

Bangladesh Edible Oil Limited

Auditor's report and financial statements as at
and for the year ended 31 March 2026

Independent Auditor's Report

To the Shareholders of Bangladesh Edible Oil Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Bangladesh Edible Oil Limited ("the Company"), which comprise the statement of financial position as at 31 March 2026, 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 material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2026, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

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

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

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



Independent Auditor's Report (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

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

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of these books; and
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns.

Dhaka,

DVC:

PRM



Bangladesh Edible Oil Limited
Statement of financial position

<i>In Taka</i>	<i>Note</i>	31 March 2026	31 March 2025
Assets			
Property, plant and equipment	17(A)	3,624,262,500	3,786,894,583
Intangible assets	18(A)	1,814,543,201	1,816,901,436
Advances, deposits and prepayments	15	110,641,791	148,989,313
Deferred tax assets	12(C)	901,113,631	728,408,723
Non-current assets		6,450,561,123	6,481,194,055
Inventories	13	3,369,337,336	4,142,628,607
Trade and other receivables	14	565,701,883	554,456,943
Advances, deposits and prepayments	15	142,603,334	281,105,866
Cash and cash equivalents	16	3,348,192,555	3,509,674,486
Current assets		7,425,835,108	8,487,865,902
Total assets		13,876,396,231	14,969,059,957
Equity			
Share capital	19	400,000,000	400,000,000
General reserve		49,846,709	49,846,709
Share money deposit		1,100,379	1,100,379
Accumulated losses		(306,074,575)	(439,587,122)
Total equity		144,872,513	11,359,966
Liabilities			
Employee benefits	20	270,846,678	74,656,224
Lease liabilities	22	224,030,365	94,565,123
Non-current liabilities		494,877,043	169,221,347
Trade credit from bank	21	3,997,806,047	6,160,433,117
Lease liabilities	22	59,867,247	87,371,219
Employee benefits	20	51,627,866	255,603,083
Trade and other payables	23	8,765,885,495	7,984,275,512
Net current tax liabilities	12(D)	361,460,020	300,795,713
Current liabilities		13,236,646,675	14,788,478,644
Total liabilities		13,731,523,718	14,957,699,991
Total equity and liabilities		13,876,396,231	14,969,059,957

The notes on pages 7 to 47 are integral parts of these financial statements.

General Manager

Director

Director

As per our report of same date.

Dhaka:

PRH

Auditor



DVC:

Bangladesh Edible Oil Limited
Statement of profit or loss and other comprehensive income

For the period ended		Twelve-month period ended at 31 March	Fifteen-month period ended at 31 March	Three-month period ended at 31 March	Twelve-month period ended at 31 December
	Note	2026	2025	2025	2024
<i>In Taka</i>					
Revenue	5	37,714,741,304	39,082,622,145	12,827,231,820	26,255,390,325
Cost of sales	6	(35,738,042,472)	(37,291,287,940)	(11,993,548,297)	(25,297,739,643)
Gross profit		1,976,698,832	1,791,334,205	833,683,523	957,650,682
Other income/(expenses)	7	10,811,004	(59,721,259)	(65,719,098)	5,997,839
Administrative, selling and distribution expenses	8	(1,235,739,854)	(1,449,518,277)	(321,605,784)	(1,127,912,493)
Operating profit/(loss)		751,769,982	282,094,669	446,358,641	(164,263,972)
Finance costs	9	(502,807,804)	(1,050,394,776)	(158,263,643)	(892,131,133)
Finance income	10	66,417,727	73,871,172	28,433,464	45,437,708
Net finance costs		(436,390,077)	(976,523,604)	(129,830,179)	(846,693,425)
Profit/(loss) before tax and contribution to WPPF		315,379,905	(694,428,935)	316,528,462	(1,010,957,397)
Contribution to Workers' Profit Participation Fund (WPPF)	11	(15,768,995)	-	-	-
Profit/(loss) before tax		299,610,910	(694,428,935)	316,528,462	(1,010,957,397)
Income tax income/(expense)	12(A)	(194,970,067)	152,025,954	(140,162,601)	292,188,555
Profit/(loss) for the period		104,640,843	(542,402,981)	176,365,861	(718,768,842)
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Remeasurement gain on defined benefit liability, net off tax		28,871,704	-	-	-
Total comprehensive income for the period		133,512,547	(542,402,981)	176,365,861	(718,768,842)

The notes on pages 7 to 47 are integral parts of these financial statements

General Manager

Director

Director

As per our report of same date

Auditor

Dhaka,

PRH

DVC



Bangladesh Edible Oil Limited
Statement of changes in equity

For the period ended

In Taka	Attributable to the owners of the Company				
	Share capital	General reserve	Share money deposit	Retained earnings/ (Accumulated losses)	Total equity
Balance at 1 January 2024	400,000,000	49,846,709	1,100,379	102,815,859	553,762,947
Loss for the period	-	-	-	(542,402,981)	(542,402,981)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(542,402,981)	(542,402,981)
Transaction with owners of the company	-	-	-	-	-
Contributions and distributions	-	-	-	-	-
Total transaction with owners of the company	-	-	-	-	-
Balance at 31 March 2025	400,000,000	49,846,709	1,100,379	(439,587,122)	11,359,966
Balance at 1 April 2025	400,000,000	49,846,709	1,100,379	(439,587,122)	11,359,966
Profit for the year	-	-	-	104,640,843	104,640,843
Other comprehensive income for the year	-	-	-	28,871,704	28,871,704
Total comprehensive income for the year	-	-	-	133,512,547	133,512,547
Transaction with owners of the company	-	-	-	-	-
Contributions and distributions	-	-	-	-	-
Total transaction with owners of the company	-	-	-	-	-
Balance at 31 March 2026	400,000,000	49,846,709	1,100,379	(306,074,575)	144,872,513

The notes on pages 7 to 47 are integral parts of these financial statements.



