDY ACCOUNTING & AUDITING
CHARTERED ACCOUNTANTS**




Dr. Mohammad Houssein Al Jeroudy
Managing Director
Reg No. 216
Dubai, United Arab Emirates
Dated January 23, 2024

STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2023

<u>Assets</u>	Note	<u>As on</u> 30 June 2023 <u>AED</u>	<u>As on</u> 30 June 2022 <u>AED</u>
<u>Non-current assets</u>			
Property and equipment	5	9,929,168	4,103,488
Intangible assets	6	166,837	-
Total non-current assets		10,096,005	4,103,488
<u>Current assets</u>			
Trade and other receivables	6	3,895,118	1,798,772
Amount due from related parties	7	3,352,695	2,474,099
Other current financial asset	8	222,000	-
Cash and cash equivalents	8	273,362	227,994
Total current assets		7,743,175	4,500,865
Total assets		17,839,180	8,604,353
<u>Shareholder's fund and liabilities</u>			
<u>Shareholder's equity</u>			
Share capital	9	500,000	500,000
Statutory reserve	10	12,450	5,717
Transilation (loss)/gain			
Retained earnings		(195,449)	(345,194)
Total shareholder's equity		317,001	160,523
<u>Non-current liabilities</u>			
Provision for employees' end of service benefits	11	39,585	55,020
Bank borrowings	12	-	-
Long term borrowings-Non Current Portion		2,349,569	
Total non-current liabilities		2,389,154	55,020
<u>Current liabilities</u>			
Amount due to related parties	7	13,108,619	2,009,556
Bank and othe borrowings	12	67,228	-
Trade and other payables	13	1,957,178	6,379,254
Total current liabilities		15,133,025	8,388,810
Total liabilities		17,522,179	8,443,830
Total shareholder's fund and liabilities		17,839,180	8,604,353

The accompanying notes form an integral part of these financial statements.

FOR SAIF MARITIME L.L.C



Tarafder Md Ruhul Amin Wazed Tarafder
Manager

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE PERIOD FROM JULY 01, 2022 TO JUNE 30, 2023**

	Note	AED 12 Months Jun-23	AED 12 Months Jun-22
Revenue from contracts with customers	14	15,786,061	5,191,147
Direct costs	15	(12,790,407)	(4,117,462)
Gross Profit		2,995,654	1,073,685
Other income	16	170	-
Employee costs	16	(1,555,043)	(542,124)
Administrative expenses	17	(1,284,303)	(474,388)
Profit from operations		156,478	57,173
Finance costs	18	-	-
Profit/(loss) for the period		156,478	57,173
Other comprehensive income		-	-
Total comprehensive income for the period		156,478	57,173

The accompanying notes form an integral part of these financial statements.

FOR SAIF MARITIME L.L.C



Tarafder Md Ruhul Amin Wazed Tarafder
 Manager

**STATEMENT OF CHANGES IN EQUITY
 FOR THE PERIOD FROM JULY 01, 2022 TO JUNE 30, 2023**

	<u>Share capital</u> AED	<u>Statutory reserve</u> AED	<u>Transilation of currency</u>	<u>Retained earnings</u> AED	<u>Total</u> AED
Share capital introduced	500,000	-		(396,650)	103,350
Loss for the period	-	-		57,173	57,173
Transfer to statutory reserve	-	5,717		(5,717)	-
Revaluation adjustments	-	-		-	-
Net fund contributed	-	-		-	-
Balance as at June 30, 2022	500,000	5,717		(345,194)	160,523
Opening Balance	500,000	5,717		(345,194)	160,523
Profit for the period	-	-		156,478	156,478
Transfer to statutory reserve	-	6,733		(6,733)	-
Balance as at June 30, 2023	500,000	12,450		(195,449)	317,001

The accompanying notes form an integral part of these financial statements.

**STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM JULY 01, 2022 TO JUNE 30, 2023**

	<u>AED</u>	<u>AED</u>
	Jun-23	Jun-22
<u>Cash flows from operating activities :</u>		
Profit/(loss) for the period	156,478	57,173
Adjustments :		
Depreciation on property and equipment	578,121	62,452
Amortization on intangible asset	18,538	37,244
Provision for employees' end of service benefits	15,640	-
	<u>768,777</u>	<u>156,869</u>
<u>Changes in operating assets and liabilities</u>		
Trade and other receivables	(2,096,346)	(809,574)
Amount due from related parties	(878,596)	489,568
Amount due to related parties	11,099,063	1,010,743
Trade and other payables	<u>(2,072,507)</u>	<u>1,075,974</u>
Net cash generated from/(used in) operation	6,820,391	1,923,580
End of service benefits paid	<u>(31,075)</u>	-
Net cash generated from/(used in) operation	<u>6,789,316</u>	<u>1,923,580</u>
<u>Cash flows from Investing activities :</u>		
Purchase of property and equipment	(6,385,667)	(1,914,058)
Disposal of property and equipment	-	-
Disposal of intangible assets	-	-
Capital work in progress	-	-
Intangible Assets	-	-
Other current financial asset	<u>(222,000)</u>	-
Net cash used in investing activities	<u>(6,607,667)</u>	<u>(1,914,058)</u>
<u>Cash flows from financing activities :</u>		
Bank borrowings availed/(repaid) during the year	-	-
Share capital introduced	-	-
Long term Borrowings	67,228	-
Profit and Loss adjustments	-	-
Net cash generated from financing activities	<u>67,228</u>	<u>-</u>
Net increase in cash and cash equivalents	248,877	9,522
Cash and cash equivalents at beginning of the period	<u>227,994</u>	<u>218,472</u>
Cash and cash equivalents at end of the period	<u>476,871</u>	<u>227,994</u>

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

1. Legal status and nature of business

SAIF MARITIME L.L.C ('the Company') is a Limited Liability Company - Single Owner (LLC - SO) incorporated on September 29, 2020 in accordance with provisions of UAE Federal Law No. (8) of 1984 regarding Commercial Companies and its subsequent amendments (revoked by UAE Federal Law No. (2) of 2015 and further revoked by UAE Federal Law No. (32) of 2021) and registered with Department of Economic Development, Government of Dubai, UAE under Registration No. 1687857. The Company is licensed to operate in UAE under Commercial License No. 907608. The registered address of the Company is P.O. Box: 18870, Dubai, UAE.

The licensed activities of the Company are services relating to customs broker, cargo transport by light trucks, cargo transport by heavy trucks, cargo loading and unloading services, sea shipping lines agents, shipping containers loading and unloading services, freight broker, shipping lines of freight and passengers transportation, sea freight and passengers charters and sea cargo.

This Financial statement also includes the operations of M/s. Saif Maritime - Branch of Abu Dhabi ('the Branch'), registered on December 30, 2022 with the Department of Economic Development, Government of Abu Dhabi, under Registration No. CN-4728474. The licensed activities of the Company are services related to goods air shipment, warehousing and inventory services installation, goods loading and unloading, goods marine shipment, transportation of materials assembly heavy truck and sea shipping lines agent.

As per the Memorandum of Association and its subsequent amendments: the issued, subscribed and paid up capital of the Company as on June 30, 2023 is AED 500,000 (Arab Emirates Dirhams Five Hundred Thousand only) divided into 500 shares of AED 1,000 each.

Name of the shareholder	Nationality	Shares	Amount (AED)	%
Saif Powertec Limited	Bangladesh	500	500,000	100%

2. Application of new and revised International Financial Reporting Standards ("IFRS")

2.1 New and amended IFRS Standards that are effective for the current year

The following new and amended IFRS Standards, which became effective for annual periods beginning on or after January 1, 2022, have been adopted in these financial statements. The application of these new and amended IFRS Standards has not made any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

- Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework.
- Amendments to IAS 16 Property, plant and equipment - Proceeds before intended use.
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets - Onerous contracts - cost of fulfilling a contract.
- Annual improvements to IFRS Standards 2018 - 2020 Cycle - Amendments to IFRS 1 First time adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases and IAS 41 Agriculture.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

2.2 New and revised IFRS Standards in issue but not yet effective and not early adopted

The Company has not yet early applied the following new standard, amendments and interpretations that have been issued but are not yet effective (with earlier application permitted):

- a) IFRS 17 Insurance contracts - recognition, measurement, presentation and disclosure (effective for annual periods beginning on or after January 1, 2023).
- b) Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (2011) relating to the treatment of the sale or contribution of assets from and investor to its associate or joint venture (effective for annual periods yet to be determined).
- c) Amendments to IAS 1 - Classification of liabilities as current and non-current (effective for annual periods beginning on or after January 1, 2023).
- d) Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements - Disclosure of accounting policies (effective for annual periods beginning on or after January 1, 2023).
- e) Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates (effective for annual periods beginning on or after January 1, 2023).
- f) Amendments to IAS 12 Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective for annual periods beginning on or after January 1, 2023).

