



Annual Report 2022-2023

Advanced Chemical Industries Limited



ADVANCING
POSSIBILITIES



Our Mission

ACI's Mission is to enrich the quality of life of the people through responsible application of knowledge, technology and skills. ACI is committed to the pursuit of excellence through world-class products, innovative processes and empowered employees, to provide the highest level of satisfaction to our customers.

Our Vision

To realise the Mission, ACI will :

- Provide products and services of high and consistent quality, ensuring value for money to our customers.
- Endeavour to attain a position of leadership in each category of our businesses.
- Develop our employees by encouraging empowerment and rewarding innovation.
- Promote an environment for learning and personal growth.
- Attain a high level of productivity in all our operations through effective utilisation of resources and adoption of appropriate technology.
- Promote inclusive growth by encouraging and assisting our distributors and suppliers in improving efficiency.
- Ensure superior return on investment through judicious use of resources and efficient operations, utilising our core competencies.

Our Values

- Quality
- Customer Focus
- Innovation
- Fairness
- Transparency
- Continuous Improvement



ISO 9001 Quality Management System
ACI is the first company in Bangladesh to have obtained ISO
9001 Certification for Quality Management System across all categories



ACI Quality Policy

One of our important vision is to provide products and services of high and consistent quality, ensuring value for money to our customers.

To attain the Vision ACI will:

- Aim to achieve business excellence by understanding, accepting, meeting and exceeding customer expectations.
- Follow International Standards on Quality Management System to ensure consistent quality of products and services to achieve customer satisfaction. ACI will also meet all national and regulatory requirements relating to its current businesses and ensure that current Good Manufacturing Practice (cGMP) as recommended by World Health Organisation is followed for its pharmaceutical operations and conform to all other guidelines and best practices relating to its other businesses.
- Commit itself to quality as the prime consideration in all its business decisions. All employees of ACI follow documented procedures to ensure compliance with quality standards.
- Develop a pool of human resources of the Company to their full potential through regular training and participation in seeking continuous improvement of the Quality Management System.

ISO 14001 Environmental Management System
ACI is the first company in Bangladesh to have obtained
ISO 14001 Certification for Environmental Management System



ACI Environmental Policy

ACI is committed to formulate and conduct all its operations in an environmentally friendly manner, ensuring continual improvement in the utilisation of resources and prevention of pollution or degradation of the environment.

In pursuit of this Goal, ACI will:

- Comply with all local and national legislations and regulations.
- Conserve natural resources like water and energy for sustainable development, and adopt environmentally safe processes.
- Ensure appropriate treatment of all effluents prior to discharge.
- Ensure appropriate communication with internal and external interested parties on environmental issues.
- Create awareness on environmental issues among our employees and contractors.
- Ensure waste management in an environmentally responsible manner through continuous upgradation of technology.

UN Global Compact

The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with the ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption. Since launching in year 2000, the United Nations Global Compact has been encouraging businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. At present, with over 12,000 corporate participants and other stakeholders from over 145 countries, it is the largest voluntary corporate responsibility initiative in the world. Overall, the Global Compact pursues two complementary objectives:

1. Mainstream its Ten Principles in business strategy and operations around the world; and
2. Catalyze business action in support of broader UN goals with emphasis on collaboration and collective action.

The Global Compact incorporates a transparency and accountability policy known as the Communication on Progress (COP). The annual posting of a COP is an important demonstration of a participant's commitment to the UN Global Compact and its principles. Participating companies are required to follow this policy, as a commitment to transparency and disclosure is critical to the success of the initiative.

Since September 2003, ACI is a proud and active member of The UN Global Compact. ACI is also a Founding Member of the Community of Global Growth of Companies, an initiative of World Economic Forum.

World Economic Forum

ACI has been accepted as a Founding Member of the Community of Global Growth Companies by the World Economic Forum which is the most prestigious business networking organisation in the world.



For further information on the Compact, please visit www.unglobalcompact.org



About Cover

The cover page depicts accelerated pace of the infrastructural development in our country and the opportunity that it presents to businesses.



Advanced Chemical Industries Limited



এডভান্সড কেমিক্যাল
ইন্ডাস্ট্রিজ লিমিটেড
এসিআই সেন্টার
২৪৫ তেজগাঁও শিল্প এলাকা
ঢাকা-১২০৮, বাংলাদেশ
পিও বক্স ৭২১৮
টেলিফোন +৮৮০ ২ ৮৮৭৮৬০৩
ফ্যাক্স +৮৮০ ২ ৮৮৭৮৬১৯

Advanced Chemical Industries Limited

ACI Centre
245 Tejgaon Industrial Area
Dhaka-1208, Bangladesh
Telephone +880 2 8878603
Fax +880 2 8878619
Email : info@aci-bd.com
Web : www.aci-bd.com

Your ref

Our ref

Date

04 December 2023

Letter of Transmittal

To

All Shareholders of Advanced Chemical Industries Limited (ACI)
Bangladesh Securities and Exchange Commission (BSEC)
Registrar of Joint Stock Companies and Firms (RJSCF)
Dhaka Stock Exchange Limited (DSE)
Chittagong Stock Exchange PLC (CSE)
Other Stakeholders of Advanced Chemical Industries Limited (ACI)

Dear Sir,

Re: Annual Report of Advanced Chemical Industries Limited (ACI) for the year ended 30 June 2023.

We are pleased to enclose a copy of ACI's Annual Report together with the Audited Financial Statements as on 30 June 2023, statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year ended 30 June 2023 along with notes thereto of ACI for your kind information and record.

General review of this report, unless explained otherwise, is based on the financials of 'ACI'.

Thanking you,

Yours Sincerely,

Mohammad Mostafizur Rahman
Company Secretary

Forward-Looking Statements

This forward-looking statements include the Group's business prospects, future developments, trends and conditions in the industry it operates, its strategies, plans, objectives and goals, operations, margins, overall market condition and risk management. The Annual Report reveals management's viewpoints based on the year's events as well as future events and the Company's proposition. These statements do not provide assurance against certain risks and uncertainties. Thus, the actual future outcome and trends expected in the statements may vary due to the following factors:

- Changes in national, economic and financial conditions
- Changes in Government policy
- Changes of interest rate
- Instabilities of price in the foreign exchange market
- Geopolitical impact
- Volatility of capital market
- Changes in corporate Tax and VAT structure
- Unexpected ecological and demographic changes
- Inconsistency of competitors, suppliers and pricing

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Corporate Information

Company Profile

Basic Information

| | | | |
|----------------------|--------------------------------------|------------------------------|---------------|
| Full Name: | Advanced Chemical Industries Limited | Authorized Capital (BDT): | 1,500,000,000 |
| Incorporation Date: | 24 January 1973 | Issued & Paid Capital (BDT): | 762,056,260 |
| Registration No: | C-3885 | No of Shares: | 76,205,626 |
| Company Type: | Public Limited | Face Value (BDT): | 10 |
| Number of Employees: | 11,077 | Year End: | 30 June |

Board of Directors

- Mr. M. Anis Ud Dowla, Chairman
- Ms. Shusmita Anis, Director
- Mr. Kamran Tanvirur Rahman, Independent Director
- Mr. Adil Husain, Independent Director
- Mr. Golam Mainuddin, Director
- Mr. Abdul-Mueyed Chowdhury, Director
- Mr. Anisuddin Ahmed Khan, Director
- Mr. Juned Ahmed Choudhury, Director
- Dr. Arif Dowla, Managing Director

Board Committees

Audit Committee

- Mr. Kamran Tanvirur Rahman, Chairman
- Ms. Shusmita Anis, Member
- Mr. Golam Mainuddin, Member
- Mr. Mohammad Mostafizur Rahman, Secretary

Nomination and Remuneration Committee (NRC)

- Mr. Kamran Tanvirur Rahman, Chairman
- Mr. Juned Ahmed Choudhury, Member
- Mr. Golam Mainuddin, Member
- Mr. Mohammad Mostafizur Rahman, Secretary

Executive Management

- Dr. Arif Dowla
Managing Director
- Ms. Shusmita Anis
Managing Director, ACI Formulations Limited
- Dr. A.K.M. Fareyzul Haque Ansarey
President, Agribusiness Division
- Mr. M Mohibuz Zaman
Chief Operating Officer, ACI HealthCare Division
- Mr. Pradip Kar Chowdhury
Executive Director, Finance & Planning
- Mr. Sabbir Hasan Nasir
Executive Director, ACI Logistics Division
- Mr. Subrata Ranjan Das
Executive Director, ACI Motors Limited
- Mr. Md. Monir Hossain Khan
Finance Director
- Mr. Mohammad Mostafizur Rahman
Director, Corporate Affairs & Company Secretary
- Mr. Md. Moinul Islam
Director, Human Resource

Statutory Position

| | |
|---|--------------------------------|
| Chief Financial Officer: | Mr. Pradip Kar Chowdhury |
| Company Secretary: | Mr. Mohammad Mostafizur Rahman |
| Head of Risk Management & Internal Audit: | Mr. Amitava Saha |

Auditors

| | |
|--------------------------------|---|
| Statutory Auditor: | A. Wahab & Co., Chartered Accountants |
| Governance Compliance Auditor: | Al-Muqtadir Associates, Chartered Secretaries & Consultants |

Advisors

| | |
|----------------|-----------------------|
| Legal Advisor: | Barrister Nihad Kabir |
| Advisor, NRC: | Mr. Monower Ahmed |

Contact Address

| | |
|-----------------------------|--|
| Registered Office | ACI Centre, 245, Tejgaon Industrial Area, Dhaka-1208 Phone # (8802) 8878603, Fax # (8802) 8878619, 8878626 Email # info@aci-bd.com, Web # www.aci-bd.com |
| Investors Relation's Office | 9 Motijheel C/A, Dhaka-1000, Phone # (8802) 2223350179-82 |

Principal Bankers

- Standard Chartered Bank
- Pubali Bank Limited
- The City Bank Limited
- The Hongkong and Shanghai Banking Corporation Limited
- Dhaka Bank Limited
- Prime Bank Limited
- Mercantile Bank Limited
- Agrani Bank Limited
- Dutch-Bangla Bank Limited
- BRAC Bank Limited
- Commercial Bank of Ceylon Plc
- One Bank Limited
- Jamuna Bank Limited
- Al-Arafah Islami Bank Limited
- Bank Alfalah Limited
- National Credit and Commerce Bank
- United Commercial Bank Limited
- Premier Bank Limited
- Meghna Bank Limited
- Trust Bank Limited
- Uttara Bank Limited
- Bank Asia Limited
- Community Bank Limited
- Midland Bank Limited
- Citizens Bank PLC

ACI in Brief

Imperial Chemical Industries, a British multinational established a Branch in the then East Pakistan which was converted into a company after liberation, named ICI Bangladesh Manufacturers Limited. In 1992 ICI divested its investment in Bangladesh to the Management, when its name was changed to Advanced Chemical Industries (ACI) Limited.

ACI Limited, being one of the largest conglomerates in Bangladesh with a multinational heritage operates across the country through its four diversified strategic business units. 'Health Care Division' is dedicated to improve the health of the people of Bangladesh through introduction of innovative and reliable Pharmaceuticals products.

'Consumer Brands Division' is adding value to the daily life of consumers through its Toiletries, Home Care, Hygiene, Electrical, Electronics, Mobile, Salt, Flour, Foods, Rice, Tea, Edible Oil, Paints and International Businesses. 'Agribusinesses Division' is the largest integrator in Bangladesh in Agriculture, Livestock, Fisheries, Farm Mechanization, Infrastructure Development Services Motorcycle, Marine & Riverine technology and Avionics. 'Retail Chain Division' is the largest retail chain in Bangladesh operating through its SHWAPNO outlets including 136 newly opened outlets across the country by touching the lives of over 65,000 customers each day. ACI and its subsidiaries contributed Taka 16,732 million to the National Exchequer during FY 2022-2023 in the form of corporate tax, custom duty and value added tax.



Group of Companies

Subsidiaries

- | | |
|-----------------------------------|--|
| 1. ACI Formulations Limited | 9. ACI Logistics Limited |
| 2. ACI Salt Limited | 10. ACI Edible Oils Limited |
| 3. ACI Pure Flour Limited | 11. ACI HealthCare Limited |
| 4. ACI Foods Limited | 12. ACI Chemicals Limited |
| 5. ACI Agrolink Limited | 13. INFOLYTX Bangladesh Limited |
| 6. Creative Communication Limited | 14. ACI Biotech Limited |
| 7. Premiaflex Plastics Limited | 15. ACI Marine and Riverine Technologies Limited |
| 8. ACI Motors Limited | |

Joint Ventures and Associate

16. ACI Godrej Agrovet Private Limited
17. ACI CO-RO Bangladesh Ltd.
18. Stochastic Logic Limited



Milestones

1968

Established as the subsidiary of Imperial Chemical Industries (ICI)



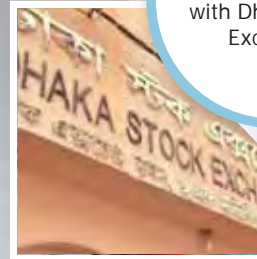
1973

Incorporated in Bangladesh as ICI Bangladesh Manufacturers Limited



1976

28 December listed with Dhaka Stock Exchange



1992

5 May ICI plc divested to local management and registered as Advanced Chemical Industries Limited



1994

9 May started its first trading of shares



1995

22 October listed with Chittagong Stock Exchange



2013

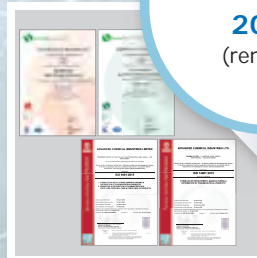
ACI HealthCare USA, Inc incorporated in USA



2013

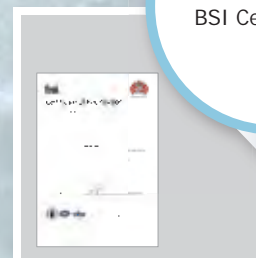
ISO Certification

2015
(renewal)



2019

BSI Certification



2022

FDA approval



2022

SAFA Award for Annual Report



Board of Directors' Profile



Mr. M. Anis Ud Dowla
Chairman

Mr. M. Anis Ud Dowla, the Chairman of ACI Group, is one of the most successful personalities in Bangladesh business circle. Mr. Dowla has maintained a high profile, and has provided leadership to the business community in different capacities. Mr. Dowla served in the British Oxygen Group of UK in Pakistan, Bangladesh and Kenya for 27 years, including 12 years as Managing Director of Bangladesh Oxygen Ltd. In 1987, he became the Group Managing Director of the three ICI companies in Bangladesh. With experience gathered while working with two British multi-nationals for over 32 years, Mr. Dowla has continued to maintain the multinational culture and management style in ACI, with special emphasis on quality, productivity and customer services. He was the President of Metropolitan Chamber of Commerce & Industries, Dhaka in 1977, 1978, 1995 and 2010. Mr. Dowla has considerable contribution in the field of Industrial Relations of the country. He was elected President of Bangladesh Employers' Federation for the terms in 1975-1976, 1976-1977, 1991-1992, 1992-1993, 2003-2004 and 2004-2005. He is the President of the Bangladesh Seed Association. He is the Chairman of Pioneer Insurance Company Limited and Director of the Credit Rating Agency of Bangladesh. He is as well a member of the Board of Trustees of the Independent University of Bangladesh and the President of Bangladesh Association of Publicly Listed Companies.



Ms. Shusmita Anis
Director

Ms. Shusmita Anis completed her graduation in Fine Arts in Graphics Design from San Jose, California, USA. She was inducted as a Director of Advanced Chemical Industries Limited in 2000. In addition to her current role in the Board of ACI, she performs as a member of the Board's Audit Committee. Ms. Shusmita is the Managing Director of ACI Formulations Limited since 2012. Besides, she is the Director of ACI Logistics Limited, ACI Foods Limited, ACI Motors Limited, Premiaflex Plastics Limited, Creative Communication Limited, Consolidated Chemicals Limited, ACI Pure Flour Limited, Stochastic Logic Limited, ACI Salt Limited, ACI Chemicals Limited, Neem Laboratories (Pvt.) Limited, ACI AgroChem Limited, ACI Premio Plastics Limited, ACI Shwapno e-Commerce Limited, Dowla Agricultural Development Company Limited, ACI Foundation (a non-profit organization). She was the Director of Pioneer Insurance Company Limited. She was also the Vice-President of Bangladesh Employers' Federation.



Mr. Kamran Tanvirur Rahman
Independent Director

Mr. Kamran Tanvirur Rahman was appointed as an Independent Director of the Company in 2018. He obtained his Bachelor of Science Degree in Mechanical Engineering from the Northeastern University, Boston, Massachusetts, USA in the year 1981. Mr. Rahman is the Chairman & Managing Director of Pubali Jute Mills Ltd. and the Kapna Tea Co. Ltd. (Kapnapahar Tea Estate). He is a former Vice-President (Asia-Pacific) of International Organization of Employers (IOE), Geneva, Switzerland as well as a former member of the Governing Body of the International Labour Organisation, Geneva, Switzerland. He was Director of the Federation of Bangladesh Chambers of Commerce and Industry. He was the President of Bangladesh Employer's Federation for 2017-2019 and 2019-2021. Currently, he is the Senior Vice-President of Metropolitan Chamber of Commerce & Industry, Dhaka, and the Chairman of the Bangladesh Tea Association (BTA).



Mr. Adil Husain
Independent Director

Mr. Adil Husain was appointed as an Independent Director of the Company in 2018. He obtained Dip. Ing (Mechanical) from Tech. High School, Stockholm, and also a Diploma in Automobile Mechanics. Mr. Husain started his career with Pakistan Oxygen Ltd. in 1969, which later became Bangladesh Oxygen Ltd. He served in Karachi (POL) and all the branches of BOL, was Marketing Manager of the Company and was Regional Manager when he left in 1984. He set up his own company, Business Consultants Ltd. representing Obayashi Corporation of Japan, and successfully completed the Meghna-Gumti Bridge. From 1987, was Executive Director of A. Kabir Ltd., exporters of Bangladesh tea to the then USSR. During this time, he was closely involved with the family tea estates, and was instrumental in the setting up of the tea factory of Jhemai Tea Estate. From 1996 to 2011 he was the Executive Director of Pacific Bangladesh Telecom Ltd.



Mr. Golam Mainuddin
Director

Mr. Golam Mainuddin joined the Board of Advanced Chemical Industries Limited in October 2009. Prior to that he served the Company in the capacity of Independent Director as well as Chairman of the Board's Audit Committee. Mr. Mainuddin has been the Chairman of British American Tobacco (BAT) Bangladesh since August 2008. He has been with BAT Bangladesh over 39 years and served in different management capacity. After obtaining his Masters of Science degree from Dhaka University, Mr. Mainuddin pursued the first 28 years of his career in the agro-based industry followed by corporate management over the last 22 years. He was a Tea Garden Manager at Duncan Brothers from 1969 to 1982, and then joined BAT Bangladesh to soon become the Head of Leaf in 1985. He was inducted as Director

of BAT in 1986, and was given the responsibility of Deputy Managing Director in 1996. He is the Director of Metropolitan Chambers of Commerce & Industry, Dhaka and is the Chairman of Chamber Finance and Membership Sub Committee. He was the Vice-President of Metropolitan Chambers of Commerce & Industry (MCCI), the Vice-President of Bangladesh Employers' Federation (BEF) and Director of Federation of Bangladesh Chambers of Commerce and Industries (FBCCI). He was the Independent Director as well as Chairman of the Audit Committee of Apex Footwear Limited. He is the Director of Infrastructure Investment Facilitation Company (IIFC) at the Ministry of Finance (ERD) of the Government of Bangladesh. He has been a Commercially Important Person (CIP) by the Government of Bangladesh since 2010.



Mr. Abdul-Muyeed Chowdhury
Director

Mr. Abdul-Muyeed Chowdhury joined the Board as Director on 28 January 2019. He is serving as an Independent Director of ACI Formulations Limited from October 2018. Mr. Chowdhury obtained his Bachelor of Arts with Honors in History and Master of Arts (1st Class) from Dhaka University. He also attended Certificate of Participation in an acceptable program of special study in Political Science, Public Administration in the University of Tennessee, Knoxville. Mr. Chowdhury, a CSP, served as an Adviser to the Care Taker Government of Bangladesh in 2001 and was in charge of five Ministries. He was the Executive Director of BRAC from 2000 to 2006. Prior to that, he spent more than three decades in the civil service of Bangladesh and was the Secretary to the

Government from 1994 to 2000 holding charge of various ministries. He served as the Chairman of NBR, Managing Director of Biman Bangladesh Airlines and Executive Director of Jamuna Multipurpose Bridge Authority, President of National Shooting Federation of Bangladesh, Chairman of SME Foundation and Vice-President of Bangladesh Olympic Association. He was the Chairperson of BRACNet Limited. Currently, he is serving as the CEO of Tiger Tours Limited. Besides, he is an Independent Director of grameenphone and Director of MJL Bangladesh Limited, Omera Petroleum Limited, Omera Fuels Limited, Omera Cylinders Limited, Summit Alliance Port Limited, and Tiger Tours Limited. He is also a Member of the Governing Body of BRAC University.



Mr. Anisuddin Ahmed Khan
Director

Mr. Anisuddin Ahmed Khan (Anis A. Khan), Director of ACI Limited and ACI Motors Limited is a distinguished banker and finance professional of Bangladesh. He is Chairman of AAZ & Partners, a legal and financial consultancy firm. In addition to his roles at ACI, he serves as Vice Chairman of Aspen Capital Solutions LLC, New York, USA and as Global Advisory Board Member of 360tf, a trade finance related Fintech Company based in Singapore. He is an Independent Director of Trust Bank Limited, Summit Power Limited, Summit Alliance Port Limited (SAPL), Container Terminal Services Limited (CTSL) and Ananta Apparels Limited. He is Director of Central Counterparty Bangladesh Limited (CCBL) and that of W&W Grains. He is Advisor to the Board of Tyser Risk Management Bangladesh Limited (TRMBL), a subsidiary of Tysers UK. Additionally, he teaches 'Banking & Finance' as an

Adjunct Professor at the School of Business & Entrepreneurship of Independent University Bangladesh (IUB) since February 2000. A Fellow of the Institute of Bankers Bangladesh (IBB), he has had over 40 years of experience and training in banking and related fields. Mr. Khan, after serving Grindlays Bank plc, ANZ Grindlays Bank and Standard Chartered Bank (SCB) for 21 years, went on to head IDLC Finance Limited, the country's largest (non-banking) financial institution as its CEO & Managing Director. Later he joined Mutual Trust Bank Limited (MTB) in 2009 as the Managing Director & CEO, and retired in 2019, having reached the statutory retirement age. He served as Chairman of the Association of Bankers Bangladesh (ABB) and Primary Dealers Bangladesh Limited (PDBL). He serves as Chairman of Valor of Bangladesh, Director of MCCI Dhaka, and Member of the Executive Committee of the Bangladesh Publicly Listed Companies Association (BAPLC) and Trustee Board Member of the British Business Group in Bangladesh. He is also President of the Bangladesh Cancer Aid Trust (BANCAT) and Independent Director of the CSR Centre Bangladesh. Mr. Khan has LL.B. (Honors) and LL.M. (First Class First) degrees and a Diploma in French (First Class) from the University of Dhaka. He also qualified in the BCS (1982) Examination and has a Post Graduate Diploma in Human Resource Management from the Bangladesh Institute of Management. He has attended training courses on leadership, corporate governance and strategic management at the University of Cambridge, UK; INSEAD, France; University of California, Berkeley, USA and at the London School of Economics, UK. A keen patron and collector of art, and Expert Auctioneer, he serves as a Trustee Board member of the Society for Promotion of Bangladesh Art (SPBA).



Mr. Juned Ahmed Choudhury
Director

Mr. Juned Ahmed Choudhury joined the Board as Director on 17 August 2021. He obtained B. A (Hons.) degree in Economics from Dhaka University in 1957 and Master of Public Administration from Karachi University in 1959. He received training on Personnel Management in Public and Private Organizations at the National School of Administration in Paris; and on Industrial Relations at the Institute of Labour Studies in ILO, Geneva. Mr. Choudhury was Director of Shell Oil Company Ltd., and Public Affairs Adviser of Bangladesh Shell Petroleum Development B.V. He was decorated Knight of the Order of Arts and Letters by the Government of France for his contribution to promotion of better Bangladesh-France relationship in the fields of language and culture. Mr. Juned Ahmed Choudhury served ACI Limited as Independent Director for the period 2012 to 2018 in two consecutive tenures.



Dr. Arif Dowla
Managing Director

Dr. Arif Dowla took over the charge of the Managing Director of Advanced Chemical Industries (ACI) Limited in June 2005. Prior to this position, he served the Company as Deputy Managing Director from September 2000. Dr. Dowla is the functional head of the Company who manages the affairs of ACI Group with appropriate delegation of authority and accountability while the chief executives of all strategic business units directly report to him. He has significant contribution in the advancement of Industrial as well as Agricultural sector of the country. His business strategy and various backward and forward linkages have diversified the Group business in manifold resulting ACI a largest turnover based conglomerate in Bangladesh. Dr. Dowla obtained Ph.D in Mathematics from the University of California, USA. He is a member of the American Mathematical

Society and the Society of Quantitative Analyst, New York, as well. He has been included in the Forum of Young Global Leader Honorees 2009 by the World Economic Forum. He has been serving as the Honorary Consul of Belgium in Bangladesh since September 2013. Dr. Dowla is the Chairman of Tetley ACI (Bangladesh) Limited, a joint-venture between UK and Bangladesh. He is also the Chairman of ACI CO-RO Bangladesh Ltd., a joint-venture between Denmark and Bangladesh. He is a Director of Mutual Trust Bank Limited and former Chairman of the Bank (2012-2014). He was also the Director of Pioneer Insurance Company Limited from 2002 to 2009. He is a Director of Metropolitan Chamber of Commerce and Industry. Besides, Dr. Dowla is the Managing Director of ACI Logistics Limited and Stochastic Logic Limited. He, however, occupies directorship in, ACI Salt Limited, ACI Pure Flour Limited, ACI Motors Limited, ACI Foods Limited, Premiaflex Plastics Limited, ACI Agrolink Limited, ACI HealthCare Limited, ACI Edible Oils Limited, Creative Communication Limited, Consolidated Chemicals Limited, ACI Chemicals Limited, ACI Boitech Limited, INFOLYTX Bangladesh Limited, ACI Marine and Riverine Technologies Limited, ACI AgroChem Limited, ACI Premio Plastics Limited, Dowla Agricultural Development Company Limited, ACI Godrej Agrovat Private Limited and ACI Foundation (a non-profit organization).



Mr. Mohammad Mostafizur Rahman
Director, Corporate Affairs
& Company Secretary

Mohammad Mostafizur Rahman joined Advanced Chemical Industries Limited as the Company Secretary in July 2018. He is currently serving as Director, Corporate Affairs, ACI Limited as well as head of Administration and Estate & Legal Affairs. In addition to this, previously, he worked with Heidelberg Cement Bangladesh Limited, Bata Shoe Company (Bangladesh) Limited, Square Pharma and Rangs Properties Limited in various capacities. In the year of 2010 the Institute of Chartered Secretaries of Bangladesh recognized him as a qualified Chartered Secretary. He completed both LL.B. (Hons.) and LL.M from University of Dhaka. He earned Post Graduate Diploma in Human Resources Management (PGDHRM) from Bangladesh Institute of Management (BIM) in 2013. Mr. Rahman is a Fellow member of Institute of Chartered Secretaries of Bangladesh. He is also acting as the Member on the part of the owners in the 2nd Labour Court, Dhaka since 15 October 2020 being selected and appointed by the Government of Bangladesh, and Member of the Labor Law Sub-Committee of Bangladesh Employers' Federation.

Advanced Chemical Industries Limited

Registered Office Address: 245, Tejgaon Industrial Area, Dhaka-1208

Notice of the 50th Annual General Meeting

Notice is hereby given that the 50th Annual General Meeting (AGM) of Advanced Chemical Industries Limited will be held on Thursday, 28 December 2023 at 11:30 am. The AGM will be held virtually using digital platform through the following link: **<https://agmbd.live/acilimited>**

AGENDA

- 1) To receive, consider and adopt the Audited Financial Statements for the year ended 30 June 2023;
- 2) To declare recommended dividend for the year ended 30 June 2023;
- 3) To elect/re-elect Directors;
- 4) To appoint Statutory and Compliance Auditors for the year 2023-2024 and to fix their remunerations.

Dhaka
23 November 2023

By Order of the Board



Mohammad Mostafizur Rahman
Company Secretary

Notes:

- a. The Shareholders whose names appeared in the Members/Depository's Register as on the Record Date i.e. 16 November 2023, will be eligible to attend the virtual AGM and receive the dividend;
- b. Members can join the AGM using their Laptop, PC, Mobile or Tab providing their respective name, 16-digit BO ID and No. of Shares. Members can also find the link easily by scanning the QR Code given;
- c. The members will be able to submit their questions/comments and vote electronically 24 hours before commencement of the AGM and during the AGM;
- d. The Shareholders are requested to submit their written option to receive dividend to the Company's Share Office on or before 07 December 2023. In case of non-receipt of such option within the stipulated date, the dividend will be paid off as deemed appropriate by the Company;
- e. The Proxy Form, duly completed, stamped at BDT. 100 must be deposited at the Share Office of the Company at 9 Motijheel Commercial Area, Dhaka-1000 at least 48 hours before the time fixed for the Meeting;
- f. The Annual Report 2022-2023 will be available in Company's website: **www.aci-bd.com**



To Join AGM



Financial Calendar

13 November 2022

Sunday

Quarter One

Adoption of unaudited first quarter financial statements ended 30 September 2022

30 January 2023

Monday

Quarter Two

Adoption of unaudited second quarter financial statements ended 31 December 2022

30 April 2023

Sunday

Quarter Three

Adoption of unaudited third quarter financial statements ended 31 March 2023

26 October 2023

Thursday

Annual

Adoption of audited financial statements for the year ended 30 June 2023

16 November 2023

Thursday

Record Date

Record Date in lieu of Book Closure

23 November 2023

Thursday

AGM Notice

Notice of 50th Annual General Meeting

04 December 2023

Monday

Annual Report

Issuance of Annual Report

28 December 2023

Thursday

AGM Day

50th Annual General Meeting

25 January 2024

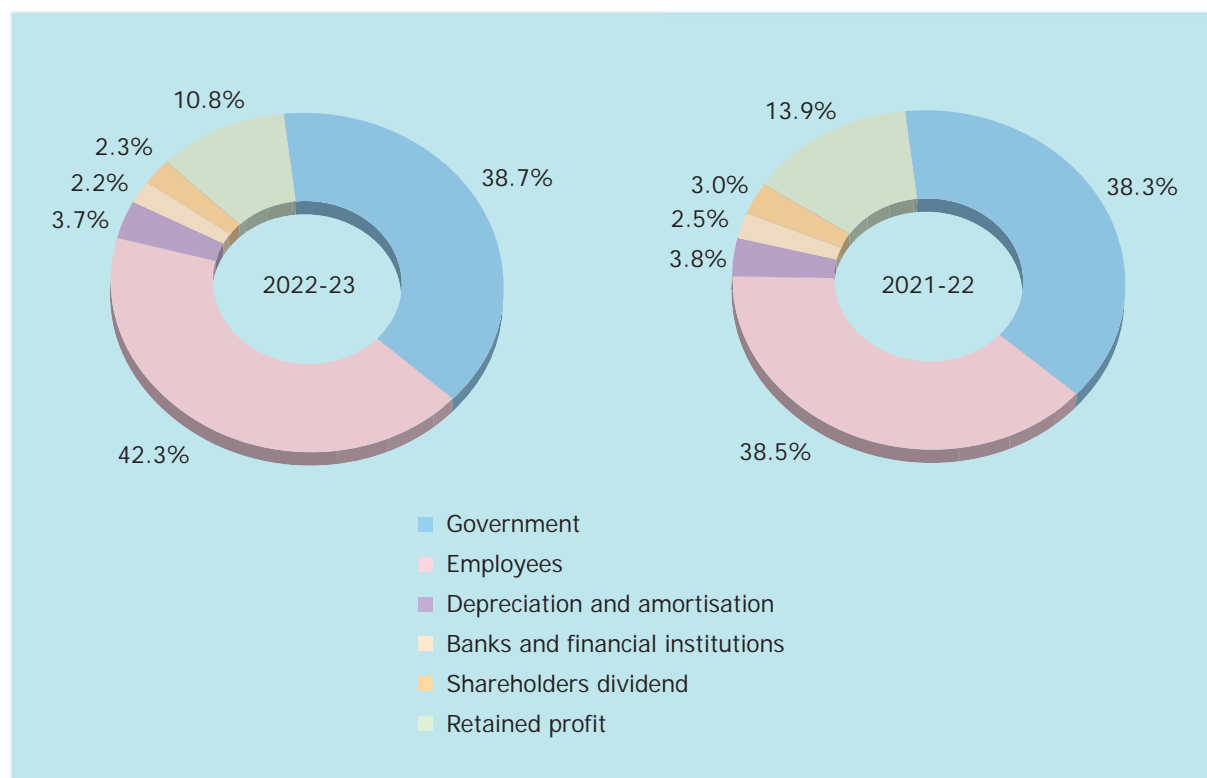
Thursday

Dividend Payment

Payment of Dividend to the shareholders whose name would appear in the register of the Company on record date

Value Added Statement - ACI Limited

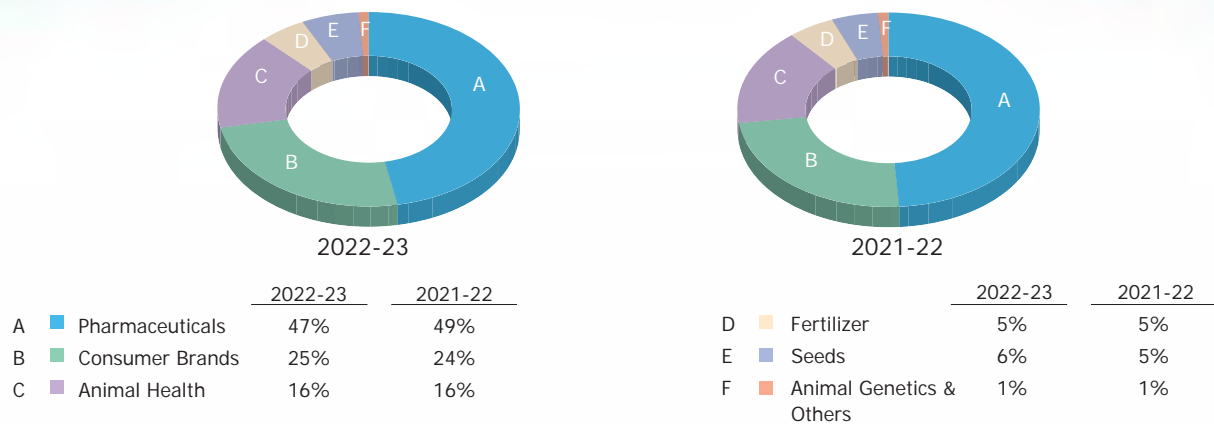
| Particulars | 2022-23 | | 2021-22 | |
|--------------------------------------|-----------------|-------------|-----------------|-------------|
| | Taka in Million | % | Taka in Million | % |
| Gross turnover | 33,340 | | 31,731 | |
| Other income and gain on disposals | 987 | | 577 | |
| Less: Cost of materials and services | (20,889) | | (19,043) | |
| Value added | 13,438 | 100% | 13,265 | 100% |
| Applications | | | | |
| Government | 5,209 | 38.7% | 5,087 | 38.3% |
| Employees | 5,679 | 42.3% | 5,110 | 38.5% |
| Depreciation and amortisation | 493 | 3.7% | 497 | 3.8% |
| Banks and financial institutions | 300 | 2.2% | 333 | 2.5% |
| Shareholders dividend | 305 | 2.3% | 399 | 3.0% |
| Retained profit | 1,452 | 10.8% | 1,839 | 13.9% |
| Total | 13,438 | 100% | 13,265 | 100% |



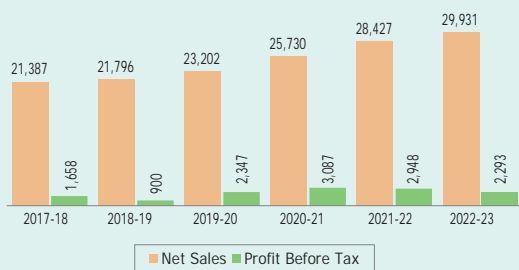


Financial Highlights and Analysis

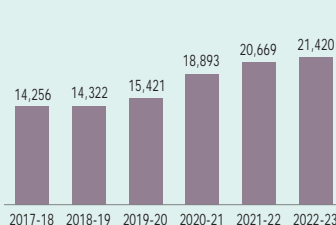
ACI Limited's Turnover Contribution by Business Unit



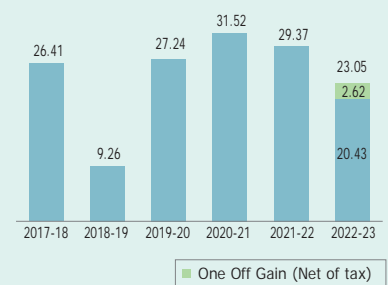
Net Sales & Profit Before Tax - ACI Limited (Taka in Million)



Shareowners' Equity - ACI Limited (Taka in Million)



Earnings Per Share (Taka) - ACI Limited



ACI Group's Comparative Statistics

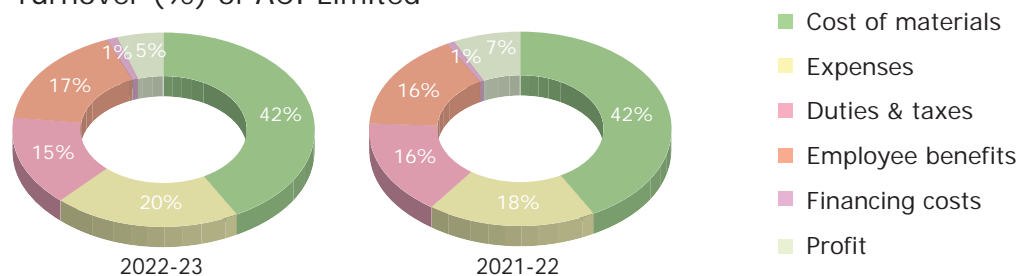
| Particulars | December 2015 | June 2016 (six month) | July 2016- June 2017 | July 2017- June 2018 | July 2018- June 2019 | July 2019- June 2020 | July 2020- June 2021 | July 2021- June 2022 | July 2022- June 2023 |
|-----------------------------------|---------------|-----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Taka in million | | | | | | | | | |
| Authorized capital | 500 | 500 | 500 | 500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 |
| Issued & paid capital | 398 | 398 | 438 | 482 | 499 | 574 | 631 | 726 | 762 |
| Current assets | 17,206 | 20,190 | 26,316 | 27,725 | 32,039 | 30,403 | 37,482 | 39,758 | 51,238 |
| Tangible fixed assets (gross) | 11,782 | 12,562 | 15,299 | 18,119 | 20,711 | 27,218 | 31,409 | 34,558 | 36,917 |
| Shareowners' equity | 9,772 | 9,709 | 10,574 | 10,883 | 9,579 | 7,899 | 10,265 | 10,305 | 8,662 |
| Turnover (net) | 31,383 | 17,853 | 47,668 | 56,123 | 63,144 | 69,475 | 80,748 | 96,572 | 115,355 |
| Gross profit | 9,840 | 5,663 | 14,104 | 15,866 | 18,318 | 19,484 | 21,716 | 23,854 | 25,872 |
| Profit before tax | 3,910 | 853 | 2,189 | 1,422 | 170 | (99) | 2,187 | 2,628 | 1,653 |
| Profit after tax (equity holders) | 2,878 | 382 | 1,065 | 517 | (775) | (1,059) | 347 | 380 | (494) |
| Current ratio (times) | 0.97 | 0.91 | 0.87 | 0.84 | 0.77 | 0.70 | 0.74 | 0.74 | 0.73 |
| Quick ratio (times) | 0.54 | 0.53 | 0.52 | 0.78 | 0.44 | 0.41 | 0.40 | 0.36 | 0.42 |
| Return on equity (%) | 29.45 | 7.88 | 10.07 | 4.75 | (8.09) | (13.40) | 3.38 | 3.68 | (5.70) |
| Inventory turnover (times) | 3.11 | 3.04 | 3.54 | 3.60 | 3.54 | 3.83 | 3.95 | 3.86 | 4.25 |
| Debtors turnover (times) | 6.99 | 6.46 | 6.61 | 5.76 | 5.09 | 5.34 | 6.67 | 7.79 | 7.84 |
| Fixed assets turnover (times) | 3.03 | 2.64 | 2.81 | 2.64 | 2.60 | 2.66 | 2.86 | 3.21 | 3.79 |
| Net asset per share (Taka) | 245.30 | 243.72 | 219.36 | 189.70 | 166.95 | 125.16 | 141.43 | 135.22 | 113.67 |
| Earnings per share (Taka) | 65.75 | 8.72 | 22.10 | 10.36 | (13.51) | (16.78) | 4.78 | 4.98 | (6.48) |

ACI Limited's Comparative Statistics

| Particulars | December 2015 | June 2016 (six month) | July 2016- June 2017 | July 2017- June 2018 | July 2018- June 2019 | July 2019- June 2020 | July 2020- June 2021 | July 2021- June 2022 | July 2022- June 2023 |
|-------------------------------|---------------|-----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Taka in million | | | | | | | | | |
| Authorized capital | 500 | 500 | 500 | 500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 |
| Issued & paid capital | 398 | 398 | 438 | 482 | 499 | 574 | 631 | 726 | 762 |
| Current assets | 10,960 | 12,607 | 17,105 | 23,006 | 27,564 | 29,910 | 32,889 | 38,500 | 46,339 |
| Tangible fixed assets (gross) | 6,057 | 6,233 | 7,455 | 8,825 | 9,358 | 10,103 | 12,508 | 14,893 | 15,599 |
| Shareowners' equity | 11,715 | 11,949 | 12,992 | 14,256 | 14,322 | 15,421 | 18,893 | 20,669 | 21,420 |
| Turnover (net) | 14,567 | 7,941 | 18,306 | 21,387 | 21,796 | 23,202 | 25,730 | 28,427 | 29,931 |
| Gross profit | 6,262 | 3,561 | 8,196 | 9,242 | 9,886 | 10,705 | 11,372 | 11,763 | 11,883 |
| Profit before tax | 3,934 | 925 | 1,674 | 1,658 | 900 | 2,347 | 3,087 | 2,948 | 2,293 |
| Profit after tax | 3,184 | 680 | 1,244 | 1,317 | 531 | 1,719 | 2,288 | 2,238 | 1,757 |
| Dividend | 498 | - | 518 | 571 | 574 | 516 | 505 | 399 | 305 |
| Current ratio (times) | 1.67 | 1.57 | 1.29 | 1.17 | 1.13 | 1.12 | 1.17 | 1.19 | 1.16 |
| Quick ratio (times) | 1.07 | 1.08 | 0.92 | 0.91 | 0.90 | 0.93 | 0.93 | 0.96 | 0.99 |
| Return on equity (%) | 27.17 | 11.37 | 9.57 | 9.24 | 3.71 | 11.15 | 12.11 | 10.83 | 8.20 |
| Inventory turnover (times) | 2.40 | 2.22 | 2.31 | 2.45 | 2.25 | 2.39 | 2.44 | 2.39 | 2.59 |
| Debtors turnover (times) | 8.83 | 7.56 | 6.45 | 5.16 | 4.35 | 5.13 | 7.58 | 10.01 | 11.03 |
| Fixed assets turnover (times) | 2.82 | 2.42 | 2.45 | 2.43 | 2.28 | 2.26 | 2.18 | 2.15 | 2.10 |
| Net asset per share (Taka) | 294.08 | 299.96 | 269.54 | 248.48 | 249.64 | 244.35 | 260.32 | 271.23 | 281.09 |
| Market price per share (Taka) | 561.60 | 455.10 | 516.50 | 347.80 | 274.70 | 204.20 | 263.70 | 283.00 | 260.20 |
| Earnings per share (Taka) | 72.72 | 15.51 | 25.80 | 26.41 | 9.26 | 27.24 | 31.52 | 29.37 | 23.05 |
| Dividend per share (Taka) | 12.50 | - | 11.82 | 11.85 | 11.50 | 9.00 | 8.00 | 5.50 | 4.00 |
| Dividend rate (%) | 125.00 | - | 125.00 | 118.50 | 115.00 | 90.00 | 80.00 | 55.00 | 40.00 |
| Dividend payout ratio (%) | 17.19 | - | 45.81 | 44.87 | 124.15 | 33.04 | 25.38 | 18.73 | 17.35 |
| Price earnings ratio (times) | 7.72 | 14.67 | 20.02 | 13.17 | 29.66 | 7.50 | 8.37 | 9.64 | 11.29 |
| Dividend yield (%) | 2.23 | - | 2.29 | 3.41 | 4.19 | 4.41 | 3.03 | 1.94 | 1.54 |
| Number of employees | 7,090 | 7,275 | 8,364 | 9,053 | 9,147 | 8,364 | 9,380 | 10,233 | 11,077 |

* Ratios are annualised

Analysis of Turnover (%) of ACI Limited



Comparison of Turnover & Costs

| | Taka in million | | | |
|------------------------------------|-----------------|------------|---------------|------------|
| | 2022-23 | % | 2021-22 | % |
| Turnover (gross) | 33,340 | 97 | 31,731 | 98 |
| Other income and gain on disposals | 987 | 3 | 577 | 2 |
| | 34,327 | 100 | 32,308 | 100 |
| Cost of materials | 14,437 | 42 | 13,488 | 42 |
| Expenses | 6,945 | 20 | 6,052 | 18 |
| Duties and taxes | 5,209 | 15 | 5,087 | 16 |
| Employee benefits | 5,679 | 17 | 5,110 | 16 |
| Financing costs | 300 | 1 | 333 | 1 |
| Profit | 1,757 | 5 | 2,238 | 7 |
| | 34,327 | 100 | 32,308 | 100 |



“
The commitment of our talented team and your unwavering support as shareholders continue to be our greatest assets.
”

Message from the Chairman

Dear Shareowners,

Assalamu Alaikum,

I write to you for the year ending June 30, 2023, which has experienced unprecedented challenges as the Bangladesh economy navigated a volatile foreign exchange regime and significantly affected by the Ukraine war. The fiscal year 2022-23 was a period marked by profound macroeconomic stress, which, unfortunately, took its toll on our bottom line. We acknowledge these setbacks and assure you that we are addressing them proactively.

The economic landscape of the year under review was marked by uncertainties, including disruptions from global events. Yet, we must emphasize that this period of adversity has not shaken our resolve. It has only reinforced our commitment to adapt, evolve, and emerge stronger.

In adversity, we see opportunity. As we move forward, we are charting a course towards recovery and sustainable growth. Our strategies are underpinned by prudent financial management, innovation, and the steadfast belief in the resilience of our business model. We are determined to harness the lessons learned during these trying times to make our operations more agile and our decision-making processes more robust.

The commitment of our talented team and your unwavering support as shareholders continue to be our greatest assets. We are actively exploring avenues for diversification and expansion, that align with our long-term vision and goals.

While challenges remain, we believe in the inherent strength of our company and its ability to navigate the dynamic business environment. Our unwavering focus remains on delivering value to you, our esteemed shareholders.

We appreciate your trust and patience as we work diligently towards restoring profitability and securing a brighter future. Together, we will emerge from this period of turbulence with renewed strength and determination.

Sincerely,

M. Anis Ud Dowla
Chairman, ACI Group

“

আমাদের মেধাবী কর্মীবৃন্দের প্রতিশ্রুতি এবং শেয়ারমালিক হিসাবে আপনাদের নিরবিচ্ছিন্ন সহযোগিতা প্রতিষ্ঠানটির শ্রেষ্ঠতম সম্পদ হিসেবে পরিগণিত।

”

চেয়ারম্যানের বাণী

প্রিয় শেয়ারমালিকবৃন্দ,

আসসালামু-আলাইকুম,

আমি আপনাদেরকে ৩০ জুন ২০২৩ সালে সমাপ্ত বছরের জন্য লিখছি। বাংলাদেশের অর্থনীতি এই সময়ে বৈদেশিক মুদ্রার বিনিময় হারের অস্থিরতা এবং ইউক্রেন যুদ্ধের প্রভাবে অভূতপূর্ব চ্যালেঞ্জের সম্মুখীন হয়েছিল। ২০২২-২৩ সামষ্টিক অর্থনীতির উপর ছিল একটি চাপের অর্থবছর যার ফলে আমাদের প্রবৃদ্ধি ব্যাহত হয়েছিল। আমরা আপনাদের আশ্বস্ত করছি যে, এই সকল প্রতিকূলতা বিবেচনায় নিয়ে প্রতিটির বিপরীতে আমরা সুষ্ঠু পদক্ষেপ নিয়েছি।

আলোচ্য বছরের অর্থনীতিতে অনিশ্চয়তার সাথে ছিল বৈশ্বিক অঘটনের দ্বারা সংগঠিত বিপর্যয়। আমরা দ্ব্যর্থহীন ভাবে বলতে চাই যে, এই প্রতিকূল বছরটি আমাদেরকে লক্ষ্যচ্যুত করতে পারেনি। বরং এটি আমাদেরকে প্রতিকূলতার সাথে মানাবার, বিকশিত এবং শক্তিশালী হবার প্রতিশ্রুতিকে আর উদ্বুদ্ধ করেছে।

আমরা এই সকল প্রতিকূলতাকে মোকাবেলা করে ভবিষ্যতে একটা শক্তিশালী পথের সন্ধান করছি। আমাদের কৌশলসমূহ বিস্তৃত আর্থিক ব্যবস্থাপনা, উদ্ভাবন এবং আমাদের ব্যবসায়িক মডেলের স্থিতিস্থাপকতার উপর ভিত্তি করে রচিত। এই প্রতিকূল সময় থেকে অর্জিত শিক্ষাকে প্রয়োগ করে আমাদের ব্যবসায়িক কার্যক্রমকে আরও দৃঢ় এবং সিদ্ধান্ত গ্রহণের প্রক্রিয়াকে আরও গতিশীল করতে আমরা বদ্ধপরিকর।

আমাদের মেধাবী কর্মীবৃন্দের প্রতিশ্রুতি এবং শেয়ারমালিক হিসাবে আপনাদের নিরবিচ্ছিন্ন সহযোগিতা প্রতিষ্ঠানটির শ্রেষ্ঠতম সম্পদ হিসেবে পরিগণিত। আমরা দীর্ঘমেয়াদী পরিকল্পনা ও লক্ষ্যের সাথে মিল রেখে, ব্যবসার বৈচিত্র্য এবং সম্প্রসারণের জন্য নতুন নতুন ক্ষেত্র চিহ্নিত করছি।

প্রতিকূলতা থাকা সত্ত্বেও, আমরা কোম্পানির অন্তর্নিহিত শক্তি এবং বৈচিত্র্যময় পরিবেশে ব্যবসাকে পরিচালনার সার্মথের উপর আস্থা রাখি। আমাদের সমস্ত কার্যক্রমগুলো শেয়ারমালিকদের বিনিয়োগকে আরও সুসংহত করতে বদ্ধপরিকর।

প্রবৃদ্ধিকে পুনঃপ্রতিষ্ঠা এবং একটি উজ্জ্বল ভবিষ্যতের লক্ষ্যে আমাদের প্রচেষ্টার প্রতি আপনাদের অবিচল আস্থা ও ধৈর্য্যকে আমরা প্রশংসা করি। আমরা নতুন শক্তি এবং লক্ষ্য অর্জনের জন্য একসাথে এই প্রতিকূল সময় থেকে উত্তোরণ করবো।

আপনাদের বিশ্বস্ত,

এম. আনিস উদ্ দৌলা

চেয়ারম্যান, এসিআই গ্রুপ





Statement of Corporate Governance

In ACI Corporate Governance (CG) is a maxim that is intertwined in responsibility, compliance, transparency and finally accountability. As a part of it, ACI acknowledges good corporate governance as the essential element for success in business and recognizes that it is to be established by means of an effective CG Regime. Accordingly, ACI emphasizes on stronger diligence to business, all operations being transparent and invites larger involvement of the stakeholders. Aspiring on that, the Company has always strived to remain vigilant on good governance and good business conduct so as to create and maintain value for shareholders, safeguard stakeholders' interest and justify investor's confidence. In this respect the Directors of ACI are also committed to meeting the highest standards of governance and disclosure. And with that aim, the Board ensures the integrity and firm attention of its employees, supported by a comprehensive framework of policies, guidelines and internal control. The Directors are conscious of their own responsibilities in supervision and direction of affairs of the Company in conformity with the practices of sound corporate governance. In fulfillment of those responsibilities, the Directors have set for themselves the principles that will be followed in their own involvement in the oversight functions and in setting up clear guidelines for the executive management.

The Governing Board

The Board of Directors of ACI, being the highest authority in the Company, is constituted by a body of knowledgeable persons and includes core competencies considered relevant in the context of the Company. To further ensure a balanced representation, the Board also includes Independent Directors, who are very resourceful and dignified members of the society. Thus, the Board of ACI is a compact body and meets all the criteria required under the BSEC governing guidelines. Further details about members of the Board are appended at the appropriate parts in this report.

Composition of the Board

The Board consists of nine members from the major shareowners and business professionals. Mr. M. Anis Ud Dowlá is the Chairman of the Board and Dr. Arif Dowlá is the Managing Director. Of the nine Directors, seven are non-executive Directors including two Independent Directors. The non-executive Directors are, however, available whenever business operations call for their attention and involvement.

Roles and Responsibilities of the Board

The Board is the supreme authority of the Company to oversee its operations through appropriate delegation, monitoring, control and reporting. The Directors hold the ultimate responsibility of conducting the activities of the Company in accordance with law and in the interest of its shareowners and other stakeholders, keeping in view the long-term interest and aspirations of the Company, while also discharging Company's legal obligations to its shareowners.

Functioning of the Board

The Directors meet together for the dispatch of the business and regulate the meetings and proceedings according to the needs of the Company. Every Board Meeting is preceded by service of Notice well ahead of scheduled time. Notice with agenda supported by working papers for every meeting of the Board are sent to all Directors well in advance so that they can come up with their considered views and can actively participate at the deliberations. During the meeting, the Board gets a thorough review of the performance of the Company through a Power Point presentation by the Managing Director. All pertinent matters are discussed in details and decisions are taken based on thorough considerations. Questions arising at any meeting are

decided by a majority of votes. However, there is a procedure supported by the Articles of Associations of the Company which allows taking care of any urgent matter through Resolution by Circulation. Such circular resolution is adopted by the Directors present in Bangladesh, without having to call a formal Board Meeting. To make it transparent, such resolutions passed by circulation are subsequently tabled at the immediate following Board meeting and included in the minutes accordingly.

Management through People

The Directors believe that a successful Board directs and not manage; rather they manage the management. And with that spirit, the Board has delegated adequate operational and financial authorities to the Managing Director which empowers him to set up the organizational structure, recruit appropriate people, empower them to manage the Strategic Business Units and functional areas and provide them guidance for achievement of the desired results.

As the apex corporate authority, the Board is kept informed of the goals, targets and initiatives of the Business Units and apprised of the financial performance on a regular quarterly basis.

The Managing Director is in-charge of operations of the Company and manages the affairs of the Group through close consultation with relevant people from within the Company and outside experts.

Empowerment of People

The Board has given clear guidelines to the Managing Director to ensure that there is appropriate delegation of authority and clear statement of accountability of the management staff all the way down to the supervisory level and that performance of the individual is judged on the basis of clearly set measurable goals and through objective assessment of their achievements.

Reporting and Communication

The Managing Director reviews and approves the strategic plans of each Business Unit every quarter. He also reviews monthly report and commentary on the sales and financial performance of business from the heads of businesses and the activities of the functional and service heads. An elaborate MIS system is in place.

Communication with Shareowners

The Board considers that good governance involves openness and trustful cooperation among all stakeholders concerned, including the shareowners of the Company. Shareowners, being the ultimate controllers of the Company, deserve to be informed in all corporate respects required under the law. Annual General Meeting (AGM) is the highest forum for interaction between shareowners and management of the Company. Accordingly, the Company holds the AGM regularly and in time. The shareowners are informed about the AGM well in advance and meeting materials are dispatched to them with priority abiding by laws and guidelines. The Directors attending the Annual General Meeting note the views, aspirations and suggestions of the shareowners and institutional stakeholders offered at the AGM and consider them with utmost attention. The Managing Director also brings to the notice of the Board any written communication received by him from the shareowners.

Internal Control and Risk Management

The Managing Director has to satisfy the Board that adequate internal check and controls are in place through appropriate MIS and employment of Internal Audit team to check and validate the expenses and the systems in operation. To further strengthen the controls,

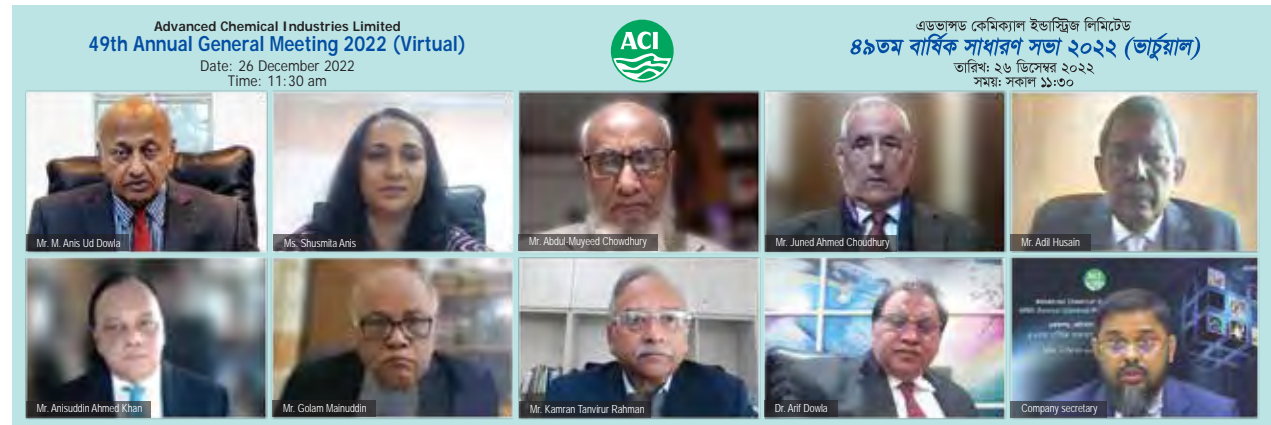
Mr. Kamran Tanvirur Rahman and Mr. Adil Husain. Mr. Kamran Tanvirur Rahman also acts as the Chairman of the Audit Committee and the Nomination and Remuneration Committee. The Independent Directors of the Company have been elected from the senior corporate leaders and bureaucrats of the country who are elite members of the society having requisite qualifications as prescribed by BSEC.

Distinctive Role of Chairman and Managing Director

According to the Governance Guidelines, the positions of Chairman and Managing Director are being held by separate individuals and their roles and responsibilities are clearly established, set out in writing and which are distinct from each other to ensure transparency and better governance. The Chairman is a non-executive Director and responsible for smooth functioning of the Board, while the Managing Director acts as the Chief Executive Officer and in-charge of the day-to-day operations of the Company.

Chief Financial Officer, Head of Internal Audit and Company Secretary

Under requirements of the BSEC Governance Guidelines, the Company has in place the above three key positions



the Company has introduced ISO 9001:2015 Quality Management System, the first Company in Bangladesh to do so under which all activities are carried out on the basis of Standard Operating Procedures. These standard procedures are updated on a regular basis in line with ISO requirements. The Company has also introduced ISO 14001:2015 Environmental Management System, the first Company in Bangladesh to do so and as a result has undertaken a task of continuing improvement through annual goals. Internal Audit department has been strengthened with induction of qualified and experienced personnel, demonstrating the Board's commitment to ensure that adequate risk management and internal control systems are in place across the Company. In addition, the Company has adopted the Ten Principles of Global Compact, an initiative taken by the Secretary General of the United Nations and adopted world-wide by big and progressive companies.

Independent Director

In compliance with the Corporate Governance Guidelines of Bangladesh Securities and Exchange Commission (BSEC), the Board of Directors of the Company includes two Independent Directors namely,

held by three qualified professionals. Mr. Pradip Kar Chowdhury, a Fellow Chartered Accountant, acts as the Chief Financial Officer and Mr. Amitava Saha, acts as the Head of Risk Management & Internal Audit. Mr. Mohammad Mostafizur Rahman, a Fellow Chartered Secretary, acts as the Company Secretary of the Company who is responsible for overall governing compliance of the Company and performs as the bridge between the Board, Management and Shareholders. The roles, responsibilities and duties of these three key positions have clearly set forth in writing by the Board.

The Board Audit Committee

Following the Guidelines of Bangladesh Securities and Exchange Commission (BSEC), the Board has constituted an Audit Committee for the Company the details of which are stated in the Audit Committee Report forming part of this Annual Report. The Committee comprises of 3 (three) Members from the Board of Directors. All members of the Audit Committee are financially literate and enable to scrutinize and interpret financial statements while discharging their



duties and responsibilities as member of the Committee. The Chairman of the Committee is an Independent Director having the requisite qualification in line with BSEC Guidelines. The Company Secretary acts as the Secretary of the Committee, as required by the BSEC Guidelines. The Chief Financial Officer and Head of Internal Audit attend all meetings of the Committee regularly as special invitees.

The Committee met 4 (four) times during FY 2022-2023. The key responsibilities of the Audit Committee include:

1. Review and monitor the integrity of the financial reporting system and ensure that Company complies with the accounting policies, principles and applicable standards;
2. Review and appraisal of the performance of the Internal Audit and internal control system;
3. Review of the risks associated with the Company's business operation including mitigation and awareness plan;
4. Overseeing hiring and performance of external auditors;
5. Other matters as per terms of reference as well as time to time requirements of the Regulators.

Nomination and Remuneration Committee (NRC)

In compliance with the Corporate Governance Code, the Board of Directors of the Company in its meeting held on 25 October 2018 constituted a Nomination and Remuneration Committee as a sub-committee of the Board with the following non-executives Directors:

- Mr. Kamran Tanvirur Rahman, - Chairman
Independent Director
- Mr. Juned Ahmed Choudhury, - Member
Director
- Mr. Golam Mainuddin, - Member
Director
- Mr. Mohammad Mostafizur Rahman, - Secretary
Company Secretary

Mr. Monower Ahmed of 'Monower Associates', a reputed HR Specialist is the 'Advisor' to the NRC and Mr. Mohammad Mostafizur Rahman, the Company Secretary is the 'Secretary' of the NRC.

A detailed Terms of Reference (ToR) of the NRC and Policy has also been approved by the Board

The terms of reference of the Nomination and Remuneration Committee and Policy include, among other items, the determination of the Company's policy on unique remuneration for Executive Directors, the review, recommendation and/or approval of remuneration to Directors, the review and approval of the Company's remuneration policy, the creation of evaluation criteria for Independent Directors and the Board of Directors, identifying persons who are eligible

to become Directors and who may be appointed to senior management in accordance with the criteria laid down and recommending the appointment or removal of such persons to the Board and discharging such other functions and exercising such other powers as the Board of Directors may delegate/direct from time to time. During the financial year 2022-2023, one (1) meeting of the Nomination and Remuneration Committee (NRC) was conducted on 9 November 2022.

Reviewing of Business and Financial operations

The operations of the Company are regularly supervised, monitored and guided by the Board. The purpose of business review is to ensure strategic control and follow-up of results based on the prevailing strategic objectives and value considerations. Financial reviews provide the internal quarterly results follow-up for the Company. The purpose is to provide an analysis of the economic and financial situations, which will then form the basis for external reporting and presentations, and to provide quality assurance for the financial reporting.

Independent Scrutinizer

As per the BSEC's Directive No. BSEC/ CMRRCD/ 2009/ 193/08 dated 10 March 2021, the Board in its 213th meeting held on 26 October 2023 appointed M/s Jasmine & Associates, Chartered Secretaries, as the Independent Scrutinizer to observe the 50th AGM of the Company to be held on 28 December 2023 ensuring the facility to exercise the voting rights of shareholders on the resolution proposed to be considered at the AGM. The due process of election and detailed information of voting result shall be authenticated by the Independent Scrutinizer and be reported to BSEC accordingly.

Governance in Subsidiary Companies

Advanced Chemical Industries Limited has 15 (fifteen) subsidiary companies, 2 (two) joint-ventures and 1 (one) associated company under its corporate canopy. ACI, being the holding company, applies the same governance strategy in its subsidiaries. In that exercise, the Company has duly implemented the following as per requirements of the BSEC CG Code:

- a. Provisions relating to the composition of the Board of holding company has also been applied in the composition of the Board of the subsidiary companies;
- b. The Board Directors subsidiary companies include one Independent Director from the Board of the holding company;
- c. The minutes of the Board meetings of the subsidiary companies are placed for review at the following Board meeting of the holding company;
- d. The minutes of the respective Board meetings of the holding company duly record that the Board has also reviewed the affairs of the subsidiary companies, and
- e. The Board Audit Committee of ACI duly reviews the financial statements, in particular the investments made by its subsidiary companies.

Report of the Audit Committee

For the year ended 30 June 2023

The Audit Committee Report presented under Condition No.5 (7) of the Corporate Governance Code as adopted on 3 June 2018 by Bangladesh Securities and Exchange Commission (BSEC) provides an insight on the functions of the Audit Committee during 2022-2023.

Audit Committee in Advanced Chemical Industries (ACI) Limited is a sub-committee of the Board of Directors, assists the Board in fulfilling its oversight responsibilities. The Audit Committee assists the Board of Directors 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. The Audit Committee be and is responsible to the Board of Directors. The jurisdiction of the Audit Committee extends over the Company covering risk management with special emphasis on ensuring compliance with all applicable legislation and regulation.

Composition and Meetings

Chairman : Mr. Kamran Tanvirur Rahman,
Independent Director

Member : Mr. Golam Mainuddin,
Director

Member : Ms. Shusmita Anis,
Director

Secretary : Mr. Mohammad Mostafizur Rahman,
Company Secretary

A total of 4 (four) meetings were held during the year. Company Secretary of the Company functioned as the Secretary to the Committee as per regulatory guidelines. In addition to that the Chief Financial Officer, Head of Internal Audit and Compliance attended the meetings on invitation and other officials were invited to attend the meetings as and when the Committee required their presence.

The detail responsibilities of Audit Committee are well defined in the Terms of Reference (ToR). However, the major roles of the Audit Committee are mentioned below:

- (a) To review the quarterly and annual financial statements before submission to the Board for approval, adequacy of internal audit function, Management's Discussion and Analysis, statement of all related party transactions and Management Letters or Letter of Internal Control weakness issued by statutory auditors, etc.;
- (b) To oversee the financial reporting process, hiring and performance of external auditors;
- (c) To monitor choice of accounting policies, principles, Internal Audit and Compliance process, etc.

The Audit Committee reports on its activities to the Board of Directors. Audit Committee also immediately reports to the Board of Directors on

- a) report on conflicts of interests;
- b) suspected or presumed fraud or irregularity or material defect in the internal control system;
- c) suspected infringement of laws, including securities related laws, rules and regulations;
- d) any other matter which shall be disclosed to the Board of Directors.

The Committee considered the scope and methodology of the audits, as well as the independence, objectivity and qualification of the external auditors. The Audit Committee reviewed the external audit works and concluded that the financial reporting was satisfactory and in compliance with generally accepted accounting principles in Bangladesh and that the audit was satisfactorily conducted. In connection with financial reporting, the Audit Committee also reviewed the Company's financial statements. The Audit Committee concluded that all reported financial results have been presented in accordance with applicable rules.

Moreover, the Audit Committee reviewed ACI's self-assessment of Corporate Governance practices, based on a checklist provided by Bangladesh Securities and Exchange Commission (BSEC). The Committee concluded that Corporate Governance practices within ACI to a greater extent exceeded the standards and also found few rooms to improve further which are already on process.



Besides these, the Audit Committee reviewed risk identification, assessment and mitigation methodologies, process and management. The Committee concluded that risk management was satisfactory, with the formulation of highly structured and well-defined risk categories, as well as the identification and review of the major risks affecting ACI's flow of operations and their impact in upcoming years.

Summary of activities during the year

During the year under review the Committee, inter alia, focused on the following activities:

- a) Reviewed and recommended the Annual Financial Statements for the year ended on 30 June 2023 to the Board for approval;
- b) Reviewed the Management Letter from external auditors for the year under review along with management's responses on the findings;
- c) Reviewed the Auditors' Certification on Corporate Governance compliance;
- d) Reviewed the performance of the external auditors during the year, their appointment and remuneration for the next year end recommended the same to the Board for consideration;
- e) Reviewed and ascertained that the internal control system including financial and operational controls, accounting system, and reporting structure are adequate and effective;

- f) Endorsed the internal audit plan 2023-2024 and reviewed the progress against the approved internal audit plan 2022-2023;
- g) Reviewed the periodical reports submitted by the Internal Auditors and recommended to the management regarding proper and prompt resolution of the irregularities/issues stated therein;
- h) Reviewed the actions taken by the management for implementation of Audit Committee observations on issues deliberated in Audit Committee reports;
- i) The Committee placed its reports regularly to the Board for reviewing and monitoring the activities recommended on internal control system, compliance with rules and regulation of the regulatory bodies;
- j) The Committee reviewed relevant quarterly Financial Statements during the year under review and recommended to the Board for their approval;
- k) Based on the above review and discussion, the Audit Committee is of the view that the internal control and compliance procedures are adequate to present a true and fair view of the activities and financial status of the Company;
- l) Reviewed the financial statements of the subsidiary companies and recommended the same to the Board for consideration;
- m) Reviewed the capital investments made by the subsidiary companies.

Mohammad Mostafizur Rahman
Secretary of the Committee

Kamran Tanvirur Rahman
Chairman of the Committee

Dhaka, 26 October 2023

Nomination and Remuneration Committee Report

For the year ended 30 June 2023

The Nomination and Remuneration Committee (NRC) of ACI is one of its Board sub-committees that assists the Board generally in formulation of policy with regard to defining qualifications, positive attributes, experiences, remuneration for Directors and Top-Level Executives of the Company.

Dear Shareholders,

This report provides an overview of how the Committee operates, an insight into the Committee's activities and its role. A brief of the NRC and its roles, responsibilities and functions are given below:

Composition and Meetings

The NRC of ACI comprises 3 (three) members who are exclusively Non-Executive Directors, including one Independent Director. The Committee consists of:

| | |
|---|-------------|
| Mr. Kamran Tanvirur Rahman, Independent Director | - Chairman |
| Mr. Golam Mainuddin, Director | - Member |
| Mr. Juned Ahmed Choudhury, Director | - Member |
| Mr. Mohammad Mostafizur Rahman, Company Secretary | - Secretary |

Mr. Monower Ahmed of 'Monower Associates', a reputed HR Specialist is the 'Advisor' to the NRC. One meeting was held during the financial year 2022-23. A record of the Members' attendance at the NRC meetings during 2022-23 is given below:

| Committee members | Attendance | % (Percentage) |
|----------------------------|------------|----------------|
| Mr. Kamran Tanvirur Rahman | 1 | 100 |
| Mr. Golam Mainuddin | 1 | 100 |
| Mr. Juned Ahmed Choudhury | 1 | 100 |

Major Responsibilities of NRC

The role of the NRC shall be to oversee, among others, the following matters and make report with recommendations to the Board:

- a) The NRC is an Independent Committee and responsible or accountable to the Board and to the shareholders;
- b) NRC is responsible to supervise, among others, the following matters and make report along with its recommendations to the Board:
 - (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 directors and top-level executives, considering the following:
 - (a) that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the Company successfully;
 - (b) that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and



- (c) that remunerations to directors and top-level executives involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
- (i) devising a policy on Board's diversity taking into consideration age, experience, gender, ethnicity, educational background and nationality;
 - (ii) 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;
 - (iii) formulating the criteria for evaluation of performance of independent directors and members of the Board;
 - (iv) identifying Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;
 - (v) developing, recommending and reviewing annually the Company's human resources and training policies;
 - (vi) establishing the levels of pay and benefits of top level executives. For this purpose 'top level executive' means and includes the Managing Director (MD) or Chief Executive Officer (CEO), Additional or Deputy Managing Director (AMD or DMD), Chief Operating Officer (COO), Chief Financial Officer (CFO), Company Secretary (CS), Head of Internal Audit and Compliance (HIAC), Head of Administration and Human Resources or equivalent positions and same level or ranked or salaried officials of the Company;
 - (vii) reviewing and authorising changes to pay or benefits policy covering all employees;
 - (viii) reviewing and recommending on periodic/annual employee assessments and their increment proposals, if any;
 - (ix) furthermore, the Nomination and Remuneration Committee will also be authorised to recommend collective awards for negotiated pay settlements; and
 - (x) reviewing and recommending Company's Codes of Conduct (CoC) for the Chairman, Board members, CEO and other senior executives.

Appraisal of the Board

Directors in the Company Board are also subject to appraisal and assessment about their respective performances and collective wisdom. The NRC is responsible for ensuring ability and effectiveness of the Board. With that in view, the Committee carries out yearly evaluation of Board's work modalities, functional performances as well as its level of monitoring of internal control over financial reporting for preparation of the financial statements and the safeguarding of Company assets. Such evaluation process is led by the Chairman and assisted by the Company Secretary. For this purpose, directors are required to complete a yearly confidential pre-set questionnaire. The evaluation includes an annual review of administration of the Board and its committees covering their operations, serving of meeting notices, agenda, reports and information produced for consideration and its overall relationship with the Management.

The NRC Policy

The Company follows a nomination and remuneration policy the benchmark of which relies on standards and also recognisable in the market context and sufficient to fit and meet the current and future needs of the Company. The broad criteria in that respect are as follows:

- (a) Nomination criteria -
- (i) To follow a selection process that is absolutely transparent in all respects,
 - (ii) To pursue a policy that is compatible to international standards,
 - (iii) To only recognize core competencies considered relevant in the context of the Company,

- (iv) To follow general diversity in age, qualification, expertise and gender disciplines; and
- (v) To identify the Company's needs for employees at different levels and determine their selection, transfer or replacement and also promotion principles.

(b) Remuneration (basic) criteria

- (i) The structure, scale and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors and/or managers to run the Company effectively;
- (ii) The context of packages including remuneration/benefits monthly, yearly and in long run are categorically laid down and meets appropriate performance benchmarks;
- (iii) There is a clear balance in benefits between fixed and incentive pay of the directors and senior management reflecting short and long-term performance goals and objectives of the Company;
- (iv) The remuneration/compensation/benefits (or in whatever form) payable to the directors and senior managers shall be determined by the NRC and recommended to the Board for approval;
- (v) The remuneration to be paid to the whole-time directors shall be in accordance with the provisions (if any) laid down in the Articles of Association of the Company; and
- (vi) Increments (if any) to the existing structure of remuneration shall be determined by the NRC and recommended to the Board for approval.

(c) Detailed scope of remuneration strategy

The Nomination and Remuneration Committee will review all aspects of the terms and conditions of the services of Directors and top-level executives. It will also cover the pay and benefits policy for the rest of the organisation. The overall scope and criteria of the NRC with respect to remuneration will encompass the following aspects:

- (i) To recognise that the remuneration & benefits package is a major cost, but which is also a significant management instrument which must be used strategically and positively with a clear view of the cost/benefit implications of any pay proposal;
- (ii) To review the volume and terms and conditions of all benefits in kind while ensuring that the reward practices are aligned to the Company's reward strategy;
- (iii) To identify the market competitors of the same type, level and caliber where employment and recruitment policies are pursued in nearly same measurement;
- (iv) To ensure arrangement for regular surveys of remuneration and benefits in peer companies to obtain a reliable measure of the market;
- (v) To formulate and justify a pay and/or remuneration level compatible to the market with appropriate relative position recognising that the Company will need to attract and retain managers and professionals of high caliber;
- (vi) To ensure that any changes to the packages are based on the market and which are affordable. The remuneration review process should consider inflation level which is reflected also with those of the comparator companies and based on normal practice amongst the peer companies;
- (vii) To ensure reviewing the reward packages as a whole, seeking overall competitiveness and market comparability;
- (viii) To review the individual components of the total reward package to determine by examining market trends, the benefit value of each element and adjust the package to achieve the greatest perceived value for cost;
- (ix) To ensure that the remuneration package is at all times fully in compliance with individual taxation and other legal requirements, whilst at the same time maximizing legitimate individual pay advantages; and
- (x) To maintain an effective system of job evaluation to ensure that the applicable grade structure is maintained at management level;



- xi. To consider the employment terms and conditions of the unionised employees, management staff, directors and/or expatriates, if any, separately;
- xii. To grant prior approval to collective pay/benefit awards for unionised employees. The NRC may authorise the Managing Director or any relevant management member of the Company to negotiate pay/benefit settlements with recognised Trades Unions or Collective Bargaining Agent within predetermined limits, while any agreement being notified to the Committee members on completion of negotiations; and
- xiii. To also ensure that the employment and retirement benefit packages comply with the best practice guidelines.

Functionality and Management of NRC

The Nomination and Remuneration Committee will formally meet at least once in a year or more frequently depending on necessity. The annual format for managing the Nomination and Remuneration Committee will be somewhat as follows:

- Committee secretary (who is the Company Secretary) initiates the raw planning and finalises the date for the forthcoming NRC meeting with the Chairman of the Committee and ensures ultimate membership attendance at the meetings;
- The Head of Human Resources compiles background data for the next meeting and communicates to the Company Secretary who prepares agenda for submission to the Committee members for pre-reading;
- Members agree on agenda and the key areas of focus in advance with the Chairman for the forthcoming meeting;
- The NRC meeting, convened by the secretary, goes into session with necessary quorum being present and followed by due preparation of minutes of the meeting by the Committee secretary;
- The draft minutes are circulated to the Committee members for study, review and concurrence. Signed/initialed copies of the minutes are returned to the secretary; and
- Minutes of the Nomination and Remuneration Committee meetings are subsequently considered and approved at regular meetings of the Board.

Overall, ACI Limited, being a responsible Company, pursues a uniformly transparent strategy in all respects. Accordingly, its nomination and remuneration policy, evaluation criteria, activities and basic constitution of NRC, as a Board sub-committee, are reflected at a glance in the Annual Report of the Company for general information of all.

Major Activities of the NRC during the period were as follows:

- The NRC reviewed the mix and composition of the Board.
- The NRC reviewed the background of the Independent Directors, their level of independence and performance attributes of the Board as a whole.
- Reviewed and evaluated the salary of the Managing Director.

Mohammad Mostafizur Rahman
Secretary of the Committee

Kamran Tanvirur Rahman
Chairman of the Committee

Dhaka, 26 October 2023

Dividend Distribution Policy

ACI Limited's Board pursues a dividend policy which is flexible and designed to ensure a steady cash income for the investors with occasional extra gain by way of interim dividend and stock dividend if the cash flow permits.

A portion of the profit of the Company is put in investors' fund for future appropriation, either in equity or to make up for any shortfall, in case in any year the profit is not adequate and in that case the fund can be used to meet the expectations of shareowners.

The Dividend Policy is the result of many interactions over the years between the sponsors and other shareowners which have developed a general understanding of the expectations and the dividend declaration has been based on that understanding.

The Dividend Policy has stood the test of time and has enabled the Company to fulfil the expectations of the shareowners.

This policy is dynamic and will change over time as the sponsors' perceive the change in the expectations of the general shareowners.

Information of Unpaid and Unclaimed Dividend

Cash Dividend

| Particulars | Amount in Taka |
|---------------------------|----------------|
| Dividend for 1996 to 2019 | 65,729,027 |

NB: Partial amount of Unclaimed Dividend of Tk. 42,000,000.00 transferred to the Capital Market Stabilization Fund (CMSF).

Cash Dividend

| Particulars | Amount in Taka |
|-------------------|-------------------|
| Dividend for 2020 | 8,724,322 |
| Dividend for 2021 | 1,224,304 |
| Dividend for 2022 | 4,337,040 |
| Total | 14,285,666 |

Stock Dividend

| Particulars | Number of Shares |
|------------------------|------------------|
| Dividend for 2008 | 52,711 |
| Dividend for 2011 | 54,891 |
| Dividend for 2012 | 64,844 |
| Dividend for 2013 | 77,613 |
| Dividend for 2014 | 71,654 |
| Dividend for 2015 | 53,612 |
| Dividend for 2016-2017 | 60,116 |
| Dividend for 2017-2018 | 21,886 |
| Dividend for 2018-2019 | 92,261 |
| Total | 549,588 |

NB: 549,588 Number of Bonus Shares as Unclaimed Stock Dividend from 2008 to 2019 transferred to the Capital Market Stabilization Fund (CMSF).

A detail information (year-wise) is also available at Company's website: www.aci-bd.com



CSR & Shared Value Creation



ACI Mission and its Alignment with Sustainable Development Goals (SDG)

ACI is driven by a mission to enhance the well-being of individuals by responsibly harnessing knowledge, technology, and expertise. With a diverse range of initiatives, ACI remains dedicated to advancing the fundamental drivers of the nation's economy, many of which align with the Sustainable Development Goals (SDGs). Within this context, Environment, Sustainability, and Governance (ESG) have taken on a progressively significant role in shaping ACI's enduring path to growth. ACI's corporate social responsibilities are constantly evolving as the company actively engages with various segments of the community to foster the expansion of its business.

A significant portion of ACI's business operations revolves around empowering customers, fostering market growth, and enhancing people and processes. Consequently, our business endeavors naturally generate mutual corporate and social values that are integral to our organizational advancement.

Our Sustainability Framework



Generating Wealth for the Farmers through Technology, Knowledge, Products & Solutions

ACI Agribusiness is dedicated to serving the 70 million farmer families through technology, farm mechanizing solutions, innovative products, and employment to build wealth for the farmers. Facilitating Goals 1, 2, 3, 5, 8, 10, 15 & 17 of the SDG to transform our world.



Delivering Value to Consumers through Abridging Producer to Consumer Gap through the Retail Chain

ACI Retail chain division is sourcing the best products from the producer and bringing those to the consumer at the nearest purchase point – reducing the producer & consumer gap and delivering purchase convenience. Facilitating Goals 3, 9, 12, 15 & 17 of the SDG.



Ensure Food Safety & Protein Sufficiency through Innovative Products & Nutrition Solutions

ACI Agribusiness is ensuring food safety through research, innovation, and farm mechanization on the producer front. ACI food & commodity on the other hand takes the best proceeds to the consumers. Facilitating Goals 2, 3, 8, 15 & 17 of the SDG.



Ensuring the Health & well-being of the people of Bangladesh through Knowledge, Products & Innovation

ACI Pharmaceuticals business ensures the health & well-being of the people of Bangladesh through innovative medicine at affordable cost & disseminating knowledge for disease prevention. Facilitating Goals 3, 15 & 17 of the SDG.



Ensuring Personal Hygiene with Innovative Personal and Home Care Solutions

ACI Toiletries, Hygiene, Home Care & Oral Care division creates products & knowledge for society to ensure personal safety & hygiene to drive a disease-free nation. Facilitating Goals 3, 6 & 17 of the SDG.



Ensuring the food safety for the nation & creating wealth for the farmers



Empowered rural women through high value hygiene seed production

Through engagement in ACI Seed Business Women are generating income of BDT 6,000 to 8,000 per month by contributing high value hybrid vegetable seeds of bottle gourd seed.

Over 7,200 contract growers are generating around 15% higher income through seed production

Contract growers receive approximately 15% higher compensation for seed production compared to crop production, leading to increased production of high-quality hybrid and inbred seeds within the country and a reduction in import reliance.