Bangladesh Edible Oil Limited
Statement of cash flows

For the period ended		Twelve-month period ended at 31 March 2026	Fifteen-month period ended at 31 March 2025
<i>In Taka</i>	<i>Note</i>		
Cash flows from operating activities			
Profit for the period		104,640,843	(542,402,981)
Adjustments for:			
- Depreciation	17(B)	466,358,573	682,266,812
- Amortisation	18(B)	2,358,235	6,573,284
- Net finance costs		436,074,289	976,523,604
- Tax expense	12(A)	194,970,067	(152,025,954)
- Gain/(loss) on sale of property, plant and equipment	7	(466,053)	66,060,299
- Provision for deferred liability - employee benefits	20(A)	56,694,422	55,637,638
- Write off - Non controlling interest		-	-
		1,260,630,376	1,092,632,702
Changes in work in capital:			
- Inventories		773,291,271	86,408,028
- Advances, deposits and prepayments		194,367,391	373,481,798
- Trade and other receivables		(21,068,628)	544,085,368
- Trade and other payables		809,528,627	4,054,076,822
Cash generated from operating activities		3,016,749,037	6,150,684,718
Employee benefits paid	20(A)	(24,656,142)	(27,216,690)
Income taxes paid	12(D)(ii)	(335,479,343)	(163,917,558)
Interest payment of lease liability	22(A)(i)	(18,373,929)	(32,789,160)
Interest paid		(512,036,732)	(1,130,430,969)
Net cash generated from/(used in) operating activities		2,126,202,891	4,796,330,342
Cash flows from investing activities			
Acquisition of non-current asset	17(A)	(57,214,599)	(251,635,861)
Proceeds from sale of property, plant and equipment		689,722	1,319,868
Interest received		76,241,416	59,594,339
Net cash used in investing activities		19,716,539	(190,721,654)
Cash flow from financing activities			
Proceeds from Trade credit of bank	21	(2,162,627,070)	806,636,469
Repayment of borrowings		-	(2,211,642,652)
Payment of lease liabilities		(144,774,290)	(234,712,478)
Net cash used in financing activities		(2,307,401,360)	(1,639,718,661)
Net increase/(decrease) in cash and cash equivalents		(161,481,931)	2,965,890,027
Opening cash and cash equivalents		3,509,674,486	543,784,459
Closing cash and cash equivalents	16	3,348,192,555	3,509,674,486

*Cash and cash equivalents include bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

The notes on pages 7 to 47 are integral parts of these financial statements.



Bangladesh Edible Oil Limited
Notes to the financial statements

1. Reporting entity

Bangladesh Edible Oil Limited ("the Company") is a private limited company incorporated on 11 January 1992 (Registration No. C-21614 (21) /92) in Bangladesh under the Companies Act, 1913 (replaced with the Companies Act, 1994). The registered address of the Company is Land View Commercial Centre (10th floor), 28 Gulshan North C/A, Gulshan Circle 2, Dhaka 1212. The status of the share holdings of the company are disclosed in note 19.

The Company is mainly engaged in refining of Crude Degummed Soyabean Oil (CDSO) and Crude Palm Olein (CPO) and packaging of the same for distributing in local market. The Company also involves in procuring and packaging of mustard, rice bran oil and rice and sell the same in local market. The Company is also engaged in import some branded edible oils like Sunflower Oil, Margarine etc. In limited scope, it has some export revenue from exporting packed oil, acid oil, rice and Soya Bean Fatty Acid Distillate (SFAD) overseas. The main brands name of this company are Rupchanda, Kings, Fortune, Meizan, Veola etc.

2. Basis of accounting

These financial statements have been prepared in accordance with IFRS Accounting Standards. They were authorised for issue by the Company's Board of Directors on

Details of the Company's Accounting policies, including changes during the period, if any, are included in notes 33.

3. Functional and presentation currency

These financial statements are presented in Bangladesh Taka (Taka/Tk/BDT), which is also the Company's functional currency. All amount have been rounded to the nearest Taka, unless otherwise indicated.

4. Use of estimates and judgements

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

A. Judgements

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

Right-of-use (ROU) asset and lease term	Note - 17 and 33 (N)
Lease liability	Note - 22 and 33 (N)

B. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at 31 March 2026 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

Valuation of inventories	Note - 13 and 33 (F)
Provision for income tax	Note - 12 (D) (i) and 33 (E)
Recognition of deferred tax liability, availability of future taxable profit against which deductible temporary differences and tax losses carried	Note - 12 (C) and 33 (E)
Useful life of property, plant and equipment	Note - 17 and 33 (G)
Impairment test of intangible assets and goodwill	Note - 18 and 33 (I)



Notes to the financial statements (continued)

5. Revenue

See accounting policies in note 33(B)

	Note	Twelve-month period ended 31 March 2026	Fifteen-month period ended 31 March 2025	Three-month period ended 31 March 2025	Twelve-month period ended 31 December 2024
In Taka					
Revenue from customers	5(A)	42,800,804,740	41,471,979,665	12,833,651,045	28,638,328,620
VAT on sales		(5,086,063,436)	(2,369,357,520)	(6,419,225)	(2,382,638,285)
		37,714,741,304	39,082,622,145	12,827,231,820	26,255,690,335

A. Revenue from customers

In Taka	Note				
Local sales	5(B)	42,450,824,993	40,940,773,781	12,673,377,135	28,267,396,645
Export sales	5(C)	330,745,803	503,620,482	153,850,295	350,270,167
Vessel Operations	5(D)	19,233,944	27,585,422	6,823,615	20,561,807
		42,800,804,740	41,471,979,665	12,833,651,045	28,638,328,620

B. Local sales

	Twelve-month period ended 31 March 2025	Three-month period ended 31 March 2025	Twelve-month period ended 31 December 2024
Types of products sold	Quantity MT	Quantity MT	Quantity MT
Consumer products:			
Soyabean oil	140,440	23,693,834,822	16,324,501,947
Palm oil	7,918	3,818,346,899	3,495,680,866
Mustard oil	2,111	549,073,410	308,925,914
Rice bran oil	2,575	566,353,770	769,350,081
Sunflower oil	585	167,069,822	131,391,205
Aromatic rice	5,999	760,057,064	790,138,612
Basmati rice	1,199	358,776,533	947,105,108
Non-aromatic rice	16,309	1,227,870,582	1,001,062,611
Besan	-	20,806,399	137
Alta	-	2,659,361	2,689,361
Lentil	452	76,830,145	52,901,672
Hyderabad Biryani Kit	-	189,840	189,840
Institutional products:			
Margarine	699	70,302,870	63,931,840
RBD Oil	16,985	1,879,801,374	1,120,598,343
Super refined palm olein	14,224	1,982,032,801	1,016,437,715
Soyabean oil	22,223	3,275,199,341	1,214,236,300
Rice bran oil	53	248,247,219	234,395,920
Unprocessed rice	5	36,530	36,530
Lentil Pulses	2	222,132	2
HOL	582	116,889,817	194,792
PKE	3,423	-	97,021,317
By-products:			
PFAD	59	18,964,405	12,108,055
Fatty acid distillate	-	22,396,028	14,428,243
Rice Bran Fatty acid distillate	73	20,432,415	20,432,415
Sediment ST188	745	6,429,092	4,264,115
Rice bran meal	474	556,933,343	508,748,129
Broken Rice	1,772	125,138,984	123,385,090
Sudge	78	691,110	513,228
	238,993	40,940,773,781	28,267,396,646

Notes to the financial statements (continued)

