

## ***Private & Confidential***



কাজী জহির খান এন্ড কোং  
**KAZI ZAHIR KHAN & CO.**  
Chartered Accountants  
Since 1980

Associated Firm of

**EHK Consulting**  
Always adding value

***Independent Auditors' Report***  
**&**  
***Financial Statements***  
**of**  
***SEA PEARL BEACH RESORT & SPA LTD.***  
***as on and for the year ended 30 June, 2022***

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**Head Office:**

Shamsunnahar & Wazi Complex,  
8<sup>th</sup> Floor, Suite-9B, 31/C/1, Topkhana Road,  
Segun Bhagicha, Dhaka-1000.  
Tel: 57160824, Fax: +880-2-57160821,  
E-mail: kzke\_bd@yahoo.com

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**Branch Office:**

281/3, Jafrabad (Sankor), Ground Floor,  
West Dhanmondi, Dhaka-1207.  
Mobile: 01726339892.  
E-mail: mahmudkzkcbd@gmail.com

**Sea Pearl Beach Resort & Spa Limited**  
**for the year ended 30 June, 2022**

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**INDEPENDENT AUDITORS' REPORT  
TO THE SHAREHOLDERS OF SEA PEARL BEACH RESORT & SPA LTD.**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of SEA PEARL BEACH RESORT & SPA LTD. ("the Company"), which comprise the statement of financial position as at 30 June, 2022, 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, except the effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying financial statements give a true and fair view of the financial position of the Company as at 30 June, 2022 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

**Basis for Qualified Opinion**

**i) Utilization of Capacity and Ability of the Company to Pay Debt:**

The Company has indebted to the extent of Tk. 4,889,477,950 consisting of long term loan, short term loan, SPBRSL 20% Convertible Secured Bond and lease finance. The total debt represents 75.52% of the Equity & Liabilities of the Company. Moreover, the Company has failed to pay regular installment of SPBRSL 20% Convertible Secured Bond since June, 2020. Due to this, the Company's liabilities has been increased significantly.

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 qualified opinion.

**Emphasis of Matter**

We draw attention to note no. 55.00 (a) and 55.00 (b) of the financial statements, which describes the Contingent Liabilities of the Company. Our opinion is not modified in respect of the matter.

**Key Audit Matters**

Key audit matters are those matters that, in the auditors' professional judgement, were most significance in the audit of the financial statements for the year ended 30 June, 2022. The matters, and any comments we make on the results of our procedures thereon, 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 in these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.





### Independent Auditors' Report (Continued)

| Key Audit Matter   | How Our Audit Addressed the Key Audit Matter   |
|--|--|
| <b>Revenue:</b>  |  |
| <p>Revenue of Tk. 926,527,477 is recognized in the income statement of Sea Pearl Beach Resort &amp; Spa Ltd. for the year ended 30 June, 2022. We identified revenue recognition as a key audit matter because revenue is one of the key performance indicators of the Company and therefore there is an inherent risk of manipulation of the timing of recognition of revenue by management to meet specific targets or expectations.</p> <p>As described in the accounting policy 4.08 to the financial statements, the Company recognizes revenue upon rendering services to the customers/clients as per IFRS 15 Revenue from Contract with Customers.</p> | <p>In case of Revenue, we assessed the Company's processes and controls for recognizing revenue as part of audit. Furthermore, in order to mitigate the inherent risk in this area, our audit approach included testing of the controls and the substantive audit procedure, including:</p> <ul style="list-style-type: none"> <li>- We evaluated the Company's accounting policies pertaining to revenue recognition and assessed compliance with the policies in terms of IFRS 15 Revenue from Contracts with Customers.</li> <li>- We identified and tested controls related to revenue recognition and our audit procedure focused on assessing the invoicing and measurement systems up to entries in the general ledger. Examining customers' invoices and receipts on a sample basis.</li> <li>- We conducted substantive testing of revenue recorded over the year using sampling techniques, by examining the relevant supporting documents including sales invoices. In addition, we confirmed certain customers' receivable balances at the reporting date, selected on a sample basis by considering the amounts outstanding with those customers.</li> <li>- Furthermore, we tested the sales transactions recognized shortly before and after the reporting date, to examine whether sales transactions were recorded in the correct recording periods.</li> </ul> |

| Key Audit Matter   | How our audit addressed the key audit matter  |
|--|---|
| <b>Inventories:</b>  |   |
| <p>Inventories represent about 5.60% of the total revenue of the Company; inventories are thus a material item to the financial statements. Please refer to note 9.00 to the financial statements.</p> <p>As described in the accounting policy note 4.04 to the financial statements, inventories are valued at the lower of the cost or net realizable values. As such, management is required to make judgments in determining whether inventories are being appropriately valued and also need to make provision for aged inventories, if required.</p> <p>Due to the value and volume of inventories being held by the Company at the reporting date and presentation thereof, inventories has been considered as a key audit matter.</p> | <p>Our audit procedures to assess the carrying value of inventories included the following:</p> <ul style="list-style-type: none"> <li>- Tested the operating effectiveness of key controls over inventories; including observing the process of management's year-end inventory count.</li> <li>- Verified a sample of inventory items to ensure that costs have been appropriately recorded.</li> <li>- Tested on a sample basis the net realizable value by comparing costs to recent selling prices and assessing the reasonableness of any resulting write down of inventory items.</li> <li>- Assessed whether appropriate provision have been recognized for aged, damaged, slow moving or obsolete inventories by reviewing the age of inventories held and evaluating management's basis for determining the usability of inventories.</li> <li>- Performed cut-off tests to determine that the purchase and sales of the inventories have been considered in the correct accounting period.</li> <li>- Reviewed the historical accuracy of inventory provision and the level of write downs.</li> </ul> |





## Independent Auditors' Report (Continued)

| Key Audit Matter   | How our audit addressed the key audit matter   |
|--|--|
| <b>Property, Plant &amp; Equipment and Capital-Work-in-Progress:</b>   |  |
| <p>The carrying value of Property, plant &amp; equipment amounts to Tk. 4,994,063,647 and Capital-work-in-progress amounts to Tk. 988,596,539. This represents a significant amount in the Company's statement of financial position as at 30 June, 2022.</p> <p>There is a risk of:</p> <ul style="list-style-type: none"> <li>- determining which costs meet the criteria for capitalization;</li> <li>- determining the date on which the assets is recognized to property, plant &amp; equipment and depreciation commences;</li> <li>- the estimation of economic useful lives and residual values assigned to property, plant &amp; equipment.</li> </ul> <p>We identified the carrying value of property, plant &amp; equipment as a key audit matter because of the high level of management judgement involved and because of its significance to the financial statements.</p> <p>See note no 4.02, 4.03, 6.00 &amp; 8.00 to the financial statements.</p> | <p>Our audit procedures to assess the carrying value of property, plant &amp; equipment and capital-work-in-progress included the following:</p> <p>Our audit procedures included controls testing and substantive procedures covering, in particular:</p> <ul style="list-style-type: none"> <li>- Assessing the design, implementation and operating effectiveness of key internal controls over the completeness, existence and accuracy of property, plant &amp; equipment and capital-work-in-progress, including the key internal controls over the estimation of useful economic lives and residual values.</li> <li>- Assessing, on a sample basis, costs capitalized during the year by comparing the costs capitalized with the relevant underlying documentation, which included purchase agreements and invoices, and assessing whether the costs capitalized met the relevant criteria for capitalization.</li> <li>- Testing the key controls over the management's judgment in relation to the accounting estimates of the depreciable lives and residual values of property, plant &amp; equipment.</li> <li>- Reconcile on a sample basis the additional capitalized costs for the year to the underlying invoices and supporting documents.</li> <li>- We assessed the Company's capitalizations policy for compliance with IAS 16 and tested the expenditure capitalized against the capitalizations policy.</li> <li>- We traced payments to supporting documents.</li> <li>- We assessed whether the costs capitalized met the recognition criteria set forth in IAS 23-Borrowing costs, in relation to the capitalization of borrowing costs.</li> <li>- We assessed the adequacy of the disclosures of the financial statements.</li> </ul> |





## Independent Auditors' Report (Continued)

| Key Audit Matter  | How our audit addressed the key audit matter   |
|---|--|
| <p><b>Implementation of IFRS 16: Leases:</b></p> <p>With reference to Note 4.22 to the financial statements, "IFRS 16 Leases" becomes effective for annual reporting beginning on or after 01 July, 2019 which replaces the existing standard IAS 17. The Company applied IFRS 16 Leases to its leases of vehicles and rent of office premises.</p> <p>The Company reported the right-of-use (ROU) asset for the amount of Tk. 23,872,708 and lease liability for the amount of Tk. 17,058,325 at the year ended 30 June, 2022.</p> <p>We considered the implementation of IFRS 16 Leases as a key audit matter, since the balances recorded are material, management had to apply several judgements and estimates such as lease term, discount rates, measurement basis among others and undertake a significant data extraction exercise to summaries the lease data for input into their lease calculation model.</p> | <p>We obtained an understanding of the management's process for implementing IFRS 16 including financial controls designed by the management to mitigate the risks assessed by us independently. We tested those relevant controls and adopted a control rely strategy. Furthermore, to mitigate the inherent risk in this audit area, our audit approach included testing of the controls and substantive audit procedures, including:</p> <ul style="list-style-type: none"> <li>- Obtained and read the accounting policy for compliance with IFRS 16.</li> <li>- Obtained Listing of all contracts from the management and tested the contracts on a sample basis for impact under IFRS 16. In respect of the contracts selected for testing</li> <li>- Obtained and read bank borrowing rates correspondences.</li> <li>- Tested the assumptions used in the calculation model for the sample contracts selected for testing.</li> <li>- Performed test of details on a sample basis on different categories of lease for valuation of the right of use of asset and lease liability.</li> <li>- Assessed the disclosures within the financial statements.</li> </ul> |

| Key Audit Matter  | How our audit addressed the key audit matter  |
|---|---|
| <p><b>Measurement of Deferred Tax Liability:</b></p> <p>The net deferred tax liability totaling Tk. 85,180,230 as at 30 June, 2022.</p> <p>Significant judgment is required in relation to deferred tax liabilities as it is dependent on forecasts of future profitability over a number of years.</p> | <p>We additionally carried out the following substantive testing for this item:</p> <ul style="list-style-type: none"> <li>- we obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of deferred tax liabilities and the assumptions used in estimating the Company's future taxable income.</li> <li>- we involved tax specialists to assess key assumptions, controls, recognition and measurement of deferred tax liabilities.</li> <li>- we also assessed the appropriateness of presentation of disclosures against IAS-12 income tax.</li> </ul> |



## Independent Auditors' Report (Continued)

### Reporting on Other Information

Management is responsible for the other information. The other information comprises the directors' report, management discussion and analysis, statement of corporate governance, financial highlights, economic value added statement (EVA), value added statement, certification of corporate governance etc. but other than the financial statements and our auditors' report thereon. The directors' report, management discussion and analysis, statement of corporate governance, financial highlights, economic value added statement (EVA), value added statement, certification of corporate governance etc. are expected to be made available to us after the date of this auditors' report.

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

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

When we read the annual report, if, we conclude that there is a material misstatement therein; we are required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs as explained in note 3.00 & 4.00 and for such internal control as management determines in necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error. The Companies Act, 1994 and the BSEC guidelines require the management to ensure effective internal audit, internal controls and risk management functions of the Company.

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

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

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is 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 omission, misrepresentations, or the override of the 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.



### Independent Auditors' Report (Continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 disclosure, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We 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 according with the Companies Act, 1994 and the Securities and Exchange Rules, 1987 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 account; and
- d) the expenditure incurred was for the purposes of the Company's business.

Dated: Dhaka  
15 October, 2022

  
**KAZI ZAHIR KHAN & CO.**  
Chartered Accountants  
DVC: 2210170915AS650940  
Abdulla-Al-Mahmud FCA, FCMA, FCS, LL.B, CISA  
Engagement Partner (Enrolment No. 0915)



Sea Pearl Beach Resort & Spa Limited  
Statement of Financial Position  
as at 30 June, 2022

| Particulars  | Notes | 30 June, 2022        | 30 June, 2021        |
|--|-------|----------------------|----------------------|
|  |       | Taka                 | Taka                 |
| <b>ASSETS</b>  |       |                      |                      |
| <b>Non-Current Assets</b>                                  |       | <b>6,006,532,894</b> | <b>5,543,539,353</b> |
| Property, Plant and Equipment                              | 6.00  | 4,994,063,647        | 4,734,536,069        |
| Right of Use Asset   | 7.00  | 23,872,708           | 13,047,659           |
| Capital Work-in-Progress                                   | 8.00  | 988,596,539          | 795,955,625          |
| <b>CURRENT ASSETS</b>                                      |       | <b>468,279,943</b>   | <b>487,411,559</b>   |
| Inventories  | 9.00  | 51,650,049           | 40,996,117           |
| Investment in Marketable Securities (Fair Value)           | 10.00 | 67,805,380           | 19,920,699           |
| Trade and Other Receivables                                | 11.00 | 71,763,624           | 64,442,946           |
| Advances, Deposits and Pre-payments                        | 12.00 | 208,317,195          | 199,196,174          |
| Cash and Cash Equivalents                                  | 13.00 | 68,743,695           | 162,855,623          |
| <b>Total Assets</b>  |       | <b>6,474,812,837</b> | <b>6,030,950,912</b> |
| <b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>                |       |                      |                      |
| <b>Shareholders' Equity</b>                                |       | <b>1,420,791,942</b> | <b>1,283,598,264</b> |
| Share Capital  | 14.00 | 1,207,500,000        | 1,207,500,000        |
| Retained Earnings  | 15.00 | 226,252,116          | 76,988,600           |
| Fair Value Reserve   | 16.00 | (12,960,174)         | (890,336)            |
| <b>Non-Current Liabilities</b>                             |       | <b>3,853,988,271</b> | <b>3,647,626,563</b> |
| Non-Current Portion of Long Term Borrowings                | 17.00 | 18,235,011           | 4,444,324            |
| Non-Current Portion of SPBRSL 20% Convertible Secured Bond | 17.00 | 3,749,194,857        | 3,589,022,608        |
| Non-Current Portion of Lease Liability                     | 18.00 | 1,378,173            | 2,149,119            |
| Deferred Tax Liabilities                                   | 19.00 | 85,180,230           | 52,010,512           |
| <b>Current Liabilities</b>                                 |       | <b>1,200,032,624</b> | <b>1,099,726,085</b> |
| Current Portion of Long Term Borrowings                    | 17.00 | 8,613,768            | 3,042,833            |
| Current Portion of SPBRSL 20% Convertible Secured Bond     | 17.00 | 982,430,644          | 982,430,644          |
| Current Portion of Lease Liability                         | 18.00 | 15,680,152           | 5,205,026            |
| Short Term Borrowings                                      | 20.00 | 113,945,345          | 39,486,711           |
| Dividend Payable   | 21.00 | 896,379              | 951,771              |
| Accounts and Other Payables                                | 22.00 | 5,547,031            | 3,503,183            |
| Accruals and Provisions                                    | 23.00 | 72,919,305           | 65,105,917           |
| <b>Total Shareholders' Equity and Liabilities</b>          |       | <b>6,474,812,837</b> | <b>6,030,950,912</b> |
| <b>Net Asset Value per Share (NAVPS)</b>                   | 31.00 | <b>11.77</b>         | <b>10.63</b>         |

The Accounting Policies and Other Notes form an Integral Part of these Financial Statements.