Ensuring protein sufficiency for the nation through knowledge, innovation & value creation for farmers

ACI's Genetics Research and Development Center have successfully facilitated 1,260,000 improved calves (655,200 Heifers and 604,800 Male calves) to the marginal female farmers.

Advancing Bangladesh with harvesting mechanization

ACI have delivered 842 harvesters in Haor areas during 2022-23 to harvest paddy quickly so that the impact of flash flood in these areas can be lessened.



Ensuring food safety through developing wider adaptable high yield, year-round, heat, cold and heavy rain tolerant hybrids by ACI Seed Research & Development.



Promoting Mental & Physical fitness

In an effort to promote mental wellness and overall health, ACI Pharmaceuticals organized a special running event titled the "Mental Wellness Run" on October 10, 2023. This event not only encouraged physical fitness but also focused on raising awareness about the importance of mental well-being.



We Go the Extra Mile in Times of National Crisis

ACI Group takes a leading role in serving the people of Bangladesh, exemplified during the COVID-19 pandemic. Through its Consumer Brands and ACI Pharmaceuticals divisions, the group ensured personal safety and the availability of essential medicines. Meanwhile, ACI's Agribusiness division upheld food safety by delivering cutting-edge farm mechanization solutions for the nation.

Annual winter cloth aid of ACI for the northern part of Bangladesh

Each year, ACI launches its "Winter Cloth Distribution" program, spreading comfort and warmth to the less fortunate during the bitter winter months in our nation. The members of the ACI family enthusiastically participate in this event, guided by the motto "Our effort to bring a smile to someone's face."

In this act of kindness, we find unity and purpose, demonstrating that even small efforts can have a big impact on the lives of the underprivileged.



Awareness session on consequence of Vitamin-D Deficiencies and its Management

On 30th October 2022, an awareness session was arranged on Consequence of Vitamin-D Deficiencies and its Management. The resource person of the session was Dr. Mirza Tasnim Nahar, a consultant from Impulse Hospital. Dr. Mirza Tasnim Nahar highlighted the significant consequences of Vitamin D deficiencies and provide guidelines for its management and prevention.



Awareness campaign to combat Dengue

The ACI HR team has developed a visually engaging communication campaign aimed at enhancing awareness around the prevention, early detection, and treatment of dengue fever.

Empowering School Children with Menstrual Hygiene Education and Freedom Napkin Samples Across Bangladesh

Freedom launched a school activation program focused on educating young girls about menstrual hygiene management and the significance of using menstrual pads. Additionally, we gifted 2,00,000 samples of Freedom napkins to initiate and support their transition to using sanitary napkins throughout 275 schools of Bangladesh.



Freedom Vending Machine- Hygiene Corner



Freedom vending machines are steadily making their way into numerous educational institutions throughout the country, exceeding a total of 125 installations. This has empowered over 3.5 million women to conveniently purchase affordable sanitary napkins from these hundreds of vending machines, ensuring easy access anytime.



25 Schools, 19 Colleges, 80 Universities & 1 Corporate Institutions

ACI's commitment towards education

ACI being a responsible corporate citizen, always focuses on education, upskilling & knowledge development of the people within the organization and beyond. As a part of it, ACI provides scholarships to the offspring of our employees every year. In 2023, 53 students have been brought under the scholarship program.





In the current dynamic and fast-paced business environment, organizations seeking to maintain their competitive edge and promote expansion must prioritize ongoing learning and development, or L&D. This report explores our organization's L&D strategy and achievements, with a focus on innovation, technology-based systems, partnerships with external faculty, L&D culture, financial and analytical proficiency, and the development of tech-savvy and managerial proficiency.

To address the changing demands of the business and our employees, we are dedicated to continuously reinventing our L&D programs and delivery techniques. We have presented innovative learning methods that make use of gamification, AI-powered tools, and contemporary technologies. By providing immersive experiences, we have effectively increased employee engagement and improved the effectiveness and enjoyment of learning. To increase our L&D programs' efficacy and efficiency, we are investing in tech-based systems. Our goal is to create an L&D culture where workers are motivated to advance their knowledge and skills. To provide our staff with the most recent ideas and L&D best practices, we are collaborating with outside faculties. We are dedicated to helping our employees advance their analytical and financial skills. We are dedicated to enabling our employees to advance their managerial and technological skills.

What ACI L&D did last year: (Business Training Delivery Status: FY 2022–2023)

Our training man-hour has reached an all-time high, with a 30% growth SPLY. The number of marketing training man-hours grew by 16.78%. Man-hours dedicated to sales training climbed by 41.3%. Interest in digital learning increased by 19.1%. 1695 MDP were gathered via an internet platform. SPLY on the number of online exams increased by 8%. 1661 employees participated in IT training, representing a 9% increase over SPLY over 194 programs. A total of 59 members of the CB marketing, finance, planning, and MIS team have received MS Excel certification. Added 181 new training courses to the system. The maximum number of international academic members and industry experts used for employees' development of the ACI group.



Growth Mindset for Success



Analyse & Visualize data with Power BI Tools



Design Thinking



Supervisory Management



Effective Coaching and Delegation



Directors' Report to the Shareowners

For the year ended 30 June 2023

Under section 184 of the Companies Act 1994 and Corporate Governance Code as adopted on 3 June 2018 by Bangladesh Securities and Exchange Commission (BSEC).

It is a pleasure and privilege on the part of the Board of Directors to present herewith the Directors' and Auditors' Reports together with the audited Financial Statements of Advanced Chemical Industries (ACI) Limited for the financial year ended 30 June 2023.

Overview

ACI Group has registered a growth around 19.5% in revenue over the previous year. This growth was in spite of the massive supply chain crisis, exchange rate increase, and inflation including and significant rise in utility cost. The people of ACI put in a massive and fearless effort to fight through the adversity. The organization had to make numerous internal process adjustments and customer focused offering to navigate through the most turbulent macroeconomic crisis we have faced in a decade. We were particularly vulnerable as some of our large projects were just about to begin, namely our FDA approved pharma plant.

In the fiscal year 2022-23, inflation soared to 9% and energy prices went up significantly. Bangladesh's dollar reserves went down from 41.8 billion dollars to 31.2 billion dollars. Export-import imbalance, dependency on imported oil & gas, decreasing remittance flow, growing import payment settlement, and foreign debt servicing were the major factors which contributed to this challenging situation.

ACI focused on making changes to our systems and processes. We adapted to the new circumstance, reduced cost in some areas of the company while increasing in others, based on the profitability and vulnerability of the business. We also empathized with

our customer and altered our business model to address their suffering. This approach of reaching out to customers across our portfolio has helped stay relevant and engaged with our diverse range of customers. Protecting our business viability while maintaining our customers trust that ACI is there to improve the quality of people.

Despite this situation, there are some notable highlights. We have had our first exports to the US of products manufactured in Bangladesh from our FDA approved facility. We have established a joint venture with world leading oral care and personal care company Colgate Palmolive. We have launched our variety of long grained climate resistant hybrid rice though our own R&D in conjunction with International Rice Research Institute (IRRI). Our Motors business has gained 40% market share in the tractor business moreover, ACI Motors has been the dominant market leader in both tractors and harvesters, spearheading agricultural mechanization and digitization in Bangladesh. We have strengthened our position in the Riverine and Marine business through Mitsubishi Marine engines distributorship. We have opened over 120 franchise and our own stores for Shwapno, a significant increase in the size of our nationwide retail network.

Health Care Division



During the fiscal year 2022-2023, the Bangladesh pharma market witnessed an expansion of 15.3%, reaching a value of approximately \$3.01 Billion as per IQVIA data. The top 10 pharmaceutical companies have dominated 72% of the total market share. ACI Pharma business grew by 3%. During the fiscal year (FY) 2022-23, ACI Pharmaceuticals has demonstrated a noteworthy expansion across various therapeutic segments, culminating in a market share of 3.8%.

ACI's market presence encompasses various pharmaceutical dosage forms with 292 Active Pharmaceutical Ingredients, offered in 654 diverse Stock Keeping Units (SKUs). During the year, launch of 11 new molecules and 30 new SKUs has been executed. Among ACI's new brands, Gabarol-CR has rapidly emerged as a preferred option for medical professionals. Since its introduction to the market, this has provided therapeutic solutions for millions of patients afflicted with neuropathic pain and associated conditions. Looking to the future, brands such as Wella, Coport, Prucon, and Gavilac-M are poised to be promising avenues for growth of the business. Othera merits special recognition, having established itself as one of the nation's most preferred Proton Pump Inhibitors (PPI). Physicians across the country regard Othera as a reliable solution for conditions such as heartburn and acid reflux, owing to its distinctive bi-phasic bi-layer property. The impact of the existing 292 molecules and 654 SKUs has left an invaluable contribution to health care services.





ACI's successful positioning of local and international medicinal demands, spanning from antibiotics to anti-cancer treatments, has helped establish products like Gavilac, Biocal, Abecab, Feglo-FZ and Diasulin. In the therapeutic classes of antiulcerants, cephalosporins & combinations, anti-epileptics, human insulin and analogues, DPP-IV inhibitors for diabetes, angiotensin-II antagonists, cholesterol & triglyceride regulators, and anti-leukotriene anti-asthmatics, ACI Pharmaceuticals has demonstrated remarkably higher growth compared to the market. This success has enabled the company to capture a significant market share, reflecting the positive momentum and strategic positioning within these essential medical categories.

Medical Service Department (MSD) has pursued the advancement of medical science through comprehensive Continuing Medical Education (CME) programs. These were designed to equip medical professionals with updated knowledge and methodologies, thereby, elevating healthcare quality and access. More than 3000+ CME programs were organized, directly engaging 104,780

medical professionals. Collaborative efforts with organizations, including the Society of Medicine, Surgery, Obstetrics & Gynaecology, BMA, and many medical colleges have contributed to the success of these programs. The business worked closely with key opinion leaders (KOLs) to refine diagnostic and treatment strategies, with a view to enhance the national healthcare standard. This department also demonstrated unwavering commitment to Pharmacovigilance (PV) awareness. The strategy encompassed wide distribution of informational leaflets and posters across healthcare facilities in Bangladesh and conducting targeted training for 1,511 field forces. This underpins MSD's overarching goal to balance risk and benefit profiles of medical treatments, contributing to improved patient care.

ACI's International business operations have exhibited remarkable resilience, verging on the realization of its export objectives. During this period, the company expanded its global footprint, incorporating three new export destinations into its portfolio.





Consumer Brands Division

Toiletries

Toiletries business closed FY 2022-23 with BDT 2,653 million, with a 3% degrowth over previous year. Sudden surge in the price of raw materials and packaging materials affected the business throughout the year. Despite all the obstacles, the business took proactive measures to manage operational expenses.

Savlon, the power brand in the toiletries business, reached an additional 800,000 families last year and served more than 14 million households with its diversified categories of Soap, Handwash, Liquid Antiseptics, Antiseptic Cream and Baby Wipes. Emerging brands - Savlon Baby Wipes and Septex Antiseptic Bar achieved remarkable growth of more than 20%.

To cater to the growing needs of household, the business launched 7 new products last year. Toiletries business continued its humanitarian efforts through social campaigns, including Savlon Mobile Hospital, "Ma O Shishur Shurokkhay Savlon", and tree plantation campaign by Neem. The business further demonstrated its commitment beyond commercial objectives by offering aid during natural calamities, such as floods within the country and the deadly earthquake in Turkey.

International Business

International Business unit closed the FY 2022-23 with BDT 1,118 million with 1% degrowth over previous year. The marginal degrowth is primarily driven by international trade slow down. Despite challenges in import operations, Colgate Tooth Paste has maintained 3rd position in the oral care market.

A key success for the year is formation of "Colgate Palmolive ACI Bangladesh Pvt. Limited" – a joint venture between Colgate-Palmolive (Asia) Pte Ltd. and ACI Limited. This venture will enable efficient servicing of the fast-expanding oral care market and will significantly help to deliver price advantage to the consumer through local production.

With increased localization, the business is more focused in geographical expansion throughout the country to ensure superior oral care.

Hygiene

Hygiene Business has grown by an impressive 22% growth over previous year. Primary growth driver was marketing innovation, sales and distribution optimization across categories throughout the year. This unit of ACI Consumer Brands works to drive social development in Bangladesh through enabling the households to take care of their hygiene and wellness needs.

Home Care Solutions

Home Care business ended the FY 2022-23 with BDT 1,021 million with 54% growth against SPLY. Increased distribution and focus on market specific SKU, primarily driven the growth.

In pest-control category, ACI Aerosol Insect Spray is consistently maintaining market leadership with 90% market share. Despite macroeconomic challenges & category stagnancy, ACI Aerosol successfully managed to grow. To drive growth in the coil segment, Black Fighter Coil was reformulated with Transfluthrin, which is more effective to repel mosquitoes.

Angelic air freshener has grown 18% over SPLY and holds the top position in the air freshener category with 32% market share. Its well-assorted range consists of nine fragrances satisfying the diversified needs of the consumers by improving ambiance and thereby uplifting moods.

Vanish Toilet Cleaner has maintained a steady position in Toilet Cleaner Segment. Since the re-launch in September 2022, Vanish is working to regain market share and introduced a new variant with Citrus Fragrance.

Electrical & Electronics

The Electrical business has maintained steady sales in FY 2022-23. The successful deployment of the sales automation module has started to provide valuable insights into sales and inventory management, aiding the business in gaining a deeper understanding of sales operations to further boost top-line sales. On the other hand, the electronics business also maintained consistent sales and strengthened its position. The introduction of a new sales channel, expanded product range, and higher customer reach will drive business growth.

Paints

ACI Paints has reached a sales of BDT 459 million, grew by 32% mostly due to the growth of its Performance Coatings wing. With technical support from AkzoNobel India Ltd., the business successfully handed-over the first-ever supply and application of flake lining coatings for the 600X2 MW Matarbari USC Coal Fired Power Project. For Decorative paints price increase has made the first half of the year challenging. However, better distribution and improved dealer relationship has built new growth momentum with improved in cash cycle. The business ready to grow on these newly improved capabilities and enhanced supply chain.

Salt

Salt business had 8% growth over last year. Business faced intermittent challenges on gas supply which impacted the production for some months causing lower growth than estimated. Despite challenges, ACI Pure Salt strived to ensure availability of the key household necessity across country through its state-of-art sales and distribution system.

Because of wide acceptance among consumers, ACI Pure Salt won the Best Brand Award in 2022, for the 11th time in a row. The brand also got the prestigious "Superbrands" status for 2023-24 for the 3rd consecutive year.

ACI Pure Salt is relentlessly working to develop the mental faculty of the children and engaged in various campaigns and activities for them. The "Icche Ako Golpo Bolo" and "Ononno Medhabi" campaigns were more than just contests; they were doorways into the imaginations of young people and opportunities for their creative and intellectual development.

Flour

ACI Pure Flour Limited had a fascinating ending of fiscal year 2022-23 with the revenue of BDT 8,354 million and 27% growth over last year.

Disruption in supply and sudden price fluctuations made the situation very unfavorable and challenging for the business. However, it was tackled with the implementation of prudent strategies and decisions like production capacity expansion, infrastructure of raw material storage, focused retail channel improvement, smooth supply chain management, effectual marketing activities and other actions. ACI Pure as a brand connected with the consumers through a national baking competition named "Bake It Best", creative writing competition named "Matribhashay Maa", etc. ACI Nutrilife continued the awareness and trial generation-based activities for its healthy range of products.

In the upcoming year, ACI Pure Flour Limited anticipates full utilization of the increased production capacity and storage infrastructure for strong future growth. The business will also provide more value-added products to fulfill the needs and convenience of the consumers.

Edible Oil

ACI Edible Oils Limited has completed a successful year with a remarkable 71% growth over last year.

The business faced difficulties like economic disruption, unavailability of imported products, instability in the exchange rate, and frequent price fluctuation in the retail market. To adapt to the changes in consumer purchase capabilities, ACI Edible Oils has introduced smaller packs of Soybean Oil, Olive Oil, and Mustard Oil. And as a part of the cost control strategy, all the packaging specifications were redesigned and the filling machines

were re-engineered to optimize capacity. Aggressive demand creation initiatives were taken for ACI Nutrilife Rice Bran Oil through testimonials from health enthusiasts, colony engagement campaigns, and fitness workshops rolled out in the campaign titled "Nutrilife-style".

In the coming year, ACI Edible Oil will drive packaging integration, capacity optimization with automation, and introducing value-added and exotic ranges of oil-based products.

Foods

FY 2022-23 was a challenging year for the food industry due to economic adversity, and the global supply crisis created by the war between Russia and Ukraine, and global climate change. Despite this, ACI Foods achieved a healthy growth of 17% over the previous year, with its innovative marketing initiatives, timely procurement, and proactive penetration strategies.

ACI Foods introduced a range of new offerings like Mixed Nuts, Candy, Flattened Rice, and a fresh addition to the ready-mix collection known as Murighonto Masala. ACI Pure introduced the idea of "Let cooking be the language of love" with a highly acclaimed TV commercial. During Ramadan with its "Pure Hashir Jonno" campaign, the ACI Foods team spent a whole day with some exceptional senior citizens and shared the products with them. Our state-of-the-art Quality Control Lab in ACI Foods Factory was honored as a service laboratory approved by BFSA (Bangladesh Food Safety Authority) for conducting 31 tests. Though new innovation ACI Foods will drive the future and delight the consumer.

Rice

ACI Rice demonstrated exceptional growth of 38% in the fiscal year upholding consistent profitability. Despite a challenging environment marked by socio-economic instability and reduced consumer purchasing power in the rice industry, ACI Rice exhibited robust expansion through strategic procurement, unwavering quality standards, and heightened brand visibility.

ACI Rice improved the health and hygiene standards of its factory. To help the farmers, the business continued the "Bandhan" campaign, where they were enabled to sell their paddy directly to the factory at a fair price. The business launched ACI Nutrilife Brown Rice in this fiscal year to offer a more nutritious product and a better lifestyle to consumers. With different digital campaigns, geo-tagging promotions, in-store promotional campaigns in modern trade, and digital banners in prominent areas of Dhaka the brand recognition was amplified. In the coming year, ACI Rice plans to expand its factory and offer new, healthy rice options for health-conscious customers. They also have a new brand in the works to strengthen their position in the growing market for branded table rice.





Agribusinesses Division

Crop Care and Public Health

Despite the global uncertainties, as well as macroeconomic challenges faced by the country, ACI Crop Care business has achieved a growth of 14.5%, displaying strong penetration in the Herbicide, Fungicide, and Insecticide segments.

Flora, a renowned brand in the field of Bangladesh agriculture, is recognized for its unique ability to boost yields effectively. It has been instrumental in assisting farmers in achieving higher-quality yields in various fruits such as mango, watermelon, pineapple, and citrus expanding its impact to include cereals like maize and wheat, in addition to rice.

We have strengthened our formulation of products in our factory which was a long-time vision. 95% of our major insecticides are formulated on our own to supply the right quality product to our value chain and farmers. Having a major focus on seed treatment we are exploring this new market in Bangladesh with our expertise and the right product from the portfolio and in the process of research collaboration with the leading global resources.

The business is collaborating with Global MNC to strengthen the product portfolio improve the product range with greener and environment-friendly chemicals. Efforts are being taken forward to search for other new chemistry, molecules including biological solutions to have a competitive advantage, keeping future crop/pest dynamics changes in mind.



Seed

ACI Seeds, a leading seed company, experienced 28% sales growth and a 7% market share in FY 2022-23. ACI registered Hybrid Rice, Inbred Rice, Wheat, Hybrid Maize, Seed Potato and Hybrid vegetables varieties. Considering the farmers preferences and special traits including climate resilient character motivating ACI to scale up these varieties to the next level. ACI has its own Plant Genetics Research which is contributing to enhancing crop yield, quality, sustainability, and resilience for ensuring food security.

ACI has large Seed production networks and produces over 10500 MT seeds of rice, vegetables and potatoes. ACI Seed is digitally connected with more than 5 million people and working for brand awareness through connecting farmers, dealers, retailers and stakeholders. ACI digital Query management, in-house content, community group are being established as digital asset to create more stakeholder engagement digitally, making the communication easier between the company and the end-users. The business has extended its network by collaborating with NGOs, MNCs and development partners.

Fertilizer

Fertilizer business is segmented into various portfolios considering farmers need such as Soil Conditioner, Soil Nutrition, Foliar Fertilizer, Basic Fertilizer, Urban and Government Projects & Institutions. ACI Fertilizer business had de-growth of 10% over last year and achieved 27% market share where market growth is 9%. Soil Conditioner, Soil Nutrition, Foliar Fertilizer and Basic Fertilizer have grown well.

Country is moving towards smart agriculture and high-value crop (orchard, vegetable, spices) cultivation increased by 8% yearly. ACI Fertilizer emphasizes organic farming by application of organic fertilizer and bio stimulant (Microbial fertilizer). The business introduced 3 technological products to gain Foliar and Organic fertilizer market share. These specialty fertilizers help boost the yield by 15%-20%.

ACI Fertilizer provides information on modern fertilizer technology and expands market reach through digital connectivity, reaching several million people including farmers, traders, extension workers and other stakeholders. In the movement toward sustainable urban living, ACI Fertilizer is actively contributing to the "Green City" initiative. This is exemplified through the "Aronno" E-commerce Platform, which facilitates urban farmers' access to essential agricultural inputs.

Animal Health

ACI Animal Health achieved a 4% sales growth over last year. Segmentwise growth were Vaccines (2.2%), Cattle

(22.8%), Aqua (8.9%), while Poultry faced a decline of 2.9% and Animal Nutrition declined by 20.6%. The 'Pet & Bird' portfolio contributed to revenue. Cattle growth stemmed from tailored solutions for farmers. Aqua excelled with a "Biosecurity and Health Management" campaign.

Challenges in Vaccines arose due to product unavailability. Exchange rate volatility and the Ukrainian war increased animal feed costs, reducing veterinary medicine and vaccine use. Lower DOC prices impacted industry profitability, reducing feed additive, medicine and vaccine consumption.

Efforts to ensure quality involved an in-house facility for non-drug production. ACI Animal Health expanded market reach digitally, engaging farmers, traders, and Agri experts. Partnerships with international suppliers such as Ceva Sante Animal, CID Lines, Livisto, and Kum Yang aim to innovate and deliver high quality animal pharmaceuticals.

ACI Genetics

Animal Genetics has achieved a remarkable sales growth 42% in FY 2022-2023, capturing market share 26% from 23%. To create strong online appearance, Animal Genetics focused on the digital marketing activities such as publishing 65 videos based on success stories of farms, reproductive health, calf management and successful employment stories. The business arranged 24 AI (artificial insemination) workers training having 1100 participants last year. To support the demand side, our bull station produced 3 million semen straws from 88 bulls. ACI Animal Genetics ensured product quality by maintaining the highest conception rate among the competitors at 70%. To meet the growing demand of the market, the second bull station will be built at Bogura.

Motors

ACI Motors business has been segmented into three major SBUs: 1) Farm Mechanization, 2) Yamaha, 3) Construction Equipment, Commercial Vehicles, and others.

ACI Motors is the leading farm mechanization company in Bangladesh and provides a complete farm mechanization solution with its wide range of products and services. ACI Motors Farm Mechanization unit ensured 22% growth over the last year. ACI Motors' tractor brand Sonalika has continued market leadership with a 40% market share through excellent products and superior service commitment. ACI Power Tiller was





also leading in the high HP power tiller segment. ACI Motors played a major role in solving the harvesting problems of customers in the Aman & Boro harvesting season with the support of a government-provided subsidy on the harvesters. In addition, ACI Agri-Machinery manufacturing factory is currently manufacturing threshers, hand power tillers, and trailers.

ACI Motors manufactured 3 models of Yamaha motorcycles, maintaining Yamaha's exceptional international standards. ACI Motors also introduced two new premium models in the 150 cc segment with updated features. In the 150 cc segment, Yamaha is the market leader with a 30% market share and is regarded as the most premium motorcycle. With both manufacturing and a Completely Built Up (CBU) setup, Yamaha motorcycle continued its growth in the motorcycle market. The motorcycle industry experienced 28% degrowth in FY 2022-23, whereas, Yamaha motorcycle grew by 31% and achieved a 15% market share. In line with our social responsibility, we promoted road safety awareness throughout the year, joining hands with the Yamaha Riders Club.

In the Construction Equipment business, ACI Motors is dealing with world-renowned construction equipment brands like Kobelco, Case, Lovol, Ajax, and Escort. ACI Motors is prepared to play a bigger role in the infrastructure development of the country.

ACI Motors started the Commercial Vehicle business with the global number one light commercial vehicle manufacturer, Foton International. By maintaining product quality and standardized sales and service networks throughout the country, Foton had significant growth of 18% in FY 2022-23 though market growth was negative by 30%. Foton International honored ACI Motors with the Global Outstanding Distribution Award in April 2023.

Agrolink

ACI Agrolink Limited ensured 9% of the growth over the last year, whereas Industry growth was -26%. The business continues its success in FY 2022-23 with USD 14.67 Mn. revenue by exporting 96 containers of raw, blanched & cooked shrimp. The business secures the first place as the highest exporter among the 34 other shrimp factory in the Khulna division for the year 2022. The business has contributed to the country's export earnings and was awarded the National Fisheries Gold Medal given by the Government of Bangladesh on 24th July, 2022.

Though the business started with Black Tiger Shrimp only, over time they have developed and diversified their portfolio with multiple shrimp species such as Freshwater shrimp, Brown Tiger, Chaka, Sea Catch etc. The business obtained the international buyer

preference by attaining ASC and AMFORI-BSCI Certification to add with HACCP, GMP and BRC Certification.

Premiaflex Plastics

Premiaflex Plastics is a B2B company that places a high value on customer relationships by using premium raw materials and consistently creating innovative packaging for the customers. In order to effectively use its resources and increase revenue, the company is focusing its efforts on significant well-known businesses and international corporations. In FY 2022-23, Premiaflex has grown by 20%.

Premiaflex Plastics primarily concentrates on the production and sale of goods for flexible packaging. It also features a diverse portfolio, Lamitube, and Label Stickers in addition to the already well-known Flexible Packaging product line. However, the factory is currently operating at 98% capacity and there is very little scope to increase the production of flexible packaging.

Premiaflex core focus is to satisfactory and continually create innovative solutions for customers. It seeks to develop a premium market for buyers by using its excellent quality control system. In addition, Premiaflex ensures a reliable safety system that upholds rigorous standards for both worker and plant safety. As a result, Premiaflex is leveraging its competitive advantage in the flexible packaging sector.

Premio Plastics

ACI Premio Plastics started journey in 2018. Premio is producing consumer plastics which consists of plastic made household, furniture and toy products. It has achieved 8% market share and grown 0.1% over SPLY. Toys Portfolio growth was 46% with continuous line extension and penetration increase. Industry growth was -9% as consumers shifted their buying concentration from non-commodity products due to increase of lifestyle expenses which impacts -13% Furniture & -26% growth in Household portfolio. Due to plastic products price hike, customers are looking for low-cost substitute products in Furniture portfolio. Competitors are engaged in price war in furniture portfolio to ensure their primary & secondary penetration. USD exchange rate is increased by 13.7% and LC was delayed due to dollar crisis but material price remained stable through proper inventory management in FY 2022-23.

Business took many initiatives to communicate its brand and create brand awareness among consumers. Premio introduced 3 new products and 15 innovative designs.

Business is focusing more on its toy portfolio considering its rapidly growing demand. Greater concentration is on acquiring competitiveness in the Furniture Portfolio. Business is planning to address these opportunities through future investment in product, capacity, people and brands.



Retail Chain Division

ACI Logistics business ensured 32% sales growth over last year. ACI Logistics has exhibited remarkable resilience amidst economic crises, exemplifying exceptional performance in challenging circumstances. This achievement stands as a significant milestone for us.

Operating presently through a network of 353 outlets, ACI Logistics has notably fortified its preeminent standing in the retail sector. With 110 newly opened express outlets, Shwapno has continued extending its footprint outside Dhaka, serving in 60 districts, this strategic move has contributed to the consolidation and retention of its dominant market leadership, securing a market share surpassing 50% within the modern trade industry. Shwapno maintains a prominent position among the nation's top 10 brands, serving over 65,000 customers daily.

Integral to our expansion strategy has been a hyper-local and convenience focus, where we have concentrated on enhancing the shopping experience for our Customers. Express outlets have embraced an assortment that resonates deeply with the local preferences.

The transformational journey of ACI Logistics Shwapno extends beyond our stores. Our investment in backward linkage, specifically in farming. We started piloting own farming and learning so that we can scale up next year. Regarding backward linkage we are ensuring product traceability, safety and Good Agriculture Practices (GAP). With an eye toward enhancing margins and sourcing products directly from their origins, we have taken substantial steps to strengthen our value chain.

Our commitment to the environment has led us to focus on recycling and reusability. Through initiatives such as

reusing packaging materials and reducing plastic usage, we strive to minimize our ecological footprint.

Our dedication to food safety remains unwavering. Collaborations with organizations like IFC and our ongoing CSR initiatives underscore our commitment to elevating food safety standards and fostering consumer well-being.

We are delighted to share a remarkable achievement that underscores our dedication to excellence in marketing and customer engagement. Shwapno has been featured as a case study in Philip Kotler's 'Essentials of Modern Marketing' Bangladesh Edition. This recognition highlights the innovative strategies and impactful initiatives that have propelled Shwapno to become the largest retail chain in Bangladesh.

Shwapno's marketing strategies have been instrumental in their success. They have effectively segmented their customer base both geographically and demographically, ensuring tailored approaches to diverse market segments. This segmentation has allowed Shwapno to offer personalized experiences and products that resonate with each customer group, contributing to their widespread appeal.

We look forward to continue to serve our customers with distinction. Our commitment to innovation, sustainability, and the creation of lasting value remains resolute. We are poised to continue our journey with unwavering determination, steadfastly dedicated to shaping a brighter future for our organization, our stakeholders, and the communities we serve.





Joint Venture and Associate Companies

ACI Godrej Agrovet Private Limited

ACI Godrej Agrovet Private Limited (ACI-GAPL) is a 50:50 joint venture company of Advanced Chemical Industries Limited, Bangladesh and Godrej Agrovet Limited, India. ACI-GAPL is in the business of manufacturing and selling a variety of Animal feeds (Poultry, Aqua and Cattle feed) as well as Day Old Chicks. ACI - GAPL's innovative products are developed at "Nadir Godrej Centre for Animal Research and Development" and tested through many scientific field trials to deliver improved livestock yields in the areas of Poultry, Fishery and Cattle farming in a sustainable manner.

The Company's revenue grew by 27%. It is the 2nd largest feed seller by volume in Bangladesh. The company has put up a research center for cattle feed in Sirajgonj Feed Mill, called "River Project" that will help giving high quality cattle feed to farmers thereby increasing milk yield and weight gain. The

company is also in the process of formulating specialized vannamei feed (Aqua shrimp feed) as the species has been approved for culture by the government. Two new products have been commercially launched by the company – Bovino calf grower (Cattle feed) and layer concentrate (Poultry feed).

ACI CO-RO Bangladesh Ltd.

The purpose of ACI CO-RO Ltd. is to produce, market and sell the high quality, international juice brand, Sunquick, to the Bangladeshi consumers. A state-of-the-art factory has been built, machinery installed and a strong team has been hired. At present, final commissioning is taking place and commercial production is planned to commence at the end of 2023.

Financial Results - ACI Limited

For the year ended 30 June 2023, total revenue of ACI Limited was Taka 29,931 million which was Taka 28,427 million in the previous year. The gross profit margin decreased to 39.70% in the current year from 41.38% of last comparative year as a result of rising costs driven by various macro-economic factors. In FY 2022-23, the operating profit of the Company was Taka 2,464 million, profit after tax (PAT) was Taka 1,757 million, and Earnings Per Share was Taka 23.05.

Key Operating & Financial Information at a Glance

The key operating and financial information of ACI Limited for the financial year 2022-23 along with the preceding five years are presented below:

Figures in million except ratios and percentage

| Particulars | July 2022- June 2023 | July 2021- June 2022 | July 2020- June 2021 | July 2019- June 2020 | July 2018- June 2019 | June 2017 June 2018 |
|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|------------------------|
| Turnover (net) | 29,931 | 28,427 | 25,730 | 23,202 | 21,796 | 21,387 |
| Gross profit | 11,883 | 11,763 | 11,372 | 10,705 | 9,886 | 9,242 |
| Profit before tax | 2,293 | 2,948 | 3,087 | 2,347 | 900 | 1,658 |
| Profit after tax | 1,757 | 2,238 | 2,288 | 1,719 | 531 | 1,317 |
| Earnings per share (Taka) | 23.05 | 29.37 | 31.52 | 27.24 | 9.26 | 26.41 |
| Issued & paid capital | 762 | 726 | 631 | 574 | 499 | 482 |
| Shareowners' equity | 21,420 | 20,669 | 18,893 | 15,421 | 14,322 | 14,256 |
| Net Asset Value (NAV) per share (Taka) | 281.09 | 271.23 | 260.32 | 244.35 | 249.64 | 248.48 |
| Net Operating Cash Flows Per Share (NOCFPS) | 22.93 | 24.56 | 17.78 | 71.18 | 25.44 | 0.27 |
| Number of employees | 11,077 | 10,233 | 9,380 | 8,364 | 9,147 | 9,053 |
| Total contribution to National Exchequer | 5,209 | 5,087 | 4,829 | 4,318 | 3,770 | 3,625 |

Appropriation of profit

Considering the financial results of the company during the year and free reserve carried over and in line with following consistent dividend policy, the Directors recommended appropriation of net profit as follows:

| Particulars | 2022-2023 | 2021-2022 |
|--|----------------|----------------|
| Un-appropriated profit | 14,027,463,154 | 12,188,772,850 |
| Add: Net profit after tax | 1,756,704,044 | 2,237,862,629 |
| Add: Other comprehensive income | (80,693,260) | |
| Total profit available for appropriation | 15,703,473,938 | 14,426,635,479 |
| Appropriation of profit: | | |
| Interim dividend: | | |
| Cash Dividend | - | - |
| Final Dividend Proposed: | | |
| Cash Dividend | 304,822,504 | 362,883,935 |
| Stock Dividend | - | 36,288,390 |
| Less: Total dividend | 304,822,504 | 399,172,325 |
| Balance to be carried forward | 15,398,651,434 | 14,027,463,154 |

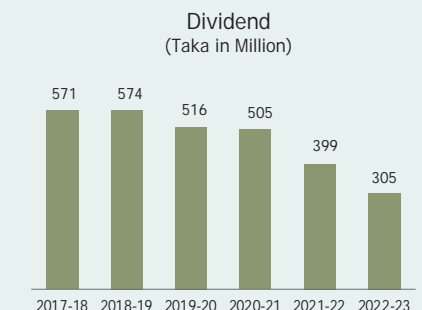
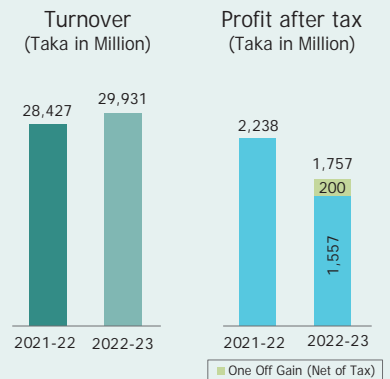
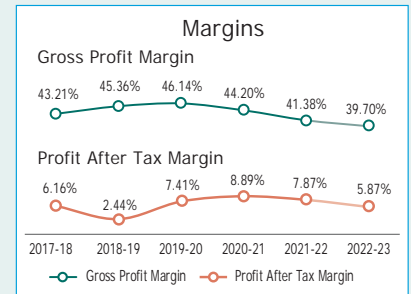
With the balance carried forward and with future ploughing back of the profit, Directors are confident that Company will be able to maintain prudent dividend policy in coming years.

Dividend

The Board of Directors is pleased to recommend cash dividend @ 40% i.e. Taka 4 per share for the year ended 30 June 2023 to those shareowners whose names would appear in the Share Register of Members of the Company or in the Depository list of CDBL on the Record Date which is Thursday, 16 November 2023. No interim dividend was declared during the year.

Contribution to the National Exchequer

For the year ended 30 June 2023, the company contributed Taka 5,209 million to the National Exchequer in the form of corporate tax, custom duty and value added tax (VAT). This is equivalent to 17.40 percent of the Company's net sales revenue for the year ended 30 June 2023.





Cost of Goods Sold and Profit Margins

For the year ended 30 June 2023, cost of goods sold was Taka 18,047 million which was Taka 16,664 million for the comparative year. Overall, the Company generated gross profit margin of 39.70% (Taka 11,883 million) during the year ended 30 June 2023 as against 41.38% (Taka 11,763 million) of the comparative year. During the year, profitability of the Company was impacted by rising costs driven by unfavorable currency exchange rates, increase in energy price, and the overall macro-economic impact. Aligning with the movement in gross profit and operating expenses, the PAT percentage was 5.87% compared to 7.87% of last year.

Consolidated Financial Results - ACI Group

For the year ended 30 June 2023, consolidated revenue was Taka 115,355 million which was Taka 96,572 million for the comparative year. On the other hand, consolidated gross profit margin was 22.43% in the reported year compared to 24.70%. In the current year, the consolidated operating profit was Taka 6,139 million, and the net loss after tax was Taka 75 million. Net loss attributable to owners of the company was Taka 494 million resulting into consolidated Earnings per Share negative Taka 6.48 in the current year.

Contribution to the National Exchequer

For the year ended 30 June 2023, the Group contributed Taka 16,732 million to the National Exchequer in the form of corporate tax, custom duty and value added tax (VAT).

Related Party Transactions

All transactions with related parties are made on a commercial basis and the basis was the principle of "Arm's Length Transaction". Details of related party transaction are disclosed in the Note – 43 of the Financial Statements.

Disclosure on Significant Variation in Consolidated Annual Financial Statements

Despite a remarkable revenue growth during the year, consolidated EPS of the Company experienced a decline which is primarily attributable to rising costs driven by unfavorable currency exchange rates, a significant increase in energy and fuel price, higher borrowing costs and the overarching challenges posed by the macro-economic environment. As a result of rising costs along with the changes in the sales mix among various high margin and low margin products, consolidated gross profit margin decreased to 22.43% in FY 2022-23 from 24.70% of the prior year. The consolidated operating profit was Taka 6,139 million, and net loss after tax was Taka 75

million in the current financial year. After excluding non-controlling interests computed in accordance with the International Financial Reporting Standards, net loss attributable to owners of the Company was Taka 494 million resulting into consolidated Earnings Per Share negative Taka 6.48 in the current year. On the other hand, consolidated NOCFPS decreased due to investment in the working capital to support future business growth.

Consolidation of Accounts

Advanced Chemical Industries Limited has 15 (fifteen) subsidiary Companies. The financial statements of the subsidiary companies have duly been consolidated with ACI Limited as per requirements of the Companies Act, 1994, Bangladesh Securities and Exchange Commission's guidelines and in line with the International Accounting Standards (IAS)/IFRS adopted by Bangladesh. However, separate reports including the audited financial statements, auditors' and directors' report for all subsidiary companies are provided at the respective section of this report.

Segment-wise performance

Segment-wise performance has been shown in Note-7(II) of the notes to the accounts of the financial statements.

Risk and Concern

The Company is aware of the different risks associated with doing business and is prepared to counter those risks through systematic approach. However, business may be affected by risks and uncertainties presently not known to us or that we currently believe to be immaterial. Financial risks management has been disclosed in the Note-38 of the Financial Statements.

Future: Looking ahead, in views of the macro-economic uncertainties worldwide, ACI shall adjust its business strategies in future to adapt to global realities.

Extraordinary Gain/Loss

No extra-ordinary gain or loss exists during the year as prescribed by the International Financial Reporting Standards (IFRS)..

Utilization of Proceed (Public Issue)

No proceed has been raised by the Company through public issue, right issue and any instruments during the year under review. And, the financial results of the Company have continued to grow as reflected in the annual financial statements of the Company.

Preparation and Fair Presentation of Financial Statements

The Financial statements prepared by the management of the Company present a true and fair view of Company's state of affairs, result of its operation and changes in equity and cash flows.

Books of Accounts

The books of accounts of the Company have been maintained in accordance with provisions of the Companies Act 1994.

Accounting Policies

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.

Application of IASs or IFRSs to the Financial Statements

International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) have been followed in preparation of the financial statements.

Internal Control

Internal Control Policies in ACI is designed to ensure operational efficiency, reliable financial reporting and sound governance within and outside the Company. Accordingly, the Board of Directors of the Company is of the opinion that the system of Internal Control is sound in design and has been effectively implemented and monitored.

Declaration/Certification of CEO & CFO

The declaration or certification by the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) to the Board of the Company as prescribed under the Codes of Corporate Governance issued by Bangladesh Securities and Exchange Commission is disclosed in Annexure - IV of this report.

Management Discussion & Analysis

The discussion and analysis duly signed by the Managing Director of the Company presenting, among others, the detailed analysis of the company's operations, financial position, performance, risk and concern, accounting policies and estimation to the financial statements any changes thereof have been disclosed in Annexure-III of this report.

Board of Directors

The Board of Directors of the Company consists of 9 (Nine) members including 2 (two) Independent

Directors. The majority of members of the Board are non-executive. The list and details of Directors are available under the 'Directors Profile' of this report.

Re-election of Directors

By operation of Article 120 of the Company's Articles of Association, Mr. M. Anis Ud Dowla, Ms. Shusmita Anis and Mr. Abdul-Muyeed Chowdhury retire by rotation at the 50th AGM and being eligible, offer themselves for re-election. The brief resume along with required information of the re-elected Directors are available under the 'Directors Profile' of this report.

Independent Director

In compliance with the Corporate Governance Guidelines of Bangladesh Securities and Exchange Commission (BSEC), the Board of Directors of the Company includes two Independent Directors namely, Mr. Kamran Tanvirur Rahman and Mr. Adil Husain. Mr. Kamran Tanvirur Rahman also acts as the Chairman of the Audit Committee and the Nomination and Remuneration Committee. The Independent Directors of the Company have been elected from the senior corporate leaders and bureaucrats of the country who are elite members of the society having requisite qualifications as prescribed by BSEC.

Nomination and Remuneration Committee (NRC)

In compliance with the Corporate Governance Code, the Board of Directors of the Company in its meeting held on 24 January 2019 has constituted a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board with the following non-executive Directors:

- | | |
|----------------------------------|-------------|
| • Mr. Kamran Tanvirur Rahman | - Chairman |
| Independent Director | |
| • Mr. Golam Mainuddin | - Member |
| Director | |
| • Mr. Juned Ahmed Choudhury | - Member |
| Director | |
| • Mr. Mohammad Mostafizur Rahman | - Secretary |
| Company Secretary | |

A detailed Terms of Reference (ToR) of the NRC and Policy has also been approved by the Board.

The terms of reference of the Nomination and Remuneration Committee and Policy include, among other items, the determination of the Company's policy on unique remuneration for executive directors, the review, recommendation



and/or approval of remuneration to directors, the review and approval of the Company's remuneration policy, the creation of evaluation criteria for Independent Directors and the Board of Directors, identifying persons who are eligible to become directors and who may be appointed to senior management in accordance with the criteria laid down and recommending the appointment or removal of such persons to the Board and discharging such other functions and exercising such other powers as the Board of Directors may delegate/direct from time to time. During the financial year 2022-23 one (1) meeting of the Nomination and Remuneration Committee (NRC) was conducted on 9 November 2022.

Board Meeting & Attendance

During the financial year 2022-23, a total number of 8 (eight) meetings of the Board of Directors were held to transact Company's affairs. The Attendance record of the Directors are furnished in Annexure-I of this report.

Remuneration to Directors

During the year, the Company has paid a total of BDT 49,500/- as meeting attendance fees. The remuneration of Directors has been mentioned in Note - 33 and 43 of the Financial Statements.

Shareholding Pattern

The pattern of shareholding as on 30 June 2023 of the Company as prescribed by the code of corporate governance issued by the Bangladesh Securities and Exchange Commission (BSEC) is furnished in Annexure-II of this report.

Minority Interest

The Board of Directors ensures that the Company operates within the limit of its charter supported by the laws and codes of corporate governance with regard to the rights of its minority shareholders are protected from any direct or indirect abusive actions by, or in the interest of, the controlling shareholders. However, for contingency, there has been effective means of redress.

Appointment of Auditors

The existing Auditors of the Company, M/s. A. Wahab & Co., Chartered Accountants, will retire at this Annual General Meeting on completion of their audit works for the year ended on 30 June 2023. They are not eligible for reappointment as per BSEC notification. M/s. Hoda Vasi Chowdhury & Co., Chartered Accountants, expressed their interest to be appointed as auditors of the Company for the FY 2023-2024 at a fee of Tk. 12,50,000/- plus VAT. Accordingly, Board recommends the appointment to the shareholders of the Company.

Corporate Governance Compliance Status

ACI believes in sustainable business development through quality assurance, customer focus, innovation, fairness, transparency and compliance, and continuous improvement for enriching the quality of life of the people. It has been the largest conglomerate in Bangladesh having multinational heritage and good corporate culture. Corporate Governance at its utmost has, therefore, long been practiced in ACI. However, the Board and management of the Company are committed to continuously strive for the highest standards and ethics in governance practices with a view to safeguarding the interest of its shareholders and innumerable stakeholders as well. In this connection, we are pleased to confirm that the Company has meanwhile complied with all the requirements under the Corporate Governance Code adopted by Bangladesh Securities and Exchange Commission. The compliance checklist for the year ended 30 June 2023 in this regard is appended in Annexure-V of the Directors' Report. However, the Corporate Governance Compliance Certificate as provided by M/s. Al-Muqtadir Associates, Chartered Secretaries & Consultants, is also enclosed in Annexure-VI of this report.

Going Concern

The Board is of the opinion that the Company is indeed a going concern. This is recognized through appropriate enquiries and analyses, which establishes that the resources are adequate to support the operations and that sufficient business opportunities exist to justify the organization as a going concern and the Directors analyse the financial statements accordingly to ensure that. Accordingly, the Financial Statements are prepared on a going concern basis and there is no doubt, whatsoever, upon the Company's ability to continue as going concern.

Corporate Social Responsibility (CSR)

ACI acknowledges that there is an inter-relationship as well as inter-reliance between responsibility and commercial interest. The strategic objectives of the Company and social aspirations are intertwined and mutually inclusive, which could not be separated or isolated. In this context, the Board of ACI believes that good business is good development and vice versa. Accordingly, our relationship with the society at large is built on a partnership which strives to achieve common economic and social goals. Thus, CSR is a central function of ACI Group and the projects and programs under CSR are selected on the basis of their relevance to the Group business, as well as social necessities of Bangladesh. We are conscious of our responsibilities to manage a sustainable business organization and at the same time respect the social aspirations concerning us.



The People of ACI

This year was one of the most challenging that we have faced in a decade in terms of macroeconomic stress and external turmoil, and once again it is the people of ACI that repeatedly reinvent themselves to overcome these moments. Our values of Transparency, Fairness, Customer Focus, Quality, Continuous Improvement, and Innovation guide us through these moments due to their universal applicability and their ability to evoke powerful creative energy. We had to face the challenges with creativity and energy, through our actions and our struggle. This was a year where we had to witness our values in action rather than reinforce them cognitively.

We carried out numerous customized training programs both physically and over the web. Digital platforms remain of great benefit to the company, even after the pandemic. We can communicate more frequently, and achieve greater impact with much less cost of time and energy. The role of human computer interaction and use of software both are redefining the workplace. ACI is moving along that direction. A special focus is being given to specific specialized knowledge that needs to be acquired as we move up the value chain and achieve greater differentiation.

Last year, primarily due to the crisis, we had much fewer gatherings and celebrations, but had many

brainstorming sessions and business meetings. As the crisis recedes, we expect the situation to be more enriched with vitality, creativity and energy through our traditional and more human interactions.

Acknowledgements

The Board of Directors firmly believes that ACI has the necessary strengths, resources and commitment to further propel the Company to newer heights. The performance of the Company during the period under review, even with so many challenges confronted, demonstrates the resolve and determination of the Board, Management and all the people in the Company. On this occasion, the Board expresses on record their appreciation to the partners of ACI, shareowners, suppliers, customers, bankers, media and all other well-wishers for their support and patronage to bring the company to this level. We value their continued support to fulfill our mission to improve the lives of people.

Finally, and most importantly, we, on behalf of the Board of Directors thank the employees of ACI in factories, depots, shops, offices and field for their untiring efforts. They have worked hard, against all odds, uncertainties and adversities and built a stronger ACI that can create a greater positive impact on people, planet and prosperity.

On behalf of the Board

Dr. Arif Dowla

Managing Director

Dhaka, 26 October 2023

Kamran Tanvirur Rahman

Independent Director

শেয়ার মালিকদের নিকট পরিচালনা পর্ষদের প্রতিবেদন

৩০ শে জুন ২০২৩ তারিখে সমাপ্ত অর্থবছরের জন্য

কোম্পানী আইনের ১৯৯৪ এর ১৮৪ ধারা এবং বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন কর্তৃক ইস্যুকৃত কর্পোরেট গভার্নেন্স কোড অনুযায়ী।

প্রিয় শেয়ারমালিকবৃন্দ,

আমরা অত্যন্ত আনন্দের সঙ্গে এডভান্সড কেমিক্যাল ইন্ডাস্ট্রিজ লিমিটেডের পরিচালনা পর্ষদের পক্ষ থেকে ৩০শে জুন ২০২৩ তারিখে সমাপ্ত অর্থবছরের নিরীক্ষিত আর্থিক বিবরণী সমূহ ও নিরীক্ষা প্রতিবেদনসহ পরিচালক মণ্ডলীর প্রতিবেদন আপনাদের বিবেচনার জন্য উপস্থাপন করছি।

সামগ্রিক পর্যালোচনা

গত বছরের তুলনায় এসিআই গ্রুপের লাভজনকতা প্রায় ১৯.৫% বৃদ্ধি পেয়েছে। সরবরাহ শৃঙ্খলে ব্যাপক সংকট, বিনিময় হার বৃদ্ধি এবং মূল্যক্ষীতি সহ উপযোগিতার খরচের উল্লেখযোগ্য বৃদ্ধি সত্ত্বেও এই প্রবৃদ্ধি হয়েছিল। এসিআই-এর কর্মীরা এই প্রতিকূলতা হতে উত্তরণের জন্য ব্যাপক কর্মতৎপরতা এবং নির্ভীক প্রচেষ্টা চালিয়েছে। এ সময় আমরা যে সবচেয়ে অশান্ত সামষ্টিক অর্থনৈতিক সংকটের মুখোমুখি হয়েছি তার মধ্য দিয়ে ব্যবসা পরিচালনা করার জন্য এসিআই-কে অসংখ্য অভ্যন্তরীণ প্রক্রিয়া সমন্বয় এবং গ্রাহককেন্দ্রিক পরিষেবা প্রদান করতে হয়েছিল। আমরা বিশেষভাবে ঝুঁকিগ্রস্ত ছিলাম কারণ আমাদের কিছু বড় প্রকল্প সবেমাত্র শুরু হতে চলেছে, যেমন আমাদের FDA অনুমোদিত ফার্মা প্ল্যান্ট।

২০২২-২৩ অর্থবছরে, মুদ্রাক্ষীতি ৯%-এ দাঁড়িয়েছে এবং জ্বালানী ও বিদ্যুতের দাম উল্লেখযোগ্যভাবে বৃদ্ধি পেয়েছে। বাংলাদেশের ডলার রিজার্ভ ৪১.৮ বিলিয়ন ডলার থেকে ৩১.২ বিলিয়ন ডলারে নেমে এসেছে। রপ্তানি-আমদানি ভারসাম্যহীনতা, আমদানিকৃত তেল ও গ্যাসের উপর নির্ভরশীলতা, রেমিট্যান্স প্রবাহ হ্রাস, ক্রমবর্ধমান আমদানি পাওনা পরিশোধ নিষ্পত্তি এবং বৈদেশিক ঋণ পরিশোধ এই চ্যালেঞ্জিং পরিস্থিতির প্রধান কারণ ছিল।

এসিআই কার্যবিধি এবং কার্য প্রক্রিয়া পরিবর্তন করার উপর দৃষ্টি নিবদ্ধ করেছিল। আমরা নতুন পরিস্থিতির সাথে অভিযোজিত হয়েছি, কোম্পানি কিছু ক্ষেত্রে খরচ কমিয়েছে যখন অন্যগুলিতে বৃদ্ধি করেছে, ব্যবসার লাভজনকতা এবং ঝুঁকির উপর ভিত্তি করে। আমরা আমাদের গ্রাহকদের প্রতি সহানুভূতিশীল হয়েছি এবং তাদের কষ্টের সমাধান করার জন্য

আমাদের ব্যবসায়িক মডেল পরিবর্তন করেছি। আমাদের পোর্টফোলিও জুড়ে গ্রাহকদের কাছে পৌঁছানোর এই পদ্ধতিটি আমাদের প্রাসঙ্গিক থাকতে সহায়তা করেছে এবং আমাদের বিভিন্ন গ্রাহকদের সাথে যুক্ত থাকতে সাহায্য করেছে। আমাদের গ্রাহকদের আস্থা বজায় রেখে আমাদের ব্যবসার কার্যক্রম পরিচালনা করার মাধ্যমে এসিআই মানুষের জীবনমান উন্নত করে চলেছে।

এই পরিস্থিতি সত্ত্বেও, কিছু উল্লেখযোগ্য অর্জন আছে। আমরা আমাদের FDA অনুমোদিত বাংলাদেশে উৎপাদিত পণ্য যুক্তরাষ্ট্রে প্রথম রপ্তানি করেছি। আমরা বিশ্বের শীর্ষস্থানীয় ওরাল কেয়ার পণ্য উৎপাদনকারী প্রতিষ্ঠান Colgate Palmolive-এর সাথে একটি যৌথ উদ্যোগ প্রতিষ্ঠা করেছি। ইন্টারন্যাশনাল রাইস রিসার্চ ইনস্টিটিউট (আইআরআরআই) এর সাথে আমাদের নিজস্ব গবেষণা ও উন্নয়ন বিভাগের উদ্যোগে আমরা দীর্ঘ দানাদার জলবায়ু প্রতিরোধী হাইব্রিড ধানের জাত চালু করেছি। আমাদের মোটরস ব্যবসা ট্রাক্টর ব্যবসায় ৪০% মার্কেট শেয়ার অর্জন করেছে, এসিআই মোটরস বাংলাদেশে কৃষি যান্ত্রিকীকরণ এবং ডিজিটাইজেশনে নেতৃত্ব দিয়ে ট্রাক্টর এবং হারভেস্টার উভয় ক্ষেত্রেই প্রভাবশালী বাজার নেতৃত্ব অর্জন করেছে। আমরা মিতসুবিশি মেরিন ইঞ্জিন ডিস্ট্রিবিউটরশিপের মাধ্যমে রিভারাইন এবং মেরিন ব্যবসায় আমাদের অবস্থানকে শক্তিশালী করেছি। আমরা স্বপ্ন-র জন্য ১২০টিরও বেশি ফ্ল্যাগশাইপ এবং আমাদের নিজস্ব স্টোর খুলেছি, যা আমাদের দেশব্যাপী খুচরা নেটওয়ার্কের আকার উল্লেখযোগ্যভাবে বৃদ্ধি করেছে।

হেলথ কেয়ার ডিভিশন

IQVIA ডেটা অনুসারে, বাংলাদেশের ফার্মা বাজার ২০২২-২৩ অর্থবছরে ১৫.৩% প্রবৃদ্ধি পেয়েছে, যা প্রায় আর্থিক মূল্যায়নে ডলার ৩.০১ বিলিয়নের সমান। শীর্ষ ১০টি ফার্মাসিউটিক্যাল কোম্পানি মোট বাজারের ৭২% বিস্তার করেছে। এসিআই ফার্মা ব্যবসা ৩% প্রবৃদ্ধি অর্জন করেছে। ২০২২-২৩ অর্থবছরে এসিআই ফার্মাসিউটিক্যালস বিভিন্ন থেরাপিউটিক সেগমেন্ট জুড়ে একটি উল্লেখযোগ্য সম্প্রসারণ প্রদর্শন করেছে, যা সমগ্র মার্কেট শেয়ারের ৩.৮%।

বর্তমানে এসিআই এর বাজারে উপস্থিত ২৯২টি সক্রিয় ফার্মাসিউটিক্যাল উপাদানসহ বিভিন্ন ফার্মাসিউটিক্যাল ডোজ ফর্মকে অন্তর্ভুক্ত করে, যা

৬৫৪টি বৈচিত্র্যময় স্টক কিপিং ইউনিটে (SKUs) দেওয়া হয়। ২০২২-২৩ সময়কালে, ১১টি নতুন উপাদান এবং ৩০টি নতুন SKU চালু করা হয়েছে। এসিআই -এর নতুন লঞ্চ করা ব্র্যান্ডগুলির মধ্যে, Gabarol-CR দ্রুত চিকিৎসা পেশাদারদের জন্য একটি পছন্দের বিকল্প হিসেবে আবির্ভূত হয়েছে। বাজারে এর প্রবর্তনের পর থেকে, এটি নিউরোপ্যাথিক ব্যথা এবং সংশ্লিষ্ট অবস্থার সাথে আক্রান্ত লক্ষ লক্ষ রোগীর জন্য থেরাপিউটিক সমাধান প্রদান করেছে। ভবিষ্যতের দিকে তাকিয়ে, Wella, Coport, Prucon, এবং Gavilac - M এর মতো ব্র্যান্ডগুলি এসিআই -এর জন্য প্রতিশ্রুতিবদ্ধ উপায় হতে প্রস্তুত, যা আসন্ন

বছরে অব্যাহত শ্রেষ্ঠত্ব এবং উদ্ভাবনের প্রতি কোম্পানির প্রতিশ্রুতি প্রতিফলিত করবে। Othra বিশেষ স্বীকৃতির যোগ্যতা রাখে, নিজে থেকে দেশের সবচেয়ে পছন্দের প্রোটিন পাম্প ইনহিবিটরস (পি পি আই) হিসেবে প্রতিষ্ঠিত করেছে। সারাদেশের চিকিৎসকরা Othra কে এর স্বতন্ত্র বাই-ফিজিক এবং বাই-ল্যোর বৈশিষ্ট্যের কারণে হার্টবার্ন এবং অ্যাসিড রিফ্লক্সের মতো অবস্থার ক্ষেত্রে একটি নির্ভরযোগ্য সমাধান হিসাবে বিবেচনা করেন। বিদ্যমান ২৯২টি উপাদান এবং ৬৫৪টি SKU-এর ক্রমাগত প্রভাব বজায় রয়েছে, যা স্বাস্থ্যখাতসহ অন্য পরিষেবাগুলিতেও একটি অমূল্য অবদানের ক্ষেত্রে তৈরি করবে।

এসিআই ২০২২-২৩ অর্থবছরে অ্যান্টিবায়োটিক থেকে অ্যান্টিক্যান্সার চিকিৎসা পর্যন্ত বিস্তৃত স্থানীয় এবং আন্তর্জাতিক ওষুধের চাহিদাগুলির বিবেচনায় Gavilac, Biocal, Abecab, Feglo-FZ, Diasulin মতো পণ্যগুলির গুরুত্বের উপর জোর দেয়। থেরাপিউটিক ক্লাসে অ্যান্টি-আলসারেটস, সেফালোস্পোরিন এবং কন্সনেশন, অ্যান্টি-এপিলেপ্টিক্স, হিউম্যান ইনসুলিন এবং অ্যানালগাস, ডায়াবেটিসের জন্য ডিপিরি-IV ইনহিবিটর, অ্যাক্সিওটেনসিন-ও এন্টাগোনিষ্ট, কোলেস্টেরল ও ট্রাইগ্লিসারাইড নিয়ন্ত্রক এবং অ্যান্টি-লিউকোট্রিন, অ্যান্টি-এজমাটিক্স, অ্যান্টি-অ্যাসি-মার্কিন অ্যান্টি-অ্যালিসিস্ট্যাবেরেটর বাজারের তুলনায় উচ্চ বৃদ্ধি প্রদর্শন করে। এই সাফল্য কোম্পানিকে একটি উল্লেখযোগ্য বাজারের শেয়ার দখল করতে সক্ষম করেছে। যা এই অপরিহার্য চিকিৎসা বিভাগের মধ্যে ইতিবাচক গতি এবং কৌশলগত অবস্থানকে প্রতিফলিত করে।

২০২২-২৩ অর্থবছরে, মেডিকেল সার্ভিস ডিপার্টমেন্ট (MSD) ব্যাপকভাবে অবিরাম চিকিৎসা শিক্ষা (CME) কর্মসূচির মাধ্যমে চিকিৎসা

বিজ্ঞানের অগ্রগতি জোরদার করেছে। এগুলি যত্ন সহকারে মেডিকেল পেশাদারদের আপডেট জ্ঞান এবং পদ্ধতির সাথে সজ্জিত করার জন্য ডিজাইন করা হয়েছিল, যার ফলে স্বাস্থ্যসেবার মান এবং অ্যাক্সেস উন্নত হয়। ৩০০০+ এরও বেশি CME প্রোগ্রাম সংগঠিত হয়েছে, সরাসরি ১০৪,৭৮০ জন চিকিৎসা পেশাদারকে জড়িত করেছে। সোসাইটি অফ মেডিসিন, সার্জারি, অবস এন্ড গাইনী, বি এম এ এবং একাধিক মেডিকেল কলেজ ও হাসপাতাল সহ সংস্থাগুলির সাথে সহযোগিতামূলক প্রচেষ্টা এই প্রোগ্রামগুলির সাফল্যে উল্লেখযোগ্য অবদান রেখেছে। মূল উদ্দেশ্য ছিল প্রধান মতামত প্রদানকারী নেতাদের (KOLs) সাথে পেশাদার সম্পর্ক জোরদার করা, ডায়াগনস্টিক এবং চিকিৎসার কৌশলগুলিকে পরিমার্জিত করা; যার মূল লক্ষ্য হল জাতীয় স্বাস্থ্যসেবার মান উন্নত করা।

MSD ফার্মাকোভিজিল্যান্স (PV) সচেতনতার প্রতি অটল প্রতিশ্রুতি প্রদর্শন করেছে। কৌশলটি বাংলাদেশের স্বাস্থ্যসেবা সুবিধাখাতে তথ্যমূলক লিফলেট এবং পোস্টার বিতরণ এবং ১,৫১১ ফিল্ড ফোর্সের জন্য যথোপযুক্ত প্রশিক্ষণ পরিচালনাকে অন্তর্ভুক্ত করে। এসিআই পণ্য সম্পর্কিত Adverse Drug Reaction (ADR) রিপোর্টগুলো নিয়মিতভাবে DGDA তে দাখিল হয়েছে, যা রোগীর নিরাপত্তা এবং ওষুধের কার্যকারিতা বাড়ানোর জন্য কোম্পানির সচেতনাকে ফুটিয়ে তোলে। ACI-এর আন্তর্জাতিক ব্যবসায়িক ক্রিয়াকলাপগুলি ২০২২-২৩ অর্থবছরের জন্য তার রপ্তানি লক্ষ্যমাত্রা অর্জনের পথে উল্লেখযোগ্য স্থিতিস্থাপকতা প্রদর্শন করেছে। এই সময়ের মধ্যে, কোম্পানিটি তার পোর্টফোলিওতে তিনটি নতুন রপ্তানি গন্তব্য অন্তর্ভুক্ত করে বিশ্বব্যাপী তার পদচিহ্ন প্রসারিত করেছে।

কনজুমার ব্র্যান্ডস ডিভিশন

টয়লেট্রিজ

টয়লেট্রিজ ইউনিট ২০২২-২৩ অর্থবছরে ২,৬৫৩ মিলিয়ন টাকায় অর্থবছর শেষ করেছে, যা আগের বছরের থেকে ৩% কম। বৈশ্বিক অস্থিরতা, কাঁচামাল ও প্যাকেজিং উপকরণের দামের আকস্মিক বৃদ্ধির সাথে সামষ্টিক অর্থনৈতিক পরিস্থিতির চ্যালেঞ্জ সারা বছরের ব্যবসায় প্রভাব ফেলেছে। সমস্ত বাধা সত্ত্বেও, টয়লেট্রিজ ইউনিট খরচ পরিচালনার জন্য সক্রিয় ব্যবস্থা গ্রহণ করেছে।

স্যাভলন, টয়লেট্রিজ ব্যবসায়িক ইউনিটের পাওয়ার ব্র্যান্ড, গত বছর অতিরিক্ত ৮০০,০০০ পরিবারের কাছে পৌঁছেছে এবং সাবান, হ্যান্ডওয়াশ, লিকুইড অ্যান্টিসেপটিকস, অ্যান্টিসেপটিক ক্রিম এবং বেবি ওয়াইপস সহ এর বিভিন্ন পণ্য ১৪ মিলিয়নেরও বেশি পরিবারকে পরিবেশন করেছে। উদীয়মান ব্র্যান্ড- স্যাভলন বেবি ওয়াইপস এবং সেপটেব্ল অ্যান্টিসেপটিক বার একই সময়ের মধ্যে মোট ২০% এর বেশি উল্লেখযোগ্য প্রবৃদ্ধি অর্জন করেছে।

গৃহস্থালী ও প্রতিষ্ঠানের গ্রাহকদের ক্রমবর্ধমান চাহিদা মেটাতে, প্রসাধন ব্যবসায় বিদ্যমান পণ্য লাইনের মধ্যে মূল্যবান উদ্ভাবন প্রবর্তন করে গত বছর ৭টি নতুন পণ্য চালু করেছে। অধিকন্তু, প্রসাধন ব্যবসা সামাজিক প্রচারাভিযানের মাধ্যমে মানবিক প্রচেষ্টাও অব্যাহত রেখেছে, যার মধ্যে রয়েছে স্যাভলন মোবাইল হাসপাতাল, মা ও শিশুর সুরক্ষায় স্যাভলন এবং নিমের বৃক্ষরোপণ অভিযান। ব্যবসাটি প্রাকৃতিক দুর্যোগের সময় বাণিজ্যিক

উদ্দেশ্যের বাইরেও তার মানবিক-প্রতিশ্রুতি প্রদর্শন করেছে, যেমন দেশের অভ্যন্তরে বন্যা এবং তুরস্কে মারাত্মক ভূমিকম্পের সময় সহায়তা প্রদান করে।

আন্তর্জাতিক ব্যবসা

ইন্টারন্যাশনাল বিজনেস ইউনিট ২০২২-২৩ অর্থবছরে ১.১১৮ মিলিয়ন টাকার বিক্রয়ের সাথে বছর শেষ করেছে যা বিগত অর্থবছরে থেকে ১% হ্রাস পেয়েছে। প্রান্তিক হ্রাস প্রাথমিকভাবে আইনী উদ্যোগের কারণে আন্তর্জাতিক বাণিজ্যের ধীরগতির দ্বারা চালিত হয়। আমদানি কার্যক্রমে চ্যালেঞ্জ সত্ত্বেও, তাদের মূল ব্র্যান্ড কোলগেট পুরো অর্থবছর জুড়ে ওরাল কেয়ার মার্কেটে তৃতীয় অবস্থান বজায় রেখেছে।

বছরের জন্য একটি মূল সাফল্যের গল্প হল “কোলগেট পালমোলিভ এসিআই বাংলাদেশ প্রাইভেট লিমিটেড” যা-কোলগেট পালমোলিভ (এশিয়া) প্রাইভেট লিমিটেড এবং এসিআই লিমিটেড -এর মধ্যে একটি যৌথ উদ্যোগ। এই উদ্যোগটি দ্রুত সম্প্রসারিত ওরাল কেয়ার মার্কেটে দক্ষ পরিসেবা সক্ষম করবে এবং স্থানীয় উৎপাদনের মাধ্যমে ভোক্তাদের কাছে মূল্য সুবিধা প্রদানে উল্লেখযোগ্যভাবে সাহায্য করবে।

বর্ধিত স্থানীয়করণের সাথে, ব্যবসাটি দেশের জন্য ওরাল স্বাস্থ্যবিধি নিশ্চিত করতে সারা দেশে ভৌগলিক সম্প্রসারণে আরও বেশি মনোযোগী হয়েছে।

হাইজিন

হাইজিন ব্যবসা বিগত অর্থবছরে ২২% বিক্রয় প্রবৃদ্ধি অর্জন করেছে এবং ২,০৪৫ মিলিয়ন টাকা বিক্রয় এর মাধ্যমে ২০২২-২৩ অর্থবছর শেষ করেছে। প্রাথমিক বৃদ্ধির চালক হচ্ছে অস্টিমাইজড বিক্রয় এবং সারা বছর ধরে বিভাগ জুড়ে বিতরণ। এসিআই কনজুমার ব্র্যান্ডের এই ইউনিটটি পরিবারের স্বাস্থ্যবিধি এবং সুস্থতার প্রয়োজনীয়তার যত্ন নেওয়ার মাধ্যমে বাংলাদেশে সামাজিক ও অর্থনৈতিক বিপ্লব ঘটাতে কাজ করে।

হোম কেয়ার সলিউশন

কনজুমার ব্র্যান্ড এর হোম কেয়ার সলিউশন ইউনিট ১,০২১ মিলিয়ন টাকার বিক্রয়ের সাথে সাথে গত অর্থবছরের তুলনায় ৫৪% বৃদ্ধি পেয়ে ২০২২-২৩ অর্থবছর শেষ করেছে। বাজারের নির্দিষ্ট এসকেইউ মিশ্রণের সাথে সারা দেশে বর্ধিত বন্টন দ্বারা প্রাথমিকভাবে বৃদ্ধি চলিত হয়।

কীটপতঙ্গ-নিয়ন্ত্রণ বিভাগে, ACI Aerosol Insect Spray ধারাবাহিকভাবে ৯০% মার্কেট শেয়ার সহ বাজার নেতৃত্ব বজায় রাখতে সক্ষম হয়েছে। সামষ্টিক অর্থনৈতিক চ্যালেঞ্জ এবং বিভাগের স্থিতিশীলতা সত্ত্বেও, ACI Aerosol সফলভাবে ধারাবাহিকভাবে বৃদ্ধি পেতে সক্ষম হয়েছে। কয়েল সেগমেন্টের বৃদ্ধির জন্য, র‍্যাক ফাইটার কয়েলকে ট্রান্সফর্ম দিয়ে সংস্কার করা হয়েছে, যা মার্শা তাড়াতে আরও কার্যকর।

অ্যাঞ্জেলিক এয়ার ফ্রেশনার গত অর্থবছরের তুলনায় ১৮% বৃদ্ধি পেয়েছে এবং ৩২% মার্কেট শেয়ার সহ এয়ার ফ্রেশনার বিভাগে শীর্ষ অবস্থানে রয়েছে। এর সুবিন্দু পরিসরে নয়াটি সুগন্ধি রয়েছে যা পরিবেশের উন্নতি করে এবং এর ফলে মেজাজ উন্নত করে গ্রাহকদের বৈচিত্র্যময় চাহিদা পূরণ করে।

এছাড়াও, ভ্যানিশ বছরের পর বছর ধরে টয়লেট ক্লিনার সেগমেন্টে একটি স্থির অবস্থান বজায় রেখেছে। ২০২২ সালের সেপ্টেম্বরে পুনরায় চালু হওয়ার পর থেকে, ভ্যানিশ বাজারের শেয়ার পুনরুদ্ধারের জন্য কাজ করছে।

ইলেকট্রিক্যাল এবং ইলেকট্রনিক্স

২০২২-২৩ অর্থবছরে ইলেকট্রিক্যাল ব্যবসা তার বিক্রয় প্রবৃদ্ধি চলমান রেখেছে। এই বছর ইলেকট্রিক্যাল ব্যবসা সফলভাবে পরিচালনা করার জন্য এর কার্যক্রমের প্রতিটা পদক্ষেপই সফলভাবে অটোমেশন কার্যক্রম চালু করেছে। যার ফলে বিক্রয়ের প্রতিটি স্তরে গভীরভাবে পর্যবেক্ষণ করে সেই অনুসারে তাৎক্ষণিক পদক্ষেপ গ্রহণ করে বিক্রয়ের পরিমাণ বৃদ্ধি করা সম্ভব হবে।

পক্ষান্তরে ইলেকট্রনিক্স ব্যবসাও তার বিক্রয় ধারাবাহিকতা বজায় রেখে এর বাজার অবস্থান সুদৃঢ় করেছে। নতুন বিক্রয় চ্যানেল সৃষ্টির সাথে সাথে নতুন পণ্য ও ক্রেতা সংযোগ সৃষ্টি করে ব্যবসার প্রসার বৃদ্ধি করবে বলে আশা করছি।

পেইন্টস

পেইন্টস ব্যবসা বিক্রয় ৪৫৯ মিলিয়ন টাকা যা সিংহভাগ বিক্রয় বৃদ্ধির ৩২% এসেছে পারফরম্যান্স কোটিংস ব্যবসা থেকে। AkzoNobel India Ltd. যার কারীগরি সহায়তায় মাধ্যমে ব্যবসা প্রথমবারের মতো ফ্লেক লাইনিং কোটিং (600x2 মেগাওয়াট মাতারবাড়ি ইউএসসি কোল ফায়ারড পাওয়ার প্রজেক্ট) সফলভাবে হস্তান্তর করেছে। বছরের প্রথমার্ধের অলংকারিক ব্যবসার জন্য সবচেয়ে চ্যালেঞ্জিং সময়গুলির মধ্যে একটি কারণ ছিল বাজারকে মূল্য বৃদ্ধির সাথে সামঞ্জস্য করতে হয়েছে। উপরন্তু, উন্নততর বিতরণ ব্যবস্থাসহ ডিলারদের সাথে নিবিড় সম্পর্ক স্থাপনের মাধ্যমে ব্যবসা মুনাফা বৃদ্ধি করে নগদ অর্থ প্রবাহে গতিশীলতা আনয়ন করেছে। ব্যবসার এই প্রবৃদ্ধির জন্য আমাদের ক্ষমতা বৃদ্ধির সাথে সাথে সাপ্লাই চেইন সম্প্রসারিত করা হবে।

সল্ট

এসিআই সল্ট ব্যবসা বিগত বছরের তুলনায় ৮% প্রবৃদ্ধি পেয়েছে। ব্যবসা প্রবৃদ্ধি আশানুরূপ না হওয়ার কারণ, বছরের মাঝামাঝি গ্যাস সরবরাহে বিঘ্ন ঘটা যা আমাদের লক্ষ্য মাত্রা অর্জিত হতে দেয় নাই। এই প্রতিকূলতা সত্ত্বেও আমরা আমাদের দেশব্যাপি গ্রাহকদের হাতে তাদের পছন্দের পণ্যটি পৌঁছে দিতে সক্ষম হয়েছি, আমাদের দক্ষ বিক্রয় প্রতিনিধি ও সারাদেশে সম্পৃক্ত সাপ্লাই চেইন এর সহায়তায়।

ভোক্তাদের মধ্যে ব্যাপক গ্রহণযোগ্যতার কারণে, এসিআই পিওর সল্ট ২০২২ সাল পর্যন্ত পরপর ১১ বারের মতো সেরা ব্র্যান্ডের পুরস্কার পেয়েছে। ব্র্যান্ডটি ২০২২-২৩-এ টানা তৃতীয় বারের মত "সুপারব্র্যান্ড" মর্যাদা পেয়েছে।

এসিআই পিওর সল্ট বাচ্চাদের মানসিক স্বাস্থ্য উন্নয়নের জন্য নিরলসভাবে কাজ করে যাচ্ছে এবং তাদের জন্য বিভিন্ন ক্যাম্পেইন ও এক্টিভিটিস আয়োজন করছে। "ইচ্ছে আঁকো গল্প বলো" এবং "অনন্য মেধাবী" ক্যাম্পেইনগুলি শুধুমাত্র প্রতিযোগিতা নয়, বরং তরুণদের কল্পনার শক্তি এবং তাদের সৃজনশীল ও বুদ্ধিবৃত্তিক বিকাশের সুযোগ করে দিয়েছিল।

ফ্লাওয়ার

এসিআই পিওর ফ্লাওয়ার লিমিটেড ২০২২-২৩ অর্থবছরের একটি আকর্ষণীয় সমাপ্তি ছিল, যার আয় ৮,৩৫৪ মিলিয়ন টাকা এবং গত বছরের তুলনায় ২৭% বৃদ্ধি পেয়েছে। ব্যবসার PBT বৃদ্ধি ছিল ১০২% যা বার্ষিক বাজেটের বিপরীতে প্রবৃদ্ধি ২৩৮%।

সরবরাহে বাঁধাগ্রস্থতা এবং আকস্মিক মূল্যের ওঠানামা ব্যবসা পরিচালনাকে চ্যালেঞ্জিং করে তুলেছিল। কিন্তু এটি বিচক্ষণ কৌশল বাস্তবায়ন এবং উৎপাদন ক্ষমতা সম্প্রসারণ, কাঁচামাল সঞ্চয়ের অবকাঠামোর উন্নয়ন, খুচরা চ্যানেলের উন্নতি, মসৃণ সরবরাহ চেইন ব্যবস্থাপনা, কার্যকরী বিপণন কার্যক্রমসহ অন্যান্য সিদ্ধান্তের মাধ্যমে তা মোকাবিলা করা হয়েছিল। "বেক ইট বেস্ট" নামে এসিআই পিওর ব্র্যান্ড একটি জাতীয় বেকিং প্রতিযোগিতায়, "মাতাভাষায় মা" নামে সৃজনশীল রচনা প্রতিযোগিতার মাধ্যমে গ্রাহকদের সাথে যুক্ত হয়েছিল। এসিআই নিউট্রিলাইফ তার গ্রাহকদের সচেতনতা বৃদ্ধির জন্য গ্রাহকভিত্তিক স্বাস্থ্যসম্মত পণ্যের প্রচারকার্যক্রম পরিচালিত করে আসছে।

আগামী বছরে এসিআই পিওর ফ্লাওয়ার লিমিটেড এর উৎপাদন ক্ষমতা এবং স্টোরেজ অবকাঠামো সম্পূর্ণরূপে ব্যবহার করে কাঙ্ক্ষিত ফলাফল অর্জন এবং প্রবৃদ্ধি অব্যাহত রাখার প্রত্যাশা করছে। যা ভোক্তাদের চাহিদা এবং সুবিধা অনুযায়ী আরও নতুন মূল্যমানের পণ্য সংযুক্ত করবে।

এডিবল অয়েলস

এসিআই এডিবল অয়েল লিমিটেড ২০২২-২৩ অর্থবছরে একটি সফল বছর সম্পন্ন করেছে যা গত বছরের তুলনায় ৭১% প্রবৃদ্ধি পেয়েছে।

ব্যবসাটি অর্থনৈতিক বিপর্যয়, আমদানিকৃত পণ্যের অপ্রতুলতা, বিনিময় হারের অস্থিরতা এবং খুচরা বাজারে ঘন ঘন দামের ওঠানামার মতো সমস্যার সম্মুখীন হয়েছিল। ভোক্তাদের ক্রয় ক্ষমতার পরিবর্তনের সাথে খাপ খাইয়ে নিতে, ACI ভোজ্য তেল, সয়াবিন তেল, অলিভ অয়েল এবং সরিষার তেলের ছোট প্যাক চালু করেছে। খরচ নিয়ন্ত্রণ কৌশলের অংশ হিসাবে, সমস্ত প্যাকেজিং স্পেসিফিকেশন পুনরায় ডিজাইন করা হয়েছিল এবং ফিলিং মেশিনগুলিকে ক্ষমতা অপ্টিমাইজ করার জন্য পুনঃবিন্যাস করা হয়েছিল। এসিআই নিউট্রিলাইফ রাইস ব্র্যান্ড অয়েলের আত্মসী চাহিদা পূরণের উদ্যোগ নেওয়া হয়েছিল। যার মধ্যে স্বাস্থ্য সচেতনদের কাছ থেকে প্রশংসাপত্র, কলোনি এনগেজমেন্ট ক্যাম্পেইন এবং ফিটনেস ওয়ার্কশপ নিউট্রিলাইফ-স্টাইল শিরোনামের প্রচারবিধানে শুরু করা হয়েছে।

আগামী বছরে, এসিআই ভোজ্য তেল প্যাকেজিং একীভূতকরণ, অটোমেশনের মাধ্যমে ক্ষমতা অপ্টিমাইজেশন এবং তেলভিত্তিক ব্যতিক্রমী নতুন পণ্যের সংযোজন করে পণ্যসম্ভার সমৃদ্ধ করবে।

ফুডস

অর্থনৈতিক প্রতিকূলতা, রাশিয়া ও ইউক্রেনের মধ্যে যুদ্ধ এবং বৈশ্বিক জলবায়ু পরিবর্তনের কারণে বিশ্বব্যাপী যে সরবরাহ সংকট তৈরী হয়েছিল, এর ফলে ২০২২-২৩ অর্থবছর খাদ্য শিল্পের জন্য একটি চ্যালেঞ্জিং বছর ছিল। তা সত্ত্বেও, এসিআই ফুডস তার উদ্ভাবনী বিপণন উদ্যোগ, সময়মত সংগ্রহ এবং সক্রিয় অনুপ্রবেশ কৌশলগুলির মাধ্যমে অর্থবছরে ১৭% এর একটি স্বাস্থ্যকর প্রবৃদ্ধি অর্জন করেছে।

এসিআই ফুডস তাদের খাদ্য তালিকায় মিশ্র বাদাম, ক্যান্ডি, চীড়া এবং মুড়িঘন্ট মসলা নামে একটি রেডি-মিক্স মশলা নতুন করে সংযোজন করে এবং এটি বহুল প্রসার লাভ করেছে। এসিআই পিওর "রান্নাকে ভালোবাসার ভাষা হতে দিন" নামে একটি অত্যন্ত প্রশংসিত টিভি বিজ্ঞাপন চালু করেছে। রমজানের সময় "শুধু হাসির জন্য" ক্যাম্পেইনের সাথে, এসিআই ফুডস টিম কিছু ব্যতিক্রমী প্রবীণ নাগরিকদের সাথে

একটি পুরো দিন কাটায় এবং তাদের সাথে পণ্যগুলি ভাগাভাগি করে নেয়। চলতি সালে এসিআই ফুডস ফ্যাক্টরির অত্যাধুনিক মান নিয়ন্ত্রণ ল্যাবটি ৩১ টি পরীক্ষা পরিচালনার জন্য বিএফএসএ (বাংলাদেশ ফুড সার্টিফিকেট অথরিটি) দ্বারা অনুমোদিত একটি পরিষেবা পরীক্ষাগার হিসাবে সম্মানিত হয়েছিল। নতুন পণ্য উদ্ভাবনের মাধ্যমে এসিআই ফুডস ভবিষ্যতে তার গ্রাহকদের আরও সেবা প্রদান করবে।

রাইস

এসিআই রাইস ধারাবাহিক লাভজনকতা বজায় রাখার পাশাপাশি, চলতি অর্থবছরে ৩৮% ব্যতিক্রমী প্রবৃদ্ধি অর্জন করেছে। চাল শিল্পে আর্থ-সামাজিক অস্থিরতা এবং ভোজ্য ক্রয় ক্ষমতা হ্রাস দ্বারা চিহ্নিত একটি চ্যালেঞ্জিং পরিবেশ সত্ত্বেও, এসিআই রাইস কৌশলগত সংগ্রহ, অটল গুণগত মান এবং উচ্চতর ব্র্যান্ডের দৃশ্যমানের মাধ্যমে শক্তিশালী সম্প্রসারণ প্রদর্শন করেছে।