5. Revenue (continued)

C. Export revenue

	Twelve-month period ended 31 March 2026	Twelve-month period ended 31 March 2025	Three-month period ended 31 March 2025	Twelve-month period ended 31 December 2024
Types of products sold				
				Quantity MT
				Sale value Taka
Institutional products:				
Rice bran oil	-	1,300	152,225,261	1,300
By-products:				
SFAD	347	480	98,251,179	266
Acid oil export	2,239	3,153	253,144,022	1,111
	2,586	4,933	503,620,462	2,042
			1,377	153,350,295
				3,556
				152,225,261
				42,888,817
				155,156,090
				350,270,157

D. Vessel Operations

	Twelve-month period ended 31 March 2026	Twelve-month period ended 31 March 2025	Three-month period ended 31 March 2025	Twelve-month period ended 31 December 2024
In Taka				
Gross sales	19,233,944	27,585,422	6,923,615	20,561,807
Value Added Tax (VAT)	(1,923,394)	(6,773,575)	(692,362)	(6,081,213)
	17,310,550	20,811,847	6,231,253	14,580,594

I. Vessel Operations (Gross)

In Taka				
OT VEOA	9,709,980	14,452,982	3,630,038	10,832,944
OT OLEIN	9,523,964	13,122,440	3,293,577	9,828,862
	19,233,944	27,585,422	6,923,615	20,561,807



Notes to the financial statements (continued)

6. Cost of sales

<i>In Taka</i>	Note	Twelve-month period ended 31 March 2026	Fifteen-month period ended 31 March 2025	Three-month period ended 31 March 2025	Twelve-month period ended 31 December 2024
Local and Export sales	6(A)	35,725,706,650	37,262,338,236	11,987,018,662	25,275,319,574
Vessel Operations	6(B)	12,335,822	28,949,704	6,529,635	22,420,069
		35,738,042,472	37,291,287,940	11,993,548,297	25,297,739,643

A. Local and Export sales

<i>In Taka</i>	Note				
Raw materials:					
Opening stock of raw materials	13	874,800,289	1,222,822,620	877,062,073	1,222,822,620
Purchase during the year					
Crude Oil	6(A)(i)	27,835,870,163	27,499,911,486	9,904,313,814	17,595,597,672
Other raw materials	6(A)(ii)	2,372,212,985	3,865,282,040	931,791,526	2,933,490,514
		30,208,083,148	31,365,193,526	10,836,105,340	20,529,088,186
	13	(646,765,109)	(874,800,289)	(874,800,289)	(877,062,073)
Closing stock of raw materials		30,436,118,328	31,713,215,857	10,838,367,124	20,874,848,733
Raw materials consumed					
Production overheads					
Indirect materials consumed		2,570,854,562	2,179,164,489	756,448,210	1,422,716,279
Overhead expenses		940,740,005	1,234,946,880	300,440,325	934,506,555
Depreciation on property, plant and equipment	17(B)	310,817,525	407,870,838	82,109,013	325,761,826
Amortisation	18(A)	342,824	-	-	-
Depreciation on right-of-use of assets	17(B)	102,632,231	209,885,416	43,137,297	166,746,119
Employee related costs		260,310,886	296,033,891	59,535,644	236,498,247
		4,185,698,033	4,327,901,514	1,241,670,489	3,096,231,026
Cost of goods manufactured		34,621,816,361	36,041,117,371	12,080,037,613	23,961,079,759
Opening stock of finished goods	13	1,035,998,309	1,184,211,384	756,427,871	1,184,211,384
		35,657,814,670	37,225,328,755	12,836,465,484	25,145,291,143
Local purchase/ import during the year		1,141,700,226	1,073,007,789	186,551,487	886,456,302
		36,799,514,896	38,298,336,544	13,023,016,971	26,031,747,445
Closing stock of finished goods	13	(1,073,808,246)	(1,035,998,309)	(1,035,998,309)	(756,427,871)
		35,725,706,650	37,262,338,235	11,987,018,662	25,275,319,574



Notes to the financial statements (continued)

6. Cost of sales (continued)

A. Local and Export sales (continued)

i. Raw materials consumed

	Crude soyabean oil		Crude palm oil		Total
	Quantity MT*	Value Taka	Quantity MT*	Value Taka	Value Taka
Apr-Mar 2026:					
Opening stock	3,711	570,204,331	-	-	570,204,331
Purchase	149,406	22,451,207,295	35,148	5,384,662,869	27,835,870,164
	153,117	23,021,411,626	35,148	5,384,662,869	28,406,074,495
Closing stock	(1,437)	(225,711,120)	(868)	(122,408,041)	(348,119,161)
	151,680	22,795,700,506	34,280	5,262,254,828	28,057,955,334
Jan-Dec 2024:					
Opening stock	2,889	357,837,690	2,602	268,701,810	626,539,500
Purchase	112,615	13,219,310,286	37,045	4,376,287,386	17,595,597,672
	115,504	13,577,147,976	39,647	4,644,989,196	18,222,137,172
Closing stock	(3,029)	(456,085,819)	-	-	(456,085,819)
	112,474	13,121,062,157	39,647	4,644,989,196	17,766,051,352
Jan-Mar 2025:					
Opening stock	3,029	456,085,819	-	-	456,085,819
Purchase	46,183	8,114,194,693	13,484	1,790,119,121	9,904,313,814
	49,211	8,570,280,513	13,484	1,790,119,121	10,360,399,634
Closing stock	(3,711)	(570,204,331)	-	-	(570,204,331)
	45,499	8,000,076,182	13,484	1,790,119,121	9,790,195,303
Total (Jan'24 - Mar'25):					
Opening stock	2,889	357,837,690	2,602	268,701,810	626,539,500
Purchase	158,798	21,333,504,979	50,529	6,166,406,507	27,499,911,486
	161,686	21,691,342,670	53,130	6,435,108,317	28,126,450,987
Closing stock	(3,711)	(570,204,331)	-	-	(570,204,331)
	157,974	21,121,138,339	53,130	6,435,108,317	27,556,246,656

*MT - Metric Ton

ii. Other raw materials purchased

	Twelve-month period ended 31 March 2026	Fifteen-month period ended 31 March 2025	Three-month period ended 31 March 2025	Twelve-month period ended 31 December 2024
<i>In Taka</i>				
Rice	1,843,022,579	1,824,138,355	514,649,011	1,309,489,345
Oil	463,283,855	701,983,362	321,568,879	380,414,484
Rice bran	6,325,290	1,267,789,073	75,794,272	1,191,994,801
Other	59,581,261	71,371,249	19,779,365	51,591,885
	2,372,212,985	3,865,282,040	931,791,526	2,933,490,514

iii. Other materials consumed

	Twelve-month period ended 31 March 2026	Fifteen-month period ended 31 March 2025	Three-month period ended 31 March 2025	Twelve-month period ended 31 December 2024
<i>In Taka</i>				
Rice	425,555,046	950,543,583	142,372,103	808,171,480
Oil	602,027,060	122,464,207	44,179,384	78,284,823
Other	225,110,435	-	-	-
	1,252,692,541	1,073,007,789	186,551,487	886,456,302