Management anticipates that these new standards, interpretations and amendments will be adopted in the Company's financial statements for the year beginning January 1, 2024 or as and when they are applicable and adoption of these new standards, interpretations and amendments.

3. Significant accounting policies

3.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS Standards) issued and adopted by the International Accounting Standards Board ("IASB") and the interpretations issued by the International Financial Reporting Interpretation Committee of the IASB enforce at December 31, 2022 and the requirements of the local laws and regulations.

3.2 Basis of preparation

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or liability if the market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purpose in the financial statements is determined in such a basis except for share based transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IAS 17 and measurement that have some similarities to fair value but are not fair value such as net realizable value in IAS 2 or value in use in IAS 36.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

3.2 Basis of preparation (Continued)

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety which are described as follows:

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or liability if the market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purpose in the financial statements is determined in such a basis except for share based transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IAS 17 and measurement that have some similarities to fair value but are not fair value such as net realizable value in IAS 2 or value in use in IAS 36.

- a) Level 1 Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- b) Level 2 Inputs are inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- c) Level 3 Inputs are unobservable inputs for the asset or liability

3.3 Revenue recognition

Revenue is recognized by reference to the 5 steps model recommended by IFRS 15 as mentioned below:

Step 1: Identify the contract with a customer.

Step 2: Identify the performance obligations in the contract. Step 3: Determine the transaction price.

Step 4: Allocate the transaction price to the individual performance obligations.

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation. Performance obligation can be satisfied either at the point of time or over time.

The Company's revenues represented in:

Revenue from sale of goods

Revenue for the sale of goods is recognized when control of the goods is transferred to the buyer and only when it is highly probable that a significant reversal of revenue will not occur when uncertainties related to a variable consideration are resolved and is based on the amount of the transaction price that is allocated to the performance obligation. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for goods to the customer. The consideration expected by the Company may include fixed or variable amounts which can be impacted by sales returns, trade discounts and volume rebates.

Services revenue

Revenue from the services in normal course of business is recognised at a point in time when the performance obligation is satisfied and is based on the amount of the transaction price that is allocated to the performance obligation. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for services to the customer. The consideration expected by the Company may include fixed or variable amounts which can be impacted by sales returns, trade discounts and volume rebates.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

3.4 Foreign currency transactions

The financial statements of the Company are presented in the currency of the primary economic environment in which the Company operates. For the purpose of the financial statements, the results and financial position of the Company are expressed in Arab Emirates Dirhams (AED), which is the functional currency of the Company, and the presentation currency for the financial statements.

In preparing the financial statements, transactions in currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currency are translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated. Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in the profit or loss.

3.5 Leases

The Company assesses whether a contract is or contains a lease, at inception of the contract. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company as a lessee

The Company acts as a lessee and applies a single recognition and measurement approach for all the leases except for short term leases and leases of low value assets, if any. The Company recognizes a right of use asset representing the right to use the underlying asset and a corresponding lease liability to make lease payments.

a) Right of use asset

The Company recognizes right of use assets (ROU Assets) at the commencement date of the lease (the date from which the underlying asset is available for use). The right of use assets comprises 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 and adjusted for any re-measurement of lease liabilities, if any. The right of use assets are presented as a separate line in the statement of financial position.

Unless the Company is reasonably certain to obtain the ownership of the leased asset at the end of the lease period, the recognized ROU asset are depreciated over the shorter period of lease term and useful life of the underlying asset.

b) Lease liabilities

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

3.5 Leases (Continued)

Lease payments included in the measurement of the lease liability comprise:

- a) Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable.
- b) Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.
- c) The amount expected to be payable by the lessee under residual value guarantees.
- d) The exercise price of purchase options, if the lessee is reasonably certain to exercise the options, and
- e) Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position. 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 Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- a) The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate,
- b) The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- c) A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Company did not make any such adjustments during the periods presented.

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 recognized 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.

The Company applies IAS 36 to determine whether a right of use asset is impaired and accounts for any identified impairment loss.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other expenses" in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

3.5 Leases (Continued)

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. For a contract that contain a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand alone price of the lease component and the aggregate stand-alone price of the non-lease components.

c) Short term leases and lease liabilities

The Company applies the short term leases recognition exemption to its short-term leases (leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low value assets recognition exemption to leases that are considered of low value. Lease payments on short term leases and leases of low value assets are recognized as expense on a straight line basis over the lease term.

As at the reporting date, the Company has applied short term leases recognition exemption to its leases even though period of leases entered by the Company are more than 12 months and the management of the Company has considered all their lease as short term and rent paid for these leases during the period are included in the line "Rent" in Statement of profit or loss and other comprehensive income.

3.6 Property and equipment

Property and equipment are carried at cost less accumulated depreciation and identified impairment loss, if any. The initial cost of property and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Subsequent costs are included in the assets' carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the profit or loss during the financial period in which they are incurred.

Depreciation is charged to write-off the cost of assets, over their estimated useful lives, using the straight-line method, as follows:

Asset class	Years
Freehold Land	0
Leasehold improvements	10
Furniture and fixtures	1-3
Containers	10
Computer and office equipment	1-3
Motor vehicles	5

The assets' residual values, estimated useful lives and depreciation method are reviewed periodically, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

3.6 Property and equipment (Continued)

Capital work in progress

Capital work in progress is stated at cost less accumulated impairment losses, if any. It consists of expenditure incurred in respect of property and equipment in the course of their acquisition, erection, construction and installation. The assets are transferred to the relevant category of property and equipment when they are available for use.

3.7 Intangible assets

An intangible asset is recognized if it is probable that the future economic benefits that are attributable to the asset will flow to the enterprises and the costs of such asset can also be measured reliably. Generally, costs associated with developing or maintaining computer software programs and other intangible asset are recognized as expense as incurred. However, the costs that are directly associated with identifiable software and other intangible asset and have probable economic benefit exceeding the cost beyond one period, are recognized as an intangible asset. Direct costs include the purchase cost of the software and other intangible assets and related overhead cost.

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses if any. Amortization is charged to the statement of profit or loss using straight-line method over their estimated useful lives.

3.8 Impairment of tangible and intangible assets

At each reporting date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGU, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of the future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, so long as the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or CGU) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

3.9 Value added tax receivable/payable

Value added tax receivable/payable represents the net value added tax collected/paid at the end of the reporting date in accordance with Federal Decree-Law No. (8) of 2017 on Value Added Tax and Cabinet Decision No. (52) of 2017 on the Executive Regulations of the Federal Decree-Law No. (8) of 2017 on Value Added Tax.

3.10 Employee benefits

Short term employee benefits

Short-term employee benefits are recognized as an expense when the related service is provided. The amount expected to be paid is recognized as a liability when the Company has a present or implied liability to pay the amount as a result of the employee providing a previous service and the liability can be estimated to a reliable dependent degree.

Employee benefits - end of service benefits

The Company provides for Employees' end of service benefits in accordance with UAE Labour Law. The entitlement to these benefits is based upon employee's basic salary and length of service. The expected costs of these benefits are accounted over the year of employment.

3.11 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, considering the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, it's carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle, a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.12 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.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as measured at amortized cost, fair value through other comprehensive income (OCI) and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial assets contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade debts, the Company initially measures a financial asset at its fair value plus in case of a financial asset not at fair value through profit or loss, transaction costs. Trade debts are measured at the transaction price determined under IFRS 15.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

3.12 Financial instruments (Continued)

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. The assessment is referred to as the SPPI test and is performed at an instrument level. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets or both.

Subsequent measurement

For the purposes of subsequent measurements, financial assets are classified into following categories:

a) Financial assets at amortized cost (debt instruments)

This category is the most relevant to the Company. The Company measures financial assets at amortized cost if both of the following conditions are met,

- The financial assets are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial assets give rise on a specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

De-recognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss. On de-recognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer.

The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

3.12 Financial instruments (Continued)

Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at fair value through OCI, lease receivables, trade receivables and contract assets as well as on financial-guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company recognizes lifetime expected credit losses (ECL) for trade receivables, contract assets and lease receivables.

The expected credit losses of these financial instruments are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not significantly increased since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

As at the reporting date, the management of the Company has measured the loss allowance for their financial instruments at an amount equal to 12-month Expected Credit Losses (ECL) rather than lifetime ECL. Based on the management assessment, there is no probability of the default events of their financial instruments that are possible within 12 months after the reporting date. Hence, no loss allowance was recognized in the current period.

i) *Significant increase in credit risk*

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

ii) *Definition of default*

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- a) When there is a breach of financial covenants by the debtor.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

3.12 Financial instruments (Continued)

- b) Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collateral held by the Company).