The Financial Statements were Approved and Authorized by the Board of Directors on October 11, 2022 and Signed for and on Behalf of the Board.

 **Chief Financial Officer**
 **Company Secretary**
 **Director**
 **Chairperson**
 **Managing Director**

Dated, Dhaka  
15 October, 2022

**KAZI ZAHIR KHAN & CO.**  
**Chartered Accountants**

DVC: 2210170915AS650940

Abdulla-Al-Mahmud FCA, FCMA, FCS, LL.B, CISA  
Engagement Partner (Enrolment No. 0915)

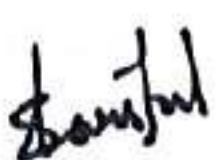

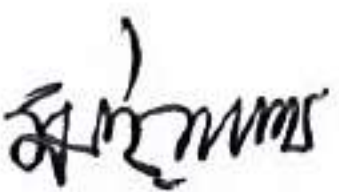




Sea Pearl Beach Resort & Spa Limited  
Statement of Profit or Loss and Other Comprehensive Income  
for the year ended 30 June, 2022

| Particulars                                | Notes | Year Ended         |                    |
|--|-------|--------------------|--------------------|
|  |       | 30 June, 2022      | 30 June, 2021      |
|  |       | Taka               | Taka               |
| Operating Revenues                         | 24.00 | 926,527,477        | 643,944,797        |
| Costs of Sales                             | 25.00 | (147,874,499)      | (133,818,811)      |
| <b>Gross Profit</b>                        |       | <b>778,652,978</b> | <b>510,125,986</b> |
| Administrative and Other Expenses          | 26.00 | (227,831,286)      | (193,616,012)      |
| Distribution & Selling Expenses            | 27.00 | (10,057,722)       | (10,278,596)       |
| <b>Operating Profit</b>                    |       | <b>540,763,970</b> | <b>306,231,378</b> |
| Other Income/(Loss)                        |       | 5,280,153          | 5,931,122          |
| Net Finance Cost                           | 28.00 | (336,019,474)      | (211,808,373)      |
| <b>Profit/(Loss) Before Tax &amp; WPPF</b> |       | <b>210,024,649</b> | <b>100,354,127</b> |
| Workers Profit Participation Fund          |       | (10,001,174)       | (4,778,768)        |
| <b>Profit/(Loss) Before Tax</b>            |       | <b>200,023,475</b> | <b>95,575,359</b>  |
| Income Tax Expenses                        | 29.00 | (38,684,959)       | (21,892,328)       |
| <b>Net Profit/(Loss) for the year</b>      |       | <b>161,338,516</b> | <b>73,683,031</b>  |
| <b>Other Comprehensive Income:</b>         |       |                    |                    |
| Fair Value Gain/(Loss)                     |       | (12,069,838)       | 1,812,751          |
| <b>Total Comprehensive Income</b>          |       | <b>149,268,678</b> | <b>75,495,782</b>  |
| <b>Basic Earnings Per Share (EPS)</b>      | 30.00 | <b>1.34</b>        | <b>0.61</b>        |

The Accounting Policies and Other Notes form an Integral Part of these Financial Statements.

The Financial Statements were Approved and Authorized by the Board of Directors on October 11, 2022 and Signed for and on Behalf of the Board.

 Chief Financial Officer
  Company Secretary
  Director
  Chairperson
  Managing Director

Dated, Dhaka  
15 October, 2022

  
**KAZI ZAHIR KHAN & CO.**  
**Chartered Accountants**  
 DVC: 2210170915AS650940  
 Abdulla-Al-Mahmud FCA, FCMA, FCS, LL.B, CISA  
 Engagement Partner (Enrolment No. 0915)



Sea Pearl Beach Resort & Spa Limited  
Statement of Changes in Equity  
for the year ended 30 June, 2022

| Particulars                                     | Ordinary Share Capital | Fair Value Gain/(Loss) | Retained Earnings  | Total Amount (in Tk.) |
|---|------------------------|------------------------|--------------------|-----------------------|
| Balance at 01 July, 2021                        | 1,207,500,000          | (890,336)              | 76,988,600         | 1,283,598,264         |
| Net Profit for the year                         | -                      | -                      | 161,338,516        | 161,338,516           |
| Cash Dividend                                   | -                      | -                      | (12,075,000)       | (12,075,000)          |
| Fair Value Gain/(Loss) on Marketable Securities | -                      | (12,069,838)           | -                  | (12,069,838)          |
| <b>Balance as at 30 June, 2022</b>              | <b>1,207,500,000</b>   | <b>(12,960,174)</b>    | <b>226,252,116</b> | <b>1,420,791,942</b>  |

Statement of Changes in Equity  
for the year ended 30 June, 2021

| Particulars                                     | Ordinary Share Capital | Fair Value Gain/(Loss) | Retained Earnings | Total Amount (in Tk.) |
|---|------------------------|------------------------|-------------------|-----------------------|
| Balance at 01 July, 2020                        | 1,207,500,000          | -                      | 7,022,392         | 1,214,522,392         |
| Cash Dividend                                   | -                      | -                      | (6,419,910)       | (6,419,910)           |
| Net Profit for the year                         | -                      | -                      | 73,683,031        | 73,683,031            |
| Fair Value Gain/(Loss) on Marketable Securities | -                      | 1,812,751              | -                 | 1,812,751             |
| Prior year Adjustment                           | -                      | (2,703,087)            | 2,703,087         | -                     |
| <b>Balance as at 30 June, 2021</b>              | <b>1,207,500,000</b>   | <b>(890,336)</b>       | <b>76,988,600</b> | <b>1,283,598,264</b>  |

The Accounting Policies and Other Notes form an Integral Part of these Financial Statements.

The Financial Statements were Approved and Authorized by the Board of Directors on October 11, 2022 and Signed for and on Behalf of the Board.

 Chief Financial Officer
  Company Secretary
  Director
  Chairperson
  Managing Director

Dated, Dhaka  
15 October, 2022

  
**KAZI ZAHIR KHAN & CO.**  
**Chartered Accountants**  
 DVC: 2210170915AS650940  
 Abdulla-Al-Mahmud FCA, FCMA, FCS, LL.B, CISA  
 Engagement Partner (Enrolment No. 0915)

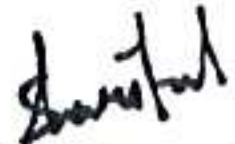

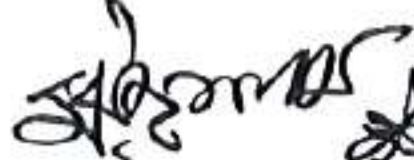




Sea Pearl Beach Resort & Spa Limited  
Statement of Cash Flows  
for the year ended 30 June, 2022

| Particulars  | Notes | Year Ended           |                      |
|--|-------|----------------------|----------------------|
|  |       | 30 June, 2022        | 30 June, 2021        |
|  |       | Taka                 | Taka                 |
| <b>Cash Flow from Operating Activities:</b>                  |       |                      |                      |
| Receipts from Customers and Others                           | 33.00 | 924,486,952          | 638,466,599          |
| Payment for Operating Costs & Other Expenses                 | 34.00 | (483,870,769)        | (319,487,724)        |
| Income Tax Paid  | 35.00 | (20,542,943)         | (316,202)            |
| <b>Net Cash (Used In)/Generated by Operating Activities</b>  |       | <b>420,073,240</b>   | <b>318,662,673</b>   |
| <b>Cash Flow from Investing Activities:</b>                  |       |                      |                      |
| Acquisition of Property, Plant and Equipment                 | 36.00 | (161,823,787)        | (36,025,568)         |
| Right of Use Asset   |       | 9,704,180            | (2,508,133)          |
| Capital Work-in-Progress                                     | 37.00 | (117,044,039)        | (148,728,315)        |
| Advances, Deposits and Pre-payments                          | 38.00 | -                    | -                    |
| Investment in Share & Others                                 |       | (59,954,519)         | 58,816               |
| <b>Net Cash (Used in)/Generated by Investing Activities</b>  |       | <b>(329,118,165)</b> | <b>(187,203,200)</b> |
| <b>Cash Flow from Financing Activities:</b>                  |       |                      |                      |
| Short Term borrowing Received/(Repaid)-Net                   |       | 74,458,634           | (280,510)            |
| Net Finance (Cost)/Income                                    | 39.00 | (4,886,502)          | (2,734,659)          |
| Secured Term Loans Received/(Repaid)-Net                     | 40.00 | 19,361,622           | (3,845,281)          |
| SPBRS 20% Convertible Secured Bond                           | 41.00 | (250,000,000)        | -                    |
| Lease Liability Received/(Repaid)-Net                        |       | (11,814,973)         | (2,994,387)          |
| Receipt from/Payment to Related Party                        |       | -                    | (50,000,000)         |
| Dividend Paid  |       | (12,185,784)         | (5,468,139)          |
| <b>Total Cash used in Financing Activities</b>               |       | <b>(185,067,003)</b> | <b>(65,322,976)</b>  |
| Net Changes Increase/(Decrease) in Cash and Cash Equivalents |       | (94,111,928)         | 66,136,497           |
| Opening Cash and Cash Equivalents                            |       | 162,855,623          | 96,719,126           |
| <b>Closing Cash and Cash Equivalents</b>                     |       | <b>68,743,695</b>    | <b>162,855,623</b>   |
| <b>Net Operating Cash Flows per Share (NOCFPS)</b>           | 32.00 | <b>3.48</b>          | <b>2.64</b>          |

The Accounting Policies and Other Notes form an Integral Part of these Financial Statements.

The Financial Statements were Approved and Authorized by the Board of Directors on October 11, 2022 and Signed for and on Behalf of the Board.

  
**Chief Financial Officer**
  
**Company Secretary**
  
**Director**
  
**Chairperson**
  
**Managing Director**

Dated, Dhaka  
15 October, 2022

  
**KAZI ZAHIR KHAN & CO.**  
**Chartered Accountants**  
 DVC: 2210170915AS650940  
 Abdulla-Al-Mahmud FCA, FCMA, FCS, LL.B, CISA  
 Engagement Partner (Enrolment No. 0915)

**Sea Pearl Beach Resort & Spa Limited**  
**Notes to the Financial Statements**  
**as at & for the year ended 30 June 2022**

**1.00 Legal Status of the Company:**

**1.01 Reporting Entity:**

Sea Pearl Beach Resort & Spa Limited ("the Company") is a Public Limited Company by shares. The Company was incorporated on 26 May, 2009 having registration no. C-77653/09/2009 under the Companies Act, 1994 as a Private Limited Company in Bangladesh and subsequently the Company was converted into a Public Limited Company by special resolution dated 14 November, 2017. The Company is listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

**1.02 Registered Office:**

The Registered Office of the company is located at 4 K. B., Ismail Road, Mymensingh.

**1.03 Corporate Office:**

Corporate Office of the Company is located at Advance Noorani Tower (Level-13), 01, Mohakhali C/A, Dhaka-1212.

**1.04 Operation office**

Operation Office of the Company is located at Jaliapalong, Inani, Ukhia, Cox's Bazar-4750, Bangladesh.

**2.00 Nature of Business Activities:**

Sea Pearl Beach Resort & Spa Limited, a Five Star Resort & Hotel in Bangladesh, started its commercial operation from 17 September, 2015. The principal activities of the Company throughout the year were carrying on Resort & Hotel business. The Company has also commenced commercial operation of its Water Park which is at the immediate vicinity of the resort.