Notes to the financial statements (continued)

6. Cost of sales (continued)

B. Vessel Operations

<i>In Taka</i>	Note	Twelve-month period ended 31 March 2026	Fifteen-month period ended 31 March 2025	Three-month period ended 31 March 2025	Twelve-month period ended 31 December 2024
Depreciation	17(B)	2,382,154	3,879,993	798,504	3,081,489
Insurance		710,247	1,091,894	282,564	829,330
External workers		3,890,701	6,350,390	1,367,629	4,982,761
License and membership fees		437,387	374,730	71,253	303,477
Fuel, lubricant and others		4,215,583	15,223,220	3,566,710	11,656,510
Repairs and maintenance		365,155	1,063,359	208,042	855,317
Line expense		334,595	966,119	254,934	711,185
		12,335,822	28,949,704	6,529,635	22,420,069

7. Other income/(expenses)

<i>In Taka</i>	Note	Twelve-month period ended 31 March 2026	Fifteen-month period ended 31 March 2025	Three-month period ended 31 March 2025	Twelve-month period ended 31 December 2024
Gain/(loss) on sale of property, plant and equipment		466,053	(66,060,299)	(66,324,104)	263,805
Others		10,344,951	6,339,040	605,005	5,734,034
		10,811,004	(59,721,259)	(65,719,098)	5,997,839

8. Administrative, selling and distribution expenses

<i>In Taka</i>	Note	Twelve-month period ended 31 March 2026	Fifteen-month period ended 31 March 2025	Three-month period ended 31 March 2025	Twelve-month period ended 31 December 2024
Advertisement and TV commercial		90,351,950	61,716,547	3,907,905	57,808,642
Amortisation	18(B)	2,015,411	6,364,451	563,126	5,801,324
Communication expenses		7,527,372	10,108,150	2,609,539	7,498,611
Depot operating expense		292,349	361,245	40,000	321,245
Depreciation on property, plant and equipment	17(B)	26,664,702	34,853,108	6,809,649	28,043,459
Depreciation on right-of-use of assets	17(B)	23,861,961	25,777,456	3,485,056	22,292,400
Employee related costs		307,890,897	391,195,629	81,124,850	310,070,779
Entertainment		9,853,728	25,578,501	4,431,895	21,146,606
Freight and transport		418,413,390	467,153,220	124,730,305	342,422,915
General expense		6,671,506	8,123,524	1,454,899	6,668,625
Government statutory charges		15,617,190	16,862,803	3,688,032	13,174,771
Insurance		272,632	256,061	102,436	153,625
Legal and professional fees		11,493,407	28,555,390	8,225,731	22,329,659
License and membership fees		4,640,481	998,380	282,383	715,997
Printing, stationery and postage		3,699,518	4,274,062	728,936	3,545,126
Recruitment and advertisement		129,375	143,550	9,900	133,650
Rental expenses	8(A)	6,493,157	6,812,355	1,401,299	5,411,056
Repairs and maintenance		20,728,217	15,754,110	1,222,260	14,531,850
Royalty expense		1,239,700	1,534,522	327,029	1,207,493
Software operating expense		32,035,361	45,749,635	10,816,965	34,932,670
Staff welfare expenses		364,547	1,108,649	5,370	1,103,279
External workers		188,514,790	227,937,256	54,766,878	173,170,378
Travelling and conveyance		54,252,638	65,531,062	12,434,366	53,096,696
Utilities		2,715,577	2,768,612	436,975	2,331,637
		1,235,739,854	1,449,518,277	321,605,784	1,127,912,493

A. Rental expenses

<i>In Taka</i>	Note	Twelve-month period ended 31 March 2026	Fifteen-month period ended 31 March 2025	Three-month period ended 31 March 2025	Twelve-month period ended 31 December 2024
Rental expenses on account of short-term leases					
Production overheads	6	9,524,489	14,571,084	4,393,644	10,177,440
Administrative, Selling & Distribution expenses	8	6,493,157	6,812,355	1,401,299	5,411,056
		16,017,646	21,383,439	5,794,943	15,588,496



Notes to the financial statements (continued)

9. Finance costs

See accounting policies in note 33(D)

<i>In Taka</i>	<i>Note</i>	Twelve-month period ended 31 March 2026	Fifteen-month period ended 31 March 2025	Three-month period ended 31 March 2025	Twelve-month period ended 31 December 2024
Bank charges		2,665,462	5,427,876	961,075	4,466,800
Interest on lease liabilities	22(A)	18,689,716	38,635,183	4,956,560	33,678,623
Net foreign exchange (gain)/loss		2,800,616	(3,504,052)	(697,447)	(2,806,606)
Interest on bank overdraft		1,475,074	6,890,689	279,804	6,611,085
Interest on loan against financing purchases		476,761,380	672,919,585	131,470,443	541,449,142
Interest on short term loan		415,556	330,025,296	21,293,208	308,732,088
		502,807,804	1,050,394,776	158,263,643	892,131,133

10. Finance income

See accounting policies in note 33(D)

<i>In Taka</i>		Twelve-month period ended 31 March 2026	Fifteen-month period ended 31 March 2025	Three-month period ended 31 March 2025	Twelve-month period ended 31 December 2024
Interest on bank deposit		66,417,727	73,871,172	28,433,464	45,437,708
		66,417,727	73,871,172	28,433,464	45,437,708

11. Contribution to Workers' Profit Participation Fund (WPPF)

<i>In Taka</i>	<i>Note</i>	Twelve-month period ended 31 March 2026	Fifteen-month period ended 31 March 2025	Three-month period ended 31 March 2025	Twelve-month period ended 31 December 2024
Contribution to WPPF	11(A)	15,768,995	-	-	-

A. Computation of contribution to WPPF

Profit before tax and contribution to WPPF	315,379,905	-	-	-
Applicable contribution rate	5%	5%	5%	5%
Amount of contribution to WPPF	15,768,995	-	-	-

The Company has made profit before tax and contribution to WPPF for the year ended 31 March 2026, therefore the Company recognised expenses and provision for WPPF.