Irrespective of the above analysis, the Company considers that default has occurred when a financial asset is more than 90 days past due unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

iii) Write off policy

The Company writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, considering legal advice where appropriate. Any recoveries made are recognized in profit or loss.

iv) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount of guaranteed debt that has been drawn down as at the reporting date, together with any additional guaranteed amounts expected to be drawn down by the borrower in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with IFRS 16.

For a financial guarantee contract, as the Company is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Company expects to receive from the holder, the debtor or any other party.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as measured at fair value through profit or loss, loans and borrowings, payables or as derivatives designated as hedging instruments in an effective hedge as appropriate.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

3.12 Financial instruments (Continued)

All financial liabilities are recognized initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs (amortised costs).

Subsequent measurement

For the purposes of subsequent measurements, financial liabilities are classified into following categories:

Loans and borrowings and payables

After initial recognition, interest bearing loans and borrowings and payables are subsequently measured at amortized cost using EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are integral part of the EIR. The EIR amortization is included as finance costs in the profit or loss.

De-recognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified such as exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the profit or loss.

3.13 Going concern

The management of the Company have, at the time of approving the financial statements, a reasonable expectation that the Company have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

4. Significant accounting judgements, estimates and assumptions

The preparation of the financial statements in conformity with accounting and reporting standards require the use of certain critical accounting estimates. It also requires management to exercise its judgements in the process of applying the Company's accounting policies. Judgements, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations in future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

In the process of applying the Company's accounting policies, management has made the following judgements, estimates and assumptions which are significant to these financial statements.

Judgements in determining the timing of satisfaction of performance obligations

In making their judgement, the Management considered the detailed criteria for the recognition of revenue set out in IFRS 15. Based on the acceptance of the contract entered into between parties, the management is satisfied that it is probable that the economic benefits associated with the transaction will flow to the Company and the recognition of the revenue is appropriate.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

4. Significant accounting judgements, estimates and assumptions (Continued)

Property and equipment and intangible asset

The Company reviews the useful lives, method of depreciation/amortization and the residual values of property and equipment and intangible asset. Any change in the estimates in future periods might affect the carrying amount of the respective line items of property and equipment and intangible asset with corresponding effect on the depreciation/amortization charge and impairment. The Company assesses at each reporting date whether there is an indication that the assets may be impaired. If such condition exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying value exceeds the recoverable amount, assets are written down to the recoverable amounts and the resulting impairment loss is recognized as expense in the profit or loss, unless the asset is carried at revalued amount. Any impairment loss on revalued assets is treated as revaluation decrease.

Allowance for Expected Credit loss (ECL)

The Company has established a 12-month ECL considering the Company's historical credit loss experience, forward-looking factors specific to the debtors and the economic environment. However, in cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss and forecast of economic conditions may also not be representative of customer's actual default in the future. At each reporting date, the historical default rates are updated and changes in the forward-looking estimates are analyzed. Any change might affect the carrying value and the amount of expected credit loss charge to profit or loss.


NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE PERIOD FROM JULY 1, 2022 TO JUNE 30, 2023

5 Property and equipment

	<u>Furniture and fixtures</u>	<u>Freehold Land</u>	<u>Leasehold Improvements</u>	<u>Containers</u>	<u>Computer and office equipment</u>	<u>Motor vehicles</u>	<u>Capital work in progress</u>	<u>Intangible Assets</u>	<u>Total</u>
<u>Cost</u>	AED	AED	AED	AED	AED	AED	AED	AED	AED
As at January 1, 2021	-	-	-	-	-	-	-	-	-
Additions during the period	2,095	-	1,822,061	22,372	126,030	2,244,709	-	-	4,217,267
Disposals during the year	-	-	-	-	-	-	-	-	-
As at June 30, 2022	2,095	-	1,822,061	22,372	126,030	2,244,709	-	-	4,217,267
Additions during the period	100,206	4,741,069	1,019,205	194,814	23,938	-	-	-	6,403,801
Disposals during the year	-	-	-	-	-	-	-	-	-
Transfer	-	-	2,244,709	-	-	(2,244,709)	-	-	-
As at June 30, 2023	102,301	4,741,069	3,263,914	2,016,875	346,941	149,968	-	-	10,621,068
Accumulated depreciation									
As at January 1, 2021	-	-	-	-	-	-	-	-	-
Charge during the period	2,095	-	87,877	3,822	19,985	-	-	-	113,779
On disposal during the period	-	-	-	-	-	-	-	-	-
As at June 30, 2022	2,095	-	87,877	3,822	19,985	-	-	-	113,779
Charge during the period	26,183	-	196,033	235,036	90,877	29,992	-	-	578,121
On disposal during the period	-	-	-	-	-	-	-	-	-
As at June 30, 2023	28,278	-	196,033	322,913	94,699	49,977	-	-	691,900
Net Value									
As at June 30, 2023	74,023	4,741,069	3,067,881	1,693,962	252,242	99,991	-	-	9,929,168
As at June 30, 2022	-	-	-	1,734,184	18,550	106,045	2,244,709	-	4,103,488

Capital work in progress represents the costs incurred for the interior design work of the office building in Vision Tower Office No#2401, Dubai, UAE and warehouse in Sharjah, UAE whose construction is in progress. Total contract value of the project is AED 2.44 Million. The remaining capital commitments of the Company as at the period end is AED 200 thousand (Note 20).

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 FOR THE PERIOD FROM JULY 1, 2022 TO JUNE 30, 2023

	<u>As on</u> 30 June 2023 <u>AED</u>	<u>As on</u> 30 June 2022 <u>AED</u>
6 Intangible assets		
Cost		
Balance at the beginning of the year	185,375	-
Additions during the year	-	-
Disposals during the year	-	-
	<u>185,375</u>	<u>-</u>
Accumulated amortisation		
Balance at the beginning of the year	-	-
Amortisation during the year	18,538	-
On disposal during the year	-	-
	<u>18,538</u>	<u>-</u>
Carrying amount	<u>166,837</u>	<u>-</u>
Inventories are under lien/hypothecated against the credit facilities granted by the bank. Assignment of fire insurance policy with banks (Note ..).		
6 Trade and other receivables		
Trade receivables Neither past due nor impaired	2,487,376	973,317
Advance to suppliers	515,480	318,561
Refundable deposits	229,700	217,800
Prepayments	114,308	152,298
Value added tax receivable	159,458	101,135
Staff advances	19,796	35,661
Other receivables	369,000	-
	<u>3,895,118</u>	<u>1,798,772</u>

Based on the assessment of Expected Credit Loss (ECL) in accordance with IFRS 9 - Financial Instruments, the Management has certified that the probability of default of the above outstanding receivables, net of provision already created, is 0%. Accordingly, no further allowance for impairment of receivables are created.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE PERIOD FROM JULY 1, 2022 TO JUNE 30, 2023

	<u>As on</u> 30 June 2023 <u>AED</u>	<u>As on</u> 30 June 2022 <u>AED</u>
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7 Related party transactions

The Company enters into transactions with companies and entities that fall within the definition of a related party as contained in *IAS 24 Related Party Disclosures*. Related parties comprise companies and entities under common ownership and/or common management and control and key management personnel. The management decides on the terms and conditions of the transactions and of the services received/rendered from/to related parties, as well as on other charges.

At the reporting date, balances in relation to related parties were as follows:

Amount due from related parties

Maxwell Power Services Pte Limited	1,289,152	1,289,152
Saif Maritime Ltd	2,056,227	1,177,631
Saif Powertec Ltd	7,316	7,316
	<u>3,352,695</u>	<u>2,474,099</u>

Amount due to related parties

Global Trade Limited	3,323,832	1,465,813
Saif United Shipping and Trading	4,981,287	543,743
Safa Al Qamar General Trading LLC	4,803,500	-
	<u>13,108,619</u>	<u>2,009,556</u>

During the period, the Company entered into the following transactions with related parties.

Revenue	<u>594,487</u>
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There are no key managerial remuneration paid or provided during the period.

8 Other current financial asset

Fixed deposits	112,000	-
Margin deposits	110,000	-
	<u>222,000</u>	<u>-</u>

Fixed deposit are under lien against the credit facilities granted by the bank. Fixed deposit amounting to AED (2020: AED.....) held in the name of related party/shareholder and are held in beneficial interest of the Company.

Margin deposits represents the employee guarantee deposits or other margin deposits with the banks are under lien again guarantee provided by the bank. Guarantee provided by the bank as at the reporting date is AED ... (Note 33).