**3.00 Basis of Preparation:**

**3.01 Statement of Compliance:**

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

**Applicable International Accounting Standards (IASs) are as follows:**

| Sl. No. | IAS Title   | IAS No. | Compliance     |
|---------|---|---------|----------------|
| 1       | Presentation of Financial Statements                            | 1       | Complied       |
| 2       | Inventories   | 2       | Complied       |
| 3       | Statement of Cash Flows   | 7       | Complied       |
| 4       | Accounting Policies, Changes in Accounting Estimates and Errors | 8       | Complied       |
| 5       | Events After the Reporting Period                               | 10      | Complied       |
| 6       | Income Taxes  | 12      | Complied       |
| 7       | Property, Plant and Equipment                                   | 16      | Complied       |
| 8       | Employee Benefits   | 19      | Complied       |
| 9       | Accounting for Government Grants and Disclosure of Government   | 20      | Not Applicable |
| 10      | The Effects of Changes in Foreign Exchange Rates                | 21      | Complied       |
| 11      | Borrowing Costs   | 23      | Complied       |
| 12      | Related Party Disclosures                                       | 24      | Complied       |
| 13      | Accounting and Reporting by Retirement Benefit Plans            | 26      | Not Applicable |
| 14      | Separate Financial Statements                                   | 27      | Not Applicable |
| 15      | Investments in Associates and Joint Ventures                    | 28      | Not Applicable |
| 16      | Financial Reporting in Hyperinflationary Economies              | 29      | Not Applicable |
| 17      | Financial Instruments: Presentation                             | 32      | Complied       |
| 18      | Earnings Per Share  | 33      | Complied       |
| 19      | Interim Financial Reporting                                     | 34      | Not Applicable |
| 20      | Impairment of Assets  | 36      | Complied       |
| 21      | Provisions, Contingent Liabilities and Contingent Assets        | 37      | Complied       |
| 22      | Intangible Assets   | 38      | Complied       |
| 23      | Investment Property   | 40      | Not Applicable |
| 24      | Agriculture   | 41      | Not Applicable |

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

| SL. No | IFRS Title   | IFRS No. | Compliance     |
|--------|--|----------|----------------|
| 1      | First-time Adoption of International Financial Reporting Standards | 1        | Complied       |
| 2      | Share-based Payment  | 2        | Not Applicable |
| 3      | Business Combinations  | 3        | Not Applicable |
| 4      | Insurance Contracts  | 4        | Not Applicable |
| 5      | Non-current Assets Held for Sale and Discontinued Operations       | 5        | Not Applicable |
| 6      | Exploration for and Evaluation of Mineral Resources                | 6        | Not Applicable |
| 7      | Financial Instruments: Disclosures                                 | 7        | Complied       |
| 8      | Operating Segments   | 8        | Not Applicable |
| 9      | Financial Instruments  | 9        | Complied       |
| 10     | Consolidated Financial Statements                                  | 10       | Not Applicable |
| 11     | Joint Arrangements   | 11       | Not Applicable |
| 12     | Disclosure of Interests in Other Entities                          | 12       | Not Applicable |
| 13     | Fair Value Measurement   | 13       | Complied       |
| 14     | Regulatory Deferral Accounts                                       | 14       | Not Applicable |
| 15     | Revenue from Contracts with Customers                              | 15       | Complied       |
| 16     | Leases   | 16       | Complied       |

### 3.02 Other Regulatory Compliances:

The Company is also required to comply with the following major laws and regulation in addition to the Companies Act 1994:

The Securities & Exchange Rules, 1987;

The Securities & Exchange Ordinance, 1969;

The Regulation of Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited;

The Income Tax Ordinance, 1984;

The Income Tax Rules, 1984;

The Value Added Tax Act, 1991;

The Value Added Tax Rules, 1991;

The Customs Act, 1969.

### 3.03 Structure, Content and Presentation of Financial Statements:

Being the general purpose financial statements, the presentation of these financial statements is in accordance with the guidelines provided by IAS 1: "Presentation of Financial Statements". A complete set of financial statements comprises:

- Statement of Financial Position as at 30 June, 2022;
- Statement of Profit or Loss and Other Comprehensive Income for the year ended on 30 June, 2022;
- Statement of Changes in Equity for the year ended on 30 June, 2022;
- Statement of Cash Flows for the year ended on 30 June, 2022;
- Notes comprising a summary of significant accounting policies and other explanatory information to the financial statements as at & for the year ended on 30 June, 2022.

### 3.04 Basis of Measurement of Elements of Financial Statements:

The financial statements have been prepared on the Historical Cost basis, and therefore, do not take into consideration the effect of inflation. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous year.

### 3.05 Functional and Presentation Currency

These financial statements are presented in Bangladesh Taka (BDT/Taka/Tk) which is both functional and presentation currency.

### 3.06 Risk and Uncertainty for Use of Estimates and Judgments:

The preparation of financial statements in conformity with International Accounting Standards and International Financial Reporting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and for contingent assets and liabilities that require disclosure, during and at the date of the financial statements.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognized in the period/year in which the estimate is revised and in any future period/years affected as required by IAS 8: "Accounting Policies, Changes in Accounting Estimates and Errors".

**3.07 Going Concern:**

As per IAS-1 para 25, a company is required to make assessment at the end of each period/year to assess its capability to continue as a going concern. Management of the Company makes such assessment each period/year. The company has adequate resources to continue in operation for the foreseeable future and has wide coverage of its liabilities. For this reason, the Directors continue to adopt the going concern assumption while preparing the financial statements.

**3.08 Accrual Basis:**

The financial statements have been prepared, except cash flow information, using the accrual basis of accounting.

**3.09 Reporting period**

The financial statements of the company covers twelve months from 01 July, 2021 to 30 June, 2022.

**4.00 Significant Accounting Policies:**

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

**4.01 Foreign currency transactions**

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

At the end of each reporting period in compliance with the provision of IAS 21: The Effects of Changes in Foreign Exchange Rates.

(a) Foreign currency monetary items are translated using the closing rate;

(b) Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rate at the date of the transaction;

(c) Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value is determined.

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

**4.02 Property, Plant and Equipment:**

**Initial Recognition and Measurement:**

Property, plant and equipment are capitalized at cost of acquisition and subsequently stated at cost less accumulated depreciation in compliance with the requirements of IAS 16: Property, Plant and Equipment. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties, non-refundable taxes and un-allocated expenditures etc.

**Subsequent Costs:**

The cost of replacing part of an item of property, plant and equipment's is recognized in the carrying amount of an item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the profit or loss account as Repair & Maintenance, when it is incurred.

**Depreciation on Fixed Assets:**

Depreciation is provided to amortize the cost of the assets after commissioning, over the period of their expected useful lives, in accordance with the provisions of IAS 16: Property, Plant & Equipment. Depreciation is charged when the related assets are available for use as per management's intention. No depreciation is charged after the date of disposal of an asset. Depreciation is charged on all fixed assets after assessing useful life on reducing balance method as follows:

| Particular of Assets         | Rate of Depreciation |
|------------------------------|----------------------|
| Land & Land Development      | 0.00%                |
| Building & Other Civil Works | 1.25%                |
| Furniture & Fixture          | 10.00%               |
| Computer Accessories &       | 10.00%               |
| Machineries                  | 5.00%                |
| Equipment                    | 5.00%                |
| Vehicle                      | 10.00%               |

The gain or losses on disposal or retirement of assets are included in profit or loss & Other comprehensive Income when the item is disposed off/derecognized.

#### 4.03 Capital Works-in-Progress:

Property, plant and equipment under construction or not available for use are accounted for as capital works in progress and are measured at cost until completion of construction or installation or available for use. In conformity with IAS 16: property, plant & equipment no depreciation is charged on Capital work in progress as it is not available for use.

#### 4.04 Inventories:

Inventories (Stock and Stores) are measured at the lower of cost and net realizable value. The Cost of Inventory is assigned by using average cost formula. The costs of inventories consist of purchase, costs of conversion, import duties and other non-refundable taxes and other costs if any incurred in bringing the inventories to their present location and condition.

#### 4.05 Cash and Cash Equivalents:

Cash and cash equivalents consists of cash in hand and with banks on current and deposit accounts and short-term investments which are held and available for use by the company without any restriction.

#### 4.06 Trade and Other Receivable:

Trade and other receivable are initially recognized at cost which is the fair value of the consideration given in return. After initial recognition these are carried at cost less impairment losses due to uncollectible of any amount so recognized. No impairment of trade and other receivables occurred during the period/year under review.

#### 4.07 Earnings per Share (EPS):

##### Basic Earnings:

Earnings per share (EPS) is calculated in accordance with International Accounting Standard IAS-33 "Earnings per Share" by dividing the profit or loss attributable to ordinary equity holder of the entity by the number of ordinary shares outstanding during the period/year. For the purpose of basic earnings per share, the amount attributable to the ordinary equity holders of the entity in respect of profit or loss from continuing operations attributable to the entity is adjusted for the after tax amount of preference dividend.

#### 4.08 Revenue:

Revenue (Room rent, Sales proceeds of beverage, income from laundry, water park and shop rental & other revenues) is recognized at fair value of the consideration received or receivable in the period/year during which the services are provided. Revenue is recognized the parties to the contract have approved the contract, the entity can identify each party's rights and payment terms for the goods or services to be transferred, the contract has commercial substance, the entitled in exchange for services that will be transferred to the customer, net of value added tax, supplementary duty and service charge collectible from clients as well as rebate and discount allowed to customers in compliance with the requirements of IFRS 15: "Revenue from contracts with customers".

#### 4.09 Impairment of Assets:

All assets except inventory, assets arising from construction contracts and financial assets is assessed at the end of each reporting period to determine whether there is any indication that an assets may be impaired. If any such indication exists the company assesses the recoverable amount. If, and only if, the recoverable amount of an asset is less than its carrying amount, the carrying amount of the assets is reduced to its recoverable amount. The reduction is an impairment loss as per IAS 36: Impairment of Assets.

An impairment loss is recognized immediately in profit or loss, unless the asset is carried at revalued amount in accordance with another standard. Any impairment loss of a revalued asset is treated as a revaluation decrease.

No such assets have been impaired during the period/year and for this reason no provision has been made for impairment of assets.

**4.10 Borrowing Cost:**

Borrowing costs are interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are recognized as a part of the qualifying assets. Other borrowing costs are recognized as an expense in the period/year in which it incurs in accordance with IAS-23 "Borrowing Cost".

The Company capitalizes borrowing cost on the ratio of total rooms and rooms which are not available for use as per managements intention.

**4.11 Authorization Date for Issuing Financial Statements:**

The financial statements were authorized by the Board of Directors on 11 October, 2022 for issue after completion of review.

**4.12 Provisions, Accrued Expenses and Other Payables:**

Provisions and accrued expenses are recognized in the financial statements in line with the International Accounting Standard (IAS) 37 "Provisions, Contingent Liabilities and Contingent Assets" when

- the Company has a legal or constructive obligation as a result of past event;
- it is probable that an outflow of economic benefit will be required to settle the obligation;
- a reliable estimate can be made of the amount of the obligation.

Other Payables are not interest bearing and are stated at their nominal value.

**4.13 Financial Instruments:**

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, fixed deposit with bank, borrowings and other payables and are shown at transaction cost.

An entity recognizes a financial assets or liabilities in its statement of financial position when, and only when, the entity becomes a party to the contractual provision of the instrument.

**4.14 Segment Reporting:**

No segment reporting is applicable for the Company as required by IFRS 8: "Segment reporting".

**4.15 Statement of Cash Flow:**

The statements of cash flows has been prepared in accordance with requirements of IAS 7: Statement of cash flows. The cash generated from operating activities has been prepared using the "Direct Method" in accordance with IAS 7.

**4.16 Related Party Disclosures:**

The Company carried out transaction with related parties in the normal course of business and on arm's length basis during the reporting period. The information as required by IAS 24: "Related party Disclosure" has been disclosed in a separate notes to the financial statements.

**4.17 Taxation:**

**Current Tax Liability:**

Current Tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for the year. The Provision for Current Tax on the profit for the year ended on 30 June 2022, has been made in the Financial Statements.

**Deferred Tax:**

**Deferred Tax Liability:**

Deferred Tax Liabilities is the amount of income taxes payable in future period in respect of taxable temporary difference. A deferred tax liability is recognized for all taxable temporary differences, except to the extent that the deferred tax liability arises from:

- (a) The initial recognition of goodwill; or
- (b) The initial recognition of an asset or liability in a transaction which;
  - (i) Is not a business combination; and
  - (ii) At the time of the transaction, affects neither accounting profit nor taxable profit (loss)

**Deferred Tax Assets:**

A deferred tax asset shall be recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that:

- (a) is not a business combination; and
- (b) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Deferred tax liability/assets is measured at the tax rates that are expected to apply to the period when the assets are realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

**Unused Tax Losses and Unused Tax Credits:**

A deferred tax assets shall be recognized for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized.

**4.18 Contingent Assets and Liabilities**

A contingent asset is disclosed when it is a possible asset that arises from the 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.

A contingent liability is disclosed when it is a possible obligation that arises from the 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.

A contingent assets is disclosed as per IAS 37, where an inflow of or economic benefits is probable. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

The Company has no contingent assets or liabilities which require disclosure under IAS 37. Contingent assets and contingent liabilities are not recognized in the financial statements.

**4.19 Events after the Reporting Period:**

Events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of events can be identified:

- (a) those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and
- (b) those that are indicative of conditions that arose after the reporting period (non-adjusting events after the reporting period)

**4.20 Employee Benefits:**

The Company has accounted for employee benefits in compliance with the provision of IAS 19: Employee Benefits.

During the period the Company has recognized Workers' Profit Participation and Welfare Funds @ 5% on net profit before tax after charging such expenses as per Bangladesh Labour Act 2006 as amended in 2013.

The Nomination and Remuneration Committee (NRC), a sub-committee of Board formed to ensure good governance in the company as per Corporate Governance Code in notification No. BSEC/CMRRCD/2006 of Bangladesh Securities and Exchange Commission reviews all post employee benefits to comply with IAS 19 Employee Benefits and the policies are under implementation which has been approved by the Board.

**4.21 Comparative Information:**

Comparative information has been disclosed in respect of the previous period/year for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period/year financial statements. Previous period/year has been re-arranged/re-stated whenever considered necessary to ensure comparability with the current year presentation as per IAS-1: Presentation of Financial Statements and IAS-8: Accounting Policies, Changes in Accounting Estimates and Errors in notes wherever applicable.