এসিআই রাইস তার কারখানার স্বাস্থ্য ও স্বাস্থ্যবিধি মান উন্নত করেছে। কৃষকদের সাহায্য করার জন্য, ব্যবসায়ী “বন্ধন” প্রচারাভিযান অব্যাহত রেখেছে, যেখানে তারা তাদের উৎপাদিত ধান সরাসরি কারখানায় ন্যায্য মূল্যে বিক্রি করতে সক্ষম হয়েছিল। ভোক্তাদের জন্য আরও পুষ্টিপূর্ণ পণ্য এবং একটি উন্নত জীবনধারা প্রদানের জন্য ব্যবসায়ী এই অর্থবছরে এসিআই নিউট্রিটাইফ ব্রাউন রাইস চালু করেছে। বিভিন্ন ডিজিটাল প্রচারণা, জিও-ট্যাগিং প্রচার, আধুনিক বাণিজ্য ইন-স্টোর প্রচারমূলক প্রচারণা এবং ঢাকার বিশিষ্ট এলাকায় ডিজিটাল ব্যানারের মাধ্যমে ব্র্যান্ডের স্বীকৃতি আরও বৃদ্ধি পেয়েছে। আগামী বছরে, এসিআই রাইস তার কারখানা সম্প্রসারিত করার এবং স্বাস্থ্য-সচেতন গ্রাহকদের জন্য নতুন, স্বাস্থ্যকর চালের বিকল্পগুলি অফার করার পরিকল্পনা করেছে। ব্র্যান্ডেড চালের ক্রমবর্ধমান বাজারে তাদের অবস্থান আরও শক্তিশালী করার জন্য তাদের একটি নতুন ব্র্যান্ড অপেক্ষমান রয়েছে।

এগ্রিবিজনেসেস ডিভিশন

ক্রপকেয়ার এন্ড পাবলিক হেলথ

অসংখ্য বৈশ্বিক অনিশ্চয়তা, সেইসাথে দেশের সামষ্টিক অর্থনৈতিক চ্যালেঞ্জ সত্ত্বেও, এসিআই ক্রপকেয়ার ব্যবসা ১৪.৫% বৃদ্ধি পেয়েছে, যা হার্বিসাইড, ফাংগিসাইড এবং পেস্টিসাইড বিভাগের বাজারে শক্তিশালী অনুপ্রবেশ নির্দেশ করে।

ফ্লোরা, বাংলাদেশের কৃষিক্ষেত্রে একটি স্বনামধন্য ব্র্যান্ড, যা কার্যকরভাবে ফলন বাড়ানোর অনন্য ক্ষমতার জন্য স্বীকৃত। এটি কৃষকদের উচ্চ মানের ফলন অর্জনে সহায়ক ভূমিকা পালন করেছে যেমন- আম, তরমুজ, আনারস এবং সাইট্রাসের মতো ফলের পাশাপাশি ইহা ধান ছাড়াও ভুট্টা এবং গমের মতো খাদ্যশস্য অধিক ফলন ফলাতেও কৃষকদের মাঝে ব্যবহারে উৎসাহিত করে।

দীর্ঘ দিনের লক্ষ্য আমাদের কারখানার সক্ষমতা বৃদ্ধির মাধ্যমে আমাদের পণ্য আমরাই উৎপাদন করবো। বর্তমানে আমাদের কীটনাশকের ৯৫% আমাদের কারখানাতেই উৎপাদিত হয়। যা গুণগতমান অক্ষুণ্ণ রেখে কৃষক ও সুবিধাভোগীদের কাছে পৌঁছেছে। বীজ পরিশোধনের দিকে লক্ষ্য রেখে উন্নত বীজের জন্য বাংলাদেশে নতুন বাজার সৃষ্টি করতে আমাদের অভিজ্ঞতা ও বিশ্বের স্বনামধন্য গবেষণা সংস্থার সহায়তায় নতুন নতুন বীজ উদ্ভাবন করছি।

বৈশ্বিক MNC-এর সাথে সহযোগিতায় পরিবেশ-বান্ধব ক্যামিক্যাল পণ্যের পরিসর বৃদ্ধি করে পণ্যের পোর্টফোলিওকে শক্তিশালী করার প্রচেষ্টা অব্যাহত রয়েছে। ভবিষ্যতের ফসল/কীটপতঙ্গের পরিবর্তনের কথা মাথায় রেখে প্রতিযোগিতামূলক সুবিধা পাওয়ার জন্য অন্যান্য নতুন ক্যামিক্যাল, জৈবিক সমাধান সহ অনুসন্ধানের প্রচেষ্টা এগিয়ে যাচ্ছে।

সীড

এসিআই সীড, একটি নেতৃত্বান্বিত সীড কোম্পানী, যা ২০২২-২৩ অর্থবছরে ২৮% বিক্রয় বৃদ্ধি এবং ৭% বাজার শেয়ারের অভিজ্ঞতা অর্জন করেছে। এসিআই সীড উচ্চফলনশীল ধান, গম, ভুট্টা, আলু এবং বিভিন্ন প্রজাতির সবজির বীজ উদ্ভাবন করে চলেছে। কৃষকদের চাহিদা ও পছন্দকে মাথায় রেখে জলবায়ুর সাথে মানানসই বীজ উৎপাদনে এসিআই কে আরও উদ্বুদ্ধ করেছে। এসিআই নিজস্ব জেনেটিক্স প্ল্যান্ট এর গবেষণার মাধ্যমে উন্নত জাতের ফসল উদ্ভাবন, মানউন্নয়ন, টেকসই প্রজাতির ফসল উদ্ভাবনের মাধ্যমে খাদ্য নিরাপত্তা নিশ্চিত করে আসছে।

এসিআই সীড এর বৃহৎ বীজ উৎপাদন নেটওয়ার্ক রয়েছে যা ধান, শাকসবজি এবং আলুর ১০,৫০০ মেট্রিক টন বীজ উৎপাদন করতে সক্ষম। এসিআই সীড ডিজিটালভাবে ৫.০ মিলিয়নেরও বেশি মানুষের সাথে সংযুক্ত থেকে কৃষক, ডিলার, খুচরা ব্যবসায়ী ও সুবিধাভোগীদের সচেতনতা বৃদ্ধি করে যাচ্ছে। সুবিধাভোগীদের তথ্যপ্রযুক্তির মাধ্যমে সম্পৃক্ত করার জন্য এসিআই ডিজিটাল প্রশ্ন-উত্তর ব্যবস্থাপনা, নিজস্ব তথ্য সম্ভার, কমিউনিটি গ্রুপ তৈরী করেছে যা প্রতিষ্ঠানের জন্য একটি মূল্যবান সম্পদ হিসেবে পরিগণিত হয়ে আছে। যার মাধ্যমে কোম্পানির সাথে প্রান্তিক ভোক্তা সহজে যোগাযোগ রক্ষা করতে পারছে। ব্যবসায়ী এনজিও, এমএনসি এবং উন্নয়ন অংশীদারদের সাথে সহযোগিতার মাধ্যমে তার নেটওয়ার্ক প্রসারিত করেছে।

ফার্টিলাইজার

কৃষকদের প্রয়োজন বিবেচনা করে ফার্টিলাইজার ব্যবসাকে Soil Conditioner, Soil Nutrition, Foliar Fertilizer, Basic Fertilizer এবং Urban, Govt. Projects & Institutions এইভাবে ভাগ করা হয়েছে। বিগত বছরের তুলনায় এসিআইয়ের ফার্টিলাইজার ব্যবসা প্রবৃদ্ধি হ্রাস পেয়েছে ১০% এবং ২৭% মার্কেট শেয়ার অর্জন করেছে যেখানে মার্কেট প্রবৃদ্ধির ৯%। গত বছরের তুলনায় Soil Conditioner, Soil Nutrition, Foliar Fertilizer, Basic Fertilizer ভালো প্রবৃদ্ধি পেয়েছে।

দেশে স্মার্ট কৃষি এবং উচ্চ মূল্য ফসল (বাগান, সবজি, মশলা) চাষ বার্ষিক ৮% হারে বৃদ্ধি পেয়েছে। এসিআই জৈব সার এবং জৈব উদ্দীপক প্রয়োগ করে জৈব চাষের উপর জোর দেয়। Foliar Fertilizer, জৈব সারের মার্কেটে অংশীদারিত্ব অর্জনের জন্য ৩টি নতুন টেকনোলজির পণ্য সংযোজন করেছে। বিশেষায়িত সারগুলো ১৫%-২০% ফলন বৃদ্ধিতে সাহায্য করেছে।

এসিআই ফার্টিলাইজার ডিজিটাল কানেক্টিভিটির মাধ্যমে আধুনিক ফার্টিলাইজেশন প্রযুক্তির তথ্য এবং বর্ধিত বাজারের কৃষক, ব্যবসায়ী, কৃষি বিশেষজ্ঞ, সম্প্রসারণকারী ব্যক্তি এবং অন্যান্য সুবিধাভোগীসহ কয়েক লক্ষ মানুষের কাছে পৌঁছেছে। টেকসই শহুরে জীবনযাত্রার অগ্রগতিতে, এসিআই ফার্টিলাইজার ‘সবুজ শহর’ উল্লেখযোগ্য অবদান রাখছে। এটি আমাদের উদ্ভাবিত ‘অরন্য’ ই-কমার্স প্ল্যাটফর্মের মাধ্যমে শহুরে কৃষকদের প্রয়োজনীয় কৃষি উপকরণগুলির তথ্য সুবিধা দেয়। এটি মসৃণভাবে ডিজিটাল সমাধানগুলিকে সমন্বিত করেছে, দক্ষতা বাড়িয়েছে এবং সক্রিয়ভাবে কার্যক্রমের বুকি কমিয়েছে।

অ্যানিমােল হেলথ

২০২২-২৩ অর্থ বছরে, এসিআই অ্যানিমেল হেলথ ৪% বিক্রয় প্রবৃদ্ধি অর্জন করেছে, যা ভ্যাকসিন (২.২%), গবাদি পশু (২২.৮%), অ্যাকোয়া (৮.৯%), প্রবৃদ্ধি পেলেও পোলট্রি ফিড (২.৯%) ও অ্যানিমেল হেলথ (২০.৬%) হ্রাস পেয়েছে। নবসংযোজিত ‘Pet & Bird’ পোর্টফোলিটি রাজস্ব বৃদ্ধিতে সহায়তা করেছে। গবাদি পশুর পোর্টফোলিও খামারীদের নির্দিষ্ট চাহিদা অনুযায়ী সমাধানের সময়মত প্রাপ্যতাকে অগ্রাধিকার দিয়ে যথেষ্ট প্রবৃদ্ধি অর্জন করেছে। অ্যাকোয়া পোর্টফোলিও একটি “বায়োসিকিউরিটি অ্যান্ড হেলথ ম্যানেজমেন্ট” ক্যাম্পেইনের মাধ্যমে হ্যাচারি এবং পুকুর ব্যবস্থাপনাকে উন্নত করেছিল। পণ্যের অগ্রতুল্যতার কারণে ভ্যাকসিন পোর্টফোলিওতে চ্যালেঞ্জ দেখা দিয়েছিল। এছাড়া, ডলারের অস্থির বিনিময় হার এবং ইউক্রেনীয় যুদ্ধ পশুখাদ্যে খরচ বাড়িয়ে দিয়েছিল, যার ফলে ভেটেনারি ওষুধ এবং ভ্যাকসিনের চাহিদা কমে গিয়েছিল। এছাড়া, DOC এর কম দাম শিল্পটিকে কম লাভজনক করে তুলেছে, যার ফলে DOC উৎপাদন হ্রাস পায় এবং ফিড অ্যাডিটিভ এবং ভ্যাকসিনের ব্যবহার হ্রাস পায়।

পণ্যের গুণমান নিশ্চিত করার জন্য, non-drug সামগ্রীর জন্য একটি অভ্যন্তরীণ সুবিধা চালু করা হয়েছিল। পণ্য বিকাশের জন্য গ্রাহকদের সংযোগ অ্যাপ চালু করা হয়েছিল। কৃষক, ব্যবসায়ী, কৃষি বিশেষজ্ঞ এবং অন্যান্য স্টেকহোল্ডারদের কাছে পৌঁছানোর জন্য এসিআই অ্যানিমাল হেলথ ডিজিটাল সংযোগ প্রসারিত করেছিল। নতুনত্ব এবং উচ্চমানের ফার্মাসিউটিক্যাল সরবরাহ করার লক্ষ্যে ব্যবসায়ী পণ্য উদ্ভাবন ও মান উন্নতকরণের জন্য আন্তর্জাতিক সরবরাহকারীদের (Ceva Sante Animal, CID Lines, Livisto and Kum Yang) সাথে সহযোগিতা বাড়িয়েছিল।

জেনেটিক্স

অ্যানিমেল জেনেটিক্স ২০২২-২৩ অর্থবছরে ৪২% বৃদ্ধি পেয়েছে। বাজারের শেয়ার ২৩% থেকে ২৬% উন্নীত হয়েছে। ডিজিটাল মার্কেটিং কার্যক্রমের উপর দৃষ্টি নিবন্ধনের মাধ্যমে খামারিদের কাছ থেকে সাফল্যের গল্প, প্রজনন স্বাস্থ্য, বাছুর ব্যবস্থাপনা এবং সফল কর্মসংস্থানের উপর ভিত্তি করে মোট ৬৫টি ভিডিও প্রকাশ করা হয়েছে। গত বছর এসিআই ২৪টি (আর্টিফিসিয়াল ইনসেমিনেশন) প্রশিক্ষণের মাধ্যমে ১,১০০ জন খামারিকে প্রশিক্ষণের ব্যবস্থা করেছিল। চাহিদা অনুসারে সরবরাহ করার জন্য আমাদের ৮৮টি যাঁড় থেকে ৩ মিলিয়ন সীমেন্স স্টস করা হয়েছে। এসিআই অ্যানিমেল জেনেটিক্স প্রতিযোগীদের মধ্যে সর্বোচ্চ গুণগতমান নিশ্চিত করেছে। বাজারের ক্রমবর্ধমান চাহিদা মেটাতে বণ্ডুয়া দ্বিতীয় যাঁড় স্টেশন নির্মাণ করা হচ্ছে।

মোটরস

এসিআই মোটরস ব্যবসাকে তিনটি প্রধান এসবিইউতে ভাগ করা হয়েছে: ১) খামার যান্ত্রিকীকরণ, ২) ইয়ামাহা, ৩) নির্মাণ সরঞ্জাম, বাণিজ্যিক যাসবাহন এবং অন্যান্য।

এসিআই মোটরস বাংলাদেশের শীর্ষস্থানীয় খামার যান্ত্রিকীকরণ কোম্পানি এবং এর বিস্তৃত পণ্য ও পরিষেবার সাথে সম্পূর্ণ সমাধান প্রদান করে। এসিআই মোটরস ফার্ম মেকানাইজেশন ইউনিট গত বছরের তুলনায় ২২% বৃদ্ধি নিশ্চিত করেছে। এসিআই মোটরসের ট্র্যাক্টর ব্র্যান্ড সোনালিকা চমৎকার পণ্য এবং উচ্চতর পরিষেবা প্রতিশ্রুতির মাধ্যমে ৪০% মার্কেট শেয়ারের সাথে বাজারে নেতৃত্ব অব্যাহত রেখেছে। এসিআই পাওয়ার টিলার উচ্চ এইচপি পাওয়ার টিলার বিভাগেও এগিয়ে ছিল। এসিআই মোটরস আমন ও বোরো ফসল কাটার মৌসুমে কৃষকদের ফসল কাটার সমস্যা সমাধানে একটি বড় ভূমিকা পালন করেছে সরকার প্রদত্ত ভর্তুকি সহায়তায়। এছাড়াও, এসিআই এগ্রি-মেশিনারী তৈরির করাখানা বর্তমাণে খেসার, হ্যাণ্ড পাওয়ার টিলার এবং ট্রেলার তৈরি করেছে।

এসিআই মোটরস ইয়ামাহার আন্তর্জাতিক মানদণ্ড নিশ্চিতের মাধ্যমে ইয়ামাহা মটরসাইকেলের ৩টি মডেল তৈরি করেছে। এসিআই মোটরস আপডেটেড ফিচারসহ ১৫০ সিসি সেগমেন্টে দুটি নতুন প্রিমিয়াম মডেলও চালু করেছে। ১৫০ সিসি সেগমেন্টে ইয়ামাহা ৩১% মার্কেট শেয়ার সহ বাজারের শীর্ষস্থানীয় এবং সবচেয়ে প্রিমিয়াম মোটরসাইকেল হিসাবে বিবেচিত। এই ম্যানুফ্যাকচারিং এবং কমপ্লিট বিল্ট-আপ (সিবিইউ) সেটআপের মাধ্যমে ইয়ামাহা মটরসাইকেল বাজারে তার প্রবৃদ্ধি অব্যাহত রেখেছে। মোটরসাইকেল শিল্প ২০২২-২৩ অর্থবছরে ২৮% হ্রাস পেয়েছে, যেখানে ইয়ামাহা মোটরসাইকেল ৩১% বৃদ্ধি পেয়েছে এবং ১৫% মার্কেট শেয়ার অর্জন করেছে। ইয়ামাহা রাইডার্স ক্লাবের সাথে যৌথ উদ্যোগে নিরাপত্তা ব্যবস্থা বজায় রাখার জন্য এসিআই মোটরস বছরব্যাপী সামাজিক সচেতনতামূলক প্রচারণার আয়োজন করেছে।

কনস্ট্রাকশন ইকুইপমেন্ট ব্যবসায়, এসিআই মোটরস কোবেলকো, কেস - লোভোল, অ্যাজাক্স এবং এক্সটের মতো বিশ্ব-বিখ্যাত নির্মাণ সরঞ্জামের ব্র্যান্ডগুলির সাথে লেনদেন করেছে। এসিআই মোটরস দেশের অবকাঠামো উন্নয়নে আরও বড় ভূমিকা রাখতে প্রস্তুত।

এসিআই মোটরস বিশ্বব্যাপী এক নম্বর হালকা বাণিজ্যিক যানবাহন প্রস্তুতকারক, ফোটন ইন্টারন্যাশনালের সাথে বাণিজ্যিক যানবাহন ব্যবসা শুরু করেছে। পণ্যের গুণমান এবং মানসম্মত বিক্রয় ও পরিষেবা নেটওয়ার্কের মাধ্যমে, Foton গ্রাহকদের কাছ থেকে একটি ইতিবাচক প্রতিক্রিয়া অর্জন করেছে। যদিও ২০২২-২৩ অর্থবছরে বাজারের বৃদ্ধি নেতিবাচক ছিল ৩০%, ফোটনের উল্লেখযোগ্য বৃদ্ধি ছিল ১৮%। ফোটন ইন্টারন্যাশনাল এপ্রিল ২০২৩-এ এসিআই মোটরকে গ্লোবাল আউটস্ট্যান্ডিং ডিস্ট্রিবিশন অ্যাওয়ার্ড প্রদান করেছে।

এগ্রোলিংক

২০২২-২৩ অর্থবছর এসিআই এগ্রোলিংক লিমিটেড গত বছরের তুলনায় ৯% বৃদ্ধি নিশ্চিত করেছে, যেখানে শিল্পের বৃদ্ধি ছিল -২৬% (নেতিবাচক)। ব্যবসায়ী ২০২২-২৩ অর্থবছরে ৯৬ কনটেনারের মাধ্যমে কাঁচা, আর্দ্রসিদ্ধ এবং রান্না করা চিংড়ি রপ্তানির সাহায্যে ১৪.৬৭ মিলিয়ন ডলার রাজস্ব আয় করেছে। ব্যবসায়ী খুলনা বিভাগে অন্যান্য ৩৪টি চিংড়ি কারখানার মধ্যে সর্বোচ্চ রপ্তানিকারক হিসাবে প্রথম স্থান অর্জন করেছে। ২০২২-২৩ সালে দেশের রপ্তানি আয়ের অবদানের সাথে ব্যবসায়ী তার অর্জনকে ত্বরান্বিত করেছে এবং এটি ২৪শে জুলাই, ২০২২ তারিখে বাংলাদেশ সরকার কোম্পানিটিকে জাতীয় ফিশারিজ গোল্ড এওয়ার্ড প্রদান করেছে।

যদিও ব্যবসা শুধুমাত্র র‍্যাক টাইগার শ্রিম্প দিয়ে শুরু হয়েছিলো। তবে বিগত বছরগুলোতে এসিআই এগ্রোলিংক লিমিটেড তার পোর্টফোলিওতে উন্নত ও বৈচিত্র্যময় একাধিক প্রজাতি যেমনঃ মিঠা পানির চিংড়ি, ব্রাউন টাইগার, চাকা, সী ক্যাচ ইত্যাদি সংযোজন করেছে। আন্তর্জাতিক ক্রেতাদের পছন্দের কারণে ব্যবসায়ী ASC, AMFORI-BSCI সার্টিফিকেট লাভ করেছে। পূর্বে কোম্পানিটি HACCP, GMP এবং BRC সার্টিফিকেট অর্জন করেছিলো।

প্রিমিয়াক্স প্রাস্টিকস

প্রিমিয়াক্স একটি B2B কোম্পানি যা উচ্চ-মানের কাঁচামাল ব্যবহার এবং নতুন পণ্যের ক্রমাগত বিকাশের মাধ্যমে গ্রাহকের আনুগত্য অর্জনকে অগ্রাধিকার দেয়। কোম্পানিটি মুনাফা বৃদ্ধির লক্ষ্যে বহুজাতিক ও স্থানীয় প্রতিষ্ঠানের সাথে কাজ করেছে। প্রিমিয়াক্স ২০২২-২৩ অর্থবছরে ২০% প্রবৃদ্ধি পেয়েছে।

প্রিমিয়াক্স প্রাস্টিকস প্রাথমিকভাবে নমনীয় প্যাকেজিং পণ্যের উৎপাদন এবং বিতরণের উপর দৃষ্টি নিবন্ধন করেছে। ইতোমধ্যে প্রতিষ্ঠিত নমনীয় প্যাকেজিং পণ্য লাইনের পাশাপাশি এটির একটি বৈচিত্র্যময় পোর্টফোলিও রয়েছে যাতে ল্যামিটিউব এবং লেবেল স্টিকার রয়েছে। বর্তমানে প্রতিষ্ঠানটি তার উৎপাদন ক্ষমতার ৯৮ ভাগ ব্যবহার করে নমনীয় প্যাকেজিং পণ্যের উৎপাদন করে আসছে। ফলস্বরূপ এর উৎপাদন বৃদ্ধির সুযোগ নাই বললেই চলে।

গ্রাহক সন্তুষ্টি এবং ক্রমাগত সেবা প্রদানের অগ্রাধিকার দেয়া হচ্ছে। অসাধারণ মান নিয়ন্ত্রণ ব্যবস্থাকে কাজে লাগিয়ে মান সচেতন ভোক্তার জন্য একটি প্রিমিয়াম বাজার তৈরী করা এর লক্ষ্য। প্রতিষ্ঠানটি ক্রমাগত মানোন্নয়ন, কর্মচারী ও সম্পদের নিরাপত্তার দিকে মনোনিবেশের মাধ্যমে প্রিমিয়াক্স নমনীয় প্যাকেজিং শিল্পে কৌশলগত নেতৃত্ব দিতে সক্ষম হবে।

প্রিমিও প্রাস্টিকস

২০১৮ সালে এসিআই প্রিমিও প্রাস্টিকস এর যাত্রা শুরু। প্রিমিও প্রাস্টিকস এর মধ্যে গৃহস্থালি, আসবাবপত্র এবং খেলনাসহ অন্যান্য পণ্য রয়েছে। ব্যবসায়ী এই বছর ৮% মার্কেট দখল করেছে এবং ০.১% প্রবৃদ্ধি পেয়েছে। প্রাস্টিক খেলনা পোর্টফোলিওতে পণ্যসম্ভার বৃদ্ধির কারণে এটি ৪৬% প্রবৃদ্ধি লাভ করেছে। জীবনযাত্রার ব্যয় বৃদ্ধির কারণে গ্রাহকেরা নন-কমোডিটি পণ্যের ক্রয় কমিয়ে দেয়ালে এই শিল্পের প্রবৃদ্ধি ছিল -৯%। ফলস্বরূপ গৃহস্থালীর ও আসবাবপত্র পোর্টফোলিও যথাক্রমে -২৬% ও -১৩% হ্রাস পেয়েছে। এছাড়াও প্রাস্টিক পণ্যের মূল্য বৃদ্ধির কারণে গ্রাহকেরা স্বল্প মূল্যের বিকল্প পণ্যের দিকে ধাবিত হচ্ছে। বাজারের সকল প্রতিযোগী তাদের অবস্থান ধরে রাখতে মূল্য যুদ্ধে অবতীর্ণ হয়েছে। গত বছরের তুলনায় আমেরিকান ডলারের বিনিময় হার ১৩.৭% বৃদ্ধি পেয়েছে এবং ডলারের স্বল্পতার কারণে এলসি খুলতে দেরী হয়েছে। কিন্তু গত বছরের তুলনায় ২০২২-২৩ অর্থ বছরে ইনভেন্টরী সঠিকভাবে পরিচালনার মাধ্যমে উৎপাদন মূল্য স্থিতিশীল রাখা হয়েছিল।

ডিজিটাল কমিনিকেশনের মাধ্যমে কোম্পানিটি গ্রাহকের সাথে ব্র্যান্ড সচেতনতা তৈরীতে নানা কার্যক্রম গ্রহণ করেছিল। গত বছর ৩টি নতুন পণ্য ও ১৫টি শৈল্পিক নকশার মাধ্যমে ব্যবসায়ী স্বতন্ত্রতা বজায় রেখেছিল।

ক্রমবর্ধমান চাহিদার প্রতি লক্ষ্য রেখে ব্যবসায়ী খেলনা পোর্টফোলিওতে আরো বেশী মনোনিবেশ করছে। আসবাবপত্র পোর্টফোলিওতে প্রতিযোগীতামূলক সুবিধা আনয়নের জন্যও অধিক গুরুত্ব দিচ্ছে। এইসব সুযোগগুলোকে কাজে লাগাতে ভবিষ্যতে নতুন পণ্য উদ্ভাবন, উৎপাদন ক্ষমতা বৃদ্ধি, লোকবল এবং ব্র্যান্ড প্রসার ঘটাতে বিনিয়োগ বৃদ্ধি করার পরিকল্পনা হাতে নিয়েছে।

রিটেইল চেইন ডিভিশন

এসিআই লজিস্টিকস গত বছরের তুলনায় ৩২% বিক্রয় প্রবৃদ্ধি অর্জন করেছে। এসিআই লজিস্টিকস অর্থনৈতিক সংকটের ভিতরেও সক্ষমতা প্রদর্শন করে, চ্যালেঞ্জিং পরিস্থিতিতে ব্যতিক্রমী কর্মক্ষমতার উদাহরণ সৃষ্টি করেছে। এই অর্জন আমাদের জন্য একটি উল্লেখযোগ্য মাইলফলক।

বর্তমানে ৩৫৩টি আউটলেটের মাধ্যমে কাজ করে, এসিআই লজিস্টিকস রিটেইল খাতে তার প্রধান অবস্থানকে শক্তিশালী করেছে। ১১০টি নতুন চালু করা এক্সপ্রেস আউটলেটের সাথে, 'স্বপ্ন' ঢাকার বাইরে ৫৮টি জেলায় সেবা কার্যক্রম প্রসারিত করেছে। এই কৌশলগত পদক্ষেপটি তার প্রভাবশালী বাজার নেতৃত্বকে ধরে রাখতে অবদান রেখেছে, যা আধুনিক বাণিজ্য শিল্পের ৫০% বাজারের শেয়ার নিশ্চিত করেছে। ইতিমধ্যেই প্রতিষ্ঠিত একটি গৃহস্থালী ব্র্যান্ড এবং সুপার ব্র্যান্ড হিসেবে 'স্বপ্ন' দেশের শীর্ষ ১০টি ব্র্যান্ডের মধ্যে অবস্থান করেছে যা প্রতিদিন ৬৫,০০০ জনেরও বেশি গ্রাহককে সেবা প্রদান করছে।

আমাদের সম্প্রসারণ কৌশল হলো স্থানীয় এবং সহজলভ্যতার উপর নিবদ্ধ - যা গ্রাহকদেরকে কেনাকাটায় আনন্দ বৃদ্ধিতে বদ্ধপরি কর। এক্সপ্রেস আউটলেটগুলো স্থানীয়দের পছন্দের সাথে গভীরভাবে সম্পর্কিত করে করা হয়েছে।

'স্বপ্ন' এর রূপান্তরের যাত্রা আমাদের স্টোরগুলোর বাহিরেও প্রসারিত। ব্যাকওয়ার্ড লিংকেজ এ বিশেষ করে কৃষিখাতে আমাদের বিনিয়োগ রয়েছে। সফলভাবে নিজস্ব চাষ এবং এ শিক্ষন পরবর্তী বছরের প্রবৃদ্ধিতে সহায়ক হবে। ব্যাকওয়ার্ড লিংকেজে আমরা পণ্যের সন্ধান, গুণগতমান এবং নিরাপদ কৃষির অনুশীলন নিশ্চিত করছি। মার্জিন বাড়ানোর দিকে নজর রেখে, পণ্যের উৎপত্তি থেকে সরাসরি সংগ্রহ করার জন্য আমরা আমাদের মূল্য শৃঙ্খলে যথাযথ পদক্ষেপ নিয়েছি।

পরিবেশের প্রতি আমাদের অঙ্গীকার আমাদেরকে পুনর্উৎপাদন এবং পুনর্ব্যবহার যোগ্যতার দিকে মনোনিবেশ করিয়েছে। পরিবেশবান্ধব হওয়ার জন্য আমরা প্লাস্টিকের ব্যবহার হ্রাস এবং প্যাকেজিং উপকরণ পুনঃব্যবহারে উদ্যোগ নিয়েছি।

খাদ্য নিরাপত্তার প্রতি আমাদের প্রতিশ্রুতি অব্যাহত রেখেছি। IFC - এর মত সংস্থাগুলোর সাথে সহযোগীতা, আমাদের চলমান CSR উদ্যোগগুলোর মাধ্যমে খাদ্য নিরাপত্তা মান উন্নত করতে এবং ভোক্তাদের সুস্থতা বৃদ্ধিতে সহায়ক।

আমরা একটি অসাধারণ কৃতিত্ব শেয়ার করতে পেরে আনন্দিত যেটি বিপণন এবং গ্রাহকদের সম্পৃক্ততার শ্রেষ্ঠত্বের প্রতি আমাদের উৎসর্গকে চিহ্নিত করে। 'স্বপ্ন', আমাদের ফ্যাগশিপ রিটেইল ব্র্যান্ড, ফিলিপ কটলারের 'এসেনশিয়ালস অফ মডার্ন মার্কেটিং' বাংলাদেশ সংস্করণে কেস স্টাডি হিসেবে প্রদর্শিত হয়েছে। এই স্বীকৃতি উদ্ভাবনী কৌশল এবং প্রভাবশালী উদ্যোগগুলিকে তুলে ধরে যা 'স্বপ্ন'কে বাংলাদেশের বৃহত্তম রিটেইল চেইন হতে উদ্ধৃত করেছে।

'স্বপ্ন'র বিপণন কৌশলগুলি তাদের সাফল্যের জন্য সহায়ক হয়েছে। তারা কার্যকরভাবে তাদের গ্রাহক বেসকে ভৌগলিক এবং জনসংখ্যাগতভাবে বিভক্ত করে, বিভিন্ন মার্কেট সেগমেন্টের জন্য উপযোগী পণ্য নিশ্চিত করেছে। এই বিভাজন 'স্বপ্ন'কে ব্যক্তি অভিজ্ঞতা এবং উপযোগী পণ্য অফার করার সুযোগ দিয়েছে যা গ্রাহকগোষ্ঠীর সাথে সম্পৃক্ত থেকে আবেদন বৃদ্ধি করেছে।

এসিআই লজিস্টিকস 'স্বপ্ন' সামনের দিকে এগিয়ে যাচ্ছে। উদ্ভাবন, স্থায়িত্ব এবং দীর্ঘস্থায়ী মূল্য সৃষ্টির প্রতি আমরা দৃঢ়প্রতিজ্ঞ। আমরা অটল সংকল্পের সাথে আমাদের যাত্রা চালিয়ে যেতে প্রস্তুত। আমাদের কোম্পানি, স্টেকহোল্ডার এবং গ্রাহকদের উজ্জ্বল ভবিষ্যতের জন্য আমরা আত্মনিবেদিত।

জয়েন্ট ভেঞ্চার ও এসোসিয়েট

এসিআই গোদরেজ অ্যাসোসিয়েট প্রাইভেট লিমিটেড

এসিআই গোদরেজ অ্যাসোসিয়েট প্রাইভেট লিমিটেড (এসিআই-জিএপিএল) হল এডভান্সড কেমিক্যাল ইন্ডাস্ট্রিজ লিমিটেড, বাংলাদেশ এবং গোদরেজ অ্যাসোসিয়েট লিমিটেড, ভারতের একটি সমঅংশীদারী যৌথ উদ্যোগ। এসিআই-জিএপিএল বিভিন্ন ধরনের পশুখাদ্য (পোল্ট্রি, অ্যাকুয়া এবং ক্যাটল ফিড) তৈরি এবং বিক্রির ব্যবসার পাশাপাশি একদিন বয়সী মুরগীর বাচ্চা উৎপাদন করে। এর উদ্ভাবিত পণ্যগুলি "নাদির গোদরেজ সেন্টার ফর অ্যানিমাল রিসার্চ অ্যান্ড ডেভেলপমেন্ট"-এ বিকশিত হয়। পোল্ট্রি, ফিশারি এবং ক্যাটল ফর্মিংকে টেকসই করার জন্য এই পণ্যগুলোকে নানাবিধ বৈজ্ঞানিক মাঠ পরীক্ষণ করার মধ্য দিয়ে উন্নততর পশুখাদ্য উৎপাদন ও সরবরাহ করা হচ্ছে।

এবছরে কোম্পানির বিক্রয় ২৭% বৃদ্ধি পেয়েছে। এটি বাংলাদেশে ২য় বৃহত্তম ফিড বিক্রয়কারী প্রতিষ্ঠান। ব্যবসাটি সিরাজগঞ্জ ফিড মিলে গবাদি পশুর খাদ্যের জন্য 'রিভার প্রজেক্ট' নামে একটি গবেষণা কেন্দ্র স্থাপন করেছে, যা

দুগ্ধ উৎপাদন ও পশুর ওজন বৃদ্ধিতে কৃষকদের সহায়তা করবে। এছাড়াও সরকার কর্তৃক অনুমোদন পাবার ফলে বিশেষায়িত ভ্যানামি ফিড (একোয়া চিংড়ি ফিড) উৎপাদনে প্রক্রিয়ায় রয়েছে। কোম্পানিটি বাণিজ্যিকভাবে দুটি নতুন পণ্য- বোভিনো বাছুরের খাদ্য এবং লেয়ার কনসেন্ট্রেট (পোল্ট্রি) ফিড উৎপাদন শুরু করেছে।

এসিআই কো-রো লিমিটেড

এসিআই কো-রো লিমিটেড উচ্চ মানসম্পন্ন আন্তর্জাতিক জুস ব্র্যান্ড, সানকুইক, বাংলাদেশী ভোক্তাদের জন্য উৎপাদন, বাজারজাতকরণ ও বিক্রয় করবে। এই উদ্দেশ্যে একটি অত্যাধুনিক কারখানা নির্মিত হয়েছে, যন্ত্রপাতি প্রতিস্থাপিত হয়েছে এবং সুদক্ষ কর্মীবাহিনী নিয়োগ করা হয়েছে। বর্তমানে, এই প্রকল্পের চূড়ান্ত পরীক্ষণ চলছে এবং ২০২৩ সালের শেষ নাগাদ বাণিজ্যিকভাবে উৎপাদন শুরু করার পরিকল্পনা রয়েছে।

আর্থিক ফলাফল - এসিআই লিমিটেড

৩০শে জুন ২০২৩ তারিখে সমাপ্ত অর্থ বছরে এসিআই লিমিটেডের মোট আয় ছিল ২৯,৯৩১ মিলিয়ন টাকা যা পূর্ববর্তী অর্থ বছরে ছিল ২৮,৪২৭ মিলিয়ন টাকা। চলতি বছরে গ্রস মুনাফার হার হয়েছে ৩৯.৭০% যা পূর্ববর্তী অর্থ বছরে ৪১.৩৮% ছিল। নানাবিধ সামষ্টিক অর্থনৈতিক ঘটনাপ্রবাহের প্রভাবে পণ্যের ব্যয় বেড়েছে যা গ্রস মুনাফার হারকে প্রভাবিত করেছে। ২০২২-২৩ অর্থবছরে কোম্পানির পরিচালন মুনাফা ছিল ২,৪৬৪ মিলিয়ন টাকা এবং কর পরবর্তী মুনাফা ছিল ১,৭৫৭ মিলিয়ন টাকা যার ফলে শেয়ার প্রতি আয় (ইপিএস) হয়েছে ২৩.০৫ টাকা।

এক নজরে মুখ্য পরিচালনগত ও আর্থিক তথ্য

২০২২-২৩ অর্থ বছর ও পূর্ববর্তী পাঁচ বছরের মুখ্য পরিচালনগত ও আর্থিক তথ্যাদি নীচের উপস্থাপন করা হলো:

অনুপাত এবং শতাংশ ব্যতীত অন্যান্য সংখ্যা মিলিয়ন টাকায়

| বিবরণ | জুলাই ২০২২ - জুন ২০২৩ | জুলাই ২০২১ - জুন ২০২২ | জুলাই ২০২০ - জুন ২০২১ | জুলাই ২০১৯ - জুন ২০২০ | জুলাই ২০১৮ - জুন ২০১৯ | জুলাই ২০১৭ - জুন ২০১৮ |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| নীট টার্নওভার | ২৯,৯৩১ | ২৮,৪২৭ | ২৫,৭৩০ | ২৩,২০২ | ২১,৭৯৬ | ২১,৩৮৭ |
| গ্রস মুনাফা | ১১,৮৮৩ | ১১,৭৬৩ | ১১,৩৭২ | ১০,৭০৫ | ৯,৮৮৬ | ৯,২৪২ |
| কর পূর্ববর্তী মুনাফা | ২,২৯৩ | ২,৯৪৮ | ৩,০৮৭ | ২,৩৪৭ | ৯০০ | ১,৬৫৮ |
| কর পরবর্তী মুনাফা | ১,৭৫৭ | ২,২৩৮ | ২,২৮৮ | ১,৭১৯ | ৫৩১ | ১,৩১৭ |
| শেয়ার প্রতি আয় (টাকা) | ২৩.০৫ | ২৯.৩৭ | ৩১.৫২ | ২৭.২৪ | ৯.২৬ | ২৬.৪১ |
| ইস্যুকৃত ও পরিশোধিত মূলধন | ৭৬২ | ৭২৬ | ৬৩১ | ৫৭৪ | ৪৯৯ | ৪৮২ |
| শেয়ার মালিকদের ইকুইটি | ২১,৪২০ | ২০,৬৬৯ | ১৮,৮৯৩ | ১৫,৪২১ | ১৪,৩২২ | ১৪,২৫৬ |
| শেয়ার প্রতি নীট সম্পদ (টাকা) | ২৮১.০৯ | ২৭১.২৩ | ২৬০.৩২ | ২৪৪.৩৫ | ২৪৯.৬৪ | ২৪৮.৪৮ |
| শেয়ার প্রতি নীট অপারেটিং ক্যাশ ফ্লো (NOCFPS) | ২২.৯৩ | ২৪.৫৬ | ১৭.৭৮ | ৭১.১৮ | ২৫.৪৪ | ০.২৭ |
| কর্মচারীর সংখ্যা | ১১,০৭৭ | ১০,২৩৩ | ৯,৩৮০ | ৮,৩৬৪ | ৯,১৪৭ | ৯,০৫৩ |
| জাতীয় কোষাগারে মোট অবদান | ৫,২০৯ | ৫,০৮৭ | ৪,৮২৯ | ৪,৩১৮ | ৩,৭৭০ | ৩,৬২৫ |

মুনাফা বন্টনঃ কোম্পানির আর্থিক ফলাফল ও ফ্রি রিজার্ভ বিবেচনা করে এবং ধারাবাহিক লভ্যাংশ নীতির সাথে সঙ্গতি রেখে পরিচালকগণ নীট মুনাফার নিম্নরূপ বন্টন সুপারিশ করেছেন:

| বিবরণ | ২০২২-২০২৩ | ২০২১-২০২২ |
|----------------------------------|----------------|----------------|
| অবন্টিত মুনাফা | ১৪,০২৭,৪৬৩,১৫৪ | ১২,১৮৮,৭৭২,৮৫০ |
| যোগ্য কর পরবর্তী মুনাফা | ১,৭৫৬,৭০৪,০৪৪ | ২,২৩৭,৮৬২,৬২৯ |
| যোগ্য অন্যান্য কম্প্রহেন্সিভ আয় | (৮০,৬৯৩,২৬০) | - |
| সর্বমোট বন্টনযোগ্য মুনাফা | ১৫,৭০৩,৪৭৩,৯৩৮ | ১৪,৪২৬,৬৩৫,৪৭৯ |
| মুনাফা বন্টনঃ | | |
| অন্তর্বর্তীকালীন লভ্যাংশঃ | | |
| নগদ লভ্যাংশ | - | - |
| প্রস্তাবিত চূড়ান্ত লভ্যাংশঃ | | |
| নগদ লভ্যাংশ | ৩০৪,৮২২,৫০৪ | ৩৬২,৮৮৩,৯৩৫ |
| স্টক লভ্যাংশ | - | ৩৬,২৮৮,৩৯০ |
| বিয়োগ্য সর্বমোট লভ্যাংশ | ৩০৪,৮২২,৫০৪ | ৩৯৯,১৭২,৩২৫ |
| অবন্টিত মুনাফার জের স্থিতি | ১৫,৩৯৮,৬৫১,৪৩৪ | ১৪,০২৭,৪৬৩,১৫৪ |

পরিচালকগণ আত্মবিশ্বাসী যে অবন্টিত মুনাফার জের স্থিতিকে ভবিষ্যতে বিনিয়োগ করে কোম্পানি আগামী বছরগুলিতে বিচক্ষণ লভ্যাংশ নীতি বজায় রাখতে সক্ষম হবে।

লভ্যাংশ

৩০ জুন ২০২৩ তারিখে সমাপ্ত অর্থ বছরের জন্য পরিচালনা পর্ষদ আনন্দের সাথে চূড়ান্ত লভ্যাংশ হিসেবে নগদ লভ্যাংশ ৩০৪,৮২২,৫০৪ (অর্থাৎ শেয়ার প্রতি ৪ টাকা) সুপারিশ করেছে। রেকর্ড ডেট অর্থাৎ ১৬ নভেম্বর ২০২৩, যেসকল সম্মানিত শেয়ার মালিকগণের নাম কোম্পানির সদস্যদের শেয়ার রেজিস্টারে বা CDBL-এর ডিপোজিটরিতে অন্তর্ভুক্ত ছিল, তারা এই চূড়ান্ত নগদ লভ্যাংশ পাওয়ার যোগ্য হিসেবে বিবেচিত। আলোচ্য বছরে কোম্পানি কোন অন্তর্বর্তীকালীন লভ্যাংশ ঘোষণা করেনি।

জাতীয় কোষাগারে অবদান

৩০ জুন ২০২৩ তারিখে সমাপ্ত অর্থ বছরে, কোম্পানি কর্পোরেট ট্যাক্স, গুপ্ত এবং মূল্য সংযোজন কর (ভ্যাট) খাতে জাতীয় কোষাগারে ৫,২০৯ মিলিয়ন টাকা অবদান রেখেছে। এটি ৩০ জুন ২০২৩ তারিখে সমাপ্ত অর্থ বছরের জন্য কোম্পানির নিট বিক্রয় আয়ের ১৭.৪০ শতাংশের সমতুল্য।

বিক্রিত পণ্যের ব্যয় ও মুনাফার হার

৩০ জুন ২০২৩ তারিখে সমাপ্ত অর্থ বছরে বিক্রিত পণ্যের ব্যয় ছিল ১৮,০৪৭ মিলিয়ন টাকা যা পূর্ববর্তী বছরে ১৬,৬৬৪ মিলিয়ন টাকা ছিল। সামগ্রিকভাবে, কোম্পানি ৩০ জুন ২০২৩ তারিখে সমাপ্ত অর্থ বছরে ৩৯.৭০% (টাকা ১১,৮৮৩ মিলিয়ন) গ্রস প্রফিট মার্জিন করতে সক্ষম হয়েছে যা আগের বছরে ছিল ৪১.৩৮% (টাকা ১১,৭৬৩ মিলিয়ন)। প্রতিকূল বৈদেশিক মুদ্রার বিনিময় হার, জালানি ও বিদ্যুতের মূল্য বৃদ্ধি, এবং সামগ্রিক অর্থনৈতিক পরিস্থিতির কারণে খরচ বেড়ে যাওয়ায় কোম্পানির মুনাফা প্রভাবিত হয়েছে। গ্রস মুনাফা ও পরিচালন ব্যয়ের পরিবর্তনের প্রভাবে, আলোচ্য অর্থ বছরে কর পরবর্তী মুনাফার হার ৫.৮৭% ছিল যা পূর্ববর্তী বছরে ছিল ৭.৮৭%।

আর্থিক ফলাফল- এসিআই গ্রুপ

৩০ জুন ২০২৩ তারিখে সমাপ্ত অর্থ বছরে কনসলিডেটেড বিক্রয় ছিল ১১৫,৩৫৫ মিলিয়ন টাকা যা তুলনামূলক পূর্ববর্তী বছরে ৯৬,৫৭২ মিলিয়ন টাকা ছিল। অন্যদিকে, গ্রস মুনাফার হার পূর্ববর্তী বছরের ২৪.৭০% থেকে কমে চলতি বছরে ২২.৪৩% হয়েছে। চলতি বছরে কনসলিডেটেড পরিচালন মুনাফা ছিল ৬,১৩৯ মিলিয়ন টাকা এবং কর পরবর্তী লোকসান ছিল ৭৫ মিলিয়ন টাকা। কর পরবর্তী লোকসানে কোম্পানির ইকুইটি হোল্ডারদের অংশ ছিল ৪৯৪ মিলিয়ন টাকা যার ফলে চলতি বছরে শেয়ার প্রতি কনসলিডেট লোকসান হয়েছে ৬.৪৮ টাকা।

জাতীয় কোষাগারে অবদান

৩০ জুন ২০২৩ তারিখে সমাপ্ত অর্থ বছরে, এসিআই গ্রুপ কর্পোরেট ট্যাক্স, শুল্ক এবং মূল্য সংযোজন কর (ভ্যাট) খাতে জাতীয় কোষাগারে ১৬,৭৩২ মিলিয়ন টাকা অবদান রেখেছে।

সম্পর্কিত পক্ষের সাথে লেনদেন

সম্পর্কিত পক্ষের সাথে সমস্ত লেনদেন বাণিজ্যিক কারণে এবং “আর্মস লেংথ লেনদেন” এর নীতি মেনে করা হয়। সম্পর্কিত পক্ষের সাথে লেনদেনের বিশদ বিবরণ আর্থিক বিবরণীর নোট - ৪৩-এ প্রকাশ করা হয়েছে।

বার্ষিক আর্থিক বিবরণীতে উল্লেখযোগ্য পার্থক্যসমূহ

চলতি বছরে উল্লেখযোগ্য বিক্রয় বৃদ্ধি সত্ত্বেও, কোম্পানির কনসলিডেটেড আয় হ্রাস পেয়েছে যা মূলত প্রতিকূল মুদ্রা বিনিময় হার, জ্বালানি ও বিদ্যুতের মূল্যের উল্লেখযোগ্য বৃদ্ধি, ঋণের সুদ বৃদ্ধি এবং সামগ্রিক অর্থনৈতিক চ্যালেঞ্জের কারণে খরচ বৃদ্ধির ফলে হয়েছে। বিভিন্ন উচ্চ মার্জিন এবং নিম্ন মার্জিন পণ্যগুলির মধ্যে বিক্রয় মিশ্রণের পরিবর্তনের সাথে সাথে ক্রমবর্ধমান ব্যয়ের ফলস্বরূপ, কনসলিডেটেড গ্ৰস মার্জিন ২০২২-২৩ অর্থবছরে ২২.৪৩% এ কমেছে যা আগের বছরের ২৪.৭০% ছিল। কনসলিডেট পরিচালন মুনাফা ছিল ৬.১৩৯ মিলিয়ন টাকা এবং কর-পরবর্তী নিট লোকসান চলতি অর্থ বছরে ৭৫ মিলিয়ন টাকা। ইন্টারন্যাশনাল ফিন্যান্সিয়াল রিপোর্টিং স্ট্যান্ডার্ডস অনুযায়ী নিরূপিত non-controlling interests বাদ দেওয়ার পর, কর পরবর্তী লোকসানে কোম্পানির ইকুইটি হোল্ডারদের অংশ ছিল ৪৯৪ মিলিয়ন টাকা যার ফলে চলতি বছরে শেয়ার প্রতি কনসলিডেট লোকসান হয়েছে ৬.৪৮ টাকা। অন্যদিকে, ভবিষ্যতের ব্যবসায়িক বৃদ্ধিকে সমর্থন করার জন্য কার্যকরী মূলধনে বিনিয়োগের কারণে কনসলিডেটেড NOCFPS হ্রাস পেয়েছে।

আর্থিক বিবরণীর কনসলিডেশন

এডভান্সড কেমিক্যাল ইন্ডাস্ট্রিজ লিমিটেডের ১৫টি সাবসিডিয়ারী কোম্পানি রয়েছে। কোম্পানী আইন-১৯৯৪, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন গাইডলাইনস ও বাংলাদেশে প্রবর্তিত ইন্টারন্যাশনাল গ্র্যাকাউন্টিং স্ট্যান্ডার্ডস বা আইএফআরএস অনুসারে সকল সাবসিডিয়ারী কোম্পানীর আর্থিক বিবরণী সমূহ এসিআই লিমিটেড এর আর্থিক বিবরণীর সঙ্গে একত্রিকরণ করা হয়েছে। এছাড়াও সাবসিডিয়ারী কোম্পানীগুলোর নিরীক্ষিত আর্থিক বিবরণী সমূহ নিরীক্ষা প্রতিবেদন ও পরিচালক মন্ডলীর প্রতিবেদনসহ আলাদাভাবে বার্ষিক প্রতিবেদনের নির্ধারিত স্থানে উপস্থাপন করা হয়েছে।

সেগমেন্ট অনুযায়ী রিপোর্টিং

আর্থিক বিবরণীর নোট-৭ (II) এ সেগমেন্ট অনুযায়ী ফলাফল পর্যালোচনা করা হয়েছে। ব্যবসা সংশ্লিষ্ট ঝুঁকি কোম্পানী নিজ ব্যবসা সংশ্লিষ্ট ঝুঁকি সম্পর্কে সচেতন এবং সেগুলোকে নিয়মানুগ পদ্ধতির মাধ্যমে মোকাবেলায় প্রস্তুত। যদিও ব্যবসা বিভিন্ন ঝুঁকি এবং অনিশ্চয়তার দ্বারা প্রভাবিত হতে পারে যার পূর্ব ধারণা করা কঠিন। আর্থিক বিবরণীর নোট-৩৮ এ আর্থিক ঝুঁকি ব্যবস্থাপনা বর্ণিত হয়েছে।

ভবিষ্যতঃ আগামীতে বৈশ্বিক মহামারির অনিশ্চয়তায় এসিআইকে ব্যবসায়িক কৌশলের ক্ষেত্রে বৈশ্বিক বাস্তবতাকে বিবেচনায় নিয়ে এগোতে হবে। অস্বাভাবিক লাভ বা ক্ষতি International Financial Reporting Standards (IFRSs) অনুসারে কোন অস্বাভাবিক লাভ বা ক্ষতি রিপোর্টিং পিরিয়ডে বিদ্যমান নেই।

পাবলিক ইস্যু তহবিলের ব্যবহার

রিপোর্টিং পিরিয়ডে কোন আইপিও, রাইট ইস্যু বা অন্য কোন ধরনের ক্যাপিটাল ইস্যু নেই। কোম্পানীর আর্থিক ফলাফল ক্রমবর্ধমান যা বার্ষিক আর্থিক বিবরণীতে প্রতিফলিত হয়েছে।

আর্থিক বিবরণী প্রস্তুতকরণ ও যথার্থ প্রদর্শন

কোম্পানির ব্যবস্থাপনা কর্তৃপক্ষ কর্তৃক প্রস্তুতকৃত আর্থিক বিবরণীতে কোম্পানির স্থিতি, পরিচালন ফলাফল, অর্থ প্রবাহ এবং ইকুইটি পরিবর্তনের একটি সত্য ও স্বচ্ছ চিত্র তুলে ধরা হয়েছে।

হিসাবের বই রক্ষণাবেক্ষন

কোম্পানির হিসাবের বই কোম্পানী আইন-১৯৯৪ বিধি মোতাবেক রক্ষণাবেক্ষন করা হয়েছে।

আর্থিক হিসাবনীতি

আর্থিক বিবরণী প্রস্তুতকরণের ক্ষেত্রে যথাযথ হিসাবনীতি ধারাবাহিকভাবে অনুসরণ করা হয়েছে এবং হিসাবের ভিত্তি যুক্তিসঙ্গত ও সঠিক।

আর্থিক বিবরণী প্রস্তুতকরণে IAS ও IFRS এর প্রভাব

আর্থিক বিবরণী প্রস্তুতকরণের ক্ষেত্রে 'International Accounting Standards (IASs)' ও 'International Financial Reporting Standards (IFRSs)' অনুসরণ করা হয়েছে।

অভ্যন্তরীণ নিয়ন্ত্রণ

কোম্পানির সার্বিক কার্যক্ষমতা, আর্থিক প্রতিবেদনের নির্ভরযোগ্যতা এবং সুশাসন প্রতিষ্ঠাকে বিবেচনায় রেখে এসিআই এর অভ্যন্তরীণ নীতিমালা প্রণীত হয়েছে। তদনুসারে, কোম্পানীর পরিচালনা পর্ষদের মতে, অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা কার্যকর এবং তা সঠিকভাবে নিরীক্ষণ করা হয়েছে।

CEO এবং CFO এর প্রত্যয়নপত্র

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন এর কর্পোরেট গভার্নেন্স কোড অনুযায়ী Chief Executive Officer (CEO) এবং Chief Financial Officer (CFO) কর্তৃক বোর্ডকে প্রদত্ত প্রত্যয়নপত্র বার্ষিক প্রতিবেদনের Annexure - IV এ অন্তর্ভুক্ত করা হয়েছে।

পরিচালনগত আলোচনা ও বিশ্লেষণ

কোম্পানির ব্যবস্থাপনা পরিচালক কর্তৃক স্বাক্ষরিত “পরিচালনগত আলোচনা ও বিশ্লেষণ” রিপোর্টের Annexure - III এ অন্তর্ভুক্ত করা হয়েছে, যেখানে কোম্পানির আর্থিক বিবরণী সংশ্লিষ্ট পরিচালনগত বিশদ বিশ্লেষণ, আর্থিক অবস্থা, ফলাফল, ঝুঁকি ও উদ্বেগ, হিসাবনীতি ও অনুমানসহ অন্যান্য বিষয় আলোচিত হয়েছে।

পরিচালনা পর্ষদ

কোম্পানির পরিচালনা পর্ষদ দুইজন স্বতন্ত্র পরিচালকসহ নয়জন সদস্যের সমন্বয়ে গঠিত। বোর্ডের অধিকাংশ সদস্য অ-নির্বাহী। পরিচালকদের তালিকা এবং বিবরণ এই রিপোর্টের ‘পরিচালক প্রোফাইল’ এ অন্তর্ভুক্ত করা হয়েছে।

পরিচালক নির্বাচন

কোম্পানির আর্টিক্যালস অব এসোসিয়েশন এর ১২০ অনুচ্ছেদ অনুযায়ী জনাব এম. আনিস উদ দৌলা, মিস সুখিতা আনিস ও জনাব আব্দুল-মুয়ীদ চৌধুরী আসন্ন বার্ষিক সাধারণ সভায় পর্যায়ক্রমিক ভাবে অবসর গ্রহণ করবেন। পুনর্নির্বাচিত পরিচালকদের তালিকা এবং বিবরণ এই রিপোর্টের ‘পরিচালক প্রোফাইল’ এ অন্তর্ভুক্ত করা হয়েছে। আসন্ন ৫০তম বার্ষিক সাধারণ সভায় উল্লেখিত সকল পরিচালকগণ পুনর্নির্বাচনের যোগ্য হিসেবে বিবেচিত এবং তারা পুনর্নির্বাচনের জন্য আগ্রহ প্রকাশ করেছেন। তাদের সংক্ষিপ্ত জীবন বৃত্তান্ত ও অন্যান্য তথ্যাদি এই রিপোর্টের ‘পরিচালক প্রোফাইল’ এ অন্তর্ভুক্ত করা হয়েছে।

স্বতন্ত্র পরিচালক

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন (বিএসইসি) প্রবর্তিত কর্পোরেট গভার্নেন্স কোড এর কমপ্লায়েন্স অনুযায়ী বর্তমান পরিচালনা পর্ষদে দুইজন স্বতন্ত্র পরিচালক, জনাব কামরান তানভীরুর রহমান এবং জনাব আদিল হোসেনকে অন্তর্ভুক্ত করা হয়েছে। জনাব কামরান তানভীরুর রহমান অডিট কমিটির চেয়ারম্যান হিসেবেও দায়িত্ব পালন করছেন। বিএসইসির নির্দেশনা অনুযায়ী সমাজের সুযোগ্য ব্যক্তিবর্গ সিনিয়র কর্পোরেট লিডার এবং আমলাদের মধ্য থেকে যোগ্য ব্যক্তিবর্গকে স্বতন্ত্র পরিচালক হিসেবে নির্বাচন করা হয়েছে।

নমিনেশন ও রেমুনারেশন কমিটি

কর্পোরেট গভার্নেন্স কোডের আলোকে কোম্পানির পরিচালনা পর্ষদ তাঁদের ২৪ জানুয়ারী ২০১৯ ইং তারিখে অনুষ্ঠিত সভায় “নমিনেশন ও রেমুনারেশন” কমিটি নামে একটি উপ-কমিটি গঠন করে। কমিটির বর্তমান সদস্যরা হলেন নিম্নরূপ:

| | | |
|-----------------------------------|-------------------|--------|
| • জনাব কামরান তানভীরুর রহমান | স্বতন্ত্র পরিচালক | সভাপতি |
| • জনাব গোলাম মইন উদ্দীন | পরিচালক | সদস্য |
| • জনাব জুনেদ আহমেদ চৌধুরী | পরিচালক | সদস্য |
| • জনাব মোহাম্মদ মোস্তাফিজুর রহমান | কোম্পানী সচিব | সচিব |

কমিটির টার্মস অফ রেফারেন্স (টিওআর) ও পলিসি পরিচালনা পর্ষদ কর্তৃক অনুমোদিত হয়েছে। এনআরসি’র (টিওআর) ও পলিসিতে রয়েছে, নির্বাহী পরিচালকদের সম্মানীভাৱে নির্ধারণের নীতি প্রণয়ন, পরিচালকদের সম্মানী প্রদানের ব্যাপারে অনুমোদন/সুপারিশ, কোম্পানীর কর্মকর্তাদের পারিশ্রমিক পর্যালোচনা ও অনুমোদন, স্বতন্ত্র পরিচালক ও

পরিচালনা পর্ষদের মূল্যায়নের মানদণ্ড নির্ধারণ, পরিচালক ও সিনিয়র ম্যানেজমেন্টে নিয়োগ পাওয়ার মত ব্যক্তিদের নির্বাচন ও নিয়োগের কিংবা অপসারণের জন্য সুপারিশ করা এবং পরিচালনা পর্ষদ থেকে বিভিন্ন সময়ে যে দায়িত্ব বা ক্ষমতা প্রদান করা হয় তার আলোকে কার্য সম্পাদন করা। ২০২২-২৩ ইং অর্থবছরে এনআরসি ৯ নভেম্বর ২০২২ তারিখে ১(এক) টি সভা পরিচালনা করে।

পরিচালনা পর্ষদের সভা এবং উপস্থিতি

২০২২-২৩ অর্থবছরে পরিচালনা পর্ষদের মোট ৮(আট) টি সভা অনুষ্ঠিত হয়েছে। পরিচালকগণের উপস্থিতি সারাংশ Annexure - I এ দেখানো হয়েছে।

পরিচালকদের সম্মানী ভাতা

২০২২-২৩ অর্থবছরে কোম্পানীর মিটিং এ উপস্থিতি ফি হিসাবে মোট ৪৯,৫০০/- টাকা প্রদান করা হয়েছে। পরিচালকমণ্ডলীর সম্মানী ভাতা আর্থিক বিবরণীর নোট - ৩৩ এবং ৪৩ এ উল্লেখ করা হয়েছে।

শেয়ার হোল্ডিং প্যাটার্ন

৩০ শে জুন ২০২৩ ইং তারিখে কোম্পানীর শেয়ার হোল্ডিং প্যাটার্ন Annexure - II এ দেখানো হয়েছে।

ক্ষুদ্র বিনিয়োগকারীদের স্বার্থরক্ষা

পরিচালনা পর্ষদ এই মর্মে নিশ্চিত যে, কোম্পানি কর্পোরেট গভার্নেন্স কোড ও তার নিজস্ব আইনানুগ কার্যসীমার মধ্যে পরিচালিত একটি সত্তা এবং কোম্পানির ক্ষুদ্র বিনিয়োগকারীগণ কন্ট্রোলিং শেয়ারহোল্ডারগণের যেকোন প্রত্যক্ষ ও পরোক্ষ ক্ষতিকর কার্যকলাপ থেকে সুরক্ষিত। তদুপরি, যেকোন অনাকাঙ্খিত ঘটনার জন্য যথাযথ প্রতিকারের ব্যবস্থা কোম্পানীতে রয়েছে।

অডিটরদের নিয়োগ

কোম্পানির বর্তমান অডিটর মেসার্স এ ওহাব এন্ড কোং, চার্টার্ড অ্যাকাউন্ট্যান্টস, তাদের ২০২৩ সালের ৩০শে জুন তারিখের সমাপ্ত আর্থিক বছরের নিরীক্ষা সম্পন্ন করার পর আসন্ন বার্ষিক সাধারণ সভায় অবসর গ্রহণ করবেন। বিএসইসি'র প্রজ্ঞাপন মোতাবেক তারা পুনঃনিয়োগের যোগ্য হিসেবে বিবেচিত নন। মেসার্স হুদা ভাসি চৌধুরী এন্ড কোং, চার্টার্ড অ্যাকাউন্ট্যান্টস ১২,৫০,০০০/- টাকা (মূল্য সংযোজন কর ব্যতিরেকে) সম্মানীর বিনিময়ে ২০২৩-২০২৪ অর্থ বছরের নিরীক্ষা কার্যক্রম সম্পন্ন করার লক্ষ্যে নিয়োগ প্রাপ্ত হতে আগ্রহ প্রকাশ করেছেন। এ লক্ষ্যে, কোম্পানির পরিচালনা পর্ষদ শেয়ারহোল্ডারদের নিকট তাদের নিয়োগের জন্য সুপারিশ করেন।

কর্পোরেট গভার্নেন্স কমপ্লায়েন্স স্ট্যাটাস

এসিআই ভোক্তা সাধারণের জীবনযাত্রার গুণগতমান উন্নয়ন, ভোক্তা অধিকার সংরক্ষণ, উদ্ভাবন, স্বচ্ছতা, জবাবদিহিতা ও ক্রমাগত উন্নতির মধ্য দিয়েই ব্যবসার প্রসার ঘটানোর সম্ভব বলে বিশ্বাস করে। এর রয়েছে দেশের সর্ববৃহৎ একীভূত বহুমাত্রিক ঐতিহাসমৃদ্ধ ব্যবসায়িক সংস্কৃতি। জন্মগত ধরে এসিআইতে কর্পোরেট গভার্নেন্স এর অনুশীলন বিরাজমান। পরিচালনা পর্ষদ ও ব্যবস্থাপকগণ কোম্পানীতে কর্পোরেট গভার্নেন্স অনুশীলনে সর্বোচ্চ নৈতিকতা ও মান বজায় রাখার মাধ্যমে শেয়ারহোল্ডার ও অংশীদারদের স্বার্থ রক্ষায় প্রতিশ্রুতিবদ্ধ। আমরা অত্যন্ত আনন্দের সাথে আপনাদের এই মর্মে নিশ্চিত করছি যে, কোম্পানী বাংলাদেশ সিকিউরিটিজ এন্ড একচেঞ্জ কমিশন এর নোটিফিকেশন অনুযায়ী সমস্ত প্রয়োজনীয় দিকনির্দেশনা পালন করেছে। এই অনুসারে, ৩০ শে জুন ২০২৩ সালের সমাপ্ত অর্থবছরের জন্য মন্তব্যসহ কমপ্লায়েন্স রিপোর্ট কোম্পানীর পরিচালকমণ্ডলীর প্রতিবেদনের Annexure - V এ অন্তর্ভুক্ত করা হয়েছে। এ ছাড়াও কর্পোরেট গভার্নেন্স কোড অনুযায়ী আল-মুকতাদীর এ্যাসোসিয়েটস, চার্টার্ড সেক্রেটারীজ, কর্তৃক প্রত্যায়িত কমপ্লায়েন্স সার্টিফিকেট এই প্রতিবেদনের Annexure - VI এ অন্তর্ভুক্ত করা হয়েছে।

পরিচালকমণ্ডলীর পক্ষে



ড. আরিফ দৌলা
ব্যবস্থাপনা পরিচালক

ঢাকা, ২৬ অক্টোবর ২০২৩

চলমান প্রতিষ্ঠান

পরিচালনা পর্ষদ বিশ্বাস করে যে, এসিআই লিমিটেড একটি চলমান প্রতিষ্ঠান হিসাবে পরিচালিত। তারা পর্যাপ্ত অনুসন্ধান এবং বিশ্লেষণের মাধ্যমে নিশ্চিত হয়েছে যে, সম্পদ এবং পর্যাপ্ত ব্যবসায়িক সুযোগের মাধ্যমে কোম্পানীকে চলমান প্রতিষ্ঠান হিসেবে বিবেচনা করা যায়, যা নিশ্চিতকরণের জন্য পরিচালকগণ আর্থিক হিসাবপত্র বিশ্লেষণ করেছেন। চলমান প্রতিষ্ঠান নীতির আলোকেই কোম্পানীর আর্থিক বিবরণী সমূহ প্রস্তুত করা হয়েছে।

কর্পোরেট সামাজিক দায়বদ্ধতা (CSR)

এসিআই মনে করে দায়বদ্ধতা ও বাণিজ্যিক স্বার্থের মধ্যে এক ধরনের আন্তঃসম্পর্ক ও পারস্পরিক নির্ভরতা বিরাজমান। তেমনি কোম্পানীর কৌশলগত উদ্দেশ্য এবং সামাজিক দায়বদ্ধতা একে অপরের সাথে অঙ্গাঙ্গিভাবে জড়িত এবং অবিচ্ছিন্ন। এ প্রসঙ্গে কোম্পানীর পরিচালনা পর্ষদ বিশ্বাস করে যে, উন্নত ব্যবসাই টেকসই উন্নয়নের মূলকথা। এই মতাদর্শের ভিত্তিতে সমাজের সাথে আমাদের অংশীদারিত্বের ভিত্তিতে যে সম্পর্ক স্থাপিত হয়েছে তা অর্থনৈতিক ও সামাজিক লক্ষ্য অর্জনে সহায়তা করবে। এভাবেই সামাজিক দায়বদ্ধতা এসিআই গ্রুপের একটি কেন্দ্রীয় কার্যক্রম এবং CSR এর আওতায় গৃহীত সকল প্রজেক্ট প্রোগ্রামসমূহ গ্রুপের ব্যবসায়িক সংশ্লিষ্টতা এবং বাংলাদেশের আর্থ সামাজিকতার সাথে সম্পর্কিত। টেকসই ব্যবসা প্রতিষ্ঠান গড়ে তোলার লক্ষ্যে আমরা সামাজিক দায়বদ্ধতা ও আকাঙ্ক্ষার প্রতি শ্রদ্ধাশীল।

এসিআই'র মানবসম্পদ

সামষ্টিক অর্থনৈতিক চাপ এবং বাহ্যিক অস্থিরতার পরিপ্রেক্ষিতে এই বছরটি বিগত দশকের মধ্যে সবচেয়ে চ্যালেঞ্জিং ছিল, এই প্রতিকূলতাবলি কাটিয়ে উঠতে এসিআই-এর কর্মীরা বারবার নিজেদেরকে নতুনভাবে সচেষ্ট করেছিল। আমাদের স্বচ্ছতা, ন্যায্যতা, গ্রাহক কেন্দ্রিকতা, গুণমান, প্রগতিশীল উন্নতি এবং উদ্ভাবন; সর্বজনীন প্রয়োজ্যতা এবং শক্তিশালী সৃজনশীল শক্তি জাগিয়ে তোলার ক্ষমতা এই কঠিন পরিস্থিতিতে আমাদের পরিচালিত করেছিল। আমাদের কাজ ও প্রচেষ্টার মাধ্যমে সৃজনশীলতা ও দৃঢ়তা দিয়ে চ্যালেঞ্জ মোকাবেলা করতে হয়েছে। এটি এমন একটি বছর ছিল যেখানে আমাদের মূল্যবোধগুলিকে আমাদের কাজের মাধ্যমে প্রতিফলিত করতে হয়েছিল।

আমরা শারীরিক উপস্থিতি এবং ডিজিটাল অসংখ্য কাস্টমাইজড প্রশিক্ষণ প্রোগ্রাম পরিচালনা করেছি। মহামারীর পরেও ডিজিটাল প্ল্যাটফর্মগুলি কোম্পানিতে নানাভাবে ব্যবহৃত হচ্ছে। আমরা নিম্নেই যোগাযোগ করতে পারি এবং যথাসামান্য সময় ও শক্তি ব্যয় করে বৃহত্তর প্রভাব অর্জন করতে পারি। মানুষ এবং কম্পিউটারের মিথস্ক্রিয়া এবং সফটওয়্যারের ব্যবহার উভয়ের ভূমিকাই কর্মক্ষেত্রে নতুন করে বিশেষায়িত করছে। এসিআই সেদিকেই এগিয়ে যাচ্ছে। নির্দিষ্ট জ্ঞানের অর্জনের উপর বিশেষ ভাবে গুরুত্ব দেওয়া হচ্ছে যা ভালু চেইনে বিশাল পরিবর্তন বয়ে আনবে।

গত বছর, প্রাথমিকভাবে সঙ্কটের কারণে, আমাদের অনেক কম জমায়েত এবং উদযাপন ছিল, কিন্তু অনেক বুদ্ধিমত্তা চর্চার সেশন এবং ব্যবসায়িক মিটিং ছিল। সঙ্কট ক্রমের সাথে সাথে, আমরা আশা করি যে পরিস্থিতি আমাদের ঐতিহ্যগত এবং আরও বেশি মানবিক মিথস্ক্রিয়াগুলির মাধ্যমে জীবনীশক্তি, সৃজনশীলতা এবং শক্তি দিয়ে আরও সমৃদ্ধ হবে।

কৃতজ্ঞতা জ্ঞাপন ও স্বীকৃতি

কোম্পানির পরিচালনা পর্ষদ দৃঢ়ভাবে বিশ্বাস করে যে, এসিআই'র রয়েছে পর্যাপ্ত শক্তি, সম্পদ ও প্রতিশ্রুতি যা কোম্পানীকে আরও উচ্চতায় পৌঁছে দিতে পারে। বহুবিধ চ্যালেঞ্জের মুখোমুখি হওয়া সত্ত্বেও কোম্পানীর ব্যবসায়িক ফলাফল পরিচালনা পর্ষদ তথা সকল কর্মীবৃন্দের দৃঢ় মনোবল এবং সংকল্পেরই ফসল। এসিআই'র সকল ব্যবসায়িক সহযোগী, শেয়ার মালিক, সরবরাহকারী, ক্রেতা, ব্যাংক ও মিডিয়া যাদের সহযোগীতা এবং অক্লান্ত পরিশ্রমের ফলে এসিআই আজকের এই পর্যায়ে এসেছে তাদের জন্য পরিচালনা পর্ষদের পক্ষ থেকে রইল আন্তরিক অভিনন্দন।

মানুষের জীবন-মান উন্নয়নে আমাদের লক্ষ্যের প্রতি তাদের এই অব্যাহত মূল্যবান সমর্থন ও সহযোগীতা আমাদের কাছে যথেষ্ট গুরুত্ব বহন করে।

পরিশেষে, এবং অত্যন্ত গুরুত্বের সাথে আমরা পরিচালনা পর্ষদের পক্ষ থেকে ফ্যাক্টরী, ডিপো এবং অফিস সমূহের সকলের অক্লান্ত প্রচেষ্টার প্রতি আমাদের কৃতজ্ঞতা জানাতে চাই। নানাবিধ অনিশ্চয়তা ও প্রতিকূলতার মাঝেও তাদের কঠোর পরিশ্রম ও নিষ্ঠার ফলে এসিআই'কে একটি শক্তিশালী প্রতিষ্ঠান হিসেবে গড়ে তুলেছে যা জনগণের জীবন-মান উন্নয়নে নিরন্তর অবদান রেখে চলেছে।



কামরান তানভীরুর রহমান
স্বতন্ত্র পরিচালক

Annexure - I

Number of Board Meetings and Attendance of Directors

As per condition no. 1 (5) (xxii) of the Corporate Governance Code 2018 issued by Bangladesh Securities and Exchange Commission, the number of Board Meetings held and the Attendance by each Director during the Financial Year 2022-2023 are as follows:

| Name | Position in Board | Meeting Held | Meeting Attended | Remarks |
|----------------------------|----------------------|--------------|------------------|---------|
| Mr. M. Anis Ud Dowla | Chairman | 8 | 8 | - |
| Ms. Shusmita Anis | Director | 8 | 8 | - |
| Mr. Kamran Tanvirur Rahman | Independent Director | 8 | 8 | - |
| Mr. Adil Husain | Independent Director | 8 | 8 | - |
| Mr. Golam Mainuddin | Director | 8 | 8 | - |
| Mr. Abdul-Muyeed Chowdhury | Director | 8 | 7 | - |
| Mr. Anisuddin Ahmed Khan | Director | 8 | 8 | - |
| Mr. Juned Ahmed Choudhury | Director | 8 | 8 | - |
| Dr. Arif Dowla | Managing Director | 8 | 8 | - |

- The Board granted leave of absence to the members who were unable to attend Board meetings as per laws

Annexure - II

Pattern of Shareholding

As per condition no. 1 (5) (xxiii) of the Corporate Governance Code 2018 issued by Bangladesh Securities and Exchange Commission, the pattern of shareholding along with name wise details as on 30 June 2023 are as follows:

| Condition no. | Name of Shareholders | Position | No. of Shares held | % of Shares held |
|------------------|--|-------------------------------------|--------------------|------------------|
| 1(5) (xxiii) (a) | Parent/Subsidiary/Associated Companies and other related parties: | | | |
| | ACI Foundation | N/A | 7,074,077 | 9.28% |
| 1(5) (xxiii) (b) | Directors: | | | |
| | Mr. M. Anis Ud Dowla | Chairman | 15,140,209 | 19.87% |
| | Dr. Arif Dowla | Managing Director | 3,798,790 | 4.98% |
| | ACI Foundation, Represented By | N/A | 7,074,077 | 9.28% |
| | Ms. Shusmita Anis | Director | 1,475,440 | 1.94% |
| | Mr. Golam Mainuddin | Director | - | - |
| | Mr. Abdul-Muyeed Chowdhury | Director | - | - |
| | Mr. Anisuddin Ahmed Khan | Director | - | - |
| | Mr. Juned Ahmed Choudhury | Director | - | - |
| | Investment Corporation of Bangladesh, (ICB) | N/A | 5,434,715 | 7.13% |
| | Mr. Kamran Tanvirur Rahman | Independent Director | - | - |
| | Mr. Adil Husain | Independent Director | - | - |
| | Chief Executive Officer, Chief Financial officer, Company Secretary, Head of Internal Audit & Compliance: | | | |
| | Dr. Arif Dowla | Chief Executive Officer | 3,798,790 | 4.98% |
| | Mr. Pradip Kar Chowdhury | Chief Financial Officer | - | - |
| | Mr. Mohammad Mostafizur Rahman | Company Secretary | - | - |
| | Mr. Amitava Saha | Head of Internal Audit & Compliance | - | - |
| 1(5) (xxiii) (c) | Executives (Other than Directors, CEO, CS, CFO and Head of Internal Audit & Compliance): | | | |
| | - | - | - | - |
| 1(5) (xxiii) (d) | Shareholders holding 10% or more voting interest in the company: | | | |
| | Mr. M. Anis Ud Dowla | Chairman | 15,140,209 | 19.87% |
| | Investment Corporation of Bangladesh (ICB) | Institution | 5,434,715 | 7.13% |

Annexure-III

Management Discussion and Analysis

As per condition no. 1 (5) (xxv) of the Corporate Governance Code 2018 issued by Bangladesh Securities and Exchange Commission, the Management's Discussion & Analysis are as follows:

Accounting policies and estimation for preparation of financial statements

The Company follows International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs) along with local regulations applicable for preparation of financial statements. Detail description of accounting policies and estimation used for preparation of the financial statements of the Company are disclosed in the notes 4 and 6 to the financial statements.

Changes in accounting policies and estimation

The Company has been following consistent policies and estimation. There are no such changes in accounting policies or estimation which has material impact on financial statements.

Comparative analysis of financial performance and financial position as well as cash flows for current financial year with preceding five years.

Major areas of financial performances and financial position as well as cash flows for the financial year 2022-23 along with preceding five years are as follows:

Figures in million except ratios and percentage

| Particulars | July 2022- June 2023 | July 2021- June 2022 | July 2020- June 2021 | July 2019- June 2020 | July 2018- June 2019 | July 2017- June 2018 |
|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Turnover (net) | 29,931 | 28,427 | 25,730 | 23,202 | 21,796 | 21,387 |
| Gross profit | 11,883 | 11,763 | 11,372 | 10,705 | 9,886 | 9,242 |
| Profit before tax | 2,293 | 2,948 | 3,087 | 2,347 | 900 | 1,658 |
| Profit after tax | 1,757 | 2,238 | 2,288 | 1,719 | 531 | 1,317 |
| Earnings per share (Taka) | 23.05 | 29.37 | 31.52 | 27.24 | 9.26 | 26.41 |
| Issued & paid capital | 762 | 726 | 631 | 574 | 499 | 482 |
| Shareowners' equity | 21,420 | 20,669 | 18,893 | 15,421 | 14,322 | 14,256 |
| Net asset per share (Taka) | 281.09 | 271.23 | 260.32 | 244.35 | 249.64 | 248.48 |
| Net Operating Cash Flows Per Share (NOCFPS) | 22.93 | 24.56 | 17.78 | 71.18 | 25.44 | 0.27 |
| Number of employees | 11,077 | 10,233 | 9,380 | 8,364 | 9,147 | 9,053 |
| Total contribution to National Exchequer | 5,209 | 5,087 | 4,829 | 4,318 | 3,770 | 3,625 |

During FY 2022-23, the Company had a 5.29% top line growth compared to the previous year. Despite the revenue growth, profitability of the Company experienced a decline mainly due to rising product costs driven by unfavorable currency exchange rates, increase in energy price, and the overall macro-economic impact. On the other hand, the Company recorded a gain of Taka 249.08 million from its divestment of entire shareholding in two joint venture and associate namely Tetley ACI (Bangladesh) Limited and Asian Consumer Care (Pvt.) Limited respectively. Overall, EPS was Taka 23.05 in FY 2022-23 compared to Taka 29.37 of previous year.

Comparison of financial performances and financial position as well as cash flows with peer industry scenario

The Company is diversified business conglomerate having several businesses in different sectors. Accordingly, the company has no such peer company to draw a reasonable comparison.

Explanation of the financial and economic scenario of the country and the globe

In FY 2022-23, the global economy was on a slow path to recovery with several significant challenges to overcome. These challenges include the lingering effects of the pandemic, ongoing war in Ukraine, and a widespread cost-of-living crisis across the region. According to Global Economic Prospects report of June 2023 from The World Bank, emerging market and developing economies (EMDEs) are struggling to cope being deprived of the wherewithal to create jobs and deliver essential services to their most vulnerable citizens.

The World Bank also reported that the global growth is projected to slow significantly amid high inflation, tight monetary policy, and more restrictive credit conditions. The risk of more widespread bank turmoil and tighter monetary policy could result in even weaker global growth and lead to financial dislocations in the most vulnerable emerging market and developing economies (EMDEs). Comprehensive policy action may aid to foster macroeconomic and financial stability to a large extent. Among many EMDEs, and especially in low-income countries, bolstering fiscal sustainability may require generating higher revenues, making spending more efficient, and improving debt management practices. Continued international cooperation may help to tackle climate change, support populations affected by crises and hunger, and provide debt relief where needed.

On the other hand, the World Economic Outlook report of October 2023 from International Monetary Fund noted that the resilience shown by the global economy in various sectors was also noteworthy. Despite facing disruptions in energy and food markets due to the war and the unprecedented tightening of global monetary conditions aimed at combating decades-high inflation, the global economy managed to avoid coming to a complete standstill. However, the recovery was characterized by a slow and uneven nature, and there were noticeable divergences in economic performance across the region on a global scale. Overall, the global economy is making progress, but it's far from sprinting; it's more like it's limping along.

Amid ongoing global instability, Bangladesh has also been affected by various factors like high inflation, continuing devaluation of Taka against major foreign currencies, and pressures on the foreign currency reserve of the Country. Bangladesh's economy has been recovering from the economic damages caused by the impact of COVID-19 and the ongoing Russia-Ukraine crisis, however, the crisis driven recent slowdown in the global economy has been affecting the country's economic growth.

According to Bangladesh Economic Review 2023 published by Ministry of Finance, Bangladesh's GDP growth in the pre-COVID-19 period was 7.88 percent in FY 2018-19. During the COVID-19 this growth rate declined to 3.45 percent in FY 2019-20, which increased to 6.94 percent in FY 2020-21 and 7.10 percent in FY 2021-22. According to the provisional estimates of Bangladesh Bureau of Statistics (BBS), the GDP growth rate stood at 6.03 percent in current FY 2022-23 and the per capita national income stood at US\$ 2,765. The FY 2022-23 monetary policy was formulated in order to discourage unproductive financial flows to tame the demand-side pressures without circumventing the required flow of funds to the productive sectors easing supply-side conditions and supporting the country's long-term growth aspirations.

In conclusion, apart from containing inflation at tolerable levels, keeping import payments manageable and maintaining stability in the foreign exchange markets might be a critical challenge for the economy. Bangladesh expects that the formulation of a contractionary cautious monetary and credit programme will support the economic recovery process in the coming days as well as mitigate inflationary and exchange rate pressures. In addition to the government's endeavors to tackle the challenges, the private sector in Bangladesh is also consistently channeling its efforts and enthusiasm to lead the country's progress.

Risk and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company

The Company has exposure to the Credit Risk, Liquidity Risk and Market Risk arising from its operations as outlined in the financial statements. The detail explanation of risk and concerns along with the Risk Management Framework are explained in the note 38 to the financial statements published in this annual report. The Company has taken sufficient steps and controls effectively consistently round the year to mitigate the risk and concerns.

Future plan for company's operation, performances and financial position

The Company has taken all sorts feasible plans, strategy and vision to continue the operations of the Company for foreseeable future. This is relevant to share that the Company maintains a periodic action plans along with mid-term and long-term strategies to maintain the sustainability in its performances and financial position.