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	<u>As on</u> 30 June 2023 AED	<u>As on</u> 30 June 2022 AED
8 <u>Cash and cash equivalents</u>		
Cash on hand	77,018	10,764
Cash at bank - current accounts	196,344	217,230
	<u>273,362</u>	<u>227,994</u>
Cash on hand is physically counted and certified by the Management.		
9 <u>Share capital</u>		
Authorised, issued and fully paid: 500 ordinary shares of AED 1,000 each	<u>500,000</u>	<u>500,000</u>
10 <u>Statutory reserve</u>		
Balance at the beginning of the year	5,717	-
Transferred from retained earnings	6,733	5,717
	<u>12,450</u>	<u>5,717</u>
11 <u>Provision for employees' end of service benefits</u>		
Balance at the beginning of the period	55,020	17,776
Provided during the period	15,640	37,244
Paid during the year	(31,075)	-
	<u>39,585</u>	<u>55,020</u>

Provision for employees' end-of-service benefits is made in accordance with the UAE Labour Law, and is based on current remuneration and cumulative years of service at the reporting date.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE PERIOD FROM JULY 1, 2022 TO JUNE 30, 2023

	<u>As on</u> 30 June 2023 <u>AED</u>	<u>As on</u> 30 June 2022 <u>AED</u>
12 Bank and othe borrowings		
Loan term loan	-	-
Payable for Credit Card	67,228	
Vehicles loan	-	-
Overdraft	-	-
Trust Receipts	-	-
Bill discouting	-	-
	<u>67,228</u>	<u>-</u>
Out of the above:		
Instalment due within 12 months	-	-
Instalment due after 12 months	-	-
	<u>-</u>	<u>-</u>
During the period company bought 2 plots amounting to AED 4,741,069.00 from Tital Properties on installment plan.		
13 Trade and other payables		
Trade payables	872,904	6,177,786
Post dated cheques paid	-	-
Payable for Capital Expenditure	3,201,569	
Accrued expenses	187,175	132,172
Employee benefits payable	-	57,406
Advance from customers	45,099	11,890
Value added tax payable	-	-
	<u>4,306,747</u>	<u>6,379,254</u>
Out of the above:		
Instalments due within 12 Months	1,957,178	
Instalments due after 12 Months	2,349,569	
	<u>4,306,747</u>	<u>-</u>

DUBAI - U.A.E
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE PERIOD FROM JULY 1, 2022 TO JUNE 30, 2023

	<u>As on</u> 30 June 2023 <u>AED</u>	<u>As on</u> 30 June 2022 <u>AED</u>
14 Revenue from contracts with customers		
Sale of goods	-	155,133
Vessel Chartering income	2,777,456	
Cargo handling services income	13,008,605	5,036,014
	<u>15,786,061</u>	<u>5,191,147</u>
Analysis of revenue is as follows:		
a related party	125,707	594,487
Others	15,705,354	4,596,660
	<u>15,831,061</u>	<u>5,191,147</u>
15 Direct costs		
Purchase of goods	-	147,377
Cost of cargo handling services	11,103,748	3,970,085
Cost of Vessel Chartering	1,686,659	
Closing stock (Note 11)	-	-
	<u>12,790,407</u>	<u>4,117,462</u>
Other direct expenses	-	-
	<u>12,790,407</u>	<u>4,117,462</u>
Analysis of direct costs is as follows:		
a related party	-	-
Others	12,790,407	4,117,462
	<u>12,790,407</u>	<u>4,117,462</u>

DUBAI - U.A.E
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE PERIOD FROM JULY 1, 2022 TO JUNE 30, 2023

	<u>As on</u> 30 June 2023 <u>AED</u>	<u>As on</u> 30 June 2022 <u>AED</u>
16 Other income		
Profit on disposal of property and equipment	-	-
Interest on Fixed deposit	170	-
Profit on disposal of intangible assets	-	-
Exchange gain	-	-
Other income	-	-
	<u>170</u>	<u>-</u>
16 Employee costs		
Salaries and allowances	1,267,177	502,508
End of service benefits (Note 11)	15,640	37,244
Other employee benefits	272,226	2,372
	<u>1,555,043</u>	<u>542,124</u>
17 Administrative expenses		
Legal and professional	61,969	167,013
Rent	204,690	91,670
Vehicle expenses	68,924	-
Office expenses	64,337	84,890
Repair and Maintenance	55,951	-
Insurance	-	27,544
Business promotion	56,845	24,331
Utilities and communication	134,944	9,616
Impairment of receivables	-	-
Bad debts written off	-	-
Depreciation on Property and equipemnet	578,121	62,452
Amortisation of Intengible Assets	18,538	-
Bank charges	39,984	6,872
	<u>1,284,303</u>	<u>474,388</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE PERIOD FROM JULY 1, 2022 TO JUNE 30, 2023

	<u>As on</u> 30 June 2023 <u>AED</u>	<u>As on</u> 30 June 2022 <u>AED</u>
18 <u>Financial instruments</u>	-	
a) Significant accounting policies		
Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in Note 3 to the financial statements.		
b) Categories of financial instruments		
Financial assets at amortised cost		
Trade and other receivables	3,265,330	1,327,913
Amount due from related parties	3,352,695	2,474,099
Cash and cash equivalents	273,362	227,994
	<u>7,113,387</u>	<u>4,030,006</u>
Financial liabilities at amortised cost		
Amount due to related parties	5,894,407	2,009,556
Trade and other payables	4,261,648	6,367,364
	<u>10,156,055</u>	<u>8,376,920</u>
c) Fair value of financial instruments		
The fair values of financial assets and financial liabilities approximate the amounts as shown in the statement of financial position.		

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE PERIOD FROM JULY 1, 2022 TO JUNE 30, 2023

<u>As on</u>	<u>As on</u>
30 June 2023	30 June 2022
<u>AED</u>	<u>AED</u>

19 Financial risk management

The Company's overall financial risk management program seeks to minimize potential adverse effects to the financial performance of the Company. The management provides guidelines for overall financial risk management and policies covering specific areas, such as market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk.

a) Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, when revenue or expense are denominated in a different currency from the Company's functional currency which is United Arab Emirates Dirham (AED). The Company manages the risks through regular monitoring of the currency markets to determine appropriate action to minimise the exposure to the foreign currency risk.

There are no significant exchange rate risks as substantially all financial assets and financial liabilities are denominated in Arab Emirates Dirhams or in US Dollars to which the Dirham is fixed.

b) Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. There are no significant interest rate risks as the Company has no interest bearing financial assets and financial liabilities as at the reporting date.

c) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the management which has built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding.

Liquidity risk tables

The following table details the Company's expected maturity for its non-derivative financial assets. The tables have been drawn up based on the undiscounted contractual maturities of the financial assets.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE PERIOD FROM JULY 1, 2022 TO JUNE 30, 2023

	<u>As on</u> 30 June 2023 <u>AED</u>	<u>As on</u> 30 June 2022 <u>AED</u>
Non-interest bearing financial assets	<u>7,113,387</u>	<u>4,030,006</u>

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table comprises principal cash flows.

1 Year or less

Non-interest bearing financial liabilities	<u>10,156,055</u>	<u>8,376,920</u>
--	-------------------	------------------

d) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management regularly. Further details of credit risks on trade receivables and amount due from related parties are discussed in Note 6 and Note 7 respectively, to the financial statements.

20 Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to the shareholder through optimisation of the equity balance. The Company's overall strategy remains unchanged from 2021.

21 Commitments and contingencies

Details of commitments and contingencies of the Company as at the period end is as follows:

Commitments

Operating lease commitments represents office rental commitments of the Company in Vision Tower 1, Business Bay, Dubai, UAE for a period of 5 years starting from April 20, 2022.

DUBAI - U.A.E
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE PERIOD FROM JULY 1, 2022 TO JUNE 30, 2023

	<u>As on</u> 30 June 2023 <u>AED</u>	<u>As on</u> 30 June 2022 <u>AED</u>
Within 1 year	100,000	-
1 to 5 years	380,548	-
	480,548	-

Capital commitments represents the commitment of the Company towards the construction of the office building in Vision Tower Office No#2401, Dubai, UAE and warehouse in Sharjah, UAE whose construction is in progress. Total contract value of the project is AED 2.44 Million. The remaining capital commitments of the Company as at the period end is AED 200 thousand (Note 5).

Except for the ongoing business obligations which are under normal course of business against which no loss is expected, there has been no other known contingent liability or capital commitment as of balance sheet date.

22 Comparatives

Previous period figures represents figures of 15 months starting from September 29, 2020 (date of incorporation) to December 31, 2021. Hence, previous period figures are not comparable with current period figures.