Notes to the financial statements (continued)

12. Income taxes

See accounting policies in note 33(E)

A. Amount recognised in profit or loss

<i>In Taka</i>	<i>Note</i>	Twelve-month period ended 31 March 2026	Fifteen-month period ended 31 March 2025	Three-month period ended 31 March 2025	Twelve-month period ended 31 December 2024
Current tax					
Current year		378,626,312	237,251,977	76,284,900	160,967,077
Adjustment for prior period		-	-	-	-
Current tax expense		378,626,312	237,251,977	76,284,900	160,967,077
Deferred tax					
Deferred tax expense/(income)	12(C)	(183,656,245)	(389,277,931)	63,877,701	(453,155,632)
Total income tax expenses/(income)		194,970,067	(152,025,954)	140,162,601	(292,188,555)

Reconciliation of effective tax rate

<i>In Taka</i>	31 March 2026	31 March 2025
Profit/(Loss) before tax	299,610,910	(694,428,935)
Applicable tax rate	27.5%	25.0%

B. Minimum tax

Current year minimum tax	378,626,312	237,251,977
Total income tax expenses	378,626,312	237,251,977
Adjustment during the year	-	-
Change in recognised temporary differences	(183,656,245)	(389,277,931)
Total income tax expenses for current year	194,970,067	(152,025,954)
Effective Tax Rate (ETR)	65%	0%

As per the applicable tax law, the Company as a whole has to pay tax at the rate applicable to the company subject to a minimum tax which is higher of (a) at the rate of 1% of total gross receipts; and (b) tax deducted at source for export u/s 123 and tax deducted at source for corporate sales u/s 89 (as covered by section 163).

C. Deferred tax assets/ (liabilities)

See accounting policies in note 33(E)

<i>In Taka</i>	<i>Note</i>	31 March 2026	31 March 2025
Opening balance		728,408,723	792,286,424
Deferred tax income/ (expense) (recognised in profit or loss)	12(D)	183,656,246	(63,877,701)
Deferred tax income/ (expense) (recognised in OCI)	12(D)	(10,951,336)	-
Closing balance		901,113,631	728,408,723



Notes to the financial statements (continued)

12. Income taxes (continued)

D. Movement in deferred tax balances during the year

31 March 2026

<i>in Taka</i>	Accounting carrying amount	Tax carrying amount	(Taxable)/deductible temporary difference
Property, plant and equipment	2,651,205,431	1,503,081,932	(1,148,123,499)
Intangible assets	5,617,804	35,847,164	30,229,360
ROU assets	294,300,186	-	(294,300,186)
Lease liabilities	(283,897,612)	-	283,897,612
Provision for gratuity	(322,474,544)	-	322,474,544
Provision for leave encashment	(22,261,995)	-	22,261,995
Accrued interest	(57,143,633)	-	57,143,633
Bank Interest receivable	7,001,341	-	(7,001,341)
Carry forwarded loss	(1,193,812,184)	-	1,193,812,184
Unabsorbed tax depreciation	(1,963,149,735)	-	1,963,149,735
Total temporary differences			2,423,544,036
Applicable tax rate			27.5%
			666,474,610
Fair value adjustment			-
Unused tax credits from excess minimum tax			234,639,022
Deferred tax assets as on 31 March 2026			901,113,631
Deferred tax assets as on 31 March 2025			728,408,723
Deferred tax Income/(Expense) for April 2025 to Mar 2026			172,704,908

31 March 2025

<i>in Taka</i>	Accounting carrying amount	Tax carrying amount	(Taxable)/deductible temporary difference
Property, plant and equipment	2,943,503,987	1,507,868,322	(1,435,637,665)
Intangible assets	7,976,039	37,554,876	29,578,837
ROU assets and lease liabilities	(7,877,524)	-	7,877,524
Provision for gratuity	(330,258,306)	-	330,258,306
Other provisions	(21,905,300)	-	21,905,300
Carry forwarded loss	(1,607,004,838)	-	1,607,004,838
Unabsorbed tax depreciation	(2,020,890,261)	-	2,020,890,261
Total temporary differences			2,581,878,401
Applicable tax rate			25.0%
			645,469,600
Fair value adjustment			82,939,123
Deferred tax assets as on 31 March 2025			728,408,723
Deferred tax assets as on 31 Dec 2024			792,286,424
Deferred tax Income/(Expense) for Jan to Mar 2025			(63,877,701)

31 December 2024

<i>in Taka</i>	Accounting carrying amount	Tax carrying amount	(Taxable)/deductible temporary difference
Property, plant and equipment	3,063,880,366	1,692,634,498	(1,371,245,888)
Intangible assets	8,624,675	38,517,822	29,892,947
ROU assets and lease liabilities	(9,037,494)	-	9,037,494
Provision for gratuity	(332,021,989)	-	332,021,989
Other provisions	(34,504,803)	-	34,504,803
Carry forwarded loss	(1,828,574,761)	-	1,828,574,761
Unabsorbed tax depreciation	(1,978,985,283)	-	1,978,985,283
Total temporary differences			2,841,771,390
Applicable tax rate			25.0%
			710,442,848
Fair value adjustment			81,843,577
Deferred tax assets as on 31 Dec 2024			792,286,424
Deferred tax assets as on 31 Dec 2023			339,130,792
Deferred tax Income/(Expense) for 2024			453,155,632



Notes to the financial statements (continued)

12. Income taxes (continued)

D. Net current tax liabilities

<i>In Taka</i>	<i>Note</i>	31 March 2026	31 March 2025
Provision for income tax	12(D)(i)	3,253,815,711	2,875,189,399
Advance tax deposits and claims with tax authority	12(D)(ii)	(2,892,355,691)	(2,574,393,686)
Closing balance		361,460,020	300,795,713

i. Provision for income tax

<i>In Taka</i>	<i>Note</i>		
Opening balance		2,875,189,399	2,637,937,422
Provision made during the period	12(A)	378,626,312	237,251,977
		3,253,815,711	2,875,189,399
Adjustments for prior period		-	-
Closing balance		3,253,815,711	2,875,189,399

ii. Advance tax deposits and claims with tax authority

<i>In Taka</i>			
Opening balance		2,574,393,686	2,590,995,199
Paid during the period		335,479,343	163,917,558
		2,909,873,029	2,754,912,757
Adjustments for prior period		(17,517,338)	(180,519,071)
Closing balance		2,892,355,691	2,574,393,686

13. Inventories

See accounting policies in note 33(F)

<i>In Taka</i>	<i>Note</i>	31 March 2026	31 March 2025
Raw materials		646,765,109	874,800,289
Goods in transit	13(A)	1,199,194,001	1,790,138,914
Finished goods		1,073,808,246	1,035,998,309
Packing materials, stores and spares and others		449,569,980	441,691,095
		3,369,337,336	4,142,628,607

Detail break-up of inventories could not be given as it is difficult to quantify each item in a separate and distinct category due to large variety of items. Information in detailed form may not be useful for the users.

A. Goods in transit

<i>In Taka</i>			
Raw materials - trade		1,173,616,882	1,773,094,256
Other materials - non trade		25,577,119	17,044,658
		1,199,194,001	1,790,138,914

Title of goods in transit have been transferred to the Company but are yet to be received in factory warehouse for production.