Dr. Arif Dowla
Managing Director

Annexure-IV

[As per condition No. 1(5) (xxvi)]

DECLARATION BY CEO AND CFO

Date: 26 October 2023

The Board of Directors
ACI Limited

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

Dear Sirs,

Pursuant to the condition No. 1(5) (xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of ACI Limited for the year ended on 30 June 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 30 June 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,



Dr. Arif Dowla
Managing Director



Pradip Kar Chowdhury
Chief Financial Officer



Annexure-V

Status of Compliance 2022-23 with the Corporate Governance Code (CGC)

[As per condition No. (5) (xxvii)]

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRCD/2006-158/207/Admin/80 dated 3 June 2018

(Report under Condition No. 9)

| Condition No. | Title | Status | | Remarks |
|---------------|--|----------|--------------|------------------------|
| | | Complied | Not Complied | |
| 1(1) | The number of Board members shall not be less than 5 (five) and more than 20 (twenty); | Complied | | There are 9 Directors |
| 1(2)(a) | At least one-fifth (1/5) of the total number of directors shall be Independent Directors (ID); | Complied | | Two IDs in the Board |
| 1(2)(b)(i) | IDs do not hold any share or holds less than 1% shares of the total paid-up shares of the Company; | Complied | | As declared by the IDs |
| 1(2)(b)(ii) | ID is not a sponsor and not connected with any sponsor or director or nominated director or shareholder or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares and his or her family members shall not hold above mentioned shares; | Complied | | - do - |
| 1(2)(b)(iii) | ID has not been an executive of the company in immediately preceding two financial years; | Complied | | - do - |
| 1(2)(b)(iv) | ID does not have any pecuniary or otherwise relationship with the company or its subsidiary/associated companies; | Complied | | - do - |
| 1(2)(b)(v) | ID is not a member or TREC holder, director or officer of any stock exchange; | Complied | | - do - |
| 1(2)(b)(vi) | ID 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; | Complied | | - do - |
| 1(2)(b)(vii) | ID is/was not a partner or an executive of company's audit firms engaged in Statutory Audit or Internal Audit or Special Audit or Compliance Certification of the Codes during preceding three years; | Complied | | - do - |
| 1(2)(b)(viii) | ID shall not be independent director in more than five listed companies; | Complied | | - do - |
| 1(2)(b)(ix) | ID has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or NBF1; | Complied | | - do - |
| 1(2)(b)(x) | ID has not been convicted for a criminal offence involving moral turpitude; | Complied | | - do - |
| 1(2)(c) | Appointment of ID shall be done by Board and approved by shareholders in the AGM; | Complied | | Appointed at AGM |
| 1(2)(d) | The position of IDs cannot remain vacant for more than ninety days. | - | | No such case |
| 1(2)(e) | The tenure of office of an ID shall be for Three years, which may be extended for One tenure only | Complied | | |
| 1(3)(a) | ID shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, corporate laws, regulatory requirements and can make meaningful contribution to the business; | Complied | | As declared by the IDs |
| 1(3)(b)(i) | ID is a Business Leader who is/was a promoter or director of an unlisted company having minimum paid-up capital of One Hundred million or any listed company or a member of any national or international chamber of commerce or business association | Complied | | - do - |

| Condition No. | Title | Status | | Remarks |
|---------------|---|----------|--------------|---------------------------------|
| | | Complied | Not Complied | |
| 1(3)(b)(ii) | ID is/was a Corporate Leader as top level executive as adopted by the code and a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company; | Complied | | - do - |
| 1(3)(b)(iii) | ID was Former official of government in the position not below 5th Grade of the national pay scale and educational background of bachelor degree in economics or commerce or business or law; | - | | N/A |
| 1(3)(b)(iv) | ID is/was University Teacher who has educational background in Economics or Commerce or Business Studies or Law; | - | | - do - |
| 1(3)(b)(v) | ID is/was a professional or an advocate practicing in the HCD of Bangladesh Supreme Court or a CA,CMA, CFA, CCA, CPA and CS or equivalent qualification; | - | | - do - |
| 1(3)(c) | The ID shall have at least Ten years of experiences in any field mentioned in clause (b); | Complied | | As declared by the IDs |
| 1(3)(d) | Special cases for relaxing qualifications or experiences with prior approval of the Commission. | - | | N/A |
| 1(4)(a) | Chairman of the Board and the Chief Executive Officer of the companies is different individuals having clearly defined their respective roles and responsibilities by Board. | Complied | | They are different individuals |
| 1(4)(b) | This MD and CEO of a listed Company shall not hold the same position in another listed Company. | Complied | | Compliance Declared |
| 1(4)(c) | Chairperson elected from among the non-executive directors of the company; | Complied | | He is a non-executive director |
| 1(4)(d) | The Board clearly defined respective roles for Chairman and the Managing Director; | Complied | | |
| 1(4)(e) | In absence of Chairman, the remaining members may elect one from non-executive directors as Chairperson for that particular Board's meeting; | - | | No such case in the year |
| 1(5)(i) | An industry outlook and possible future developments; | Complied | | Stated in the Directors' Report |
| 1(5)(ii) | Segment-wise or product-wise performance. | Complied | | - do - |
| 1(5)(iii) | Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any; | Complied | | - do - |
| 1(5)(iv) | A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable; | Complied | | - do - |
| 1(5)(v) | A discussion on continuity of any extraordinary activities and their implications (gain or loss); | Complied | | - do - |
| 1(5)(vi) | A detailed discussion and statement on related party transactions; | Complied | | - do - |
| 1(5)(vii) | A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments; | Complied | | - do - |
| 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.; | Complied | | - do - |
| 1(5)(ix) | An explanation on any significant variance between Quarterly Financial performances and Annual Financial Statements; | Complied | | - do - |
| 1(5)(x) | A statement of Directors remuneration; | Complied | | - do - |

Contd.

| Condition No. | Title | Status | | Remarks |
|----------------|---|----------|--------------|---------------------------------|
| | | Complied | Not Complied | |
| 1(5)(xi) | A statement on fair preparation of the financial statements by the management of the issuer company; | Complied | | - do - |
| 1(5)(xii) | A statement that proper books of account of the issuer company have been maintained; | Complied | | - do - |
| 1(5)(xiii) | A statement that appropriate accounting policies have been consistently applied in the financial statements and that the accounting estimates are based on reasonable and prudent judgment; | Complied | | - do - |
| 1(5)(xiv) | IAS / BAS / IFRS / BFRS, as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed. | Complied | | - do - |
| 1(5)(xv) | A statement that the system of internal control is sound in design and has been effectively implemented and monitored; | Complied | | - do - |
| 1(5)(xvi) | A statement with regard to the protection of minority shareholders from abusive actions of controlling shareholders. | Complied | | - do - |
| 1(5)(xvii) | A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern; | Complied | | - do - |
| 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; | Complied | | - do - |
| 1(5)(xix) | Key operating and financial data of at least preceding 5 (five) years shall be summarized; | Complied | | - do - |
| 1(5)(xx) | An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year; | - | | Dividend declared |
| 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; | Complied | | Stated in the Directors' Report |
| 1(5)(xxii) | The total number of Board meetings held during the year and attendance by each director; | Complied | | - do - |
| 1(5)(xxiii)(a) | Parent / Subsidiary / Associated Companies and other related parties (name wise details); (i.e. Patterns of Shareholdings) | Complied | | - do - |
| 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); | Complied | | - do - |
| 1(5)(xxiii)(c) | Executives; | Complied | | - do - |
| 1(5)(xxiii)(d) | Shareholders holding ten percent (10%) or more voting interest in the company (name wise details). | Complied | | - do - |
| 1(5)(xxiv)(a) | A brief resume of the director; | Complied | | - do - |
| 1(5)(xxiv)(b) | Nature of expertise in specific functional areas; | Complied | | - do - |
| 1(5)(xxiv)(c) | Names of companies in which the person also holds the directorship and membership of board committees; | Complied | | - do - |
| | A Management's Discussion and Analysis signed by CEO or MD | Complied | | - do - |
| 1(5)(xxv)(a) | Presenting detailed analysis of accounting policies and estimation for preparation of financial statements; | Complied | | - do - |
| 1(5)(xxv)(b) | Presenting detailed analysis of changes in accounting policies and estimation, if any; | Complied | | - do - |

| Condition No. | Title | Status | | Remarks |
|---------------|---|----------|--------------|------------------------------------|
| | | Complied | Not Complied | |
| 1(5)(xxv)(c) | Presenting detailed analysis of comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof; | Complied | | - do - |
| 1(5)(xxv)(d) | Presenting detailed analysis of compare such financial performance or results and financial position as well as cash flows with the peer industry scenario; | Complied | | |
| 1(5)(xxv)(e) | Presenting detailed analysis of briefly explain the financial and economic scenario of the country and the globe; | Complied | | - do - |
| 1(5)(xxv)(f) | Presenting detailed analysis of risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; | Complied | | - do - |
| 1(5)(xxv)(g) | Presenting detailed analysis of 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; | Complied | | - do - |
| 1(5)(xxvi) | Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) disclosed as per Annexure-A; | Complied | | - do - |
| 1(5)(xxvii) | The report and compliance certificate disclosed as per Annexure-B and Annexure-C; | Complied | | - do - |
| 1(6) | Conducting Board meetings and recording the minutes of the meetings and keeping required books and records in line BSS as adopted by the ICSB; | Complied | | |
| 1(7)(a) | Code of conduct, based on the recommendation of the NRC for the Chairman of the Board, other board members and Managing Director of the company; | Complied | | |
| 1(7)(b) | Code of conduct as determined by the NRC shall be posted on the website of the company; | Complied | | |
| 2(a) | Composition of the Board of the subsidiary company; | Complied | | |
| 2(b) | Independent director of the holding company on the Board of the subsidiary company; | Complied | | |
| 2(c) | Review of minutes of the subsidiary company's Board meeting by the holding company's Board; | Complied | | |
| 2(d) | The minutes of respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company | Complied | | |
| 2(e) | Review of financial statements of Subsidiary company by the Audit Committee of the holding company; | Complied | | |
| 3(1)(a) | The Board shall appoint a MD or CEO, CS, CFO and HIAC; | Complied | | |
| 3(1)(b) | The positions of the MD or CEO, CS, CFO and HIAC shall be filled by different individuals; | Complied | | They are different individuals |
| 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; | Complied | | In practice |
| 3(1)(d) | Respective roles, responsibilities and duties of the CFO, the HIAC and the CS; | Complied | | |
| 3(1)(e) | Removal of the MD or CEO, CS, CFO and HIAC with approval of the Board and immediate dissemination to BSEC and stock exchange(s); | Complied | | No such case in the reporting year |

Contd.

| Condition No. | Title | Status | | Remarks |
|---------------|--|----------|--------------|----------------------------------|
| | | Complied | Not Complied | |
| 3(2) | The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board; | Complied | | In practice |
| 3(3)(a)(i) | Certification of CEO and CFO as to the review of financial statements with declaration that there is no materially untrue and misleading statement; | Complied | | Given in the Directors' Report |
| 3(3)(a)(ii) | Certification of CEO and CFO as to the true and fair view of the financial statements and affairs of the Company's per applicable laws; | Complied | | - do - |
| 3(3)(b) | Certification of CEO and CFO that to the best of their knowledge and belief there was no fraudulent, illegal transactions during the year; | Complied | | - do - |
| 3(3)(c) | The certification of the MD or CEO and CFO shall be disclosed in the Annual Report | Complied | | - do - |
| 4(i) | Board Audit Committee (BAC) | Complied | | In practice |
| 4(ii) | Nomination and Remuneration Committee | Complied | | - do - |
| 5(1)(a) | BAC as a sub-committee of the Board; | Complied | | - do - |
| 5(1)(b) | BAC shall assist the Board of Directors as to the the financial statements reflect true and fair view of the state of affairs of the company; | Complied | | The AC functioned as per CG Code |
| 5(1)(c) | BAC is responsible to the Board. The duties of the BAC is clearly set forth in writing. | Complied | | - do - |
| 5(2)(a) | BAC is composed of 3 (three) members. | Complied | | There are 3 members |
| 5(2)(b) | The Board appointed members of BAC who are non-executive directors and Chairperson is an ID. | Complied | | |
| 5(2)(c) | All members of BAC are "financially literate" and 1 (one) member have accounting or related financial management background and 10 (ten) years of such experience; | Complied | | |
| 5(2)(d) | Filling of casual vacancy in the BAC. | Complied | | |
| 5(2)(e) | The CS shall act as the Secretary of the Committee. | Complied | | In practice |
| 5(2)(f) | The quorum of the BAC meeting have not constitute without ID | Complied | | |
| 5(3)(a) | The Board of Directors select 1 (one) ID as the Chairman of BAC; | Complied | | |
| 5(3)(b) | Election of Chairman of the particular meeting in absence of regular Chairperson of BAC recording the reasons of such absence in the minutes. | - | | No such case in the year |
| 5(3)(c) | Chairman of the BAC shall remain present in the AGM. | Complied | | |
| 5(4)(a) | BAC conducted four meetings in the financial year: | Complied | | 4 meetings held |
| 5(4)(b) | The quorum of the meeting of BAC constituted in presence of either two members including ID or two third of the members, whichever was higher; | Complied | | |
| 5(5)(a) | Oversee the financial reporting process. | Complied | | Performed as per BSEC Guideline |
| 5(5)(b) | Monitor choice of accounting policies and principles. | Complied | | - do - |
| 5(5)(c) | Monitor Internal Audit and Compliance process to ensure that it is adequately resourced; | Complied | | - do - |
| 5(5)(d) | Oversee hiring and performance of external auditors; | Complied | | - do - |
| 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; | Complied | | - do - |

| Condition No. | Title | Status | | Remarks |
|----------------|---|----------|--------------|---------------------------------|
| | | Complied | Not Complied | |
| 55(5)(f) | Review with the management, the annual financial statements before submission to the Board for approval; | Complied | | - do - |
| 5(5)(g) | Review with the management, the quarterly and half yearly financial statements before submission to the Board for approval; | Complied | | - do - |
| 5(5)(h) | Review the adequacy of internal audit function; | Complied | | - do - |
| 5(5)(i) | Review the Management's Discussion and Analysis before disclosing in the Annual Report; | Complied | | - do - |
| 5(5)(j) | Review statement of all related party transactions submitted by the management; | Complied | | - do - |
| 5(5)(k) | Review Management Letters or Letter of Internal Control weakness issued by statutory auditors; | Complied | | - do - |
| 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; | Complied | | - do - |
| 5(5)(m) | Oversee whether the proceeds raised IPO or RPO or Rights Share Offer have been utilized per the purposes stated in relevant offer document or prospectus approved by the Commission; | - | | N/A |
| 5(6)(a)(i) | The BAC shall report on its activities to the Board. | Complied | | |
| 5(6)(a)(ii)(a) | The BAC shall immediately report to the Board if any report on conflicts of interests | - | | No such case in the year |
| 5(6)(a)(ii)(b) | The BAC shall immediately report to the Board if any suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements; | - | | - do - |
| 5(6)(a)(ii)(c) | The BAC shall immediately report to the Board if any suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations | - | | - do - |
| 5(6)(a)(ii)(d) | The BAC shall immediately report to the Board if any other matter which the Audit Committee deems necessary. | - | | - do - |
| 5(6)(b) | If any material impact on the financial condition and results of operation, unreasonably ignored by the management | - | | - do - |
| 5(7) | Reporting to the Shareholders and General Investors | Complied | | Report of AC given in the AR |
| 6(1)(a) | Nomination and Remuneration Committee (NRC) as a sub-committee of the Board; | Complied | | In practice |
| 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; | Complied | | Performed as per BSEC Guideline |
| 6(1)(c) | ToR of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5) (b). | Complied | | - do - |
| 6(2)(a) | The Committee shall comprise of at least three members including an independent director; | Complied | | - do - |
| 6(2)(b) | All members of the Committee shall be non-executive directors. | Complied | | - do - |

Contd.

| Condition No. | Title | Status | | Remarks |
|---------------|--|----------|--------------|------------------------------------|
| | | Complied | Not Complied | |
| 6(2)(c) | Members of the Committee shall be nominated and appointed by the Board | Complied | | - do - |
| 6(2)(d) | The Board shall have authority to remove and appoint any member of the Committee | Complied | | |
| 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; | Complied | | - do - |
| 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; | - | | - do - |
| 6(2)(g) | The company secretary shall act as the secretary of the Committee. | Complied | | In practice |
| 6(2)(h) | The quorum of the NRC meeting shall not constitute without attendance of at least an independent director | Complied | | |
| 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 | Complied | | |
| 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 | Complied | | |
| 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 case in the reporting year |
| 6(3)(c) | The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders | Complied | | |
| 6(4)(a) | The NRC shall conduct at least one meeting in a financial year. | Complied | | |
| 6(4)(b) | The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC | - | | No such case in the year |
| 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); | Complied | | Practiced as per the CG Codes |
| 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; | Complied | | - do - |
| 6(5)(a) | NRC shall be independent and responsible or accountable to the Board and to the shareholders; | Complied | | - do - |
| 6(5)(b)(i)(a) | NRC shall oversee, formulate & recommend to the Board regarding the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully; | Complied | | - do - |
| 6(5)(b)(i)(b) | NRC shall oversee, formulate & recommend to the Board regarding the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; | Complied | | - do - |
| 6(5)(b)(i)(c) | NRC shall oversee, formulate & recommend to the Board regarding 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; | Complied | | - do - |
| 6(5)(b)(ii) | NRC shall oversee & make report with recommendation to the Board regarding devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality; | Complied | | - do - |

| Condition No. | Title | Status | | Remarks |
|---------------|--|----------|--------------|----------------------------|
| | | Complied | Not Complied | |
| 6(5)(b)(iii) | NRC shall oversee & make report with recommendation to the Board regarding 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; | Complied | | - do - |
| 6(5)(b)(iv) | NRC shall oversee & make report with recommendation to the Board regarding formulating the criteria for evaluation of performance of independent directors and the Board; | Complied | | - do - |
| 6(5)(b)(v) | NRC shall oversee & make report with recommendation to the Board regarding identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; | Complied | | - do - |
| 6(5)(b)(vi) | NRC shall oversee & make report with recommendation to the Board regarding developing, recommending and reviewing annually the company's human resources and training policies; | Complied | | - 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; The issuer Company shall not engage its external or statutory auditors - | Complied | | Given in the Annual Report |
| 7(1)(i) | - to perform the appraisal or valuation services or fairness opinions of the company. | Complied | | As declared by Auditors |
| 7(1)(ii) | - to perform the financial information systems design and implementation of the company. | Complied | | - do - |
| 7(1)(iii) | - to perform book-keeping or other services related to the accounting records or financial statements of the company. | Complied | | - do - |
| 7(1)(iv) | - to perform broker-dealer services of the company. | Complied | | - do - |
| 7(1)(v) | - to perform actuarial services of the company. | Complied | | - do - |
| 7(1)(vi) | - to perform internal audit services or special audit services of the company. | Complied | | - do - |
| 7(1)(vii) | - to perform any service that the Audit Committee determines of the company. | Complied | | - do - |
| 7(1)(viii) | - to perform audit or certification services on compliance of corporate governance as required under condition No. 9(1) of the company. | Complied | | - do - |
| 7(1)(ix) | - to perform any other service that creates conflict of interest of the company. | Complied | | - 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; | Complied | | - 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; | Complied | | |
| 8(1) | The company shall have an official website linked with the website of the stock exchange; | Complied | | |
| 8(2) | The company shall keep the website functional from the date of listing; | Complied | | |
| 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) ; | Complied | | |
| 9(1) | Compliance Audit certification and its disclosure in the Annual Report; | Complied | | Given in AR |
| 9(2) | Compliance certification professional shall be appointed by the shareholders in the AGM; | Complied | | Appointed at AGM |
| 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; | Complied | | Given in the Annual Report |



Annexure-VI

Al-Muqtadir Associates
Chartered Secretaries & Consultants

Business Office :
Block : F, Rania Avenue
Aporba Gardenia
House # 530 (5th Floor)
Bashundhara R/A, Dhaka-1229
Bangladesh

Phones : 01730 340 340
01552 108 522
e-mails : akamuqtadir@gmail.com
g-mail : muqtadir@muqtadirbd.com
URL : www.muqtadirbd.com
VAT Reg: 19041063900

Report to the Shareholders of Advanced Chemical Industries Limited (ACI) on compliance with the Corporate Governance Code

[As required under code 1(5) (xxvii) of the BSEC Code of Corporate Governance]

We have examined the compliance status to the Corporate Governance Code by Advanced Chemical Industries Limited for the year ended on 30th June 2023. This code relates to the gazette notification no: BSEC/CMRRCD/2006-158/207/Admin/80 dated the 3rd June 2018 of Bangladesh Securities and Exchange Commission (BSEC).

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 Corporate Governance Code. This is a scrutiny and verification and an independent audit on compliance of the conditions of Corporate Governance as well as 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 the Corporate Governance Code.

We state that we have obtained all the information and explanations or representations, which we have required, and after due scrutiny and verification thereof, we report that in our opinion and subject to the remarks and observations as reported in the connected Compliance Statement:

- (a) The Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Corporate Governance Code issued by the Commission.
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code.
- (c) Proper books and records have been kept by the Company as required under the Companies Act 1994, the securities laws and other relevant laws, and
- (d) The standard of governance in the Company is satisfactory.

This report, however, is no endorsement about quality of contents in the Annual Report of the Company for the year 2022-23.



Dhaka, November 12, 2023

Al-Muqtadir Associates
Chartered Secretaries & Consultants

A.K.A Muqtadir FCS
CEO & Chief Consultant

Advanced Chemical Industries Limited

Auditor's Report & Audited Financial Statements for the year ended 30 June 2023



INDEPENDENT AUDITOR'S REPORT

to the Shareholders of

Advanced Chemical Industries Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of Advanced Chemical Industries Limited and its subsidiaries (the "Group") as well as the separate financial statements of Advanced Chemical Industries Limited (the "Company"), which comprise the consolidated and separate statements of financial position as at 30 June 2023, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements give true and fair view of the consolidated financial position of the Group and the separate financial position of the Company as at 30 June 2023, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and 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 ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) By-Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the audit of financial statements are as under:

Property, plant and equipment (PPE)

PPE includes the Group's and the Company's long-term assets, which flow economic benefits to the entities more than one year. PPE is measured at cost or revaluation less accumulated depreciation. The carrying value of PPE represents significant portion of total assets as on 30 June 2023, which is amounting to Tk. 14,977 million and Tk. 31,716 million respectively for the Company and the Group at the reporting date.

In other words, for both the Company and the Group, approximately 23% and 35% of total assets are represented by PPE. Therefore, it has been considered as a significant area of auditor's judgment. It is a matter of consideration that the carrying value of PPE may be higher than the recoverable amount and the impairment thereon may not have been recognized.

Audit procedure performed to address the key audit matter

We have tested the design and operating effectiveness of key controls over PPE. Our audit procedures included, among others, considering the impairment risk of the assets. Followings are our audit procedures on the carrying value and impairment risk of PPE:

- Reviewing basis of recognition and measurement of assets;
- Review of procedures of assets acquisition, depreciation and disposal;
- Checking ownership of the major assets;
- Checking the Capital-Work-in-Progress (CWIP) and its transfer to PPE;
- Performing due verification on sample basis;
- Evaluating the Group's assumptions to identify if there is any requirement of recognition of impairment;
- Checking fixed asset register of the company, performing test check of depreciation calculation, checking fixed assets schedule and books of accounts maintained by the company; and
- Finally, assessing the appropriateness and presentation of disclosures in line with relevant accounting standards.

Our testing did not identify any issues with regard to PPE and related depreciation.

Investments in subsidiaries, associates and JVs of the Company and its impairment

The Company has investments amounting to Tk. 2,905 million on 30 June 2023 held at cost less impairment that represents 4% of the Company's total assets. Some of the subsidiaries have incurred losses during the year under audit specifically, ACI Logistics Limited (Tk.1,528,963,936), ACI HealthCare Limited (Tk. 2,241,140,903), Infolytx Bangladesh Limited (Tk. 153,996,411), ACI Chemicals Limited (Tk. 22,842,981), ACI AgroLink Limited (Tk. 31,301,593), Premiaflex Plastics Limited (Tk.81,512,860), ACI Biotech Limited (Tk. 233,806), and also having negative operational cash flows. The component auditors have given emphasis of matter on going concern issue of ACI Logistics Ltd., ACI Agrolink Limited, ACI Foods Limited and ACI HealthCare Limited without modifying audit opinion.

The Company has completed a Strategic Review and as a result, has decided to keep Investment Impairment Provision only for ACI Logistics Ltd. It is, therefore a matter of consideration whether the judgment of the management with regard to impairment is reasonable or not.

Audit procedure performed to address the key audit matter

We have tested the design of control over the review of the investment impairment analysis. Our audit procedures included, among others, considering the impairment risk associated with the investments.

Followings are our audit procedures on the carrying value and impairment risk of investments:

- Gained an understanding on management expectation on recoverability of investment;
- Comparing the carrying amount of investments with the relevant subsidiaries, associates and JVs' financial statements to identify whether their net assets, being an approximation of their minimum recoverable amount, were in excess of their carrying amount and assessing whether those subsidiaries, associates and JVs have historically been profit-making;
- Reviewing the Management's analysis of impairment assessment;
- Checking mathematical accuracy of the model, reviewing inputs used in the determination of assumptions within the model and corroborating information obtained with reference to external market information, third-party sources where applicable;
- Reviewing the audit reports issued by the components' auditors; and
- Considering the adequacy of the Company's disclosures against relevant accounting standards.

Our testing did not identify any major issues with regard to investments in subsidiaries, associates and JVs of the Company.

Inventory

At year end, the Company and the Group as a whole reported inventory of Tk. 6,762 million and Tk. 21,792 million which represents 10% and 24% respectively of total assets of goods held in depots, central warehouse and factories. Inventories are carried at lower of cost and net realizable value. The Group provides provision for obsolescence or slow-moving items based on analysis of age, quality, damage and expiry of inventories. This methodology relies upon assumptions made in determining appropriate provisioning amount to inventory balances. Therefore, it has been considered as key area of auditor's judgment.

Audit procedure performed to address the key audit matter

We obtained a detailed understanding and evaluated the design and implementation of controls that the Group has established in relation to inventory valuation. We obtained assurance over the appropriateness of management's assumptions applied in calculating the value of inventory provisions.

Our audit procedures in relation to the inventory comprise the followings:

- Evaluating the design and implementation of key inventory controls operating across the Group on test basis;
- Conducting review of trade price and compared with cost price to ensure that the inventories are reported at lower of cost or net realizable value and comparing to the associated provision to assess whether inventory provisions are complete;
- Attended inventory counts at the year-end on selected locations to ensure physical existence of the inventory as per record. We have obtained inventory list that was counted by management and checked on sample basis between the quantities reported in the inventory counting sheet with that of quantities reported against the closing inventory.
- We have also examined addition during the year with that of supporting documents like commercial invoices, bill of entries, goods received note, supplier's invoices, consumption records etc.

Our procedures above did not identify any issues with regard to inventory.

Inter-company receivables

The carrying value of the inter-company receivables of the Company was Tk. 33,842 million as at 30 June 2023 representing 52% of total assets of the Company. During our audit of the financial statements of the Company, we have identified the recoverable value of the Company's inter-company receivable stated at cost. Therefore, it is a matter of consideration whether those receivables have been misstated due to non-recognition of transactions at the counter part.

Audit procedure performed to address the key audit matter

We assessed the process and controls put in place by the Company over inter-company transactions. We have obtained an understanding that inter-company balances are operated under normal course of business maintaining a common policy of charging interest to ensure efficient fund management and optimize effective borrowing cost at group level. The Group charge interest on intercompany balances using monthly weighted average cost of borrowings as applicable from time to time. Interest amount has been duly recognized in statement of profit or loss in compliance with applicable financial reporting standards.

Our substantive procedures in relation to the inter-company receivables comprise the followings:

- Understanding and analyzing the nature and reasons for inter-company transactions;
- Obtained GL details and reviewing the financial statements of subsidiaries;
- Checking the transactions between the Group entities on sample basis;
- Obtaining confirmations from the group entities at the reporting date on the closing balances of inter-company receivable and its reconciliation where necessary;
- Performing impairment test on the inter-company balances and independent review on the key indicators including trend of profitability, operating cash flows, and history of inter-company transactions etc.;
- Checking basis of charging of interest on intercompany receivables.
- Checking calculation of interest on the balances of inter-company receivables on test basis and recording in the books of accounts.
- Obtained letter issued by BSEC on withdrawal of restriction on intercompany loans. The BSEC has decided to consider inter-company loan of ACI Limited as the vertical extension of the Group subject to compliance of all the securities related laws.
- Assessing the appropriateness and presentation of disclosures against relevant accounting standards.

Our testing did not identify any major issues with regard to inter-company receivables at the reporting date.

Short-term loan and Bank overdraft (“Loans”)

At reporting date, the position of loans and bank overdraft remained amounting to Tk. 30,572 million and Tk. 53,313 million respectively for the Company and the Group. In other words, approximately 70% and 66% of total liabilities respectively for the Company and the Group are represented by loans and bank overdraft. Evidently, the Company is using loans to operate the business and also, to acquire non-current assets. Therefore, it has been considered as key audit area.

Audit procedure performed to address the key audit matter

We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the loans.

Our audit procedures included, among others, the followings:

- Obtained loan statements and facility offer letters to review terms, debt covenants, interest rates and other conditions associated with the loans.
- Obtained external confirmation of the bank to ensure accuracy of the figures reported.
- Checked interest calculation on test basis.
- Checked whether there is any overdue payments and penal interests.
- Checked the adjustments or repayments of loans through bank statements as per repayment schedule.

Our audit procedures did not identify any issues with regard to the loans.

Revenue Recognition

At year end, the Company reported total revenue of Tk. 29,931 million and the Group, as a whole, reported total revenue of Tk. 115,355 million. Revenue is recognized when the performance obligation is satisfied by transferring goods or services to a customer, either at a point in time or over time. Goods or services are "transferred" when the customer obtains control of it. Furthermore, revenue is measured at net of trade discounts, markdown adjustment, returns and allowances. It is a matter of concern that revenue may be misstated due to recognition of sales transaction before performance obligation being satisfied.

Audit procedure performed to address the key audit matter

Our audit procedures in relation to the revenue recognition comprises the followings:

- Observing and evaluating whether proper segregation of duties put in place;
- Checking business segment wise sales revenue reported in the financial statements with trial balance and management information system;
- Preparing work flow of sales process for different business unit;
- Obtaining month wise breakdown of sales per business unit;
- Months were selected on random basis and GL obtained to select transactions for substantive testing;
- Examining samples of sales invoices for evidence of proper credit approval by the appropriate personnel and application controls for credit limits;
- Comparing prices and terms on samples of sales invoices to the price list;
- Checking invoice raised at the year end and delivery of goods with acknowledgement of customer to ensure that cut off principle has been properly applied;
- Assessing revenue recognition accounting policies by comparison with IFRS 15;
- Testing the effectiveness of the controls over the calculation of discounts;
- Assessing manual journals made to revenue to identify unusual or irregular items; and
- Finally, assessing the appropriateness and presentation of disclosures against relevant accounting standards.

Our testing did not identify any issue with regard to revenue.

Other Matter

Consolidated financial statements are based on the financial statements of subsidiaries, joint ventures and associates as disclosed in the note no. 45 to these financial statements. Other auditors of subsidiaries, joint ventures and associates expressed unmodified opinions on those financial statements so far it appeared from the available audit reports.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report but does not include the financial statements and our auditors' report thereon.

Our opinion on the consolidated and separate 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 consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate 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 Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate 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 consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and 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 Group and the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 consolidated and separate 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 consolidated and separate 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 Group's and 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 Group's and 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 consolidated and separate 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 Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the Group and the Company audit. We remain solely responsible for our audit opinion.

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

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

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

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules, 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, 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 purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Group and the Company so far as it appeared from our examination of these books;
- c) the consolidated and the separate statements of financial position and statements of profit or loss and other comprehensive income along with the annexed notes 1 to 45 dealt with by the report are in agreement with the books of account; and
- d) the expenditure incurred was for the purposes of the Group's and the Company's business.

Dhaka, 26 October 2023

For A. WAHAB & CO.
CHARTERED ACCOUNTANTS



Kazi Md. Mahboob Kasem, FCA
Partner
Enrolment No: 845
DVC: 2310260845AS375176

Advanced Chemical Industries Limited

Statement of Financial Position

| In Taka | Notes | 30 June 2023 | 30 June 2022 |
|--|-------------|-----------------------|-----------------------|
| Assets | | | |
| Property, plant and equipment | 8 | 14,976,955,803 | 13,472,343,749 |
| Right-of-use assets | 9 | 676,828,366 | 392,248,564 |
| Investments | 10 | 2,905,426,944 | 3,267,746,264 |
| Intangible assets | 11 | 1,079,611 | 1,943,287 |
| Biological assets | 12 | 36,569,791 | 31,303,261 |
| Deferred tax assets | 23 | - | 47,610,979 |
| Non-current assets | | 18,596,860,515 | 17,213,196,104 |
| Inventories | 13 | 6,761,997,421 | 7,187,024,570 |
| Trade receivables | 14 | 2,660,996,562 | 2,768,623,795 |
| Other receivables | 15 | 829,985,976 | 608,505,662 |
| Inter-company receivables | 16 | 33,842,810,825 | 26,285,592,138 |
| Advances, deposits and prepayments | 17 | 1,063,519,030 | 855,536,391 |
| Cash and cash equivalents | 18 | 1,179,664,235 | 794,546,169 |
| Current assets | | 46,338,974,049 | 38,499,828,725 |
| Total assets | | 64,935,834,564 | 55,713,024,829 |
| Equity | | | |
| Share capital | 19 | 762,056,260 | 725,767,870 |
| Share premium | | 402,310,367 | 402,310,367 |
| Reserves | 20 | 4,552,487,279 | 5,114,365,043 |
| Retained earnings | | 15,703,473,938 | 14,426,635,479 |
| Total equity | | 21,420,327,844 | 20,669,078,759 |
| Liabilities | | | |
| Employee benefits | 21 | 1,308,810,000 | 1,210,619,893 |
| Long term bank loans | 22 | 1,505,490,802 | 1,068,989,867 |
| Lease liabilities | 9 | 473,566,265 | 305,309,929 |
| Deferred tax liabilities | 23 | 404,136,592 | - |
| Non-current liabilities | | 3,692,003,659 | 2,584,919,689 |
| Bank overdraft | 24 | 5,847,200,405 | 3,357,929,346 |
| Loans and borrowings | 25 | 24,724,912,819 | 20,344,561,395 |
| Lease liabilities-current portion | 9 | 167,785,663 | 116,945,226 |
| Trade payables | 26 | 1,148,133,269 | 1,325,614,745 |
| Other payables | 27 | 3,432,298,815 | 2,834,921,687 |
| Unclaimed dividend account | 28 | 80,014,693 | 82,815,625 |
| Inter-company payables | 29 | 4,203,826,380 | 3,999,748,153 |
| Current tax liabilities | 30 | 219,331,017 | 396,490,204 |
| Current liabilities | | 39,823,503,061 | 32,459,026,381 |
| Total liabilities | | 43,515,506,720 | 35,043,946,070 |
| Total equity and liabilities | | 64,935,834,564 | 55,713,024,829 |
| Net Asset Value (NAV) per share | 37.3 | 281.09 | 271.23 |

The annexed notes 1 to 45 form an integral part of these financial statements.



Dr. Arif Dowla
Managing Director



Kamran Tanvirur Rahman
Director



Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.



(A. WAHAB & CO.)
Chartered Accountants
Kazi Md. Mahboob Kasem, FCA
Partner
Enrolment No: 845
DVC: 2310260845AS375176

Dhaka, 26 October 2023



Advanced Chemical Industries Limited

Statement of Profit or Loss

| In Taka | Note | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|---|------|---------------------------------------|---------------------------------------|
| Revenue | 31 | 29,930,834,290 | 28,426,793,419 |
| Cost of sales | 32 | (18,047,378,381) | (16,664,215,869) |
| Gross profit | | 11,883,455,909 | 11,762,577,550 |
| Administrative, selling and distribution expenses | 33 | (10,156,520,710) | (8,903,768,046) |
| Other income | 34 | 737,277,162 | 576,785,539 |
| Operating profit | | 2,464,212,361 | 3,435,595,043 |
| Gain on disposal of investment in joint ventures and associates | 10 | 249,078,189 | - |
| Net finance costs | 35 | (300,088,263) | (332,551,204) |
| Profit before contribution to WPPF | | 2,413,202,287 | 3,103,043,839 |
| Contribution to WPPF | 27.1 | (120,660,114) | (155,152,192) |
| Profit before tax | | 2,292,542,173 | 2,947,891,647 |
| Income tax expense | 36 | | |
| Current tax expense | | (613,646,788) | (663,125,768) |
| Deferred tax income/(expense) | | 77,808,659 | (46,903,250) |
| | | (535,838,129) | (710,029,018) |
| Profit after tax | | 1,756,704,044 | 2,237,862,629 |
| Earnings per share | 37.1 | | |
| Basic and diluted earnings per share | | 23.05 | 29.37 |

The annexed notes 1 to 45 form an integral part of these financial statements.

Dr. Arif Dowla
Managing Director

Kamran Tanvirur Rahman
Director

Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.

(A. WAHAB & CO.)
Chartered Accountants
Kazi Md. Mahboob Kasem, FCA
Partner
Enrolment No: 845
DVC: 2310260845AS375176

Dhaka, 26 October 2023

Advanced Chemical Industries Limited

Statement of Profit or Loss and other Comprehensive Income

| In Taka | Notes | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|--|-------|---------------------------------------|---------------------------------------|
| Profit after tax | | 1,756,704,044 | 2,237,862,629 |
| Other comprehensive income | | | |
| Items that will not be reclassified to profit or loss | | | |
| Remeasurement of defined benefit plan | 21.1 | (104,120,336) | - |
| Related tax | | 23,427,076 | - |
| | | (80,693,260) | - |
| Change in fair value of FVOCI financial assets | 20.1 | (8,894,459) | (57,336,144) |
| Related tax | | 889,446 | 5,733,614 |
| | | (8,005,013) | (51,602,530) |
| Revaluation surplus on property, plant and equipment | | - | - |
| Related tax (arising from change in tax rates) | | (553,872,751) | - |
| | | (553,872,751) | - |
| Other comprehensive income, net of tax | | (642,571,024) | (51,602,530) |
| Total comprehensive income | | 1,114,133,020 | 2,186,260,099 |

The annexed notes 1 to 45 form an integral part of these financial statements.



Dr. Arif Dowla
Managing Director

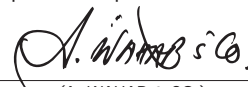


Kamran Tanvirur Rahman
Director



Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.



(A. WAHAB & CO.)
Chartered Accountants
Kazi Md. Mahboob Kasem, FCA
Partner
Enrolment No: 845
DVC: 2310260845AS375176

Dhaka, 26 October 2023

Advanced Chemical Industries Limited

Statement of Changes in Equity



For the year ended 30 June 2023

| In Taka | Share capital | Share premium | Capital reserve | FVOCI reserve | Revaluation reserve | Retained earnings | Total equity |
|---|---------------|---------------|-----------------|---------------|---------------------|-------------------|----------------|
| Balance at 1 July 2022 | 725,767,870 | 402,310,367 | 1,671,386 | 401,449,156 | 4,711,244,501 | 14,426,635,479 | 20,669,078,759 |
| Total comprehensive income | | | | | | | |
| Profit after tax | - | - | - | - | - | 1,756,704,044 | 1,756,704,044 |
| Other comprehensive income, net of tax | - | - | - | (8,005,013) | (553,872,751) | (80,693,260) | (642,571,024) |
| Total comprehensive income | - | - | - | (8,005,013) | (553,872,751) | 1,676,010,784 | 1,114,133,020 |
| Transactions with owners of the Company | | | | | | | |
| Contributions and distributions | | | | | | | |
| Issuance of bonus shares for the year 2021-22 | 36,288,390 | - | - | - | - | (36,288,390) | - |
| Cash dividend for the year 2021-22 | - | - | - | - | - | (362,883,935) | (362,883,935) |
| Total contributions and distributions | 36,288,390 | - | - | - | - | (399,172,325) | (362,883,935) |
| Total transactions with owners of the Company | 36,288,390 | - | - | - | - | (399,172,325) | (362,883,935) |
| Transactions recognised directly in equity | | | | | | | |
| Realisation of revaluation reserve | - | - | - | - | - | - | - |
| Total transactions recognised directly in equity | - | - | - | - | - | - | - |
| Balance at 30 June 2023 | 762,056,260 | 402,310,367 | 1,671,386 | 393,444,144 | 4,157,371,750 | 15,703,473,938 | 21,420,327,844 |

For the year ended 30 June 2022

| In Taka | Share capital | Share premium | Capital reserve | FVOCI reserve | Revaluation reserve | Retained earnings | Total equity |
|---|---------------|---------------|-----------------|---------------|---------------------|-------------------|----------------|
| Balance at 1 July 2021 | 631,102,500 | 402,310,367 | 1,671,386 | 453,051,685 | 4,711,244,501 | 12,693,654,845 | 18,893,035,284 |
| Total comprehensive income | | | | | | | |
| Profit after tax | - | - | - | - | - | 2,237,862,629 | 2,237,862,629 |
| Other comprehensive income, net of tax | - | - | - | (51,602,530) | - | - | (51,602,530) |
| Total comprehensive income | - | - | - | (51,602,530) | - | 2,237,862,629 | 2,186,260,099 |
| Transactions with owners of the Company | | | | | | | |
| Contributions and distributions | | | | | | | |
| Issuance of bonus shares for the year 2020-21 | 94,665,370 | - | - | - | - | (94,665,370) | - |
| Cash dividend for the year 2020-21 | - | - | - | - | - | (410,216,625) | (410,216,625) |
| Total contributions and distributions | 94,665,370 | - | - | - | - | (504,881,995) | (410,216,625) |
| Total transactions with owners of the Company | 94,665,370 | - | - | - | - | (504,881,995) | (410,216,625) |
| Transactions recognised directly in equity | | | | | | | |
| Realisation of revaluation reserve | - | - | - | - | - | - | - |
| Total transactions recognised directly in equity | - | - | - | - | - | - | - |
| Balance at 30 June 2022 | 725,767,870 | 402,310,367 | 1,671,386 | 401,449,156 | 4,711,244,501 | 14,426,635,479 | 20,669,078,759 |

The annexed notes 1 to 45 form an integral part of these financial statements.

Advanced Chemical Industries Limited

Statement of Cash Flows

| In Taka | Note | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|---|------|---------------------------------------|---------------------------------------|
| Cash flows from operating activities | | | |
| Cash receipts from customers and others | | 30,082,796,791 | 28,747,049,131 |
| Cash paid to suppliers and employees | | (27,172,624,587) | (25,743,471,083) |
| Cash generated from operating activities | | 2,910,172,204 | 3,003,578,048 |
| Paid to WPPF | | (121,042,598) | (140,088,402) |
| Interest paid | | (250,698,213) | (316,534,788) |
| Income tax paid | | (790,805,975) | (675,473,944) |
| | | (1,162,546,786) | (1,132,097,134) |
| Net cash (used in)/generated from operating activities* | 18.3 | 1,747,625,418 | 1,871,480,914 |
| Cash flows from investing activities | | | |
| Acquisition of property, plant and equipment | | (475,076,251) | (176,769,396) |
| Payments for capital work-in-progress | | (1,504,403,621) | (830,236,619) |
| Proceeds from sale of property, plant and equipment | | 12,146,286 | 5,322,387 |
| Purchase of biological assets | | (5,573,486) | (14,527,787) |
| Dividend received | | 473,529,428 | 425,037,405 |
| Proceeds from disposal of investment in joint ventures and associates | | 689,284,085 | - |
| Investment | | (86,781,034) | (185,158,230) |
| Net cash (used in)/generated from investing activities | | (896,874,593) | (776,332,239) |
| Cash flows from financing activities | | | |
| Inter-company debts received/(paid) | | (7,243,165,552) | (6,362,229,935) |
| Dividends paid | | (365,684,867) | (445,609,225) |
| Payment for lease liabilities | | (165,552,795) | (169,522,801) |
| Short-term bank loan received/(paid) | | 4,187,432,090 | 3,217,953,183 |
| Long-term bank loan received/(paid) | | 629,420,269 | 82,269,017 |
| Net cash (used in)/generated from financing activities | | (2,957,550,855) | (3,677,139,761) |
| Net increase/(decrease) in cash and cash equivalents | | (2,106,800,030) | (2,581,991,086) |
| Opening cash and cash equivalents | | (2,563,383,177) | (9,153,146) |
| Effect of movements in exchange rate on cash held | | 2,647,037 | 27,761,055 |
| Closing cash and cash equivalents at reporting date | | (4,667,536,170) | (2,563,383,177) |
| Closing cash and cash equivalents represent: | | | |
| Cash and cash equivalents | 18 | 1,179,664,235 | 794,546,169 |
| Bank overdraft | 24 | (5,847,200,405) | (3,357,929,346) |
| | | (4,667,536,170) | (2,563,383,177) |
| Net Operating Cash Flows Per Share (NOCFPS) | 37.3 | 22.93 | 24.56 |

*See Note 18.3 for reconciliation of net operating cash flow.

The annexed notes 1 to 45 form an integral part of these financial statements.



Advanced Chemical Industries Limited

Consolidated Statement of Financial Position

| In Taka | Notes | 30 June 2023 | 30 June 2022 |
|---|----------|-----------------------|-----------------------|
| Assets | | | |
| Property, plant and equipment | 8 (a) | 31,715,817,451 | 29,154,498,292 |
| Right-of-use assets | 9 (a) | 3,082,581,839 | 1,720,125,531 |
| Equity-accounted investees | 10 (a).1 | 2,058,056,899 | 2,157,943,932 |
| Other investments | 10 (a).2 | 1,027,172,247 | 822,290,382 |
| Intangible assets | 11 (a) | 1,409,150,269 | 1,367,550,235 |
| Biological assets | 12 (a) | 36,569,791 | 31,303,261 |
| Deferred tax assets | 23 (a) | 341,108,740 | 709,841,617 |
| Non-current assets | | 39,670,457,236 | 35,963,553,250 |
| Inventories | 13 (a) | 21,791,856,287 | 20,323,249,620 |
| Trade receivables | 14 (a) | 16,648,869,492 | 12,772,253,271 |
| Other receivables | 15 (a) | 1,103,490,611 | 832,500,769 |
| Receivable from joint-ventures and associates | 16 (a) | 965,101 | 5,612,894 |
| Advances, deposits and prepayments | 17 (a) | 3,291,523,760 | 2,512,497,990 |
| Current tax assets | 30 (a) | 343,735,757 | 103,391,819 |
| Short term investments | 18 (a) | 2,784,452,098 | - |
| Cash and cash equivalents | 18 (b) | 5,272,771,904 | 3,208,757,234 |
| Current assets | | 51,237,665,010 | 39,758,263,596 |
| Total assets | | 90,908,122,246 | 75,721,816,847 |
| Equity | | | |
| Share capital | | 762,056,260 | 725,767,870 |
| Share premium | | 1,254,115,881 | 1,231,094,113 |
| Reserves | 20 (a) | 6,130,774,222 | 6,950,487,337 |
| Retained earnings | | 515,470,230 | 1,397,376,137 |
| Equity attributable to the owners of the Company | | 8,662,416,593 | 10,304,725,457 |
| Non-controlling interests | | 1,884,856,391 | 1,899,966,715 |
| Total equity | | 10,547,272,984 | 12,204,692,172 |
| Liabilities | | | |
| Employee benefits | 21 (a) | 1,720,980,000 | 1,583,157,153 |
| Long term bank loans | 22 (a) | 6,047,143,695 | 6,408,915,381 |
| Lease liabilities | 9 (a) | 2,392,020,059 | 1,384,717,849 |
| Non-current liabilities | | 10,160,143,754 | 9,376,790,384 |
| Bank overdraft | 24 (a) | 8,427,735,948 | 5,177,125,582 |
| Loans and borrowings | 25 (a) | 44,885,489,976 | 35,271,595,114 |
| Lease liabilities-current portion | 9 (a) | 484,099,575 | 382,470,526 |
| Trade payables | 26 (a) | 7,035,969,221 | 5,518,327,175 |
| Other payables | 27 (a) | 9,281,693,343 | 7,702,734,053 |
| Unclaimed dividend account | 28 (a) | 85,717,445 | 88,081,841 |
| Current liabilities | | 70,200,705,508 | 54,140,334,291 |
| Total liabilities | | 80,360,849,262 | 63,517,124,675 |
| Total equity and liabilities | | 90,908,122,246 | 75,721,816,847 |
| Consolidated Net Asset Value (NAV) per share | 37.3(a) | 113.67 | 135.22 |

The annexed notes 1 to 45 form an integral part of these financial statements.

Dr. Arif Dowla
Managing Director

Kamran Tanvirur Rahman
Director

Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.

(A. WAHAB & CO.)
Chartered Accountants
Kazi Md. Mahboob Kasem, FCA
Partner
Enrolment No: 845
DVC: 2310260845AS375176

Dhaka, 26 October 2023

Advanced Chemical Industries Limited

Consolidated Statement of Profit or Loss

| In Taka | Note | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|--|----------|---------------------------------------|---------------------------------------|
| Revenue | 31 (a) | 115,355,397,105 | 96,571,641,497 |
| Cost of sales | 32 (a) | (89,483,069,654) | (72,717,772,659) |
| Gross profit | | 25,872,327,451 | 23,853,868,838 |
| Administrative, selling and distribution expenses | 33 (a) | (20,222,196,292) | (17,767,565,065) |
| Other income | 34 (a) | 488,722,566 | 347,744,046 |
| Operating profit | | 6,138,853,725 | 6,434,047,819 |
| Gain on disposal of investment in equity accounted investees | 10 (a) | 416,029,319 | - |
| Share of profit of equity accounted investees | | 450,867,732 | 444,850,102 |
| Net finance costs | 35 (a) | (5,053,581,867) | (3,913,281,118) |
| Profit before contribution to WPPF | | 1,952,168,909 | 2,965,616,803 |
| Contribution to WPPF | 27 (a).1 | (299,481,648) | (337,886,688) |
| Profit before tax | | 1,652,687,261 | 2,627,730,115 |
| Income tax expense | 36 (a) | | |
| Current tax expense | | (2,139,744,182) | (1,942,502,635) |
| Deferred tax income/(expense) | | 412,171,228 | 207,775,600 |
| | | (1,727,572,954) | (1,734,727,035) |
| Profit/(loss) after tax | | (74,885,693) | 893,003,080 |
| Profit/(loss) attributable to | | | |
| Owners of the Company | | (493,958,862) | 379,644,188 |
| Non-controlling interests | | 419,073,169 | 513,358,892 |
| | | (74,885,693) | 893,003,080 |
| Earnings per share | 37.1(a) | | |
| Basic and diluted earnings per share | | (6.48) | 4.98 |

The annexed notes 1 to 45 form an integral part of these financial statements.



Dr. Arif Dowla
Managing Director



Kamran Tanvirur Rahman
Director



Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.



(A. WAHAB & CO.)
Chartered Accountants
Kazi Md. Mahboob Kasem, FCA
Partner
Enrolment No: 845
DVC: 2310260845AS375176

Dhaka, 26 October 2023



Advanced Chemical Industries Limited

Consolidated Statement of Profit or Loss and other Comprehensive Income

| In Taka | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|--|---------------------------------------|---------------------------------------|
| Profit/(loss) after tax | (74,885,693) | 893,003,080 |
| Other comprehensive income | | |
| Items that will not be reclassified to profit or loss | | |
| Remeasurement of defined benefit plan | (108,024,732) | - |
| Related tax | 24,203,211 | - |
| | (83,821,521) | - |
| Change in fair value of FVOCI financial assets | (12,095,994) | (59,384,762) |
| Related tax | 1,209,599 | 5,938,476 |
| | (10,886,395) | (53,446,286) |
| Revaluation surplus on property plant and equipment | - | - |
| Related tax (arising from change in tax rates) | (876,041,003) | - |
| | (876,041,003) | - |
| Items that may be reclassified subsequently to profit or loss | | |
| Foreign operations-foreign currency translation differences | (55,193,422) | (89,626,181) |
| | (55,193,422) | (89,626,181) |
| Other comprehensive income, net of tax | (1,025,942,341) | (143,072,467) |
| Total comprehensive income | (1,100,828,034) | 749,930,613 |
| Total comprehensive income attributable to | | |
| Owners of the Company | | |
| Profit/(loss) after tax | (493,958,862) | 379,644,188 |
| Other comprehensive income | (906,905,229) | (131,857,041) |
| | (1,400,864,091) | 247,787,147 |
| Non-controlling interests | | |
| Profit/(loss) after tax | 419,073,169 | 513,358,892 |
| Other comprehensive income | (119,037,113) | (11,215,426) |
| | 300,036,056 | 502,143,466 |
| Total comprehensive income | (1,100,828,034) | 749,930,613 |

The annexed notes 1 to 45 form an integral part of these financial statements.

Dr. Arif Dowla
Managing Director

Kamran Tanvirur Rahman
Director

Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.

(A. WAHAB & CO.)
Chartered Accountants
Kazi Md. Mahboob Kasem, FCA
Partner
Enrolment No: 845
DVC: 2310260845AS375176

Dhaka, 26 October 2023

Advanced Chemical Industries Limited

Consolidated Statement of Changes in Equity

For the year ended 30 June 2023

| In Taka | Attributable to owners of the Company | | | | | | Non-controlling interests | Total equity |
|--|---------------------------------------|---------------|-----------------|---------------------|---------------|---------------------|---------------------------|-----------------|
| | Share capital | Share premium | Capital reserve | Translation reserve | FVOCI reserve | Revaluation reserve | Retained earnings | Total |
| Balance at 1 July 2022 | 725,767,870 | 1,231,094,113 | 1,671,386 | (80,757,028) | 399,524,540 | 6,630,048,439 | 1,397,376,137 | 10,304,725,457 |
| Total comprehensive income | | | | | | | | |
| Profit/(loss) after tax | - | - | - | - | - | - | (493,958,862) | (493,958,862) |
| Other comprehensive income, net of tax | - | - | - | (40,230,454) | (9,473,220) | (770,997,753) | (86,203,800) | (906,905,228) |
| Total comprehensive income | - | - | - | (40,230,454) | (9,473,220) | (770,997,753) | (580,162,662) | (1,400,864,090) |
| Transactions with owners of the Company | | | | | | | | |
| Contributions and distributions | | | | | | | | |
| Issuance of bonus shares for the year 2021-22 | 36,288,390 | - | - | - | - | - | (36,288,390) | - |
| Cash dividend for the year 2021-22 | - | - | - | - | - | - | (362,883,935) | (362,883,935) |
| Capital contribution by non-controlling interest | - | - | - | - | - | - | - | - |
| Change in ownership interest in ACI Motors without a change in control | - | 23,021,768 | - | - | (73,358) | 1,061,670 | 97,429,081 | 121,439,161 |
| Total contributions and distributions | 36,288,390 | 23,021,768 | - | - | (73,358) | 1,061,670 | (301,743,244) | (241,444,774) |
| Total transactions with owners of the Company | 36,288,390 | 23,021,768 | - | - | (73,358) | 1,061,670 | (301,743,244) | (241,444,774) |
| Transactions recognised directly in equity | | | | | | | | |
| Realisation of revaluation reserve | - | - | - | - | - | - | - | - |
| Total transactions recognised directly in equity | - | - | - | - | - | - | - | - |
| Balance at 30 June 2023 | 762,056,260 | 1,254,115,881 | 1,671,386 | (120,987,482) | 389,977,962 | 5,860,112,356 | 515,470,230 | 8,662,416,592 |

For the year ended 30 June 2022

| In Taka | Attributable to owners of the Company | | | | | | Non-controlling interests | Total equity |
|--|---------------------------------------|---------------|-----------------|---------------------|---------------|---------------------|---------------------------|----------------|
| | Share capital | Share premium | Capital reserve | Translation reserve | FVOCI reserve | Revaluation reserve | Retained earnings | Total |
| Balance at 1 July 2021 | 631,102,500 | 928,707,434 | 1,671,386 | (1,396,614) | 452,006,810 | 6,632,367,409 | 1,620,384,642 | 10,264,843,567 |
| Total comprehensive income | | | | | | | | |
| Profit after tax | - | - | - | - | - | - | 379,644,188 | 379,644,188 |
| Other comprehensive income, net of tax | - | - | - | (79,360,414) | (52,496,627) | - | - | (131,857,041) |
| Total comprehensive income | - | - | - | (79,360,414) | (52,496,627) | - | 379,644,188 | 247,787,147 |
| Transactions with owners of the Company | | | | | | | | |
| Contributions and distributions | | | | | | | | |
| Issuance of bonus shares for the year 2020-21 | 94,665,370 | - | - | - | - | - | (94,665,370) | - |
| Cash dividend for the year 2020-21 | - | - | - | - | - | - | (410,216,625) | (410,216,625) |
| Effect of issuing preference shares to Bangladesh Managed Account C.V. (a limited partnership of FMO) by ACI Motors Ltd. | - | 254,216,601 | - | - | 9,660 | (4,540,378) | (229,338,218) | 20,347,665 |
| Capital contribution by non-controlling interest | - | - | - | - | - | - | - | - |
| Change in ownership interest in subsidiary without a change in control | - | 48,170,078 | - | - | 4,697 | 2,221,408 | 131,567,520 | 181,963,704 |
| Total contributions and distributions | 94,665,370 | 302,386,679 | - | - | 14,357 | (2,318,970) | (602,652,693) | (207,905,257) |
| Total transactions with owners of the Company | 94,665,370 | 302,386,679 | - | - | 14,357 | (2,318,970) | (602,652,693) | (207,905,257) |
| Transactions recognised directly in equity | | | | | | | | |
| Realisation of revaluation reserve | - | - | - | - | - | - | - | - |
| Total transactions recognised directly in equity | - | - | - | - | - | - | - | - |
| Balance at 30 June 2022 | 725,767,870 | 1,231,094,113 | 1,671,386 | (80,757,028) | 399,524,540 | 6,630,048,439 | 1,397,376,137 | 10,304,725,457 |

The annexed notes 1 to 45 form an integral part of these financial statements.



Advanced Chemical Industries Limited

Consolidated Statement of Cash Flows

| In Taka | Note | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|---|---------|---------------------------------------|---------------------------------------|
| Cash flows from operating activities | | | |
| Cash receipts from customers and others | | 111,898,296,077 | 96,351,082,929 |
| Cash paid to suppliers and employees | | (107,404,701,258) | (90,389,500,238) |
| Cash generated from operating activities | | 4,493,594,819 | 5,961,582,691 |
| Paid to WPPF | | (250,596,660) | (256,873,602) |
| Interest paid | | (3,729,917,736) | (3,256,372,716) |
| Income tax paid | | (2,380,088,122) | (2,140,637,665) |
| | | (6,360,602,518) | (5,653,883,983) |
| Net cash from/(used in) operating activities* | 18 (c) | (1,867,007,699) | 307,698,708 |
| Cash flows from investing activities | | | |
| Acquisition of property, plant and equipment | | (800,698,103) | (512,334,099) |
| Payments for capital work-in-progress | | (3,427,460,707) | (1,668,657,993) |
| Proceeds from sale of property, plant and equipment | | 13,767,961 | 6,158,696 |
| Proceeds from disposal of investment in joint ventures and associates | | 689,284,085 | - |
| Purchase of biological assets | | (5,573,486) | (14,527,787) |
| Dividend received | | 280,355,906 | 352,839,090 |
| Short term investments | | (2,784,452,098) | 1,157,334,040 |
| Long term investments | | (207,381,034) | (198,355,507) |
| Net cash from/(used in) investing activities | | (6,242,157,477) | (877,543,559) |
| Cash flows from financing activities | | | |
| Dividend paid to non-controlling interests | | (202,292,723) | (70,504,383) |
| Inter-company debts received/(paid) | | 4,647,793 | 157,199 |
| Dividend paid | | (365,684,867) | (445,609,225) |
| Capital contribution by non-controlling interests in ACI AgroChem | | 1,000,000 | - |
| Payment for lease liabilities | | (472,933,351) | (417,689,912) |
| Equity investment received by ACI Motors Limited | | - | 824,728,692 |
| Short-term bank loan received/(paid) | | 8,833,028,441 | (342,181,408) |
| Long-term bank loan received/(paid) | | (885,621,270) | (1,262,588,190) |
| Net cash from/(used in) financing activities | | 6,912,144,024 | (1,713,687,227) |
| Net increase/(decrease) in cash and cash equivalents | | (1,197,021,152) | (2,283,532,078) |
| Opening cash and cash equivalents | | (1,968,368,348) | 287,985,204 |
| Effect of movements in exchange rate on cash held | | 10,425,456 | 27,178,526 |
| Cash and cash equivalents at reporting date | | (3,154,964,044) | (1,968,368,348) |
| Closing balance represents | | | |
| Cash and cash equivalents | 18(b) | 5,272,771,904 | 3,208,757,234 |
| Bank overdraft | 24(a) | (8,427,735,948) | (5,177,125,582) |
| | | (3,154,964,044) | (1,968,368,348) |
| Consolidated Net Operating Cash Flows Per Share (NOCFPS) | 37.3(a) | (24.50) | 4.04 |

*See Note 18 (c) for reconciliation of consolidated net operating cash flow.

The annexed notes 1 to 45 form an integral part of these financial statements.

Advanced Chemical Industries Limited

Notes to the Financial Statements

as at and for the year ended 30 June 2023

1 Reporting entity

1.1 Company profile

Advanced Chemical Industries Limited (hereinafter referred to as "ACI Limited" or "the Company") is a public limited company incorporated in Bangladesh on 24 January 1973 as ICI Bangladesh Manufacturers Limited. The registered office of the Company is at 245 Tejgaon Industrial Area, Dhaka-1208 in Bangladesh.

The consolidated financial statements of the Company as at and for the year ended 30 June 2023 comprise the Company's and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and the Group's interest in associates and jointly controlled entities.

The Company is listed with Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE).

1.2 Nature of business

The Company is primarily involved in manufacturing of pharmaceuticals, consumer brands, animal health products and marketing them along with fertilizers, seeds and other agricultural items.

1.3 Description of subsidiaries

1.3.1 ACI Formulations Limited

The company, a 53.48% owned subsidiary of ACI Limited, was incorporated on 29 October 1995 as a private limited company under the Companies Act 1994. It was converted to public limited company on 4 May 2005 and listed with both Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE) on 30 October 2008. The principal activities of the company are manufacturing and marketing of a number of agrochemical and consumer products.

1.3.2 ACI Salt Limited

The company, a 77.67% owned subsidiary of ACI Limited, was incorporated on 13 June 2004 as a private limited company under the Companies Act 1994. The principal activity of the company is manufacturing and marketing of edible branded salt.

1.3.3 ACI Foods Limited

The company, a 99.30% owned subsidiary of ACI Limited, was incorporated on 14 September 2006 as a private limited company under the Companies Act 1994. The main objectives of the company are manufacturing, processing and marketing of different food items including milling and processing of rice, spices and different snack items.

1.3.4 ACI Pure Flour Limited

The company, a 95.00% owned subsidiary of ACI Limited, was incorporated on 29 August 2006 as a private limited company under the Companies Act 1994. The main objectives of the company are to carry on the business of milling, processing, packaging and marketing of wheat flour products and lentil.

1.3.5 ACI Agrolink Limited

The company, a 90.00% owned subsidiary of ACI Limited, was incorporated on 4 July 2006 as a private limited company under the Companies Act 1994. Currently, the main activity of the Company includes shrimp processing and export. The Company has established a state-of-the-art shrimp processing factory in Satkhira.



1.3.6 ACI Motors Limited

The company, a 48.10% owned subsidiary of ACI Limited, was incorporated on 11 December 2007 as a private limited company under the Companies Act 1994. The main objectives of the company are to carry on the business of buying, selling, importing and assembling of vehicles for both agricultural and non-agricultural usage including other agricultural equipment and supplying of spare parts and providing service facilities for these vehicles and equipment.

The company has also a distribution agreement with India Yamaha Motors Private Ltd. to sell and distribute YAMAHA brand motorcycles and parts in Bangladesh. The company has a manufacturing and assembling plant of YAMAHA motorcycles at Rajabari, Gazipur which started its commercial activities since May 2019.

1.3.7 Creative Communication Limited

The company, a 60.00% owned subsidiary of ACI Limited, was incorporated on 2 September 2007 as a private limited company under the Companies Act 1994. The principal activities of the company are managing media solutions and similar services for different clients including television commercials and other advertisement and promotion related activities.

1.3.8 Premiaflex Plastics Limited

The company, a 87.32% owned subsidiary of ACI Limited, was incorporated on 11 June 2007 as a private limited company under the Companies Act 1994. The main objectives of the company are to carry out the business of manufacturing and marketing of plastic products, flexible printing and other ancillary business associated with plastic and flexible printing. The company commenced its commercial production from 1 December 2008. It has a Consumer Plastics production plant that produces home plastic products with a promise in mind to deliver premium quality plastic made products for its customers.

A Scheme of Arrangement for Demerger and Merger among Advanced Chemical Industries Limited, Premiaflex Plastics Limited and ACI Premio Plastics Limited was approved by the Board of Directors and the Scheme is currently awaiting hearing at the Court for final approval.

1.3.9 ACI Logistics Limited

The company, a 76.00% owned subsidiary of ACI Limited, was incorporated on 29 April 2008 as a private limited company under the Companies Act 1994. The main objective of the company is to set-up nationwide retail outlets in order to facilitate the improvement in goods marketing efficiency and to provide a modern self service shopping option to customers.

1.3.10 ACI Edible Oils Limited

The company, a 85.00% owned subsidiary of ACI Limited, was incorporated on 13 December 2010 as a private limited company under the Companies Act 1994. The main objective of the company is to carry out the business as manufacturing as well as trading of all kinds of crude and refined edible oils, edible fats, and other allied food products.

1.3.11 ACI HealthCare Limited

The company, a 92.94% owned subsidiary of ACI Limited, was incorporated on 18 February 2013 as a public limited company under the Companies Act 1994. The principal activities of the company are aimed at manufacturing and marketing of pharmaceutical products for regulated markets. The Company received US FDA approval for its factory situated at Tripordi, Sonargaon, Narayanganj on 27 April 2022.

1.3.12 ACI Chemicals Limited

The company, a 75.00% owned subsidiary of ACI Limited, was incorporated on 26 November 2013 as a private limited company under the Companies Act 1994. The main objective of the company is to represent foreign and local principals and market and promote their products and process and engage in the service of indenting on their behalf.

1.3.13 ACI Biotech Limited

The company, a 80.00% owned subsidiary of ACI Limited, was incorporated in Bangladesh on 22 November 2016 as a private limited company under the Companies Act 1994. The principal activities of the company are to carry out the business of manufacturing and marketing of Biosimilar pharmaceutical products. Currently the production facility is under construction process.

1.3.14 Infolytx Bangladesh Limited

Infolytx Bangladesh Limited is a private limited company incorporated on 23 July 2015 under the Companies Act 1994 being a 60% owned subsidiary of ACI Limited incorporated in Bangladesh having its registered office situated at 245, Tejgaon I/A, Dhaka. The main objective of the company is to develop computer software focusing on leading edge technologies with an aim of varied range of offerings.

1.3.15 ACI Marine and Riverine Technologies Limited

ACI Marine and Riverine Technologies Limited is a private limited company incorporated on 19 December 2019 under the Companies Act 1994 being a 77% owned subsidiary of ACI Limited incorporated in Bangladesh having its registered office situated at 245, Tejgaon I/A, Dhaka. The main objective of the company is to carry on all or any of the business of marine engine, meachineries, shipping technologies, ship engineering, and other related areas.

2 Basis of accounting

2.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

2.2 Date of authorisation

The consolidated financial statements as well as separate financial statements for the year ended 30 June 2023 were authorised by the Board of Directors on 26 Oct 2023 for issue.

2.3 Basis of measurement

The financial statements have been prepared on historical cost basis except for certain assets which are stated either at revalued amount or fair market value as explained in the accompanying notes.

3 Functional and presentational currency

These financial statements are presented in Bangladesh Taka (Taka/TK/BDT), which is both functional and presentation currency of the Company. The amounts in these financial statements have been rounded off to the nearest Taka, unless stated otherwise indicated. Because of these rounding off, in some instance the total may not match the sum of individual balance.

4 Use of judgments and estimates

In preparing these financial statements, management has made 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. Revision to estimates are recognised prospectively.

4.1 Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

| | |
|---------|------------------------|
| Note 6C | Basis of consolidation |
| Note 6N | Leases |



4.2 Assumptions and estimation uncertainties

(i) Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 30 June 2023 is included in the following notes:

| | |
|-----------------------|-------------------------------|
| Note 6L, 8 and 8(a) | Property, plant and equipment |
| Note 6K, 13 and 13(a) | Inventories |
| Note 6O, 14 and 14(a) | Trade receivables |
| Note 6O, 15 and 15(a) | Other receivables |
| Note 6O, 16 and 16(a) | Intercompany receivables |
| Note 6F, 21 and 21(a) | Employee benefits |
| Note 6H, 23 and 23(a) | Deferred tax liabilities |
| Note 6H, 30 and 30(a) | Provision for tax |
| Note 39 | Commitments |
| Note 6T and 40 | Contingencies |
| Note 6C and 10(a) | Acquisition of subsidiary |
| Note 6N | Leases |

(ii) *Measurement of fair values:*

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

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

5 Reporting period

The financial period of the Company covers one year from 1 July 2022 to 30 June 2023 and is being following consistently.

6 Significant accounting policies

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

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

- A Current versus non-current classification
- B Offsetting
- C Basis of consolidation
- D Revenue from contracts with customers
- E Foreign currency transactions
- F Employee benefits
- G Finance income and finance costs
- H Income tax
- I Biological assets
- J Investment
- K Inventories
- L Property, plant and equipment
- M Intangible assets and goodwill
- N Leases
- O Financial instruments
- P Share capital
- Q Provisions
- R Impairment
- S Going concern
- T Contingencies
- U Statement of cash flows
- V Earnings per share (EPS)
- W Events after the reporting period
- X Dividends
- Y Materiality and aggregation

A Current versus non-current classification

The Group presents assets and liabilities in statement of financial position based on current/non-current classification. An asset is current when it is:

- i) expected to be realised in normal operating cycle, or
- ii) due to be realised within twelve months after the reporting period, or
- iii) held primarily for the purpose of trading, or
- iv) used or exchanged to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is:

- i) expected to be settled in normal operating cycle, or
- ii) due to be settled within twelve months after the reporting period, or
- iii) held primarily for the purpose of trading, or
- iv) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.



B Offsetting

The Group reports separately both assets and liabilities, and income and expenses, unless required by an applicable accounting standard or offsetting reflects the substance of the transaction and such offsetting is permitted by applicable accounting standard.

Cash receipts and payments on behalf of customers when the cash flows reflect the activities of the customer rather than those of the entity and cash receipts and payments for items in which the turnover is quick, the amounts are large, and the maturities are short are presented net in the statement of cash flows.

C Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by ACI Limited. ACI Limited controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries have been included in the consolidated financial statements from the date on which control commences until the date on which control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by ACI Limited.

(ii) Non-controlling interests

Non-controlling interest (NCI) is the equity interest in a subsidiary not attributable to ACI Limited. NCI is measured at subsidiaries' proportionate share of identifiable net assets.

(iii) Interests in equity-accounted investees

The ACI Limited's interests in equity-accounted investees comprise interests in associates and joint ventures.

Associates are those entities in which ACI Limited has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which ACI Limited has joint control, whereby ACI Limited has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and the joint ventures are accounted for using the equity method. They are initially recognised at cost.

(iv) Loss of control

When ACI Limited loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary and any related NCI and other components of the equity. Any resulting gain or loss is recognised in the profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(v) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of ACI Limited's interest in the investee. Unrealised losses, if any, are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

D Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer. The following table provide information about the nature and timing of the satisfaction of performance obligations in contracts with customers:

In accordance with IFRS 15, revenue is recognized when or as a performance obligation is satisfied by transferring a good or service to a customer, either at a point in time or over time. A good or service is 'transferred' when or as the customer obtains control of it. Customers obtain control of goods at point of delivery or over time.

The entity assesses whether it transfers control over time by following prescribed criteria for satisfying performance obligation. If none of the criteria is met then the entity recognizes revenue at point of time at which it transfers control of the goods to the customer.

Revenue is measured net of value added tax, trade discount, returns and allowances (if any). In case of cash delivery, revenue is recognised when delivery is made and cash is received by the Group.

E Foreign currency transactions

Transactions in foreign currencies are translated at the exchange rate prevailing on the date of transactions. Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing at the date of statement of financial position. Foreign currency differences are generally recognised in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transactions.

F Employee benefits

(i) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Defined contribution plan (provident fund)

The Group operates a recognised provident fund scheme where employees contribute 8% of their basic salary with equal contribution by the Group. The provident fund is considered as defined contribution plan being managed by a Board of Trustees.

(iii) Defined benefit plan (gratuity)

The Group operates a recognised gratuity fund, provision in respect of which is made annually covering all permanent eligible employees. The Employees' Gratuity Fund is being considered as defined benefit plan.

Defined benefit plan is a retirement benefit plan under which amounts to be paid as retirement benefits are determined by reference to employees' earnings and year of services. The rate used to discount post employment benefit obligations is determined by reference to the rate stated in the actuarial report. Actuarial valuation of gratuity scheme has been made as on 30 June 2023 by independent actuarial valuer to assess the adequacy of the liabilities provided for the schemes, which concluded that the provision kept for gratuity scheme is sufficient.

(iv) Workers' profit participation fund

The Group operates funds for workers as "Workers' Profit Participation Fund" and 5% of the profit before charging such expense have been transferred to this fund as per section 234 of the Labour Act 2006 (amended in 2013).

G Finance income and finance costs

The Group's finance income and finance costs include:

- interest income; and
- interest expense.

Interest income or expense is recognised using the effective interest method.

H Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in OCI (Other Comprehensive Income).

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax payable is the best estimate of the tax amount expected to be paid that reflects uncertainty related to income tax, if any. Current tax assets/liabilities are offset if certain criteria are met. It is measured using tax rates enacted or substantively enacted at the reporting period. The applicable tax rate for ACI Limited is currently 22.5%.

(ii) Deferred tax

Deferred tax asset or liability is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improve.

The Group's existing accounting policy for uncertain income tax treatments is consistent with the requirements in IFRIC 23 Uncertainty over Income Tax Treatments, which became effective on 1 January 2019.

I Biological assets

Biological assets are measured at fair value less cost to sell with any changes therein recognised in profit and loss.

J Investment

In the separate financial statements of ACI Limited, investment in subsidiaries, associates and joint ventures has been carried at cost as per IAS 27: Separate Financial Statements. All other investments have been categorised in accordance with IFRS 9.

K Inventories

Inventories except materials in transit are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operation capacity.

Allowance for inventory is periodically recognised mainly on the basis of failure in quality control testing, net realisable value, non compliance testing, near to expiry etc. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Material in transit represents the cost incurred up to the date of the statement of financial position for the items that were not received but the relative risk has been transferred till to the date of reporting. Inventory losses and abnormal losses are recognised as expenses.

L Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost or revaluation less accumulated depreciation. The items of property, plant and equipment were revalued in the year 2004, 2007, 2010, 2015 and 2021 by the firm of professional valuers on the basis of applicable methods including market value based method, premised on the accompanying narrative information and valuation methodology. When revalued assets are disposed of, the amounts included in the revaluation surplus are transferred to retained earnings.

Cost includes expenditure that is directly attributable to the acquisition of asset. The cost of self constructed asset includes the cost of material, direct labour and any other costs directly attributable to bringing the assets to the working condition for their intended use.

(ii) Subsequent costs

Subsequent to initial recognition, 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 Group and its cost can be measured reliably. All other repair and maintenance expenses are charged in statement of profit or loss as they are incurred.

(iii) Depreciation

All items of property, plant and equipment have been depreciated on straight line basis. Depreciation begins when an asset become available for use. Depreciation is charged at the rates varying from 2.5% to 50% depending on the estimated useful lives of assets. No depreciation is charged for land and capital work-in-progress. The Group follows this policy consistently from past years.

The revalued items of property, plant and equipment are depreciated by writing off their revalued amount at the date of revaluation over their remaining estimated useful lives.

The estimated useful lives for the current and comparative of initially recognised property, plant and equipment period/years are as follows:

| <i>In years</i> | <i>30 June 2023</i> | <i>30 June 2022</i> |
|---------------------------------|---------------------|---------------------|
| Building | 20 - 40 | 20 - 40 |
| Plant and machinery | 2 - 15 | 2 - 10 |
| Furniture and fixture | 5 - 10 | 5 - 10 |
| Electrical and other appliances | 2 - 10 | 2 - 10 |
| Office machinery | 2 - 15 | 2 - 15 |
| Motor vehicles | 2 - 5 | 2 - 5 |

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. No significant adjustment in respect of items of property, plant and equipment was done in the reporting period.

(iv) Capitalisation of borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are included in the cost of that asset as per IAS - 23, Borrowing cost. The capitalisation of such borrowing costs ceases when the asset is ready for intended use.

(v) Capital work in progress

Capital work-in-progress represents the cost incurred for acquisition and/or construction of items of property, plant and equipment that were not ready for use at the end of the year and these are stated at cost.

(vi) Impairment

The carrying amount of the entity's non-financial assets, other than inventories and deferred tax assets (considered as disclosed separately under respective accounting standards), are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. However, no such conditions that might be suggestive of a heightened risk of impairment of assets existed at the reporting date.



(vii) Retirement and disposals

An asset is derecognised on disposal or when no future economic benefits are expected from its use and subsequent disposals. Gains and losses arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised as gain or loss from disposal of asset in profit or loss. When revalued assets are disposed of, the amounts included in the revaluation surplus are transferred to retained earnings.

M Intangible assets and goodwill

(i) Recognition and measurement

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding is recognised in the profit or loss as incurred.

Development activities involve a plan or design for the production of new and substantially improved products and process. Development expenditures, on an individual project, are recognised as an intangible asset when the Group can demonstrate all of the following:

- (a) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (b) its intention to complete the intangible asset and use or sell it;
- (c) its ability to use or sell the intangible asset;
- (d) how the intangible asset will generate probable future economic benefits. Among other things, the entity can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;
- (e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset;
- (f) its ability to measure reliably the expenditure attributable to the intangible asset during its development;

Other development expenditures are recognised in profit and loss as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. During the period of development, the asset is tested for impairment annually.

Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

(ii) Amortisation

Amortisation is charged in profit or loss on a straight line basis over the estimated useful lives of intangible assets other than goodwill. Amortisation on additions are charged from the month of acquisition. Amortisation is charged at the rates of 10% to 20% depending on the estimated useful lives of assets and no amortisation is charged in the year of disposal.

The estimated useful life for the current intangible asset is as follows:

| In years | 30 June 2023 | 30 June 2022 |
|----------|--------------|--------------|
| Software | 5 - 10 | 5 - 10 |

Amortisation methods, useful lives and residual values are reviewed at each reporting date.

(iii) Retirement and disposals

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gain or losses arising from derecognition of intangible assets, measured as the difference between the net disposal proceeds and the carrying amount of the assets are recognised in profit or loss.

(iv) Goodwill

Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

(v) *Software*

Software, acquired by the Group and have finite useful life, are measured at cost less accumulated amortisation and any accumulated impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific assets to which it relates.

N Leases

Leases are recognised as right-of-use assets and corresponding liabilities at the inception of a contract and measured in accordance with IFRS 16. The right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

At the commencement date, lease liabilities are measured at an amount equal to the present value of the lease payments for the underlying right-of-use assets during the lease term. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or the Company's incremental borrowing rate. Each lease payment is allocated between the liability and finance cost.

Payments associated with all short-term leases (with a lease term of 12 months or less) and certain leases of all low-value assets are recognised on a straight-line basis as an expense in profit or loss.

O Financial instruments

Non-derivative financial instruments comprise investments in shares and term deposit, trade receivables, other receivables, intercompany receivables, cash and cash equivalents, trade payables, other payables, intercompany payables, share capital and interest-bearing borrowings.

(i) Financial assets

The Group initially recognises receivables and deposits issued on the date when they are originated. All other financial assets are recognised initially on the date at which the Company becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred.

The Group's financial assets comprise trade, inter-company, and other receivables, investment in shares and term deposit and cash and cash equivalents.

Trade, other and intercompany receivables

Trade, other and intercompany receivables are initially recognised at the transaction price. These assets are subsequently measured at amortised cost using the effective interest method less allowance for impairment loss of receivables using expected credit loss model.

Investment in shares-other than the investment in subsidiaries, associates and joint ventures

Investment in shares are equity instruments that are designated at the date of initial application of IFRS 9 as FVOCI (original classification under IAS 39 was available-for-sale). Unlike IAS 39, the accumulated fair value reserve related to these investments will never be reclassified to profit or loss.

Investment in term deposit

The Group has the positive intent and ability to hold term deposit to collect contractual cash flows, and as such financial assets are classified as amortised cost (original classification under IAS 39 was held to maturity).

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and all call deposits with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose only of the statement of cash flows.

(ii) Financial Liabilities

The Group initially recognises financial liabilities on the transaction date at which the Group becomes a party to the contractual provisions of the liability. The Group recognises such financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the entity of resources embodying benefits.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Group's financial liabilities comprise trade and other payables and interest - bearing borrowings.

Trade payables

Trade payables are recognised at fair value.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method less any impairment losses.

(iii) Offsetting a financial asset and a financial liability

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

P Share capital

Ordinary shares are classified as equity. Incremental cost directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effect.

Q Provisions

A provision is recognised in the statement of financial position when the Group has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is probable that an outflow of resources embodying economic benefits are required to settle the obligation, the provision are reversed.

R Impairment

(i) Financial assets

Financial assets are assessed at each reporting date to determine whether there is objective evidence of impairment. Objective evidence that financial assets are impaired includes:

- default or delinquency by a debtor;
- restructuring of an amount due to the Group on terms that the Group would not consider otherwise;
- indications that a debtor or issuer will enter bankruptcy;
- adverse changes in the payment status of borrowers or issuers; or
- observable data indicating that there is measurable decrease in expected cash flows from a company of financial assets.

The Group considers evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Group uses historical information on the timing of recoveries and the amount of loss incurred, and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated using expected credit loss model as prescribed in IFRS 9. Impairment loss is recognised in profit or loss and reflected in an allowance account.

(ii) Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs (Cash-generating units).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or CGU exceeds its recoverable amount.

S Going concern

The Group has adequate resources to continue in operation for the foreseeable future. For this reason the management continues to adopt going concern basis in preparing the financial statements. The current resources of the Company provide sufficient fund to meet the present requirements of its existing business.

During the period/year under review, following two of the subsidiaries of ACI Limited have following results and financial position:

ACI Logistics Limited

| | As at/For the year ended 30 June 2023 | As at/For the year ended 30 June 2022 |
|---|--|--|
| <i>In Taka</i> | | |
| Loss after tax | 1,528,963,936 | 1,355,700,422 |
| Accumulated loss | 16,616,042,751 | 15,099,584,883 |
| Paid up capital | 360,000,000 | 360,000,000 |
| Due to banks and financial institutions | 6,261,443,121 | 6,811,455,543 |

Further details have been available in the separate financial statements of ACI Logistics Limited.

ACI Foods Limited

| | As at/For the year ended 30 June 2023 | As at/For the year ended 30 June 2022 |
|---|--|--|
| <i>In Taka</i> | | |
| Loss/(profit) after tax | 32,491,255 | (8,135,116) |
| Accumulated loss | 2,204,206,229 | 2,156,878,660 |
| Paid up capital | 287,000,000 | 287,000,000 |
| Due to banks and financial institutions | 655,234,437 | 372,503,205 |



The management is, however, confident that the above companies will continue in operational existence for a foreseeable future on the basis of continued support from the parent Company, ACI Limited and the Group's banks and its shareholders. The management is also confident that the companies will improve their trading conditions as well.

In view of the continued support and assurance from the Group and major shareholders, management believes that it is appropriate to prepare these financial statements on a going concern basis.

T Contingencies

Contingent liability

Contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

The Group discloses contingent liability in the financial statements. A provision is recognised in the period in which the recognition criteria of provision is met.