AUDITED FINANCIAL
STATEMENTS-2023



**SAIF UNITED SHIPPING
& T R A D I N G**
FUJAIRAH - U.A.E.

DIRECTOR'S REPORT
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2023

The Director is pleased to presents his report together with audited financial statements of **SAIF UNITED SHIPPING & TRADING**, Fujairah, United Arab Emirates ('the Establishment') which comprise the statement of financial position as at June 30, 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period from January 1, 2023 to June 30, 2023, and a summary of significant accounting policies and other explanatory information.

Activities

The licensed activities of the Establishment are logistics, importing, exporting, ships management and operation, shipment containers loading and offloading services and goods marine shipment services.

Events subsequent to the balance sheet date

There were no major events, which occurred since the period end that materially affect the financial position of the Establishment.

Financial results

The financial result of the Establishment is depicted in statement of profit or loss and other comprehensive income.

Owner and his interests

Saif Powertech Ltd, a Company incorporated in Bangladesh, is the sole Owner of the Establishment as at the period end. On February 17, 2023, Tarafder Md Ruhul Amin Wazed Tarafder who is the sole owner of the Establishment has sold his 100% ownership to Saif Powertech Ltd, a Company incorporated in Bangladesh. There are no other changes in the shareholding structure during the period.

Director

Tarafder Md Ruhul Amin Wazed Tarafder served as the Director of the Establishment during the period.

Auditor

The auditors, Al Jeroudy Accounting & Auditing Chartered Accountants, Dubai, UAE, has indicated their willingness to continue in office.

FOR SAIF UNITED SHIPPING & TRADING



Tarafder Md Ruhul Amin Wazed Tarafder
Director

**INDEPENDENT AUDITOR'S REPORT
TO
THE OWNER OF SAIF UNITED SHIPPING & TRADING**

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **SAIF UNITED SHIPPING & TRADING**, Fujairah, United Arab Emirates ('the Establishment'), which comprise the statement of financial position as at June 30, 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flow for the period from January 1, 2023 to June 30, 2023, 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 Establishment as at June 30, 2023, and of its financial performance and its cash flows for the period from January 1, 2023 to June 30, 2023 in accordance with International Financial Reporting Standards (IFRSs).

Basis for 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 Establishment within the meaning of IFAC code of Ethics for Professional Accountants (code IESBA) and we have fulfilled our other responsibilities under these ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Opinion.

Other matter

- a) We draw attention to Note 6 to the financial statements - Trade and other receivables. Trade receivables includes an amount of AED 14,863,500 which is under litigation. Based on the management assessment, there is no probability of the default events of their financial instruments that are possible within 12 months after the reporting date. Hence, no loss allowance was recognized during the period.
- b) We draw attention to Note 8 to the financial statements - Cash and cash equivalents. We have verified petty cash balances amounting to AED 204,392 with the confirmation of the existence provided by the Management of the Establishment and bank balances amounting to AED 1,324,122 with the bank statements provided to us by the Management of the Establishment. However, we have not received an independent balance confirmation from the bank confirming the balances as at the reporting date.
- c) We draw attention to Note 10 to the financial statements - Provision for employees' end of service benefits. The Establishment has not made provision for employees' end of service benefits for the employees who have completed one year of service in accordance with UAE Labour Law.
- d) We draw attention to Note 20 to the financial statements - Commitments and Contingencies. As at the reporting date, the Establishment has accounted for an amount of AED 13.84 million (USD 3.77 million) as credit note against the payable to AD Ports Group which was not recorded in the statement of AD Ports Group. As per management representation, this was agreed internally with AD Ports Group.

Other information

Management is responsible for the other information. The other information comprises the Director's report, which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our auditor's report thereon.

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

**INDEPENDENT AUDITOR'S REPORT
TO
THE OWNER OF SAIF UNITED SHIPPING & TRADING (CONTINUED)**

Other information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information 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.

Based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, if we conclude that there is a material misstatement of this other information, we are required to report that fact. However, we have nothing to report in this regard.

Responsibilities of Management and the Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs, 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 Establishment'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 Establishment or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Establishment's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

The objectives of our audit 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 auditor's 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 planning and performance of the audit. We also:

- 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.
- 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 Establishment's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

**INDEPENDENT AUDITOR'S REPORT
TO
THE OWNER OF SAIF UNITED SHIPPING & TRADING (CONTINUED)**

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- 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 Establishment's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Establishment to cease to continue as a going concern.
- 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.

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.

Report on other legal and regulatory requirements

We further report that:

- i. we have obtained all the information and explanations we considered necessary for the purposes of our audit.
- ii. the Establishment has maintained proper books of account.
- iii. note to the financial statements of the Establishment discloses material related party transactions, the terms under which they were conducted and principles of managing conflict of interests.
- iv. based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Establishment has contravened during the period from January 1, 2023 to June 30, 2023, which would materially affect its activities or its financial position as at June 30, 2023.

**FOR AL JEROUDY ACCOUNTING & AUDITING
CHARTERED ACCOUNTANTS**



Dr. Mohammad Houssein Al Jeroudy
Managing Director
Reg No. 216
Dubai, United Arab Emirates
Dated January 17, 2024

**STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023**

<u>Assets</u>	Note	2023 <u>AED</u>	2022 <u>AED</u>
<u>Non-current assets</u>			
Property and equipment	5	35,231	40,794
<u>Current assets</u>			
Trade and other receivables	6	26,218,596	15,498,306
Amount due from related parties	7	3,903,048	2,736,699
Cash and cash equivalents	8	1,528,514	1,142,825
Total current assets		<u>31,650,158</u>	<u>19,377,830</u>
Total assets		<u>31,685,389</u>	<u>19,418,624</u>
<u>Owner's equity and liabilities</u>			
<u>Owner's equity</u>			
Owner's capital	9	100,000	100,000
Retained earnings		<u>1,305,313</u>	<u>1,256,012</u>
Total owner's equity		<u>1,405,313</u>	<u>1,356,012</u>
<u>Current liabilities</u>			
Amount due to related parties	7	5,802,485	6,523,304
Trade and other payables	11	<u>24,477,591</u>	<u>11,539,308</u>
Total current liabilities		<u>30,280,076</u>	<u>18,062,612</u>
Total liabilities		<u>30,280,076</u>	<u>18,062,612</u>
Total owner's equity and liabilities		<u>31,685,389</u>	<u>19,418,624</u>

The accompanying notes form an integral part of these financial statements.

FOR SAIF UNITED SHIPPING & TRADING



Tarafder Md Ruhul Amin Wazed Tarafder
Director

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2023**

	Note	2023 <u>AED</u>	2022 <u>AED</u>
Revenue	12	44,624,401	52,681,168
Direct costs	13	(40,900,502)	(42,984,441)
Gross Profit		3,723,899	9,696,727
Other income	14	-	33,376
Employee costs	15	(2,362,312)	(3,982,105)
Administrative expenses	16	(1,306,723)	(3,929,928)
Depreciation on property and equipment	5	(5,563)	(3,711)
Profit for the period/year		49,301	1,814,359
Other comprehensive income		-	-
Total comprehensive income for the period/year		49,301	1,814,359

The accompanying notes form an integral part of these financial statements.

FOR SAIF UNITED SHIPPING & TRADING



Tarafder Md Ruhul Amin Wazed Tarafder
Director

**STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2023**

	<u>Owner's capital</u> <u>AED</u>	<u>Retained earnings</u> <u>AED</u>	<u>Total</u> <u>AED</u>
Balance as at January 1, 2022	100,000	(558,347)	(458,347)
Profit for the year	-	1,814,359	1,814,359
Balance as at December 31, 2022	100,000	1,256,012	1,356,012
Profit for the period	-	49,301	49,301
Balance as at June 30, 2023	100,000	1,305,313	1,405,313

The accompanying notes form an integral part of these financial statements.

**STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2023**

	2023 <u>AED</u>	2022 <u>AED</u>
<u>Cash flows from operating activities :</u>		
Profit for the period/year	49,301	1,814,359
Adjustments :		
Depreciation on property and equipment	5,563	3,711
Provision for employees' end of service benefits	2,482	-
Impairment of receivables	9,963	320,882
Payables no longer payable	-	(33,376)
	<u>67,309</u>	<u>2,105,576</u>
<u>Changes in operating assets and liabilities</u>		
Trade and other receivables	(10,730,253)	(15,479,885)
Amount due from related parties	(1,166,349)	(1,918,699)
Amount due to related parties	(720,819)	4,793,991
Trade and other payables	12,938,283	11,089,081
Net cash generated from operation	388,171	590,064
End of service benefits paid	(2,482)	-
Net cash generated from operating activities	385,689	590,064
<u>Cash flows from Investing activities :</u>		
Purchase of property and equipment	-	(44,505)
Net cash used in investing activities	-	(44,505)
Net increase in cash and cash equivalents	385,689	545,559
Cash and cash equivalents at beginning of the period/year	1,142,825	597,266
Cash and cash equivalents at end of the year 8	<u>1,528,514</u>	<u>1,142,825</u>

The accompanying notes form an integral part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2023**

1. Legal status and nature of business

SAIF UNITED SHIPPING & TRADING ('the Establishment') is a sole establishment established on January 6, 2021 and registered with Fujairah Municipality, United Arab Emirates under the registration No. 11606551. The Establishment is licensed to operate in UAE under Commercial License No. 1019872. The registered address of the Establishment is Office No. 1101, Fujairah Tower, P.O. Box: 3226, Fujairah, UAE.