Notes to the financial statements (continued)

14. Trade and other receivables

See accounting policies in note 33(J)

<i>In Taka</i>	<i>Note</i>	31 March 2026	31 March 2025
Trade receivables	14(A)	534,616,244	493,147,262
Trade receivables due from related party	14(B)	-	20,113,896
Other receivables	14(C)	31,085,639	41,195,785
		565,701,883	554,456,943

A. Trade receivables

<i>In Taka</i>			
Distributors		171,660,419	181,603,520
Institutions		218,506,229	229,429,134
Modern Trades		143,740,318	80,017,327
Shipping line		709,278	2,097,281
		534,616,244	493,147,262

B. Trade receivables due from related parties

<i>In Taka</i>			
Wilmar (China) Oleo Co., Ltd		-	20,113,896
		-	20,113,896

C. Other receivables

<i>In Taka</i>			
Bank interest receivable	14(C)(i)	7,055,637	16,879,326
Claim with VAT authority		21,222,958	21,222,958
Others - Claims with the insurer and others		2,807,044	3,093,501
		31,085,639	41,195,785

i. Bank interest receivable

<i>In Taka</i>			
Bank interest receivable		7,055,637	16,879,326
		7,055,637	16,879,326

15. Advances, deposits and prepayments

<i>In Taka</i>	<i>Note</i>	31 March 2026	31 March 2025
Advances	15(A)	24,994,109	37,517,649
Deposits	15(B)	202,077,810	368,204,349
Prepayments	15(C)	26,173,206	24,373,181
		253,245,125	430,095,179

Current and non-current classification of advances, deposits and prepayments

<i>In Taka</i>			
Non-current		110,641,791	148,989,313
Current		142,603,334	281,105,866
		253,245,125	430,095,179



Notes to the financial statements (continued)

15. Advances, deposits and prepayments (continued)

A. Advances

<i>In Taka</i>	31 March 2026	31 March 2025
Contractors and suppliers	19,093,893	31,303,520
Expense against employees	5,900,216	6,214,129
	24,994,109	37,517,649

B. Deposits

<i>In Taka</i>	31 March 2026	31 March 2025
Bangladesh Economic Zone Authority	50,960,085	50,960,085
Titas Gas Transmission & Distribution Co. Limited	10,518,557	19,764,911
Deposits made to Palli Bidyut Shamity	7,184,280	7,184,280
Telephone authority	33,000	33,000
DESA - Electricity line at Rupshi warehouse	21,000	21,000
Others	44,300	44,300
West Zone Power Company Ltd	2,400,000	2,400,000
Mongla Port Authority	300,000	300,000
Linde Bangladesh Ltd	238,910	238,909
BFDC	500,000	500,000
LC Margin	31,982,597	180,392,826
BG Margin	2,725,986	-
Customs duty deposits	267,433	1,555,441
Commercial Bank of Ceylon - Fixed deposit receipts account	54,116,622	51,111,111
Eastern Bank Limited - Fixed deposit receipts account*	7,480,232	6,950,556
HSBC - Fixed deposit receipts account*	14,122,004	-
State Bank of India - Fixed deposit receipts account**	1,823,000	1,823,000
VAT deposits	10,159,804	44,924,930
Trading Corporation of Bangladesh	7,200,000	-
	202,077,810	368,204,349

*Fixed deposit receipts for the amount of Tk 7,484,528 is held by Eastern Bank Limited, Dhaka as security against bank guarantee issued in favour of Titas Gas Transmission & Distribution Company Limited in terms of security deposit for supply of gas as per demand letter ref. ZOBIA/Sonargaon/ 132/13 dated 20 February 2012.

**Fixed deposit receipts for the amount of Tk 1,823,000 is held by State Bank of India, Dhaka as security against bank guarantee issued in favour of customs authority in terms of The High Court's injunction order in the matter of writ petition filed by the Company against over-valuation of import.

C. Prepayments

<i>In Taka</i>	31 March 2026	31 March 2025
Insurance premium	5,322,506	6,504,318
Lease rent	1,058,850	1,543,215
BSTI fees and others	19,791,850	16,325,648
	26,173,206	24,373,181

16. Cash and cash equivalents

See accounting policies in note 33(J)

<i>In Taka</i>	Note	31 March 2026	31 March 2025
Cash in hand		484,708	330,933
Cash at bank	16(A)	3,347,707,847	3,509,343,553
Cash and cash equivalents in the statement of financial position		3,348,192,555	3,509,674,486

A. Cash at bank

<i>In Taka</i>	31 March 2026	31 March 2025
Balance on current account		
Balance at Bank	35,108,133	85,213,288
Foreign currency - USD denominated	142,290,945	111,941,330
Balance with interest bearing accounts	3,170,308,769	3,312,188,936
	3,347,707,847	3,509,343,553

Notes to the financial statements (continued)

17. Property, plant and equipment

See accounting policies in note 33(G)

A. Reconciliation of carrying amount

In Taika	Land and development	Building and improvement	Plant and machineries	Tools and equipment	Furniture and fixtures	Motor vehicles	Jetty, pier and facilities	Marine vessels	Assets under construction	Right-of-use assets*	Total
Cost:											
Balance at 1 January 2024	667,533,872	1,296,548,104	4,359,119,847	328,051,840	59,065,551	22,254,505	53,908,374	161,865,338	70,343,526	694,879,130	7,713,570,887
Additions	-	-	-	-	-	-	-	-	251,635,861	39,020,259	290,656,120
Transfer from asset under construction	-	40,028,477	254,752,890	24,288,472	1,111,652	-	-	-	(320,181,481)	-	-
Disposal	-	(373,526)	(178,955,047)	(3,777,936)	(1,178,175)	(2,821,861)	-	-	-	(48,479,596)	(235,586,241)
Balance at 31 March 2025	667,533,872	1,336,202,955	4,434,917,480	348,562,375	58,999,028	19,432,644	53,908,374	161,865,338	1,797,906	685,419,794	7,768,640,766
Balance at 1 April 2025	667,533,872	1,336,202,955	4,434,917,480	348,562,375	58,999,028	19,432,644	53,908,374	161,865,338	1,797,906	685,419,794	7,768,640,766
Additions	-	-	-	-	-	-	-	-	57,214,599	250,876,034	308,090,633
Transfer from asset under construction	-	1,162,499	23,777,358	22,573,542	276,095	-	-	-	(47,789,495)	-	-
Disposal	-	-	-	(6,384,972)	(494,240)	(350,000)	-	-	-	(500,079,223)	(507,308,435)
Balance at 31 March 2026	667,533,872	1,337,365,454	4,458,694,838	364,750,945	58,780,883	19,082,644	53,908,374	161,865,338	11,223,010	436,215,605	7,569,422,964
Accumulated Depreciation:											
Balance at 1 January 2024	-	344,516,007	2,401,711,025	235,145,527	38,158,791	21,334,448	31,591,261	71,055,186	-	321,162,929	3,464,675,174
Depreciation	-	61,473,254	346,905,984	40,994,207	4,412,133	-	3,495,032	10,705,441	-	235,667,372	703,654,423
Adjustment for fair value	-	(5,556,820)	(16,528,525)	697,734	-	-	-	-	-	(21,387,611)	-
Disposal	-	(218,707)	(112,770,298)	(3,640,704)	(274,908)	(2,821,861)	-	-	-	(45,469,325)	(165,195,803)
Balance at 31 March 2025	-	400,213,734	2,619,318,186	273,196,764	42,296,016	18,512,587	35,086,293	81,761,627	-	511,360,976	3,981,746,183
Balance at 1 April 2025	-	400,213,734	2,619,318,186	273,196,764	42,296,016	18,512,587	35,086,293	81,761,627	-	511,360,976	3,981,746,183
Depreciation	-	49,930,437	289,985,180	32,835,733	3,079,923	-	2,796,026	8,447,171	-	126,494,190	483,468,660
Adjustment for fair value	-	(4,445,456)	(13,222,820)	558,187	-	-	-	-	-	-	(17,110,089)
Adjustment	-	-	-	-	-	-	-	-	-	225,463	225,463
Disposal	-	-	-	(6,181,103)	(474,440)	(350,000)	-	-	-	(496,164,210)	(503,169,753)
Balance at 31 March 2026	-	445,698,715	2,866,080,546	300,409,581	44,901,499	18,162,587	37,882,319	90,208,798	-	141,916,419	3,945,160,464
Carrying amount											
Balance at 1 January 2024	667,533,872	952,032,097	1,957,408,622	92,906,313	20,906,760	920,057	22,317,113	90,811,152	70,343,526	373,716,201	4,248,895,713
Balance at 31 March 2025	667,533,872	935,989,221	1,815,599,294	75,365,611	16,703,012	920,057	18,822,081	80,104,711	1,797,906	174,058,818	3,786,894,583
Balance at 31 March 2026	667,533,872	891,766,739	1,592,614,292	64,341,364	13,879,384	920,057	16,026,055	71,657,540	11,223,010	294,300,186	3,624,262,500