**4.22 Implementation, Relevant Assumptions and Disclosures of IFRS 16:**

IFRS-16: "Leases" has come into force on 01 January, 2019 as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). The Company has applied IFRS-16 as it has entered into contracts for Motor Vehicles & Office Premises that conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**Right-of-Use Assets:**

A Company recognize right of use assets at the inception date which is measured as cost, less any accumulated depreciation. Right of use assets are depreciated on a straight line basis over the lease term. The right of use assets are presented under Non-current Asset in Statement of Financial Position.

**Lease Liability:**

At the commence date of the lease, the company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term using the incremental borrowing rate. Lease liabilities is measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payment.

**5.00 Risk Exposure:**

**5.01 Interest Rate Risk:**

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

**Management Perception:**

Since the Sea Pearl Beach Resort & Spa Limited has not borrowed funds at flexible interest rate, hence, not involved in the interest rate risk. The company has been repaying borrowed funds on a continuous basis.

**5.02 Exchange Rate Risk:**

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

**Management Perception:**

Sea Pearl Beach Resort & Spa Limited management changes the price of their services to cope with the change in exchange rate to mitigate the affect of unfavorable volatility in exchange rate on the Company's earnings.

**5.03 Industry Risks:**

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

**Management Perception:**

The Company continuously carries out research and development (R&D) to keep pace with the customer choices and fashions.

**5.04 Market Risks:**

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

**Management Perception:**

The Company's brand "Royal Tulip Cox's Bazar" has a very strong image in the local and international market. GT Investments BV also have the reputation of providing quality hotel management services. Moreover, the demand for five star hotels in the country is increasing while there are very few five star hotels to meet the demand. Strong brand management and quality service has enabled the company to capture significant market share in the sector. And the company is continuously penetrating into the market and upgrading the quality of their service to minimize the risk.

**5.05 Operational Risks:**

Non-availabilities of materials/equipment/services may affect the smooth operational activities of the Company. On the other hand, the equipment may face operational and mechanical failures due to natural disasters, terrorist attacks, unforeseen events, lack of supervision and negligence, leading to severe accidents and losses.

**Management Perception:**

The Company is equipped with power backup and security (CCTV) systems, which reduce operational risk. Besides, the equipment is under Insurance coverage in order to get reasonable compensation for any damages. Apart from these, routine security check and proper maintenance of the equipment also reduce/eliminate the operational risk.

| Notes       | Particulars                              | 30 June, 2022<br>Taka | 30 June, 2021<br>Taka |
|-------------|--|-----------------------|-----------------------|
| <b>6.00</b> | <b>Property Plant and Equipment:</b>     |                       |                       |
|             | <b>A. Cost:</b>                          |                       |                       |
|             | Opening Balance                          | 5,064,744,388         | 3,333,419,848         |
|             | Addition during the year                 | 378,446,772           | 1,731,324,540         |
|             | Closing Balance                          | <u>5,443,191,160</u>  | <u>5,064,744,388</u>  |
|             | <b>B. Less: Accumulated Depreciation</b> |                       |                       |
|             | Opening Balance                          | 330,208,319           | 252,707,786           |
|             | Addition during the year                 | 118,919,194           | 77,500,533            |
|             | Closing Balance                          | <u>449,127,513</u>    | <u>330,208,319</u>    |
|             | <b>Written Down Value (A-B)</b>          | <u>4,994,063,647</u>  | <u>4,734,536,069</u>  |

A detailed schedule on property, plant & equipment has been given in Annexure-A.

**7.00 Right of Use Asset:**

|  |                   |                   |
|--|-------------------|-------------------|
| <b>A. Cost:</b>                          |                   |                   |
| Opening Balance                          | 21,330,899        | 18,822,766        |
| Addition during the year                 | 21,519,153        | 2,508,133         |
| Closing Balance                          | <u>42,850,052</u> | <u>21,330,899</u> |
| <b>B. Less: Accumulated Depreciation</b> |                   |                   |
| Opening Balance                          | 8,283,240         | 3,582,275         |
| Addition during the year                 | 10,694,104        | 4,700,965         |
| Closing Balance                          | <u>18,977,344</u> | <u>8,283,240</u>  |
| <b>Written down value (A-B)</b>          | <u>23,872,708</u> | <u>13,047,659</u> |

A detailed schedule on Right of Use Asset in accordance with IFRS-16 Leases has been given in Annexure-B.

**8.00 Capital Work-in-Progress:**

|                    |                    |
|--------------------|--------------------|
| <u>988,596,539</u> | <u>795,955,625</u> |
|--------------------|--------------------|

Break-up of above as under :

| Sl. No.      | Particulars                  | Opening Balance as on 01-07- | Addition during the period | Total              | Transfer to Property Plant & Equipment's | Closing Balance as on 30-06-2022 |
|--------------|------------------------------|------------------------------|----------------------------|--------------------|--|----------------------------------|
| 1            | Building & Other Civil Works | 788,640,625                  | 192,640,914                | 981,281,539        | -  | 981,281,539                      |
| 2            | Furniture & Fixture          | -                            | -                          | -                  | -  | -                                |
| 3            | Machineries                  | -                            | -                          | -                  | -  | -                                |
| 4            | Equipment                    | 7,315,000                    | -                          | 7,315,000          | -  | 7,315,000                        |
| <b>Total</b> |                              | <b>795,955,625</b>           | <b>192,640,914</b>         | <b>988,596,539</b> | <b>-</b>                                 | <b>988,596,539</b>               |

The above balance represents cost incurred up to the Statement of Financial Position date for property, plant and

**9.00 Inventories:**

This is made-up as under:

|               |                   |                   |
|---------------|-------------------|-------------------|
| Food          | 9,100,324         | 6,710,965         |
| Beverage      | 10,204,655        | 6,898,272         |
| General Store | 32,345,070        | 27,386,880        |
| <b>Total</b>  | <u>51,650,049</u> | <u>40,996,117</u> |

Quantity wise breakup of Food, Beverage and General Stores has not been given as it was difficult to quantify each item separately and distinct category due to variety of items.

**10.00 Investment in Marketable Securities (Fair Value):**

This is made up as under:

|  | as at 30 June, 2022 |                   |                     | 30 June, 2021     |
|--|---------------------|-------------------|---------------------|-------------------|
|  | Book Value          | Fair Value        | Gain/(Loss)         | Fair Value        |
| ACME Pesticides Limited                          | 400                 | 1,380             | 980                 | -                 |
| British American Tobacco Bangladesh Company Ltd. | 75,318,250          | 62,399,000        | (12,919,250)        | -                 |
| Bangladesh Submarine Cable Company Limited       | 5,446,904           | 5,405,000         | (41,904)            | -                 |
| Oimex Electrode Ltd.                             | -                   | -                 | -                   | 19,920,699        |
| <b>Total</b>                                     | <b>80,765,554</b>   | <b>67,805,380</b> | <b>(12,960,174)</b> | <b>19,920,699</b> |

| Notes | Particulars | 30 June, 2022<br>Taka | 30 June, 2021<br>Taka |
|-------|-------------|-----------------------|-----------------------|
|-------|-------------|-----------------------|-----------------------|

**11.00 Trade and Other Receivables:**

This is made-up as under:

|                      |                   |                   |
|----------------------|-------------------|-------------------|
| Trade Receivable-Net | 71,763,624        | 64,442,946        |
| <b>Total</b>         | <b>71,763,624</b> | <b>64,442,946</b> |

This is considered good and is falling due within one year. Classification schedule as required by Schedule XI of Companies Act 1994 are as follows:

| Sl. No.      | Particulars  | Amount in (Tk.)   | Amount in (Tk.)   |
|--------------|--|-------------------|-------------------|
| i            | Debts considered good and in respect of which the company is fully secured.  | -                 | -                 |
| ii           | Debts considered good for which the company holds no security other than the debtor personal security for individual guests & for corporate guest credit is secured by corporate agreement including blank cheque.   | 71,763,624        | 64,442,946        |
| iii          | Debts considered doubtful or bad.  | -                 | -                 |
| iv           | Debts due by any director or other officer of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member to be separately stated. | -                 | -                 |
| v            | Debts due by companies under the same management to be disclosed with the names of the companies.  | -                 | -                 |
| vi           | The maximum amount due by directors or other officer of the company at the time during the period to be shown by way of a note.  | -                 | -                 |
| <b>Total</b> |  | <b>71,763,624</b> | <b>64,442,946</b> |

The aging of above trade receivable is as follows:

|   |                   |                   |
|---|-------------------|-------------------|
| Less than three months                      | 51,975,547        | 6,411,454         |
| Above three months but less than six months | 14,897,456        | 53,012,568        |
| Above six months                            | 4,890,621         | 5,018,924         |
| <b>Total</b>                                | <b>71,763,624</b> | <b>64,442,946</b> |

**12.00 Advances, Deposits and Pre-payments:**

This is made-up as under:

|                                |                    |                    |
|--------------------------------|--------------------|--------------------|
| Advances (Note-12.01)          | 197,184,722        | 186,033,963        |
| Security Deposits (Note-12.03) | 10,563,900         | 10,563,900         |
| Pre-payments                   | 568,573            | 2,598,311          |
| <b>Total</b>                   | <b>208,317,195</b> | <b>199,196,174</b> |

**12.01 Advances:**

This is made-up as under:

|                                 |                    |                    |
|---------------------------------|--------------------|--------------------|
| Advance Income Tax (Note-12.02) | 8,290,062          | 23,317,764         |
| Advance to Parties/Suppliers    | 175,346,882        | 152,448,337        |
| Advance to Employees            | 74,950             | 95,034             |
| Advance against Land            | 5,450,000          | 5,450,000          |
| Advance to Bandarban Project    | 3,977,551          | 3,977,551          |
| Others                          | 4,045,277          | 745,277            |
| <b>Total</b>                    | <b>197,184,722</b> | <b>186,033,963</b> |

**12.02 Advance Income Tax:**

This is made-up as under:

|  |                  |                   |
|--|------------------|-------------------|
| Opening  | 23,317,764       | 19,206,349        |
| Add: Income tax during the year                  | 4,178,647        | 4,111,415         |
| Less: Income tax paid/adjustment during the year | (19,206,349)     | -                 |
| <b>Closing Balance</b>                           | <b>8,290,062</b> | <b>23,317,764</b> |

**12.03 Security Deposits:**

This consists of as follows:

|                                       |                   |                   |
|---------------------------------------|-------------------|-------------------|
| Security Deposit-REB                  | 9,580,000         | 9,580,000         |
| T & T                                 | 3,500             | 3,500             |
| Ansar Guard                           | 455,400           | 455,400           |
| Gawsia Traders                        | 10,000            | 10,000            |
| Cox's Bazar Pally Bidyut Samity       | 15,000            | 15,000            |
| Central Depository Bangladesh Limited | 500,000           | 500,000           |
| <b>Total</b>                          | <b>10,563,900</b> | <b>10,563,900</b> |

| Notes        | Particulars                                     | 30 June, 2022<br>Taka | 30 June, 2021<br>Taka |
|--------------|---|-----------------------|-----------------------|
| <b>13.00</b> | <b>Cash &amp; Cash Equivalents:</b>             |                       |                       |
|              | This consists of as follows:                    |                       |                       |
|              | Cash in Hand                                    | 1,220,734             | 489,323               |
|              | Cash in Transits                                | 647,982               | 6,206,319             |
|              | Cash at Bank                                    | 66,874,979            | 156,159,981           |
|              | <b>Total</b>                                    | <b>68,743,695</b>     | <b>162,855,623</b>    |
| <b>A.</b>    | <b>Corporate Office:</b>                        |                       |                       |
|              | Cash in Hand                                    | 30,215                | 35,825                |
|              | Cash at Bank:                                   |                       |                       |
|              | This is made-up as under:                       |                       |                       |
|              | <b>Bank Name &amp; Account Number:</b>          |                       |                       |
|              | Prime Bank Ltd., A/C CD 17411060002770          | 153,526               | 8,281,128             |
|              | Prime Bank Ltd., A/C CD 13211060017092          | 223,127               | 462,039               |
|              | Prime Bank Ltd., A/C CD 8730                    | 25,945                | 66,795                |
|              | Prime Bank Ltd., A/C CD 33826                   | 2,455,806             | 1,136,960             |
|              | Prime Bank Ltd., A/C SND 9630                   | 239,771               | 239,762               |
|              | Prime Bank Ltd., A/C SND 9537                   | 64,527                | 65,154                |
|              | Prime Bank Ltd., IPO A/C BDT 30420              | 1,797,447             | 1,793,296             |
|              | Eastern Bank Ltd A/C CD -1161360084794          | 68,083                | 68,383                |
|              | Mercantile A/C CD - 96205                       | 576,363               | 578,548               |
|              | UCBL A/C CD 0828                                | 2,329,416             | 46,667                |
|              | Islami Bank Ltd., A/C CD 306                    | 182,547               | 183,042               |
|              | Modhumoti Bank Ltd., A/C RCD 225                | 4,795                 | 830                   |
|              | Alpha Capital Management Limited                | 11,049                | 46,346                |
|              | First Security Islami Capital & Investment Ltd. | 999,255               | 18,584,721            |
|              | AB Securities Ltd.                              | 613,091               | -                     |
|              | The Premier Bank Ltd., A/C SND 3009             | 152,399               | -                     |
|              | The Premier Bank Ltd., A/C SND 3010             | 336,052               | -                     |
|              | The Premier Bank Ltd., A/C CD 80357             | 110,018               | 955,678               |
|              | The Premier Bank Ltd., A/C CD 82182             | 773,571               | -                     |
|              | The Premier Bank Ltd., A/C OD 2018              | -                     | 24,103,664            |
|              | The Premier Bank Ltd., A/C CD 79023             | 262,159               | 78,788                |
|              | The Premier Bank Ltd., A/C SND 2959             | 684,868               | 58,526                |
|              | The Premier Bank Ltd., A/C SND 2988             | 4,841                 | 5,889                 |
|              | The Premier Bank Ltd., A/C CD 1130              | 111                   | -                     |
|              | The Premier Bank Ltd., A/C CD 1131              | 111                   | -                     |
|              | <b>Total</b>                                    | <b>12,068,878</b>     | <b>56,756,216</b>     |
| <b>B.</b>    | <b>Cox's Bazar:</b>                             |                       |                       |
|              | Cash in Hand                                    | 1,190,519             | 453,498               |
|              | Cash-in-Transits:                               |                       |                       |
|              | This is made-up as under:                       |                       |                       |
|              | City Bank Ltd.                                  | 206,185               | 52,955                |
|              | DBBL  | 229,625               | 35,628                |
|              | Brac Bank Ltd.                                  | 212,172               | 17,736                |
|              | Prime Bank Ltd.                                 | -                     | 6,100,000             |
|              | <b>Total</b>                                    | <b>647,982</b>        | <b>6,206,319</b>      |
|              | Cash at Bank:                                   |                       |                       |
|              | This is made-up as under:                       |                       |                       |
|              | <b>Bank Name &amp; Account Number:</b>          |                       |                       |
|              | Prime Bank Ltd., A/C 12017                      | 11,450,301            | 11,699,945            |
|              | Prime Bank Ltd., A/C 22433                      | 4,935,429             | 5,265,780             |
|              | National Credit & Commerce Bank Ltd., A/C 26465 | 7,723,560             | 171,629               |
|              | Dutch Bangla Bank Ltd., A/C 32500               | 3,610,959             | 17,967,236            |
|              | City Bank Ltd., A/C 4001                        | 10,656,802            | 5,161,067             |
|              | City Bank Ltd., Gulshan Br., A/C 3001           | 2,606,825             | 9,952,000             |
|              | Bank Asia Ltd., A/C 0018                        | 97,505                | 97,850                |
|              | Agrani Bank Ltd., A/C 4459                      | 1,423,611             | 1,427,761             |
|              | Rupali Bank Ltd., A/C 10489                     | 7,326                 | 42,607,671            |
|              | The Premier Bank Ltd., A/C SND 164              | 12,293,783            | 5,052,826             |
|              | <b>Total</b>                                    | <b>54,806,101</b>     | <b>99,403,765</b>     |
|              | <b>Total (A+B)</b>                              | <b>68,743,695</b>     | <b>162,855,623</b>    |