Contingent asset

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

U Statement of cash flows

Cash flows from operating activities are presented under direct method as per IAS 7: Statement of cash flows.

V Earnings per share (EPS)

The ACI Limited and the Group presents its basic earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the ACI Limited/Group by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to the ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any.

This has been shown on the face of profit or loss and computation of EPS is stated in note 37.

W Events after the reporting period

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

X Dividends

Final dividend distribution to the Group's shareholders are recognised as a liability in the financial statements in the period in which the dividends are approved by the Group's shareholders at the Annual General Meeting, while interim dividend distributions are recognised in the period in which the dividends are declared and paid.

Y Materiality and aggregation

Each material class of similar items is presented separately in the financial statements. Items of dissimilar nature or function are presented separately unless they are immaterial.

7 Operating segments

(i) Basis for segmentation

The Group has the following strategic business units, which are its reportable segments. These business units offer different products and services, and are managed separately because they require different technology and marketing strategies.

| Reportable segments | Operations |
|--------------------------------|--|
| 1. Pharmaceuticals | Buying, manufacturing, marketing and selling of pharmaceutical and health care products in home and abroad. |
| 2. Animal Health | Buying, manufacturing, distributing and selling of veterinary and fisheries products. |
| 3. Consumer Brands | Buying, manufacturing, marketing and selling of consumer products. |
| 4. Crop Care and Public Health | Buying, manufacturing, marketing and selling of crop protection items. |
| 5. Motors | Buying, manufacturing and selling of Yamaha motorcycle and agricultural equipment. |
| 6. Pure Flour | Buying, milling, processing, packaging, marketing and selling of wheat flour products. |
| 7. Retail Chain | Facilitating modern self-service shopping option to customers. |
| 8. Salt | Buying, manufacturing, marketing and selling of vacuum evaporated free flow iodised salt. |
| 9. Foods | Buying, manufacturing, processing, marketing and selling of food items including spices and snack items. |
| 10. Premiaflex Plastics | Buying, manufacturing, processing, marketing and selling of plastic products. |
| 11. HealthCare | Buying, manufacturing, processing, marketing and selling of pharmaceutical products for regulated markets, especially for USA. |

Operating results of all segments are regularly reviewed by the Group's managing director to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Other operations include the manufacture and distribution of edible oil, managing media solutions, the formulation and packaging of pesticide, fertilizer, seeds, livestock, fisheries and other plant nutrients, and the manufacture and distribution of paints and herbal products. None of these segments met the quantitative thresholds for reportable segments for the year ended on 30 June 2023. Inter-segment pricing is determined on an arm's length basis.

(ii) Information about reportable segments

Information related to each reportable segment is set out below. Segment profit before tax is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

For the year ended 30 June 2023

| In Taka | Reportable segments | | | | | | | | | | | Unallocated/ Elimination | Total | |
|----------------------------------|---------------------|---------------|-----------------|-----------------------------|----------------|---------------|-----------------|---------------|---------------|---------------------|-----------------|-----------------------------|----------------|---------------------------|
| | Pharmaceuticals | Animal Health | Consumer Brands | Crop Care and Public Health | Motors | Pure Flour | Retail Chain | Salt | Foods | Premiaflex Plastics | HealthCare | | | Total reportable segments |
| External revenue | 14,209,953,661 | 4,778,524,250 | 7,146,126,057 | 3,818,122,806 | 29,087,258,635 | 8,198,944,757 | 18,254,192,066 | 3,240,148,746 | 9,481,747,049 | 7,174,340,645 | 2,996,996,641 | 108,386,355,313 | 6,969,041,792 | 115,355,397,105 |
| Intra-segment revenue | - | - | 894,563,615 | - | 163,220,968 | 154,695,279 | 67,236,835 | 76,480,526 | 257,666,199 | 718,520,209 | 213,958,601 | 2,546,342,232 | 211,076,608 | 2,757,418,840 |
| Segment revenue | 14,209,953,661 | 4,778,524,250 | 8,040,689,672 | 3,818,122,806 | 29,250,479,603 | 8,353,640,036 | 18,321,428,901 | 3,316,629,272 | 9,739,413,248 | 7,892,860,853 | 3,210,955,243 | 110,932,697,545 | 7,180,118,400 | 118,112,815,945 |
| Depreciation and amortisation | 320,483,615 | 25,754,232 | 86,618,902 | 20,082,649 | 111,603,333 | 38,771,997 | 142,223,723 | 87,878,090 | 68,040,046 | 272,469,654 | 367,558,309 | 1,541,484,549 | 105,455,406 | 1,646,939,955 |
| Operating expenses | 7,056,993,640 | 959,207,876 | 1,652,752,781 | 645,286,436 | 3,163,207,629 | 336,584,424 | 3,295,369,256 | 295,345,018 | 699,450,502 | 563,259,236 | 561,614,399 | 19,229,071,198 | 993,125,094 | 20,222,196,292 |
| Finance costs/(income) | 239,880,000 | 181,980,000 | 135,600,121 | 152,607,592 | 559,412,806 | (23,348,567) | 1,537,587,429 | (103,185,397) | 377,713,216 | 537,442,872 | 1,511,303,114 | 5,106,993,186 | (53,411,318) | 5,053,581,867 |
| Segment profit/(loss) before tax | 820,437,201 | 225,187,877 | (221,236,484) | 395,974,219 | 2,421,619,027 | 79,916,940 | (1,406,467,856) | 448,322,510 | 28,172,473 | 85,809,540 | (2,435,422,536) | 442,312,910 | 1,210,374,352 | 1,652,687,261 |
| Segment assets | 13,863,192,405 | 2,277,928,725 | 3,868,799,527 | 2,962,783,051 | 20,973,043,026 | 2,412,410,135 | 6,745,910,956 | 4,189,169,938 | 4,204,270,530 | 8,139,154,619 | 10,484,917,275 | 80,121,580,187 | 10,786,542,059 | 90,908,122,246 |
| Segment liabilities | 4,643,159,526 | 1,045,125,818 | 2,564,224,091 | 813,444,280 | 11,429,760,661 | 1,139,201,418 | 23,001,953,701 | 1,890,874,975 | 6,053,880,775 | 7,794,694,136 | 18,628,005,985 | 79,004,325,365 | 1,356,523,897 | 80,360,849,262 |

For the year ended 30 June 2022

| In Taka | Reportable segments | | | | | | | | | | | | Unallocated/ Elimination | Total |
|----------------------------------|---------------------|---------------|-----------------|-----------------------------|----------------|---------------|-----------------|---------------|---------------|---------------------|-----------------|---------------------------|-----------------------------|----------------|
| | | | | | | | | | | | | | | |
| | Pharmaceuticals | Animal Health | Consumer Brands | Crop Care and Public Health | Motors | Pure Flour | Retail Chain | Salt | Foods | Premiaflex Plastics | HealthCare | Total reportable segments | | |
| External revenue | 13,813,189,548 | 4,581,379,141 | 6,613,183,736 | 3,333,458,797 | 23,444,092,601 | 6,456,159,034 | 13,813,600,881 | 2,971,147,129 | 7,640,004,460 | 6,431,112,495 | 1,689,055,706 | 90,786,383,528 | 5,785,257,970 | 96,571,641,497 |
| Intra-segment revenue | - | - | 788,994,855 | - | 87,968,617 | 114,828,426 | 72,112,821 | 96,142,907 | 90,756,147 | 507,013,999 | 220,740,839 | 1,978,558,610 | 220,727,964 | 2,199,286,574 |
| Segment revenue | 13,813,189,548 | 4,581,379,141 | 7,402,178,591 | 3,333,458,797 | 23,532,061,218 | 6,570,987,460 | 13,885,713,702 | 3,067,290,036 | 7,730,760,607 | 6,938,126,493 | 1,909,796,545 | 92,764,942,138 | 6,005,985,934 | 98,770,928,071 |
| Depreciation and amortisation | 308,903,165 | 28,890,345 | 99,566,762 | 17,486,657 | 69,621,048 | 38,550,760 | 146,697,349 | 75,042,417 | 65,917,923 | 266,264,974 | 352,254,569 | 1,469,195,969 | 102,220,959 | 1,571,416,928 |
| Operating expenses | 5,878,202,942 | 929,749,281 | 1,692,609,418 | 612,293,340 | 3,005,024,619 | 290,305,591 | 2,561,830,509 | 298,130,206 | 665,258,795 | 504,565,260 | 438,590,064 | 16,876,560,024 | 891,005,041 | 17,767,565,065 |
| Finance costs/(income) | 167,270,000 | 99,330,000 | 110,639,030 | 103,793,953 | 312,775,599 | (36,030,705) | 1,262,710,876 | (92,785,401) | 296,798,633 | 490,952,667 | 1,102,937,823 | 3,818,392,475 | 94,888,643 | 3,913,281,118 |
| Segment profit/(loss) before tax | 2,255,496,484 | 247,616,612 | (490,623,307) | 417,208,512 | 2,402,084,376 | 124,482,637 | (1,260,782,780) | 532,540,200 | 56,844,176 | (104,943,729) | (2,166,909,622) | 2,013,013,557 | 614,716,558 | 2,627,730,115 |
| Segment assets | 12,573,985,251 | 2,146,395,743 | 4,716,029,137 | 2,541,478,258 | 14,137,725,638 | 2,113,794,643 | 4,413,875,442 | 3,298,907,536 | 3,510,890,421 | 7,791,046,885 | 8,304,796,204 | 65,548,925,157 | 10,172,891,689 | 75,721,816,847 |
| Segment liabilities | 2,875,165,265 | 807,677,008 | 2,192,264,420 | 1,216,549,851 | 6,001,188,940 | 843,534,358 | 19,153,460,325 | 1,261,464,040 | 5,303,295,133 | 7,305,711,674 | 13,991,888,176 | 60,952,199,091 | 2,564,925,584 | 63,517,124,675 |

8. Property, plant and equipment

| In Taka | Land | Building | Plant and Machinery | Furniture and fixture | Electrical and other appliances | Office machinery | Motor Vehicles | Leased assets | Capital work in progress | Total |
|--------------------------------|----------------------|----------------------|----------------------|-----------------------|---------------------------------|--------------------|----------------------|------------------|--------------------------|-----------------------|
| Cost | | | | | | | | | | |
| Balance at 1 July 2021 | 2,554,724,132 | 842,399,940 | 2,305,146,698 | 321,482,602 | 622,536,649 | 143,191,880 | 916,147,571 | 4,490,000 | 2,899,492,499 | 10,609,611,971 |
| Additions | 38,538,356 | 3,256,463 | 8,359,934 | 10,984,146 | 30,815,652 | 19,404,619 | 67,840,226 | - | 830,236,619 | 1,009,436,015 |
| Transfers | 151,774,996 | 1,464,679,991 | 547,769,405 | 46,084,672 | 9,353,889 | - | - | - | (2,219,662,953) | - |
| Disposals/adjustments | - | - | (3,559,583) | - | - | - | (10,275,379) | - | - | (13,834,962) |
| Balance at 30 June 2022 | 2,745,037,484 | 2,310,336,394 | 2,857,716,454 | 378,551,420 | 662,706,190 | 162,596,499 | 973,712,418 | 4,490,000 | 1,510,066,165 | 11,605,213,024 |
| Balance at 1 July 2022 | 2,745,037,484 | 2,310,336,394 | 2,857,716,454 | 378,551,420 | 662,706,190 | 162,596,499 | 973,712,418 | 4,490,000 | 1,510,066,165 | 11,605,213,024 |
| Additions | 177,518,679 | 280,732 | 11,027,805 | 12,409,273 | 41,325,995 | 47,213,747 | 211,014,502 | - | 1,504,403,621 | 2,005,194,354 |
| Transfers | - | 114,786,251 | 61,463,755 | 49,016,663 | 5,261,215 | - | - | - | (230,527,884) | - |
| Disposals/adjustments | - | (12,122,984) | (10) | - | - | (52,500) | (9,098,765) | (4,490,000) | - | (25,764,259) |
| Balance at 30 June 2023 | 2,922,556,163 | 2,413,280,393 | 2,930,208,004 | 439,977,356 | 709,293,400 | 209,757,746 | 1,175,628,155 | - | 2,783,941,902 | 13,584,643,119 |

| In Taka | Land | Building | Plant and Machinery | Furniture and fixture | Electrical and other appliances | Office machinery | Motor Vehicles | Leased assets | Capital work in progress | Total |
|--------------------------------|----------------------|-------------------|---------------------|-----------------------|---------------------------------|------------------|----------------|---------------|--------------------------|----------------------|
| Revaluation | | | | | | | | | | |
| Balance at 1 July 2021 | 4,728,071,344 | 41,585,353 | 27,081,028 | 533,003 | 260,473 | (34,846) | 679 | - | - | 4,797,497,034 |
| Additions for revaluation | - | - | - | - | - | - | - | - | - | - |
| Disposals | - | - | (28,467) | - | - | - | - | - | - | (28,467) |
| Balance at 30 June 2022 | 4,728,071,344 | 41,585,353 | 27,052,561 | 533,003 | 260,473 | (34,846) | 679 | - | - | 4,797,468,567 |
| Balance at 1 July 2022 | 4,728,071,344 | 41,585,353 | 27,052,561 | 533,003 | 260,473 | (34,846) | 679 | - | - | 4,797,468,567 |
| Additions for revaluation | - | - | - | - | - | - | - | - | - | - |
| Disposals | - | 632,574 | (276,788) | - | - | - | - | - | - | 355,786 |
| Balance at 30 June 2023 | 4,728,071,344 | 42,217,927 | 26,775,773 | 533,003 | 260,473 | (34,846) | 679 | - | - | 4,797,824,353 |

| In Taka | Land | Building | Plant and Machinery | Furniture and fixture | Electrical and other appliances | Office machinery | Motor Vehicles | Leased assets | Capital work in progress | Total |
|---------------------------------------|------|-------------|---------------------|-----------------------|---------------------------------|------------------|----------------|---------------|--------------------------|---------------|
| Accumulated depreciation- Cost | | | | | | | | | | |
| Balance at 1 July 2021 | - | 96,520,806 | 1,129,173,509 | 140,253,865 | 186,941,888 | 95,899,871 | 759,901,989 | 4,490,000 | - | 2,413,181,928 |
| Depreciation | - | 25,460,894 | 252,804,326 | 32,116,762 | 64,129,006 | 20,009,108 | 99,057,576 | - | - | 493,577,672 |
| Disposals | - | - | (3,381,082) | - | - | - | (10,258,603) | - | - | (13,639,685) |
| Adjustment | - | 469,920 | - | - | - | - | - | - | - | 469,920 |
| Balance at 30 June 2022 | - | 122,451,620 | 1,378,596,753 | 172,370,627 | 251,070,894 | 115,908,979 | 848,700,962 | 4,490,000 | - | 2,893,589,835 |
| Balance at 1 July 2022 | - | 122,451,620 | 1,378,596,753 | 172,370,627 | 251,070,894 | 115,908,979 | 848,700,962 | 4,490,000 | - | 2,893,589,835 |
| Depreciation | - | 59,849,095 | 236,303,701 | 34,237,308 | 66,199,553 | 20,840,658 | 73,453,345 | - | - | 490,883,660 |
| Disposals | - | (3,851,790) | - | - | - | (40,250) | (13,588,667) | - | - | (17,480,707) |
| Adjustment | - | 257,460 | - | - | 120,689 | (120,689) | 4,489,999 | (4,490,000) | - | 257,459 |
| Balance at 30 June 2023 | - | 178,706,385 | 1,614,900,454 | 206,607,935 | 317,391,136 | 136,588,698 | 913,055,639 | - | - | 3,367,250,247 |

| In Taka | Land | Building | Plant and Machinery | Furniture and fixture | Electrical and other appliances | Office machinery | Motor Vehicles | Leased assets | Capital work in progress | Total |
|--|---------------|---------------|---------------------|-----------------------|---------------------------------|------------------|----------------|---------------|--------------------------|----------------|
| Accumulated depreciation- Revaluation | | | | | | | | | | |
| Balance at 1 July 2021 | - | 7,796,491 | 24,837,608 | 528,002 | 274,753 | (34,296) | 129 | - | - | 33,402,687 |
| Depreciation | - | 1,424,124 | 1,985,436 | 228 | (10,692) | - | - | - | - | 3,399,096 |
| Disposals | - | - | (28,467) | - | - | - | - | - | - | (28,467) |
| Adjustment | - | (25,308) | - | - | - | - | - | - | - | (25,308) |
| Balance at 30 June 2022 | - | 9,195,307 | 26,794,577 | 528,230 | 264,061 | (34,296) | 129 | - | - | 36,748,007 |
| Balance at 1 July 2022 | - | 9,195,307 | 26,794,577 | 528,230 | 264,061 | (34,296) | 129 | - | - | 36,748,007 |
| Depreciation | - | 1,398,828 | 229,860 | 780 | (3,732) | - | - | - | - | 1,625,736 |
| Disposals | - | 177,121 | (276,788) | - | - | - | - | - | - | (99,667) |
| Adjustment | - | (12,654) | - | - | - | - | - | - | - | (12,654) |
| Balance at 30 June 2023 | - | 10,758,602 | 26,747,649 | 529,010 | 260,329 | (34,296) | 129 | - | - | 38,261,422 |
| Carrying amounts | | | | | | | | | | |
| At 1 July 2021 | 7,282,795,476 | 779,667,996 | 1,178,216,609 | 181,233,738 | 435,580,481 | 47,291,459 | 156,246,132 | - | 2,899,492,499 | 12,960,524,391 |
| At 30 June 2022 | 7,473,108,828 | 2,220,274,820 | 1,479,377,685 | 206,185,566 | 411,631,708 | 46,686,970 | 125,012,006 | - | 1,510,066,165 | 13,472,343,749 |
| At 30 June 2023 | 7,650,627,507 | 2,266,033,333 | 1,315,335,674 | 233,373,414 | 391,902,408 | 73,168,498 | 262,573,066 | - | 2,783,941,902 | 14,976,955,803 |

8(a) Consolidated property, plant and equipment

| In Taka | Land | Building | Plant and Machinery | Furniture and fixture | Electrical and other appliances | Office machinery | Motor Vehicles | Leased assets | Capital work in progress | Total |
|--------------------------------|----------------------|----------------------|-----------------------|-----------------------|---------------------------------|----------------------|----------------------|-------------------|--------------------------|-----------------------|
| Cost | | | | | | | | | | |
| Balance at 1 July 2021 | 4,091,898,408 | 5,478,008,297 | 9,074,598,175 | 1,489,346,279 | 1,169,169,805 | 997,691,521 | 1,402,294,516 | 10,642,993 | 4,320,759,097 | 28,034,409,091 |
| Additions | 53,958,868 | 7,422,588 | 41,341,710 | 17,814,444 | 41,800,613 | 31,635,655 | 115,796,858 | - | 1,796,208,676 | 2,105,979,411 |
| Transfers | 153,334,723 | 1,559,113,418 | 942,378,601 | 72,533,179 | 18,434,407 | 85,834,584 | 41,531,904 | - | (2,873,160,815) | - |
| Disposals/adjustments | - | - | (17,259,733) | (15,473) | (232,878) | (1,225,650) | (15,005,355) | - | - | (33,739,089) |
| Balance at 30 June 2022 | 4,299,191,999 | 7,044,544,302 | 10,041,058,753 | 1,579,678,429 | 1,229,171,947 | 1,113,936,109 | 1,544,617,923 | 10,642,993 | 3,243,806,958 | 30,106,649,414 |
| Balance at 1 July 2022 | 4,299,191,999 | 7,044,544,302 | 10,041,058,753 | 1,579,678,429 | 1,229,171,947 | 1,113,936,109 | 1,544,617,923 | 10,642,993 | 3,243,806,958 | 30,106,649,414 |
| Additions | 200,069,285 | 1,137,746 | 146,742,442 | 23,125,833 | 63,309,019 | 83,666,268 | 251,809,844 | - | 3,432,465,359 | 4,202,325,797 |
| Transfers | 28,677,631 | 480,221,095 | 769,958,465 | 187,456,381 | 83,772,919 | 104,521,816 | 13,651,948 | - | (1,668,260,254) | - |
| Disposals/adjustments | - | (632,574) | (48,484,568) | (2,874,672) | (4,963,342) | (1,604,445) | (20,987,733) | - | - | (79,547,335) |
| Balance at 30 June 2023 | 4,527,938,915 | 7,525,270,570 | 10,909,275,092 | 1,787,385,972 | 1,371,290,543 | 1,300,519,748 | 1,789,091,982 | 10,642,993 | 5,008,012,063 | 34,229,427,877 |
| Revaluation | | | | | | | | | | |
| Balance at 1 July 2021 | 7,566,773,998 | 85,690,017 | 40,005,453 | 608,894 | 1,508,522 | 398,446 | 137 | - | - | 7,694,985,467 |
| Additions for revaluation | - | - | - | - | - | - | - | - | - | - |
| Disposals/adjustments | - | - | 444,513 | (8) | (17,554) | (49,978) | - | - | - | 376,973 |
| Balance at 30 June 2022 | 7,566,773,998 | 85,690,017 | 40,449,966 | 608,886 | 1,490,968 | 348,468 | 137 | - | - | 7,695,362,439 |
| Balance at 1 July 2022 | 7,566,773,998 | 85,690,017 | 40,449,966 | 608,886 | 1,490,968 | 348,468 | 137 | - | - | 7,695,362,439 |
| Additions for revaluation | - | - | - | - | - | - | - | - | - | - |
| Disposals/adjustments | - | 632,574 | (276,788) | - | - | - | - | - | - | 355,786 |
| Balance at 30 June 2023 | 7,566,773,998 | 86,322,591 | 40,173,178 | 608,886 | 1,490,968 | 348,468 | 137 | - | - | 7,695,718,226 |

| In Taka | Land | Building | Plant and Machinery | Furniture and fixture | Electrical and other appliances | Office machinery | Motor Vehicles | Leased assets | Capital work in progress | Total |
|--|----------------|---------------|---------------------|-----------------------|---------------------------------|------------------|----------------|---------------|--------------------------|----------------|
| Accumulated depreciation- Cost | | | | | | | | | | |
| Balance at 1 July 2021 | - | 438,372,014 | 3,227,781,486 | 999,768,602 | 523,791,567 | 739,482,948 | 1,127,713,940 | 10,642,993 | - | 7,067,553,549 |
| Depreciation | - | 159,526,696 | 907,172,311 | 108,658,507 | 114,351,851 | 102,410,861 | 161,509,720 | - | - | 1,553,629,947 |
| Disposals | - | - | (5,293,593) | - | (32,813) | (315,201) | (12,981,603) | - | - | (18,623,210) |
| Adjustment | - | 469,920 | (11,128,851) | 724,715 | (45,532) | (195,167) | (1,954,970) | - | - | (12,129,885) |
| Balance at 30 June 2022 | - | 598,368,630 | 4,118,531,353 | 1,109,151,824 | 638,065,074 | 841,383,440 | 1,274,287,087 | 10,642,993 | - | 8,590,430,402 |
| Balance at 1 July 2022 | - | 598,368,630 | 4,118,531,353 | 1,109,151,824 | 638,065,074 | 841,383,440 | 1,274,287,087 | 10,642,993 | - | 8,590,430,402 |
| Depreciation | - | 199,253,492 | 951,568,425 | 107,984,197 | 120,088,949 | 115,038,386 | 129,634,796 | - | - | 1,623,568,245 |
| Disposals | - | (3,851,790) | (42,627,144) | (2,355,464) | (4,081,308) | (1,216,031) | (20,922,646) | - | - | (75,054,383) |
| Adjustment | - | 3,932,129 | 276,788 | 1,084,841 | - | 253,430 | 4,489,999 | - | - | 10,037,187 |
| Balance at 30 June 2023 | - | 797,702,461 | 5,027,749,422 | 1,215,865,399 | 754,072,715 | 955,459,225 | 1,387,489,236 | 10,642,993 | - | 10,148,981,451 |
| Accumulated depreciation- Revaluation | | | | | | | | | | |
| Balance at 1 July 2021 | - | 14,544,967 | 34,979,727 | 588,105 | 984,342 | 382,469 | 127 | - | - | 51,479,737 |
| Depreciation | - | 2,394,122 | 2,705,764 | (10,063) | 106,755 | 1,777 | - | - | - | 5,198,354 |
| Disposals | - | - | - | - | - | - | - | - | - | - |
| Adjustment | - | (25,308) | 487,125 | 548 | (9,654) | (47,643) | - | - | - | 405,068 |
| Balance at 30 June 2022 | - | 16,913,780 | 38,172,616 | 578,590 | 1,081,443 | 336,603 | 127 | - | - | 57,083,159 |
| Balance at 1 July 2022 | - | 16,913,780 | 38,172,616 | 578,590 | 1,081,443 | 336,603 | 127 | - | - | 57,083,159 |
| Depreciation | - | 2,631,851 | 655,795 | (5,531) | 113,880 | (19,631) | - | - | - | 3,376,362 |
| Disposals | - | 177,121 | - | - | - | - | - | - | - | 177,121 |
| Adjustment | - | (12,654) | (276,788) | - | - | - | - | - | - | (289,442) |
| Balance at 30 June 2023 | - | 19,710,098 | 38,551,622 | 573,059 | 1,195,322 | 316,972 | 127 | - | - | 60,347,200 |
| Carrying amounts | | | | | | | | | | |
| At 1 July 2021 | 11,658,672,406 | 5,110,781,333 | 5,851,842,416 | 489,598,466 | 645,902,418 | 258,224,549 | 274,580,585 | - | 4,320,759,097 | 28,610,361,271 |
| At 30 June 2022 | 11,865,965,997 | 6,514,951,909 | 5,924,804,750 | 470,556,901 | 591,516,398 | 272,564,534 | 270,330,845 | - | 3,243,806,958 | 29,154,498,292 |
| At 30 June 2023 | 12,094,712,913 | 6,794,180,602 | 5,883,147,226 | 571,556,399 | 617,513,474 | 345,092,019 | 401,602,755 | - | 5,008,012,063 | 31,715,817,451 |

9 Leases

The Group has rent agreements for depots, warehouses, outlets, and other uses for the business. Rent agreements having non-cancellable (either by agreement or in substance) tenor of 12 months or more have been charged through right of use assets. Short term rent agreements have been charged as expense. Information about such leases for which the Group is a lessee is presented below:

i. Right-of-use assets

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|---------------------------|--------------|--------------|
| Right-of-use assets | 676,828,366 | 392,248,564 |
| Additions during the year | 539,699,887 | 152,623,915 |

ii. Lease liabilities

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|--|--------------|--------------|
| Non-current portion of lease liabilities | 473,566,265 | 305,309,929 |
| Current portion of lease liabilities | 167,785,663 | 116,945,226 |
| | 641,351,928 | 422,255,155 |

iii. Reconciliation of rent expense

| <i>In Taka</i> | Note | 30 June 2023 | 30 June 2022 |
|--|------|--------------------|--------------------|
| Amount recognised in profit or loss | | | |
| Charge on right-of-use rent agreements | 33 | 201,159,276 | 165,377,346 |
| Interest on lease liabilities | 35 | 54,750,664 | 35,417,992 |
| Expense for short term rents | 33 | 26,879,974 | 56,156,390 |
| Amount recognised in profit or loss under IFRS 16 | | 282,789,914 | 256,951,728 |
| Rent paid (excluding IFRS 16 adjustment) | | 277,504,049 | 291,279,685 |

9(a) Consolidated leases

i. Right-of-use assets

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|---------------------|---------------|---------------|
| Right-of-use assets | 3,082,581,839 | 1,720,125,531 |

ii. Lease liabilities

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|--|---------------|---------------|
| Non-current portion of lease liabilities | 2,392,020,059 | 1,384,717,849 |
| Current portion of lease liabilities | 484,099,575 | 382,470,526 |
| | 2,876,119,634 | 1,767,188,375 |

10. Investments

i) Investment in shares

| | 30 June 2023 | | | 30 June 2022 | | |
|--|------------------|----------------------|--------------------------------------|---------------|---------------|---------------|
| | Number of shares | Face value per share | Called and paid up capital per share | Share-holding | Value | Value |
| | | Taka | Taka | % | Taka | Taka |
| Investment in Subsidiaries | | | | | | |
| ACI Formulations Limited | 25,269,409 | 10 | 10 | 53.48 | 66,872,823 | 66,872,823 |
| ACI Salt Limited | 233,000 | 1,000 | 1,000 | 77.67 | 155,000,000 | 155,000,000 |
| ACI Foods Limited | 2,850,000 | 100 | 100 | 99.30 | 285,000,000 | 285,000,000 |
| ACI Pure Flour Limited | 380,000 | 100 | 100 | 95.00 | 38,000,000 | 38,000,000 |
| ACI Agrolink Limited | 288,180 | 100 | 100 | 90.00 | 28,818,000 | 28,818,000 |
| Creative Communication Limited | 6,000 | 100 | 100 | 60.00 | 600,000 | 600,000 |
| ACI Motors Limited | 7,194,445 | 100 | 100 | 48.10 | 650,000 | 650,000 |
| Premiaflex Plastics Limited | 261,945 | 1,000 | 1,000 | 87.32 | 229,945,000 | 229,945,000 |
| ACI Logistics Limited | 273,600 | 1,000 | 1,000 | 76.00 | 273,600,000 | 273,600,000 |
| ACI Healthcare Limited | 46,469,000 | 10 | 10 | 92.94 | 464,690,000 | 464,690,000 |
| ACI Edible Oils Limited | 850,000 | 10 | 10 | 85.00 | 8,500,000 | 8,500,000 |
| ACI Chemicals Limited | 1,500,006 | 10 | 10 | 75.00 | 15,000,060 | 15,000,060 |
| Infolytx Bangladesh Limited | 600 | 100 | 100 | 60.00 | 100,060,000 | 100,060,000 |
| ACI Biotech Limited | 800,000 | 10 | 10 | 80.00 | 8,000,000 | 8,000,000 |
| ACI Marine and Riverine Technologies Limited | 7,700,000 | 10 | 10 | 77.00 | 77,000,000 | 77,000,000 |
| | | | | | 1,751,735,883 | 1,751,735,883 |
| Investment in Joint Ventures | | | | | | |
| ACI Godrej Agrovet (Pvt.) Limited | 1,850,000 | 100 | 100 | 50.00 | 185,000,000 | 185,000,000 |
| Tetley ACI (Bangladesh) Limited* | - | - | - | - | - | 325,000,000 |
| | | | | | 185,000,000 | 510,000,000 |
| Investment in Associates | | | | | | |
| Asian Consumer Care (Pvt.) Limited* | - | - | - | - | - | 115,205,895 |
| ACI CO-RO Bangladesh Ltd | 4,316,260 | 100 | 100 | 49.90 | 566,136,640 | 566,136,640 |
| Computer Technology Limited | 200 | 100 | 100 | 40.00 | 20,000 | 20,000 |
| Stochastic Logic Limited | 2,000 | 100 | 100 | 20.00 | 200,000 | 200,000 |
| | | | | | 566,356,640 | 681,562,535 |
| Investment in others | | | | | | |
| Mutual Trust Bank Limited | 29,648,163 | 10 | 10 | 3.33 | 465,476,159 | 474,370,618 |
| ACI AgroChem Limited | 100,000 | 10 | 10 | 5.00 | 1,000,000 | - |
| Central Depository Bangladesh Ltd. | 1,142,362 | 10 | 10 | 0.58 | 3,138,890 | 3,138,890 |
| RD Services Limited | 980 | 100 | 100 | 15.00 | 50,000,000 | 50,000,000 |
| | | | | | 519,615,049 | 527,509,508 |
| ii) Other investment | | | | | | |
| Term deposit and others | | | | | 156,319,372 | 70,538,338 |
| | | | | | 156,319,372 | 70,538,338 |
| Investment impairment provision** | | | | | 3,179,026,944 | 3,541,346,264 |
| | | | | | (273,600,000) | (273,600,000) |
| Total Investment | | | | | 2,905,426,944 | 3,267,746,264 |

* The Company has divested its entire shareholding in Asian Consumer Care (Pvt.) Limited and Tetley ACI (Bangladesh) Limited at a gross consideration of Taka 600,000,100 and 106,177,500 respectively. As a result of the disposal of those investments, a gain of Taka 249,078,189 has been recognized in the separate statement of profit or loss during the year.

** Investment impairment provision is kept on investment in ACI Logistics Limited as it has been loss making since its inception, which led management to make this impairment provision.

10(a) Consolidated investments

10(a).1 Equity-accounted investees

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|--|---------------|---------------|
| Investment valued under equity method | | |
| ACI Godrej Agrovet (Pvt.) Limited | 1,640,591,355 | 1,380,623,661 |
| Tetley ACI (Bangladesh) Limited* | - | (29,251,363) |
| Asian Consumer Care (Pvt.) Limited* | - | 304,385,318 |
| ACI CO-RO Bangladesh Ltd | 416,403,359 | 501,124,131 |
| Stochastic Logic Limited | 1,062,185 | 1,062,185 |
| | 2,058,056,899 | 2,157,943,932 |

* Due to the disposal of the investments referred in Note 10, a gain of Taka 416,029,319 has been recognized in the consolidated statement of profit or loss during the year.

10(a).2 Other investments

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|--|---------------|--------------|
| Mutual Trust Bank Limited | 465,476,159 | 474,370,618 |
| Investment Corporation of Bangladesh | 671,675 | 671,675 |
| Titans Gas Transmission and Distribution Company Limited | 1,635,300 | 1,635,300 |
| RD Services Limited | 50,000,000 | 50,000,000 |
| Central Depository Bangladesh Limited | 3,138,890 | 3,138,890 |
| Computer Technology Limited | 20,000 | 20,000 |
| Term deposits and others* | 506,230,223 | 292,453,899 |
| | 1,027,172,247 | 822,290,382 |

*Others include investment of subsidiary companies in various listed securities.

11 Intangible assets represent software used for the operation of ACI Limited.

11(a) Consolidated intangible assets

| <i>In Taka</i> | Product Development | Software | Goodwill | Total |
|---------------------------------------|---------------------|-------------|------------|---------------|
| Cost | | | | |
| Balance at 1 July 2021 | 1,275,129,895 | 127,592,852 | 12,382,918 | 1,415,105,665 |
| Additions | 60,509,797 | 21,257,499 | - | 81,767,297 |
| Balance at 30 June 2022 | 1,335,639,692 | 148,850,351 | 12,382,918 | 1,496,872,961 |
| Balance at 1 July 2022 | 1,335,639,692 | 148,850,351 | 12,382,918 | 1,496,872,961 |
| Additions | 52,459,844 | 8,276,214 | - | 60,736,058 |
| Balance at 30 June 2023 | 1,388,099,537 | 157,126,565 | 12,382,918 | 1,557,609,019 |
| Accumulated amortisation- Cost | | | | |
| Balance at 1 July 2021 | 32,364,154 | 70,211,938 | 7,235,126 | 109,811,218 |
| Amortisation | 5,846,124 | 13,665,384 | - | 19,511,508 |
| Balance at 30 June 2022 | 38,210,278 | 83,877,323 | 7,235,126 | 129,322,726 |
| Balance at 1 July 2022 | 38,210,278 | 83,877,323 | 7,235,126 | 129,322,726 |
| Amortisation | 5,846,124 | 13,289,900 | - | 19,136,024 |
| Balance at 30 June 2023 | 44,056,402 | 97,167,222 | 7,235,126 | 148,458,750 |
| Carrying amounts | | | | |
| At 1 July 2021 | 1,242,765,742 | 57,380,913 | 5,147,792 | 1,305,294,447 |
| At 30 June 2022 | 1,297,429,415 | 64,973,028 | 5,147,792 | 1,367,550,235 |
| At 30 June 2023 | 1,344,043,135 | 59,959,342 | 5,147,792 | 1,409,150,269 |

During the year, no external or internal indication was found which may trigger impairment of intangible assets. Product development in progress for HealthCare products has been reclassified from CWIP to intangible assets during current year.

12 Biological assets

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|--|--------------|--------------|
| Opening balance | 31,303,261 | 17,778,109 |
| Purchase during the year | 7,992,801 | 15,553,254 |
| Disposal during the year | (2,419,315) | (1,025,467) |
| Changes in fair value less costs to sell | (306,956) | (1,002,635) |
| | 36,569,791 | 31,303,261 |

Biological assets of the company consists breeding bulls.

12(a) Consolidated Biological assets

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|--|--------------|--------------|
| Opening balance | 31,303,261 | 17,778,109 |
| Purchase during the year | 7,992,801 | 15,553,254 |
| Disposal during the year | (2,419,315) | (1,025,467) |
| Changes in fair value less costs to sell | (306,956) | (1,002,635) |
| | 36,569,791 | 31,303,261 |

13 Inventories

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|---------------------------|---------------|---------------|
| Raw materials | 2,599,194,110 | 2,805,503,829 |
| Packing materials | 776,885,799 | 641,062,870 |
| Work in process | 303,958,920 | 384,174,069 |
| Finished goods | 3,196,236,213 | 3,269,607,453 |
| Goods in transit | 500,861,447 | 612,093,781 |
| Stores and spares | 104,281,726 | 93,267,940 |
| Allowance for inventories | (719,420,794) | (618,685,372) |
| | 6,761,997,421 | 7,187,024,570 |

As the Company deals in large number of items which vary in units, item-wise quantity statement of inventories could not be given.

13(a) Consolidated inventories

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|---------------------------|-----------------|----------------|
| Raw materials | 7,371,455,129 | 6,819,248,486 |
| Packing materials | 929,878,980 | 733,206,488 |
| Work in process | 836,333,318 | 783,525,077 |
| Finished goods | 12,577,234,294 | 11,022,482,278 |
| Goods in transit | 1,024,059,413 | 1,478,349,607 |
| Stores and spares | 365,969,545 | 376,143,192 |
| Allowance for inventories | (1,313,074,392) | (889,705,509) |
| | 21,791,856,287 | 20,323,249,620 |

14 Trade receivables

| <i>In Taka</i> | 30 June 2023 | | | 30 June 2022 |
|------------------------------|--------------------|---------------------|---------------|---------------|
| | Dues over 6 months | Dues below 6 months | Total | Total |
| Pharmaceuticals | 80,020,912 | 623,230,330 | 703,251,242 | 581,676,319 |
| Animal Health | 86,029,695 | 486,598,094 | 572,627,789 | 607,048,730 |
| Consumer Brands | 1,127,589,255 | 185,568,270 | 1,313,157,525 | 1,444,932,924 |
| Seeds | 143,020,222 | 206,584,752 | 349,604,974 | 386,108,261 |
| Fertilizer | 97,127,195 | 238,083,982 | 335,211,177 | 338,930,224 |
| Cropex | 113,460,418 | - | 113,460,418 | 113,460,418 |
| | 1,647,247,697 | 1,740,065,428 | 3,387,313,125 | 3,472,156,876 |
| Provision for doubtful debts | | | (726,316,563) | (703,533,081) |
| | | | 2,660,996,562 | 2,768,623,795 |

As the Company deals with large number of parties, party-wise trade receivables could not be given and hence business wise breakdown has been disclosed.

14(a) Consolidated trade receivables

| <i>In Taka</i> | 30 June 2023 | | | 30 June 2022 |
|---|-----------------------|------------------------|-----------------------------------|-----------------------------------|
| | Dues over 6 months | Dues below 6 months | Total | Total |
| ACI Limited | 1,647,247,697 | 1,740,065,428 | 3,387,313,125 | 3,472,156,876 |
| ACI Formulations Limited | 460,081,686 | 935,691,635 | 1,395,773,321 | 1,335,469,781 |
| ACI Logistics Limited | 52,896,983 | 86,161,642 | 139,058,625 | 200,627,223 |
| ACI Salt Limited | 2,713,943 | 47,626,513 | 50,340,456 | 65,791,525 |
| ACI Foods Limited | 125,978,492 | 138,874,290 | 264,852,782 | 238,554,400 |
| ACI Pure Flour Limited | 19,169,138 | 268,891,619 | 288,060,757 | 82,919,557 |
| Premiaflex Plastics Limited | 65,835,146 | 1,473,856,754 | 1,539,691,900 | 1,363,463,040 |
| ACI Motors Limited | 1,638,614,071 | 7,565,087,062 | 9,203,701,133 | 6,605,429,658 |
| Creative Communication Limited | 56,975,545 | 37,065,238 | 94,040,783 | 88,582,545 |
| ACI Agrolink Limited | 132,891,511 | 152,565,099 | 285,456,610 | 322,618,493 |
| ACI Edible Oils Limited | 1,097,311 | 22,313,987 | 23,411,298 | 10,319,179 |
| ACI Chemicals Limited | 2,581,991 | 3,617,229 | 6,199,220 | 4,438,661 |
| ACI HealthCare Limited | 2,590,629 | 1,708,836,981 | 1,711,427,609 | 534,929,126 |
| ACI Marine and Riverine Technologies Ltd. | - | 1,942,705 | 1,942,705 | 3,033,180 |
| Infolytx Bangladesh Limited | - | 9,101,232 | 9,101,232 | 12,145,232 |
| Consolidating elimination | - | (111,548,493) | (111,548,493) | (108,910,863) |
| Provision for doubtful debts | 4,208,674,143 | 14,080,148,922 | 18,288,823,065 (1,639,953,573) | 14,231,567,613 (1,459,314,342) |
| | | | 16,648,869,492 | 12,772,253,271 |

15 Other receivables

| <i>In Taka</i> | 30 June 2023 | | | 30 June 2022 |
|---------------------------------|-----------------------|------------------------|-------------|--------------|
| | Dues over 6 months | Dues below 6 months | Total | Total |
| Les Laboratories Servier | - | 354,859,794 | 354,859,794 | 261,702,842 |
| Transcom Distribution Limited | - | 39,861,089 | 39,861,089 | 104,963,772 |
| Receivables from other entities | 57,106,035 | 378,159,058 | 435,265,093 | 241,839,048 |
| | 57,106,035 | 772,879,941 | 829,985,976 | 608,505,662 |

15(a) Consolidated other receivables

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|----------------------------|---------------|--------------|
| Debts due over six months | 160,437,282 | 300,756,596 |
| Debts due below six months | 943,053,329 | 531,744,173 |
| | 1,103,490,611 | 832,500,769 |

16 Inter-company receivables

| <i>In Taka</i> | 30 June 2023 | | | 30 June 2022 |
|------------------------------------|-----------------------|------------------------|----------------|----------------|
| | Dues over 6 months | Dues below 6 months | Total | Total |
| Computer Technology Limited | 30,000 | - | 30,000 | 30,000 |
| Tetley ACI (Bangladesh) Limited | - | - | - | 575,370 |
| Asian Consumer Care (Pvt.) Limited | - | - | - | 7,893,516 |
| ACI HealthCare USA Inc. | 779,326,808 | 79,374,459 | 858,701,267 | 727,796,037 |
| ACI Godrej Agrovet (Pvt.) Limited | 929,726 | 5,375 | 935,101 | 929,726 |
| ACI Foods Limited | 596,715,213 | 3,528,168,874 | 4,124,884,087 | 3,699,601,552 |
| ACI Agrolink Limited | 272,645,987 | 736,921,890 | 1,009,567,877 | 932,792,262 |
| Premiaflex Plastics Limited | 897,903,250 | 3,591,613,002 | 4,489,516,252 | 3,484,407,827 |
| ACI Chemicals Limited | 237,839,619 | 15,049,320 | 252,888,939 | 232,071,432 |
| Infolytx Bangladesh Limited | 674,058,661 | 85,231,853 | 759,290,514 | 610,648,828 |
| ACI Logistics Limited | 4,300,352,724 | 6,863,442,161 | 11,163,794,885 | 8,602,694,336 |
| ACI HealthCare Limited | 7,872,809,318 | 2,112,699,619 | 9,985,508,937 | 7,022,750,606 |
| ACI Biotech Limited | 1,023,131,156 | 174,561,810 | 1,197,692,966 | 963,400,646 |
| | 16,655,742,462 | 17,187,068,363 | 33,842,810,825 | 26,285,592,138 |

Inter-company receivable is operated under normal course of business maintaining a common policy of charging interest to ensure efficient fund management and optimise effective borrowing cost at group level following the group's policy on fund utilisation and management to maximise interest of the shareholders.

16(a) Consolidated receivable from joint-ventures and associates

| In Taka | 30 June 2023 | | | 30 June 2022 |
|------------------------------------|--------------------|---------------------|---------|--------------|
| | Dues over 6 months | Dues below 6 months | Total | Total |
| Tetley ACI (Bangladesh) Limited | - | - | - | 575,370 |
| Asian Consumer Care (Pvt.) Limited | - | - | - | 7,893,516 |
| Computer Technology Limited | 30,000 | - | 30,000 | 30,000 |
| ACI Godrej Agrovet (Pvt.) Limited | 929,726 | 5,375 | 935,101 | 929,726 |
| Stochastic Logic Limited | - | - | - | (3,815,718) |
| | 959,726 | 5,375 | 965,101 | 5,612,894 |

17 Advances, deposits and prepayments

| In Taka | 30 June 2023 | 30 June 2022 |
|----------------------------------|---------------|--------------|
| Advances | | |
| Staff | 88,720,094 | 21,281,385 |
| Suppliers, C&F agents and others | 152,773,406 | 144,005,090 |
| Rent | 24,556,499 | 26,539,113 |
| LC Margin | 389,307,635 | - |
| VAT current account | 59,201,377 | 197,537,393 |
| | 714,559,011 | 389,362,981 |
| Deposits | | |
| Utilities and others | 131,723,968 | 131,713,968 |
| Bank guarantee margin | 52,418,237 | 49,274,584 |
| Tender deposits | 103,559,613 | 140,098,044 |
| | 287,701,818 | 321,086,596 |
| Prepayments | | |
| Prepaid expenses | 61,258,201 | 145,086,814 |
| | 1,063,519,030 | 855,536,391 |

17(a) Consolidated advances, deposits and prepayments

| In Taka | 30 June 2023 | 30 June 2022 |
|---------------------------------|---------------|---------------|
| Advances | | |
| Staff | 154,384,606 | 37,694,078 |
| Suppliers and others | 661,319,970 | 681,371,841 |
| Rent | 210,250,957 | 216,421,708 |
| L/C margin | 988,816,011 | 213,973,664 |
| VAT current account | 171,334,883 | 439,694,987 |
| Advance for capital expenditure | 18,396,955 | - |
| | 2,204,503,382 | 1,589,156,277 |
| Deposits | | |
| Utilities and others | 516,650,624 | 332,245,314 |
| Bank guarantee margin | 91,024,235 | 70,060,211 |
| Tender deposits | 177,827,297 | 191,363,088 |
| | 785,502,156 | 593,668,613 |
| Prepayments | | |
| Prepaid expenses | 301,518,223 | 329,673,099 |
| | 3,291,523,760 | 2,512,497,990 |

18 Cash and cash equivalents

| In Taka | Note | 30 June 2023 | 30 June 2022 |
|---|------|-----------------|-----------------|
| Cash in hand | | 67,005,357 | 46,805,929 |
| Collection in hand | 18.1 | 194,923,555 | 157,542,040 |
| Cash at banks | 18.2 | 917,735,323 | 590,198,200 |
| Cash and cash equivalents in the statement of financial position | | 1,179,664,235 | 794,546,169 |
| Bank overdraft | 24 | (5,847,200,405) | (3,357,929,346) |
| Cash and cash equivalents in the statement of cash flows | | (4,667,536,170) | (2,563,383,177) |

18.1 This represents cash in hand at depots which was collected against cash sales and collection instruments that were received against credit sale at the end of the reporting year.

18.2 Cash at banks

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|---|--------------|--------------|
| AB Bank Limited | 80,835,156 | 118,310,245 |
| Agrani Bank Limited | 156,240,604 | 42,080,613 |
| Al-Arafah Islami Bank Limited | 412,435 | 3,586,672 |
| National Bank Limited | 3,510 | 4,200 |
| Bank Asia Limited | 5,101,362 | 4,655,344 |
| BRAC Bank Limited | 685,856 | 338,251 |
| Commercial Bank of Ceylon Plc | 72,589,291 | 5,327,066 |
| Dhaka Bank Limited | - | 6,139,183 |
| Dutch-Bangla Bank Limited | 24,973,051 | 4,888,863 |
| Eastern Bank Limited | 16,578,178 | 12,740,601 |
| National Credit and Commerce Bank Limited | 1,067,778 | 2,265,560 |
| Janata Bank Limited | 38,540,723 | 15,767,000 |
| Mercantile Bank Limited | 11,731,821 | 20,303,318 |
| Midland Bank Limited | - | 236,735 |
| Mutual Trust Bank Limited | 22,362 | 23,052 |
| NRB Bank Limited | 9,249 | 1,776,879 |
| ONE Bank Limited | 13,079,547 | 9,402,019 |
| Prime Bank Limited | 19,544,115 | 9,699,664 |
| Pubali Bank Limited | 250,878,530 | 142,067,179 |
| Sonali Bank Limited | 70,749,749 | 50,132,960 |
| Standard Chartered Bank | 31,931,570 | 35,563,470 |
| The City Bank Limited | 7,365,931 | 5,687,558 |
| The Hongkong and Shanghai Banking Corporation Limited | 98,160,097 | 75,510,588 |
| Trust Bank Limited | 13,192,405 | 100,448 |
| United Commercial Bank Limited | 2,445,885 | 41,495 |
| Uttara Bank Limited | 1,362,974 | 508,888 |
| Meghna Bank Limited | - | 14,015,160 |
| Community Bank Bangladesh Limited | 9,550 | 4,027,050 |
| Jamuna Bank Limited | - | 4,998,139 |
| Citizens Bank PLC | 82,163 | - |
| Standard Bank Limited | 141,431 | - |
| | 917,735,323 | 590,198,200 |

18.3 Reconciliation of net operating cash flow

| <i>In Taka</i> | For the year ended | |
|---|----------------------|----------------------|
| | 30 June 2023 | 30 June 2022 |
| Profit after tax | 1,756,704,044 | 2,237,862,629 |
| <i>Adjustment for:</i> | | |
| - Depreciation and amortisation | 493,373,072 | 497,840,444 |
| - Gain on disposal of investment in joint ventures and associates | (249,078,189) | - |
| - Unrealized gain on translation of foreign currency receivables | (109,974,908) | (50,440,364) |
| - Gain/loss on asset disposal | (3,862,734) | (5,127,110) |
| - Bad debt loss and inventory provision | 123,518,904 | 177,387,788 |
| - Net finance cost | 300,088,263 | 332,551,204 |
| - Income tax expense | 535,838,129 | 710,029,018 |
| - Contribution to WPPF | 120,660,114 | 155,152,192 |
| - IFRS 16 and other non cash adjustments | 166,838,421 | 163,246,261 |
| <i>Changes in:</i> | | |
| - Inventories | 324,291,727 | (573,445,837) |
| - Trade and other receivables | (610,165,988) | (366,151,083) |
| - Advances, deposits and prepayments | (278,751,533) | 7,780,006 |
| - Trade and other payables & employment benefits | 340,692,882 | (283,107,100) |
| Cash generated from operating activities | 2,910,172,204 | 3,003,578,048 |
| Paid to WPPF | (121,042,598) | (140,088,402) |
| Interest paid | (250,698,213) | (316,534,788) |
| Income tax paid | (790,805,975) | (675,473,944) |
| Net cash from operating activities | 1,747,625,418 | 1,871,480,914 |

18(a) Consolidated short term investments

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|-------------------|---------------|--------------|
| Investment in FDR | 2,784,452,098 | - |
| | 2,784,452,098 | - |

18(b) Consolidated cash and cash equivalents

| <i>In Taka</i> | Note | 30 June 2023 | 30 June 2022 |
|--|-------|-----------------|-----------------|
| Cash in hand | | 105,193,534 | 81,956,972 |
| Collection in hand | | 2,240,380,931 | 861,650,409 |
| Cash at banks | | 2,927,197,439 | 2,265,149,854 |
| Cash and cash equivalents in the consolidated statement of financial position | | 5,272,771,904 | 3,208,757,234 |
| Bank overdraft | 24(a) | (8,427,735,948) | (5,177,125,582) |
| Cash and cash equivalents in the consolidated statement of cash flows | | (3,154,964,044) | (1,968,368,348) |

18 (c) Reconciliation of Consolidated net operating cash flow

| <i>In Taka</i> | For the year ended | |
|--|--------------------|-----------------|
| | 30 June 2023 | 30 June 2022 |
| Profit/(loss) after tax | (74,885,693) | 893,003,080 |
| <i>Adjustment for:</i> | | |
| - Depreciation and amortisation | 1,646,939,955 | 1,571,416,928 |
| - Bad debt loss and inventory provision | 604,008,113 | 320,353,641 |
| - Share of profit of equity accounted investees | (450,867,732) | (444,850,102) |
| - Net finance cost | 5,053,581,867 | 3,913,281,118 |
| - Tax expense | 1,727,572,954 | 1,734,727,035 |
| - Contribution to WPPF | 299,481,648 | 337,886,688 |
| - Gain/loss on asset disposal | (7,587,650) | (5,686,471) |
| - Gain on disposal of investment in equity accounted investees | (416,029,319) | - |
| - IFRS 16 and other non cash adjustments | 472,933,351 | 439,679,171 |
| <i>Changes in:</i> | | |
| - Inventories | (1,891,975,550) | (3,139,197,685) |
| - Trade and other receivables | (4,328,245,293) | (928,238,878) |
| - Advances, deposits and prepayments | (994,592,397) | (211,556,437) |
| - Trade and other payables & employment benefits | 2,853,260,565 | 1,480,764,604 |
| Cash generated from operating activities | 4,493,594,819 | 5,961,582,691 |
| Paid to WPPF | (250,596,660) | (256,873,602) |
| Interest paid | (3,729,917,736) | (3,256,372,716) |
| Income tax paid | (2,380,088,122) | (2,140,637,665) |
| Net cash from operating activities | (1,867,007,699) | 307,698,708 |

19 Share capital

| In Taka | 30 June 2023 | 30 June 2022 |
|---|---------------|---------------|
| In issue at the opening | 725,767,870 | 631,102,500 |
| Bonus share issued | 36,288,390 | 94,665,370 |
| In issue at reporting date - fully paid | 762,056,260 | 725,767,870 |
| Authorised - par value Tk. 10 | 1,500,000,000 | 1,500,000,000 |

Number and percentage of shareholdings:

| | Number of shares | | Percentage of shareholding | |
|----------------------|------------------|--------------|----------------------------|--------------|
| | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 |
| Directors & sponsors | 27,488,516 | 25,605,731 | 36.07% | 35.28% |
| Institutions | 31,409,543 | 29,576,068 | 41.22% | 40.75% |
| General shareholders | 17,307,567 | 17,394,988 | 22.71% | 23.97% |
| | 76,205,626 | 72,576,787 | 100.00% | 100.00% |

A distribution schedule of the above shares is given below as required by the Listing Rules:

| Number of shareholdings | Number of shareholders | | Number of shares | | Percentage of shareholdings of total number of shares | |
|-------------------------|------------------------|--------------|------------------|--------------|---|--------------|
| | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 |
| Less than 500 | 12,734 | 12,068 | 1,571,818 | 1,616,753 | 2.06% | 2.23% |
| 501 - 5,000 | 3,210 | 3,313 | 4,625,815 | 4,960,746 | 6.07% | 6.84% |
| 5,001 - 10,000 | 270 | 272 | 1,862,766 | 1,960,963 | 2.44% | 2.70% |
| 10,001 - 20,000 | 162 | 163 | 2,227,758 | 2,370,949 | 2.92% | 3.27% |
| 20,001 - 30,000 | 49 | 42 | 1,170,506 | 1,074,060 | 1.54% | 1.48% |
| 30,001 - 40,000 | 29 | 29 | 988,693 | 990,630 | 1.30% | 1.36% |
| 40,001 - 50,000 | 14 | 14 | 610,843 | 624,430 | 0.80% | 0.86% |
| 50,001 - 100,000 | 40 | 45 | 2,707,735 | 3,117,581 | 3.55% | 4.30% |
| 100,001 - 1,000,000 | 44 | 36 | 9,206,520 | 9,122,256 | 12.08% | 12.57% |
| Over - 1,000,000 | 12 | 11 | 51,233,172 | 46,738,419 | 67.23% | 64.40% |
| | 16,564 | 15,993 | 76,205,626 | 72,576,787 | 100.00% | 100.00% |

20 Reserves

| <i>In Taka</i> | Note | 30 June 2023 | 30 June 2022 |
|---------------------|------|----------------------|----------------------|
| Capital reserve | | 1,671,386 | 1,671,386 |
| Revaluation reserve | | 4,157,371,750 | 4,711,244,501 |
| FVOCI reserve | 20.1 | 393,444,143 | 401,449,156 |
| | | 4,552,487,279 | 5,114,365,043 |

20.1 FVOCI reserve

| | Number of shares held | Market value of shares | Cost of investment | Movement in fair value | Changes in fair value of financial assets | Fair value reserve as at reporting date |
|---------------------|-----------------------|------------------------|--------------------|------------------------|---|---|
| | | <i>In Taka</i> | <i>In Taka</i> | <i>In Taka</i> | <i>In Taka</i> | <i>In Taka</i> |
| 30 June 2022 | 26,952,876 | 474,370,618 | 28,316,000 | 446,054,618 | (57,336,144) | 401,449,156 |
| 30 June 2023 | 29,648,163 | 465,476,159 | 28,316,000 | 437,160,159 | (8,894,459) | 393,444,143 |

This available for sale reserve is for investment in shares of Mutual Trust Bank Limited.

20(a) Consolidated reserves

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|---------------------|----------------------|----------------------|
| Capital reserve | 1,671,386 | 1,671,386 |
| Translation reserve | (120,987,482) | (80,757,028) |
| Revaluation reserve | 5,860,112,356 | 6,630,048,439 |
| FVOCI reserve | 389,977,962 | 399,524,540 |
| | 6,130,774,222 | 6,950,487,337 |

21 Employee benefits

| <i>In Taka</i> | Note | 30 June 2023 | 30 June 2022 |
|-----------------------------------|------|----------------------|----------------------|
| Net defined benefit obligations | 21.1 | 1,051,560,000 | 950,030,052 |
| Other long term employee benefits | | 256,850,000 | 260,189,841 |
| Employees group insurance fund | | 400,000 | 400,000 |
| | | 1,308,810,000 | 1,210,619,893 |

21.1 Net defined benefit obligations

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|---|----------------------|--------------------|
| Opening balance | 950,030,052 | 920,330,000 |
| Provision made through profit or loss during the year | 201,130,000 | 226,129,470 |
| Remeasurement recognized through OCI | 104,120,336 | - |
| Paid during the year | (203,720,388) | (196,429,418) |
| Closing balance | 1,051,560,000 | 950,030,052 |

21.1.1 Actuarial gain/loss on remeasurement of defined benefit obligations and plan assets:

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|--|----------------------|----------------------|
| Amount recognized in Statement of Financial Position: | | |
| Defined benefit obligation | 1,524,116,502 | 1,345,508,465 |
| Less: Fair value of plan assets | (472,556,502) | (395,478,413) |
| Net defined benefit obligation | 1,051,560,000 | 950,030,052 |
| Movement in defined benefit obligation: | | |
| Defined benefit obligation at the end of prior year | 1,345,508,465 | 1,164,567,935 |
| Service cost | 126,920,000 | 168,029,585 |
| Interest cost on obligation | 111,300,000 | 64,423,100 |
| Benefits paid out | (146,960,127) | (51,512,155) |
| (Gain)/losses on remeasurement | 87,348,164 | - |
| Defined benefit obligation at the reporting date | 1,524,116,502 | 1,345,508,465 |
| Movement in fair value of plan assets: | | |
| Fair value of plan assets at the end of prior year | 395,478,413 | 244,237,935 |
| Interest on plan assets | 37,090,000 | 6,323,215 |
| Contributions received from employer | 203,720,388 | 193,812,135 |
| Benefits paid out from plan assets | (146,960,127) | (48,894,872) |
| Gain/(losses) on remeasurement | (16,772,172) | - |
| Fair value of plan assets at the reporting date | 472,556,502 | 395,478,413 |
| Amount recognized in profit or loss: | | |
| Service cost | 126,920,000 | 168,029,585 |
| Interest cost on obligation | 111,300,000 | 64,423,100 |
| Interest on plan assets | (37,090,000) | (6,323,215) |
| Amount recognized in profit or loss: | 201,130,000 | 226,129,470 |
| (Gain)/losses on remeasurement recognized in OCI: | 104,120,336 | - |

21(a) Consolidated employee benefits

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|-----------------------------------|----------------------|----------------------|
| Net defined benefit obligations | 1,363,430,000 | 1,232,844,699 |
| Other long term employee benefits | 357,150,000 | 349,912,454 |
| Employees group insurance fund | 400,000 | 400,000 |
| | 1,720,980,000 | 1,583,157,153 |

22 Long term bank loans

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|---------------------------------|----------------------|----------------------|
| Lankan Alliance Finance Limited | 199,074,418 | - |
| Dhaka Bank Limited | 641,251,221 | 257,032,288 |
| Dutch-Bangla Bank Limited | 643,941,775 | 811,957,579 |
| BRAC Bank Limited | 21,223,387 | - |
| | 1,505,490,802 | 1,068,989,867 |

22(a) Consolidated long term bank loans

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|--|----------------------|----------------------|
| Bank Asia Limited | 22,499,556 | 30,568,584 |
| BRAC Bank Limited | 403,574,395 | 403,342,458 |
| Dhaka Bank Limited | 1,723,662,642 | 1,493,044,372 |
| Dutch-Bangla Bank Limited | 1,785,119,782 | 2,156,290,574 |
| Jamuna Bank Limited | - | 47,978,266 |
| Lankan Alliance Finance Limited | 199,074,418 | - |
| Mercantile Bank Limited | 57,572,713 | 332,337,013 |
| Midland Bank Limited | 319,131,297 | - |
| National Bank Limited | 481,696,860 | 767,741,498 |
| Prime Bank Limited | 704,790,016 | 883,623,133 |
| Pubali Bank Limited | 12,904,138 | - |
| Islamic Finance and Investment Limited | 83,941,466 | 127,039,506 |
| Trust Bank Limited | 102,291,418 | 166,949,977 |
| United Finance Limited | 150,884,992 | - |
| | 6,047,143,695 | 6,408,915,381 |

23 Deferred tax liabilities/(assets)

| <i>In Taka</i> | Note | 30 June 2023 | 30 June 2022 |
|---|------|--------------------|---------------------|
| Opening balance | | (47,610,979) | (88,780,615) |
| Deferred tax (income)/expense recognised through profit or loss | 36 | (77,808,659) | 46,903,250 |
| Deferred tax (income)/expense recognised through OCI | | 529,556,229 | (5,733,614) |
| Closing balance | | 404,136,592 | (47,610,979) |

Details of deferred tax liabilities/(assets)

| <i>In Taka</i> | Carrying amount on reporting date | Tax base | Taxable/(deductible) temporary difference | Deferred tax liabilities/(assets) |
|--|-----------------------------------|----------------------|---|-----------------------------------|
| At 30 June 2023 | | | | |
| Property, plant and equipment (other than land and under construction) | 4,542,386,394 | 3,716,585,731 | 825,800,662 | 185,805,149 |
| Land | 7,650,627,507 | - | 7,650,627,507 | 790,976,966 |
| Provision for inventories | (719,420,794) | - | (719,420,794) | (161,869,679) |
| Provision for trade receivables | (726,316,563) | - | (726,316,563) | (163,421,227) |
| Investment impairment provision | (273,600,000) | - | (273,600,000) | (41,040,000) |
| Provision for gratuity | (1,051,560,000) | - | (1,051,560,000) | (236,601,000) |
| FVOCI reserve | 437,160,159 | - | 437,160,159 | 43,716,016 |
| Temporary difference for IFRS 16: Lease | (59,687,263) | - | (59,687,263) | (13,429,634) |
| Taxable temporary differences | 9,799,589,440 | 3,716,585,731 | 6,083,003,709 | 404,136,592 |

| <i>In Taka</i> | Carrying amount on reporting date | Tax base | Taxable/(deductible) temporary difference | Deferred tax liabilities/(assets) |
|--|-----------------------------------|----------------------|---|-----------------------------------|
| At 30 June 2022 | | | | |
| Property, plant and equipment (other than land and under construction) | 4,489,168,756 | 3,352,566,212 | 1,136,602,544 | 255,735,572 |
| Land | 7,473,108,828 | - | 7,473,108,828 | 237,104,215 |
| Provision for inventories | (618,685,372) | - | (618,685,372) | (139,204,209) |
| Provision for trade receivables | (703,533,081) | - | (703,533,081) | (158,294,943) |
| Investment impairment provision | (273,600,000) | - | (273,600,000) | (61,560,000) |
| Provision for gratuity | (950,030,052) | - | (950,030,052) | (213,756,762) |
| Available for sale reserve | 446,054,618 | - | 446,054,618 | 44,605,462 |
| Temporary difference for IFRS 16: Lease | (54,401,399) | - | (54,401,399) | (12,240,315) |
| Taxable temporary differences | 9,808,082,298 | 3,352,566,212 | 6,455,516,087 | (47,610,979) |

Applicable tax rate for:

| | |
|----------------------------------|--------|
| Land | 2%-15% |
| Investment impairment provision | 15% |
| FVOCI/Available for sale reserve | 10% |
| Others | 22.5% |

23(a) Consolidated deferred tax liabilities/(assets)

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|---|----------------------|----------------------|
| Opening balance | (709,841,617) | (448,004,545) |
| Deferred tax (income)/expense recognised through profit or loss | (412,171,228) | (207,775,600) |
| Deferred tax (income)/expense recognised through OCI | 850,628,193 | (5,938,476) |
| Consolidation adjustments | (69,724,089) | (48,122,996) |
| Balance at reporting date | (341,108,740) | (709,841,617) |

24 Bank overdraft

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|---|---------------|---------------|
| Dhaka Bank Limited | 69,411 | - |
| Agrani Bank Limited | 1,720,250,531 | 966,805,786 |
| Bank Alfalah Limited | 19,068,639 | 16,285,373 |
| BRAC Bank Limited | 46,395,837 | 10,630,335 |
| Commercial Bank of Ceylon Plc | 23,767,915 | 23,789,059 |
| Dutch Bangla Bank Limited | 148,904,460 | 50,895,045 |
| Citizens Bank PLC | 102,175,000 | - |
| Bank Asia Limited | 83,664,926 | - |
| Mercantile Bank Limited | 582,330,630 | 182,113,881 |
| National Credit and Commerce Bank Limited | 255,685,400 | 247,471,800 |
| Meghna Bank Limited | 38,168,220 | 16,201,424 |
| Midland Bank Limited | 18,809,477 | - |
| Community Bank Bangladesh Limited | 663,650,375 | 647,241,362 |
| ONE Bank Limited | 91,569,074 | 21,505,021 |
| Prime Bank Limited | 384,019,356 | 310,405,078 |
| Standard Chartered Bank | 980,128,305 | 218,250,600 |
| The City Bank Limited | 172,149,611 | 181,200,399 |
| The Hongkong and Shanghai Banking Corporation Limited | - | 23,042,025 |
| The Premier Bank Limited | 406,429,596 | 396,963,990 |
| United Commercial Bank Limited | 101,781,913 | 45,128,168 |
| Jamuna Bank Limited | 8,181,729 | - |
| | 5,847,200,405 | 3,357,929,346 |

24(a) Consolidated bank overdraft

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|---|---------------|---------------|
| AB Bank Limited | - | 647,241,362 |
| Bengal Commercial Bank Limited | 96,508,704 | 92,395,046 |
| Dhaka Bank Limited | 102,050,631 | - |
| Agrani Bank Limited | 1,924,663,612 | 1,165,910,895 |
| Bank Alfalah Limited | 19,068,639 | 16,285,373 |
| Bank Asia Limited | 300,980,111 | 127,928,892 |
| BRAC Bank Limited | 56,476,487 | 16,998,383 |
| Commercial Bank of Ceylon Plc | 64,445,905 | 58,350,565 |
| Dutch Bangla Bank Limited | 325,615,520 | 212,086,338 |
| Eastern Bank Limited | 4,661,063 | 4,633,869 |
| The Hongkong and Shanghai Banking Corporation Limited | - | 24,421,085 |
| Trust Bank Limited | 204,282,106 | 179,260,119 |
| Mercantile Bank Limited | 582,330,630 | 182,113,881 |
| Midland Bank Limited | 168,433,930 | 20,154,187 |
| National Bank Limited | 180,281,035 | 92,675,274 |
| National Credit and Commerce Bank Limited | 255,685,400 | 247,471,800 |
| Community Bank Bangladesh Limited | 663,650,375 | - |
| ONE Bank Limited | 192,474,045 | 116,899,034 |
| Prime Bank Limited | 437,157,738 | 337,248,416 |
| Pubali Bank Limited | 680,456,501 | 418,483,702 |
| Standard Chartered Bank | 982,669,842 | 224,108,503 |
| The City Bank Limited | 172,149,611 | 195,446,177 |
| The Premier Bank Limited | 406,429,596 | 396,963,990 |
| United Commercial Bank Limited | 254,248,896 | 190,415,087 |
| Jamuna Bank Limited | 212,672,351 | 193,432,181 |
| Citizens Bank PLC | 102,175,000 | - |
| Meghna Bank Limited | 38,168,220 | 16,201,424 |
| | 8,427,735,948 | 5,177,125,582 |

25 Loans and borrowings - short term

| <i>In Taka</i> | Note | 30 June 2023 | 30 June 2022 |
|-----------------------------------|------|----------------|----------------|
| Short term loans | 25.1 | 24,300,276,970 | 20,112,844,880 |
| Current portion of long term loan | 25.2 | 424,635,849 | 231,716,515 |
| | | 24,724,912,819 | 20,344,561,395 |

25.1 Short term loans

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|---|----------------|----------------|
| Agrani Bank Limited | 304,955,330 | 290,754,243 |
| Meghna Bank Limited | 815,019,145 | 31,936,371 |
| Al-Arafah Islami Bank Limited | 1,000,000,000 | 800,000,000 |
| Bank Asia Limited | 1,727,660,562 | 1,098,785,405 |
| Bank Alfalah Limited | 300,769,392 | 397,078,725 |
| BRAC Bank Limited | 1,773,414,328 | 600,529,778 |
| Commercial Bank of Ceylon Plc | 1,547,646,627 | 1,467,330,879 |
| Dhaka Bank Limited | 1,603,152,394 | 1,728,802,810 |
| Dutch Bangla Bank Limited | 902,871,283 | 1,373,133,143 |
| Midland Bank Limited | 1,020,000,000 | 1,060,052,620 |
| National Credit and Commerce Bank Limited | 252,500,000 | 249,967,763 |
| Jamuna Bank Limited | 1,038,882,016 | 1,672,114,742 |
| Shimanto Bank Limited | 300,000,000 | - |
| ONE Bank Limited | 150,000,000 | 272,609,159 |
| Prime Bank Limited | 1,407,460,790 | 693,805,463 |
| Pubali Bank Limited | 3,315,106,416 | 3,000,000,000 |
| Standard Chartered Bank | 100,000,000 | 118,400,920 |
| The City Bank Limited | 2,006,093,836 | 2,331,146,347 |
| IPDC Finance Limited | 1,000,000,000 | 700,000,000 |
| Uttara Bank Limited | 904,424,954 | 886,590,289 |
| The Hongkong and Shanghai Banking Corporation Limited | 95,968,010 | 99,030,074 |
| Mercantile Bank Limited | 2,734,351,887 | 1,240,776,149 |
| | 24,300,276,970 | 20,112,844,880 |

25.2 Current portion of long term loans

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|---------------------------------|--------------|--------------|
| Dhaka Bank Limited | 177,547,988 | 40,693,117 |
| Dutch Bangla Bank Limited | 205,826,529 | 191,023,398 |
| Lankan Alliance Finance Limited | 41,261,333 | - |
| | 424,635,849 | 231,716,515 |

ACI Limited has following facility arrangements with banks as at 30 June 2023:

| <i>In Taka</i> | Overdraft limits | Short-term facilities limits | Long-term loan limits | Revolving Trust Receipt Limit/ Letter of credit | Bank guarantee |
|-----------------------------------|------------------|------------------------------|-----------------------|---|----------------|
| Agrani Bank Limited | 1,500,000,000 | 300,000,000 | - | 500,000,000 | 10,000,000 |
| Bank Alfalah Limited | 120,000,000 | 320,000,000 | - | 220,000,000 | - |
| Bank Asia Limited | - | 1,250,000,000 | - | 1,000,000,000 | 450,000,000 |
| BRAC Bank limited | 60,000,000 | 600,000,000 | 50,000,000 | 600,000,000 | 30,000,000 |
| Commercial Bank of Ceylon Plc. | 30,000,000 | 1,190,000,000 | - | 1,000,000,000 | - |
| Dhaka Bank Limited | - | 1,400,000,000 | 1,000,000,000 | 1,500,000,000 | 50,000,000 |
| Dutch Bangla Bank Limited | 150,000,000 | 700,000,000 | 1,350,000,000 | 600,000,000 | 20,000,000 |
| Midland Bank Limited | - | 1,080,000,000 | - | - | - |
| HSBC | 50,000,000 | 300,000,000 | - | 300,000,000 | 5,000,000 |
| Jamuna Bank Limited | - | 400,000,000 | - | 1,250,000,000 | 10,000,000 |
| Mercantile Bank Limited | 500,000,000 | 2,700,000,000 | - | 4,000,000,000 | 10,000,000 |
| NCC Bank Limited | 250,000,000 | 250,000,000 | - | - | - |
| ONE Bank Limited | 100,000,000 | 800,000,000 | - | 1,200,000,000 | 10,000,000 |
| The Premier Bank Limited | 400,000,000 | - | - | 2,000,000,000 | - |
| Prime Bank Limited | 260,000,000 | 1,350,000,000 | - | 2,000,000,000 | 50,000,000 |
| Pubali Bank Limited | 500,000,000 | 3,000,000,000 | - | 600,000,000 | 900,000,000 |
| Standard Chartered Bank | 80,000,000 | 100,000,000 | - | 149,000,000 | 24,500,000 |
| The City Bank Limited | 20,000,000 | 2,700,000,000 | - | 3,000,000,000 | 5,000,000 |
| Trust Bank Limited | - | - | - | 250,000,000 | - |
| United Commercial Bank Limited | 50,000,000 | - | - | 50,000,000 | 10,000,000 |
| Uttara Bank Limited | 200,000,000 | 800,000,000 | - | - | - |
| Meghna Bank Limited | 20,000,000 | 1,000,000,000 | - | 1,500,000,000 | 20,000,000 |
| Al-Arafah Islami Bank Limited | - | 1,000,000,000 | - | 1,000,000,000 | 200,000,000 |
| IPDC Finance Limited | - | 1,000,000,000 | - | - | - |
| Community Bank Bangladesh Limited | 650,000,000 | - | - | 100,000,000 | - |
| Lankan Alliance Finance Limited | - | - | 250,000,000 | - | - |
| Shimanta Bank CP | - | 300,000,000,000 | - | - | - |

Securities for the facilities mentioned above are as below:

- Demand promissory notes for BDT 34,078.50 million.
- Registered hypothecation over inventories and accounts receivables on pari-passu basis for BDT 22,335.00 million.
- Corporate guarantee issued to Agrani Bank Limited by ACI Formulations Limited, ACI Pure Flour and ACI Salt Limited.
- Corporate guarantee issued to One Bank Limited by ACI Salt Limited and ACI Motors Limited.
- Corporate guarantee issued to Premier Bank Limited by ACI Salt Limited.
- Corporate guarantee issued to Dutch Bangla Bank Limited by ACI Salt Limited, ACI Foods Limited, ACI Motors Limited, and Neem Laboratories Pvt. Ltd.
- Corporate guarantee issued to Uttara Bank Limited by ACI Salt Limited.
- Post dated Cheque BDT 21,780.00 million to Agrani Bank Ltd, Bank Aisa Ltd, BRAC Bank Ltd, Dhaka Bank Ltd, DBBL, Jamuna Bank Ltd, Mercantile Bank Ltd, NCC Bank Ltd, Prime Bank Ltd, Pubali Bank Ltd, United Commercial Bank Limited, Meghna Bank Ltd., and Al-Arafah Islami Bank Limited.

25(a) Consolidated loans and borrowings - short term

| <i>In Taka</i> | Note | 30 June 2023 | 30 June 2022 |
|-----------------------------------|---------|----------------|----------------|
| Short term loans | 25(a).1 | 42,450,096,530 | 33,242,130,835 |
| Current portion of long term loan | 25(a).2 | 2,435,393,446 | 2,029,464,280 |
| | | 44,885,489,976 | 35,271,595,114 |

25(a).1 Consolidated short term loans

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|---|----------------|----------------|
| Shimanto Bank Limited | 300,000,000 | - |
| South Bangla Agriculture & Commerce Bank Limited | 507,634,297 | 500,027,925 |
| Bengal Commercial Bank Limited | 450,000,000 | 300,000,000 |
| Premier Bank Limited | 1,328,339,768 | - |
| Meghna Bank Limited | 815,019,145 | 31,936,371 |
| Agrani Bank Limited | 304,955,330 | 290,754,243 |
| Bank Alfalah Limited | 300,769,392 | 397,078,725 |
| Bank Asia Limited | 5,670,870,195 | 3,275,965,514 |
| BRAC Bank Limited | 2,852,727,994 | 617,929,426 |
| Commercial Bank of Ceylon Plc. | 2,721,598,109 | 2,338,293,496 |
| Dhaka Bank Limited | 1,816,311,466 | 1,730,236,522 |
| Dutch Bangla Bank Limited | 1,409,388,943 | 1,981,292,869 |
| Al-Arafah Islami Bank Limited | 1,500,000,000 | 1,300,000,000 |
| The Hongkong and Shanghai Banking Corporation Limited | 95,968,010 | 99,030,074 |
| Jamuna Bank Limited | 1,038,882,016 | 1,672,584,595 |
| Mercantile Bank Limited | 4,418,516,924 | 2,801,288,711 |
| Midland Bank Limited | 1,230,345,633 | 1,721,111,641 |
| National Bank Limited | 153,378,443 | 153,365,624 |
| National Credit and Commerce Bank Limited | 252,500,000 | - |
| ONE Bank Limited | 551,920,129 | 1,022,795,250 |
| Prime Bank Limited | 2,429,529,126 | 1,851,775,593 |
| Pubali Bank Limited | 4,437,628,454 | 4,232,751,594 |
| Standard Chartered Bank | 100,000,000 | 118,400,920 |
| The City Bank Limited | 2,552,433,438 | 3,053,502,316 |
| Trust Bank Limited | 1,711,953,333 | 799,999,802 |
| United Commercial Bank Limited | - | 249,967,763 |
| Uttara Bank Limited | 904,424,954 | 886,590,289 |
| IPDC Finance Limited | 1,290,510,199 | 845,306,752 |
| Loans and borrowings of foreign subsidiary | 1,304,491,233 | 970,144,821 |
| | 42,450,096,530 | 33,242,130,835 |

25(a).2 Consolidated current portion of long term loans

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|--|----------------------|----------------------|
| BRAC Bank Limited | 107,000,107 | 82,172,400 |
| Bank Asia Limited | 11,276,649 | 9,566,800 |
| Dhaka Bank Limited | 422,816,005 | 271,909,991 |
| Dutch-Bangla Bank Limited | 551,787,893 | 495,283,685 |
| United Finance Limited | 42,274,926 | - |
| Lankan Alliance Finance Limited | 41,261,333 | 37,205,642 |
| Jamuna Bank Limited | 47,135,261 | 83,273,705 |
| Mercantile Bank Limited | 254,730,479 | 235,901,205 |
| Midland Bank Limited | 214,297,606 | - |
| National Bank Limited | 284,467,965 | 260,109,360 |
| Prime Bank Limited | 318,618,776 | 271,272,735 |
| Pubali Bank Limited | 30,053,761 | 5,987,911 |
| Trust Bank Limited | 67,879,061 | 276,780,846 |
| Islamic Finance and Investment Limited | 41,793,625 | - |
| | 2,435,393,446 | 2,029,464,280 |

26 Trade payables

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|----------------------|----------------------|----------------------|
| Payable to suppliers | 1,148,133,269 | 1,325,614,745 |
| | 1,148,133,269 | 1,325,614,745 |

Trade payable consists of balances owing to large number of suppliers and thus supplier-wise detailed break up has not been given.