* Right of use assets include land and buildings related to leased properties. Depreciation has been applied on right of use asset based on lease period of land as per IAS 16.59.



Notes to the financial statements (continued)

17. Property, plant and equipment (continued)

B. Allocation of depreciation

<i>In Taka</i>	Twelve-month period ended 31 March 2026	Fifteen-month period ended 31 March 2025	Three-month period ended 31 March 2025	Twelve-month period ended 31 December 2024
Depreciation on property, plant and equipment				
Production overheads	310,817,525	407,870,839	82,109,013	325,761,826
Vessel operation	2,382,154	3,879,993	798,504	3,081,489
Administrative, Selling & Distribution expenses	26,664,702	34,853,108	6,809,649	28,043,459
Total on property, plant and equipment (A)	339,864,381	446,603,940	89,717,166	356,886,774
Depreciation on right-of-use of assets				
Production overheads	102,632,231	209,885,416	43,137,297	166,748,119
Administrative, Selling & Distribution expenses	23,861,961	25,777,456	3,485,056	22,292,400
Total depreciation on right-of-use of assets (B)	126,494,192	235,662,872	46,622,353	189,040,519
Total depreciation for the period (A+B)	466,358,573	682,266,812	136,339,519	545,927,293

18. Intangible assets and goodwill

See accounting policies in note 33(i)

A. Reconciliation of carrying amount

<i>In Taka</i>	Under Construction	Goodwill*	SAP and HRIS	Total
Cost				
Balance at 1 January 2024	-	1,808,925,397	79,781,432	1,888,706,829
Additions	4,622,240	-	-	4,622,240
Transfer from asset under construction	(4,622,240)	-	4,622,240	-
Disposal	-	-	-	-
Balance at 31 March 2025	-	1,808,925,397	84,403,672	1,893,329,069
Balance at 1 April 2025	-	1,808,925,397	84,403,672	1,893,329,069
Additions	-	-	-	-
Transfer from asset under construction	-	-	-	-
Disposal	-	-	-	-
Balance at 31 March 2026	-	1,808,925,397	84,403,672	1,893,329,069
Accumulated amortisation				
Balance at 1 January 2024	-	-	69,854,349	69,854,349
Amortisation	-	-	6,573,284	6,573,284
Disposal	-	-	-	-
Balance at 31 March 2025	-	-	76,427,633	76,427,633
Balance at 1 April 2025	-	-	76,427,633	76,427,633
Amortisation	-	-	2,358,235	2,358,235
Disposal	-	-	-	-
Balance at 31 March 2026	-	-	78,785,868	78,785,868
Carrying amount				
Balance at 1 January 2024	-	1,808,925,397	9,927,083	1,818,852,480
Balance at 31 March 2025	-	1,808,925,397	7,976,039	1,816,901,436
Balance at 31 March 2026	-	1,808,925,397	5,617,804	1,814,543,201

*Goodwill was recognized upon the Company's acquisition of its subsidiary Shun Shing Edible Oil Limited on 8 June 2016. Since its initial recognition, no impairment has been recognised against this goodwill. However, in line with the Company's accounting policy, impairment testing is conducted at regular intervals to assess whether the carrying amount of goodwill remains



Notes to the financial statements (continued)

18. Intangible assets and goodwill (continued)

B. Allocation of amortisation:

In Taka

	Twelve-month period ended 31 March 2026	Fifteen-month period ended 31 March 2025	Three-month period ended 31 March 2025	Twelve-month period ended 31 December 2024
Production overheads	342,824	208,831	85,706	123,125
Administrative, selling and distribution expenses	2,015,411	6,364,453	563,126	5,801,327
	2,358,235	6,573,284	648,832	5,924,452

19. Share capital

See accounting policies in note 33(K)

In Taka

	31 March 2026	31 March 2025
Authorised:		
5,000,000 ordinary shares of Tk 100 each	500,000,000	500,000,000
Issued, subscribed and paid up:		
4,000,000 ordinary shares of Tk 100 each	400,000,000	400,000,000

Name of the shareholders	Percentage of holding	Number of shares	Face value Taka	Total Face value
Leverian Holdings Pte Ltd.	99.999950%	3,999,998	100	399,999,800
AWL Agri Holdings Pte. Ltd. (formerly known as Adani Wilmar Pte Limited)	0.000050%	2	100	200
	100%	4,000,000		400,000,000



Notes to the financial statements (continued)

20. Employee benefits

See accounting policies in note 33(C)

<i>In Taka</i>	<i>Note</i>	31 March 2026	31 March 2025
Net defined benefit asset	20(A)	(586,686)	(922,654)
Net defined benefit liability	20(A)	323,061,230	331,181,961
Net defined benefit liability		322,474,544	330,259,307
Non-current*		270,846,678	74,656,224
Current*		51,627,866	255,603,083
		322,474,544	330,259,307

A. Movement in net defined benefit (asset)/liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset)/liability and its components.