| Notes                                      | Particulars | 30 June, 2022        | 30 June, 2021        |
|--|-------------|----------------------|----------------------|
|  |             | Taka                 | Taka                 |
| <b>14.00 Share Capital:</b>                |             |                      |                      |
| <b>A. Authorized Share Capital:</b>        |             |                      |                      |
| 200,000,000 Ordinary Shares of Tk. 10 each |             | 2,000,000,000        | 2,000,000,000        |
| <b>Total</b>                               |             | <b>2,000,000,000</b> | <b>2,000,000,000</b> |

|   |  |                      |                      |
|---|--|----------------------|----------------------|
| <b>B. Issued, Subscribed and Paid-up Capital:</b> |  |                      |                      |
| Ordinary Shares of Tk. 10 each fully paid         |  | 1,207,500,000        | 1,207,500,000        |
| <b>Total</b>                                      |  | <b>1,207,500,000</b> | <b>1,207,500,000</b> |

**C. Shareholding Position:**

The shareholding of each class of equity security setting out the number of holders and percentage are as follows:

| Category of Shareholder              | % of Shares |             | Number of Shares   |                    |
|--------------------------------------|-------------|-------------|--------------------|--------------------|
|                                      | 30-06-2022  | 30-06-2021  | 30-06-2022         | 30-06-2021         |
| Sponsors and Directors               | 46.83%      | 46.83%      | 56,550,900         | 56,550,900         |
| Companies and Financial Institutions | 26.64%      | 30.20%      | 32,165,324         | 36,463,359         |
| Foreign Individual and Companies     | 0.24%       | 0.19%       | 288,225            | 226,009            |
| General Public                       | 26.29%      | 22.78%      | 31,745,551         | 27,509,732         |
| <b>Total</b>                         | <b>100%</b> | <b>100%</b> | <b>120,750,000</b> | <b>120,750,000</b> |

**D. Detailed brake-up of share issued:**

Disclosure regarding the date of issue of shares is detailed below:

| Particulars   | Basis of Consideration |                        |                    | Total Number of Share Issued | Amint in Taka        |
|---|------------------------|------------------------|--------------------|------------------------------|----------------------|
|   | In Cash (Nos.)         | Other Than Cash (Nos.) | Bonus Share (Nos.) |                              |                      |
| Subscription to the Memorandum & Articles of Association at the time of incorporation | 250,000                | -                      | -                  | 250,000                      | 2,500,000            |
| Issue as on April 27, 2014  | 6,000,000              | -                      | -                  | 6,000,000                    | 60,000,000           |
| Issue as on June 29, 2017   | 2,250,000              | -                      | -                  | 2,250,000                    | 22,500,000           |
| Issue as on August 23, 2017   | 48,699,949             | -                      | -                  | 48,699,949                   | 486,999,490          |
| Issue as on March 22, 2018  | 42,800,051             | -                      | -                  | 42,800,051                   | 428,000,510          |
| Issue as on May 23, 2019  | 15,000,000             | -                      | -                  | 15,000,000                   | 150,000,000          |
| Issue as on December 26, 2019   | -                      | -                      | 5,750,000          | 5,750,000                    | 57,500,000           |
| <b>Total</b>  | <b>115,000,000</b>     | <b>-</b>               | <b>5,750,000</b>   | <b>120,750,000</b>           | <b>1,207,500,000</b> |

**E. Distribution schedule of each class of equity security as on 30 June, 2022 setting out the number of holders and percentage:**

| Shareholding Range    | 30 June, 2022          |                    |               | 30 June, 2021          |                    |               |
|-----------------------|------------------------|--------------------|---------------|------------------------|--------------------|---------------|
|                       | Number of Shareholders | No. of Shares      | Ownership (%) | Number of Shareholders | No. of Shares      | Ownership (%) |
| 0000000001-0000010000 | 4,287                  | 6,060,158          | 5.02%         | 3,467                  | 4,970,598          | 4.12%         |
| 0000010001-0000020000 | 191                    | 2,890,137          | 2.39%         | 160                    | 2,388,888          | 1.98%         |
| 0000020001-0000030000 | 93                     | 2,349,134          | 1.95%         | 57                     | 1,418,443          | 1.17%         |
| 0000030001-0000040000 | 24                     | 866,175            | 0.72%         | 25                     | 901,606            | 0.75%         |
| 0000040001-0000050000 | 18                     | 859,287            | 0.71%         | 20                     | 924,576            | 0.77%         |
| 0000050001-0000060000 | 14                     | 786,373            | 0.65%         | 14                     | 768,628            | 0.64%         |
| 0000060001-0000070000 | 11                     | 719,763            | 0.60%         | 10                     | 661,252            | 0.55%         |
| 0000070001-0000080000 | 8                      | 606,344            | 0.50%         | 12                     | 900,995            | 0.75%         |
| 0000080001-0000090000 | 5                      | 427,234            | 0.35%         | 5                      | 424,935            | 0.35%         |
| 0000090001-1000000000 | 71                     | 105,185,395        | 87.11%        | 79                     | 107,390,079        | 88.94%        |
| <b>Total</b>          | <b>4,722</b>           | <b>120,750,000</b> | <b>100%</b>   | <b>3,849</b>           | <b>120,750,000</b> | <b>100%</b>   |

The closing share price of Sea Pearl Beach Resort & Spa Limited in Dhaka Stock Exchange was BDT 43.70 & 42.70 per share on 30 June, 2022 & 30 June, 2021 respectively. Whereas the closing share price in Chittagong Stock Exchange was BDT 43.70 & 43.20 per share on 30 June, 2022 & 30 June, 2021 respectively.

| Notes                              | Particulars  | 30 June, 2022        | 30 June, 2021        |
|------------------------------------|--|----------------------|----------------------|
|                                    |  | Taka                 | Taka                 |
| <b>15.00 Retained Earnings:</b>    |  |                      |                      |
|                                    | This is made-up as under:                                  |                      |                      |
|                                    | Opening Balance  | 76,988,600           | 7,022,392            |
|                                    | Add: Net Profit during the year                            | 161,338,516          | 73,683,031           |
|                                    | Less: Cash Dividend  | (12,075,000)         | (6,419,910)          |
|                                    | Prior year Adjustments                                     | -                    | 2,703,087            |
|                                    | <b>Total</b>   | <b>226,252,116</b>   | <b>76,988,600</b>    |
| <b>16.00 Fair Value Reserve:</b>   |  |                      |                      |
|                                    | This is made-up as under:                                  |                      |                      |
|                                    | Opening Balance  | (890,336)            | -                    |
|                                    | Prior year Adjustments                                     | -                    | (2,703,087)          |
|                                    | Change in Fair Value                                       | (12,069,838)         | 1,812,751            |
|                                    | <b>Total</b>   | <b>(12,960,174)</b>  | <b>(890,336)</b>     |
| <b>17.00 Long Term Borrowings:</b> |  |                      |                      |
|                                    | This is made-up as under:                                  |                      |                      |
|                                    | <b>Premier Leasing &amp; Finance Limited:</b>              |                      |                      |
|                                    | Non-Current Portion of Long Term Borrowings                | -                    | -                    |
|                                    | Current Portion of Long Term Borrowings                    | -                    | 803,177              |
|                                    | <b>Sub-Total (A)</b>                                       | <b>-</b>             | <b>803,177</b>       |
|                                    | <b>IPDC Finance Limited:</b>                               |                      |                      |
|                                    | Non-Current Portion of Long Term Borrowings                | 15,966,547           | -                    |
|                                    | Current Portion of Long Term Borrowings                    | 6,374,112            | -                    |
|                                    | <b>Sub-Total (B)</b>                                       | <b>22,340,659</b>    | <b>-</b>             |
|                                    | <b>The Premier Bank Limited:</b>                           |                      |                      |
|                                    | Non-Current Portion of Long Term Borrowings                | 2,268,464            | 4,444,324            |
|                                    | Current Portion of Long Term Borrowings                    | 2,239,656            | 2,239,656            |
|                                    | <b>Sub-Total (C)</b>                                       | <b>4,508,120</b>     | <b>6,683,980</b>     |
|                                    | <b>SPBRSL 20% Convertible Secured Bond:</b>                |                      |                      |
|                                    | Non-Current Portion of SPBRSL 20% Convertible Secured Bond | 3,749,194,857        | 3,589,022,608        |
|                                    | Current Portion of SPBRSL 20% Convertible Secured Bond     | 982,430,644          | 982,430,644          |
|                                    | <b>Sub-Total (D)</b>                                       | <b>4,731,625,501</b> | <b>4,571,453,252</b> |
|                                    | <b>Total (A+B+C+D)</b>                                     | <b>4,758,474,280</b> | <b>4,578,940,409</b> |

Main features of SPBRSL 20% Convertible Secured Bond is as follows:

| Particulars | Details  |
|-------------|--|
| Nature      | SPBRSL 20% Convertible Secured Bond  |
| Face Value  | Tk. 10,000,000 per unit  |
| Purpose     | To refinance the existing debts, as well as to finance completion of the Royal Tulip Sea Pearl Beach Resort & Spa, Cox's Bazar of Sea Pearl Beach Resort & Spa Ltd.              |
| Tenure      | 8 years from the date of issue, including 2 years moratorium period for both principal and interest payment (from 31.10.2017).   |
| Repayment   | The bond will be redeemed semi-annually, at the end of 30th, 36th, 42nd, 48th, 54th, 60th, 66th, 72nd, 78th, 84th, 90th and 96th month from the date of Issue (from 31.10.2017). |
| Coupon Rate | 10.00% p.a.  |
| Trustee     | Green Delta Insurance Company Ltd.   |
| Investors   | Investment Corporation of Bangladesh   |
| Security    | First right registered mortgage of Hotel properties, i.e. floor space, proportionate land and machinery & equipment of Sea Pearl Beach Resort & Spa, Cox's Bazar                 |

| Notes | Particulars | 30 June, 2022 | 30 June, 2021 |
|-------|-------------|---------------|---------------|
|       |             | Taka          | Taka          |

Main features of finance from The Premier Bank Limited is as under:

| Particulars      | Details   |
|------------------|---|
| Nature           | Term Finance  |
| Purpose          | For Vehicle Purpose   |
| Tenure           | Four years  |
| Repayment        | From Hotel Revenue  |
| Rate of Interest | 9% p.a.   |
| Security         | Personal guarantee of Directors & ownership of the vehicles.  |
| Security         | 40 decimals land in the name of Aminul Haque Shamim & 43 decimals land in the name of Shamim Enterprise (Pvt.), Personal guarantee o all Directors of SPBRSL and Corporate guarantee of Shamim Enterprise (Pvt.) Ltd. |

Main features of finance from IPDC Finance Limited is as under:

| Particulars      | Details                         |
|------------------|---------------------------------|
| Nature           | Term Finance                    |
| Purpose          | Business Expansion              |
| Tenure           | Five years                      |
| Repayment        | From Hotel Revenue              |
| Rate of Interest | 10% p.a.                        |
| Security         | Personal Guarantee of Directors |

#### 18.00 Lease Liability:

This is made-up as under:

|   |                   |                  |
|---|-------------------|------------------|
| Lease Liability-Vehicle (Note 18.01)      | 2,562,418         | 5,228,608        |
| Lease Liability-Office Space (Note 18.02) | 14,495,907        | 2,125,537        |
| <b>Total</b>                              | <b>17,058,325</b> | <b>7,354,145</b> |