The licensed activities of the Establishment are logistics, importing, exporting, wholesale, ships management and operation, shipment containers loading and offloading services and goods marine shipment services.

The capital of the Establishment as on June 30, 2023 is AED 100,000 (Arab Emirates Dirhams One Hundred Thousand only). Saif Powertec Ltd, a Company incorporated in Bangladesh, is the sole owner of the Establishment as at the reporting date. On February 17, 2023, Tarafder Md Ruhul Amin Wazed Tarafder has sold his 100% ownership to Saif Powertec Ltd, a Company incorporated in Bangladesh.

2. Application of new and revised International Financial Reporting Standards ("IFRS")

2.1 New and amended IFRS Standards that are effective for the current year

The following new and amended IFRS Standards, which became effective for annual periods beginning on or after January 1, 2023, have been adopted in these financial statements. The application of these new and amended IFRS Standards has not made any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

- a) IFRS I 7 Insurance contracts - recognition, measurement, presentation and disclosure
- b) Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements - Disclosure of accounting policies
- c) Amendments to IAS 12 Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- d) Amendments to IAS 12 Income Taxes - International Tax Reform - Pillar Two Model Rules
- e) Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates

2.2 New and revised IFRS Standards in issue but not yet effective and not early adopted

The Establishment has not yet early applied the following new standard, amendments and interpretations that have been issued but are not yet effective (with earlier application permitted):

- a) Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (2011) relating to the treatment of the sale or contribution of assets from and investor to its associate or joint venture (effective for annual periods yet to be determined).
- b) Amendments to IAS 1 Presentation of Financial Statements - Classification of liabilities as current and noncurrent (effective for annual periods beginning on or after January 1, 2024).
- c) Amendments to IAS 1 Presentation of Financial Statements - Non-current liabilities with covenants (effective for annual periods beginning on or after January 1, 2024).
- d) Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments - Disclosures - Supplier finance arrangements (effective for annual periods beginning on or after January 1, 2024).

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2023**

2.2 New and revised IFRS in issue but not yet effective and not early adopted (continued)

- e) Amendments to IFRS 16 Leases - Lease liability in a sale and leaseback (effective for annual periods beginning on or after January 1, 2024).

Management anticipates that these new standards, interpretations and amendments will be adopted in the Establishment's financial statements for the year beginning July 1, 2023 or as and when they are applicable and adoption of these new standards, interpretations and amendments.

3. Significant accounting policies

3.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS Standards) issued and adopted by the International Accounting Standards Board ("IASB") and the interpretations issued by the International Financial Reporting Interpretation Committee of the IASB enforce at June 30, 2023 and the requirements of the local laws and regulations.

3.2 Basis of preparation

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Establishment considers the characteristics of the asset or liability if the market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purpose in the financial statements is determined in such a basis except for share based transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IAS 17 and measurement that have some similarities to fair value but are not fair value such as net realizable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety which are described as follows:

- a) Level 1 Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- b) Level 2 Inputs are inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- c) Level 3 Inputs are unobservable inputs for the asset or liability.

3.3 Revenue recognition

Revenue is recognized by reference to the 5 steps model recommended by IFRS 15 as mentioned below:

Step 1: Identify the contract with a customer.

Step 2: Identify the performance obligations in the contract.

Step 3: Determine the transaction price.

Step 4: Allocate the transaction price to the individual performance obligations.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2023**

3.3 Revenue recognition (continued)

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation. Performance obligation can be satisfied either at the point of time or over time.

The Establishment's revenues represented in:

Revenue from sale of goods

Revenue for the sale of goods is recognized when control of the goods is transferred to the buyer and only when it is highly probable that a significant reversal of revenue will not occur when uncertainties related to a variable consideration are resolved and is based on the amount of the transaction price that is allocated to the performance obligation. The transaction price is the amount of consideration to which the Establishment expects to be entitled in exchange for goods to the customer. The consideration expected by the Establishment may include fixed or variable amounts which can be impacted by sales returns, trade discounts and volume rebates.

Services revenue

Revenue from the services in normal course of business is recognised at a point in time when the performance obligation is satisfied and is based on the amount of the transaction price that is allocated to the performance obligation. The transaction price is the amount of consideration to which the Establishment expects to be entitled in exchange for services to the customer. The consideration expected by the Establishment may include fixed or variable amounts which can be impacted by sales returns, trade discounts and volume rebates.

3.4 Foreign currency transactions

The financial statements of the Establishment are presented in the currency of the primary economic environment in which the Establishment operates. For the purpose of the financial statements, the results and financial position of the Establishment are expressed in Arab Emirates Dirhams (AED), which is the functional currency of the Establishment, and the presentation currency for the financial statements.

In preparing the financial statements, transactions in currencies other than the Establishment's functional currency are recorded at the rates of exchange prevailing on the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currency are translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated. Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in the profit or loss.

3.5 Leases

The Establishment assesses whether a contract is or contains a lease, at inception of the contract. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2023**

3.5 Leases (continued)

The Establishment as a lessee

The Establishment acts as a lessee and applies a single recognition and measurement approach for all the leases except for short term leases and leases of low value assets, if any. The Establishment recognizes a right of use asset representing the right to use the underlying asset and a corresponding lease liability to make lease payments.

a) Right of use asset

The Establishment recognizes right of use assets (ROU Assets) at the commencement date of the lease (the date from which the underlying asset is available for use). The right of use assets comprises 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 and adjusted for any re-measurement of lease liabilities, if any. The right of use assets are presented as a separate line in the statement of financial position.

Unless the Establishment is reasonably certain to obtain the ownership of the leased asset at the end of the lease period, the recognized ROU assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

b) Lease liabilities

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 Establishment uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- a) Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable.
- b) Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.
- c) The amount expected to be payable by the lessee under residual value guarantees.
- d) The exercise price of purchase options, if the lessee is reasonably certain to exercise the options, and
- e) Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate Line in the statement of financial position. 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 Establishment remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- a) The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate,

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2023**

3.5 Leases (Continued)

- b) The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- c) A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Establishment did not make any such adjustments during the periods presented.

Whenever the Establishment 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 recognized 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.

The Establishment applies IAS 36 to determine whether a right of use asset is impaired and accounts for any identified impairment loss.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other expenses" in profit or loss.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Establishment has not used this practical expedient. For a contract that contain a lease component and one or more additional lease or non-lease components, the Establishment allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non lease components.

c) Short term leases and Lease liabilities

The Establishment applies the short term leases recognition exemption to its short-term leases (leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low value assets recognition exemption to leases that are considered of low value. Lease payments on short term leases and leases of low value assets are recognized as expense on a straight line basis over the lease term.

As at the reporting date, the Establishment has applied short term leases recognition exemption to its leases as there are no long-term leases and the management of the Establishment has considered all their lease as short term and rent paid for these leases during the period are included in the line "Rent" in Statement of profit or loss and other comprehensive income.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2023**

3.6 Property and equipment

Property and equipment are carried at cost less accumulated depreciation and identified impairment loss, if any. The initial cost of property and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Subsequent costs are included in the assets' carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Establishment and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the profit or loss during the financial period in which they are incurred.

Depreciation is charged to write-off the cost of assets, over their estimated useful lives, using the straight-line method, as follows:

Asset class	Years
Computer and office equipment	4

The assets' residual values, estimated useful lives and depreciation method are reviewed periodically, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

3.7 Impairment of tangible assets

At each reporting date, the Establishment reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Establishment estimates the recoverable amount of the CGU to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGU, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of the future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, so long as the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or CGU) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2023**

3.8 Employee benefits

Short term employee benefits

Short-term employee benefits are recognized as an expense when the related service is provided. The amount expected to be paid is recognized as a liability when the Establishment has a present or implied liability to pay the amount as a result of the employee providing a previous service and the liability can be estimated to a reliable dependent degree.

Employee benefits - end of service benefits

The Establishment provides for Employees' end of service benefits in accordance with UAE Labour Law. The entitlement to these benefits is based upon employee's basic salary and length of service. The expected costs of these benefits are accounted over the year of employment.

As at the reporting date, the Establishment has not made provision for employees' end-of-service benefits in accordance with the UAE Labour Law.