26(a) Consolidated trade payables

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|--|----------------------|----------------------|
| ACI Limited | 1,148,133,269 | 1,325,614,745 |
| ACI Formulations Limited | 75,326,595 | 97,197,877 |
| ACI Logistics Limited | 2,688,862,490 | 1,804,489,687 |
| ACI Salt Limited | 156,699,494 | 136,866,448 |
| ACI Foods Limited | 876,149,370 | 733,011,842 |
| ACI Pure Flour Limited | 477,638,793 | 481,244,555 |
| Premiaflex Plastics Limited | 305,205,952 | 177,754,576 |
| ACI Motors Limited | 133,123,615 | 112,570,956 |
| ACI Agrolink Limited | 36,763,408 | 65,230,587 |
| ACI Edible Oils Limited | 42,617,794 | 73,624,261 |
| ACI Marine and Riverine Technologies Limited | 13,068 | - |
| ACI HealthCare Limited | 1,206,983,866 | 619,632,504 |
| Consolidating elimination | (111,548,493) | (108,910,863) |
| | 7,035,969,221 | 5,518,327,175 |

27 Other payables

| <i>In Taka</i> | Note | 30 June 2023 | 30 June 2022 |
|--|------|----------------------|----------------------|
| Accruals | | 1,674,765,185 | 1,307,201,070 |
| Advance from customers | | 104,175,269 | 23,914,637 |
| Security money received from customers | | 35,571,306 | 35,847,869 |
| Workers' profit participation fund | 27.1 | 845,447,090 | 800,536,068 |
| Tax and VAT deducted at source | | 108,057,619 | 99,752,301 |
| Employees welfare fund | | 459,697,967 | 415,176,769 |
| Rights share deposit to be refunded | | 563,723 | 563,723 |
| Family day fund | | 6,464,125 | 5,879,902 |
| Non-management staff provident fund | | 8,420,810 | 6,021,301 |
| Unclaimed refund warrant - Zero Coupon Bonds | | 3,647,450 | 3,647,450 |
| Payable for redemption of Zero Coupon Bonds | | 20,403,480 | 20,403,480 |
| Management staff provident fund | | 41,594,679 | 26,599,195 |
| Advertisement and promotional funds | | 113,554,710 | 78,244,397 |
| Development funds | | 9,935,402 | 11,133,525 |
| | | 3,432,298,815 | 2,834,921,687 |

27.1 Workers' profit participation fund (WPPF)

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|----------------------------------|--------------------|--------------------|
| Opening balance | 800,536,068 | 742,851,695 |
| Addition during the year | 120,660,114 | 155,152,192 |
| Interest accrued during the year | 45,293,505 | 42,620,583 |
| Paid during the year | (121,042,598) | (140,088,402) |
| Closing balance | 845,447,090 | 800,536,068 |

27(a) Consolidated other payables

| <i>In Taka</i> | Note | 30 June 2023 | 30 June 2022 |
|--|---------|----------------------|----------------------|
| Accruals | | 5,686,048,562 | 4,338,038,010 |
| Advance from customers | | 1,308,061,239 | 1,321,581,371 |
| Security money received from customers | | 106,215,774 | 98,064,723 |
| Workers' profit participation fund | 27(a).1 | 1,251,114,506 | 1,141,424,394 |
| Management staff provident fund | | 41,594,679 | 26,599,195 |
| Tax and VAT deducted at source | | 221,361,321 | 235,629,587 |
| Employees welfare fund | | 459,697,967 | 415,176,769 |
| Rights share deposit to be refunded | | 563,723 | 563,723 |
| Family day fund | | 6,464,125 | 5,879,902 |
| Non-management staff provident fund | | 8,420,810 | 6,021,301 |
| Unclaimed refund warrant - Zero Coupon Bonds | | 3,647,450 | 3,647,450 |
| Payable for redemption of Zero Coupon Bonds | | 20,403,480 | 20,403,480 |
| Creditors for capital expenditure | | 44,609,595 | 326,226 |
| Advertisement and promotional funds | | 113,554,710 | 78,244,397 |
| Development funds | | 9,935,402 | 11,133,525 |
| | | 9,281,693,343 | 7,702,734,053 |

27(a).1 Workers' profit participation fund (WPPF)

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|----------------------------------|----------------------|----------------------|
| Opening balance | 1,141,424,394 | 1,006,003,259 |
| Addition during the year | 299,481,648 | 337,886,688 |
| Interest accrued during the year | 60,805,123 | 54,408,049 |
| Paid during the year | (250,596,660) | (256,873,602) |
| Closing balance | 1,251,114,506 | 1,141,424,394 |

28 Unclaimed dividend account

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|---------------------------|-------------------|-------------------|
| Unclaimed/unpaid dividend | 80,014,693 | 82,815,625 |
| | 80,014,693 | 82,815,625 |

28(a) Consolidated unclaimed dividend account

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|---------------------------|-------------------|-------------------|
| Unclaimed/unpaid dividend | 85,717,445 | 88,081,841 |
| | 85,717,445 | 88,081,841 |

29 Inter-company payables

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|--|----------------------|----------------------|
| ACI Salt Limited | 2,104,857,473 | 1,616,152,118 |
| Creative Communication Limited | 52,483,828 | 62,811,444 |
| ACI Marine and Riverine Technologies Limited | 63,506,827 | 42,454,529 |
| Stochastic Logic Limited | 3,046,748 | 3,815,718 |
| ACI Edible Oils Limited | 15,495,005 | 64,330,132 |
| ACI Motors Limited | 819,018,501 | 934,628,194 |
| ACI Formulations Limited | 634,715,671 | 785,527,137 |
| ACI Pure Flour Limited | 510,702,327 | 490,028,881 |
| | 4,203,826,380 | 3,999,748,153 |

30 Current tax liabilities

| <i>In Taka</i> | Note | 30 June 2023 | 30 June 2022 |
|---|------|--------------------|--------------------|
| Opening balance | | 3,933,360,680 | 3,270,234,911 |
| Provision made during the year | | 613,646,788 | 663,125,768 |
| Adjustment against completion of tax assessment | | (2,349,552,879) | - |
| | | 2,197,454,589 | 3,933,360,680 |
| Advance income tax | 30.1 | (1,978,123,572) | (3,536,870,476) |
| Closing balance | | 219,331,017 | 396,490,204 |

30.1 Advance income tax

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|---|----------------------|----------------------|
| Opening balance | 3,536,870,476 | 2,861,396,532 |
| Paid during the year | 790,805,975 | 675,473,944 |
| Adjustment against completion of tax assessment | (2,349,552,879) | - |
| Closing balance | 1,978,123,572 | 3,536,870,476 |

30(a) Consolidated current tax liabilities/(assets)

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|---|----------------------|----------------------|
| Opening balance | 9,565,061,856 | 7,624,142,075 |
| Provision made during the year | 2,139,744,182 | 1,942,502,635 |
| | 11,704,806,038 | 9,566,644,710 |
| Adjustment against completion of tax assessment | (2,777,986,479) | (1,582,854) |
| Advance income tax | (9,270,555,316) | (9,668,453,675) |
| Closing balance | (343,735,757) | (103,391,819) |

31 Revenue

| <i>In Taka</i> | Note | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|----------------------------|------|------------------------------------|------------------------------------|
| Pharmaceuticals | 31.1 | 14,209,953,661 | 13,813,189,548 |
| Animal Health | | 4,778,524,250 | 4,581,379,141 |
| Consumer Brands | | 7,385,221,787 | 6,881,140,709 |
| Seeds (Local) | | 1,449,362,543 | 971,968,339 |
| Seeds (Import) | | 269,103,164 | 367,319,117 |
| Fertilizer | | 1,395,408,876 | 1,544,403,322 |
| Animal Genetics and others | | 443,260,009 | 267,393,243 |
| | | 29,930,834,290 | 28,426,793,419 |

| <i>In Taka</i> | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|----------------|------------------------------------|------------------------------------|
| Local sales | 29,511,660,187 | 27,686,052,516 |
| Export sales | 419,174,103 | 740,740,903 |
| | 29,930,834,290 | 28,426,793,419 |

31.1 Pharmaceuticals

Pharmaceuticals turnover includes sales of the following in units:

| | Quantity | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|------------------|----------|------------------------------------|------------------------------------|
| Tablets | Pcs | 31,424,678 | 30,532,413 |
| Capsules | Pcs | 6,522,635 | 7,285,718 |
| Injection | Pcs | 5,444,936 | 5,094,960 |
| Bottled products | Pcs | 39,589,704 | 43,181,982 |
| Creams | Pcs | 13,175,336 | 13,042,072 |
| Inhaler | Pcs | 1,373,621 | 1,342,308 |
| Others | Pcs | 276,159 | 338,216 |

31(a) Consolidated revenue

| <i>In Taka</i> | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|---------------------|------------------------------------|------------------------------------|
| Gross sales | 118,112,815,945 | 98,770,928,071 |
| Inter-company sales | (2,757,418,840) | (2,199,286,574) |
| | 115,355,397,105 | 96,571,641,497 |

32 Cost of sales

| In Taka | For the year ended | | For the year ended |
|--|--------------------|--|--------------------|
| | 30 June 2023 | | 30 June 2022 |
| Opening stock of finished goods | 3,269,607,453 | | 3,231,157,035 |
| Cost of goods manufactured | 11,145,269,120 | | 10,531,880,730 |
| Finished goods purchased | 6,828,738,021 | | 6,170,785,557 |
| Cost of finished goods available for sale | 21,243,614,594 | | 19,933,823,322 |
| Stock of finished goods as at reporting date | (3,196,236,213) | | (3,269,607,453) |
| | 18,047,378,381 | | 16,664,215,869 |

Business wise breakup of cost of sales

| In Taka | Note | For the year ended 30 June 2023 | | | | | | For the year ended | |
|---|------|---------------------------------|-----------------|---------------|---------------|---------------|----------------------------|--------------------|-----------------|
| | | Pharmaceuticals | Consumer brands | Animal Health | Seeds | Fertilizer | Animal Genetics and others | Total | Total |
| Opening stock of finished goods | | 923,183,205 | 863,974,794 | 705,366,457 | 666,377,892 | 79,143,001 | 31,562,104 | 3,269,607,453 | 3,231,157,035 |
| Cost of goods manufactured | 32.1 | 6,452,655,527 | 2,971,352,472 | 636,558,641 | 156,320,995 | 867,028,302 | 61,353,183 | 11,145,269,120 | 10,531,880,730 |
| Finished goods purchased | | 22,560,716 | 2,398,796,265 | 2,842,629,587 | 1,255,027,739 | 128,355,599 | 181,368,115 | 6,828,738,021 | 6,170,785,557 |
| Cost of finished goods available for sale | | 7,398,399,448 | 6,234,123,531 | 4,184,554,685 | 2,077,726,626 | 1,074,526,902 | 274,283,402 | 21,243,614,594 | 19,933,823,322 |
| Closing stock of finished goods | | (746,548,235) | (731,163,434) | (882,766,732) | (686,897,514) | (76,191,351) | (72,668,947) | (3,196,236,213) | (3,269,607,453) |
| Inter business adjustment | | (430,412,009) | 316,877,606 | 113,534,403 | - | - | - | - | - |
| | | 6,221,439,204 | 5,819,837,703 | 3,415,322,356 | 1,390,829,112 | 998,335,551 | 201,614,455 | 18,047,378,381 | 16,664,215,869 |

32.1 Cost of goods manufactured

| In Taka | Note | For the year ended 30 June 2023 | | | | | For the year ended 30 June 2022 | |
|--|--------|---------------------------------|-----------------|---------------|---------------|-------------|---------------------------------|----------------|
| | | Pharmaceuticals | Consumer brands | Animal Health | Seeds | Fertilizer | Animal Genetics and others | Total |
| Cost of materials consumed | 32.1.1 | 4,466,071,388 | 2,625,786,736 | 576,460,944 | 86,842,941 | 832,312,364 | - | 8,587,474,373 |
| Manufacturing expenses | 33 | 1,316,684,301 | 397,071,205 | 111,875,760 | 114,697,030 | 37,101,631 | 64,396,997 | 2,041,826,924 |
| Quality control and development expenses | 33 | 305,160,026 | 140,184 | - | - | - | - | 305,300,210 |
| Cost of samples and stock write off adjustment | | 373,460,019 | (42,425,104) | (55,931,948) | (139,220,996) | (2,385,693) | (3,043,814) | 130,452,464 |
| Cost of production | | 6,461,375,734 | 2,980,573,021 | 632,404,756 | 62,318,975 | 867,028,302 | 61,353,183 | 11,065,053,971 |
| Opening work in process | | 209,502,942 | 11,181,996 | 10,004,276 | 153,484,855 | - | - | 384,174,069 |
| Closing work in process | | (218,223,149) | (20,402,545) | (5,850,391) | (59,482,835) | - | - | (303,958,920) |
| | | (8,720,207) | (9,220,549) | 4,153,885 | 94,002,020 | - | - | 80,215,149 |
| | | 6,452,655,527 | 2,971,352,472 | 636,558,641 | 156,320,995 | 867,028,302 | 61,353,183 | 11,145,269,120 |
| | | | | | | | | 10,531,880,730 |

32.1.1 Cost of materials consumed

| In Taka | For the year ended 30 June 2023 | | | | | For the year ended 30 June 2022 | |
|---------------------------|---------------------------------|-----------------|---------------|--------------|---------------|---------------------------------|-----------------|
| | Pharmaceuticals | Consumer brands | Animal Health | Seeds | Fertilizer | Animal Genetics and others | Total |
| Raw and packing materials | | | | | | | |
| Opening stock | 1,987,374,998 | 956,996,303 | 363,262,985 | 45,080,738 | 93,851,675 | - | 3,149,551,644 |
| Purchase | 4,696,721,818 | 2,325,195,875 | 501,851,684 | 77,851,128 | 915,367,078 | - | 8,465,703,134 |
| Closing stock | (2,218,025,428) | (656,405,442) | (288,653,725) | (36,088,925) | (176,906,389) | - | (3,446,566,698) |
| | 4,466,071,388 | 2,625,786,736 | 576,460,944 | 86,842,941 | 832,312,364 | - | 8,587,474,373 |
| | | | | | | | 8,168,688,080 |

32(a) Consolidated cost of sales

| In Taka | For the year ended 30 June 2023 | | For the year ended 30 June 2022 | |
|------------------------|---------------------------------|------------------|---------------------------------|------------------|
| Opening stock | 19,364,928,055 | 16,116,691,220 | 85,503,248,835 | 70,543,787,697 |
| Purchase | 85,503,248,835 | 70,543,787,697 | 6,331,146,186 | 5,422,221,796 |
| Manufacturing expenses | (21,716,253,422) | (19,364,928,055) | (89,483,069,654) | (72,717,772,659) |
| Closing stock | | | | |

33 Administrative, selling and distribution expenses

| In Taka | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|-----------------------------|------------------------------------|------------------------------------|
| (a) Administrative expenses | 666,542,292 | 562,644,527 |
| (b) Distribution expenses | 1,258,623,101 | 1,173,234,042 |
| (c) Selling expenses | 8,231,355,318 | 7,167,889,477 |
| | 10,156,520,710 | 8,903,768,046 |

Allocation of expenses:

| In Taka | For the year ended 30 June 2023 | | | | | For the year ended 30 June 2022 | |
|---|---------------------------------|--------------------------|---------------------------|--------------------------------|---------------------|------------------------------------|----------------|
| | Administrative expenses | Distribution expenses | Manufacturing expenses | QC and development expenses | Selling expenses | Total | Total |
| Salary and wages | 420,443,311 | 378,664,627 | 774,012,023 | 208,780,460 | 3,776,359,640 | 5,558,260,061 | 4,955,086,599 |
| Traveling and conveyance | 7,470,940 | 175,412,754 | 9,896,563 | 380,641 | 742,533,556 | 935,694,455 | 765,793,625 |
| Service charge, rates and fees | 6,228,764 | 3,172,569 | 383,430,238 | 186,210 | 25,166,752 | 418,184,533 | 429,302,172 |
| Expense for short term rents | 67,085 | 2,092,961 | 14,563,517 | - | 10,156,411 | 26,879,974 | 56,156,390 |
| Charge on right-of-use rent agreements | 1,706,975 | 53,255,384 | 41,674,938 | - | 104,521,979 | 201,159,276 | 165,377,346 |
| Repairs, maintenance and spare parts | 11,563,483 | 8,608,685 | 164,899,305 | 13,686,988 | 9,650,146 | 208,408,607 | 181,693,752 |
| Fuel and power | 21,112,322 | 160,791,043 | 239,324,887 | 9,002,674 | 60,855,562 | 491,086,488 | 378,173,455 |
| Postage and telecommunication | 10,434,038 | 8,655,124 | 3,572,420 | 1,288,100 | 56,396,358 | 80,346,039 | 73,071,831 |
| Printing and stationary | 6,443,842 | 33,195,879 | 9,024,617 | 1,758,074 | 83,749,209 | 134,171,621 | 98,011,972 |
| Publicity and advertisement | 19,535,506 | - | 314,275 | - | 1,303,611,436 | 1,323,461,217 | 1,245,906,423 |
| Business promotion | 18,410,431 | - | - | - | 140,199,202 | 158,609,633 | 142,080,819 |
| Conference expenses | - | - | - | - | 120,303,610 | 120,303,610 | 2,507,454 |
| Clinical, customer and field demonstration expenses | - | - | - | - | 770,211,656 | 770,211,656 | 627,540,111 |
| Sample expenses | - | - | - | - | 112,283,244 | 112,283,244 | 107,951,712 |
| Warranty expenses | - | - | - | - | 13,569,716 | 13,569,716 | 15,584,113 |
| Publications and literatures | 209,657 | - | 1,172 | - | 328,869,556 | 328,869,556 | 253,800,004 |
| Entertainment | 7,628,177 | 11,357,195 | 3,605,176 | 10,315 | 18,909,650 | 41,510,513 | 45,592,542 |
| Vehicle maintenance and bridge toll | 5,060,572 | 32,507,933 | 1,401,356 | 1,075,246 | 47,791,558 | 87,836,665 | 75,337,947 |
| Bad debt expenses | - | - | - | - | 50,798,979 | 50,798,979 | 26,470,783 |
| Carriage and handling | - | 347,202,948 | 17,379,918 | 28,440 | - | 364,611,306 | 378,909,405 |
| Legal and professional charges | 84,645,907 | - | - | - | 6,108,909 | 90,754,816 | 26,427,896 |
| Audit fees | 1,250,000 | - | - | - | - | 1,250,000 | 1,089,000 |
| Insurance | 1,782,432 | 11,630,737 | 22,682,432 | 192,994 | 4,613,518 | 40,902,113 | 47,583,853 |
| Directors' fees | 49,500 | - | - | - | - | 49,500 | 37,500 |
| Bank charges | 3,042 | 995,671 | - | - | 9,031,760 | 10,030,472 | 9,750,455 |
| Sundry expenses | 3,397,443 | 387,734 | 669,725 | - | 2,200,099 | 6,655,001 | 5,785,635 |
| Product development expenses | - | - | - | 4,933,446 | 68,577,958 | 73,511,404 | 67,261,020 |
| Training expenses | 2,703,223 | 61,930 | 283,301 | 398,293 | 46,372,759 | 49,819,506 | 44,284,020 |
| Depreciation | 20,829,355 | 30,117,352 | 325,757,188 | 26,218,106 | 89,587,395 | 492,509,396 | 496,976,768 |
| Amortisation | - | - | 863,676 | - | - | 863,676 | 863,676 |
| Lab chemical and apparatus | - | - | 27,771,180 | 36,302,386 | 3,526,251 | 67,599,817 | 87,221,240 |
| Meeting expenses | 2,978,287 | 512,575 | 301,257 | - | 150,936,348 | 154,728,467 | 72,583,360 |
| Export expenses | - | - | - | - | 45,236,757 | 45,236,757 | 99,070,084 |
| ISO/TQM related expenses | - | - | 367,761 | 741,557 | - | 1,109,318 | 1,519,765 |
| Market research expenses | - | - | - | - | 28,127,454 | 28,127,454 | 18,896,726 |
| Corporate Social Responsibility expenses | 12,588,000 | - | 30,000 | - | 1,625,000 | 14,243,000 | 3,811,983 |
| | 666,542,292 | 1,258,623,101 | 2,041,826,924 | 305,300,210 | 8,231,355,318 | 12,503,647,844 | 11,007,511,435 |

33(a) Consolidated administrative, selling and distribution expenses

| <i>In Taka</i> | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|-------------------------|------------------------------------|------------------------------------|
| Administrative expenses | 2,856,628,249 | 2,174,994,207 |
| Distribution expenses | 2,555,813,863 | 2,487,295,541 |
| Selling expenses | 14,809,754,180 | 13,105,275,317 |
| | 20,222,196,292 | 17,767,565,065 |

34 Other income/(loss)

| <i>In Taka</i> | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|--|------------------------------------|------------------------------------|
| Service charges | 20,889,759 | 22,335,470 |
| Dividend income | 473,529,428 | 425,037,405 |
| Rental income | 1,921,103 | 1,911,293 |
| Gain/(loss) on sale of fixed assets | 3,862,734 | 5,127,110 |
| Unrealized gain on translation of foreign currency receivables | 109,974,908 | 50,440,364 |
| Export subsidy | 80,504,818 | 28,592,000 |
| Gain (loss) on biological assets | (352,953) | (1,002,634) |
| Gain/(loss) from foreign currency transactions | 19,327,282 | 28,101,691 |
| Proceeds from scrap sale | 19,025,174 | 11,307,349 |
| Miscellaneous income | 8,594,910 | 4,935,491 |
| | 737,277,162 | 576,785,539 |

34(a) Consolidated other income/(loss)

| <i>In Taka</i> | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|--|------------------------------------|------------------------------------|
| Service charges | 20,889,759 | 22,335,470 |
| Dividend received | 15,649,021 | 3,339,701 |
| Rental income | 63,162,146 | 43,264,817 |
| Gain/(loss) on sale of fixed assets | 7,587,650 | 5,686,471 |
| Gain (loss) on biological assets | (352,953) | (1,002,634) |
| Gain/(loss) from foreign currency transactions | 26,338,261 | 32,536,093 |
| Proceeds from scrap sale | 66,660,701 | 54,803,482 |
| Commission income | 2,273,738 | 2,833,986 |
| Export subsidy | 96,562,076 | 58,683,460 |
| Miscellaneous income | 189,952,167 | 125,263,200 |
| | 488,722,566 | 347,744,046 |

35 Net finance costs

| <i>In Taka</i> | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|---|------------------------------------|------------------------------------|
| Bank loan interest (net of interest income) | 170,915,631 | 232,368,979 |
| Employee welfare fund | 26,513,148 | 20,639,200 |
| Interest on lease liabilities | 54,750,664 | 35,417,992 |
| Security deposits | 1,370,614 | 750,031 |
| Workers' profit participation fund | 45,293,505 | 42,620,583 |
| Other funds/borrowings | 1,244,701 | 754,419 |
| | 300,088,263 | 332,551,204 |

35(a) Consolidated net finance costs

| <i>In Taka</i> | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|------------------------------------|------------------------------------|------------------------------------|
| Bank loan interest | 4,734,295,161 | 3,692,786,181 |
| Employee welfare fund | 26,513,148 | 20,639,200 |
| Interest on lease liabilities | 229,353,121 | 155,730,705 |
| Security deposits | 1,370,614 | 750,031 |
| Workers' profit participation fund | 60,805,123 | 42,620,583 |
| Other funds/borrowings | 1,244,701 | 754,419 |
| | 5,053,581,867 | 3,913,281,118 |

36 Income tax expense

| <i>In Taka</i> | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|---|------------------------------------|------------------------------------|
| Current tax expense: | | |
| Provision made during the year | 613,646,788 | 663,125,768 |
| Deferred tax expense/(income): | | |
| Change in deferred tax assets/liabilities | (77,808,659) | 46,903,250 |
| Income tax expense | 535,838,130 | 710,029,018 |

36.1 Reconciliation of effective tax rate

| <i>In Taka</i> | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|---|------------------------------------|------------------------------------|
| Regular tax rate of the company | 22.50% | 22.50% |
| Effect of exemptions and reduced rates | -2.04% | -0.81% |
| Effect of minimum tax, disallowances and others | 6.30% | 0.81% |
| Effect of deferred tax on temporary differences | -3.39% | 1.59% |
| Effective tax rate | 23.37% | 24.09% |

36(a) Consolidated income tax expense

| <i>In Taka</i> | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|---|------------------------------------|------------------------------------|
| Current tax expense | | |
| Provision made during the year | 2,139,744,182 | 1,942,502,635 |
| Deferred tax expense/(income) | | |
| Change in deferred tax assets/liabilities | (412,171,228) | (207,775,600) |
| Consolidated income tax expense | 1,727,572,954 | 1,734,727,035 |

37 Calculation of EPS, NAV per share, NOCF per share

37.1 Earnings per share

The calculation of basic earnings per share based on profit of the Company attributable to ordinary shareholders and weighted average number of ordinary shares outstanding is as follows:

| <i>In Taka/Number</i> | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|---|------------------------------------|------------------------------------|
| Profit of the Company (Taka) | 1,756,704,044 | 2,237,862,629 |
| Opening ordinary shares (Number) | 72,576,787 | 63,110,250 |
| Impact of bonus share issue - 2020-21 (Number) | - | 9,466,537 |
| Impact of bonus share issue - 2021-22 (Number) | 3,628,839 | 3,628,839 |
| Weighted average number of ordinary shares at reporting date (Number) | 76,205,626 | 76,205,626 |
| Earnings per share (Taka) | 23.05 | 29.37 |

37.2 Diluted earnings per share

As there was no scope for dilution of shares, no diluted EPS was required to be calculated for the year ended 30 June 2023.

37.1(a) Consolidated earnings per share

The calculation of consolidated basic earnings per share based on profit attributable to the equity holders of the Company and weighted average number of ordinary shares outstanding is as follows:

| <i>In Taka/Number</i> | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|---|------------------------------------|------------------------------------|
| Profit/(loss) attributable to equity holders of the Company (Taka) | (493,958,862) | 379,644,188 |
| Weighted average number of ordinary shares at reporting date (Number) | 76,205,626 | 76,205,626 |
| Earnings per share (Taka) | (6.48) | 4.98 |

37.3 NAV per share and NOCF per share

| <i>In Taka/Number</i> | 30 June 2023 | 30 June 2022 |
|---|-----------------|-----------------|
| Net asset attributable to equity holders of the Company (Taka) | 21,420,327,844 | 20,669,078,759 |
| Net cash flows from operating activities (Taka) | 1,747,625,418 | 1,871,480,914 |
| Weighted average number of ordinary shares at reporting date (Number) | 76,205,626 | 76,205,626 |
| Net Asset Value (NAV) per share | 281.09 | 271.23 |
| Net Operating Cash Flows Per Share (NOCFPS) | 22.93 | 24.56 |

37.3(a) Consolidated NAV per share and Consolidated NOCF per share

| <i>In Taka/Number</i> | 30 June 2023 | 30 June 2022 |
|---|-----------------|-----------------|
| Consolidated net asset attributable to equity holders of the Company (Taka) | 8,662,416,593 | 10,304,725,457 |
| Consolidated net cash flows from operating activities (Taka) | (1,867,007,699) | 307,698,708 |
| Weighted average number of ordinary shares at reporting date (Number) | 76,205,626 | 76,205,626 |
| Consolidated Net Asset Value (NAV) per share | 113.67 | 135.22 |
| Consolidated Net Operating Cash Flows Per Share (NOCFPS) | (24.50) | 4.04 |

38 Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk (see 38(ii))
- Liquidity risk (see 38(iii))
- Market risk (see 38(iv))

(i) Risk management framework

The Group's management has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse these risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adhere to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(ii) Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

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

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

(a) Exposure to credit risk

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

| <i>In Taka</i> | Note | 30 June 2023 | 30 June 2022 |
|---------------------------|-------|----------------|----------------|
| Trade receivables* | 14(a) | 18,182,607,290 | 14,133,502,891 |
| Other receivables | 15(a) | 1,103,490,611 | 832,500,769 |
| Inter-company receivables | 16(a) | 965,101 | 5,612,894 |
| Deposits | 17(a) | 785,502,156 | 593,668,613 |
| Cash and cash equivalents | 18(b) | 5,272,771,904 | 3,208,757,234 |
| | | 25,345,337,062 | 18,774,042,401 |

* Trade receivables is net off of security money mentioned in Note 27(a)

At reporting dates, the maximum exposure to credit risk for trade receivables by geographic regions was as follows:

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|----------------|----------------|----------------|
| Domestic | 17,789,016,844 | 13,831,966,136 |
| Foreign | 499,806,221 | 399,601,477 |
| | 18,288,823,065 | 14,231,567,613 |

(b) Impairment

The ageing of trade receivables was as follows:

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|---------------------|----------------|----------------|
| Dues below 6 months | 14,080,148,922 | 10,056,731,685 |
| Dues over 6 months | 4,208,674,143 | 4,174,835,929 |
| | 18,288,823,065 | 14,231,567,613 |

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|--|----------------------|----------------------|
| Opening balance | 1,459,314,342 | 1,304,857,862 |
| Impairment loss recognised during the year | 180,639,231 | 154,456,480 |
| Closing balance | 1,639,953,573 | 1,459,314,342 |

(iii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group aims to maintain the level of its cash and cash equivalents and other investments at amounts in excess of expected cash outflows on financial liabilities. The Group also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date.

30 June 2023

| In Taka | Note | Carrying amount | Contractual cash flows | | |
|--------------------------------------|--------|-----------------|------------------------|-------------------|---------------------|
| | | | Total | 12 months or less | More than 12 months |
| Non-derivative financial liabilities | | | | | |
| Long term bank loans | 22 (a) | 6,047,143,695 | 6,047,143,695 | - | 6,047,143,695 |
| Bank overdraft | 24 (a) | 8,427,735,948 | 8,427,735,948 | 8,427,735,948 | - |
| Loans and borrowings | 25 (a) | 44,885,489,976 | 44,885,489,976 | 44,885,489,976 | - |
| Lease liabilities | 9 (a) | 2,876,119,634 | 2,876,119,634 | 484,099,575 | 2,392,020,059 |
| Trade payables | 26 (a) | 7,035,969,221 | 7,035,969,221 | 7,035,969,221 | - |
| Other payables | 27 (a) | 9,281,693,343 | 9,281,693,343 | 9,281,693,343 | - |
| Unclaimed dividend account | 28 (a) | 85,717,445 | 85,717,445 | 85,717,445 | - |
| | | 78,639,869,262 | 78,639,869,262 | 70,200,705,508 | 8,439,163,754 |
| Derivative financial liabilities | | | | | |
| | | - | - | - | - |
| | | 78,639,869,262 | 78,639,869,262 | 70,200,705,508 | 8,439,163,754 |

30 June 2022

| In Taka | Note | Carrying amount | Contractual cash flows | | |
|--------------------------------------|--------|-----------------|------------------------|-------------------|---------------------|
| | | | Total | 12 months or less | More than 12 months |
| Non-derivative financial liabilities | | | | | |
| Long term bank loans | 22 (a) | 6,408,915,381 | 6,408,915,381 | - | 6,408,915,381 |
| Bank overdraft | 24 (a) | 5,177,125,582 | 5,177,125,582 | 5,177,125,582 | - |
| Loans and borrowings | 25 (a) | 35,271,595,114 | 35,271,595,114 | 35,271,595,114 | - |
| Lease liabilities | 9 (a) | 1,767,188,375 | 1,767,188,375 | 382,470,526 | 1,384,717,849 |
| Trade payables | 26 (a) | 5,518,327,175 | 5,518,327,175 | 5,518,327,175 | - |
| Other payables | 27 (a) | 7,702,734,053 | 7,702,734,053 | 7,702,734,053 | - |
| Unclaimed dividend account | 28 (a) | 88,081,841 | 88,081,841 | 88,081,841 | - |
| | | 61,933,967,521 | 61,933,967,521 | 54,140,334,291 | 7,793,633,230 |
| Derivative financial liabilities | | | | | |
| | | - | - | - | - |
| | | 61,933,967,521 | 61,933,967,521 | 54,140,334,291 | 7,793,633,230 |

(iv) **Market risk**

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

a) **Currency risk**

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which transactions are denominated and the respective functional currency of the Group. The functional currency of the Group is Bangladesh Taka (Taka/TK/BDT).

Exposure to currency risk

The Group's exposure to foreign currency risk arising from foreign currency denominated assets/(liabilities) as at the date of consolidated statement of financial position was as follows:

| <i>In USD</i> | 30 June 2023 | 30 June 2022 |
|---------------------------|---------------------|---------------------|
| Trade receivables | 4,676,639 | 4,098,477 |
| Other receivables | 731,676 | 590,377 |
| Cash and cash equivalents | 1,728,445 | 231,152 |
| Trade payables | (6,105,424) | (6,947,008) |
| Loans and borrowings | (98,406,949) | (75,357,843) |
| Net exposure | (97,375,612) | (77,384,845) |
| <i>In EUR</i> | 30 June 2023 | 30 June 2022 |
| Trade receivables | - | - |
| Other receivables | 522,272 | 378,966 |
| Cash and cash equivalents | 2,204 | 2,206 |
| Trade payables | (20,931) | (985,821) |
| Loans and borrowings | (1,373,010) | (814,188) |
| Net exposure | (869,465) | (1,418,837) |
| <i>In GBP</i> | 30 June 2023 | 30 June 2022 |
| Trade receivables | - | - |
| Other receivables | - | - |
| Cash and cash equivalents | 1,426 | 1,427 |
| Trade payables | - | - |
| Loans and borrowings | (468,415) | - |
| Net exposure | (466,988) | 1,427 |

The following significant exchange rates have been applied during the year/period:

| In Taka | Average rate | | Year-end rate | |
|---------|--------------------|--------------------|---------------|--------------|
| | For the year ended | For the year ended | As at | |
| | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 |
| USD | 104.99 | 91.23 | 112.50 | 97.50 |
| EUR | 108.31 | 101.19 | 116.58 | 99.05 |
| GBP | 123.62 | 117.50 | 136.23 | 114.90 |

Sensitivity analysis

A reasonably possible strengthening (weakening) of foreign currency against functional currency at reporting date would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignore any impact of forecast sales and purchase.

| In Taka | Profit/(loss), net of tax | | Equity increase/(decrease) | |
|---------------------|---------------------------|-------------|----------------------------|-------------|
| | Strengthening | Weakening | Strengthening | Weakening |
| 30 June 2023 | | | | |
| UUSD (5% movement) | (370,612,513) | 370,612,513 | (370,612,513) | 370,612,513 |
| EUR (5% movement) | (3,413,733) | 3,413,733 | (3,413,733) | 3,413,733 |
| GBP (5% movement) | (2,092,734) | 2,092,734 | (2,092,734) | 2,092,734 |
| 30 June 2022 | | | | |
| USD (5% movement) | (255,904,428) | 255,904,428 | (255,904,428) | 255,904,428 |
| EUR (5% movement) | (5,204,541) | 5,204,541 | (5,204,541) | 5,204,541 |
| GBP (5% movement) | 6,080 | (6,080) | 6,080 | (6,080) |

b) Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. At present the Group has no borrowings which is subject to significant interest rate risk.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as at the date of consolidated statement of financial position date is as follows.

| In Taka | Note | 30 June 2023 | 30 June 2022 |
|----------------------------------|---------|----------------|----------------|
| Fixed rate instruments | | | |
| <i>Financial assets</i> | | | |
| Term deposit | 10(a).2 | 506,230,223 | 292,453,899 |
| <i>Financial liabilities</i> | | | |
| Bank overdraft | 24(a) | 8,427,735,948 | 5,177,125,582 |
| Loans and borrowings | 25(a) | 35,869,969,846 | 31,155,427,977 |
| Variable rate instruments | | | |
| <i>Financial liabilities</i> | | | |
| Offshore loan | 25(a) | 9,015,520,130 | 4,116,167,137 |

v)

Financial instruments - Fair values and financial risk management

Accounting classifications and fair values

The following table shows the carrying amounts and fair values, where applicable, of financial assets and financial liabilities of the Group, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

30 June 2023

| In Taka | Note | Carrying amount | | | | | Fair value | | | | | | |
|--|----------------|---------------------------------|---------------------------------------|-------------------------|----------------------|---|-----------------------------|--------------------------------|-------------|----------------|---------|---------|-------|
| | | Investment valued at cost | Fair value- hedging instruments | Mandatorily at FVTPL | Financial Assets | | FVOCI-equity instruments | Other financial liabilities | Total | Level 1 | Level 2 | Level 3 | Total |
| | | | | | at Amortised cost | | | | | | | | |
| Financial assets measured at fair value | | | | | | | | | | | | | |
| Investment valued at fair value | 10(a).2 | - | - | - | - | - | 465,476,159 | - | 465,476,159 | 465,476,159 | | | |
| | | | | | | | | | | | | | |
| Financial assets not measured at fair value | | | | | | | | | | | | | |
| Other Investments | 10(a).2 | 55,465,865 | - | - | 506,230,223 | - | - | - | - | 561,696,088 | | | |
| Trade receivables | 14(a) | - | - | - | 16,648,869,492 | - | - | - | - | 16,648,869,492 | | | |
| Other receivables | 15(a) | - | - | - | 1,103,490,611 | - | - | - | - | 1,103,490,611 | | | |
| Receivable from joint-ventures and associates | 16(a) | - | - | - | 965,101 | - | - | - | - | 965,101 | | | |
| Tender deposits | 17(a) | - | - | - | 177,827,297 | - | - | - | - | 177,827,297 | | | |
| Short term investments | 18(a) | - | - | - | 2,784,452,098 | - | - | - | - | 2,784,452,098 | | | |
| Cash at banks | 18(b) | - | - | - | 2,927,197,439 | - | - | - | - | 2,927,197,439 | | | |
| | | 55,465,865 | - | - | 24,149,032,261 | - | - | - | - | 24,204,498,126 | | | |
| | | | | | | | | | | | | | |
| Financial liabilities measured at fair value | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| Financial liabilities not measured at fair value | | | | | | | | | | | | | |
| Short term interest bearing loans | 25(a).1 | - | - | - | - | - | - | 42,450,096,530 | - | 42,450,096,530 | | | |
| Long term interest bearing loans | 22(a), 25(a).2 | - | - | - | - | - | - | 8,482,537,141 | - | 8,482,537,141 | | | |
| Trade payables | 26(a) | - | - | - | - | - | - | 7,035,969,221 | - | 7,035,969,221 | | | |
| Other payables | 27(a) | - | - | - | - | - | - | 9,281,693,343 | - | 9,281,693,343 | | | |
| Bank overdraft | 24(a) | - | - | - | - | - | - | 8,427,735,948 | - | 8,427,735,948 | | | |
| Unclaimed dividend account | 28(a) | - | - | - | - | - | - | 85,717,445 | - | 85,717,445 | | | |
| | | - | - | - | - | - | - | 75,763,749,628 | - | 75,763,749,628 | | | |

30 June 2022

| In Taka | Note | Investment valued at cost | Fair value- hedging instruments | Mandatorily at FVTPL | Carrying amount | | | | Fair value | | | |
|---|-----------------|---------------------------------|---------------------------------------|-------------------------|--|-----------------------------|--------------------------------|----------------|----------------|---------|---------|-------|
| | | | | | Financial Assets at Amortised cost | FVOCI-equity instruments | Other financial liabilities | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial assets measured at fair value | | | | | | | | | | | | |
| Investment valued at fair value | 10(a), 2 | - | - | - | - | 474,370,618 | - | 474,370,618 | 474,370,618 | | | |
| | | - | - | - | - | 474,370,618 | - | 474,370,618 | | | | |
| Financial assets not measured at fair value | | | | | | | | | | | | |
| Other Investments | 10(a), 2 | 55,465,865 | - | - | 292,453,899 | - | - | - | 347,919,764 | | | |
| Trade receivables | 14(a) | - | - | - | 12,772,253,271 | - | - | - | 12,772,253,271 | | | |
| Other receivables | 15(a) | - | - | - | 832,500,769 | - | - | - | 832,500,769 | | | |
| Receivable from joint-ventures and associates | 16(a) | - | - | - | 5,612,894 | - | - | - | 5,612,894 | | | |
| Tender deposits | 17(a) | - | - | - | 191,363,088 | - | - | - | 191,363,088 | | | |
| Short term investments | 18(a) | - | - | - | - | - | - | - | - | | | |
| Cash at banks | 18(b) | - | - | - | 2,265,149,854 | - | - | - | 2,265,149,854 | | | |
| | | 55,465,865 | - | - | 16,359,333,775 | - | - | - | 16,414,799,640 | | | |
| Financial liabilities measured at fair value | | | | | | | | | | | | |
| | | - | - | - | - | - | - | - | - | | | |
| Financial liabilities not measured at fair value | | | | | | | | | | | | |
| Short term interest bearing loans | 25(a), 1 | - | - | - | - | - | - | 33,242,130,835 | 33,242,130,835 | | | |
| Long term interest bearing loans | 22(a), 25(a), 2 | - | - | - | - | - | - | 8,438,379,661 | 8,438,379,661 | | | |
| Trade payables | 26(a) | - | - | - | - | - | - | 5,518,327,175 | 5,518,327,175 | | | |
| Other payables | 27(a) | - | - | - | - | - | - | 7,702,734,053 | 7,702,734,053 | | | |
| Bank overdraft | 24(a) | - | - | - | - | - | - | 5,177,125,582 | 5,177,125,582 | | | |
| Unclaimed dividend account | 28(a) | - | - | - | - | - | - | 88,081,841 | 88,081,841 | | | |
| | | - | - | - | - | - | - | 60,166,779,147 | 60,166,779,147 | | | |

39 Commitments

39.1 Capital expenditure

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|---|---------------|---------------|
| Capital expenditure commitments | 1,370,652,232 | 3,319,634,410 |
| Above amount represents capital expenditure approved but not contracted for and also, capital expenditure contracted but yet to be accounted for. | | |

40 Contingencies

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|-------------------------------------|--------------|--------------|
| Bank/Bond/Shipping Guarantee | | |
| Standard Chartered Bank | 4,044,176 | 4,044,176 |
| Mercantile Bank Limited | - | 6,329,681 |
| BRAC Bank Limited | 3,888,878 | 3,888,878 |
| Bank Asia Limited | 27,636,904 | 37,771,801 |
| Pubali Bank Limited | 127,855,170 | 65,302,356 |
| Dutch Bangla Bank Limited | 2,800,000 | 2,800,000 |
| | 166,225,128 | 120,136,892 |

In addition, ACI Limited and its subsidiaries issued Corporate Guarantee in favor of each other to meet the funding procedures of different Banks. However, management believes that the possibility of any outflow in settlement of these Corporate Guarantee is remote.

41 Payments made in foreign currencies

| <i>In Taka</i> | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|-------------------------------------|------------------------------------|------------------------------------|
| Raw materials and packing materials | 5,403,119,242 | 5,029,969,705 |
| Finished goods | 3,865,570,587 | 3,719,297,571 |
| | 9,268,689,829 | 8,749,267,276 |

42 Production capacity

| | Capacity in units pack per 8hr/month | | Utilisation | |
|-----------------|---|------------------------------------|------------------------------------|------------------------------------|
| | For the year ended 30 June 2023 | For the year ended 30 June 2022 | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
| Pharmaceuticals | 6,000,000 | 6,000,000 | 131.20% | 132.74% |
| Consumer Brand | 1,200,000 | 1,200,000 | 74.29% | 76.33% |
| Animal Health | 300,000 | 300,000 | 73.36% | 73.65% |

43 Related parties

a) Transactions with key management personnel

(i) Loans to directors

During the period/year, no loan was given to the directors of the Company/Group.

(ii) Key management personnel compensation

Key management personnel compensation comprised the following:

| <i>In Taka</i> | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|----------------|------------------------------------|------------------------------------|
| Salary | 62,428,468 | 53,772,240 |
| Benefit | 17,725,204 | 15,177,968 |
| | 80,153,672 | 68,950,208 |

The Company's/Group's key management personnel includes the Company's/Group's directors. Compensation includes salaries, non-cash benefits, and contributions to a post employment defined benefit plan.

(b) Other related party transactions of ACI Limited:

| | Transactions during the period / year | | | | | | Balance outstanding at reporting date | |
|---|---------------------------------------|--------------------|----------------------------------|--------------------|--------------------|--------------------|---------------------------------------|--------------|
| | For the year ended | For the year ended | For the year ended | For the year ended | For the year ended | For the year ended | 30 June 2023 | 30 June 2022 |
| | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 |
| In Taka | | | | | | | | |
| | (Purchase)/Revenue | | Working capital (paid)/collected | | | | Receivable/(Payable) | |
| Subsidiaries: | | | | | | | | |
| ACI Formulations Limited | - | - | (150,811,466) | 785,527,137 | (634,715,671) | (785,527,137) | | |
| ACI Salt Limited | (34,246,870) | (39,020,634) | 454,458,485 | (39,020,634) | (2,104,857,473) | (1,616,152,118) | | |
| ACI Chemicals Limited | - | - | (20,817,507) | - | 252,888,939 | 232,071,432 | | |
| ACI Biotech Limited | - | - | (234,292,320) | - | 1,197,692,966 | 963,400,646 | | |
| ACI Pure Flour Limited | - | - | 20,673,446 | - | (510,702,327) | (490,028,881) | | |
| ACI Foods Limited | (55,061,063) | (34,003,290) | (480,343,598) | (34,003,290) | 4,124,884,087 | 3,699,601,552 | | |
| ACI Marine and Riverine Technologies Limited | - | - | 21,052,298 | - | (63,506,827) | (42,454,529) | | |
| ACI Agrolink Limited | - | - | (76,775,615) | - | 1,009,567,877 | 932,792,262 | | |
| Creative Communication Limited | (53,498,773) | (26,326,427) | (63,826,389) | 36,485,017 | (52,483,828) | (62,811,444) | | |
| ACI Motors Limited | (124,624,413) | (76,896,577) | (240,234,106) | (76,896,577) | (819,018,501) | (934,628,194) | | |
| Premiaflex Plastics Limited | (199,154,403) | (149,391,419) | (1,204,262,828) | (149,391,419) | 4,489,516,252 | 3,484,407,827 | | |
| ACI Logistics Limited | (65,134,334) | (69,411,263) | (2,360,127,993) | 140,298,884 | 11,163,794,885 | 8,602,694,336 | | |
| | 266,106,890 | 209,710,147 | - | - | - | - | | |
| ACI Edible Oils Limited | (1,092,624) | (1,565,564) | (47,742,503) | 65,895,696 | (15,495,005) | (64,330,132) | | |
| Computer Technology Limited | - | - | - | - | 30,000 | 30,000 | | |
| ACI HealthCare Limited | (213,958,601) | - | (2,962,758,331) | - | 9,985,508,937 | 7,022,750,606 | | |
| Infolytx Bangladesh Limited | - | - | (148,641,686) | - | 759,290,514 | 610,648,828 | | |
| ACI HealthCare USA Inc. (indirect subsidiary) | - | - | - | - | 858,701,267 | 727,796,037 | | |

Joint Ventures:

| | | | | | | |
|-----------------------------------|---|---|---------|---|---------|---------|
| Tetley ACI (Bangladesh) Limited | - | - | 575,370 | - | - | 575,370 |
| ACI Godrej Agrovet (Pvt.) Limited | - | - | (5,375) | - | 935,101 | 929,726 |

Associates:

| | | | | | | |
|------------------------------------|---|---|-----------|-----------|-------------|-------------|
| Stochastic Logic Limited | - | - | (768,970) | 3,815,718 | (3,046,748) | (3,815,718) |
| Asian Consumer Care (Pvt.) Limited | - | - | 7,893,516 | - | - | 7,893,516 |

44 Other disclosures

44.1 Number of employees

The number of regular employees of ACI Limited receiving remuneration of Tk. 36,000 or above per annum at reporting date was as follows:

| | 30 June 2023 | 30 June 2022 |
|---------------------|--------------|--------------|
| Number of employees | 11,077 | 10,233 |

44.2 Comparatives

Previous year's figures have been rearranged, whenever considered necessary to conform to the current year's presentation. Specifically, the Company has segregated/rearranged classification of expenses in accordance with their nature.

44.3 Subsequent events

a) Dividend

The Board of Directors in its meeting held on 26 October 2023 have recommended cash dividend @ Taka 4 per share of Taka 10 each aggregating to Taka 304,822,504 for the year ended 30 June 2023 subject to approval of the shareholders in the Annual General Meeting scheduled to be held on 28 December 2023.

The financial statements for the year ended 30 June 2023 do not include the effect of these dividends which will be accounted for in the period when shareholders' right to receive payment is established.



45 Name of auditors of the group companies

| Sl. | Name of the company | Status | Name of auditors |
|-----|--|---------------|---------------------------|
| 1 | ACI Formulations Limited | Subsidiary | A. Wahab & Co. |
| 2 | ACI Salt Limited | Subsidiary | Hoda Vasi Chowdhury & Co. |
| 3 | ACI Motors Limited | Subsidiary | Hoda Vasi Chowdhury & Co. |
| 4 | ACI Logistics Limited | Subsidiary | Hoda Vasi Chowdhury & Co. |
| 5 | ACI HealthCare Limited | Subsidiary | Hoda Vasi Chowdhury & Co. |
| 6 | ACI Foods Limited | Subsidiary | M. J. Abedin & co. |
| 7 | ACI Pure Flour Limited | Subsidiary | M. J. Abedin & co. |
| 8 | Creative Communication Limited | Subsidiary | Ashraful Haque Nabi & Co. |
| 9 | ACI Edible Oils Limited | Subsidiary | Ashraful Haque Nabi & Co. |
| 10 | ACI Chemicals Limited | Subsidiary | Ashraful Haque Nabi & Co. |
| 11 | Infolytx Bangladesh Limited | Subsidiary | Ashraful Haque Nabi & Co. |
| 12 | ACI Biotech Limited | Subsidiary | Ashraful Haque Nabi & Co. |
| 13 | Premiaflex Plastics Limited | Subsidiary | Shiraz Khan Basak & Co. |
| 14 | ACI Agrolink Limited | Subsidiary | Shiraz Khan Basak & Co. |
| 15 | ACI Marine and Riverine Technologies Limited | Subsidiary | Shiraz Khan Basak & Co. |
| 16 | ACI Godrej Agrovat (Pvt.) Limited | Joint venture | Rahman Rahman Huq |
| 17 | ACI CO-RO Bangladesh Limited | Associate | Rahman Rahman Huq |
| 18 | Stochastic Logic Limited | Associate | Shiraz Khan Basak & Co. |
| 19 | Computer Technology Limited* | Associate | - |

* Dormant company.

Advanced Chemical Industries Limited

Reports of the Directors and Audited
Financial Statements of the
Subsidiary Companies
for the year ended 30 June 2023





ACI Formulations Limited

Directors' Report

We are pleased to present herewith the Directors' and Auditors' Report together with the audited Financial Statements of ACI Formulations Limited for the financial year ended 30 June 2023.

Bangladesh is an agriculture-dependent economy and achieved many milestones in the agricultural sector. Half of our population is directly connected to agriculture contributing 15% of GDP. ACI Crop Care division is also trying to keep pace with the development of the country with positive contributions by supplying quality inputs to help the farmers increase the yield of the crop. Our team is tirelessly working with the farming community, inputs suppliers, agricultural experts, Govt. officials along with National and International Research personnel to fulfil the vision of increasing the crop yield and thus contributing to the national food security of Bangladesh.

During the post-COVID time, the Russia-Ukraine war posed a new set of challenges resulting in overall stress in the macro-economic environment of the global business community. Bangladesh currency vis-à-vis the dollar has continued to increase. This in turn has impacted the price of raw materials, packaging materials and finished goods that are often imported into the agriculture sector of Bangladesh. ACI Crop Care has also suffered in this context ultimately impacting our overall profitability. The ongoing disruption in the global supply chain and the scarcity of foreign exchange have had an impact on both the micro and macroeconomic situations in our country. We have witnessed an abnormal increase in prices for fuel, gas, and electricity which has raised costs across all operational aspects.

Bangladesh is a climate disaster-prone country. Climate change is increasingly having an impact on many different aspects of agricultural practices- changes in cropping patterns, rainfall distribution, temperature fluctuation, untimely sporadic intense rainfall, seasonal shifts, crop rotation and pest and disease dynamics. It is also impacting the crop life cycle. Last year, extreme sustained dry heat and insufficient monsoon rain resulted in a season delay in Aman rice transplantation. Farmers did not get enough time to cultivate the potato in many areas. Besides, Cyclone Sitrang damaged the early winter vegetables last year.

In order to overcome all the challenges, ACI Crop Care had numerous project-based initiatives and innovative approaches to marketing with quality execution to fit customer needs. As a result, we have achieved a 14.54% growth in the Crop Care business, while the industry declined around 7%. Thanks to our strong and vibrant team for their relentless effort to achieve this result. ACI Crop Care has grown in the Granular Insecticide category by 26%. In the Powder and Liquid Insecticide segment, we have been able to maintain our position with 1% growth. ACI Crop Care is the market leader in the Herbicide segment with 33% growth. In the Fungicide market, we have grown by 24%. Farmers remain confident in the effectiveness of our crop pest solutions.

Flora is a well-known brand in Bangladesh. It is a yield booster and plant energizer that significantly boosts the yield of rice. The farmers are benefitting not only in rice, but they are using Flora in the fruit segment such as mango, watermelon, pineapple, citrus etc. extending to cereals like maize and wheat. Flora is also being used in the tea gardens. Numerous demonstration plots and field activities are contributing to exhibiting the benefits of using Flora to the farmers. There is huge prospect to grow in this segment.

In each category, ACI Crop Care is increasingly bringing in more formulated products manufactured in the ACI Formulations factory. This is strengthening our capacity to respond very quickly to the market, keeping in view quality and standard as the highest priority. We are in collaboration with global MNCs to bring in the latest products that will strengthen our product portfolio hence increasing the product range with greener and more environment-friendly chemistry. We are also looking to biological solutions keeping the predicted crop pest dynamics changes in mind.

ACI Formulations Limited is always searching for opportunities to help relevant stakeholders. Every year we participate in many different CSR activities, especially in the flood-affected areas of Kurigram, Jamalpur and Sunamganj, distributing winter clothes to the poor masses in different parts of the country. We are also providing financial support to the children of our factory workers through scholarships for the best-performing students, in addition to offering medical checkups and assistance.

Our R&D wing has expanded its capacity and capability conducting field trials for existing and new molecules and exploring new opportunities for potential partners that will have a significant impact on enhancement of our portfolio.

We are actively engaging in digital platforms through ACI Crop Care YouTube Channel and ACI Crop Care Facebook page providing instantaneous and timely solutions of crops to farmers. Now farmers can order products online.

Extensive training and development programs have been introduced to increase the skill and capability of our field force as well as the marketing team. Through strong monitoring and execution of our marketing activity such as awareness campaigns, deep product positioning and demand generation activities in the field, working closely with the farmers and field government officials we have been successfully able to make our mark in this industry.

Our global partner is AkzoNobel Paints, one of the leading companies in the paints industry. We are manufacturing AkzoNobel paints in our factory. AkzoNobel Paints covers two categories- decorative paints and protective coatings. In decorative paints, we have done better compared to protective coatings and ended the year with an overall sales growth of 2%. There were many challenges in the decorative paints as the market had to readjust with price increases. We are focusing on more channel partners to penetrate the market, adopting consumer-centric marketing approaches and most importantly, maintaining constant communication with our principals in pursuit of enhancing our market standing for the upcoming year.

The Home Care Solutions business is committed to enhancing human safety and convenience through a comprehensive range of top-tier products. In the pest-control category, ACI Aerosol Insect Spray has maintained market leadership with a 90% market share as vector-borne diseases like Dengue, Malaria and Chikungunya play a contributing factor. Despite macroeconomic challenges and category stagnancy, ACI Aerosol successfully managed to grow consistently.



In the non-pest category, among other products Angelic air freshener has grown by 18% and holds the top position in the air freshener category with a 32% market share. Its well-assorted range consists of nine fragrances satisfying diversified needs. Vanish has maintained a steady position in the Toilet Cleaner Segment over the years. Following its re-launch in September 2022, Vanish has been actively striving to recapture market share and has introduced a new variant infused with a refreshing citrus fragrance.

ACI Neem Original has effectively upheld its premium soap and handwash quality by utilizing natural ingredients, ensuring the commitment to provide consumers with germ-free and nourished skin. ACI Neem Original has grown by almost 41%. To promote a more environmentally friendly planet and align its brand identity with nature-conscious initiatives, ACI Neem Original launched a distinctive tree planting campaign connected to consumer purchases. In addition to this, the brand has established a strong digital presence and successfully executed numerous impactful campaigns. Through these endeavours, ACI Neem Original has been elevating its brand value and working towards becoming the favoured choice for natural products.

ACI Formulations factory is situated in Gazipur on a 42-acre land. It has several manufacturing facilities serving different businesses such as ACI Crop Care, globally reputed MNCs, SC Johnson and AkzoNobel Paints. Maintaining the high standard of QC lab, ACI Formulations Limited factory has increased its capability and capacity in manufacturing agrochemicals in several categories. Our advanced Effluent Treatment Plant effectively transforms all liquid toxic waste materials into non-hazardous substances. The ACI Formulations factory has consistently been highly rated for its technological excellence by our foreign associates and partners. ACI Formulations Limited has implemented various new initiatives, focusing specifically on increasing productivity, standardization of systems and processes and automation to enhance the efficiency of our business operations.

ACI AgroChem Limited is a new subsidiary of ACI Formulations Limited under which we will be producing more agrochemicals in certain categories. A couple of products are already in the pipeline for registration.

ACI Formulations Limited remains diligent and dynamic addressing all the challenges to carefully navigate the business that allows us to grow steadily.

Financial Results

For the year ended 30 June 2023, total revenue of ACI Formulations Limited was Taka 4,958 million which was Taka 4,246 million for comparative year FY 2021-22, an increase of Taka 712 million resulting in 16.77% growth over last year. Cost of sales increased by 20.26% mainly due to higher sales volume coupled with increased material cost and foreign currency fluctuation impact on imported material. Higher turnover and favorable product mix, partially offset by the increased cost of sales has contributed to the increase in gross profit by 8.10% over last year. On the other hand, effective and efficient internal control over operating cost led to register operating profit Tk 531 million from Tk 474 million of FY 2021-22. However, despite having efficient working capital management, financing cost increased by Taka 74 million mainly due to increased interest rate over last year. In the reported financial year, profit before tax (PBT) was Tk.312 million and profit after tax (PAT) was Taka 235 million against Taka 328 million and Taka 243 million of FY 2021-22 respectively. This resulted Earnings per Share Taka 4.98 from Taka 5.14 of last year.

Key Operating & Financial Information at a Glance

The key operating and financial information for the year 2022-23 along with the preceding five years are presented below:

Figures are in million Taka

| Particulars | July 2022- June 2023 | July 2021- June 2022 | July 2020- June 2021 | July 2019- June 2020 | July 2018 June 2019 | July 2017- June 2018 |
|--|-------------------------|-------------------------|-------------------------|-------------------------|------------------------|-------------------------|
| Turnover (net) | 4,958 | 4,246 | 3,863 | 3,422 | 4,025 | 4,127 |
| Gross profit | 1,315 | 1,217 | 1,126 | 1,065 | 1,211 | 1,027 |
| Profit before tax | 312 | 328 | 291 | 126 | 180 | 163 |
| Profit after tax | 235 | 243 | 213 | 92 | 128 | 115 |
| Earnings per share (Taka) | 4.98 | 5.14 | 4.51 | 2.05 | 2.83 | 2.56 |
| Issued & paid capital | 473 | 473 | 450 | 450 | 450 | 450 |
| Shareowners' equity | 3,055 | 3,117 | 3,009 | 2,407 | 2,472 | 2,502 |
| Net asset per share (Taka) | 64.66 | 65.97 | 63.69 | 53.48 | 54.93 | 55.59 |
| Net operating cash flows per share (Taka) | 0.23 | 7.22 | 12.78 | 14.85 | (6.00) | (2.74) |
| Number of employees | 985 | 982 | 1,047 | 1,113 | 1,361 | 1,785 |
| Total contribution to National Exchequer | 469 | 418 | 343 | 244 | 522 | 669 |

Appropriation of Profit

Considering the financial results of the Company during the year and free reserve carried over and in line with following a consistent dividend policy, the Directors recommended appropriation of net profit as follows:

Figures in Taka

| Particular | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|--|------------------------------------|------------------------------------|
| Un-appropriated profit | 906,694,306 | 782,136,392 |
| Add: Net profit after tax | 235,112,038 | 242,682,914 |
| Add: Remeasurement of defined benefit plan | (1,102,327) | - |
| Total profit available for appropriation | 1,140,704,017 | 1,024,819,306 |
| Appropriation of profit: | | |
| Final Dividend Proposed: | | |
| Cash Dividend | 118,125,000 | 118,125,000 |
| Stock Dividend | - | - |
| Total Dividend | 118,125,000 | 118,125,000 |
| Balance carried forward | 1,022,579,017 | 906,694,306 |

With the balance carried forward and with future ploughing back of the profit, Directors are confident that company will be able to maintain prudent dividend policy in coming years.

Dividend

The Board of Directors is pleased to recommend cash dividend @ 25% on face value of Tk. 10 per share (i.e. Taka 2.50 per share) for the year ended 30 June 2023 to those shareowners whose names were appeared in the Share Register of Members of the Company or in the Depository list of CDBL on the Record Date which is 16 November 2023. No interim dividend was declared during the year.

Contribution To The National Exchequer

For the year ended 30 June 2023, the company contributed Taka 469 million to the National Exchequer in the form of corporate tax, custom duty and Value Added Tax (VAT). This is equivalent to 9.16% of the Company's gross sales revenue for the year 2022-23.

Cost Of Goods Sold And Profit Margins

For the year ended 30 June 2023, cost of goods sold was Taka 3,643 million (73.47% of net revenue) which was Taka 3,029 million (71.33% of net revenue) during the FY 2021-22, resulting an increase of 2.14% cost due to unfavorable material cost variance led by rising price in international market coupled with strengthening of US Dollar against local currency over FY 2021-22. This has resulted to decrease gross profit margin 26.53% (Taka 1,315 million) during the year ended 30 June 2023 as against 28.67% (Taka 1,217 million) of FY 2021-22. Higher sales along with favorable product mix, coupled with controlled operating cost and increased financing cost led to register PAT 4.74% in FY 2022-23 against 5.72% of FY 2021-22.

On behalf of the Board



Shusmita Anis

Managing Director

Dhaka, 26 October 2023



Golam Mainuddin

Director

Independent Auditor's Report To the Shareholders of **ACI Formulations Limited**

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of ACI Formulations Limited and its subsidiaries (the "Group") as well as the separate financial statements of ACI Formulations Limited (the "Company"), which comprise the consolidated and separate statements of financial position as at 30 June 2023, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements give true and fair view of the consolidated financial position of the Group and the separate financial position of the Company as at 30 June 2023, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and 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 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the audit of financial statements are as under:

Property, plant and equipment (PPE):

PPE includes the Group's and the Company's long-term assets, which flow economic benefits to the entities more than one year. PPE is measured at cost or revaluation less accumulated depreciation and accumulated impairment loss.

The carrying value of PPE represents significant portion of total assets, which is amounting to Tk. 2,441.71 million for the Company and Tk. 2,441.97 million for the Group at the reporting date. In other words, for both the Company and the Group, approximately 36% of total assets are represented by PPE. It is a matter of consideration that the carrying value of PPE may be higher than the recoverable amount and impairment charges might not have been recognized due to not performing the impairment test.

Audit procedure performed to address the key audit matter

We have tested the design and operating effectiveness of key controls over PPE. Our audit procedures included, among others, considering the impairment risk of the assets.

Followings are our audit procedures on the carrying value and impairment risk of PPE:

- Reviewing basis of recognition and measurement of assets;
- Review of procedures of assets acquisition, depreciation and disposal;
- Checking ownership of the major assets;
- Checking the Capital-Work-in-Progress (CWIP) and its transfer to PPE;
- Performing due physical asset verification on sample basis;
- Evaluating the Group's assumptions to identify if there is any requirement of recognition of impairment;
- We have checked fixed asset register of the company, performed test check of depreciation calculation, checked fixed assets schedule and books of accounts maintained by the company; and
- Finally, assessing the appropriateness and presentation of disclosures in line with relevant accounting standards.

Our testing did not identify any other issues with regard to PPE and related depreciation.

Inventory

At year end, the Company and the Group as a whole reported inventory of Tk. 1,636.26 million – approximately 25% of total assets of goods held in depots, central warehouse and factories. Inventories are carried at lower of cost and net realizable value. The Group provides provision for obsolescence or slow-moving based on age analysis of inventories and capacity of customers to repay the dues. This methodology relies upon assumptions made in determining appropriate provisioning amount to inventory balances. Therefore, it has been considered as key area of auditor's judgment.

Audit procedure performed to address the key audit matter

We obtained a detailed understanding and evaluated the design and implementation of controls that the Group has established in relation to inventory valuation. We obtained assurance over the appropriateness of management's assumptions applied in calculating the value of inventory provisions.

Our audit procedures in relation to the inventory comprise the followings:

- Evaluating the design and implementation of key inventory controls operating across the Group on test basis ;
- Conducting review of trade price and compared with cost price to ensure that the inventories are reported at lower of cost or net realizable value and comparing to the associated provision to assess whether inventory provisions are complete;
- Attended inventory counts at the year-end on selected locations to ensure physical existence of the inventory as per record. We have obtained inventory list that was counted by management and checked sample basis between the quantities reported in the inventory counting sheet with that of quantities reported against the closing inventory.
- We have also examined the addition during the year with that of supporting documents like commercial invoices, bill of entries, goods received note, supplier's invoices, consumption records etc.

Our procedures above did not identify any issues with regard to inventory.

Inter-company receivables

The carrying amount of the inter-company receivables at the separate and consolidated financial statements was Tk. 682.78 million and Tk. 675.91 million as at 30 June 2023 representing 10% of total assets of the Company and consolidation level with no balance as intercompany payables. This receivables represent balances due mostly from ACI Ltd. Management has conducted impairment assessment and calculated recoverable value of these inter-company receivables, in accordance with IFRS 9: Financial Instruments. Therefore, it is a matter to consider whether those receivables have been misstated due to non-recognition of impairment or inability to repay.

Audit procedure performed to address the key audit matter

We assessed the processes and controls put in place by the Company over inter-company transactions. Our procedures in relation to the inter-company balances comprise the followings:

- At the time of conducting our audit of the separate financial statements of the Company, we have identified the recoverable value of the Company's inter-company receivable.
- Obtained confirmations with counterpart at the reporting date on the closing balances of inter-company transaction and its reconciliation whenever necessary;
- Assessed the appropriateness and presentation of disclosures against relevant accounting standards.

Our test did not identify any major issues with regard to inter-company balances and any indicators that would trigger impairment or adjustment at the reporting date.

Bank Overdraft and Loan and borrowings

At reporting date, the position of Bank Overdraft and Loan outstanding was Tk. 2,753.00 million for both the Company and the Group. In other words, approximately 76% of total liabilities are represented by loans and overdraft for both the Company and Group. Evidently, the Company is using loan to operate the business and also, to acquire non-current assets. Therefore, these two items have been considered as key audit areas.

Audit procedure performed to address the key audit matter

We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the loans.

Our audit procedures included, among others, the followings:

- Obtained loan statements and facility offer letters to review terms, debt covenants, interest rates and other conditions associated with the loans.
- Obtained external confirmation of the bank to ensure accuracy of the figures reported.
- Checked interest calculation on test basis.
- Checked the adjustments or repayments of loans through bank statements as per repayment schedule.

Our procedures above did not identify any major issue with regard to loans.

Revenue Recognition

At year end, the Company and the Group both reported revenue of Tk. 4,958.31 and Tk. 4,959.81 million respectively. Revenue is measured at net of trade discounts, markdown adjustment, returns and allowances. It is a matter of concern that revenue may be misstated due to recognition of sales transaction before performance obligation being satisfied.

Audit procedure performed to address the key audit matter

Our audit procedures in relation to the revenue recognition comprises the followings:

- Observing and evaluating whether proper segregation of duties put in place;
- Examining samples of sales invoices for evidence of proper credit approval by the appropriate personnel and application controls for credit limits;
- Comparing prices and terms on samples of sales invoices to the price list.
- Checking invoice raised at the year end and delivery of goods with acknowledgement of customer to ensure that cut off principle has been properly applied.
- Assessing revenue recognition accounting policies by comparison with IFRS 15.
- Testing the effectiveness of the controls over the calculation of discounts.
- Assessing manual journals made to revenue to identify unusual or irregular items; and
- Finally, assessing the appropriateness and presentation of disclosures against relevant accounting standards.

Our testing did not identify any issues with regard to revenue.

Other Matters

The consolidated financial statements comprise the parent, ACI Formulations Limited, and its subsidiary namely Neem Laboratories (Pvt.) Ltd. and ACI AgroChem (Pvt) Limited. The financial statements of subsidiary have been audited and the component auditors have expressed an unmodified opinion on the financial statements for the year ended 30 June 2023.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report but does not include the financial statements and our auditors' report thereon.

Our opinion on the consolidated and separate 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 consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate 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 Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with the 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 consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and 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 Group and the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 consolidated and separate 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 consolidated and separate 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 Group's and 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 Group's and 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 consolidated and separate 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 Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the Group and the Company audit. We remain solely responsible for our audit opinion.

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

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

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

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules, 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, 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 purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Group and the Company so far as it appeared from our examination of these books;
- c) the consolidated and the separate statements of financial position and statements of profit or loss and other comprehensive income along with the annexed notes 1 to 40 dealt with by the report are in agreement with the books of account; and
- d) the expenditure incurred was for the purposes of the Group's and the Company's business.



FOR A. WAHAB & CO.
CHARTERED ACCOUNTANTS
Kazi Md. Mahboob Kasem, FCA
Partner
Enrolment No.-845
DVC: 2310260845AS648843

Dhaka, 26 October 2023



ACI Formulations Limited

Statement of Financial Position

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|--|---------------|---------------|
| Assets | | |
| Property, plant and equipment | 2,441,709,871 | 2,362,781,535 |
| Right of use assets | 47,394,934 | 12,780,110 |
| Investments | 62,613,945 | 42,752,037 |
| Non-current assets | 2,551,718,750 | 2,418,313,682 |
| Inventories | 1,636,263,695 | 1,360,588,072 |
| Trade receivables | 1,160,288,759 | 1,112,101,219 |
| Other receivables | 81,213,294 | 75,901,731 |
| Inter-company receivables | 682,776,867 | 826,784,983 |
| Advances, deposits and prepayments | 32,800,217 | 44,813,080 |
| Current tax assets | 353,705,048 | 411,121,049 |
| Cash and cash equivalents | 195,259,564 | 223,435,477 |
| Current assets | 4,142,307,444 | 4,054,745,611 |
| Total assets | 6,694,026,194 | 6,473,059,293 |
| Equity | | |
| Share Capital | 472,500,000 | 472,500,000 |
| Revaluation reserve | 1,442,196,308 | 1,619,739,070 |
| Retained earnings | 1,140,704,017 | 1,024,819,306 |
| Total equity | 3,055,400,325 | 3,117,058,376 |
| Liabilities | | |
| Employee benefits | 64,830,000 | 60,605,910 |
| Lease liability | 31,283,715 | 8,309,251 |
| Deferred tax liabilities | 200,663,218 | 34,190,633 |
| Non-current liabilities | 296,776,933 | 103,105,794 |
| Bank overdrafts | 140,364,766 | 113,568,425 |
| Loans and borrowings | 2,612,630,721 | 2,572,416,971 |
| Lease liability-current portion | 12,439,970 | 4,965,714 |
| Trade payables | 75,010,051 | 96,881,330 |
| Other payables | 477,882,451 | 459,796,466 |
| Unclaimed dividend account | 5,702,752 | 5,266,217 |
| Inter-company payables | 17,818,225 | - |
| Current liabilities | 3,341,848,936 | 3,252,895,123 |
| Total liabilities | 3,638,625,869 | 3,356,000,917 |
| Total equity and liabilities | 6,694,026,194 | 6,473,059,293 |
| Net asset value (NAV) per share | 64.66 | 65.97 |

Shusmita Anis
Managing Director

Golam Mainuddin
Director

Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.

FOR A. WAHAB & CO.
CHARTERED ACCOUNTANTS
Kazi Md. Mahboob Kasem, FCA
Partner
Enrolment No.-845
DVC: 2310260845AS648843

Dhaka, 26 October 2023

ACI Formulations Limited

Statement of profit or loss and other comprehensive income

| <i>In Taka</i> | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|--|------------------------------------|------------------------------------|
| Revenue | 4,958,308,254 | 4,246,344,839 |
| Cost of sales | (3,642,873,273) | (3,029,102,137) |
| Gross profit | 1,315,434,981 | 1,217,242,702 |
| Other income | 30,463,498 | 12,723,608 |
| Administrative, selling and distribution expenses | (814,609,083) | (756,271,721) |
| Operating profit | 531,289,396 | 473,694,589 |
| Finance costs, net | (203,070,291) | (128,053,893) |
| Profit before contribution to WPPF | 328,219,105 | 345,640,696 |
| Contribution to WPPF | (16,410,955) | (17,282,035) |
| Profit before tax | 311,808,150 | 328,358,661 |
| Income tax expense | | |
| Current tax | (87,446,259) | (88,181,328) |
| Deferred tax income/(expense) | 10,750,147 | 2,505,581 |
| | (76,696,112) | (85,675,747) |
| Profit after tax | 235,112,038 | 242,682,914 |
| Other comprehensive income | | |
| Items that will not be reclassified to profit or loss: | | |
| Remeasurement of defined benefit plan | (1,422,357) | - |
| Related tax | 320,030 | - |
| | (1,102,327) | - |
| Deferred tax on revaluation surplus (due to changes in tax rate) | (177,542,762) | - |
| Other comprehensive income, net of tax | (178,645,089) | - |
| Total comprehensive income | 56,466,949 | 242,682,914 |
| Earnings per share | | |
| Basic earnings per share | 4.98 | 5.14 |



Shusmita Anis
Managing Director

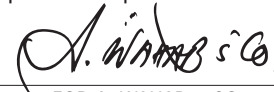


Golam Mainuddin
Director



Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.



FOR A. WAHAB & CO.
CHARTERED ACCOUNTANTS
Kazi Md. Mahboob Kasem, FCA
Partner
Enrolment No.-845
DVC: 2310260845AS648843

Dhaka, 26 October 2023



ACI Formulations Limited

Statement of changes in equity

For the year ended 30 June 2023

| In Taka | Share capital | Revaluation reserve | Retained earnings | Total |
|---|---------------|---------------------|-------------------|---------------|
| Balance at 1 July 2022 | 472,500,000 | 1,619,739,070 | 1,024,819,306 | 3,117,058,376 |
| Total comprehensive income | | | | |
| Profit after tax | - | - | 235,112,038 | 235,112,038 |
| Other comprehensive income, net of tax | - | (177,542,762) | (1,102,327) | (178,645,089) |
| Total comprehensive income | - | (177,542,762) | 234,009,711 | 56,466,949 |
| Transactions with owners of the company | | | | |
| Contributions and distributions | | | | |
| Final dividend paid for the year 2021-22 | - | - | (118,125,000) | (118,125,000) |
| Issue of bonus shares | - | - | - | - |
| Total transactions with owners of the company | - | - | (118,125,000) | (118,125,000) |
| Transactions recognised directly in equity | | | | |
| Realisation of revaluation surplus | - | - | - | - |
| Total transactions recognised directly in equity | - | - | - | - |
| Balance at 30 June 2023 | 472,500,000 | 1,442,196,308 | 1,140,704,017 | 3,055,400,325 |

For the year ended 30 June 2022

| In Taka | Share capital | Revaluation reserve | Retained earnings | Total |
|---|---------------|---------------------|-------------------|---------------|
| Balance at 1 July 2021 | 450,000,000 | 1,619,739,070 | 939,636,392 | 3,009,375,462 |
| Total comprehensive income | | | | |
| Profit after tax | - | - | 242,682,914 | 242,682,914 |
| Other comprehensive income, net of tax | - | - | - | - |
| Total comprehensive income | - | - | 242,682,914 | 242,682,914 |
| Transactions with owners of the company | | | | |
| Contributions and distributions | | | | |
| Final dividend paid for the year 2020-21 | - | - | (135,000,000) | (135,000,000) |
| Issue of bonus shares | 22,500,000 | - | (22,500,000) | - |
| Total transactions with owners of the company | 22,500,000 | - | (157,500,000) | (135,000,000) |
| Transactions recognised directly in equity | | | | |
| Realisation of revaluation surplus | - | - | - | - |
| Total transactions recognised directly in equity | - | - | - | - |
| Balance at 30 June 2022 | 472,500,000 | 1,619,739,070 | 1,024,819,306 | 3,117,058,376 |

ACI Formulations Limited

Statement of Cash Flows

| <i>In Taka</i> | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|---|------------------------------------|------------------------------------|
| Cash flows from operating activities | | |
| Cash receipts from customers and others | 4,930,277,899 | 4,400,696,728 |
| Cash paid to suppliers and employees | (4,708,848,012) | (3,766,318,886) |
| Cash (used in)/generated from operating activities | 221,429,887 | 634,377,842 |
| Paid to WPPF | (17,282,035) | (15,287,052) |
| Interest paid | (163,173,256) | (138,712,434) |
| Income tax paid | (30,030,258) | (139,275,043) |
| | (210,485,549) | (293,274,529) |
| Net cash (used in)/from operating activities | 10,944,338 | 341,103,313 |
| Cash flows from investing activities | | |
| Acquisition of property, plant and equipment | (112,228,449) | (30,314,643) |
| Investment | (19,861,908) | (1,035,337) |
| Net cash (used in)/from investing activities | (132,090,357) | (31,349,980) |
| Cash flows from financing activities | | |
| Inter-company debts received/(paid) | 155,053,885 | (1,155,814,189) |
| Proceeds from loans and borrowings | 40,213,750 | 1,021,219,392 |
| Payment for lease obligation | (11,436,118) | (6,663,180) |
| Dividends paid | (117,688,465) | (142,702,697) |
| Net cash (used in)/from financing activities | 66,143,052 | (283,960,674) |
| Net increase/(decrease) in cash and cash equivalents | (55,002,967) | 25,792,659 |
| Opening cash and cash equivalents | 109,867,052 | 83,699,893 |
| Effect of foreign exchange rate changes | 30,713 | 374,500 |
| Cash and cash equivalents at reporting date | 54,894,798 | 109,867,052 |
| Closing balance represents | | |
| Cash and cash equivalents | 195,259,564 | 223,435,477 |
| Bank overdraft | (140,364,766) | (113,568,425) |
| | 54,894,798 | 109,867,052 |
| Net operating cash flows per share (NOCFPS) | 0.23 | 7.22 |



ACI Formulations Limited

Consolidated Statement of Financial Position

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|---|---------------|---------------|
| Assets | | |
| Property, plant and equipment | 2,441,977,404 | 2,363,419,088 |
| Right of use assets | 47,394,934 | 12,780,110 |
| Investments | 40,665,611 | 38,803,703 |
| Intangible assets | 5,147,792 | 5,147,792 |
| Non-current assets | 2,535,185,741 | 2,420,150,693 |
| Inventories | 1,636,263,695 | 1,360,588,073 |
| Trade receivables | 1,160,847,593 | 1,112,572,405 |
| Other receivables | 81,213,290 | 75,901,732 |
| Inter-company receivable | 675,914,143 | 819,149,742 |
| Advances, deposits and prepayments | 33,556,329 | 45,464,190 |
| Current tax assets | 353,281,553 | 410,952,665 |
| Cash and cash equivalents | 198,057,347 | 224,596,891 |
| Current assets | 4,139,133,950 | 4,049,225,698 |
| Total assets | 6,674,319,691 | 6,469,376,391 |
| Equity | | |
| Share Capital | 472,500,000 | 472,500,000 |
| Revaluation reserve | 1,442,196,308 | 1,619,739,070 |
| Retained earnings | 1,136,136,557 | 1,020,447,831 |
| Equity attributable to the owners of the Company | 3,050,832,865 | 3,112,686,901 |
| Non controlling interests | 1,839,720 | (113,701) |
| Total equity | 3,052,672,585 | 3,112,573,200 |
| Liabilities | | |
| Employee benefits | 64,830,000 | 60,605,910 |
| Lease liability | 31,283,715 | 8,309,251 |
| Deferred tax liabilities | 200,663,219 | 34,148,883 |
| Non-current liabilities | 296,776,934 | 103,064,044 |
| Bank overdrafts | 140,364,766 | 113,568,425 |
| Loans and borrowings | 2,612,630,721 | 2,572,416,971 |
| Lease liability-current portion | 12,439,970 | 4,965,714 |
| Trade payables | 75,326,597 | 97,197,876 |
| Other payables | 478,405,366 | 460,323,944 |
| Unclaimed dividend account | 5,702,752 | 5,266,217 |
| Current liabilities | 3,324,870,172 | 3,253,739,147 |
| Total liabilities | 3,621,647,106 | 3,356,803,191 |
| Total equity and liabilities | 6,674,319,691 | 6,469,376,391 |
| Net Asset Value (NAV) per share | 64.57 | 65.88 |

Shusmita Anis
Managing Director

Golam Mainuddin
Director

Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.

FOR A. WAHAB & CO.
CHARTERED ACCOUNTANTS
Kazi Md. Mahboob Kasem, FCA
Partner
Enrolment No.-845
DVC: 2310260845AS648843

Dhaka, 26 October 2023

ACI Formulations Limited

Consolidated Statement of Profit or Loss and other Comprehensive Income

| In Taka | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|--|------------------------------------|------------------------------------|
| Revenue | 4,959,808,824 | 4,247,415,070 |
| Cost of sales | (3,642,873,275) | (3,029,102,135) |
| Gross profit | 1,316,935,549 | 1,218,312,935 |
| Other income | 30,463,498 | 13,101,607 |
| Administrative, selling and distribution expenses | (816,139,278) | (756,677,355) |
| Operating profit | 531,259,769 | 474,737,187 |
| Finance costs, net | (202,862,283) | (128,665,974) |
| Profit before contribution to WPPF | 328,397,486 | 346,071,213 |
| Contribution to WPPF | (16,410,955) | (17,282,035) |
| Profit before tax | 311,986,531 | 328,789,178 |
| Income tax expense: | | |
| Current tax | (87,825,453) | (88,401,751) |
| Deferred tax income/(expense) | 10,708,396 | 2,493,737 |
| | (77,117,057) | (85,908,014) |
| Profit after tax | 234,869,474 | 242,881,164 |
| Other comprehensive income | | |
| Items that will not be reclassified to profit or loss: | | |
| Remeasurement of defined benefit plan | (1,422,357) | - |
| Related tax | 320,030 | - |
| | (1,102,327) | - |
| Deferred tax on revaluation surplus (due to changes in tax rate) | (177,542,762) | - |
| Other comprehensive income, net of tax | (178,645,089) | - |
| Total comprehensive income | 56,224,385 | 242,881,164 |
| Profit attributable to: | | |
| Owners of the Company | 234,916,053 | 242,877,199 |
| Non-controlling interest | (46,579) | 3,965 |
| | 234,869,474 | 242,881,164 |
| Earnings per share | | |
| Basic earnings per share | 4.97 | 5.14 |



Shusmita Anis
Managing Director



Golam Mainuddin
Director



Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.



FOR A. WAHAB & CO.
CHARTERED ACCOUNTANTS
Kazi Md. Mahboob Kasem, FCA
Partner
Enrolment No.-845
DVC: 2310260845AS648843

Dhaka, 26 October 2023



ACI Formulations Limited

Consolidated Statement of Changes in Equity

For the year ended 30 June 2023

| In Taka | Attributable to owners of the Company | | | | Non-controlling interests | Total equity |
|---|---------------------------------------|---------------------|-------------------|---------------|---------------------------|---------------|
| | Share capital | Revaluation reserve | Retained earnings | Total | | |
| Balance as at 1 July 2022 | 472,500,000 | 1,619,739,070 | 1,020,447,831 | 3,112,686,901 | (113,701) | 3,112,573,200 |
| Total comprehensive income | | | | | | |
| Profit after tax | - | - | 234,916,053 | 234,916,053 | (46,579) | 234,869,474 |
| Other comprehensive income, net of tax | - | (177,542,762) | (1,102,327) | (178,645,089) | - | (178,645,089) |
| Total comprehensive income | - | (177,542,762) | 233,813,726 | 56,270,964 | (46,579) | 56,224,385 |
| Transactions with owners of the company | | | | | | |
| Contributions and distributions | | | | | | |
| Final dividend paid for the year 2021-22 | - | - | (118,125,000) | (118,125,000) | - | (118,125,000) |
| Changes in ownership interests | | | | | | |
| Issuance of bonus shares | - | - | - | - | - | - |
| Capital contribution by non-controlling interests | - | - | - | - | 2,000,000 | 2,000,000 |
| Total transactions with owners of the company | - | - | (118,125,000) | (118,125,000) | 2,000,000 | (116,125,000) |
| Transactions recognised directly in equity | | | | | | |
| Realisation of revaluation surplus | - | - | - | - | - | - |
| Total transactions recognised directly in equity | - | - | - | - | - | - |
| Balance as at 30 June 2023 | 472,500,000 | 1,442,196,308 | 1,136,136,557 | 3,050,832,865 | 1,839,720 | 3,052,672,585 |

For the year ended 30 June 2022

| In Taka | Attributable to owners of the Company | | | | Non-controlling interests | Total equity |
|---|---------------------------------------|---------------------|-------------------|---------------|---------------------------|---------------|
| | Share capital | Revaluation reserve | Retained earnings | Total | | |
| Balance at 1 July 2021 | 450,000,000 | 1,619,739,070 | 935,070,632 | 3,004,809,702 | (117,666) | 3,004,692,036 |
| Total comprehensive income | | | | | | |
| Profit after tax | - | - | 242,877,199 | 242,877,199 | 3,965 | 242,881,164 |
| Other comprehensive income, net of tax | - | - | - | - | - | - |
| Total comprehensive income | - | - | 242,877,199 | 242,877,199 | 3,965 | 242,881,164 |
| Transactions with owners of the company | | | | | | |
| Contributions and distributions | | | | | | |
| Final dividend paid for the year 2020-21 | - | - | (135,000,000) | (135,000,000) | - | (135,000,000) |
| Changes in ownership interests | | | | | | |
| Issuance of bonus shares | 22,500,000 | - | (22,500,000) | - | - | - |
| Total transactions with owners of the company | 22,500,000 | - | (157,500,000) | (135,000,000) | - | (135,000,000) |
| Transactions recognised directly in equity | | | | | | |
| Realisation of revaluation surplus | - | - | - | - | - | - |
| Total transactions recognised directly in equity | - | - | - | - | - | - |
| Balance as at 30 June 2022 | 472,500,000 | 1,619,739,070 | 1,020,447,831 | 3,112,686,901 | (113,701) | 3,112,573,200 |

ACI Formulations Limited

Consolidated Statement of Cash Flows

| <i>In Taka</i> | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|--|------------------------------------|------------------------------------|
| Cash flows from operating activities | | |
| Cash receipts from customers | 4,931,690,823 | 4,402,207,533 |
| Cash paid to suppliers and employees | (4,710,117,754) | (3,766,394,860) |
| Cash (used in)/generated from operating activities | 221,573,069 | 635,812,673 |
| Payment for WPPF | (17,282,035) | (15,287,052) |
| Interest paid | (162,965,248) | (139,324,515) |
| Income tax paid | (30,154,338) | (139,379,156) |
| | (210,401,621) | (293,990,723) |
| Net cash (used in)/from operating activities | 11,171,448 | 341,821,950 |
| Cash flows from investing activities | | |
| Acquisition of property, plant and equipment | (112,228,449) | (30,314,643) |
| Investment | (1,861,908) | (1,035,337) |
| Net cash (used in)/from investing activities | (114,090,357) | (31,349,980) |
| Cash flows from financing activities | | |
| Inter-company debts received/(paid) | 136,463,144 | (1,156,166,550) |
| Proceeds from loans and borrowings | 40,213,750 | 1,021,219,392 |
| Proceeds from share capital | 2,000,000 | - |
| Payment for lease obligation | (11,436,118) | (6,663,180) |
| Dividends paid | (117,688,465) | (142,702,697) |
| Net cash (used in)/from financing activities | 49,552,311 | (284,313,035) |
| Net increase/(decrease) in cash and cash equivalents | (53,366,598) | 26,158,935 |
| Opening cash and cash equivalents | 111,028,466 | 84,495,031 |
| Effect of foreign exchange rate changes | 30,713 | 374,500 |
| Closing cash and cash equivalents at reporting date | 57,692,581 | 111,028,466 |
| Closing balance represents | | |
| Cash and cash equivalents | 198,057,347 | 224,596,891 |
| Bank overdraft | (140,364,766) | (113,568,425) |
| | 57,692,581 | 111,028,466 |
| Net Operating Cash Flows Per Share (NOCFPS) | 0.24 | 7.23 |



ACI Logistics Limited

Directors' Report

ACI Logistics Limited is a private company limited by shares, was incorporated with the Registrar of Joint Stock Companies (RJSC), Dhaka in 2008.