Current/Non-Current Portion Classification:

|  |                   |                  |
|--|-------------------|------------------|
| Non-Current Portion of Lease Liability | 1,378,173         | 2,149,119        |
| Current Portion of Lease Liability     | 15,680,152        | 5,205,026        |
| <b>Total</b>                           | <b>17,058,325</b> | <b>7,354,145</b> |

#### 18.01 Lease Liability-Vehicle:

This is made-up as under:

|                      |                  |                  |
|----------------------|------------------|------------------|
| IPDC Finance Limited | 1,694,400        | 2,777,268        |
| Rangs Motors Limited | 868,018          | 2,451,340        |
| <b>Total</b>         | <b>2,562,418</b> | <b>5,228,608</b> |

Main features of finance from IPDC Finance Limited is as under:

| Particulars      | Details   |
|------------------|---|
| Nature           | Lease Finance   |
| Purpose          | For Procure Vehicle for Business Purpose                            |
| Tenure           | Four years  |
| Repayment        | From Hotel Revenue  |
| Rate of Interest | 15.00% p.a.   |
| Security         | Personal Guarantee of Directors & Ownership of the Leased Vehicles. |

#### 18.02 Lease Liability-Office/Hotel Space:

This is made-up as under:

|                                      |                   |                  |
|--------------------------------------|-------------------|------------------|
| Office Space-Corporate Office        | -                 | 1,306,032        |
| Office Space-Blue Bay Resort         | 195,630           | 755,682          |
| Office Space-Chattogram Sales Office | -                 | 63,823           |
| Hotel Space-La Villa Western         | 14,300,277        | -                |
| <b>Total</b>                         | <b>14,495,907</b> | <b>2,125,537</b> |

| Notes | Particulars | 30 June, 2022 | 30 June, 2021 |
|-------|-------------|---------------|---------------|
|       |             | Taka          | Taka          |

**19.00 Deferred Tax Liabilities:**

This has been arrived as under:

**30 June, 2022:**

| Particulars   | Carrying Amount | Tax Base      | Taxable / (Deductible) Temporary Difference | Tax Rate | Deferred Tax (Assets)/ Liability |
|---|-----------------|---------------|---|----------|----------------------------------|
| Property, Plant and Equipment                                 | 4,746,167,206   | 3,228,842,576 | 1,517,324,630                               | 20.00%   | 303,464,926                      |
| Unused Tax Loss (Note-29.01)                                  | -               | 1,091,423,479 | (1,091,423,479)                             | 20.00%   | (218,284,696)                    |
| <b>Deferred Tax (Assets)/Liability at the end of the year</b> |                 |               |   |          | <b>85,180,230</b>                |

**30 June, 2021:**

| Particulars   | Carrying Amount | Tax Base      | Taxable / (Deductible) Temporary Difference | Tax Rate | Deferred Tax (Asset)/Liability |
|---|-----------------|---------------|---|----------|--------------------------------|
| Property, Plant and Equipment                                 | 4,531,665,114   | 3,305,748,861 | 1,225,916,253                               | 22.50%   | 275,831,157                    |
| Unused Tax Loss (Note-29.01)                                  | -               | 994,758,424   | (994,758,424)                               | 22.50%   | (223,820,645)                  |
| <b>Deferred Tax (Assets)/Liability at the end of the year</b> |                 |               |   |          | <b>52,010,512</b>              |

**Deferred Tax Expenses/(Benefit) during the year:**

|   |                   |                   |
|---|-------------------|-------------------|
| Closing Deferred Tax (Assets)/Liabilities | 85,180,230        | 52,010,512        |
| Opening Deferred Tax (Assets)/Liabilities | 52,010,512        | 33,913,397        |
| <b>Deferred Tax Expenses/(Benefit)</b>    | <b>33,169,718</b> | <b>18,097,115</b> |

**20.00 Short Term Borrowings:**

This consists of as follows:

|  |                    |                   |
|--|--------------------|-------------------|
| Premier Bank Ltd., Banani Branch, SOD Account No. 2018 | 113,945,345        | -                 |
| Premier Bank Ltd., Banani Branch, OD Account No. 0001  | -                  | 39,486,711        |
| <b>Total</b>   | <b>113,945,345</b> | <b>39,486,711</b> |

Main features of SOD loan of Premier Bank Ltd. Banani Branch, Account No. 2018 is as follows:

| Particulars      | Details  |
|------------------|--|
| Nature           | Short Term Loan  |
| Purpose          | Working Capital Investment                                 |
| Tenure           | One year   |
| Repayment        | From Hotel Revenue   |
| Rate of Interest | 9.00% p.a.   |
| Security         | Corporate Guarantee & 28,98 sq. ft. flat at Gulshan, Dhaka |

Main features of OD loan of Premier Bank Ltd. Banani Branch, Account No. 0001 is as follows:

| Particulars      | Details  |
|------------------|--|
| Nature           | Short Term Loan  |
| Purpose          | Working Capital  |
| Tenure           | One year   |
| Repayment        | From Hotel Revenue   |
| Rate of Interest | 9.00% p.a. (4.5% of the interest shall be subsidy interest for a period of one year as per BRPD Circular No.8 dated: 12.04.2020) |
| Security         | Simple Charges on Fixed and Floating Asset   |

**21.00 Dividend Payable:**

This consists of as follows:

|                               |                   |                  |
|-------------------------------|-------------------|------------------|
| Opening Balance               | 951,771           | -                |
| Add: Approved during the year | 12,075,000        | 6,419,910        |
|                               | <b>13,026,771</b> | <b>6,419,910</b> |
| Less: Paid during the year    | 12,130,392        | 5,468,139        |
| <b>Total</b>                  | <b>896,379</b>    | <b>951,771</b>   |

| Notes | Particulars | 30 June, 2022 | 30 June, 2021 |
|-------|-------------|---------------|---------------|
|       |             | Taka          | Taka          |

Detail of Dividend Payable:

| Financial Year | Amount in Tk.  | Amount in Tk.  |
|----------------|----------------|----------------|
| 2019-2020      | 110,721        | 951,771        |
| 2020-2021      | 785,658        | -              |
| <b>Total</b>   | <b>896,379</b> | <b>951,771</b> |

The above dividend payable amount represents for which dividend warrant issued to respective shareholders but not yet presented it to our bank account.

**22.00 Accounts and Other Payables:**

This consists of as follows:

Payable for Goods and Services  
Payable for Property, Plant & Equipment  
**Total**

|                  |                  |
|------------------|------------------|
| 5,547,031        | 3,102,552        |
| -                | 400,631          |
| <b>5,547,031</b> | <b>3,503,183</b> |

**23.00 Accruals and Provisions:**

This consists of as follows:

TDS, VAT, Duty & Service Charges Payable  
Provision for Income Tax (Note-23.01)  
Workers' Profit Participation Fund (Note 23.02)  
Franchise Fees (Note 23.03)  
Accrued Expenses and Liabilities  
Statutory Audit Fees  
CG Certification Fees  
Others  
**Total**

|                   |                   |
|-------------------|-------------------|
| 13,483,929        | 565,082           |
| 24,542,329        | 19,027,088        |
| 10,001,174        | 4,778,768         |
| -                 | 21,676,543        |
| 17,529,459        | 14,631,971        |
| 375,000           | 375,000           |
| 30,000            | 30,000            |
| 6,957,414         | 4,021,465         |
| <b>72,919,305</b> | <b>65,105,917</b> |

**23.01 Provision for Income Tax:**

This consists of as follows:

Opening Balance  
Add: Provided during the year  
  
Less: Paid/Adjusted during the year  
**Closing Balance**

|                   |                   |
|-------------------|-------------------|
| 19,027,088        | 15,231,875        |
| 5,515,241         | 3,795,213         |
| <b>24,542,329</b> | <b>19,027,088</b> |
| -                 | -                 |
| <b>24,542,329</b> | <b>19,027,088</b> |

**23.02 Workers' Profit Participation Fund:**

This consists of as follows:

Opening Balance  
Add: Provided during the year  
  
Less: Paid during the year  
**Closing Balance**

|                   |                  |
|-------------------|------------------|
| 4,778,768         | -                |
| 10,001,174        | 4,778,768        |
| <b>14,779,942</b> | <b>4,778,768</b> |
| (4,778,768)       | -                |
| <b>10,001,174</b> | <b>4,778,768</b> |

**23.03 Franchise Fees:**

This consists of as follows:

Opening Balance  
Add: Provided during the year  
  
Less: Adjustment during the year  
**Closing Balance**

|                   |                   |
|-------------------|-------------------|
| 21,676,543        | 16,860,930        |
| -                 | 4,815,613         |
| <b>21,676,543</b> | <b>21,676,543</b> |
| (21,676,543)      | -                 |
| <b>-</b>          | <b>21,676,543</b> |

| Notes | Particulars | Year Ended    |               |
|-------|-------------|---------------|---------------|
|       |             | 30 June, 2022 | 30 June, 2021 |
|       |             | Taka          | Taka          |

#### 24.00 Operating Revenues

This consists of as follows:

|                                    |                    |                    |
|------------------------------------|--------------------|--------------------|
| Room Revenue                       | 312,425,894        | 275,177,861        |
| Food & Beverage Revenue            | 292,627,658        | 212,243,678        |
| Minor Operating Department Revenue | 18,854,458         | 32,269,918         |
| Space Rent and Other Revenue       | 30,275,520         | 9,494,302          |
| Cruise Ship Revenue                | 15,989,196         | -                  |
| Water Park Revenue                 | 256,354,751        | 114,759,038        |
| <b>Total</b>                       | <b>926,527,477</b> | <b>643,944,797</b> |

#### 25.00 Costs of Sales:

This consists of as follows:

|  |                    |                    |
|--|--------------------|--------------------|
| Salary & Wages                             | 45,881,596         | 49,122,612         |
| Cost of Materials & Other Related Expenses | 59,499,905         | 51,665,543         |
| Operating and Guest Supplies               | 10,808,806         | 8,949,748          |
| Laundry, Dry Cleaning and Uniforms         | 6,073,238          | 4,925,515          |
| Kitchen Fuel & Gas                         | 6,533,504          | 5,984,464          |
| Complementary Guest Services               | 1,510,466          | 1,665,040          |
| Linen, China, Glass & Silver               | 2,067,514          | 1,827,466          |
| In-House TV, Video, Movies, Music          | 499,500            | 464,900            |
| Travel Agents' Commission                  | 1,044,894          | 798,008            |
| Travelling and Communication               | 2,234,513          | 1,797,047          |
| Pest Control                               | 1,005,000          | 1,195,125          |
| Postage                                    | 120,537            | 94,398             |
| Spa Cost                                   | 268,286            | 276,240            |
| Cruise Ship Expenses                       | 3,217,559          | -                  |
| Cleaning Supplies-Water Park               | 5,905,784          | 3,631,983          |
| Others                                     | 1,203,397          | 1,420,722          |
| <b>Total</b>                               | <b>147,874,499</b> | <b>133,818,811</b> |

#### 26.00 Administrative and Other Expenses:

This consist of the followings:

|  |                    |                    |
|--|--------------------|--------------------|
| Administrative and General Expenses (Note 26.01)           | 164,367,829        | 126,652,049        |
| Repairs & Maintenances and Property Operation (Note 26.02) | 63,463,457         | 66,963,963         |
| <b>Total</b>   | <b>227,831,286</b> | <b>193,616,012</b> |

#### 26.01 Administrative and General Expenses:

This consist of the followings:

|                                   |            |            |
|-----------------------------------|------------|------------|
| Salaries, Wages, Bonus & Benefits | 20,160,672 | 21,486,436 |
| Postage                           | 120,537    | 74,398     |
| Travel & Communication            | 947,418    | 814,219    |
| Entertainment                     | 518,837    | 386,563    |
| Security Services                 | 57,426     | 60,104     |
| Internet Expenses                 | 1,010,164  | 891,812    |
| Licenses & Taxes                  | 1,947,130  | 1,951,014  |
| Donation                          | 452,100    | 427,876    |
| Telephone Expenses                | 978,490    | 800,658    |
| Credit Card Commission            | 5,056,701  | 5,307,106  |
| Statutory Audit Fees              | 375,000    | 375,000    |
| CG Certification Fees             | 30,000     | 30,000     |
| Legal & Profession Fees           | 560,000    | 530,000    |

| Notes | Particulars        | Year Ended         |                    |
|-------|--------------------|--------------------|--------------------|
|       |                    | 30 June, 2022      | 30 June, 2021      |
|       |                    | Taka               | Taka               |
|       | Insurance Expenses | -                  | 4,148,737          |
|       | Franchise Fees     | -                  | 4,815,613          |
|       | Board Meeting Fees | 252,000            | 210,000            |
|       | Trustee Fees       | 600,000            | 600,000            |
|       | Depreciation       | 129,613,298        | 82,201,498         |
|       | Other Expenses     | 1,688,056          | 1,541,015          |
|       | <b>Total</b>       | <b>164,367,829</b> | <b>126,652,049</b> |

**26.02 Repairs & Maintenances and Property Operation:**

This consist of the followings:

|                                   |                   |                   |
|-----------------------------------|-------------------|-------------------|
| Salaries, Wages, Bonus & Benefits | 8,400,280         | 9,922,295         |
| Travel & Communication            | 126,751           | 103,171           |
| Electricity Expenses              | 38,377,086        | 37,185,487        |
| Fuel-Oil                          | 8,258,439         | 8,224,891         |
| Repair & Maintenances             | 5,648,802         | 8,667,276         |
| Laundry Equipment                 | 1,505,026         | 1,745,803         |
| Water Treatment                   | 764,411           | 660,614           |
| Other Expenses                    | 382,662           | 454,426           |
| <b>Total</b>                      | <b>63,463,457</b> | <b>66,963,963</b> |