3.9 Provisions

Provisions are recognized when the Establishment has a present obligation (legal or constructive) as a result of a past event, it is probable that the Establishment will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, considering the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.10 Value added tax receivable/payable

Value added tax receivable/payable represents the net value added tax collected/paid at the end of the reporting date in accordance with Federal Decree-Law No. (8) of 2017 on Value Added Tax and Cabinet Decision No. (52) of 2017 on the Executive Regulations of the Federal Decree-Law No. (8) of 2017 on Value Added Tax.

3.11 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.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as measured at amortized cost, fair value through other comprehensive income (OCI) and fair value through profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2023**

3.11 Financial instruments (Continued)

The classification of financial assets at initial recognition depends on the financial assets contractual cash flow characteristics and the Establishment's business model for managing them. With the exception of trade debts, the Establishment initially measures a financial asset at its fair value plus in case of a financial asset not at fair value through profit or loss, transaction costs. Trade debts are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. The assessment is referred to as the SPPI test and is performed at an instrument level. The Establishment's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets or both.

Subsequent measurement

For the purposes of subsequent measurements, financial assets are classified into following categories:

Financial assets at amortized cost (debt instruments)

This category is the most relevant to the Establishment. The Establishment measures financial assets at amortized cost if both of the following conditions are met,

- The financial assets are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial assets give rise on a specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired

De-recognition of financial assets

The Establishment derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Establishment neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Establishment recognizes its retained interest in the asset and an associated liability for amounts it may have to pay.

If the Establishment retains substantially all the risks and rewards of ownership of a transferred financial asset, the Establishment continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2023**

3.11 Financial instruments (Continued)

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss. On de-recognition of a financial asset other than in its entirety (e.g. when the Establishment retains an option to repurchase part of a transferred asset), the Establishment allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer.

The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

impairment of financial assets

The Establishment recognizes a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at fair value through OCI, lease receivables, trade receivables and contract assets as well as on financial-guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Establishment recognizes lifetime expected credit losses (ECL) for trade receivables, contract assets and lease receivables. The expected credit losses of these financial instruments are estimated using a provision matrix based on the Establishment's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Establishment recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not significantly increased since initial recognition, the Establishment measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

As at the reporting date, the management of the Establishment has measured the loss allowance for their financial instruments at an amount equal to 12-month Expected Credit Losses (ECL) rather than lifetime ECL. Based on the management assessment, there is no probability of the default events of their financial instruments that are possible within 12 months after the reporting date. Hence, no loss allowance was recognized in the current period.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2023**

3.11 Financial instruments (Continued)

i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Establishment compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Establishment considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

ii) Definition of default

The Establishment considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- a) When there is a breach of financial covenants by the debtor.
- b) Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Establishment, in full (without taking into account any collateral held by the Establishment).

Irrespective of the above analysis, the Establishment considers that default has occurred when a financial asset is more than 90 days past due unless the Establishment has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

iii) Write off policy

The Establishment writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Establishment's recovery procedures, considering legal advice where appropriate. Any recoveries made are recognized in profit or loss.

iv) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount of guaranteed debt that has been drawn down as at the reporting date, together with any additional guaranteed amounts expected to be drawn down by the borrower in the future by default date determined based on historical trend, the Establishment's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2023**

3.11 Financial instruments (Continued)

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Establishment in accordance with the contract and all the cash flows that the Establishment expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with IFRS 16.

For a financial guarantee contract, as the Establishment is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Establishment expects to receive from the holder, the debtor or any other party.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as measured at fair value through profit or loss, loans and borrowings, payables or as derivatives designated as hedging instruments in an effective hedge as appropriate.

All financial liabilities are recognized initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs (amortised costs).

Subsequent measurement

For the purposes of subsequent measurements, financial liabilities are classified into following categories:

Loans and borrowings and payables

After initial recognition, interest bearing loans and borrowings and payables are subsequently measured at amortized cost using EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are integral part of the EIR. The EIR amortization is included as finance costs in the profit or loss.

De-recognition of financial liabilities

The Establishment derecognizes financial liabilities when, and only when, the Establishment's obligations are discharged, cancelled or they expire. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified such as exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the profit or loss.

Offsetting of financial instruments

The financial assets and financial liabilities are offset and the net amount is reported in the financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2023**

4. Significant accounting judgements, estimates and assumptions

The preparation of the financial statements in conformity with accounting and reporting standards require the use of certain critical accounting estimates. It also requires management to exercise its judgements in the process of applying the Establishment's accounting policies. Judgements, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations in future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

In the process of applying the Establishment's accounting policies, management has made the following judgements, estimates and assumptions which are significant to these financial statements.

Judgements in determining the timing of satisfaction of performance obligations

In making their judgement, the Management considered the detailed criteria for the recognition of revenue set out in IFRS 15. Based on the acceptance of the contract entered into between parties, the management is satisfied that it is probable that the economic benefits associated with the transaction will flow to the Establishment and the recognition of the revenue is appropriate.

Property and equipment

The Establishment reviews the useful lives, method of depreciation and the residual values of property and equipment. Any change in the estimates in future periods might affect the carrying amount of the respective line items of property and equipment with corresponding effect on the depreciation charge and impairment. The Establishment assesses at each reporting date whether there is an indication that the assets may be impaired. If such condition exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying value exceeds the recoverable amount, assets are written down to the recoverable amounts and the resulting impairment loss is recognized as expense in the profit or loss, unless the asset is carried at revalued amount. Any impairment loss on revalued assets is treated as revaluation decrease.

Allowance for Expected Credit Loss (ECL)

The Establishment has established a Lifetime ECL based on a provision matrix that is based on the Establishment's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. However, in cases, the Establishment may also consider a financial asset to be in default when internal or external information indicates that the Establishment is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Establishment. The Establishment will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Establishment's historical credit loss and forecast of economic conditions may also not be representative of customer's actual default in the future. At each reporting date, the historical default rates are updated and changes in the forward-looking estimates are analyzed. Any change might affect the carrying value and the amount of expected credit loss charge to profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2023**

5 Property and equipment

	<u>Computer and office equipment</u> AED
<u>Cost</u>	
As at January 1, 2022	-
Additions during the year	44,505
As at December 31, 2022	44,505
As at June 30, 2023	44,505
<u>Accumulated depreciation</u>	
As at January 1, 2022	-
Charge during the year	3,711
As at December 31, 2022	3,711
Charge during the period	5,563
As at June 30, 2023	9,274
<u>Net Value</u>	
As at June 30, 2023	35,231
As at December 31, 2022	40,794

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2023**

7 Related party transactions

The Establishment enters into transactions with companies and entities that fall within the definition of a related party as contained in *IAS 24 Related Party Disclosures*. Related parties comprise companies and entities under common ownership and/or common management and control and key management personnel. The management decides on the terms and conditions of the transactions and of the services received/rendered from/to related parties, as well as on other charges.

At the reporting date, balances in relation to related parties were as follows:

	2023	2022
	<u>AED</u>	<u>AED</u>
Amount due from related parties		
Saif Maritime LLC, UAE	3,786,791	2,736,699
Saif Powertec Ltd, Bangladesh	116,257	-
	<u>3,903,048</u>	<u>2,736,699</u>
Amount due to related parties		
Safa Al Qamar General Trading LLC, UAE	3,113,487	3,926,487
Global Trade Limited, UAE	1,495,817	1,495,817
Maxwell Power Services Pte Ltd, Singapore	1,193,181	1,101,000
	<u>5,802,485</u>	<u>6,523,304</u>

During the period, the Establishment entered into the following transactions with related parties.