The Retail Chain Division of ACI Limited, represented by ACI Logistics Shwapno, has demonstrated exceptional resilience and performance despite challenging economic conditions. With 353 outlets, serving 58 districts, Shwapno has maintained its dominant position in the retail sector, boasting a market share exceeding 50%. The past year saw the introduction of 136 new outlets, designed to cater to diverse preferences and enhance the shopping experience, with a focus on hyper local and convenience offerings, including a trial of Fresh Produce delivery. The brand remains a top 10 household and Super brand, catering to over 65,000 daily customers. To address economic fluctuations, Shwapno strategically adjusted its margin structure while ensuring accessibility and affordability. Customer loyalty remains paramount, with tailored offerings and personalized experiences. Financially, the division has seen positive trends, with notable EBIT profit growth, driven by operational efficiency, shrinkage reduction, and loss optimization. Investment in farming and backward linkage, with an emphasis on product traceability and safety, enhances margins and strengthens the value chain. Shwapno collaborates with the government for price control during crises, emphasizing societal harmony. Strong supplier relationships ensure product availability during global supply chain disruptions, reinforcing reliability and customer satisfaction. Environmental initiatives include recycling and reducing plastic usage. Compliance with laws and regulations, including VAT, operational adherence, and food safety, is a priority. Collaborations and CSR initiatives further elevate food safety standards. Shwapno's marketing excellence led to recognition in Philip Kotler's 'Essentials of Modern Marketing' Bangladesh Edition. Their segmented customer approach and adaptive strategies during the COVID-19 pandemic highlight their marketing prowess. ACI Logistics Shwapno's commitment to excellence, innovation, sustainability, and value creation remains unwavering as they navigate challenges and seize opportunities in the retail industry. Their dedication to shaping a brighter future for all stakeholders and communities is resolute.

The operating results of the Company for the year ended 30 June 2023 are as follows:

Key Financial Results

| | <u>Taka</u> |
|--------------------------|-----------------|
| Revenue | 18,321,428,901 |
| Gross Profit | 3,368,520,876 |
| Operating Profit | 131,119,571 |
| Profit/(Loss) Before Tax | (1,406,467,858) |
| Profit/(Loss) After Tax | (1,516,457,868) |

On behalf of the Board

Dr. Arif Dowla
Managing Director

Kamran Tanvirur Rahman
Director

Dhaka, 17 October 2023

Hoda Vasi Chowdhury & Co

Chartered Accountants

Independent Auditor's Report to the Shareholders of ACI Logistics Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ACI Logistics Limited ("the Company"), which comprise the statement of financial position as at June 30, 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of 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).

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 Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 6(N) in the financial statements, which indicates that the Company incurred a net loss of Taka 1,528 million during the year ended 30 June 2023 and, as of that date, the Company's current liabilities exceeded its total assets by Taka 13,634 million. As stated in Note 6(N), these events or conditions, along with the other matters as set forth in Note 6(N), indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. 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 financial statements that give a true and fair view in accordance with IFRSs, the Companies Act, 1994 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.

National Office : BTMC Bhaban (6th & 7th Floor), 7-9 Karwan Bazar Commercial Area, Dhaka-1215, Bangladesh
Chattogram Office : Delwar Bhaban (4th Floor), 104 Agrabad Commercial Area, Chattogram-4100, Bangladesh

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 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 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 gives a true and 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

In accordance with the Companies Act, 1994, 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 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; and
- c) the statement of financial position and statement of profit or loss and other comprehensive income along with the annexed notes 1 to 36 dealt with by the report are in agreement with the books of account.



Sk Md Tarikul Islam, FCA
Partner
Enrolment No.: 1238
Hoda Vasi Chowdhury & Co
Chartered Accountants
DVC: 2310171238AS810229

Dhaka, 17 October 2023



ACI Logistics Limited

Statement of Financial Position

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|---------------------------------------|-------------------------|-------------------------|
| Assets | | |
| Property, plant and equipment | 482,880,058 | 321,947,965 |
| Capital-work-in progress | 106,495,353 | 28,893,824 |
| Intangible assets | 20,772,333 | 25,543,937 |
| Right-of-use assets | 2,117,568,226 | 1,120,326,874 |
| Investments | 38,000,000 | - |
| Investments in fixed deposit receipts | 177,857,313 | 170,122,397 |
| Advances, deposits and prepayments | 85,117,800 | 72,354,420 |
| Non-current assets | 3,028,691,083 | 1,739,189,417 |
| Inventories | 2,595,416,475 | 1,745,924,708 |
| Trade and other receivables | 34,885,052 | 96,453,649 |
| Advances, deposits and prepayments | 297,373,150 | 219,695,051 |
| Cash and cash equivalents | 789,545,189 | 612,612,617 |
| Current assets | 3,717,219,866 | 2,674,686,025 |
| Total assets | 6,745,910,950 | 4,413,875,442 |
| Equity | | |
| Share capital | 360,000,000 | 360,000,000 |
| Accumulated losses | (16,616,042,751) | (15,099,584,883) |
| Total equity | (16,256,042,751) | (14,739,584,883) |
| Liabilities | | |
| Employee benefits | 107,630,000 | 117,778,563 |
| Loans and borrowings | 821,334,885 | 1,585,095,421 |
| Lease liabilities | 1,692,185,074 | 928,475,220 |
| Non-current liabilities | 2,621,149,959 | 2,631,349,204 |
| Bank overdraft | 1,187,701,902 | 1,109,055,375 |
| Loans and borrowings | 4,252,406,334 | 4,117,304,747 |
| Lease liabilities-current portion | 253,784,295 | 219,134,061 |
| Trade and other payables | 3,069,647,041 | 2,105,426,291 |
| Inter-Company borrowings | 11,163,794,885 | 8,602,694,336 |
| Current tax liabilities | 453,469,284 | 368,496,311 |
| Current liabilities | 20,380,803,741 | 16,522,111,121 |
| Total liabilities | 23,001,953,701 | 19,153,460,325 |
| Total equity and liabilities | 6,745,910,950 | 4,413,875,442 |

Dr. Arif Dowla
Managing Director

Kamran Tanvirur Rahman
Director

Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.

Sk Md Tarikul Islam, FCA
Partner
Enrolment No.: 1238
Hoda Vasi Chowdhury & Co
Chartered Accountants
DVC: 2310171238AS810229

Dhaka, 17 October 2023

ACI Logistics Limited

Statement of Profit or Loss and other Comprehensive Income

| In Taka | For the year ended | |
|--|------------------------|------------------------|
| | 30 June 2023 | 30 June 2022 |
| Revenue | 18,321,428,901 | 13,885,713,702 |
| Cost of sales | (14,952,908,025) | (11,356,265,917) |
| Gross profit | 3,368,520,876 | 2,529,447,785 |
| Other income | 57,967,951 | 34,310,818 |
| Operating expenses | (3,295,369,256) | (2,561,830,509) |
| Operating profit/(loss) | 131,119,571 | 1,928,094 |
| Net finance costs | (1,537,587,429) | (1,262,710,876) |
| Loss before tax | (1,406,467,858) | (1,260,782,782) |
| Income tax expense | (122,496,078) | (94,917,640) |
| Loss after tax | (1,528,963,936) | (1,355,700,422) |
| Other comprehensive income | | |
| Remeasurement of defined benefit plan | 12,506,068 | - |
| Other comprehensive income for the year | 12,506,068 | - |
| Total comprehensive Income for the year | (1,516,457,868) | (1,355,700,422) |



Dr. Arif Dowla
Managing Director



Kamran Tanvirur Rahman
Director



Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.



Sk Md Tarikul Islam, FCA
Partner
Enrolment No.: 1238
Hoda Vasi Chowdhury & Co
Chartered Accountants
DVC: 2310171238AS810229

Dhaka, 17 October 2023



ACI Logistics Limited

Statement of Changes in Equity

| | For the year ended 30 June 2023 | | |
|--|---------------------------------|------------------|------------------|
| <i>In Taka</i> | Share capital | Accumulated loss | Total equity |
| Balance at 1 July 2021 | 360,000,000 | (13,743,884,461) | (13,383,884,461) |
| Total comprehensive Income for the year | | | |
| Loss after tax | - | (1,355,700,422) | (1,355,700,422) |
| Other comprehensive income for the year | - | - | - |
| Total comprehensive Income for the year | - | (1,355,700,422) | (1,355,700,422) |
| Balance at 30 June 2022 | 360,000,000 | (15,099,584,883) | (14,739,584,883) |
| Balance at 1 July 2022 | 360,000,000 | (15,099,584,883) | (14,739,584,883) |
| Total comprehensive Income for the year | | | |
| Loss for the year | - | (1,528,963,936) | (1,528,963,936) |
| Other comprehensive income for the year | - | 12,506,068 | 12,506,068 |
| Total comprehensive Income for the year | - | (1,516,457,868) | (1,516,457,868) |
| Balance at 30 June 2023 | 360,000,000 | (16,616,042,751) | (16,256,042,751) |

ACI Logistics Limited

Statement of Cash Flows

| <i>In Taka</i> | For the year ended | |
|--|--------------------|------------------|
| | 30 June 2023 | 30 June 2022 |
| Cash flows from operating activities | | |
| Cash receipts from customers | 18,433,728,784 | 13,868,412,803 |
| Cash paid to suppliers and employees | (18,029,596,496) | (13,822,575,139) |
| Cash generated from operating activities | 404,132,288 | 45,837,664 |
| Interest paid | (1,401,780,770) | (1,168,707,767) |
| Interest paid for lease liabilities | (143,660,219) | (101,709,213) |
| Income tax paid | (37,523,105) | (33,327,422) |
| Net cash used in operating activities | (1,178,831,806) | (1,257,906,738) |
| Cash flows from investing activities | | |
| Acquisition of capital work in progress | (369,477,767) | (79,155,891) |
| Investment in Subsidiary | (38,000,000) | - |
| Net cash used in investing activities | (407,477,767) | (79,155,891) |
| Cash flows from financing activities | | |
| Proceeds from inter-Company borrowings | 13,128,125,897 | 10,649,060,794 |
| Repayment of inter-Company borrowings | (10,567,025,349) | (8,015,192,593) |
| Payment for principal portion of lease liabilities | (247,845,980) | (201,038,870) |
| Proceeds from/(repayment of) long-term loans and borrowings | (763,760,536) | (985,425,835) |
| Proceeds from/(repayment of) Short-term loans and borrowings | 135,101,587 | 178,622,598 |
| Net cash generated from financing activities | 1,684,595,619 | 1,626,026,094 |
| Net Increase in cash and cash equivalents | 98,286,045 | 288,963,464 |
| Cash and cash equivalents at the beginning of the year | (496,442,758) | (785,406,222) |
| Cash and cash equivalents at 30 June | (398,156,713) | (496,442,758) |
| Closing cash and cash equivalents represent: | | |
| Cash and Cash equivalents | 789,545,189 | 612,612,617 |
| Bank overdraft | (1,187,701,902) | (1,109,055,375) |
| | (398,156,713) | (496,442,758) |



ACI Pure Flour Limited Directors' Report

ACI Pure Flour Limited (APFL) has experienced significant growth and achieved several noteworthy milestones in the fiscal year 2022-2023. This praiseworthy progress came from the timely management of the uncertainties. Irregular supply of raw materials, frequent and unexpected changes in price, increased cost of supply chain functions, and volatile delivery system made the business circumstances very hard. But even within this situation, the company has grown by 27% with the revenue of BDT 8,354 million at the end of the FY 2022-2023 through foreseeable actions against the obvious obstacles.

ACI Pure Flour Limited (APFL)'s objective is to connect with consumers through providing them with promising brands and huge range of products as per their needs and convenience. The company is offering a wide range of products to the consumers through its continuous invention and improvement of products. The brand ACI Pure has the range of basic flour products - Atta, Maida, and Suji. These products are widely loved and used by consumers from all over the country. ACI Pure Atta delivers the message of instilling the concept of thinking with a pure mind and initiated a creative writing competition named "Matribhashay Maa" on the occasion of International Mother Language Day. ACI Pure Maida being the best for making and baking any type of food created a platform for the baking enthusiasts of the country with a national baking competition named "Bake It Best". ACI Pure Suji has been holding the number 1 position in the industry by delivering the best quality baby food for its trustworthy and consistent quality.

ACI Nutrilife is a brand from ACI Pure Flour Limited (APFL) which is the healthy category of flour products. These products are High Fibre Atta, Brown Atta, Oats Atta, and Multigrain Atta. This brand assists consumers in adapting to a healthy lifestyle. Different types of awareness and trial generation activities such as consumer engagement campaigns, endorsement from health experts, and health and fitness workshops under the campaign Nutrilifestyle were done to create credibility of the brand and its products.

Alongside catering the biggest variety of Flour products, ACI Pure Flour Limited (APFL) is thriving in the grain business by delivering the best quality Red Lentils and Yellow Peas. These two products have been adding massive value to the advancement of ACI Pure Flour Limited (APFL).

The operating results of the Company for the year ended 30 June 2023 are as follows:

Key Financial Results

| | <u>Taka</u> |
|-------------------|---------------|
| Revenue | 8,353,640,036 |
| Gross Profit | 388,010,467 |
| Operating Profit | 60,774,528 |
| Profit Before Tax | 79,916,940 |
| Profit After Tax | 31,333,314 |

On behalf of the Board

Shusmita Anis

Director

Kamran Tanvirur Rahman

Director

Dhaka, 05 October 2023

Independent Auditors' Report to the Shareholders of ACI Pure Flour Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ACI Pure Flour Limited, which comprise the statement of financial position as at 30 June 2023, and the statement of profit or loss and other comprehensive income, statement of cash flow and statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at 30 June 2023, and its financial performance and its cash flows for the year then 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 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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the year ended 30 June 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

| SL | Description of Key Audit Matter | How our audit addressed the key audit matter |
|----------|--|---|
| 1 | <p>Valuation of Property, Plant and Equipment</p> <p>The carrying value of the PPE was BDT. 587,065,869 as at 30 June 2023.</p> <p>Expenditures are capitalized if they create new assets or enhance the existing assets, and expensed if they relate to repair or maintenance of the assets. Classification of the expenditures involves judgment. The useful lives of PPE items are based on management's estimates regarding the period during which the assets or its significant components will be used. The estimates are based on historical experience and market practice and take into consideration the physical condition of the assets.</p> <p>(Refer to note 5.00 to the Financial Statements)</p> | <p>Our audit included the following procedures:</p> <ul style="list-style-type: none"> • We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IFRS and found them to be consistent; • We obtained a listing of capital expenditures incurred during the year and on a sample basis, checked whether the items were procured based on internal purchase order that had been properly approved by the responsible individuals; • We inspected a sample of invoices and L/C documents to determine whether the classification between capital and revenue expenditure was appropriate; • We evaluated whether the useful lives determined and applied by the management were in line with historical experience and the market practice; and • We checked whether the depreciation of PPE items was commenced timely, by comparing the date of the reclassification from capital work in progress to ready for use, with the date of the act of completion of the work. |
| 2 | <p>Valuation of Inventory</p> <p>The company had inventory of BDT. 643,023,509 at 30 June 2023, held in distribution centers, warehouses and across multiple product lines.</p> <p>Inventories are carried at the lower of the cost and net realizable value. As a result, the Directors apply judgment in determining the appropriate values for slow moving or obsolete items.</p> <p>(Refer to note 6.00 to the Financial Statements)</p> | <p>We challenged the appropriateness of management's assumption's applied in calculating value of inventory provisions by:</p> <ul style="list-style-type: none"> • Evaluating operation and implementation of key inventory controls operating across the Company, including- those at a sample of distribution centers, warehouses and across multiple product lines; • Attending inventory counts and reconciling the counts results to the inventory listings to test completeness of data; • Comparing the net realizable value, obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories and comparison to the associated provision to assess whether inventory provisions are complete; and • Reviewing the historical accuracy of inventory provisioning, and the level of Inventory write offs during the year. |

3 Inter-company receivables

The carrying value of the inter-company receivables of the Company was BDT. 522,539,939 as at 30 June 2023 representing 22% of total assets of the Company. During our audit of the financial statements of the Company, we have identified the recoverable value of the Company's inter-company receivable stated at cost. Therefore, it is a matter of consideration whether those receivables have been misstated due to non-recognition of transactions at the counter part.

(Refer to note 7.3 to the Financial Statements)

We assessed the processes and controls put in place by the Company over inter-company transactions. We have obtained an understanding that inter-company balances are operated under normal course of business maintaining a common policy of charging interest to ensure efficient fund management and optimise effective borrowing cost at group level. The Group charge interest on intercompany balances using monthly weighted average cost of borrowings as applicable from time to time. Interest amount has been duly recognised in statement of profit or loss in compliance with applicable financial reporting standards.

- Understanding and analyzing the nature and reasons for inter-company transactions;
- Obtaining confirmations from the group entities at the reporting date on the closing balances of inter-company receivable and its reconciliation where necessary; and
- Checking calculation of interest on the balances of inter-company receivables on test basis and recording in the books of accounts.

4 Income Tax Expenses / Income

At year end the Company reported total income tax expenses of BDT 55,944,096

The calculation of the income tax income is a complex process that involves subjective judgments and uncertainties, and requires specific knowledge and competencies.

(Refer to note 19 to the Financial Statements)

Our audit procedures in this area included, among others:

- Understanding the process of estimating, recording and reassessing tax provision and contingencies;
- Involving our tax specialist to assist in analyzing the judgments used to determine provisions for matters based on their knowledge and experience of local regulations and practices;
- Inspecting the correspondence with tax authorities; and
- We also assessed the appropriateness of presentation of disclosures against IAS 12 Income Taxes.

5 Revenue recognition

The Company recognises revenue when (or as) the Company satisfies a performance obligation by transferring a promised good to a customer. Goods are considered as transferred when (or as) the customer or its agent (Forwarder/CFS) obtains control of that goods. Revenue from sale of goods is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts, rebates and Value Added Tax (VAT). During the period ended 30 June 2023 the Company has recognised revenues of BDT. 8,353,640,036

Considering the above factors and the risk associated with revenue recognition, we have determined the same to be a key audit matter.

(Refer to note 20 to the Financial Statements)

Our audit procedures in relation to the revenue recognition comprises the followings:

- We read the Company's revenue recognition policy and assessed its compliance in terms of IFRS 15 'Revenue from contracts with customer's;
- Performed sample tests of individual sales transactions and traced to sales invoices, sales orders and other related documents. In respect of the samples selected, we tested recognition of revenue based on underlying sales invoices, sales orders and other related documents;
- Selected samples of sales transactions made pre and post period end, agreed the date of transfer of control for the selected sample by testing underlying documents including customers confirmation; and
- Assessed the relevant disclosures made within the financial statements.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Directors' Report to the Shareholders other than the financial statements and our auditors' report thereon.

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 the fact, we have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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.
- 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.
- 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

In accordance with the Companies Act, 1994, we 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 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; and
- c) the statement of financial position and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account

Dhaka, 05 October 2023



M. J. ABEDIN & CO
Chartered Accountants
Registration: CAF-001-111
Partner: Kamrul Abedin FCA
Enrollment Number: 0527
DVC No: 2310170527AS700245



ACI Pure Flour Limited

Statement of Financial Position

as at 30 June 2023

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|-------------------------------------|-----------------|-----------------|
| Assets | | |
| Property, plant and equipment | 587,065,869 | 609,295,416 |
| Capital work-in-progress | 269,994,067 | 2,645,321 |
| Non-current assets | 857,059,936 | 611,940,737 |
| Inventories | 643,023,509 | 836,776,399 |
| Trade receivables | 277,404,784 | 73,327,019 |
| Other receivables | 4,018,535 | 5,241,117 |
| Inter-company receivables | 522,539,939 | 495,544,750 |
| Advances, deposits and prepayments | 43,703,714 | 64,758,039 |
| Cash and bank balances | 64,659,719 | 26,206,582 |
| Current assets | 1,555,350,200 | 1,501,853,905 |
| Total assets | 2,412,410,136 | 2,113,794,642 |
| Equity | | |
| Share capital | 40,000,000 | 40,000,000 |
| Revaluation reserve | 216,141,281 | 244,681,579 |
| Retained earnings | 1,017,067,436 | 985,578,705 |
| Total equity | 1,273,208,717 | 1,270,260,284 |
| Liabilities | | |
| Employment benefits | 20,710,000 | 23,886,395 |
| Deferred tax liabilities | 72,758,964 | 51,512,528 |
| Non-current liabilities | 93,468,964 | 75,398,923 |
| Bank overdraft | 67,891,176 | 16,995,100 |
| Short term loan | 149,844,850 | - |
| Trade payables | 477,638,793 | 481,244,555 |
| Other payables | 326,366,854 | 201,625,586 |
| Inter-company payables | 2,365,015 | 1,715,020 |
| Current tax liability | 21,625,766 | 66,555,174 |
| Current liabilities | 1,045,732,454 | 768,135,435 |
| Total liabilities | 1,139,201,419 | 843,534,358 |
| Total equity and liabilities | 2,412,410,136 | 2,113,794,642 |

Shusmita Anis
Director

Kamran Tanvirur Rahman
Director

Mohammad Mostafizur Rahman
Company Secretary

As per our separate report of even date annexed.

M. J. ABEDIN & CO
Chartered Accountants
Registration: CAF-001-111
Partner: Kamrul Abedin FCA
Enrollment Number: 0527
DVC No: 2310170527AS700245

Dhaka, 05 October 2023

ACI Pure Flour Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2023

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|---|---------------------|--------------------|
| Revenue | 8,353,640,036 | 6,570,987,460 |
| Cost of sales | (7,965,629,569) | (6,188,639,298) |
| Gross profit | 388,010,467 | 382,348,162 |
| Administrative, selling and distribution expenses | (336,584,423) | (290,305,591) |
| Other income/(loss) | 9,348,485 | 2,961,079 |
| Operating profit | 60,774,528 | 95,003,649 |
| Finance income/(expenses) | 23,348,567 | 36,030,705 |
| Profit before contribution to WPPF | 84,123,095 | 131,034,354 |
| Contribution to WPPF | (4,206,155) | (6,551,718) |
| Profit before tax | 79,916,940 | 124,482,637 |
| Income tax expenses: | | |
| Current tax | (55,944,096) | (60,706,705) |
| Deferred tax (expenses)/income | 7,360,469 | 1,689,086 |
| | (48,583,626) | (59,017,618) |
| Profit after tax | 31,333,314 | 65,465,018 |
| Other comprehensive income: | | |
| Revaluation surplus | - | - |
| Deferred tax on revaluation surplus (arising from changes in tax rules) | (28,540,298) | - |
| Remeasurement of defined benefit plan | 222,025 | - |
| Related tax | (66,608) | - |
| Total other comprehensive income, net of tax | (28,384,881) | - |
| Total comprehensive income | 2,948,433 | 65,465,018 |



Shusmita Anis
Director

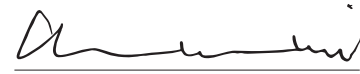


Kamran Tanvirur Rahman
Director



Mohammad Mostafizur Rahman
Company Secretary

As per our separate report of even date annexed.



M. J. ABEDIN & CO
Chartered Accountants
Registration: CAF-001-111
Partner: Kamrul Abedin FCA
Enrollment Number: 0527
DVC No: 2310170527AS700245

Dhaka, 05 October 2023



ACI Pure Flour Limited

Statement of Changes in Equity

For the year ended 30 June 2023

| | Share capital Taka | Retained earnings Taka | Revaluation reserve Taka | Total equity Taka |
|---|--------------------------|------------------------------|--------------------------------|-------------------------|
| Balance as at 01 July 2022 | 40,000,000 | 985,578,705 | 244,681,579 | 1,270,260,284 |
| Net profit after tax for the year | - | 31,333,314 | - | 31,333,314 |
| Total other comprehensive income | - | 155,417 | (28,540,298) | (28,384,881) |
| Total comprehensive income for the year | - | 31,488,731 | (28,540,298) | 2,948,433 |
| Balance at 30 June 2023 | 40,000,000 | 1,017,067,436 | 216,141,281 | 1,273,208,717 |
| Balance as at 01 July 2021 | 40,000,000 | 920,113,687 | 244,681,579 | 1,204,795,266 |
| Net profit after tax for the year | - | 65,465,018 | - | 65,465,018 |
| Total other comprehensive income | - | - | - | - |
| Total comprehensive income for the year | - | 65,465,018 | - | 65,465,018 |
| Balance at 30 June 2022 | 40,000,000 | 985,578,705 | 244,681,579 | 1,270,260,284 |

ACI Pure Flour Limited

Statement of Cash Flows

For the year ended 30 June 2023

| In Taka | 30 June 2023 | 30 June 2022 |
|---|------------------------|------------------------|
| A Cash flows from operating activities | | |
| Cash received from customers | 8,148,498,836 | 6,589,338,665 |
| Cash received from other income | 9,348,485 | 2,961,079 |
| | <u>8,157,847,321</u> | <u>6,592,299,744</u> |
| Cash received/(paid) from/(for): | | |
| Purchase of inventories and for production | (7,737,476,394) | (6,386,084,151) |
| Operating expenses | (210,622,577) | (279,760,568) |
| Other receivables | 1,222,582 | 2,645,966 |
| Workers profit participation fund | (6,551,718) | (4,490,566) |
| Advance, deposits and prepayments | 21,054,325 | (3,817,270) |
| | <u>(7,932,373,782)</u> | <u>(6,671,506,589)</u> |
| Cash generated from operations | 225,473,538 | (79,206,845) |
| Finance income | 23,348,567 | 36,030,705 |
| Income tax paid | (100,873,504) | (41,626,760) |
| | <u>(77,524,937)</u> | <u>(5,596,055)</u> |
| Net cash (used in)/generated from operating activities | <u>147,948,601</u> | <u>(84,802,900)</u> |
| B Cash flows from investing activities | | |
| Acquisition of property, plant and equipment | (2,305,343) | (5,445,404) |
| Payment for capital work in progress | (281,585,853) | (1,916,383) |
| Sale proceeds from property, plant and equipment | - | 18,349 |
| Net cash (used in)/generated from investing activities | <u>(283,891,196)</u> | <u>(7,343,438)</u> |
| C Cash flows from financing activities | | |
| Short term bank loan received/(paid) | 149,844,850 | (9,102,375) |
| Intercompany debts(paid)/received | (26,345,194) | 96,865,216 |
| Net cash (used in)/generated from financing activities | <u>123,499,656</u> | <u>87,762,841</u> |
| D Net cash flow from all activities (A+B+C) | <u>(12,442,939)</u> | <u>(4,383,497)</u> |
| E Cash and bank balances at the beginning of the year | <u>9,211,482</u> | <u>13,594,979</u> |
| F Cash and bank balances at reporting date | <u>(3,231,457)</u> | <u>9,211,482</u> |
| Closing Balance represents: | | |
| Cash in hand and at bank | 64,659,719 | 26,206,582 |
| Bank overdraft | (67,891,176) | (16,995,100) |
| | <u>(3,231,457)</u> | <u>9,211,482</u> |



ACI Foods Limited Directors' Report

ACI Foods Limited was enlisted in 2006 with the Registrar of Joint Stock Companies of Bangladesh as a subsidiary of Advanced Chemical Industries Limited. ACI holds 99.3% of the shares in the company. The company commenced its journey with the vision of enhancing the food experience and providing proper nutrition to the people of Bangladesh.

ACI Foods offers a diverse range of food products across various segments to consumers under seven renowned brands: ACI Pure, ACI Gold, ACI Fun, ACI Aroma, ACI Nutrilife, and ACI Ahaar. With a diverse range of best-in-class food products, ACI Pure has become an integral part of the Kitchens in households all across Bangladesh with its diversified cooking solution. ACI Fun is spreading indulgence and smiles to millions of faces with its wide array of snacks and bakery items. ACI Aroma has been enhancing the joy in the celebrative occasions of its consumers with its best-in-class aromatic and basmati rice. With the promise to help people embrace a healthy life, ACI Nutrilife has been offering a wide range of value-added rice like Black Rice, Low GI Rice, and Brown Rice to health-conscious consumers. ACI Ahaar is serving rice, the staple food in Bangladesh, to the bottom-of-the-pyramid consumer group at the most affordable price.

FY 2022-23 was a challenging year for the Food and Commodity businesses worldwide due to the ongoing war between Russia and Ukraine and adverse climate change resulting in a lower supply of food ingredients, disrupted global supply chain, and a drastic increase in global food prices. Despite this economic turmoil, ACI Foods Limited was able to generate remarkable growth, maintaining an operating profit with its innovative marketing initiatives, timely procurement, and proactive penetration strategies.

As a part of the dedication towards expanding the product range consistently, ACI Foods Limited introduced a range of new offerings, including Black Rice, Brown Rice, Mixed Nuts, Punch Candy, Flattened Rice, and a fresh addition to the ready-mix collection known as Murighonto Masala. ACI Pure introduced the idea of "Let cooking be the language of love" to strengthen the emotional connection between the customers and the products offered by the brand, with a highly acclaimed TV commercial. During Ramadan with its "Pure Hashir Jonno" campaign, the ACI Foods team spent a whole day with some exceptional senior citizens and shared the products with them.

ACI Foods Limited works relentlessly to ensure that only the best quality product reaches the consumers. As a recognition of that, the state-of-the-art Quality Control Lab in ACI Foods Factory was honored as a listed service laboratory approved by BFSa (Bangladesh Food Safety Authority). Now this facility can be used by any international, national, government, university, and manufacturing companies to conduct 31 different food quality tests in Bangladesh.

The operating results of the Company for the year ended 30 June 2023 are as follows:

Key Financial Results

| | <u>Taka</u> |
|-------------------------|---------------|
| Revenue | 9,739,413,248 |
| Gross Profit | 1,060,757,307 |
| Operating Profit | 407,368,452 |
| Profit Before Tax | 28,172,474 |
| Profit/(Loss) After Tax | (32,491,255) |

On behalf of the Board

Shusmita Anis

Director

Kamran Tanvirur Rahman

Director

Dhaka, 05 October 2023

Independent Auditors' Report to the Shareholders of

ACI Foods Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ACI Foods Limited, which comprise the statement of financial position as at 30 June 2023, and the statement of profit or loss and other comprehensive income, statement of cash flow and statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at 30 June 2023, and its financial performance and its cash flows for the year then 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 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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to note- 1.4.14 to the financial statements which describe the uncertainty related to the company's ability to continue as a going concern and our report is not modified in respect of the matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the year ended 30 June 2023. 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.



| SL | Description of Key Audit Matter | How our audit addressed the key audit matter |
|----|--|--|
| 1 | <p>Valuation of Property, Plant and Equipment</p> <p>The carrying value of the PPE was BDT. 866,425,217 as at 30 June 2023.</p> <p>Expenditures are capitalized if they create new assets or enhance the existing assets, and expensed if they relate to repair or maintenance of the assets. Classification of the expenditures involves judgment. The useful lives of PPE items are based on management's estimates regarding the period during which the assets or its significant components will be used. The estimates are based on historical experience and market practice and take into consideration the physical condition of the assets.</p> | <p>Our audit included the following procedures:</p> <ul style="list-style-type: none"> • We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IFRS and found them to be consistent; • We obtained a listing of capital expenditures incurred during the year and on a sample basis, checked whether the items were procured based on internal purchase order that had been properly approved by the responsible individuals; • We inspected a sample of invoices and L/C documents to determine whether the classification between capital and revenue expenditure was appropriate; and • We evaluated whether the useful lives determined and applied by the management were in line with historical experience and the market practice |
| 2 | <p>Valuation of Inventory</p> <p>The company had inventory of BDT. 2,258,842,196 at 30 June 2023, held in distribution centers, warehouses and across multiple product lines.</p> <p>Inventories are carried at the lower of the cost and net realizable value. As a result, the Directors apply judgment in determining the appropriate values for slow moving or obsolete items.</p> <p>(Refer to note 5.00 to the Financial Statements)</p> | <p>We challenged the appropriateness of management's assumption's applied in calculating value of inventory provisions by:</p> <ul style="list-style-type: none"> • Evaluating operation and implementation of key inventory controls operating across the Company, including- those at a sample of distribution centers, warehouses and across multiple product lines; • Attending inventory counts and reconciling the counts results to the inventory listings to test completeness of data; • Comparing the net realizable value, obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories and comparison to the associated provision to assess whether inventory provisions are complete; and • Reviewing the historical accuracy of inventory provisioning, and the level of inventory write offs during the year. |

3 Inter-company Liabilities

The carrying value of the inter-company liability of the Company was BDT. 4,136,721,699 as at 30 June 2023 representing 68% of total liability of the Company. During our audit of the financial statements of the Company, we have identified the recoverable value of the Company's inter-company liabilities stated at cost. Therefore, it is a matter of consideration whether those liabilities have been misstated due to non-recognition of transactions at the counter part.

(Refer to note 16 to the Financial Statements)

We assessed the processes and controls put in place by the Company over inter-company transactions. We have obtained an understanding that inter-company balances are operated under normal course of business maintaining a common policy of charging interest to ensure efficient fund management and optimise effective borrowing cost at group level. The Group charge interest on intercompany balances using monthly weighted average cost of borrowings as applicable from time to time. Interest amount has been duly recognised in statement of profit or loss in compliance with applicable financial reporting standards;

- Understanding and analyzing the nature and reasons for inter-company transactions;
- Obtaining confirmations from the group entities at the reporting date on the closing balances of inter-company liabilities and its reconciliation where necessary; and
- Checking calculation of interest on the balances of inter-company liabilities on test basis and recording in the books of accounts.

4 Income Tax Expenses / Income

At year end the Company reported total income tax expenses of BDT 67,696,311

The calculation of the income tax income is a complex process that involves subjective judgments and uncertainties, and requires specific knowledge and competencies.

(Refer to note 23 to the Financial Statements)

Our audit procedures in this area included, among others:

- Involving our tax specialist to assist in analyzing the judgments used to determine provisions for matters based on their knowledge and experience of local regulations and practices.
- Understanding the process of estimating, recording and reassessing tax provision and contingencies.
- Inspecting the correspondence with tax authorities.
- We also assessed the appropriateness of presentation of disclosures against IAS 12 Income Taxes.

5 Revenue recognition

The Company recognises revenue when (or as) the Company satisfies a performance obligation by transferring a promised good to a customer. Goods are considered as transferred when (or as) the customer or its agent (Forwarder/CFS) obtains control of that goods. Revenue from sale of goods is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts, rebates and Value Added Tax (VAT). During the period ended 30 June 2023 the Company has recognised revenues of BDT. 9,739,413,248.

Considering the above factors and the risk associated with revenue recognition, we have determined the same to be a key audit matter.

(Refer to note 18 to the Financial Statements)

Our audit procedures in relation to the revenue recognition comprises the followings:

- We read the Company's revenue recognition policy and assessed its compliance in terms of IFRS 15 Revenue from contracts with customer's;
- Performed sample tests of individual sales transactions and traced to sales invoices, sales orders and other related documents. In respect of the samples selected, we tested recognition of revenue based on underlying sales invoices, sales orders and other related documents;
- Selected samples of sales transactions made pre and post period end, agreed the date of transfer of control for the selected sample by testing underlying documents including customers confirmation; and
- Assessed the relevant disclosures made within the financial statements.

6 IT Systems & Controls

Our audit procedures have a focus on information technology systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.

Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application-based controls are operating effectively.

Our audit procedures in relation to IT Systems & Controls comprises the followings:

- We tested the design and operating effectiveness of the Company's IT access controls over the information systems that are critical to financial reporting. We tested IT general controls (Logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized;
- We tested the company's periodic review of access rights. We inspected requests of changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit;

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Directors' Report to the Shareholders other than the financial statements and our auditors' report thereon.

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 the fact, we have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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.
- 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.
- 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

In accordance with the Companies Act, 1994, we 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 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; and
- c) the statement of financial position and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Dhaka, 05 October 2023



M. J. ABEDIN & CO
Chartered Accountants
Registration: CAF-001-111
Partner: Kamrul Abedin FCA
Enrollment Number: 0527
DVC No: 2310170527AS784619



ACI Foods Limited

Statement of Financial Position

as at 30 June 2023

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|--------------------------------------|-----------------|-----------------|
| Assets | | |
| Property, plant and equipment | 866,425,217 | 795,880,586 |
| Capital work-in-progress | 321,481,922 | 131,063,218 |
| Deferred tax asset | 92,387,910 | 95,233,291 |
| Non-current assets | 1,280,295,049 | 1,022,177,096 |
| Inventories | 2,258,842,196 | 2,064,801,807 |
| Trade receivables | 226,248,992 | 173,082,012 |
| Other receivables | 33,844,921 | 36,664,810 |
| Advances, deposits and prepayments | 315,910,467 | 142,533,584 |
| Inter-company receivable | 5,385,846 | 988,079 |
| Cash and cash equivalents | 83,743,059 | 70,643,033 |
| Current assets | 2,923,975,481 | 2,488,713,326 |
| Total assets | 4,204,270,530 | 3,510,890,422 |
| Equity | | |
| Share capital | 287,000,000 | 287,000,000 |
| Revaluation surplus | 67,595,986 | 77,473,949 |
| Retained earnings | (2,204,206,229) | (2,156,878,660) |
| Total equity | (1,849,610,244) | (1,792,404,711) |
| Liabilities | | |
| Long term bank loan | 150,884,992 | - |
| Employee benefits | 25,930,000 | 1,829,813 |
| Non-current liabilities | 176,814,992 | 1,829,813 |
| Bank overdraft | 199,276,654 | 8,524,356 |
| Short term bank loan | 262,797,866 | 357,990,938 |
| Long term bank loan -current portion | 42,274,926 | 5,987,911 |
| Trade payables | 876,149,370 | 733,011,842 |
| Other payables | 277,758,686 | 411,120,013 |
| Inter-company liabilities | 4,136,721,699 | 3,707,099,079 |
| Current tax liability | 82,086,581 | 77,731,182 |
| Current liabilities | 5,877,065,782 | 5,301,465,320 |
| Total liabilities | 6,053,880,774 | 5,303,295,133 |
| Total equity and liabilities | 4,204,270,530 | 3,510,890,422 |

Shusmita Anis
Director

Kamran Tanvirur Rahman
Director

Mohammad Mostafizur Rahman
Company Secretary

As per our separate report of even date annexed.

M. J. ABEDIN & CO
Chartered Accountants
Registration: CAF-001-111
Partner: Kamrul Abedin FCA
Enrollment Number: 0527
DVC No: 2310170527AS784619

Dhaka, 05 October 2023

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

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|--|----------------------|--------------------|
| Revenue | 9,739,413,248 | 7,730,760,607 |
| Cost of sales | (8,678,655,941) | (6,752,583,500) |
| Gross profit | 1,060,757,307 | 978,177,107 |
| Administration, selling and distribution expenses | (699,450,502) | (665,258,795) |
| Other income | 46,061,647 | 43,716,296 |
| Operating profit | 407,368,452 | 356,634,608 |
| Finance cost | (377,713,216) | (296,798,633) |
| Profit before contribution to WPPF | 29,655,235 | 59,835,976 |
| Contribution to WPPF | (1,482,762) | (2,991,799) |
| Profit before tax | 28,172,474 | 56,844,177 |
| Income tax expenses | | |
| Current tax expenses | (67,696,311) | (49,500,695) |
| Deferred tax (expense)/income | 7,032,582 | 791,634 |
| | (60,663,729) | (48,709,060) |
| Net Profit/(Loss) after tax | (32,491,255) | 8,135,116 |
| Other Comprehensive Income: | | |
| Remeasurement of defined benefit plan | (14,836,314) | - |
| Deferred tax on revaluation surplus due to changes in tax rate | (9,877,963) | - |
| Net Other Comprehensive Income | (24,714,277) | - |
| Total profit/(Loss) and other comprehensive income | (57,205,533) | 8,135,116 |



Shusmita Anis
Director



Kamran Tanvirur Rahman
Director



Mohammad Mostafizur Rahman
Company Secretary

As per our separate report of even date annexed.



M. J. ABEDIN & CO
Chartered Accountants
Registration: CAF-001-111
Partner: Kamrul Abedin FCA
Enrollment Number: 0527
DVC No: 2310170527AS784619

Dhaka, 05 October 2023



ACI Foods Limited Statement of Changes in Equity

For the year ended 30 June 2023

For the year ended 30 June 2023

| <i>In Taka</i> | Share Capital | Revaluation Surplus | Retained earnings | Total equity |
|---|------------------|------------------------|----------------------|-----------------|
| Balance on 01 July 2022 | 287,000,000 | 77,473,949 | (2,156,878,660) | (1,792,404,711) |
| Net profit/(Loss) after tax for the year | - | - | (32,491,255) | (32,491,255) |
| Total other comprehensive income net of tax | - | (9,877,963) | (14,836,314) | (24,714,277) |
| Total comprehensive income for the year | - | (9,877,963) | (47,327,569) | (57,205,533) |
| Balance at 30 June 2023 | 287,000,000 | 67,595,986 | (2,204,206,229) | (1,849,610,244) |

For the year ended 30 June 2022

| <i>In Taka</i> | Share Capital | Revaluation reserve | Retained earnings | Total equity |
|---|------------------|------------------------|----------------------|-----------------|
| Balance on 01 July 2021 | 287,000,000 | 77,473,949 | (2,165,013,777) | (1,800,539,827) |
| Net profit/(Loss) after tax for the year | - | - | 8,135,116 | 8,135,116 |
| Total other comprehensive income net of tax | - | - | - | - |
| Total comprehensive income for the year | - | - | 8,135,116 | 8,135,116 |
| Balance at 30 June 2022 | 287,000,000 | 77,473,949 | (2,156,878,660) | (1,792,404,711) |

ACI Foods Limited

Statement of Cash Flows

For the year ended 30 June 2023

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|--|-----------------|-----------------|
| Cash flows from operating activities | | |
| Cash received from customers | 9,696,139,965 | 7,794,977,078 |
| Cash receipts from other income | 14,467,776 | 17,209,742 |
| | 9,710,607,741 | 7,812,186,820 |
| Cash received/(paid) from/(for) : | | |
| Purchase of inventory | (8,663,961,283) | (7,284,771,683) |
| Payment for WPPF | (4,518,480) | (220,631) |
| Other receivables | 24,167,686 | 27,600,082 |
| Operating expenses | (822,098,836) | (602,410,557) |
| Advances, deposits and prepayments | (173,376,883) | (93,366,903) |
| | (9,639,787,796) | (7,953,169,691) |
| Cash generated from operations | 70,819,945 | (140,982,869) |
| Financing cost | (373,684,096) | (306,245,076) |
| Income tax | (63,340,911) | (67,748,693) |
| | (437,025,007) | (373,993,769) |
| Net cash from/(used in) operating activities | (366,205,063) | (514,976,638) |
| Cash flows from investing activities | | |
| Acquisition of property, plant and equipment | (19,797,552) | (8,295,121) |
| Payment for capital work-in-progress | (309,205,828) | (79,084,877) |
| Net cash from/(used in) investing activities | (329,003,381) | (87,379,998) |
| Cash flows from financing activities | | |
| Inter-company debts (paid)/received | 425,224,854 | 1,025,431,948 |
| Short term loan (paid)/received | (95,193,072) | (334,108,300) |
| Long term loan (paid)/received | 187,172,006 | (20,775,995) |
| Net cash from/(used in) financing activities | 517,203,788 | 670,547,653 |
| Net cash increase/(decrease) in cash and cash equivalents | (178,004,655) | 68,191,017 |
| Opening Cash and cash equivalent | 62,118,677 | (6,130,694) |
| Effects of Exchanges Rate Changes on Cash and Cash Equivalents | 352,384 | 58,354 |
| Cash and cash equivalent at reporting date | (115,533,595) | 62,118,677 |
| Closing balance represents | | |
| Cash and cash equivalent | 83,743,059 | 70,643,033 |
| Bank overdraft | (199,276,654) | (8,524,356) |
| | (115,533,595) | 62,118,677 |



ACI Salt Limited Directors' Report

Despite the numerous business challenges, ACI Salt Limited successfully managed the leadership position while achieving 8% growth over the last year with BDT 3,317 million sales. ACI Pure Salt has brought about a significant shift in the industry by producing the finest quality iodized edible salt, enlightening customers about the distinctions between conventional salt and 100% pure salt. As a result, consumer behavior has changed, and the number of people using vacuum salt is constantly rising.

Because of wide acceptance among consumers in Bangladesh, ACI Pure Salt won the Best Brand Award last year, for the 11th time in a row. The brand also got the prestigious "Superbrands" status for 2023–24 for the 3rd consecutive year.

ACI PURE Salt continues to introduce innovative methods to the salt industry by developing its distinctive packaging and products. ISO 9001:2015 has certified the quality management system of ACI PURE Salt. This demonstrates how committed ACI Salt Limited is to uphold safety and legal obligations.

The operating results of the Company for the year ended 30 June 2023 are as follows:

Key Financial Results

| | <u>Taka</u> |
|-------------------|---------------|
| Revenue | 3,316,629,272 |
| Gross Profit | 656,730,294 |
| Operating Profit | 368,733,035 |
| Profit Before Tax | 448,322,510 |
| Profit After Tax | 289,946,630 |

On behalf of the Board

Shusmita Anis
Director

Kamran Tanvirur Rahman
Director

Dhaka, 08 October 2023

Hoda Vasi Chowdhury & Co

Chartered Accountants

Independent Auditor's Report to the Shareholders of ACI Salt Limited Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ACI Salt Limited (here-in-after referred to as "the Company"), which comprise the statements of financial position as at 30 June 2023, and the statements of profit or loss and other comprehensive income, the statements of changes in equity and the statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give true and fair view of the financial position of the Company as at 30 June 2023, and of its financial performance and its cash flows for the year then 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 in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our 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.

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

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

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

National Office : BTMC Bhaban (6th & 7th Floor), 7-9 Karwan Bazar Commercial Area, Dhaka-1215, Bangladesh
Chattogram Office : Delwar Bhaban (4th Floor), 104 Agrabad Commercial Area, Chattogram-4100, Bangladesh

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 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.
- 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

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

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of these books; and
- the statements of financial position and the statements of profit or loss and other comprehensive income along with the annexed notes 1 to 34 dealt with by the report are in agreement with the books of account.

Dhaka, 08 October 2023
DVC: 2310090469AS558987



A F Nesaruddin, FCA
Enrolment # 469
Senior Partner
Hoda Vasi Chowdhury & Co
Chartered Accountants



ACI Salt Limited

Statement of Financial Position

As at 30 June 2023

| | 30 June 2023 Taka | 30 June 2022 Taka |
|-------------------------------------|----------------------|----------------------|
| Assets | | |
| Non-current assets | | |
| Property, plant and equipment | 1,114,210,945 | 1,092,472,880 |
| Capital work-in-progress | 181,611,472 | 91,064,997 |
| | <u>1,295,822,417</u> | <u>1,183,537,877</u> |
| Current assets | | |
| Inventories | 658,197,827 | 385,706,723 |
| Trade receivables | 48,380,112 | 64,460,999 |
| Other receivables | 7,021,807 | 1,906,317 |
| Advances, deposits and prepayments | 55,387,718 | 42,628,850 |
| Inter-company receivables | 2,104,857,468 | 1,618,133,774 |
| Cash and cash equivalents | 19,502,589 | 2,532,996 |
| | <u>2,893,347,521</u> | <u>2,115,369,659</u> |
| Total assets | <u>4,189,169,938</u> | <u>3,298,907,536</u> |
| Equity and Liabilities | | |
| Shareholders' equity | | |
| Share capital | 300,000,00 | 300,000,000 |
| Revaluation reserve | 232,427,098 | 259,856,683 |
| Retained earnings | 1,765,867,865 | 1,477,586,813 |
| | <u>2,298,294,963</u> | <u>2,037,443,496</u> |
| Non-current liabilities | | |
| Employee benefit | 36,050,000 | 32,207,926 |
| Deferred tax liabilities | 154,887,067 | 125,291,275 |
| Long-term loan | 62,562,537 | 63,898,446 |
| | <u>253,499,604</u> | <u>221,397,647</u> |
| Current liabilities | | |
| Bank overdrafts | 101,999,240 | 107,558,966 |
| Short-term loans | 1,075,881,048 | 479,636,578 |
| Trade payables | 156,699,494 | 73,328,948 |
| Other payables | 199,645,779 | 276,980,455 |
| Current tax liability | 103,149,810 | 102,561,446 |
| Total current liabilities | <u>1,637,375,371</u> | <u>1,040,066,393</u> |
| Total liabilities | <u>1,890,874,975</u> | <u>1,261,464,040</u> |
| Total equity and liabilities | <u>4,189,169,938</u> | <u>3,298,907,536</u> |

Shusmita Anis
Director

Kamran Tanvirur Rahman
Director

Mohammad Mostafizur Rahman
Company Secretary

A F Nesaruddin, FCA
Enrolment # 469
Senior Partner
Hoda Vasi Chowdhury & Co
Chartered Accountants

Dhaka, 08 October 2023
DVC: 2310090469AS558987

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

| | 30 June 2023 Taka | 30 June 2022 Taka |
|--|----------------------|----------------------|
| Revenue | 3,316,629,272 | 3,067,290,036 |
| Cost of sales | (2,659,898,978) | (2,312,035,391) |
| Gross profit | 656,730,294 | 755,254,645 |
| Administrative, selling and distribution expenses | (295,345,018) | (298,130,206) |
| Other income | 7,347,759 | 10,658,792 |
| Operating profit | 368,733,035 | 467,783,231 |
| Financing income - net | 103,185,397 | 92,785,401 |
| Profit before contribution to WPPF | 471,918,432 | 560,568,632 |
| Contribution to WPPF | (23,595,922) | (28,028,432) |
| Profit before tax | 448,322,510 | 532,540,200 |
| Income tax expenses | | |
| Current tax | (155,495,854) | (162,066,034) |
| Deferred tax (expenses)/income | (2,880,026) | 1,270,686 |
| | (158,375,880) | (160,795,348) |
| Net profit after tax | 289,946,630 | 371,744,852 |
| Other comprehensive income: | | |
| Remeasurement of defined benefit plan | (2,379,397) | - |
| Related tax on defined benefit plan | 713,819 | - |
| | (1,665,578) | - |
| Revaluation surplus of property plant & equipment | - | - |
| Deferred tax on revaluation surplus due to changes in tax rate | (27,429,585) | - |
| | (27,429,585) | - |
| Total comprehensive income | 260,851,467 | 371,744,852 |



Shusmita Anis
Director



Kamran Tanvirur Rahman
Director



Mohammad Mostafizur Rahman
Company Secretary



A F Nesaruddin, FCA
Enrolment # 469
Senior Partner
Hoda Vasi Chowdhury & Co
Chartered Accountants

Dhaka, 08 October 2023
DVC: 2310090469AS558987



ACI Salt Limited

Statement of Changes in Equity

For the year ended 30 June 2023

| Particulars | Share capital | Revaluation reserve | Retained earnings | Total equity |
|-----------------------------------|--------------------|------------------------|----------------------|----------------------|
| | <u>Taka</u> | <u>Taka</u> | <u>Taka</u> | <u>Taka</u> |
| Balance as at 01 July 2022 | 300,000,000 | 259,856,683 | 1,477,586,813 | 2,037,443,496 |
| Profit after tax | - | - | 289,946,630 | 289,946,630 |
| Other comprehensive income | - | (27,429,585) | (1,665,578) | (29,095,163) |
| Balance as at 30 June 2023 | <u>300,000,000</u> | <u>232,427,098</u> | <u>1,765,867,865</u> | <u>2,298,294,963</u> |
| Balance as at 01 July 2021 | 300,000,000 | 259,856,683 | 1,105,841,961 | 1,665,698,644 |
| Profit after tax | - | - | 371,744,852 | 371,744,852 |
| Balance as at 30 June 2022 | <u>300,000,000</u> | <u>259,856,683</u> | <u>1,477,586,813</u> | <u>2,037,443,496</u> |

ACI Salt Limited

Statement of Cash Flows

For the year ended 30 June 2023

| | 30 June 2023 Taka | 30 June 2022 Taka |
|--|------------------------|------------------------|
| A Cash flows from operating activities | | |
| Cash received from customers | 3,332,710,158 | 3,037,322,302 |
| Cash received from other income | 893,070 | 1,382,100 |
| | <u>3,333,603,228</u> | <u>3,038,704,402</u> |
| Cash (paid)/received (for)/from: | | |
| Purchase of inventories | (2,764,268,824) | (2,408,252,406) |
| Operating expenses | (358,423,722) | (244,666,903) |
| Workers' profit participation fund | (27,676,032) | (21,653,905) |
| Advances, deposits and prepayments | (7,785,862) | (2,699,139) |
| | <u>(3,158,154,440)</u> | <u>(2,677,272,354)</u> |
| Cash generated from operating activities | <u>175,448,788</u> | <u>361,432,048</u> |
| Financing income | 103,185,397 | 92,785,401 |
| Income tax | (154,907,490) | (161,581,721) |
| | <u>(51,722,093)</u> | <u>(68,796,320)</u> |
| <i>Net cash from operating activities</i> | <u>123,726,695</u> | <u>292,635,728</u> |
| B Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (7,983,989) | (32,394,798) |
| Cash paid for capital work-in-progress | (203,898,659) | (112,645,353) |
| Proceeds from sale of fixed assets | 2,500,405 | - |
| <i>Net cash (used) in investing activities</i> | <u>(209,382,243)</u> | <u>(145,040,151)</u> |
| C Cash flows from financing activities | | |
| Received/(paid) of short term loan | 596,244,470 | 146,070,651 |
| Received/(Paid) of long term loan | (1,335,909) | 7,636,394 |
| Inter-company financing | (486,723,694) | (183,383,580) |
| <i>Net cash (used) in financing activities</i> | <u>108,184,867</u> | <u>(29,676,535)</u> |
| D Net cash flows (A+B+C) | <u>22,529,319</u> | <u>117,919,042</u> |
| E Opening Cash and cash equivalents | <u>(105,025,970)</u> | <u>(222,945,012)</u> |
| F Closing Cash and cash equivalents (D+E) | <u>(82,496,651)</u> | <u>(105,025,970)</u> |
| Closing balance represents: | | |
| Cash and cash equivalents | 19,502,589 | 2,532,996 |
| Bank overdrafts | (101,999,240) | (107,558,966) |
| | <u>(82,496,651)</u> | <u>(105,025,970)</u> |



ACI Motors Limited Directors' Report

ACI Motors Limited (the Company) is a private company limited by shares incorporated in 2007 with the Registrar of Joint Stock Companies, Dhaka, as a subsidiary of Advanced Chemical Industries (ACI) Limited. ACI holds a 48.1% share in the company. The business of the company has been segmented into three major SBUs: 1) Farm Mechanization 2) Yamaha 3) Construction Equipment, Commercial Vehicles, and Others.

ACI Motors stands as a trailblazer in the field of farm mechanization in Bangladesh, offering a comprehensive range of products and services tailored to meet farmers' mechanization needs. Our extensive portfolio addresses all stages of the agricultural cycle, from cultivation to post-harvest preservation, empowering farmers with efficient solutions that boost productivity, reduce labor dependence, and optimize yields. In FY 22-23, our Farm Mechanization Unit achieved 22% growth, reflecting the unwavering trust of farmers and stakeholders. Sonalika, our renowned tractor brand, maintained its market leadership with a striking 40% market share. ACI Power Tiller further solidified its leadership position in the high-HP power tiller segment during this period. ACI Motors played a pivotal role during the Aman and Boro harvesting seasons by effectively addressing customer harvesting challenges, supported by a government-provided 50% subsidy on harvesters. Our agri-machinery manufacturing factory currently produces threshers, hand-powered tillers, and trailers, with plans to assemble modern Agri-machines. This underscores our commitment to innovation and providing farmers with groundbreaking solutions. Our customer-centric approach, coupled with ongoing innovation, propels us toward a future marked by growth and substantial impact.

Presently, ACI Motors manufactures three Yamaha models—FZS V2, FZS V3, and Saluto—adhering to Yamaha's global standards. We introduced two premium 150 CC models, MT 15 V2 and FZS V3 Deluxe, with updated features, reinforcing our market presence. Yamaha dominates the 150 CC segment, boasting a 31% market share and a reputation as the epitome of premium motorcycles. We have increased our manufacturing capacity to 110,000 units per year from 70,000 to meet the ever-increasing demand for Yamaha motorcycles. In FY 22-23, Yamaha Motorcycle experienced impressive 31% growth, surpassing industry degrowth at 28%, and attained a 15% market share. Furthering our commitment to the community, ACI Motors continued the Yamaha Music School, resonating with over 250 aspiring musicians in FY 22-23. In line with our social responsibility, we promoted road safety awareness throughout the year, joining hands with the Yamaha Riders Club.

In the construction equipment segment, ACI Motors collaborates with globally acclaimed brands including Kobelco, Case, Lovol, Ajax, and Escorts. This year, we maintained our presence in significant projects such as the Padma Multipurpose Bridge Project, Dhaka Elevated Expressway, Hazrat Shahjalal International Airport Expansion (Terminal 3) Project, Mirsarai Economic Zone, etc. ACI Motors anticipates playing a pivotal role in the country's infrastructure advancement through its construction equipment segment.

ACI Motors initiated its commercial vehicle venture by partnering with Foton International, a leading light commercial vehicle manufacturer globally. Despite 30% negative market growth in FY 22-23, Foton achieved remarkable progress, boasting 18% growth compared to the previous fiscal year. This growth can be attributed to the expansion of a standardized dealer network (from 26 to 30 3S dealers), service and spare parts availability, strategic product positioning, and effective online and offline marketing strategies. In recognition of our dedication, Foton International honored ACI Motors with the Global Outstanding Distribution Award in April 2023. This accolade reflects our commitment to excellence and outstanding performance.

ACI Motors thrives on three pillars: top-tier products, exceptional after-sales service, and a widespread nationwide network. These cornerstones not only drive our business but also create employment opportunities for the next generation and contribute to the financial well-being of both rural and urban customers. We're committed to upholding our legacy of quality products, reinforced by unwavering service dedication and customer-centric initiatives in the forthcoming year.

The operating results of the Company for the year ended 30 June 2023 are as follows:

Key Financial Results

| | Taka |
|-------------------|----------------|
| Revenue | 29,250,479,603 |
| Gross Profit | 6,097,025,620 |
| Operating Profit | 3,108,485,466 |
| Profit Before Tax | 2,421,619,027 |
| Profit After Tax | 1,702,207,620 |

On behalf of the Board

Dr. A.K.M Fareyazul Haque Ansarey
Managing Director

Kamran Tanvirur Rahman
Director

Dhaka, 19 October 2023

Hoda Vasi Chowdhury & Co

Chartered Accountants

Independent Auditors' Report to the Shareholders of ACI Motors Limited Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ACI Motors Limited ("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 then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2023, and its financial performance and its cash flows for the year then 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 in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) by Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, the Companies Act, 1994 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.

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 exercise professional judgement 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 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 gives a true and fair view.

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

In accordance with the Companies Act, 1994, 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 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; and
- c) the statement of financial position and statement of profit or loss and other comprehensive income along with the annexed notes 1 to 34 dealt with by the report are in agreement with the books of account.

Dhaka, 19 October 2023



Sk Md Tarikul Islam, FCA
Partner
Membership no: 1238
Hoda Vasi Chowdhury & Co.
Chartered Accountants
DVC: 2310191238AS859954

ACI Motors Limited

Statement of Financial Position

| In Taka | 30 June 2023 | 30 June 2022 |
|---|-----------------|-----------------|
| Assets | | |
| Property, plant and equipment | 1,588,846,234 | 840,533,700 |
| Capital work-in-progress | 32,107,344 | 426,776,302 |
| Investment in shares | 131,421,420 | 12,883,835 |
| Right-of-use assets | 146,936,468 | 172,507,052 |
| Deferred tax assets | 83,748,540 | 60,905,749 |
| Non-current assets | 1,983,060,006 | 1,513,606,638 |
| Inventories | 3,178,626,412 | 3,389,416,900 |
| Trade receivables | 8,843,072,618 | 6,354,682,753 |
| Other receivables | 107,223,930 | 54,346,886 |
| Inter-company receivables | 819,018,501 | 934,628,194 |
| Advances, deposits and prepayments | 613,954,285 | 598,156,163 |
| Short term investments | 2,784,452,098 | - |
| Cash and cash equivalents | 2,675,799,502 | 1,292,888,104 |
| Current assets | 19,022,147,346 | 12,624,119,000 |
| Total assets | 21,005,207,352 | 14,137,725,638 |
| Equity | | |
| Share capital | 1,495,726,600 | 1,388,888,900 |
| Share premium | 1,667,977,936 | 1,667,977,936 |
| Retained earnings | 6,320,589,593 | 5,004,540,115 |
| Reserves | 58,988,236 | 75,129,847 |
| Total equity | 9,543,282,365 | 8,136,536,798 |
| Liabilities | | |
| Long term loans-net off current portion | 319,131,297 | - |
| Lease liability-net off current portion | 111,920,910 | 130,957,385 |
| Employee benefit | 88,420,000 | 71,763,457 |
| Non-current liabilities | 519,472,207 | 202,720,842 |
| Bank overdraft | 251,976,121 | 64,636,163 |
| Loans and borrowings | 6,690,134,262 | 2,634,359,506 |
| Lease liability-current portion | 33,326,074 | 28,850,778 |
| Trade payables | 133,123,615 | 112,570,956 |
| Other payables | 3,609,454,678 | 2,808,921,706 |
| Current tax liability | 224,438,030 | 149,128,889 |
| Current liabilities | 10,942,452,780 | 5,798,467,998 |
| Total liabilities | 11,461,924,987 | 6,001,188,840 |
| Total equity and liabilities | 21,005,207,352 | 14,137,725,638 |



Dr. A.K.M Fareyazul Haque Ansarey
Managing Director



Kamran Tanvirur Rahman
Director



Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.



Sk Md Tarikul Islam, FCA
Partner
Membership no: 1238
Hoda Vasi Chowdhury & Co.
Chartered Accountants
DVC: 2310191238AS859954

Dhaka, 19 October 2023



ACI Motors Limited

Statement of Profit or Loss

| <i>In Taka</i> | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|---|------------------------------------|------------------------------------|
| Revenue | 29,250,479,603 | 23,532,061,218 |
| Cost of sales | (23,153,453,983) | (17,788,048,948) |
| Gross profit | 6,097,025,620 | 5,744,012,270 |
| Administrative, selling and distribution expenses | (3,163,207,629) | (3,005,024,619) |
| Other income | 174,667,475 | 102,297,818 |
| Operating profit | 3,108,485,466 | 2,841,285,469 |
| Financing costs, net | (559,412,806) | (312,775,599) |
| Profit before contribution to WPPF & tax | 2,549,072,660 | 2,528,509,870 |
| Contribution to WPPF | (127,453,633) | (126,425,493) |
| Profit before tax | 2,421,619,027 | 2,402,084,377 |
| Income tax expenses: | | |
| Current tax | (754,672,253) | (595,220,153) |
| Deferred tax income/(expense) | 35,260,846 | 30,796,379 |
| | (719,411,407) | (564,423,774) |
| Profit after tax | 1,702,207,620 | 1,837,660,603 |

Dr. A.K.M Fareyzaul Haque Ansarey
Managing Director

Kamran Tanvirur Rahman
Director

Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.

Sk Md Tarikul Islam, FCA
Partner
Membership no: 1238
Hoda Vasi Chowdhury & Co.
Chartered Accountants
DVC: 2310191238AS859954

Dhaka, 19 October 2023

ACI Motors Limited

Statement of Profit or Loss and Other Comprehensive Income

| <i>In Taka</i> | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|---|------------------------------------|------------------------------------|
| Profit after tax | 1,702,207,620 | 1,837,660,603 |
| Other comprehensive income: | | |
| Items that will not be reclassified to profit or loss | | |
| Change in fair value of FVOCI financial assets | (3,062,415) | (2,170,184) |
| Related tax on fair value of FVOCI financial assets | 306,242 | 217,018 |
| | (2,756,173) | (1,953,166) |
| Remeasurement of defined benefit plan | (2,203,803) | - |
| Related tax on remeasurement of defined benefit plan | 661,141 | - |
| | (1,542,662) | - |
| Revaluation surplus on property, plant and equipment | - | - |
| Related tax on revaluation surplus | (13,385,438) | - |
| | (13,385,438) | - |
| Total other comprehensive income/(loss) for the year, net of tax | (17,684,273) | (1,953,166) |
| Total comprehensive income for the year | 1,684,523,347 | 1,835,707,437 |



Dr. A.K.M Fareyzul Haque Ansarey
Managing Director



Kamran Tanvirur Rahman
Director



Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.



Sk Md Tarikul Islam, FCA
Partner
Membership no: 1238
Hoda Vasi Chowdhury & Co.
Chartered Accountants
DVC: 2310191238AS859954

Dhaka, 19 October 2023



ACI Motors Limited

Statement of Changes in Equity

For the year ended 30 June 2023

| <i>In Taka</i> | Share capital | Share premium | Retained earnings | Revaluation reserve | FVOCI reserve | Total equity |
|--|------------------|------------------|----------------------|------------------------|------------------|---------------|
| Balance as at 1 July 2022 | 1,388,888,900 | 1,667,977,936 | 5,004,540,115 | 76,920,354 | (1,790,507) | 8,136,536,798 |
| Profit/(Loss) after tax | - | - | 1,702,207,620 | - | - | 1,702,207,620 |
| Other comprehensive income-net off tax | - | - | (1,542,662) | (13,385,438) | (2,756,173) | (17,684,273) |
| Issuance of bonus share | 106,837,700 | - | (106,837,700) | - | - | - |
| Cash dividend for the year 2021-22 | - | - | (277,777,780) | - | - | (277,777,780) |
| Share premium | - | - | - | - | - | - |
| Balance as at 30 June 2023 | 1,495,726,600 | 1,667,977,936 | 6,320,589,593 | 63,534,916 | (4,546,680) | 9,543,282,365 |

For the year ended 30 June 2022

| <i>In Taka</i> | Share capital | Share premium | Retained earnings | Revaluation reserve | FVOCI reserve | Total equity |
|--|------------------|------------------|----------------------|------------------------|------------------|---------------|
| Balance as at 1 July 2021 | 1,233,333,400 | 998,804,745 | 3,166,879,513 | 76,920,354 | 162,659 | 5,476,100,671 |
| Profit/(Loss) after tax | - | - | 1,837,660,602 | - | - | 1,837,660,602 |
| Other comprehensive income-net off tax | - | - | - | - | (1,953,166) | (1,953,166) |
| Issuance of bonus share | 155,555,500 | - | - | - | - | 155,555,500 |
| Share premium | - | 669,173,191 | - | - | - | 669,173,191 |
| Balance as at 30 June 2022 | 1,388,888,900 | 1,667,977,936 | 5,004,540,115 | 76,920,354 | (1,790,507) | 8,136,536,798 |

ACI Motors Limited

Statement of Cash Flows

| <i>In Taka</i> | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|---|------------------------------------|------------------------------------|
| Cash flows from operating activities | | |
| Cash received from customers | 26,797,070,400 | 22,839,861,772 |
| Cash received from other income | 120,872,241 | 85,579,749 |
| Cash (used in)/generated from operating activities | 26,917,942,641 | 22,925,441,521 |
| Payment for purchase | (22,848,951,857) | (17,795,120,071) |
| Payment for operating expenses | (2,445,769,261) | (2,648,764,853) |
| Payment for WPPF | (73,525,797) | (72,075,861) |
| Payments for advances, deposits and prepayments | (13,672,085) | (29,114,977) |
| | (25,381,919,000) | (20,545,075,762) |
| Cash (used in)/generated from operation | 1,536,023,641 | 2,380,365,759 |
| Interest paid, net | (472,111,355) | (394,607,839) |
| Income tax paid | (679,363,112) | (560,524,956) |
| | (1,151,474,467) | (955,132,795) |
| Net cash (used in)/from operating activities | 384,549,174 | 1,425,232,964 |
| Cash flows from investing activities | | |
| Acquisition of property, plant and equipment | (51,287,265) | (97,544,594) |
| Payment for capital work in progress | (414,024,630) | (334,315,692) |
| Payment for investments | (2,906,052,098) | (12,997,287) |
| Sales proceed from property, plant and equipment | 983,178 | 817,960 |
| Net cash from (used in)/from investing activities | (3,370,380,815) | (444,039,613) |
| Cash flows from financing activities | | |
| Inter-company debts received/(paid) | 115,609,693 | 1,318,076,594 |
| Short term loan received/(paid) | 3,841,477,150 | (3,236,979,998) |
| Payment for lease liability | (31,334,885) | (27,890,315) |
| Long term loan and other liability received/(paid) | 533,428,903 | - |
| Receipt of equity investment | - | 824,728,692 |
| Dividend paid | (277,777,780) | - |
| Net cash (used in)/from financing activities | 4,181,403,081 | (1,122,065,027) |
| Net increase/(decrease) in cash and cash equivalents | 1,195,571,440 | (140,871,676) |
| Opening cash and cash equivalents | 1,228,251,941 | 1,369,123,616 |
| Cash and cash equivalents at reporting date | 2,423,823,381 | 1,228,251,941 |
| Closing balance represents | | |
| Cash and cash equivalents | 2,675,799,502 | 1,292,888,104 |
| Bank overdraft | (251,976,121) | (64,636,163) |
| | 2,423,823,381 | 1,228,251,941 |



Creative Communication Limited

Directors' Report

Creative Communication Limited (The Company) is a private company limited by shares incorporated in 2007 with the Registrar of Joint Stock Companies, Dhaka. Being the parent company, Advanced Chemical Industries (ACI) Limited has 60% equity participation in the Company. It is an integrated communication house staffed by dedicated and pragmatic specialists working as a team. As a forward-thinking marketing and advertising firm, Creative Communication Limited is a solid partner at both strategic and tactical levels and has developed several partnerships with the most state-of-the-art players in numerous fields.

The principal business of the Company is to provide result-oriented advertisement, public relations and complete corporate communication solutions and has long experience in handling outdoors, events and project management along with strong rapport in the electronic and press media.

The operating results of the Company for the year ended on 30 June 2023 are as follows:

| Key Financial Results | <u>Taka</u> |
|------------------------------|-------------|
| Revenue | 55,386,926 |
| Gross Profit | 3,213,854 |
| Operating Profit | 618,210 |
| Profit Before Tax | 5,351,017 |
| Profit After Tax | 6,675,324 |

On behalf of the Board


Bilkis Mansoor
Director


Kamran Tanvirur Rahman
Director

Dhaka, 03 October 2023

Independent Auditors' Report to the Shareholders of Creative Communication Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Creative Communication Limited which comprise the statement of financial position as at 30 June 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity, 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, the accompanying financial statement presents fairly, in all material respects, the financial position of "Creative Communication Limited" as at 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with the 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirement that is relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation of financial statements that give a true and fair view 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.

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 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the organization to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.
- 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 Group's and company's ability to continue as a going concern. If we conclude that an 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 Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statement, including the disclosure, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- 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

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 organization so far as it appeared from our examination of those books;
- c) the statement of financial position and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts.

Dhaka, 03 October 2023



Ashraful Haque Nabi & Co.
Chartered Accountants.
Firm Registration No: CAF-001-005
Signed by: Minhaz Shahid, FCA
Proprietor/Enrolment No. 1446
DVC # 2310031446AS487838



Creative Communication Limited

Statement of Financial Position

As at 30 June 2023

| In Taka | 30 June 2023 | 30 June 2022 |
|-------------------------------------|-----------------|-----------------|
| Assets | | |
| Property, plant and equipment | 775,691 | 502,489 |
| Deferred tax assets | 2,326,430 | 124,836 |
| Non-current assets | 3,102,121 | 627,325 |
| Trade receivables | 94,040,783 | 88,582,545 |
| Other receivables | 2,371,519 | 2,371,519 |
| Advances, deposits and prepayments | 1,221,053 | 1,337,053 |
| Inter-company receivables | 52,483,828 | 62,811,444 |
| Cash and cash equivalents | 11,677 | 124,612 |
| Current assets | 150,128,860 | 155,227,173 |
| Total assets | 153,230,981 | 155,854,498 |
| Equity | | |
| Share capital | 1,000,000 | 1,000,000 |
| Retained earnings | 136,287,362 | 127,643,517 |
| Total equity | 137,287,362 | 128,643,517 |
| Liabilities | | |
| Long term employee benefit | 8,540,000 | 11,156,200 |
| Non-current liabilities | 8,540,000 | 11,156,200 |
| Bank overdraft | 1,323,899 | 4,056,370 |
| Other payables | 3,334,890 | 8,259,754 |
| Current tax liabilities | 2,744,830 | 3,738,657 |
| Current liabilities | 7,403,619 | 16,054,781 |
| Total liabilities | 15,943,619 | 27,210,981 |
| Total equity and liabilities | 153,230,981 | 155,854,498 |



Bilkis Mansoor
Director



Kamran Tanvirur Rahman
Director



Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.



Ashraf Haque Nabi & Co.
Chartered Accountants.
Firm Registration No: CAF-001-005
Signed by: Minhaz Shahid, FCA
Proprietor/Enrolment No. 1446
DVC # 2310031446AS487838

Dhaka, 03 September 2023

Creative Communication Limited
Statement of Profit or Loss and Comprehensive Income
For the year ended 30 June 2023

| <i>In Taka</i> | Jul'22-Jun'23 | Jul'21-Jun'22 |
|--|---------------|---------------|
| Revenue | 55,386,926 | 49,741,055 |
| Cost of service | (52,173,072) | (48,835,752) |
| Gross profit | 3,213,854 | 905,303 |
| Administrative and selling expenses | (2,595,644) | (2,490,333) |
| Operating profit | 618,210 | (1,585,030) |
| Financing income/(cost) | 4,732,807 | 4,153,436 |
| Profit before tax | 5,351,017 | 2,568,406 |
| Income tax expense: | | |
| Current tax | (1,720,938) | (1,663,686) |
| Deferred tax income/(expense) | 3,045,245 | (18,674) |
| | 1,324,307 | (1,682,360) |
| Profit after tax | 6,675,324 | 886,046 |
| Other comprehensive income | | |
| Items that will not be reclassified to profit or loss | | |
| Remeasurement of defined benefit plan | 2,812,172 | - |
| Related tax | (843,652) | - |
| Total other comprehensive income for the year, net of tax | 1,968,520 | - |
| Total Comprehensive Income | 8,643,844 | 886,046 |


Bilkis Mansoor
Director


Kamran Tanvirur Rahman
Director


Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.


Ashraful Haque Nabi & Co.
Chartered Accountants.
Firm Registration No: CAF-001-005
Signed by: Minhaz Shahid, FCA
Proprietor/Enrolment No. 1446
DVC # 2310031446AS487838

Dhaka, 03 September 2023



Creative Communication Limited

Statement of Changes in Equity

For the year ended 30 June 2023

| <i>In Taka</i> | Share capital | Retained earnings | Total Equity |
|---|---------------|-------------------|--------------|
| Balance at 1 July 2022 | 1,000,000 | 127,643,517 | 128,643,518 |
| Total comprehensive income | | | |
| Profit after tax | - | 6,675,324 | 6,675,324 |
| Other comprehensive income - net of tax | - | 1,968,520 | 1,968,520 |
| Total comprehensive income | - | 8,643,844 | 8,643,844 |
| Balance at 30 June 2023 | 1,000,000 | 136,287,362 | 137,287,362 |

For the year ended 30 June 2022

| <i>In Taka</i> | Share capital | Retained earnings | Total Equity |
|---|---------------|-------------------|--------------|
| Balance at 1 July 2021 | 1,000,000 | 126,757,471 | 127,757,471 |
| Total comprehensive income | | | |
| Profit after tax | - | 886,046 | 886,046 |
| Other comprehensive income - net of tax | - | - | - |
| Total comprehensive income | - | 886,046 | 886,046 |
| Balance at 30 June 2022 | 1,000,000 | 127,643,517 | 128,643,518 |

Creative Communication Limited

Statement of Cash Flows

| <i>In Taka</i> | Jul'22-Jun'23 | Jul'21-Jun'22 |
|---|--------------------|---------------------|
| Cash flows from operating activities | | |
| Cash receipts from customers and others | 49,928,688 | 65,944,069 |
| Cash paid to suppliers and employees | (59,086,135) | (49,681,126) |
| Cash generated from operating activities | (9,157,447) | 16,262,944 |
| Finance income/(cost) | 4,732,807 | 4,153,436 |
| Income tax paid | (2,714,765) | (4,093,315) |
| | 2,018,042 | 60,121 |
| Net cash from/(used in) operating activities | (7,139,405) | 16,323,065 |
| Cash flows from investing activities | | |
| Acquisition of property, plant and equipment | (568,675) | (47,000) |
| Net cash (used) in investing activities | (568,675) | (47,000) |
| Cash flows from financing activities | | |
| Inter-company debts received/(paid) | 10,327,616 | (82,163,508) |
| Net cash (used)/from financing activities | 10,327,616 | (82,163,508) |
| Net increase in cash and cash equivalents | 2,619,536 | (65,887,444) |
| Cash and cash equivalents at 1 July | (3,931,758) | 61,955,686 |
| Cash and cash equivalents at 30 June | (1,312,222) | (3,931,758) |
| Closing cash and cash balance represents: | | |
| Cash and cash equivalents | 11,677 | 124,612 |
| Bank overdraft | 1,323,899 | 4,056,370 |
| | (1,312,222) | (3,931,758) |



Premiaflex Plastics Limited

Directors' Report

Premiaflex Plastics Limited (The Company) is a private company limited by shares, incorporated in 2007 with the Registrar of Joint Stock Companies, Dhaka and governed by the Companies Act, 1994. Being the parent company, Advanced Chemical Industries (ACI) Limited holds 87.32% shares of the Company. The Company Contains two business divisions: Premiaflex Plastics (Flexible Packaging products manufacturer) and ACI Premio Plastics (premium category consumer plastic products manufacturer).

Premiaflex Plastics is a B2B company that places a high value on customer relationships by using premium raw materials and consistently creating innovative packaging for the customers. In order to effectively use its resources and increase revenue, the company is focusing its efforts on significant well-known businesses and international corporations. In FY 2022–2023, Premiaflex has grown by 20%.

Premiaflex Plastics primarily concentrates on the production and sale of goods for flexible packaging. It also features a diverse portfolio, Lamitube, and Label Stickers in addition to the already well-known Flexible Packaging product line. The capacity of this portfolio will be enhanced in the coming year by newly installed machineries for Lamitube and Label Stickers. However, the factory is currently operating at 98% capacity and there is very little scope to increase the production of flexible packaging.

Premiaflex Plastics was able to obtain a considerable market share of 20% while maintaining a strong competitive edge in the flexible packaging business by keeping all of the various strategies in mind throughout the year. The company intends to capitalize on this demand by providing superior products. As the factory is now at full capacity; therefore, it has been planning to install a new manufacturing line of flexible packaging to increase productivity. In addition, Premiaflex ensures a reliable safety system that upholds rigorous standards for both worker and plant safety.

ACI Premio Plastics, another business division of Premiaflex Plastics Limited, started its' journey in 2018. Premio plastics is producing consumer plastics which consists of plastic made household, furniture and toys products. There are more than 1000 distributors are connecting Premio products with consumers. In FY 22-23 ACI Premio Plastics has achieved 8% market share. Toys Portfolio growth was 46% with continuous line extension, penetration increase and Toys import LC restriction. In FY 2022-23 overall industry de-growth was 9% over SPLY which impacts Premio Furniture products sales with -13% growth over SPLY. Due to plastic products price hike, customers are looking for low-cost substitute products in Furniture portfolio. All competitors are engaged in price war in furniture portfolio to ensure their primary & secondary penetration. USD exchange rate has increased and LC was interrupted due to dollar crisis but material price was remained stable through proper inventory management in FY 2022-23 compare to SPLY. Consumers shifted their buying concentration from non-commodity products to basic commodity products due to increase of lifestyle expense which impacts slow offtake from retail outlet. However, Premio has continued their line extension to ensure growth in Market share by 2% over SPLY.

ACI Premio Plastics took many initiatives to communicate its brand and create brand awareness among consumers. Premio Plastics introduced 3 new products & 15 innovative art work & line extension which has created immense competitive edge to stand out in the product design benchmark. Over 3,000 new outlets were created as a part of horizontal penetration increase project.

Furthermore, business is focusing more in Toy portfolio considering growing demand of locally made quality Toys. Also, business is focusing more in acquiring competitiveness in Furniture Portfolio to increase secondary penetration. Business is determined to address these opportunities through future investment in product, capacity, people and brand building.

The operating results of the Company for the year ended 30 June 2023 are as follows:

Key Financial Results

| | Taka |
|-------------------------|---------------|
| Revenue | 7,892,860,853 |
| Gross Profit | 1,162,337,943 |
| Operating Profit | 627,768,703 |
| Profit Before Tax | 85,809,539 |
| Profit/(Loss) After Tax | (81,512,860) |

On behalf of the Board

Dr. A.K.M Fareyzul Haque Ansarey
Managing Director

Kamran Tanvirur Rahman
Director

Dhaka, 02 October 2023



SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS
(An associate firm of D. N. Gupta & Associates)

R. K. TOWER (Level-10 & 6)
86, Bir Uttam C.R. Datta Road
(312, Sonargaon Road). Dhaka-1205
Tel : 88-02-9635139, 88-02-223364597
Mobile : 01552-575775, 01711-520770
01922-117370, 01757-941837
01312-501076, 01711-535885
01645-738747, 01920-719463
E-mail : shirazkhanbasak@yahoo.com
Website : www.shirazkhanbasak.com.bd

Independent Auditors' Report to the Shareholders of **Premiaflex Plastics Limited** **Report on the Audit of the Financial Statements**

Opinion

We have audited the financial statements of Premiaflex Plastics Limited ("the Company"), which comprise the statement of financial position as at 30th June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the 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, the accompanying financial statements give a true and fair view of the financial position of the company as at 30th June 2023, and of its financial performance and its cash flows for the year that 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with 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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, 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.



SHIRAZ KHAN BASAK & CO.
C H A R T E R E D A C C O U N T A N T S
(An associate firm of D. N. Gupta & Associates)

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E-mail : shirazkhanbasak@yahoo.com
Website : www.shirazkhanbasak.com.bd

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 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 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.