**27.00 Distribution & Selling Expenses:**

This consist of the followings:

|                                   |                   |                   |
|-----------------------------------|-------------------|-------------------|
| Salaries, Wages, Bonus & Benefits | 7,560,252         | 7,881,780         |
| Rent & Service Charges            | 1,042,667         | 974,747           |
| Advertising & Promotion           | 911,721           | 822,561           |
| Signs, Events & Functions         | 543,082           | 599,508           |
| <b>Total</b>                      | <b>10,057,722</b> | <b>10,278,596</b> |

**28.00 Net Finance Cost:**

This consist of the followings:

|  |                    |                    |
|--|--------------------|--------------------|
| Bank Charges & Commission                          | 326,984            | 376,811            |
| Interest on Short and Long Term Secured Borrowings | 335,131,863        | 211,479,861        |
| Interest Expenses on Vehicle Lease                 | 627,372            | 416,481            |
| Interest Expenses on Office/Hotel Space            | 685,146            | 233,895            |
|  | <b>336,771,365</b> | <b>212,507,048</b> |
| Less: Bank Interest                                | (751,891)          | (698,675)          |
| <b>Total</b>                                       | <b>336,019,474</b> | <b>211,808,373</b> |

**29.00 Income Tax Expenses/(Benefit):**

This has been arrived as under:

|                                    |                   |                   |
|------------------------------------|-------------------|-------------------|
| Current Tax Expenses (Note: 29.01) | 5,515,241         | 3,795,213         |
| Tax on Other Income                | -                 | -                 |
| Deferred Tax Expenses/(Benefit)    | 33,169,718        | 18,097,115        |
| <b>Total</b>                       | <b>38,684,959</b> | <b>21,892,328</b> |

| Notes | Particulars | Year Ended    |               |
|-------|-------------|---------------|---------------|
|       |             | 30 June, 2022 | 30 June, 2021 |
|       |             | Taka          | Taka          |

#### 29.01 Current Tax Expenses:

This has been arrived as under:

|   |                      |                      |
|---|----------------------|----------------------|
| Net Profit/(Loss) before Tax                          | 200,023,475          | 95,575,359           |
| Other Income  | (5,280,153)          | (5,931,122)          |
| Workers Profit Participation Fund                     | -                    | 4,778,768            |
| Payment of Workers' Profit Participant Fund           | -                    | -                    |
| Add: Accounting Depreciation                          | 118,919,194          | 77,500,533           |
| Less: Tax Depreciation                                | (410,327,571)        | (410,272,707)        |
| <b>Taxable Current Profit/(Loss)</b>                  | <b>(96,665,055)</b>  | <b>(238,349,169)</b> |
| <b>Income Tax Rate</b>                                | <b>20.00%</b>        | <b>22.50%</b>        |
| <b>Current Tax Expenses</b>                           | <b>-</b>             | <b>-</b>             |
| <b>But Minimum tax@ 0.6% on Gross Receipts</b>        | <b>5,515,241</b>     | <b>3,655,471</b>     |
| Unused Tax (Profit)/Loss-Opening Balance              | 994,758,424          | 756,409,255          |
| Unused Tax (Profit)/Loss-during the period            | 96,665,055           | 238,349,169          |
| <b>Unused Tax Loss Carry forwarded to next period</b> | <b>1,091,423,479</b> | <b>994,758,424</b>   |

#### 30.00 Earnings per Share (EPS):

The computation of EPS is given below:

|   |             |             |
|---|-------------|-------------|
| Earning Attributable to the Shareholders (Net Profit after Tax) | 161,338,516 | 73,683,031  |
| Weighted Average Number of Shares                               | 120,750,000 | 120,750,000 |
| <b>Basic Earning per Share (EPS)</b>                            | <b>1.34</b> | <b>0.61</b> |
| (Face Value per Share Tk.10)                                    |             |             |

#### 31.00 Net Asset Value per Share (NAVPS):

This has been arrived as under:

|  |                      |                      |
|--|----------------------|----------------------|
| Total Assets                             | 6,474,812,837        | 6,030,950,912        |
| Total Liabilities                        | 5,054,020,895        | 4,747,352,648        |
| <b>Net Asset Value</b>                   | <b>1,420,791,942</b> | <b>1,283,598,264</b> |
| Number of Share                          | 120,750,000          | 120,750,000          |
| <b>Net Asset Value Per Share (NAVPS)</b> | <b>11.77</b>         | <b>10.63</b>         |

#### 32.00 Net Operating Cash Flows per Share (NOCFPS):

This has been arrived as under:

|  |             |             |
|--|-------------|-------------|
| Net Cash Generated from Operating Activities       | 420,073,240 | 318,662,673 |
| Weighted Average Number of Shares                  | 120,750,000 | 120,750,000 |
| <b>Net Operating Cash Flows Per Share (NOCFPS)</b> | <b>3.48</b> | <b>2.64</b> |

#### 33.00 Receipts from Customers and Others:

This has been arrived as under:

|                             |                    |                    |
|-----------------------------|--------------------|--------------------|
| Revenue                     | 926,527,477        | 643,944,797        |
| Accounts Receivable Opening | 64,442,946         | 53,033,626         |
| Accounts Receivable Closing | (71,763,624)       | (64,442,946)       |
| Other Receipt               | 5,280,153          | 5,931,122          |
| <b>Total</b>                | <b>924,486,952</b> | <b>638,466,599</b> |

| Notes | Particulars | Year Ended    |               |
|-------|-------------|---------------|---------------|
|       |             | 30 June, 2022 | 30 June, 2021 |
|       |             | Taka          | Taka          |

**34.00 Payment to Creditors, Suppliers, Employees & Others:**

This has been arrived as under:

|  |                      |                      |
|--|----------------------|----------------------|
| Costs of Sales   | (147,874,499)        | (133,818,811)        |
| Administrative and Other Expenses  | (227,831,286)        | (193,616,012)        |
| Distribution & Selling Expenses  | (10,057,722)         | (10,278,596)         |
| Adjustment for Depreciation  | 129,613,298          | 82,201,498           |
| (Increase)/Decrease in Inventory   | (10,653,932)         | (5,706,549)          |
| Adjustment for Advance   | (211,808,080)        | (56,748,029)         |
| (Increase)/Decreases in Trade and Other Payables except Payable for Property, Plant & Equipment and Payable to Related Party | 2,444,479            | (4,083,859)          |
| Payment from WPPF  | (4,778,768)          | -                    |
| (Increase)/Decreases in Liabilities for Expenses except Provision for Income Tax and WPPF                                    | (2,924,259)          | 2,562,634            |
| <b>Total</b>   | <b>(483,870,769)</b> | <b>(319,487,724)</b> |

**35.00 Income Tax Paid:**

This has been arrived as under:

|                                  |                   |                  |
|----------------------------------|-------------------|------------------|
| Opening Advance Income Tax       | 23,317,764        | 19,206,349       |
| Closing Advance Income Tax       | (8,290,062)       | (23,317,764)     |
| Closing Provision for Income Tax | 24,542,329        | 19,027,088       |
| Opening Provision for Income Tax | (19,027,088)      | (15,231,875)     |
| <b>Total</b>                     | <b>20,542,943</b> | <b>(316,202)</b> |

**36.00 Property, Plant and Equipment:**

This has been arrived as under:

|   |                      |                     |
|---|----------------------|---------------------|
| Property, Plant and Equipment Increased | (378,446,772)        | (48,794,002)        |
| Increased Advanced of Assets            | (1,529,072)          | 12,768,434          |
| Transfer from CWIP/Advance Against Work | 218,152,057          | -                   |
| <b>Total</b>                            | <b>(161,823,787)</b> | <b>(36,025,568)</b> |

**37.00 Capital Work-in-Progress:**

This has been arrived as under:

|  |                      |                      |
|--|----------------------|----------------------|
| Addition during the year                                 | (192,640,914)        | (314,722,800)        |
| (Increased)/Decreased Inventory of Construction Material | 19,856,774           | 3,958,029            |
| Adjustment for Accounts Payable for PPE                  | (400,631)            | -                    |
| Adjustment for Bond Interest Payable                     | 79,039,277           | 177,796,600          |
| Adjustment for Advances                                  | (22,898,545)         | (15,760,144)         |
| <b>Total</b>   | <b>(117,044,039)</b> | <b>(148,728,315)</b> |

**38.00 Advances, Deposits and Pre-payments:**

This has been arrived as under:

|                            |          |          |
|----------------------------|----------|----------|
| Advances Except Income Tax | -        | -        |
| Security Deposits          | -        | -        |
| Pre-payments               | -        | -        |
| <b>Total</b>               | <b>-</b> | <b>-</b> |

| Notes | Particulars | Year Ended    |               |
|-------|-------------|---------------|---------------|
|       |             | 30 June, 2022 | 30 June, 2021 |
|       |             | Taka          | Taka          |

#### 39.00 Finance Cost:

This has been arrived as under:

|   |                    |                    |
|---|--------------------|--------------------|
| Net Finance Cost                                    | (336,019,474)      | (211,808,373)      |
| Adjustment for Interest Payable on Convertible Bond | 331,132,972        | 209,073,714        |
| <b>Total</b>  | <b>(4,886,502)</b> | <b>(2,734,659)</b> |

#### 40.00 Secured Term Loans Received/(Repaid)-Net:

This has been arrived as under:

|  |                   |                    |
|--|-------------------|--------------------|
| Increased/(Decreased) Long Term Secured Loan | 19,361,622        | (3,845,281)        |
| <b>Total</b>                                 | <b>19,361,622</b> | <b>(3,845,281)</b> |

#### 41.00 SPBRSL 20% Convertible Secured Bond:

This has been arrived as under:

|   |                      |               |
|---|----------------------|---------------|
| Increased/(Decreased) Convertible Bond              | 160,172,249          | 386,870,314   |
| Adjustment for Interest Payable on Convertible Bond | (410,172,249)        | (386,870,314) |
| <b>Total</b>  | <b>(250,000,000)</b> | <b>-</b>      |

#### 42.00 Reconciliation of Net Profit with Cash Flow from Operating Activities:

This has been arrived as under:

|  |                    |                    |
|--|--------------------|--------------------|
| Net Profit Before Tax and WPPF                           | 210,024,649        | 100,354,127        |
| Accounts Receivable Opening                              | 64,442,946         | 53,033,626         |
| Accounts Receivable Closing                              | (71,763,624)       | (64,442,946)       |
| Adjustment for Depreciation                              | 129,613,298        | 82,201,498         |
| (Increase)/Decrease in Inventory                         | (10,653,932)       | (5,706,549)        |
| (Increase)/Decrease in Advances, Deposits & Pre-payments | (211,808,080)      | (52,952,816)       |
| Increase/(Decrease) Trade and Other Payable              | 2,444,479          | (4,083,859)        |
| Increase/(Decrease) Liabilities for Expenses             | (2,924,259)        | 2,562,634          |
| Payment of WPPF  | (4,778,768)        | -                  |
| Adjustment of Finance Cost Shown in Financing Activities | 336,019,474        | 211,808,373        |
| Income Tax Paid  | (20,542,943)       | (4,111,415)        |
| <b>Cash flow from Operating Activities</b>               | <b>420,073,240</b> | <b>318,662,673</b> |

#### 43.00 Additional Disclosures:

##### 43.01 Deviation on NAVPS:

NAVPS of the Company as on 30 June, 2022 is tk. 11.77 which has been increased by Tk. 1.14 per share from the financial position as on 30 June, 2021. Thus NAVPS of the Company has been increased as the Company achieved Net Profit of Tk. 161,338,516 during the reporting year.

##### 43.02 Deviation on EPS:

The Company has made a net profit of Tk. 161,338,516 during the reporting year from 01 July, 2021 to 30 June, 2022 whereas the net profit during the previous year was Tk. 75,683,031. Thus Earning per Share (EPS) of the Company has increased by Tk. 0.73 from the year ended on 30 June, 2021. This EPS has been increased for improvement of COVID situation, achieved good revenue for utilization of room in pick season, full fazed operation of water park, cruise ship revenue and other activities.

##### 43.03 Deviation on NOCFPS:

Net cash generated by operating activities of the Company for the year ended on 30 June, 2022 is Tk. 420,073,2740, which has increased by Tk. 101,410,567 from the corresponding year ended on 30 June, 2021. So, the Net Operating Cash Inflow Per Share (NOCFPS) has been increased by Tk. 0.84 due to the increase in revenue.