Revenue	(Note 12)	<u>6,953,240</u>	-
Management fee	(Note 16)	<u>762,971</u>	<u>2,261,886</u>
Compensation of key managerial personnel	(Note 15)	<u>889,057</u>	<u>2,307,487</u>

8 Cash and cash equivalents

Cash on hand	204,392	90,255
Cash at bank - current accounts	1,324,122	1,052,570
	<u>1,528,514</u>	<u>1,142,825</u>

Cash on hand is physically counted and certified by the Management.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2023**

	2023	2022
	<u>AED</u>	<u>AED</u>
9 <u>Owner's capital</u>		
Capital contributed	<u>100,000</u>	<u>100,000</u>
10 <u>Provision for employees' end of service benefits</u>		
As at the reporting date, the Establishment has not made provision for employees' end-of-service benefits in accordance with the UAE Labour Law.		
11 <u>Trade and other payables</u>		
Trade payables	23,624,202	5,294,529
Employee benefits payable	322,919	233,303
Advance from customers	182,987	-
Royalty payable (a)	306,250	525,000
Provision for vessel hire charges	-	2,594,531
Advance billing	-	2,828,459
Other payables	41,233	63,486
	<u>24,477,591</u>	<u>11,539,308</u>
a) Royalty payable represents the unpaid portion of the annual fees for the year 2023 - 2024 as at the reporting date to the authorised agent.		
12 <u>Revenue</u>		
Income from ship management services	37,671,161	50,766,583
Sale of goods	6,953,240	1,914,585
	<u>44,624,401</u>	<u>52,681,168</u>
Analysis of revenue is as follows:		
a related party (Note 7)	6,953,240	-
Others	37,671,161	52,681,168
	<u>44,624,401</u>	<u>52,681,168</u>

During the period, sale of goods represents the revenue generated from arrangement of equipment trading.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2023**

	2023 <u>AED</u>	2022 <u>AED</u>
13 <u>Direct costs</u>		
Vessel hire charges	29,878,472	22,512,387
Purchases	6,847,564	1,625,697
Other ship management costs	1,688,388	6,686,981
Crew wages	1,379,647	2,003,511
Vessel commission charges	692,065	1,581,847
Bunker oil charges	414,366	8,574,018
	<u>40,900,502</u>	<u>42,984,441</u>
14 <u>Other income</u>		
Payables no longer payable	-	<u>33,376</u>
15 <u>Employee costs</u>		
Salaries and allowances	2,226,987	3,953,002
End of service benefits	2,482	-
Other employee benefits	132,843	29,103
	<u>2,362,312</u>	<u>3,982,105</u>
Key managerial remuneration included in the above is AED 889,057 (2022: AED 2,307,487) (Note 7).		
16 <u>Administrative expenses</u>		
Management fee (Note 7)	762,971	2,261,886
Legal and professional	183,634	554,143
Royalty	109,375	262,500
Bank charges	71,379	50,833
Office expenses	42,208	56,753
Repairs and maintenance	38,694	95,099
Rent	32,500	65,061
Business travel and promotion	28,700	214,553
Exchange loss	26,826	23,526
Impairment of receivables (Note 6)	9,963	320,882
Small value assets	473	24,692
	<u>1,306,723</u>	<u>3,929,928</u>

Management fee represents the service fee charged by the group company for the services provided. However, during the period, only management fee for the month of January 2023 is provided and paid.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2023**

17 Financial instruments

a) Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in Note 3 to the financial statements.

b) Categories of financial instruments	2023 <u>AED</u>	2022 <u>AED</u>
Financial assets at amortised cost		
Trade and other receivables	25,711,416	8,513,616
Amount due from related parties	3,903,048	2,736,699
Cash and cash equivalents	1,528,514	1,142,825
	<u>31,142,978</u>	<u>12,393,140</u>
Financial liabilities at amortised cost		
Amount due to related parties	5,802,485	6,523,304
Trade and other payables	24,294,604	11,539,308
	<u>30,097,089</u>	<u>18,062,612</u>

c) Fair value of financial instruments

The fair values of financial assets and financial liabilities approximate the amounts as shown in the statement of financial position.

18 Financial risk management

The Establishment's overall financial risk management program seeks to minimize potential adverse effects to the financial performance of the Establishment. The management provides guidelines for overall financial risk management and policies covering specific areas, such as market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2023**

18 Financial risk management (continued)

a) Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Establishment's exposure to the risk of changes in foreign exchange rates relates primarily to the Establishment's operating activities, when revenue or expense are denominated in a different currency from the Establishment's functional currency which is United Arab Emirates Dirham (AED). The Establishment manages the risks through regular monitoring of the currency markets to determine appropriate action to minimise the exposure to the foreign currency risk. There are no significant exchange rate risks as substantially all financial assets and financial liabilities are denominated in Arab Emirates Dirhams or in US Dollars to which the Dirham is fixed.

b) Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. There are no significant interest rate risks as the Establishment has no interest bearing financial assets and financial liabilities as at the reporting date.

c) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the management which has built an appropriate liquidity risk management framework for the management of the Establishment's short, medium and long-term funding.

Liquidity risk tables

The following table details the Establishment's expected maturity for its non-derivative financial assets. The tables have been drawn up based on the undiscounted contractual maturities of the financial assets.

	2023 AED	2022 AED
Non-interest bearing financial assets	<u>31,142,978</u>	<u>12,393,140</u>

The following table details the Establishment's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Establishment can be required to pay. The table comprises principal cash flows.

1 Year or less

Non-interest bearing financial liabilities	<u>30,097,089</u>	<u>18,062,612</u>
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2023**

18 Financial risk management (continued)

d) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Establishment. The Establishment has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Establishment's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management regularly. Further details of credit risks on trade receivables and amount due from related parties are discussed in Note 6 and Note 7, respectively, to the financial statements.

19 Capital risk management

The Establishment manages its capital to ensure that it will be able to continue as a going concern while maximising the return to the shareholder through optimisation of the equity balance. The Establishment's overall strategy remains unchanged from 2022.

20 Commitments and contingencies

Details of commitments and contingencies of the Establishment as at the period end is as follows:

Commitments

The Establishment has entered into lease agreement with real estate owner for the period from June 1, 2023 to May 31, 2024. The Establishment has accounted the rental lease liability during this period and there are no operating lease commitments as at the period end. The Establishment has considered their rental lease as short term leases and applies short term lease recognition exemption to its short term leases in accordance with IFRS 16 - Leases in these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2023**

20 Commitments and contingencies (continued)

Contingent liabilities

As at the reporting date, the Establishment has accounted for an amount of AED 13.84 million (USD 3.77 million) as credit note against the payable to AD Ports Group which was not recorded in the statement of AD Ports Group. As per management representation, this was agreed internally with AD Ports Group.

Except for the ongoing business obligations which are under normal course of business against which no loss is expected, there has been no other known contingent liability or capital commitment as of balance sheet date as certified by the Management.

21 Comparatives

Previous period figures represents figures of 12 months starting from January 1, 2022 to December 31, 2022. Current period figures represents figures of 6 months starting from January 1, 2023 to June 30, 2023. Hence, previous period figures are not comparable with current period figures.

FOR SAIF UNITED SHIPPING & TRADING



Tarafder Md Ruhul Amin Wazed Tarafder
Director

Proxy Form

I/We.....of
..... being member(s) Saif
Powertec Limited, entitle to vote hereby appoint Mr./Mrs./MS
..... of
..... as my/our proxy to attend and vote for
me/us on my/our behalf at the 20th Annual General Meeting of the company to be held on **Monday, the 30th day of
December 2024** by using Digital Platform through the link **http://saifpower20agm.digitalagmbd.net** at **11.00 A.M.** and at
any adjournment thereof.

As witness my hand this day of2024 signed by the said in
presence of

Signature of the Proxy
Date



Signature of the Member(s)
Register BO ID.....
Dated

NOTE: A member entitled to **attend/participate** and vote at the Annual General Meeting may appoint at Proxy to
attend/participate and vote in his/her stead. Scanned copy of Proxy Form duly stamped must be send through email to
shambhu@saifpowertec.com not later than 48 hours before the Meeting.

Signature verified

Authorized Signatory
Saif Powertec Limited

SAIF POWERTEC LIMITED

72, Mohakhali C/A, Rupayan Center (8th Floor), Dhaka-1212

Tel: (880 2) 9856358-9 Fax: (880 2) 9855949

Members'/Proxy Attendance Slip

I/We hereby record my attendance/ participation at the 20th Annual General Meeting being held on Monday, the **30th day of
December 2024** by using **Digital Platform** through the link **http://saifpower20agm.digitalagmbd.net** at **11.00 A.M.**

Name of Member(s)/Proxy.....

Register BO ID..... holding of Ordinary
Shares of **Saif Powertec Limited**.

.....
Signature of Member(s)/Proxy



A House of Power & Material Handling Solution

Corporate Office:

Rupayan Centre (8th Floor)
72, Mohakhali C/A, Dhaka-1212
Bangladesh. +88 02 222291639,
222261128, 222291562, 222264705
Fax: +88 02 222285949

Sales Office:

Khawaja Tower
95, Bir Uttam AK Khandakar Road
Mohakhali C/A, Dhaka 1212, Bangladesh.
Tel: +88 02 222293312, 222288291,
222287534, 222283571, 222295008
222283574, Fax: +88 02 22229333

Chittagong Office:

Makkah Madinah Trade Centre
(17th Floor), 78, Agrabad C/A
Chittagong, Bangladesh.
+88 02 333324072, 02 333324106
02 333324107, Fax: 02 333324108

Factories:

SAIF Battery Factory: Bashugaon,
Pubail, Gazipur.
SAIF LED Factory: Tumulia, Kaligonj, Gazipur.
SAIF Plastic & Polymer Factory:
Tumulia, Kaligonj, Gazipur.

www.saifpowertec.com