SHIRAZ KHAN BASAK & CO.

CHARTERED ACCOUNTANTS

(An associate firm of D. N. Gupta & Associates)

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(312, Sonargaon Road). Dhaka-1205
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- 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

In accordance with the Companies Act 1994, 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 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 statement of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of accounts and returns;
- d) The expenditure incurred was for the purpose of the Company's business.

Dhaka, 02 October 2023

Chaity Basak, FCA (Enrol # 1772)
Partner
Shiraz Khan Basak & Co.
Chartered Accountants
DVC: 2310041772AS492978



Premiaflex Plastics Limited

Statement of Financial Position

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|-------------------------------------|----------------------|----------------------|
| Assets | | |
| Property, plant and equipment | 2,497,094,045 | 2,699,701,209 |
| Right-of-use assets | 93,853,845 | 22,262,931 |
| Investments | 2,313,591 | 2,452,711 |
| Non-current assets | 2,593,261,481 | 2,724,416,851 |
| Inventories | 2,290,267,231 | 2,491,018,701 |
| Trade receivables | 1,505,923,924 | 1,323,750,941 |
| Advances, deposits and prepayments | 536,575,448 | 269,808,763 |
| Current tax assets | 1,112,324,087 | 915,486,839 |
| Cash and cash equivalents | 100,802,449 | 64,344,018 |
| Current assets | 5,545,893,138 | 5,064,409,261 |
| Total assets | 8,139,154,619 | 7,788,826,112 |
| Equity | | |
| Share capital | 300,000,000 | 300,000,000 |
| Reserves | 496,707,475 | 560,263,848 |
| Retained earnings | (452,246,992) | (374,928,638) |
| Total equity | 344,460,483 | 485,335,210 |
| Liabilities | | |
| Long term bank loan | 92,624,748 | 293,275,691 |
| Lease liabilities | 83,064,095 | 11,666,064 |
| Deferred tax liabilities | 38,017,262 | 13,222,687 |
| Employee benefits | 30,910,000 | 29,667,129 |
| Non-current liabilities | 244,616,105 | 347,831,571 |
| Bank overdraft | 99,641,875 | 150,982,884 |
| Loans and borrowings | 2,574,094,064 | 3,078,660,854 |
| Lease liabilities-current portion | 16,763,573 | 12,574,747 |
| Trade payables | 305,205,952 | 177,754,576 |
| Other payables | 64,856,315 | 51,278,442 |
| Inter-company payables | 4,489,516,252 | 3,484,407,827 |
| Current liabilities | 7,550,078,031 | 6,955,659,331 |
| Total liabilities | 7,794,694,136 | 7,303,490,902 |
| Total equity and liabilities | 8,139,154,619 | 7,788,826,112 |

Dr. A.K.M Fareyzul Haque Ansarey
Managing Director

Kamran Tanvirur Rahman
Director

Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.

Chaity Basak, FCA (Enrol # 1772)
Partner
Shiraz Khan Basak & Co.
Chartered Accountants
DVC: 2310041772AS492978

Dhaka, 02 October 2023

Premiaflex Plastics Limited

Statement of Profit or Loss and other Comprehensive Income

| <i>In Taka</i> | For the Year ended 30 June 2023 | For the Year ended 30 June 2022 |
|--|------------------------------------|------------------------------------|
| Revenue | 7,892,860,853 | 6,938,126,493 |
| Cost of sales | (6,730,522,910) | (6,082,677,106) |
| Gross profit | 1,162,337,943 | 855,449,388 |
| Administrative, selling & distribution expenses | (563,259,236) | (504,565,260) |
| Other income | 28,689,996 | 35,124,810 |
| Operating profit | 627,768,703 | 386,008,938 |
| Financing cost | (537,442,872) | (490,952,667) |
| Profit before contribution to WPPF | 90,325,831 | (104,943,729) |
| Contribution to WPPF | (4,516,292) | - |
| Profit before tax | 85,809,539 | (104,943,729) |
| Income tax expenses | (167,322,400) | (174,315,740) |
| Current tax | (205,945,078) | (169,208,167) |
| Deferred tax income/(expenses) | 38,622,678 | (5,107,574) |
| Profit after tax | (81,512,860) | (279,259,469) |
| Other comprehensive income | | |
| Change in fair value of financial assets | (139,120) | 121,567 |
| Related tax on FVOCI of financial assets | 13,912 | (12,157) |
| | (125,208) | 109,410 |
| Remeasurement of defined benefit plan | 4,194,506 | - |
| | 4,194,506 | - |
| Revaluation surplus | - | - |
| Tax on revaluation surplus (arising from change in tax rate) | (63,431,165) | - |
| | (63,431,165) | - |
| Other comprehensive income, net of tax | (59,361,867) | 109,410 |
| Total comprehensive income | (140,874,727) | (279,150,059) |



Dr. A.K.M Fareyzul Haque Ansarey
Managing Director



Kamran Tanvirur Rahman
Director



Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.



Chaity Basak, FCA (Enrol # 1772)
Partner
Shiraz Khan Basak & Co.
Chartered Accountants
DVC: 2310041772AS492978

Dhaka, 02 October 2023



Premiaflex Plastics Limited

Statement of Changes in Equity

For the year ended 30 June 2023

| <i>In Taka</i> | Share capital | FVOCI reserve | Revaluation reserve | Retained earnings | Total equity |
|---|---------------|---------------|---------------------|-------------------|---------------|
| Balance as at 1 July 2022 | 300,000,000 | (1,185,308) | 561,449,156 | (374,928,638) | 485,335,210 |
| Total comprehensive income | | | | | |
| Profit after tax | - | - | - | (81,512,860) | (81,512,860) |
| Other comprehensive income - net of tax | - | (125,208) | (63,431,165) | 4,194,506 | (59,361,867) |
| Total comprehensive income | - | (125,208) | (63,431,165) | (77,318,354) | (140,874,727) |
| Contributions by and distributions to owners of the company: | | | | | |
| Total contribution by and distribution to owners of the company | - | - | - | - | - |
| Balance as at 30 June 2023 | 300,000,000 | (1,310,516) | 498,017,991 | (452,246,992) | 344,460,483 |

For the year ended 30 June 2022

| <i>In Taka</i> | Share capital | FVOCI reserve | Revaluation reserve | Retained earnings | Total equity |
|---|---------------|---------------|---------------------|-------------------|---------------|
| Balance as at 1 July 2021 | 300,000,000 | (1,294,718) | 561,449,156 | (95,669,168) | 764,485,269 |
| Total comprehensive income | | | | | |
| Profit after tax | - | - | - | (279,259,469) | (279,259,469) |
| Other comprehensive income - net of tax | - | 109,410 | - | - | 109,410 |
| Total comprehensive income | - | 109,410 | - | (279,259,469) | (279,150,059) |
| Balance as at 30 June 2022 | 300,000,000 | (1,185,308) | 561,449,156 | (374,928,638) | 485,335,210 |

Premiaflex Plastics Limited

Statement of Cash Flows

| <i>In Taka</i> | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|--|------------------------------------|------------------------------------|
| Cash flows from operating activities | | |
| Cash received from customers | 7,716,631,993 | 6,806,066,707 |
| Cash received from other income | 28,689,996 | 35,124,810 |
| | 7,745,321,989 | 6,841,191,517 |
| Cash received/(paid) from/(for): | | |
| Purchase of inventory | (6,123,850,875) | (6,421,389,239) |
| Operating expenses | (543,940,363) | (520,779,280) |
| Payment for WPPF | - | (3,057,185) |
| Advances, deposits and prepayments | (265,619,573) | (6,422,652) |
| | (6,933,410,810) | (6,951,648,357) |
| Cash generated from operations | 811,911,179 | (110,456,839) |
| Finance cost | (534,594,041) | (493,804,087) |
| Income tax paid | (402,782,326) | (369,938,446) |
| | (937,376,367) | (863,742,533) |
| Net cash from operating activities | (125,465,188) | (974,199,372) |
| Cash flows from investing activities | | |
| Acquisitions of property, plant and equipment | (10,130,068) | (149,380,106) |
| Payments for capital-work-in-progress | (59,732,421) | - |
| Investments | - | (199,990) |
| Net cash (used) in investing activities | (69,862,489) | (149,580,096) |
| Cash flows from financing activities | | |
| Inter-company debt received/(Paid) | 1,005,108,425 | 682,210,269 |
| Payment for lease obligation | (16,763,573) | (12,574,747) |
| Short term bank loan received/(paid) | (511,630,606) | 651,497,671 |
| Long term bank loan received/(paid) | (193,587,128) | (208,118,111) |
| Net cash (used)/from financing activities | 283,127,118 | 1,113,015,082 |
| Net increase/(decrease) in cash and cash equivalents | 87,799,440 | (10,764,386) |
| Opening cash and cash equivalents | (86,638,867) | (75,874,481) |
| Closing cash and cash equivalents | 1,160,573 | (86,638,867) |
| Closing Balance represents: | | |
| Cash and cash equivalents | 100,802,449 | 64,344,018 |
| Bank overdraft | (99,641,875) | (150,982,884) |
| | 1,160,573 | (86,638,867) |



ACI Agrolink Limited Directors' Report

ACI Agrolink Limited is one of the subsidiaries of ACI Advanced Chemical Industries, which is a 100% export oriented shrimp processing industry established in the year 2018, where the entrepreneur has started its full operational service in this trade since 2019 by providing Raw, Blanched & Cooked Shrimp products with the three different types of freezing such as Block, IQF and Semi IQF. Agrolink Shrimp Factory is equipped with state-of-the-art technology and can handle up to 4,800 MT shrimp processing per annum.

Though Industry growth was -26.27% in the FY 2022-2023, the business achieved 9% of the cumulative growth with USD 14.67Mn revenue by exporting 96 containers. The business accelerates its achievement by ensuring first place as the highest exporter among the 34 others shrimp factory in the Khulna division for the year 2022. With the following performance, ACI Agrolink Limited has been awarded the National Fisheries Gold Award on 24th July, 2022 by the Government of Bangladesh. The award was given for the contribution in the country's export earnings through exporting quality products.

In 2019, the business started with Black Tiger Shrimp only. however, over the years it has developed and diversified its product line and exported alternative species such as Freshwater shrimp, Brown Tiger, Chaka/White shrimp, Cat Tiger, Sea Catch etc. ACI Agrolink has already gained attention from large international buyers from Germany, France, Belgium, Netherlands, Denmark, Spain, Portugal, Korea, United Kingdom, Japan and many other countries.

The business has extended its network collaborating through establishing backward linkage project with SNV (Dutch Fund for Climate and Development, DFCD). To increase Shrimp export of ACI Agrolink, the business also developed SPF Hatchery which will address quality Super PL availability to farmers from Kaliganj for increasing shrimp productivity.

ACI Agrolink played a significant role to up bring the potential communication with all of the people associated with the business. The business is expecting to introduce E-Traceability system for attending international customer reliability and strong connection. Standardized production process and global compliance is a major concern for ACI Agrolink Limited. The business obtained Aquaculture Stewardship Council (ASC) and AMFORI-BSCI certification to add with HACCP, GMP and BRC Certificates.

However, after Covid-19 impact, global recession, international market downfall, high freight cost due to port congestion, raw and packaging materials price hike etc. were major challenges. Moreover, the Russia Ukraine war carries a potential threat for the business. As most of the buyers are European, the recession followed by the war changed consumption demand of the people which may result in significant sales loss of the business. The business has been able to navigate through these challenges and continued to find opportunities.

The operating results of the Company for the year ended 30 June 2023 are as follows:

Key Financial Results

| | Taka |
|--------------------------|---------------|
| Revenue | 1,648,684,901 |
| Gross Profit | 204,346,443 |
| Operating Profit | 72,144,758 |
| Profit/(Loss) Before Tax | (12,666,788) |
| Profit/(Loss) After Tax | (31,301,593) |

On behalf of the Board

Dr. A.K.M Fareyazul Haque Ansarey
Managing Director

Kamran Tanvirur Rahman
Director

Dhaka, 02 October 2023



SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS
(An associate firm of D. N. Gupta & Associates)

R. K. TOWER (Level-10 & 6)
86, Bir Uttam C.R. Datta Road
(312, Sonargaon Road). Dhaka-1205
Tel : 88-02-9635139, 88-02-223364597
Mobile : 01552-575775, 01711-520770
01922-117370, 01757-941837
01312-501076, 01711-535885
01645-738747, 01920-719463
E-mail : shirazkhanbasak@yahoo.com
Website : www.shirazkhanbasak.com.bd

Independent Auditor's Report to the Shareholders of **ACI Agrolink Limited** **Report on the Audit of the Financial Statements**

We have audited the financial statements of ACI Agrolink Limited ("the Company"), which comprise Statement of financial position as at 30th June 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.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 30th June 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 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with ethical requirement that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concerns

We draw attention to the Financial Statements, which indicates that the Company incurred a net loss of Tk. 31,301,593 during the year ended June 30, 2023 and also for the last few consecutive years. As of the date, the Company's total liabilities exceeded its total assets by Tk. 271,881,230. As stated above, it indicates that a material uncertainty exists that may cast significant doubt in the Company's ability to continue as a going concern. Our opinion is not modified in respect.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, 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.



SHIRAZ KHAN BASAK & CO.

CHARTERED ACCOUNTANTS

(An associate firm of D. N. Gupta & Associates)

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(312, Sonargaon Road). Dhaka-1205
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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 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 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.



SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS
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- 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

In accordance with the Companies Act 1994, 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 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 statement of financial position and statement of Profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns;
- d) The expenditure incurred was for the purpose of the Company's business.

Place: Dhaka
Dated: 02 October 2023

Chaity Basak, FCA (Enrol # 1772)
Partner
Shiraz Khan Basak & Co.
Chartered Accountants
DVC: 2310041772AS990539



ACI Agrolink Limited

Statement of Financial Position

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|-------------------------------------|---------------|---------------|
| Assets | | |
| Property, plant and equipment | 265,792,955 | 244,646,581 |
| Deferred tax assets | 7,042,103 | (3,345,186) |
| Non-current assets | 272,835,058 | 241,301,395 |
| Inventories | 298,326,837 | 271,865,910 |
| Trade receivables | 158,920,514 | 262,817,309 |
| Inter-company receivables | 315,451,301 | 192,516,500 |
| Other receivable | 51,013,666 | 53,919,350 |
| Advances, deposits and prepayments | 32,113,366 | 3,381,023 |
| Cash and cash equivalents | 61,063,817 | 3,728,814 |
| Current assets | 916,889,502 | 788,228,906 |
| Total assets | 1,189,724,560 | 1,029,530,301 |
| Equity | | |
| Share capital | 32,020,000 | 32,020,000 |
| Reserves | 7,753,322 | 8,976,555 |
| Retained earnings | (311,654,551) | (280,577,899) |
| Total equity | (271,881,230) | (239,581,344) |
| Liabilities | | |
| Employee benefit | 2,630,000 | 2,272,370 |
| Non-current liabilities | 2,630,000 | 2,272,370 |
| Bank overdraft | 398,075,035 | 243,818,599 |
| Inter-company payables | 1,009,567,877 | 932,792,261 |
| Trade payables | 36,763,408 | 65,230,587 |
| Other Payables | 11,753,039 | 22,239,473 |
| Current tax liability | 2,816,431 | 2,758,354 |
| Current liabilities | 1,458,975,790 | 1,266,839,274 |
| Total liabilities | 1,461,605,790 | 1,269,111,644 |
| Total equity and liabilities | 1,189,724,560 | 1,029,530,301 |

Dr. A.K.M Fareyzul Haque Ansarey
Managing Director

Kamran Tanvirur Rahman
Director

Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.

Chaity Basak, FCA (Enrol # 1772)
Partner
Shiraz Khan Basak & Co.
Chartered Accountants
DVC: 2310041772AS990539

Dhaka, 02 October 2023

ACI Agrolink Limited

Statement of Profit or Loss and other Comprehensive Income

| <i>In Taka</i> | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|---|------------------------------------|------------------------------------|
| Revenue | 1,648,684,901 | 1,509,579,193 |
| Cost of sales | (1,444,338,457) | (1,328,726,560) |
| Gross profit | 204,346,443 | 180,852,633 |
| Administrative, selling and distribution expenses | (165,178,823) | (179,867,120) |
| Other income | 32,977,138 | 3,246,320 |
| Operating profit | 72,144,758 | 4,231,833 |
| Financing cost | (84,811,547) | (65,880,393) |
| Profit before income tax | (12,666,788) | (61,648,559) |
| Income tax expenses | | |
| Current tax expenses | (30,245,326) | (18,994,745) |
| Deferred tax income/(expenses) | 11,610,522 | (11,223,419) |
| | (18,634,804) | (30,218,164) |
| Profit after tax | (31,301,593) | (91,866,724) |
| Other comprehensive income | | |
| Related tax on revaluation surplus | (1,223,233) | - |
| | (1,223,233) | - |
| Remeasurement of defined benefit plan | 224,940 | - |
| | 224,940 | - |
| Other comprehensive income, net of tax | (998,293) | - |
| Total comprehensive income | (32,299,886) | (91,866,724) |



Dr. A.K.M Fareyzul Haque Ansarey
Managing Director



Kamran Tanvirur Rahman
Director



Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.



Chaity Basak, FCA (Enrol # 1772)
Partner
Shiraz Khan Basak & Co.
Chartered Accountants
DVC: 2310041772AS990539

Dhaka, 02 October 2023



ACI Agrolink Limited

Statement of Changes in Equity

For the year ended 30 June 2023

| <i>In Taka</i> | Share capital | Revaluation reserve | Retained earnings | Total equity |
|---|---------------|---------------------|-------------------|---------------|
| Balance as at 01 July 2022 | 32,020,000 | 8,976,555 | (280,577,899) | (239,581,344) |
| Net profit after tax | - | | (31,301,593) | (31,301,593) |
| Other comprehensive income - net of tax | - | (1,223,233) | 224,940 | (998,293) |
| Total comprehensive income | - | (1,223,233) | (31,076,653) | (32,299,886) |
| Balance as at 30 June 2023 | 32,020,000 | 7,753,322 | (311,654,551) | (271,881,230) |

For the year ended 30 June 2022

| <i>In Taka</i> | Share capital | Revaluation reserve | Retained earnings | Total equity |
|-----------------------------------|---------------|---------------------|-------------------|---------------|
| Balance as at 01 July 2021 | 32,020,000 | 8,976,555 | (188,711,175) | (147,714,620) |
| Net profit after tax | - | | (91,866,724) | (91,866,724) |
| Total other comprehensive income | - | - | - | - |
| Total comprehensive income | - | - | (91,866,724) | (91,866,724) |
| Balance as at 30 June 2022 | 32,020,000 | 8,976,555 | (280,577,899) | (239,581,344) |

ACI Agrolink Limited

Statement of Cash Flows

| <i>In Taka</i> | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|--|------------------------------------|------------------------------------|
| Cash flows from operating activities | | |
| Cash receipts from customers | 1,685,846,784 | 1,466,946,099 |
| Cash receipts from other income | 4,059,564 | 3,246,320 |
| | 1,689,906,348 | 1,470,192,419 |
| Cash received/(paid) from/(for) | | |
| Purchase of inventory | (1,484,420,191) | (1,458,542,569) |
| Operating expenses | (97,673,521) | (117,620,474) |
| Receipts from/(payments to) other payables | (10,486,434) | 4,045,516 |
| Advances, deposits and prepayments | (28,732,343) | 3,448,047 |
| | (1,621,312,489) | (1,568,669,480) |
| Cash generated from operations | 68,593,859 | (98,477,061) |
| Financing cost | (84,811,547) | (65,880,393) |
| Income tax paid | (30,187,249) | (18,260,041) |
| | (114,998,796) | (84,140,434) |
| Net cash from/(used in) operating activities | (46,404,937) | (182,617,495) |
| Cash flows from investing activities | | |
| Acquisition of property, plant and equipment | (402,030) | (2,294,415) |
| Payments for capital-work-in-progress | (35,778,537) | (12,951,138) |
| Net cash used in investing activities | (36,180,567) | (15,245,553) |
| Cash flows from financing activities | | |
| Inter-company received/(Paid) | (14,335,929) | 157,782,902 |
| Net cash flows provided by financing activities | (14,335,929) | 157,782,902 |
| Net increase/(decrease) in cash and cash equivalents | (96,921,433) | (40,080,146) |
| Opening cash and cash equivalents | (240,089,785) | (200,009,640) |
| Closing cash and cash equivalents | (337,011,218) | (240,089,785) |
| Closing Balance represents | | |
| Cash and cash equivalents | 61,063,817 | 3,728,814 |
| Bank overdraft | (398,075,035) | (243,818,599) |
| | (337,011,218) | (240,089,785) |



ACI Edible Oils Limited Directors' Report

ACI Edible Oils Limited (AEOL) has been growing significantly from the very beginning of its journey. The business provides a large range of different types of edible oil to consumers according to their needs. Even after facing disruptive challenges like an unstable economy, irregular pricing strategy, and scarcity of imported oils, the business succeeded in growing with tremendous outcomes.

ACI Edible Oils Limited (AEOL) has its own facilities for bottling and delivering oil besides offering various types of imported oils from some prominent and esteemed brands. The company has been continuing its smooth operations from two efficiently maintained factories which are at Narayanganj and Naogaon. Soybean Oil is the primary product of this business which is bottled at the Narayanganj factory maintaining the best quality. The healthy edible oil category is being represented with ACI Nutrilife Rice Bran Oil which has a strong footprint and acceptance in the market. The newest addition to the edible oils range – Aroma Mustard Oil is gradually gaining attention as a loving and premium brand in the category.

Alongside these three types of oils, ACI Edible Oils Limited (AEOL) has seen a remarkable growth in the likeliness of the imported oil range with Le Blanc Premium Sunflower Oil and Well's Olive Oil. These two products have created a phenomenal impression in the consumer mindset as healthy and premium edible oil options.

The operating results of the Company for the year ended 30 June 2023 are as follows:

Key Financial Results

| | <u>Taka</u> |
|-------------------|---------------|
| Revenue | 1,393,847,804 |
| Gross Profit | 73,103,195 |
| Operating Profit | 26,410,416 |
| Profit Before Tax | 21,960,520 |
| Profit After Tax | 9,552,253 |

On behalf of the Board

Dr. Arif Dowla
Director

Kamran Tanvirur Rahman
Director

Dhaka, 03 October 2023

আশরাফ্ উল হক নবী এন্ড কোঃ

ASHRAFUL HAQUE NABI & CO.
Chartered Accountants

Dilara Tower (3rd Floor), 4F.
77 Bir Uttam CR Data Road
Hatirpul, Dhaka-1205
Tel: 44611751
Email: ashrafulnabi@yahoo.com
minhaz@ashrafulhaquenabi.com

Independent Auditors' Report to the Shareholders of

ACI Edible Oils Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of “ACI Edible Oils Limited” which comprise the statement of financial position as at 30 June 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity, 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, the accompanying financial statement presents fairly, in all material respects, the financial position of “ACI Edible Oils Limited” as at 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with the 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirement that is relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation of financial statements that give a true and fair view 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.

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 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the organization to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.
- 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 Group's and company's ability to continue as a going concern. If we conclude that an 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 Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statement, including the disclosure, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- 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

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 organization so far as it appeared from our examination of those books;
- c) the statement of financial position and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts.

Dhaka, 03 October 2023



Ashraful Haque Nabi & Co.
Chartered Accountants.
Firm Registration No: CAF-001-005
Signed by: Minhaz Shahid, FCA
Proprietor/Enrolment No.1446
DVC # 2310031446AS565029



ACI Edible Oils Limited

Statement of Financial Position

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|-------------------------------------|--------------|--------------|
| Assets | | |
| Property, plant and equipment | 35,449,559 | 38,110,384 |
| Capital work-in-progress | - | 43,306 |
| Non-current assets | 35,449,559 | 38,153,690 |
| Inventories | 50,352,442 | 79,624,389 |
| Trade receivables | 22,901,285 | 9,764,507 |
| Advances, deposits and prepayments | 90,359,779 | 67,021,753 |
| Inter-company receivables | 17,860,019 | 66,045,151 |
| Cash and cash equivalents | 9,185,962 | 13,393,574 |
| Current assets | 190,659,487 | 235,849,374 |
| Total assets | 226,109,046 | 274,003,064 |
| Equity | | |
| Share capital | 10,000,000 | 10,000,000 |
| Revaluation reserve | 4,946,612 | 5,684,419 |
| Retained earnings | 121,189,410 | 111,617,100 |
| Total Equity | 136,136,022 | 127,301,519 |
| Liabilities | | |
| Deferred tax liabilities | 2,027,549 | 1,594,742 |
| Employee benefits | 530,000 | 375,000 |
| Non-current liabilities | 2,557,549 | 1,969,742 |
| Loan and borrowings | - | 19,250,088 |
| Trade payables | 42,617,794 | 73,624,261 |
| Other payables | 29,995,057 | 42,634,293 |
| Inter-company payables | 4,575,577 | 460,453 |
| Current tax liability | 10,227,047 | 8,762,708 |
| Current liabilities | 87,415,475 | 144,731,803 |
| Total equity and liabilities | 226,109,046 | 274,003,064 |

Dr. Arif Dowla
Director

Kamran Tanvirur Rahman
Director

Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.

Ashraful Haque Nabi & Co.
Chartered Accountants.
Firm Registration No: CAF-001-005
Signed by: Minhaz Shahid, FCA
Proprietor/Enrolment No.1446
DVC # 2310031446AS565029

Dhaka, 03 October 2023

ACI Edible Oils Limited

Statement of Profit or Loss and other Comprehensive Income

| In Taka | From 01 July 2022 to 30 June 2023 | From 01 July 2021 to 30 June 2022 |
|--|--------------------------------------|--------------------------------------|
| Revenue | 1,393,847,804 | 817,482,151 |
| Cost of goods sold | (1,320,744,609) | (754,825,836) |
| Gross profit | 73,103,195 | 62,656,315 |
| Administrative, selling and distribution expenses | (46,790,436) | (37,549,273) |
| Other income | 97,657 | 1,454,769 |
| Operating profit | 26,410,416 | 26,561,812 |
| Finance (expense)/income | (3,294,080) | 738,955 |
| Profit before contribution to WPPF | 23,116,336 | 27,300,766 |
| Contribution to WPPF | (1,155,816) | (1,365,038) |
| Profit before tax | 21,960,520 | 25,935,728 |
| Income tax expenses: | | |
| Current tax expense | (12,721,862) | (8,008,019) |
| Deferred tax income | 313,595 | 54,977 |
| | (12,408,267) | (7,953,041) |
| Profit after tax | 9,552,253 | 17,982,687 |
| Other comprehensive income | | |
| Revaluation surplus | - | - |
| Deferred tax on revaluation surplus (arising from change in tax rules) | (737,807) | - |
| Remeasurement of defined benefit plan | 28,653 | - |
| Related tax | (8,596) | - |
| Total other comprehensive income, net of tax | (717,750) | - |
| Total comprehensive income | 8,834,503 | 17,982,687 |



Dr. Arif Dowla
Director



Kamran Tanvirur Rahman
Director



Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.



Ashraful Haque Nabi & Co.
Chartered Accountants.
Firm Registration No: CAF-001-005
Signed by: Minhaz Shahid, FCA
Proprietor/Enrolment No.1446
DVC # 2310031446AS565029

Dhaka, 03 October 2023



ACI Edible Oils Limited

Statement of Changes in Equity

For the year ended 30 June 2023

| <i>In Taka</i> | Share capital | Retained earnings | Revaluation surplus | Total equity |
|--|---------------|-------------------|---------------------|--------------|
| Balance at 01 July 2022 | 10,000,000 | 111,617,100 | 5,684,419 | 127,301,519 |
| Total comprehensive income | | | | |
| Profit after tax | - | 9,552,253 | - | 9,552,253 |
| Total other comprehensive income, net of tax | - | 20,057 | (737,807) | (717,750) |
| Total comprehensive income for the year | - | 9,572,310 | (737,807) | 8,834,503 |
| Balance at 30 June 2023 | 10,000,000 | 121,189,410 | 4,946,612 | 136,136,022 |

For the year ended 30 June 2022

| <i>In Taka</i> | Share capital | Retained earnings | Revaluation surplus | Total equity |
|--|---------------|-------------------|---------------------|--------------|
| Balance at 01 July 2021 | 10,000,000 | 93,634,413 | 5,684,419 | 109,318,832 |
| Total comprehensive income | | | | |
| Profit after tax | - | 17,982,687 | - | 17,982,687 |
| Total other comprehensive income, net of tax | - | - | - | - |
| Total comprehensive income for the year | - | 17,982,687 | - | 17,982,687 |
| Balance at 30 June 2022 | 10,000,000 | 111,617,100 | 5,684,419 | 127,301,519 |

ACI Edible Oils Limited

Statement of Cash Flows

| <i>In Taka</i> | From 01 July 2022 to 30 June 2023 | From 01 July 2021 to 30 June 2022 |
|--|--------------------------------------|--------------------------------------|
| A. Cash flows from operating activities | | |
| Cash received from customers | 1,380,808,683 | 853,754,699 |
| Cash paid for: | | |
| Purchase of inventories | (1,323,381,205) | (710,755,614) |
| Operating expenses | (62,261,604) | (20,015,464) |
| Advance, deposits and prepayments | (19,727,360) | (3,801,361) |
| | (1,405,370,169) | (734,572,439) |
| Cash generated from/(used in) operations | (24,561,486) | 119,182,261 |
| Finance (cost paid)/income received | (1,434,312) | 738,955 |
| Income tax paid | (11,257,523) | (7,008,305) |
| | (12,691,835) | (6,269,350) |
| Net Cash generated from/(used in) operations | (37,253,321) | 112,912,910 |
| B. Cash flows from investing activities | | |
| Payment for capital work in progress | 43,306 | - |
| Acquisition of property, plant and equipment | (47,765) | (54,072) |
| Net Cash used in investing activities | (4,459) | (54,072) |
| C. Cash flows from financing activities | | |
| Inter-company debts received/(paid) | 52,300,256 | (133,357,689) |
| Short term loan (paid)/received | (19,250,088) | 19,250,088 |
| Net cash (used)/from financing activities | 33,050,168 | (114,107,601) |
| D. Net increase in cash and cash equivalents(A+B+C) | (4,207,612) | (1,248,763) |
| Opening cash and cash equivalents | 13,393,574 | 14,642,337 |
| Cash and cash equivalents at reporting date | 9,185,962 | 13,393,574 |
| Closing balance represents : | | |
| Cash and cash equivalents | 9,185,962 | 13,393,574 |
| | 9,185,962 | 13,393,574 |



ACI HealthCare Limited

Directors' Report

ACI HealthCare Limited (The Company) was incorporated with the Register of Joint Stock Companies, Dhaka in 2013 as a public Company limited by shares and is governed by the Companies Act 1994. Being the parent company, Advanced Chemical Industries (ACI) Limited has 92.94% ownership in the Company.

ACI HealthCare Limited (AHL), was initiated with an objective to manufacture and marketing pharmaceutical products for regulated markets, especially for USA. The Company may withal manufacture for local market. With this aim, a state-of-the-art pharmaceutical factory of the company has been built in full compliance with US FDA, EMEA, WHO cGMP and other relevant agencies of that nature at its own land at mouza-Treepordi, Sonargaon, Narayanganj-1440.

US FDA conducted a routine re-inspection at AHL's Sonargaon factory and inspection has been successfully closed with the issuance of EIR report. The company has got approval of 13 ANDAs from US FDA and several ANDA applications are under review by US FDA for approval. Commercial manufacturing and supply of some of these already approved ANDAs have been initiated for USA. In 2022-23 total 101 million units of tablets and capsules were produced and supplied to USA. Moreover, factory also been approved by INFARMED (Portugal) for both tablets and capsules with approval of three products. The Company is now targeting to develop higher complexity and hard to make products, some of these are expected to be submitted to USA, EU and ROW countries in coming year.

Last year company has signed an agreement with the U.S. Agency for International Development for their "The Promoting the Quality of Medicines Plus (PQM+) program" and is actively working with United State Pharmacopoeia (USP) and USAID to develop Anti-TB products for WHO markets. As a part of this initiative company has already got approval of these products from DGDA, Bangladesh as well as ensure supply of 170 million units to Bangladesh Govt. as per awarded contract.

To expand business portfolio company has strategically extended its regulatory activities to other key growth markets like southeast Asia, Africa, and south America. Company is expecting to get approval of some products in these regions in coming years.

Parallel to the strategic development in international markets, company has continued its toll manufacturing operations for its parent company. Under this manufacturing agreement, in FY 2022-23 company has manufactured and supplied 271 million units of tablets & capsules. To utilize capacity and increase manufacturing productivity company has focus to exploring possible partnership with few overseas companies.

Company anticipated that with the approval of US FDA and EU, a significant revenue from exports will be possible in the next fiscal year.

The operating results of the Company for the year ended 30 June 2023 are as follows:

Key Financial Results (Consolidated)

| | Taka |
|--------------------------|-----------------|
| Revenue | 3,210,955,251 |
| Gross Profit/(Loss) | (361,644,381) |
| Operating Profit/(Loss) | (924,119,413) |
| Profit/(Loss) Before Tax | (2,435,422,527) |
| Profit/(Loss) After Tax | (2,241,140,903) |

On behalf of the Board

M Mohibuz Zaman
Managing Director

Pradip Kar Chowdhury
Director

Dhaka, 16 October 2023

Hoda Vasi Chowdhury & Co

Chartered Accountants

Independent Auditor's Report to the Shareholders of ACI HealthCare Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of ACI HealthCare Limited and its subsidiary (together referred to as the "Group") as well as the separate financial statements of ACI HealthCare Limited (the "Company"), which comprise the consolidated and separate statements of financial position as at 30 June 2023, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements give true and fair view of the consolidated financial position of the Group and the separate financial position of the Company as at 30 June 2023, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and 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 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 note 33(R) to the consolidated financial statements where management explains the Group will continue in operational existence for the foreseeable future in spite of having net current liabilities and accumulated losses as at the reporting date by virtue of support from the parent company, Advanced Chemical Industries Limited. Our opinion is not modified in respect of this matter.

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

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRSs, 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 consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and 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 Group and the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 consolidated and separate 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 consolidated and separate 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 Group's and 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 Group's and 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 consolidated and separate 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 Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the Group and the Company audit. We remain solely responsible for our audit opinion.

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

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 purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Group and the Company so far as it appeared from our examination of these books; and
- c) the consolidated and separate statements of financial position and statements of profit or loss and other comprehensive income along with the annexed notes 1 to 35 dealt with by the report are in agreement with the books of account.



Sk Md Tarikul Islam, FCA
Partner
Membership No: 1238
Hoda Vasi Chowdhury & Co
Chartered Accountants
DVC: 2310171238AS641004

Dhaka, 16 October 2023



ACI HealthCare Limited

Consolidated and Separate Statement of Financial Position

| In BDT | Consolidated | | Separate | |
|---|------------------------|------------------------|------------------------|------------------------|
| | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 |
| Assets | | | | |
| Property, plant and equipment | 4,787,386,905 | 5,008,595,035 | 4,779,607,183 | 4,999,452,314 |
| Intangible assets | 39,767,075 | 49,661,877 | 39,767,075 | 49,661,877 |
| Capital work-in-progress | 1,333,518,181 | 1,272,547,549 | 1,333,518,181 | 1,272,547,549 |
| Investment in subsidiary | - | - | 8,495 | 8,495 |
| Deferred tax assets | 1,028,094,409 | 735,082,059 | 422,072,077 | 317,344,465 |
| Non-current assets | 7,188,766,570 | 7,065,886,520 | 6,574,973,012 | 6,639,014,701 |
| Inventory | 1,394,123,444 | 486,111,739 | 670,351,733 | - |
| Trade and other receivables | 1,711,427,587 | 575,318,577 | 1,126,913,314 | 20,706,031 |
| Inter company receivable | - | - | 84,766,613 | 55,654,265 |
| Advances, deposits and prepayments | 147,815,552 | 84,518,368 | 119,774,712 | 66,030,043 |
| Current tax asset | 11,549,665 | - | 11,549,665 | - |
| Cash and cash equivalents | 42,784,071 | 92,961,000 | 17,594,269 | 28,082,663 |
| Current assets | 3,307,700,319 | 1,238,909,684 | 2,030,950,306 | 170,473,001 |
| Total assets | 10,496,466,889 | 8,304,796,192 | 8,605,923,318 | 6,809,487,702 |
| Equity | | | | |
| Share capital | 500,000,000 | 500,000,000 | 500,000,000 | 500,000,000 |
| Retained earnings | (8,284,339,734) | (6,040,222,962) | (6,795,763,294) | (4,920,099,351) |
| Currency translation reserve | (358,749,027) | (146,869,023) | - | - |
| Total equity | (8,143,088,761) | (5,687,091,984) | (6,295,763,294) | (4,420,099,351) |
| Liabilities | | | | |
| Long term bank loan-non-current portion | 3,095,114,434 | 3,397,655,955 | 3,095,114,434 | 3,397,655,955 |
| Employment benefit | 25,420,000 | 20,298,129 | 25,420,000 | 20,298,129 |
| Non-current liabilities | 3,120,534,434 | 3,417,954,084 | 3,120,534,434 | 3,417,954,084 |
| Long term bank loan-current portion | 791,761,106 | 674,253,007 | 791,761,106 | 674,253,007 |
| Short term loan | 1,697,152,919 | 977,888,830 | 678,471,686 | 7,744,009 |
| Overdraft | 132,284,875 | - | 132,284,875 | - |
| Trade payables | 1,206,983,866 | 630,195,275 | 85,277,642 | 10,562,771 |
| Other payables and accruals | 474,354,513 | 250,559,924 | 107,839,436 | 62,582,632 |
| Inter company payables | 11,216,483,937 | 8,007,464,724 | 9,985,517,432 | 7,022,918,219 |
| Current tax liability | - | 33,572,332 | - | 33,572,332 |
| Current liabilities | 15,519,021,216 | 10,573,934,092 | 11,781,152,178 | 7,811,632,970 |
| Total liabilities | 18,639,555,650 | 13,991,888,176 | 14,901,686,612 | 11,229,587,054 |
| Total equity and liabilities | 10,496,466,889 | 8,304,796,192 | 8,605,923,318 | 6,809,487,702 |

M Mohibuz Zaman
Managing Director

Pradip Kar Chowdhury
Director

Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.

Sk Md Tarikul Islam, FCA
Partner
Membership No: 1238
Hoda Vasi Chowdhury & Co
Chartered Accountants
DVC: 2310171238AS641004

Dhaka, 16 October 2023

ACI HealthCare Limited

Consolidated and Separate Statement of Profit or Loss and other Comprehensive Income

| In BDT | Consolidated | | Separate | |
|--|-----------------|-----------------|-----------------|-----------------|
| | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 |
| Revenue | 3,210,955,251 | 1,909,796,545 | 1,223,078,097 | 220,740,839 |
| Cost of sales | (3,572,599,633) | (2,535,178,280) | (1,725,856,228) | (839,399,917) |
| Gross profit | (361,644,381) | (625,381,735) | (502,778,130) | (618,659,078) |
| Selling and distribution expenses | (236,722,081) | (154,042,597) | (28,568,820) | - |
| General and administrative expenses | (324,892,318) | (284,547,467) | (6,881,413) | (2,290,116) |
| Other income | (860,633) | - | (860,633) | - |
| Operating profit/(loss) | (924,119,413) | (1,063,971,800) | (539,088,997) | (620,949,194) |
| Net finance (costs)/income | (1,511,303,114) | (1,102,937,823) | (1,409,337,260) | (993,296,993) |
| Profit/(loss) before contribution to WPPF | (2,435,422,527) | (2,166,909,622) | (1,948,426,257) | (1,614,246,186) |
| Contribution to WPPF | - | - | - | - |
| Profit/(loss) before tax | (2,435,422,527) | (2,166,909,622) | (1,948,426,257) | (1,614,246,186) |
| Income tax (expenses)/income | | | | |
| Current tax expense | (29,006,637) | (26,121,041) | (28,989,429) | (26,106,849) |
| Deferred tax (expense)/income | 223,288,261 | 233,932,015 | 104,727,612 | 100,353,843 |
| Profit/(loss) after tax | (2,241,140,903) | (1,959,098,648) | (1,872,688,074) | (1,539,999,192) |
| Other comprehensive income | | | | |
| Items that are or may be reclassified to profit or loss | | | | |
| Foreign operation-foreign currency translation differences | (211,880,004) | (145,366,287) | - | - |
| | (211,880,004) | (145,366,287) | - | - |
| Items that will not be reclassified to profit or loss | | | | |
| Remeasurement of defined benefit liability/(asset) | (2,975,869) | - | (2,975,869) | - |
| | (2,975,869) | - | (2,975,869) | - |
| Other comprehensive income for the year | (214,855,873) | (145,366,287) | (2,975,869) | - |
| Total comprehensive income | (2,455,996,776) | (2,104,464,936) | (1,875,663,943) | (1,539,999,192) |



M Mohibuz Zaman
Managing Director



Pradip Kar Chowdhury
Director



Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.



Sk Md Tarikul Islam, FCA
Partner
Membership No: 1238
Hoda Vasi Chowdhury & Co
Chartered Accountants
DVC: 2310171238AS641004

Dhaka, 16 October 2023

ACI HealthCare Limited

Separate statement of changes in equity

| In BDT | Attributable to owners of the Company | | | |
|-----------------------------------|---------------------------------------|---------------------|-------------------|-----------------|
| | Share capital | Translation reserve | Retained earnings | Total equity |
| Balance at 1 July 2022 | 500,000,000 | | (4,920,099,351) | (4,420,099,351) |
| Profit/(loss) for the year | - | - | (1,872,688,074) | (1,872,688,074) |
| Other comprehensive income | - | - | (2,975,869) | (2,975,869) |
| Total comprehensive income | - | - | (1,875,663,943) | (1,875,663,943) |
| Balance at 30 June 2023 | 500,000,000 | - | (6,795,763,294) | (6,295,763,294) |

| In BDT | Attributable to owners of the Company | | | |
|-----------------------------------|---------------------------------------|---------------------|-------------------|-----------------|
| | Share capital | Translation reserve | Retained earnings | Total equity |
| Balance at 1 July 2021 | 500,000,000 | | (3,380,100,159) | (2,880,100,159) |
| Profit/(loss) for the year | - | - | (1,539,999,192) | (1,539,999,192) |
| Other comprehensive income | - | - | - | - |
| Total comprehensive income | - | - | (1,539,999,192) | (1,539,999,192) |
| Balance at 30 June 2022 | 500,000,000 | - | (4,920,099,351) | (4,420,099,351) |

Consolidated statement of changes in equity

| In BDT | Attributable to owners of the Company | | | |
|-----------------------------------|---------------------------------------|---------------------|-------------------|-----------------|
| | Share capital | Translation reserve | Retained earnings | Total equity |
| Balance at 1 July 2022 | 500,000,000 | (146,869,023) | (6,040,222,962) | (5,687,091,984) |
| Profit/(loss) for the year | - | - | (2,241,140,903) | (2,241,140,903) |
| Other comprehensive income | - | (211,880,004) | (2,975,869) | (214,855,873) |
| Total comprehensive income | - | (211,880,004) | (2,244,116,772) | (2,455,996,776) |
| Balance at 30 June 2023 | 500,000,000 | (358,749,027) | (8,284,339,734) | (8,143,088,761) |

| In BDT | Attributable to owners of the Company | | | |
|-----------------------------------|---------------------------------------|----------------------|-------------------|-----------------|
| | Share capital | Translation earnings | Retained earnings | Total equity |
| Balance at 1 July 2021 | 500,000,000 | (1,502,736) | (4,081,124,322) | (3,582,627,058) |
| Profit/(loss) for the year | - | - | (1,959,098,649) | (1,959,098,649) |
| Other comprehensive income | - | (145,366,287) | - | (145,366,287) |
| Total comprehensive income | - | (145,366,287) | (1,959,098,649) | (2,104,464,936) |
| Balance at 30 June 2022 | 500,000,000 | (146,869,023) | (6,040,222,962) | (5,687,091,984) |

ACI HealthCare Limited

Consolidated and Separate Statement of Cash Flows

| In BDT | For the year ended | | | |
|---|------------------------|----------------------|------------------------|----------------------|
| | Consolidated | | Separate | |
| | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 |
| Cash flows from operating activities | | | | |
| Cash receipts from customers and others | 2,146,600,777 | 1,696,552,195 | 87,758,466 | (4,743,774) |
| Cash paid to suppliers and employees | (4,067,067,851) | (1,988,501,254) | (1,999,712,824) | (322,177,932) |
| Cash generated from operating activities | (1,920,467,074) | (291,949,059) | (1,911,954,358) | (326,921,706) |
| Income tax paid | (74,128,635) | (21,476,389) | (74,111,427) | (21,462,197) |
| Interest paid | (365,069,100) | (384,678,305) | (317,411,807) | (310,663,238) |
| Net cash (used in)/generated from operating activities | (2,359,664,809) | (698,103,753) | (2,303,477,592) | (659,047,141) |
| Cash flows from investing activities | | | | |
| Acquisition of property, plant and equipment | (119,843,059) | (8,634,027) | (119,843,059) | (8,634,027) |
| Cash paid for capital work-in-progress | (75,820,628) | (68,168,448) | (75,820,628) | (68,168,448) |
| Investment in FDR | - | 1,158,369,377 | - | 1,158,369,377 |
| Net cash (used in)/from investing activities | (195,663,687) | 1,081,566,902 | (195,663,687) | 1,081,566,902 |
| Cash flows from financing activities | | | | |
| Proceeds from inter company borrowings | 3,072,419,205 | 1,880,595,979 | 2,962,599,208 | 891,848,482 |
| Short term Bank Loan received/(paid) | 570,011,039 | (896,537,919) | 670,727,677 | 6,614,709 |
| Long term Bank Loan received/(paid) | (1,276,958,875) | (1,302,222,093) | (1,276,958,875) | (1,302,222,093) |
| Net cash (used in)/from financing activities | 2,365,471,369 | (318,164,033) | 2,356,368,010 | (403,758,901) |
| Net increase/(decrease) in cash and cash equivalents | (189,857,127) | 65,299,116 | (142,773,269) | 18,760,855 |
| Adjustment for foreign exchange translation | 7,395,323 | (1,015,380) | - | - |
| Opening cash and cash equivalents | 92,961,000 | 28,677,265 | 28,082,663 | 9,321,807 |
| Cash and cash equivalents at reporting date | (89,500,805) | 92,961,000 | (114,690,606) | 28,082,663 |
| Closing cash and cash equivalents represents: | | | | |
| Cash and cash equivalent | 42,784,071 | 92,961,000 | 17,594,269 | 28,082,663 |
| Bank overdraft | (132,284,875) | - | (132,284,875) | - |
| | (89,500,805) | 92,961,000 | (114,690,606) | 28,082,663 |



ACI Chemicals Limited

Directors' Report

ACI Chemicals Limited was incorporated in 2013 under the Companies Act, 1994 as a Private Limited Company and started its operation from June 2014. Advanced Chemical Industries (ACI) Limited holds 75% ownership of the Company.

The vision of the company is to become a leading indenting firm through strategic partnering and to provide best sourcing solution to its customers in Bangladesh. ACI Chemicals Limited is now serving industries like are textile, leather, paint, industrial chemicals, pharmaceuticals, livestock & fisheries, fertilizer, polymers, food and personal care industries. The company is representing a number of reputed global companies to provide best solution to its strategic partner in Bangladesh and abroad.

The operating results of the Company for the year ended 30 June 2023 are as follows:

Key Financial Results

| | <u>Taka</u> |
|--------------------------|--------------|
| Revenue | 11,852,609 |
| Gross Profit | 2,700,683 |
| Operating Profit/(Loss) | (1,144,156) |
| Profit/(Loss) Before Tax | (22,070,091) |
| Profit/(Loss) After Tax | (22,842,981) |

On behalf of the Board

M. Anis Ud Dowla
Managing Director

Kamran Tanvirur Rahman
Director

Dhaka, 04 October 2023

আশরাফ্ উল হক নবী এন্ড কোঃ

ASHRAFUL HAQUE NABI & CO.
Chartered Accountants

Dilara Tower (3rd Floor), 4F.
77 Bir Uttam CR Data Road
Hatirpul, Dhaka-1205
Tel: 44611751
Email: ashrafulnabi@yahoo.com
minhaz@ashrafulhaquenabi.com

Independent Auditors' Report to the Shareholders of

ACI Chemicals Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of "ACI Chemicals Limited" which comprise the statement of financial position as at 30 June 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity, 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, the accompanying financial statement presents fairly, in all material respects, the financial position of "ACI Chemicals Limited" as at 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with the 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirement that is relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation of financial statements that give a true and fair view 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.

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 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the organization to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.
- 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 Group's and company's ability to continue as a going concern. If we conclude that an 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 Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statement, including the disclosure, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- 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

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 organization so far as it appeared from our examination of those books;
- c) the statement of financial position and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts.

Dhaka, 04 October 2023



Ashraful Haque Nabi & Co.
Chartered Accountants.
Firm Registration No: CAF-001-005
Signed by: Minhaz Shahid, FCA
Proprietor/Enrolment No.1446
DVC # 2310041446AS172728



ACI Chemicals Limited

Statement of Financial Position

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|-------------------------------------|---------------|---------------|
| Assets | | |
| Property, plant and equipment | 151,062 | 257,430 |
| Non-current assets | 151,062 | 257,430 |
| Inventories | 5,339,258 | 9,108,108 |
| Trade receivables | 4,324,220 | 2,938,661 |
| Advances, deposits and prepayments | 60,000 | 542,140 |
| Cash and cash equivalents | 509,782 | 118,423 |
| Current assets | 10,233,260 | 12,707,333 |
| Total assets | 10,384,323 | 12,964,763 |
| Equity | | |
| Share capital | 20,000,100 | 20,000,100 |
| Retained earnings | (267,076,901) | (244,158,900) |
| Total equity | (247,076,801) | (224,158,800) |
| Liabilities | | |
| Employee benefits | 570,000 | 696,368 |
| Non-current liabilities | 570,000 | 696,368 |
| Bank overdraft | - | - |
| Trade payables | - | - |
| Other payables | 1,470,536 | 1,495,195 |
| Short term bank loan | - | 469,853 |
| Inter-company payables | 252,888,940 | 232,071,433 |
| Current tax liabilities | 2,531,648 | 2,390,714 |
| Current liabilities | 256,891,124 | 236,427,195 |
| Total liabilities | 257,461,124 | 237,123,563 |
| Total equity and liabilities | 10,384,323 | 12,964,763 |

M. Anis Ud Dowla
Managing Director

Kamran Tanvirur Rahman
Director

Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.

Ashraful Haque Nabi & Co.
Chartered Accountants.
Firm Registration No: CAF-001-005
Signed by: Minhaz Shahid, FCA
Proprietor/Enrolment No.1446
DVC # 2310041446AS172728

Dhaka, 04 October 2023

ACI Chemicals Limited

Statement of Profit or Loss and other Comprehensive Income

| <i>In Taka</i> | Jul'22-Jun'23 | Jul'21-Jun'22 |
|--|---------------------|---------------------|
| Revenue | 11,852,609 | 9,962,978 |
| Cost of sales | (9,151,926) | (8,196,169) |
| Gross profit | 2,700,683 | 1,766,810 |
| Administrative and selling expenses | (3,844,839) | (10,138,779) |
| Operating Profit (loss) | (1,144,156) | (8,371,970) |
| Other income/(loss) | 2,100 | - |
| Finance cost | (20,928,035) | (17,325,241) |
| Profit/(loss) before tax | (22,070,091) | (25,697,211) |
| Income tax expense: | | |
| Current tax | (772,890) | (564,526) |
| | (772,890) | (564,526) |
| Profit after tax | (22,842,981) | (26,261,737) |
| Other comprehensive income: | | |
| Remeasurement of defined benefit plan | (75,020) | - |
| Total other comprehensive income for the year, net of tax | (75,020) | - |
| Total Comprehensive Income | (22,918,001) | (26,261,737) |



M. Anis Ud Dowla
Managing Director



Kamran Tanvirur Rahman
Director



Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.



Ashraful Haque Nabi & Co.
Chartered Accountants.
Firm Registration No: CAF-001-005
Signed by: Minhaz Shahid, FCA
Proprietor/Enrolment No.1446
DVC # 2310041446AS172728

Dhaka, 04 October 2023



ACI Chemicals Limited

Statement of Changes in Equity

For the year ended 30 June 2023

| <i>In Taka</i> | Share capital | Retained earnings | Total equity |
|---|---------------|-------------------|---------------|
| Balance at 1 July 2022 | 20,000,100 | (244,158,900) | (224,158,800) |
| Total comprehensive income | | | |
| Profit after tax | - | (22,842,981) | (22,842,981) |
| Total other comprehensive income - net of tax | - | (75,020) | (75,020) |
| Total comprehensive income | - | (22,918,001) | (22,918,001) |
| Balance at 30 June 2023 | 20,000,100 | (267,076,901) | (247,076,801) |

For the year ended 30 June 2022

| <i>In Taka</i> | Share capital | Retained earnings | Total equity |
|-----------------------------------|---------------|-------------------|---------------|
| Balance at 1 July 2021 | 20,000,100 | (217,897,163) | (197,897,063) |
| Total comprehensive income | | | |
| Profit after tax | - | (26,261,737) | (26,261,737) |
| Total comprehensive income | - | (26,261,737) | (26,261,737) |
| Balance at 30 June 2022 | 20,000,100 | (244,158,900) | (224,158,800) |

ACI Chemicals Limited

Statement of Cash Flows

| <i>In Taka</i> | Jul'22-Jun'23 | Jul'21-Jun'22 |
|---|---------------------|---------------------|
| Cash flows from operating activities | | |
| Cash received from customers and others | 10,094,150 | 10,096,605 |
| Cash paid to suppliers and employees | (8,490,455) | (11,362,477) |
| Cash generated from operating activities | 1,603,696 | (1,265,872) |
| Finance costs paid | (20,928,035) | (17,325,241) |
| Income tax paid | (631,956) | (321,049) |
| | (21,559,991) | (17,646,290) |
| Net cash from/(used in) operating activities | (19,956,295) | (18,912,162) |
| Cash flows from investing activities | | |
| Acquisition of property, plant and equipment | - | - |
| Net cash (used) in investing activities | - | - |
| Cash flows from financing activities | | |
| Inter-company debts received/(paid) | 20,817,507 | 20,187,617 |
| Short term bank loan (paid)/received | (469,853) | (2,234,793) |
| Net cash (used in)/from financing activities | 20,347,654 | 17,952,824 |
| Net increase in cash and cash equivalents | 391,359 | (959,338) |
| Cash and cash equivalents at 1 July | 118,423 | 1,077,761 |
| Cash and cash equivalents at 30 June | 509,782 | 118,423 |
| Closing cash and cash balance represents | | |
| Cash and cash equivalents | 509,782 | 118,423 |
| | 509,782 | 118,423 |



INFOLYTX Bangladesh Limited

Directors' Report

INFOLYTX Bangladesh Limited was incorporated with the Registrar of Joint Stock Companies and Firms, Dhaka, Bangladesh in 2015 as a private Company limited by shares and governed by the Companies Act 1994. The Company has been formed under a joint venture effort of Advanced Chemical Industries (ACI) Limited and Odysseus Global, LLC, Delaware, USA, with a view to establish an IT Company of international standards. ACI Limited holds 60% ownership in the Company. The principal activities of the Company are to promote the advancement of software development and to work closely with international clients in the ICT area with a view to enabling the Bangladesh software and information technology industry to reach global pre-eminence.

The Company in FY 2022-23 continued building and broadening its offerings around three key Artificial Intelligence and Machine Learning technologies serving the healthcare and retail industries while adding the manufacturing sector. INFOLYTX also diversified its client base during FY 2022-23 while improving its financial performance.

In FY 2023-24 INFOLYTX will continue its custom development activities while deepening its penetration of the manufacturing industries which need to upgrade their capital investments together with advanced technologies to stay competitive.

The operating results of the company for the year ended on 30 June 2023 are as follows:

Key Financial Results

| | <u>Taka</u> |
|--------------------------|---------------|
| Revenue | 9,266,000 |
| Operating Profit/(Loss) | (99,808,016) |
| Profit/(Loss) Before Tax | (153,378,991) |
| Profit/(Loss) After Tax | (153,996,411) |

On behalf of the Board

Badrul Husain
Managing Director

Dr. Arif Dowla
Director

Dhaka, 04 October 2023

আশরাফ্ উল হক নবী এন্ড কোঃ

ASHRAFUL HAQUE NABI & CO.
Chartered Accountants

Dilara Tower (3rd Floor), 4F.
77 Bir Uttam CR Data Road
Hatirpul, Dhaka-1205
Tel: 44611751
Email: ashrafulnabi@yahoo.com
minhaz@ashrafulhaquenabi.com

Independent Auditor's Report to the Shareholders of

INFOLYTX Bangladesh Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of INFOLYTX Bangladesh Limited which comprise the statement of financial position as at 30 June 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity, 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, the accompanying financial statement presents fairly, in all material respects, the financial position of "INFOLYTX Bangladesh Limited" as at 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with the 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirement that is relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation of financial statements that give a true and fair view 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.

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 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the organization to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.
- 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 Group's and company's ability to continue as a going concern. If we conclude that an 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 Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statement, including the disclosure, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- 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

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 organization so far as it appeared from our examination of those books;
- c) the statement of financial position and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts.

Dhaka, 04 October 2023



Ashrafur Haque Nabi & Co.
Chartered Accountants.
Firm Registration No: CAF-001-005
Signed by: Minhaz Shahid, FCA
Proprietor/Enrolment No.1446
DVC # 2310041446AS590270



INFOLYTX Bangladesh Limited

Statement of Financial Position

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|-------------------------------------|---------------|---------------|
| Assets | | |
| Property, plant and equipment | 6,157,728 | 6,914,599 |
| Non-current assets | 6,157,728 | 6,914,599 |
| Advances, deposits and prepayments | 3,007,565 | 653,957 |
| Trade receivables | 9,101,232 | 12,145,232 |
| Cash and cash equivalents | 1,656,574 | 887,484 |
| Current assets | 13,765,372 | 13,686,673 |
| Total assets | 19,923,100 | 20,601,272 |
| Equity | | |
| Share capital | 100,000 | 100,000 |
| Preference share | 20,000,000 | 20,000,000 |
| Share premium | 80,000,000 | 80,000,000 |
| Share money deposit | 4,602 | 4,602 |
| Accumulated loss | (865,052,126) | (711,055,714) |
| Total equity | (764,947,524) | (610,951,112) |
| Inter-company payables | 759,290,514 | 610,648,828 |
| Other payables | 14,947,067 | 10,272,563 |
| Current tax liabilities | 10,633,042 | 10,630,992 |
| Current liabilities | 784,870,623 | 631,552,384 |
| Total equity and liabilities | 19,923,100 | 20,601,272 |

Badrul Husain
Managing Director

Dr. Arif Dowla
Director

Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.

Ashraf Haque Nabi & Co.
Chartered Accountants.
Firm Registration No: CAF-001-005
Signed by: Minhaz Shahid, FCA
Proprietor/Enrolment No.1446
DVC # 2310041446AS590270

Dhaka, 04 October 2023

INFOLYTX Bangladesh Limited

Statement of Profit or Loss and Other Comprehensive Income

| <i>In Taka</i> | Jul'22-Jun'23 | Jul'21-Jun'22 |
|-------------------------------|----------------------|----------------------|
| Revenue | 9,266,000 | 4,018,217 |
| Operating expenses | (109,074,016) | (105,839,828) |
| Operating loss | (99,808,016) | (101,821,611) |
| Other income/(loss) | 64,500 | - |
| Financing cost | (53,635,475) | (36,998,311) |
| Loss before income tax | (153,378,991) | (138,819,922) |
| Income tax expense | (617,420) | (1,024,109) |
| Loss after tax | (153,996,411) | (139,844,032) |



Badrul Husain
Managing Director



Dr. Arif Dowla
Director



Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.



Ashraf Haque Nabi & Co.
Chartered Accountants.
Firm Registration No: CAF-001-005
Signed by: Minhaz Shahid, FCA
Proprietor/Enrolment No.1446
DVC # 2310041446AS590270

Dhaka, 04 October 2023



INFOLYTX Bangladesh Limited

Statement of Changes in Equity

| For the year ended 30 June 2023 | | | | | | |
|-----------------------------------|---------------|-------------------|---------------|---------------------|------------------|---------------|
| <i>In Taka</i> | Share capital | Preference shares | Share Premium | Share money deposit | Accumulated loss | Total equity |
| Balance at 01 July 2022 | 100,000 | 20,000,000 | 80,000,000 | 4,602 | (711,055,714) | (610,951,112) |
| Share Capital | - | - | - | - | - | - |
| Share premium | - | - | - | - | - | - |
| Share money deposit | - | - | - | - | - | - |
| Loss after tax | - | - | - | - | (153,996,411) | (153,996,411) |
| Balance as at 30 June 2023 | 100,000 | 20,000,000 | 80,000,000 | 4,602 | (865,052,126) | (764,947,524) |

| For the year ended 30 June 2022 | | | | | | |
|-----------------------------------|---------------|-------------------|---------------|---------------------|------------------|---------------|
| <i>In Taka</i> | Share capital | Preference shares | Share Premium | Share money deposit | Accumulated loss | Total equity |
| Balance at 01 July 2021 | 100,000 | 20,000,000 | 80,000,000 | 4,602 | (571,211,683) | (471,107,081) |
| Share Capital | - | - | - | - | - | - |
| Share premium | - | - | - | - | - | - |
| Share money deposit | - | - | - | - | - | - |
| Loss after tax | - | - | - | - | (139,844,032) | (139,844,032) |
| Balance as at 30 June 2022 | 100,000 | 20,000,000 | 80,000,000 | 4,602 | (711,055,714) | (610,951,112) |

INFOLYTX Bangladesh Limited

Statement of Cash Flows

| <i>In Taka</i> | Jul'22-Jun'23 | Jul'21-Jun'22 |
|--|---------------|---------------|
| Cash flows from operating activities | | |
| Cash receipts from customers and others | 12,310,000 | 3,538,623 |
| Cash paid to suppliers and employees | (104,860,786) | (109,291,945) |
| Cash generated from operating activities | (92,550,786) | (105,753,322) |
| Financing costs paid | (53,635,475) | (36,998,311) |
| Income tax paid | (615,370) | (862,737) |
| | (54,250,845) | (37,861,048) |
| Net cash from/(used in) operating activities | (146,801,631) | (143,614,370) |
| Cash flows from investing activities | | |
| Acquisition of property, plant and equipment | (1,070,964) | (1,160,522) |
| Net cash generated from/(used in) investing activities | (1,070,964) | (1,160,522) |
| Cash flows from financing activities | | |
| Inter-company debts received/(paid) | 148,641,685 | 144,736,230 |
| Net cash from financing activities | 148,641,685 | 144,736,230 |
| Net increase in cash and cash equivalents for the year (A+B+C) | 769,090 | (38,662) |
| Cash and cash equivalents at the beginning of the year | 887,484 | 926,146 |
| Cash and cash equivalents at the reporting date | 1,656,574 | 887,484 |
| Closing cash and cash balance represents | | |
| Cash and cash equivalents | 1,656,574 | 887,484 |
| | 1,656,574 | 887,484 |



ACI Biotech Limited Directors' Report

ACI Biotech Limited (referred to as "The Company") was incorporated in November 2016 and is registered with the Registrar of Joint Stock Companies in Dhaka as a private company limited by shares. The Company operates under the legal framework of the Companies Act 1994. It functions as a subsidiary of Advanced Chemical Industries (ACI) Limited, holding an 80% stake in the company.

The primary objective behind the establishment of ACI Biotech Limited is to engage in the manufacturing and distribution of biotechnology products, including biotech specialties, monoclonal antibodies, cell cultures, anticancer treatments, hormones, steroids, small molecule and large molecule pharmaceuticals, genome and gene therapies, medicinal substances, biological products, and similar items. The company's operations encompass both local and international markets.

To realize this goal, the initial phase of the company involves the construction of two advanced manufacturing plants, designed in accordance with the rigorous standards set by regulatory bodies such as the US Food and Drug Administration (FDA), the UK's Medicines and HealthCare Products Regulatory Agency (MHRA), WHO's current Good Manufacturing Practice (cGMP) guidelines, and other relevant agencies of similar nature. Of these two plants, one is dedicated to the production of oral and injectable oncology drugs, while the other plant specializes in biotech specialties and the manufacturing of monoclonal antibody drugs.

ACI Biotech Limited is already actively engaged in its strategic planning. During the fiscal year 2022-23, significant strides have been made toward the completion of cutting-edge manufacturing facilities. Notably, the superstructure and outer cladding of both the Biotech and Oncology plants have been successfully finalized. Concurrently, the installation of vital systems such as HVAC (Heating, Ventilation, and Air Conditioning), utilities, and manufacturing equipment is in progress. These efforts are anticipated to be concluded by the fiscal year 2023-24, which will include the essential validation procedures necessary to commence commercial manufacturing operations.

The operating results of the Company for the year ended 30 June 2023 are as follows:

| Key Financial Results | Taka |
|--------------------------|-----------|
| Revenue | - |
| Gross Profit | - |
| Operating Profit/(Loss) | (217,112) |
| Profit/(Loss) before tax | (233,806) |

On behalf of the Board

M Mohibuz Zaman
Managing Director

Kamran Tanvirur Rahman
Director

Dhaka, 04 October 2023

Independent Auditors' Report to the Shareholders of ACI Biotech Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of “ACI Biotech Limited” which comprise the statement of financial position as at 30 June 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity, 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, the accompanying financial statement presents fairly, in all material respects, the financial position of “ACI Biotech Limited” as at 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with the 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 Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirement that is relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation of financial statements that give a true and fair view 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.

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 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the organization to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.
- 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 Group's and company's ability to continue as a going concern. If we conclude that an 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 Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statement, including the disclosure, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- 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

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 organization so far as it appeared from our examination of those books;
- c) the statement of financial position and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts.

Dhaka, 04 October, 2023



Ashraful Haque Nabi & Co.
Chartered Accountants.
Firm Registration No: CAF-001-005
Signed by: Minhaz Shahid, FCA
Proprietor/Enrolment No.1446
DVC # 2310041446AS220957



ACI Biotech Limited

Statement of Financial Position

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|-------------------------------------|---------------|---------------|
| Assets | | |
| Property, plant and equipment | 8,267 | 20,667 |
| Capital work-in-progress | 1,216,833,443 | 1,047,079,999 |
| Non-current assets | 1,216,841,710 | 1,047,100,666 |
| Advances, deposits and prepayments | 452,484 | 124,716 |
| Cash and cash equivalents | 176,010 | 403,133 |
| Current assets | 628,494 | 527,849 |
| Total assets | 1,217,470,204 | 1,047,628,515 |
| Equity | | |
| Share capital | 10,000,000 | 10,000,000 |
| Retained earnings | (2,787,244) | (2,553,439) |
| Total equity | 7,212,756 | 7,446,561 |
| Liabilities | | |
| Inter company payables | 1,197,692,966 | 963,400,646 |
| Loan and borrowings | 11,599,063 | 72,351,938 |
| Other payables and accruals | 965,420 | 4,429,370 |
| Current liabilities | 1,210,257,449 | 1,040,181,954 |
| Total equity and liabilities | 1,217,470,204 | 1,047,628,515 |

M Mohibuz Zaman
Managing Director

Kamran Tanvirur Rahman
Director

Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.

Ashrafur Haque Nabi & Co.
Chartered Accountants.
Firm Registration No: CAF-001-005
Signed by: Minhaz Shahid, FCA
Proprietor/Enrolment No.1446
DVC # 2310041446AS220957

Dhaka, 04 October 2023

ACI Biotech Limited

Statement of Profit or Loss and other Comprehensive Income

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|-------------------------------------|--------------|--------------|
| Revenue | - | - |
| Cost of sales | - | - |
| Gross profit | - | - |
| General and administrative expenses | (217,112) | (302,038) |
| Loss from operation | (217,112) | (302,038) |
| Financing cost | (16,694) | (20,407) |
| Loss before tax | (233,806) | (322,445) |
| Income tax expenses | - | - |
| Net loss after tax | (233,806) | (322,445) |



M Mohibuz Zaman
Managing Director



Kamran Tanvirur Rahman
Director



Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.



Ashraful Haque Nabi & Co.
Chartered Accountants.
Firm Registration No: CAF-001-005
Signed by: Minhaz Shahid, FCA
Proprietor/Enrolment No.1446
DVC # 2310041446AS220957

Dhaka, 04 October 2023



ACI Biotech Limited

Statement of Changes in Equity

For the year ended 30 June 2023

| <i>In Taka</i> | Share capital | Retained earnings | Total equity |
|--------------------------------|---------------|-------------------|--------------|
| Balance at 1 July 2022 | 10,000,000 | (2,553,439) | 7,446,561 |
| Net loss after tax | - | (233,806) | (233,806) |
| Balance at 30 June 2023 | 10,000,000 | (2,787,244) | 7,212,756 |

For the year ended 30 June 2022

| <i>In Taka</i> | Share capital | Retained earnings | Total equity |
|--------------------------------|---------------|-------------------|--------------|
| Balance at 1 July 2021 | 10,000,000 | (2,230,994) | 7,769,006 |
| Net loss after tax | - | (322,445) | (322,445) |
| Balance at 30 June 2022 | 10,000,000 | (2,553,439) | 7,446,561 |

ACI Biotech Limited

Statement of Cash Flows

| <i>In Taka</i> | 30 June 2023 | 30 June 2022 |
|---|----------------------|----------------------|
| Cash flows from operating activities | | |
| Payment for operating expenses | (217,112) | (302,038) |
| Finance costs paid | (16,694) | (20,407) |
| Net cash from operating activities | (233,806) | (322,445) |
| Cash flows from investing activities | | |
| Acquisition of Property, plant and equipment | - | - |
| Payment for capital work-in-progress | (173,532,762) | (151,195,371) |
| Net cash used in investing activities | (173,532,762) | (151,195,371) |
| Cash flows from financing activities | | |
| Proceeds from inter company borrowings | 234,292,320 | 79,229,129 |
| Short term loan received/repayment | (60,752,875) | 72,351,938 |
| Net cash from financing activities | 173,539,445 | 151,581,067 |
| Net increase/decrease in cash and cash equivalents | (227,123) | 63,250 |
| Opening cash and cash equivalents | 403,133 | 339,883 |
| Closing cash and cash equivalents | 176,010 | 403,133 |



ACI Marine and Riverine Technologies Limited

Directors' Report

ACI Marine & Riverine Technologies Limited is a private limited company incorporated in December, 2019 under the Companies Act 1994 and is a 77%-owned subsidiary of ACI Limited.

Fueled by a vision to harness the vast potential offered by the blue economy, the company has embarked on a journey to explore diverse opportunities. This journey involves the introduction of product lines that are both economically efficient and in high demand, including marine engines, lubricants, accessories, and spare parts. We have also taken significant step by establishing distributorship for Marine Engines from Mitsubishi Heavy Industries Engine and Turbocharger Ltd (MHIET). This collaboration stands as a testament to our unwavering dedication to providing optimal solutions to our valued customers.

The operating results of the Company for the year ended 30 June 2023 are as follows:

Key Financial Results

| | <u>Taka</u> |
|--------------------------|-------------|
| Revenue | 17,727,435 |
| Gross Profit | 2,453,676 |
| Operating Profit/(Loss) | (4,551,293) |
| Profit/(Loss) Before Tax | (304,117) |
| Profit/(Loss) After Tax | (1,241,315) |

On behalf of the Board

Dr. A.K.M Fareyzul Haque Ansarey
Managing Director

Dr. Arif Dowla
Director

Dhaka, 02 October 2023



SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS
(An associate firm of D. N. Gupta & Associates)

R. K. TOWER (Level-10 & 6)
86, Bir Uttam C.R. Datta Road
(312, Sonargaon Road). Dhaka-1205
Tel : 88-02-9635139, 88-02-223364597
Mobile : 01552-575775, 01711-520770
01922-117370, 01757-941837
01312-501076, 01711-535885
01645-738747, 01920-719463
E-mail : shirazkhanbasak@yahoo.com
Website : www.shirazkhanbasak.com.bd

Independent Auditors' Report to the Shareholders of **ACI Marine and Riverine Technologies Limited** **Report on the Audit of the Financial Statements**

Opinion

We have audited the financial statements of ACI Marine and Riverine Technologies Limited ("the Company"), which comprise statement of financial position as at 30th June, 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 other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the company as at 30th June, 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 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with ethical requirement that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, 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.

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 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 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.



SHIRAZ KHAN BASAK & CO.

CHARTERED ACCOUNTANTS

(An associate firm of D. N. Gupta & Associates)

R. K. TOWER (Level-10 & 6)
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(312, Sonargaon Road), Dhaka-1205
Tel : 88-02-9635139, 88-02-223364597
Mobile : 01552-575775, 01711-520770
01922-117370, 01757-941837
01312-501076, 01711-535885
01645-738747, 01920-719463
E-mail : shirazkhanbasak@yahoo.com
Website : www.shirazkhanbasak.com.bd

- 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

In accordance with the Companies Act 1994, 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 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 statement of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of accounts and returns;
- d) The expenditure incurred was for the purpose of the Company's business.

Dhaka, 02 October 2023

Chaity Basak, FCA (Enrol # 1772)
Partner
Shiraz Khan Basak & Co.
Chartered Accountants
DVC: 2310041772AS886408



ACI Marine and Riverine Technologies Limited

Statement of Financial Position

| In Taka | 30 June 2023 | 30 June 2022 |
|-------------------------------------|--------------|--------------|
| Assets | | |
| Property, plant and equipment | 31,973 | 45,963 |
| Non-current assets | 31,973 | 45,963 |
| Inventories | 22,431,232 | 19,526,547 |
| Trade receivables | 1,942,705 | 3,033,180 |
| Other receivables | 715,212 | 23,000,000 |
| Inter-company loan | 63,506,826 | 42,453,722 |
| Advances, deposits and prepayments | 3,560,348 | 3,594,080 |
| Cash and cash equivalents | 7,609,923 | 8,769,785 |
| Current assets | 99,766,246 | 100,377,314 |
| Total assets | 99,798,219 | 100,423,277 |
| Equity | | |
| Share capital | 100,000,000 | 100,000,000 |
| Retained earnings/(loss) | (5,001,199) | (3,759,884) |
| Total equity | 94,998,801 | 96,240,116 |
| Liabilities | | |
| Trade payables | 13,068 | - |
| Other payables | 4,419,355 | 3,951,502 |
| Current tax liability | 366,995 | 231,659 |
| Current liabilities | 4,799,418 | 4,183,161 |
| Total liabilities | 4,799,418 | 4,183,161 |
| Total equity and liabilities | 99,798,219 | 100,423,277 |

Dr. A.K.M Fareyzul Haque Ansarey
Managing Director

Dr. Arif Dowla
Director

Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.

Chaity Basak, FCA (Enrol # 1772)
Partner
Shiraz Khan Basak & Co.
Chartered Accountants
DVC: 2310041772AS886408

Dhaka, 02 October 2023

ACI Marine and Riverine Technologies Limited

Statement of Profit or Loss and other Comprehensive Income

| <i>In Taka</i> | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|---|------------------------------------|------------------------------------|
| Revenue | 17,727,435 | 71,199,928 |
| Cost of sales | (15,273,759) | (64,808,186) |
| Gross profit | 2,453,676 | 6,391,742 |
| Administrative, selling and distribution expenses | (7,004,969) | (7,227,250) |
| Other income | - | 2,007,619 |
| Operating profit/(loss) | (4,551,293) | 1,172,111 |
| Net Financing (Income)/Costs | 4,247,176 | 627,512 |
| Profit before contribution to WPPF & Tax | (304,117) | 1,799,623 |
| Contribution to WPPF | - | (89,981) |
| Profit/(loss) before Tax | (304,117) | 1,709,642 |
| Income tax expense | (937,198) | (2,979,596) |
| Profit/(loss) after Tax | (1,241,315) | (1,269,954) |



Dr. A.K.M Fareyzul Haque Ansarey
Managing Director



Dr. Arif Dowla
Director



Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.



Chaity Basak, FCA (Enrol # 1772)
Partner
Shiraz Khan Basak & Co.
Chartered Accountants
DVC: 2310041772AS886408

Dhaka, 02 October 2023



ACI Marine and Riverine Technologies Limited

Statement of Changes in Equity

| For the year ended 30 June 2023 | | | |
|-----------------------------------|---------------|-------------------|--------------|
| <i>In Taka</i> | Share capital | Retained earnings | Total equity |
| Balance as at 01 July 2022 | 100,000,000 | (3,759,884) | 96,240,116 |
| Profit/(Loss) after tax | - | (1,241,315) | (1,241,315) |
| Issuance of share | - | - | - |
| Balance as at 30 June 2023 | 100,000,000 | (5,001,199) | 94,998,801 |

| For the year ended 30 June 2022 | | | |
|-----------------------------------|---------------|-------------------|--------------|
| <i>In Taka</i> | Share capital | Retained earnings | Total equity |
| Balance as at 01 July 2021 | 100,000,000 | (2,489,930) | 97,510,070 |
| Profit/(Loss) after tax | - | (1,269,954) | (1,269,954) |
| Issuance of share | - | - | - |
| Balance as at 30 June 2022 | 100,000,000 | (3,759,884) | 96,240,116 |

ACI Marine and Riverine Technologies Limited

Statement of Cash Flows

| <i>In Taka</i> | For the year ended 30 June 2023 | For the year ended 30 June 2022 |
|---|------------------------------------|------------------------------------|
| Cash flows from operating activities | | |
| Cash received from customers | 18,817,911 | 71,999,748 |
| Cash received from other income/Other receivables | 22,284,788 | 2,007,619 |
| Cash (used in)/generated from operating activities | 41,102,699 | 74,007,367 |
| Payment for purchase | (18,165,376) | (59,968,121) |
| Payment for operating expenses | (6,480,548) | (6,158,140) |
| Payments for advances, deposits and prepayments | 33,732 | 593,716 |
| | (24,612,192) | (65,532,545) |
| Cash (used in)/generated from operation | 16,490,507 | 8,474,822 |
| Interest received/(paid) | 4,204,598 | (380,845) |
| Income tax paid | (801,863) | (2,879,157) |
| | 3,402,735 | (3,260,002) |
| Net cash (used in)/from operating activities | 19,893,242 | 5,214,820 |
| Cash flows from investing activities | | |
| Acquisition of property, plant and equipment | - | - |
| Net cash generated from/(used in) investing activities | - | - |
| Cash flows from financing activities | | |
| Inter-company debts received/(paid) | (21,053,104) | (2,981,623) |
| Short term loan received/(paid) | - | (6,135,107) |
| Net cash (used in)/from financing activities | (21,053,104) | (9,116,730) |
| Net increase/(decrease) in cash and cash equivalents | (1,159,862) | (3,901,910) |
| Opening cash and cash equivalents | 8,769,785 | 12,671,695 |
| Cash and cash equivalents at reporting date | 7,609,923 | 8,769,785 |
| Closing balance represents | | |
| Cash and cash equivalents | 7,609,923 | 8,769,785 |
| | 7,609,923 | 8,769,785 |



Advanced Chemical Industries Limited

Corporate Directory

Registered Office

ACI Centre, 245 Tejgaon Industrial Area, Dhaka-1208

Phone : (8802) 8878603

Fax : (8802) 8878619

Email : info@aci-bd.com

Web : www.aci-bd.com

Share Office

9 Motijheel C/A

Dhaka-1000

Phone : (8802) 223350179-82

Manufacturing Facilities

Advanced Chemical Industries Ltd

- 1. Pharmaceuticals Unit**
Water Works Road, Godnail, PO: Laxminarayan
Cotton Mills, Narayanganj
Mobile: 01711541970
- 2. Sanitary Napkin & Diaper Plant Unit**
Nilnagar, Konabari, Gazipur
Mobile: 01322901264
- 3. Electrical Products Unit**
Block B, Plot 13,14 BSCIC Industrial Area, Tongi, Gazipur
Mobile: 01714163172
- 4. Animal Health Unit**
Animal Feed Supplement Manufacturing & Processing Plant,
Uttar Chandpur, Madonpur, Bandar, Narayanganj
Mobile: 01713053154
- 5. Animal Health Genetics Unit**
ACI Animal Research & Development Centre,
Borochala, Bhawal Rajabari, Sreepur, Gazipur
Mobile: 01799994798

ACI Formulations Limited

- 6. Formulations Unit**
Gojaria, Rajapur, Sreepur, Gazipur
Mobile: 01324732666

ACI Pure Flour Limited

- 7. Flour Unit**
6/3 Dewli Chowrapara Bandar, Narayanganj
Mobile: 01713069714

Premiaflex Plastics Limited

- 8. Premio Plastics Unit**
Dharmaganj, Enayet Nagar, Fatullah, Narayanganj
Mobile: 01700767910, 01701216132
- 9. Premiaflex Plastics Limited**
Flexible Plastics
Kewa Poschim Khondo, Mouna, Sreepur, Gazipur
Mobile: 01713053190

ACI Salt Limited

- 10. Salt Unit**
Mongalkhali, Murarapara, Rupganj, Narayanganj
Mobile: 01714029810

ACI Motors Limited

- 11. Automobile**
Borochala, Vowal Rajabari, Sreepur, Gazipur
Mobile: 01322876400
- 12. Engineering**
Zagir Industrial Area, Borochala, Zagir, Manikganj Sadar, Manikganj
Mobile: 01704123820

ACI Edible Oils Limited

- 13. 6/3 Dewli Chowrapara Bandar, Narayanganj**
Mobile: 01713069714

ACI HealthCare Limited

- 14. Tripurdi, Sonargaon, Narayanganj**
Phone: +88 0960 6666710

ACI Biotech Limited

- 15. Tripurdi, Sonargaon, Narayanganj (Under construction)**
Phone: +88 0960 6666710

ACI Agrolink Limited

- 16. Amian, Tarali, Kaligonj, Satkhira**
Mobile: 01713052969

ACI Foods Limited

- 17. Foods Unit**
Vill. Kutirchar, Bhadrachhat Kamarkhand, Kamarkhand, Sirajganj
Mobile: 01755607412
- 18. Rice Unit**
Swarashatipur, Mohadebpur, Naogaon
Mobile: 01714163288



Advanced Chemical Industries Limited

Registered Office

ACI Centre, 245 Tejgaon Industrial Area, Dhaka-1208

PROXY FORM

I/We _____
of _____
being a Member of Advanced Chemical Industries Limited, hereby appoint _____
of _____
whose signature is appended below as my/our proxy to attend and vote for me/us and on my/our behalf
at the 50th Annual General Meeting of the Company to be held on Thursday, 28 December 2023 at
11:30 a.m. and/or at any adjournment thereof.

As witness my hands this _____ day of _____ 2023.

Signature on
Tk.100
Revenue Stamp

(Signature of the Proxy)

(Signature of the Shareholder)

Registered Folio/BO ID No. _____

No. of Shares held _____

Date: _____

Note : A Member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. The Proxy Form, duly completed, must be deposited at the Share Office of the Company at 9 Motijheel C/A, Dhaka 1000, not later than 48 hours before the time fixed for the meeting.

[illegible]

[illegible]

Please complete the attendance slip and hand it over at the venue of the Meeting.



ADVANCED CHEMICAL INDUSTRIES LIMITED

Registered Office

ACI Centre, 245 Tejgaon Industrial Area, Dhaka-1208

ATTENDANCE SLIP

I hereby record my Attendance at the 50th Annual General Meeting being held on Thursday, 28 December 2023 at 11:30 a.m. through digital platform.

Name of Member/Proxy _____

Registered Folio/BO ID No. _____

No. of Shares held: _____

Signature of Shareholder(s)



Advanced Chemical Industries Limited
ACI Centre, 245 Tejgaon Industrial Area, Dhaka 1208