#### 44.00 Related Party Disclosure:

During the year the Company carried out transactions with related parties on an arm's length basis. Name of those related parties, nature of those transactions and their total value has been shown in below table in accordance with the provisions of IAS-24 "Related Party Disclosure".

| Name of the Party  | Relationship         | Nature of Transaction     | Amount in Taka              |   |                 |
|--|----------------------|---------------------------|-----------------------------|---|-----------------|
|  |                      |                           | Balance as on 30 June, 2022 |   |                 |
|  |                      |                           | Opening Balance Cr.         | Transaction during the period (Dr.)/Cr. | Closing Balance |
| Shamim Enterprise (Pvt.) Limited                         | Common Management    | Inter Company Transaction | -                           | -                                       | -               |
| Bengal Vacation Club Limited                             | Common Management    | Inter Company Transaction | -                           | -                                       | -               |
| Lucy Akthary Mahal                                       | Chairman             | Board Fees                | -                           | 42,000                                  | -               |
| Md. Aminul Haque   | Managing Director    | Board Fees                | -                           | 42,000                                  | -               |
| Md. Ekramul Hoque  | Director             | Board Fees                | -                           | 42,000                                  | -               |
| Sarjana Islam Nominated by Shamim Enterprise (Pvt.) Ltd. | Director             | Board Fees                | -                           | 42,000                                  | -               |
| Md. Rafiqul Islam  | Independent Director | Board Fees                | -                           | 42,000                                  | -               |
| Md. Golam Rabbani  | Independent Director | Board Fees                | -                           | 42,000                                  | -               |
| <b>Total</b>   |                      |                           | -                           | <b>252,000</b>                          | -               |

#### Key Management Compensation:

During the year, the amount of compensation paid to Key Management Personnel including Board of Directors:

| Particulars                  | 30 June, 2022 | 30 June, 2021 |
|------------------------------|---------------|---------------|
|                              | Taka          | Taka          |
| Short-Term Employee Benefits | 8,664,000     | 6,898,000     |
| Post-Employment Benefits     | -             | -             |
| Other Long-Term Benefits     | -             | -             |
| Termination Benefits         | -             | -             |
| Share-Based Payment          | -             | -             |

#### 45.00 Attendance Status of Board Meeting of Directors:

During the year ended on 30 June, 2022 Six Board of Directors Meeting were held. The attendance status of all the meetings is as follows:

| Name of the Directors                                    | Designation          | Meeting Held | Attendance |
|--|----------------------|--------------|------------|
| Lucy Akthary Mahal                                       | Chairman             | 6            | 6          |
| Md. Aminul Haque   | Managing Director    | 6            | 6          |
| Md. Ekramul Hoque  | Director             | 6            | 6          |
| Sarjana Islam Nominated by Shamim Enterprise (Pvt.) Ltd. | Director             | 6            | 6          |
| Md. Rafiqul Islam  | Independent Director | 6            | 6          |
| Md. Golam Rabbani  | Independent Director | 6            | 6          |

#### 46.00 Disclosure as per requirement of Schedule XI, Part II, Para 4:

As per Company Act, 1994 part-II, Schedule-XI (4) the profit and loss account will give by way of a note detailed information, showing separately the following payments provided or made during the financial period/year to the directors, including managing director, the managing agents or manager, if any, by the company, subsidiaries of the company and any other person.

#### Board Meeting Fees:

During the year ended on 30 June, 2022 Six Board of Directors' Meeting were held & detail of payment under Board Meeting Fee has been presented below:

| Name of the Directors                                    | Designation          | Meeting Held | Attendance | Board Meeting Fees |
|--|----------------------|--------------|------------|--------------------|
| Lucy Akthary Mahal                                       | Chairman             | 6            | 6          | 42,000             |
| Md. Aminul Haque   | Managing Director    | 6            | 6          | 42,000             |
| Md. Ekramul Hoque  | Director             | 6            | 6          | 42,000             |
| Sarjana Islam Nominated by Shamim Enterprise (Pvt.) Ltd. | Director             | 6            | 6          | 42,000             |
| Md. Rafiqul Islam  | Independent Director | 6            | 6          | 42,000             |
| Md. Golam Rabbani  | Independent Director | 6            | 6          | 42,000             |
| <b>Total</b>   |                      |              |            | <b>252,000</b>     |

**Disclosure on other payment as per Schedule XI, Part II, Para 4:**

| No. | Particulars   | Value in Tk. |
|-----|---|--------------|
| (a) | Managerial Remuneration paid or payable during the year from 01 July, 2021 to 30 June, 2022 to the directors, including managing directors, a managing agent or manager.                                | Nil          |
| (b) | Net cash inflow/(outflow) for the period (A+B+C)  | Nil          |
| (c) | Commission or Remuneration payable separately to a managing agent or his associate  | Nil          |
| (d) | Cash and Cash Equivalents at the end of the year  | Nil          |
| (e) | The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year. | Nil          |
| (f) | Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable.  | Nil          |
| (g) | Other allowances and commission including guarantee commission  | Nil          |
| (h) | Pensions etc.   | Nil          |
|     | (i) Pensions  | Nil          |
|     | (ii) Gratuities   | Nil          |
|     | (iii) Payments from a provident funds, in excess of own subscription and interest thereon   | Nil          |
| (i) | Share based payments  | Nil          |

**47.00 Service (Production) capacity & Utilization:**

As per the nature of the industry, production quantity of service with the course of the period produce on the basis of service design as per market demand. Therefore, installed capacity in terms of multiple and frequently changeable service mix is not constant factor. During the period under review, actual service, the installed capacity in terms of the counts produced and the utilization rate is presented below: (for the year from 1 July, 2021 to 30 June, 2022)

| Description | Available Rooms | Utilized Rooms | % of Capacity Utilization |
|-------------|-----------------|----------------|---------------------------|
| Guest Rooms | 145,270         | 87,262         | 60.07%                    |

**48.00 Subsequent Disclosure of Events after the Balance Sheet Date- Under IAS 10:**

- The financial statements were authorized for issue on 11 October, 2022 by the Board of Directors who had the power to amend the financial statements after issue.
- The Board of Directors recommended cash dividend @ 15% for all shareholders other than the Directors of the Company in its board meeting held on 11 October, 2022.

There was no circumstances since the statement of financial position date which would require adjustments, or disclosure in the financial statements.

**49.00 Un-availed Credit Facilities:**

There are no credit facilities available to the Company under any contract (other than credit available in ordinary course of business) at the Statement of Financial Position date.

**50.00 Value of Import at CIF basis:**

Import during the year from 01 July, 2021 to 30 June, 2022.

**51.00 Percentage of materials consumed to the total consumed:**

| Material Consumed | Amount | Percentage | Amount (BDT) | Percentage |
|-------------------|--------|------------|--------------|------------|
| N/A               | -      | -          | -            | -          |

**52.00 Payment in Foreign Currency:**

| Description | Foreign Currency (USD) |
|-------------|------------------------|
| N/A         | -                      |

**53.00 Number of Employees:**

All the employees receive salary /wages in excess of Tk. 6,000 per month

|                                   |            |
|-----------------------------------|------------|
| Number of Permanent Staff         | 467        |
| Number of Permanent Workers       | -          |
| Number of Temporary Staff/Workers | -          |
| <b>Total</b>                      | <b>467</b> |

**54.00 General:**

**54.01 Directors Responsibility Statements**

The Board of Directors takes the responsibility for the preparation and presentation of these financial statements.

**54.02 Employee Details:**

i) Total number of employees at the end of the period was 467. Out of total employees, 369 numbers of employees employed throughout the period and rest numbers of employees employed for a part of the period. None of the employees were in receipt of remuneration which in aggregate was less than Tk. 6,000 per month.

ii) At the end of the reporting period, there were 467 employees in the Company.

**54.03 Rounding Off:**

Amounts appearing in these financial statements have been rounded off to the nearest Taka and wherever considered necessary.

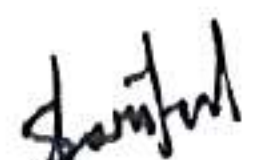
**55.00 Contingent Liabilities:**


(a) The Company has a contingent liability aggregating Taka 28,47,38,885 claimed by VAT Authority on differential amount of sales against production during the year 2012-13, 2013-14 and 2014-2015. The Company has made deposition several times to concern VAT Authority with proper grounds protesting the claim. As such the Company has filed petition to the High Court which is Subjudice.

Commissioner, Customs Excise & VAT, Chittagong issued a show cause notice demanding VAT on dispute matters like value addition and legal point. Therefore, the company has submitted a writ petition before the Supreme Court of Bangladesh in High Court Division. Honorable High Court heard on the matter about show cause notice and issued a rule and stay order on the above mentioned show cause notice. Now it is under High Court Division for hearing.


(b) The Company has issued a bond amounting to Taka 325 Crore to the Investment Corporation of Bangladesh (ICB) in 2017. Due to Covid-19, Company's business operation was severely affected.

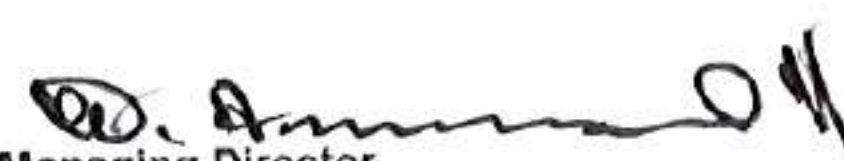
So, the Company requested the ICB to waive the interest amount on the outstanding balance of the bond vide letter no. April 28, 2020. As there was no positive response, the Company has submitted a Writ Petition before the Supreme Court of Bangladesh in High Court Division on 18-05-2022. After hearing the Honorable High Court Division of the Supreme Court of Bangladesh issued Rule Nisi on 25-04-2022 to ICB and directed to dispose the application of The Company within 60 days. The honorable High Court Division also directed the Company to pay Tk. 25 crore in favour of ICB within 30 days and according the Company paid the said amount to ICB on 05-06-2022. On 27-06-2022 ICB issued a letter giving Tk. 28.85 crore interest waiver in favour of the Company. After this Honorable High Court Division of the Supreme Court of Bangladesh passed an order on 29-08-2022 directing ICB to maintain status-quo in respect of all issues relating to loan liability of the Company and were further pleased to fix hearing of the Write Petition on 30-11-2022 and also directed ICB to dispose of the Company's earlier application for interest waiver within 60 days. However, the Company is charging interest as it was previously charging to the Statement of Profit or Loss and Other Comprehensive Income and haven't considered the impact of any waiver of interest (Note 17 and Note 28).

  
Chief Financial Officer

  
Company Secretary

  
Director

  
Chairperson

  
Managing Director

Dated, Dhaka  
15 October, 2022

**Sea Pearl Beach Resort & Spa Limited**  
Schedule of Property, Plant & Equipment  
as at 30 June, 2022

as at 30 June, 2022

| Sl. No.             | Assets                           | Cost                     |                           |                          | Dep. Rate (%) | Depreciation             |                         |                                       | Written Down Value as on 30.06.2022 | Annexure-A Amount in Taka |
|---------------------|----------------------------------|--------------------------|---------------------------|--------------------------|---------------|--------------------------|-------------------------|---------------------------------------|-------------------------------------|---------------------------|
|                     |                                  | Balance as at 01.07.2021 | Additions during the year | Disposal during the year |               | Balance as at 01.07.2021 | Charged during the year | Accumulated Depreciation for Disposal |                                     |                           |
|                     |                                  |                          |                           |                          |               |                          |                         |                                       |                                     |                           |
| 1                   | Land & Land Development          | 202,870,955              | 45,025,486                | -                        | 0%            | -                        | -                       | -                                     | 247,896,441                         |                           |
| 2                   | Building & Other Civil Works     | 3,718,456,240            | 220,134,457               | -                        | 1.25%         | 124,592,580              | 45,617,411              | -                                     | 3,768,380,706                       |                           |
| 3                   | Furniture & Fixture              | 375,306,698              | 435,000                   | -                        | 10%           | 55,366,454               | 32,025,441              | -                                     | 288,349,803                         |                           |
| 4                   | Computer Accessories & Equipment | 5,383,974                | 1,874,100                 | -                        | 10%           | 1,157,033                | 523,497                 | -                                     | 5,577,544                           |                           |
| 5                   | Machineries                      | 522,221,133              | 230,978                   | -                        | 5%            | 108,415,225              | 20,698,957              | -                                     | 393,337,929                         |                           |
| 6                   | Equipment                        | 214,853,888              | 7,608,095                 | -                        | 5%            | 35,233,131               | 9,101,839               | -                                     | 178,127,013                         |                           |
| 7                   | Vehicle                          | 25,651,500               | 1,493,500                 | -                        | 10%           | 5,443,896                | 2,058,098               | -                                     | 19,643,006                          |                           |
| 8                   | Cruise Ship                      | -                        | 101,645,156               | -                        | 15%           | -                        | 8,893,951               | -                                     | 92,751,205                          |                           |
| as at 30 June, 2022 |                                  | 5,064,744,388            | 378,446,772               | -                        |               | 330,208,319              | 118,919,194             | -                                     | 4,994,063,647                       |                           |
| as at 30 June 2021  |                                  | 3,333,419,848            | 1,731,324,540             | -                        |               | 252,707,786              | 77,500,533              | -                                     | 4,734,536,069                       |                           |

**Sea Pearl Beach Resort & Spa Limited**  
Schedule of Right of Use Asset  
as at 30 June, 2022

as at 30 June, 2022

| Annexure-B          |              |                          |                           |                          |               |                          |                         |                                       |                                     |                          |
|---------------------|--------------|--------------------------|---------------------------|--------------------------|---------------|--------------------------|-------------------------|---------------------------------------|-------------------------------------|--------------------------|
| Amount in Taka      |              |                          |                           |                          |               |                          |                         |                                       |                                     |                          |
| Sl. No.             | Assets       | Cost                     |                           |                          | Dep. Rate (%) | Depreciation             |                         |                                       | Written Down Value as on 30.06.2022 |                          |
|                     |              | Balance as at 01.07.2021 | Additions during the year | Disposal during the year |               | Balance as at 01.07.2021 | Charged during the year | Accumulated Depreciation for Disposal |                                     | Balance as at 30.06.2022 |
|                     |              |                          |                           |                          |               |                          |                         |                                       |                                     |                          |
| 1                   | Vehicle      | 11,812,742               | -                         | -                        | 10%           | 1,582,535                | 1,023,021               | -                                     | 9,207,186                           |                          |
| 2                   | Office Space | 9,518,157                | 21,519,153                | -                        | 5%            | 6,700,705                | 9,671,083               | -                                     | 14,665,522                          |                          |
| as at 30 June, 2022 |              | 21,330,899               | 21,519,153                | -                        |               | 8,283,240                | 10,694,104              | -                                     | 23,872,708                          |                          |
| as at 30 June, 2021 |              | 18,822,766               | 2,508,133                 | -                        |               | 3,582,275                | 4,700,965               | -                                     | 13,047,659                          |                          |