<i>In Taka</i>	31 March 2026			31 March 2025		
	Defined benefit obligation	Fair value of plan assets	Net defined (asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined (asset)/ liability
Opening balance	331,181,961	922,654	330,259,307	303,975,328	2,136,969	301,838,359
Included in profit or loss						
Current service costs	22,596,236	-	22,596,236	23,710,076	-	23,710,076
Past service costs	-	-	-	-	-	-
Interest cost	33,921,764	-	33,921,764	32,173,314	-	32,173,314
Interest income	-	69,332	(69,332)	-	245,752	(245,752)
	56,518,000	69,332	56,448,668	55,883,390	245,752	55,637,638
Included in OCI						
Actuarial (gain)/loss arising from:						
-demographic assumption	-	-	-	-	-	-
-financial assumption	-	(245,752)	245,752	-	-	-
-experience adjustment	(39,882,674)	-	(39,882,674)	-	-	-
Return on plan asset excluding interest income	-	(59,633)	59,633	-	-	-
	(39,882,674)	(305,385)	(39,577,289)	-	-	-
Other						
Contribution paid by the employer	-	24,656,142	(24,656,142)	-	27,216,690	(27,216,690)
Benefits paid	(24,756,057)	(24,756,057)	-	(28,676,757)	(28,676,757)	-
	(24,756,057)	(99,915)	(24,656,142)	(28,676,757)	(1,460,067)	(27,216,690)
Closing balance	323,061,230	586,686	322,474,544	331,181,961	922,654	330,259,307

B. Actuarial assumption

The following was the principal actuarial assumption at the reporting date:

<i>In Taka</i>	31 March 2026	31 March 2025
Salary growth rate	8.20%	7.80%
Discount rate	10.25%	10.80%
Withdraw rate	Age up to 30 years: 1.23%; 31-44 years : 7.10%; 2.16% thereafter	
Mortality rate	*100% of Indian Assured Lives Mortality (2012-2014) Ultimate	

*KP Actuaries and Consultants LLP is appointed as the actuary for the Company. Actuary considered this table as no such mortality statistics is available for Bangladesh.



Notes to the financial statements (continued)

20. Employee benefits (continued)

C. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

In Taka	31 March 2026		31 March 2025	
	Increase	Decrease	Increase	Decrease
Discount Rate (- / + 1%)	301,643,726	347,251,144	352,627,180	311,785,957
Salary Growth Rate (- / + 1%)	347,498,709	301,070,753	311,176,894	352,963,211
Attrition Rate (- / + 50% of attrition rates)	326,956,772	318,078,256	325,614,856	335,315,856
Mortality Rate (- / + 10% of mortality rates)	323,201,764	322,920,031	330,885,229	331,161,338

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

D. Summary of principal rules of the plan

Plan sponsor	Bangladesh Edible Oil Limited
Nature of benefit	Defined benefit plan
Applicable salary	Last drawn monthly basic salary
Vesting period	1 months
Normal retirement age	60 years
Maximum limit	Not applicable
Benefits formula	Service length
More than 6 months and less than 10 years	30 days basic for each year
10 years and above	45 days basic for each year

In case of employees with age above the retirement age indicated above, the retirement is assumed to happen immediately and valuation is done accordingly.



Notes to the financial statements (continued)

21. Trade credit from bank

See accounting policies in note 33(J)

<i>In Taka</i>	<i>Note</i>	31 March 2026	31 March 2025
UPAS (Usance Payable at Sight)/ Usance Acceptance Under Import LC	21(A)	-	6,160,433,117
Loan Against Trust Reciept	21(B)	3,997,806,047	-
		3,997,806,047	6,160,433,117

A. UPAS (Usance Payable at Sight)/Usance Acceptance Under Import LC

In Taka

Standard Chartered Bank	-	-
Eastern Bank Limited	-	2,581,598,080
Commercial Bank of Ceylon	-	691,514,717
Prime Bank PLC	-	1,714,212,240
The City Bank Limited	-	1,173,108,080
	-	6,160,433,117

B. Loan Against Trust Reciept

In Taka

Standard Chartered Bank	2,330,000,000	-
Eastern Bank Limited	1,667,806,047	-
	3,997,806,047	-

22. Lease liabilities

See accounting policy in Note 33(N)

A. Leases as lessee (IFRS 16)

i. Reconciliation of carrying amount

<i>In Taka</i>	31 March 2026	31 March 2025
Opening balance	181,936,342	374,613,177
Addition	246,518,413	42,035,643
Interest on lease liabilities	18,689,716	32,789,160
Payment of interest on lease liabilities	(18,373,929)	(32,789,160)
Payment of lease liabilities (principal portion)	(144,872,930)	(234,712,478)
Closing balance	283,897,612	181,936,342

ii. Lease liabilities

In Taka

Non-current liabilities	224,030,365	94,565,123
Current liabilities	59,867,247	87,371,219
	283,897,612	181,936,342

iii. Amounts recognised in profit or loss

In Taka

Interest on lease liabilities	22A(i)	18,689,716	32,789,160
Expenses relating to short-term leases	8(A)	16,017,646	21,383,439
		34,707,362	54,172,599

iv. Amounts recognised in statement of cash flows

In Taka

Total cash outflow for leases	163,246,859	267,501,638
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B. Leases as lessor

The Company does not provide any lease facility to other entity.



Notes to the financial statements (continued)

23. Trade and other payables

See accounting policies in note 33(J)

<i>In Taka</i>	<i>Note</i>	31 March 2026	31 March 2025
Trade payables due to related parties	23(A)	5,659,940,976	4,993,270,725
Accrued expenses	23(B)	482,148,892	472,839,814
Other trade payables	23(C)	1,437,606,025	2,082,517,802
Other payables	23(D)	1,162,518,134	427,744,698
Worker's profit participation fund	23(E)	23,671,468	7,902,473
		8,765,885,495	7,984,275,512

A. Trade payables due to related parties

In Taka

AWL Agri Business Limited (formerly known as Adani Wilmar Limited)	3,406,939,543	2,846,040,121
Wilmar Trading Pte. Ltd. Singapore	2,232,058,032	2,123,753,261
Wilmar International Ltd. Singapore	20,943,401	23,477,343
	5,659,940,976	4,993,270,725

B. Accrued expenses

In Taka

Accrued interest	57,143,633	85,062,278
Audit fees	4,990,000	5,750,000
Accrued software expense	6,463,741	572,000
Clearing and forwarding	774,864	-
Construction contractors	1,742,560	373,195
Creditors for Packaging material	27,140,087	53,257,475
Creditors store supply and import purchase	39,503,348	58,335,508
External workers	35,840,912	14,318,332
Gas and electricity	27,670,004	26,525,665
Professional fees	22,390,302	23,199,022
Provision for annual leave encashment	22,261,995	21,905,300
Rentals for office and warehouse	1,671,689	2,088,805
Repairs and maintenance	14,649,234	1,792,933
Employee related costs	1,842,534	6,630,181
Sales promotion and advertising	124,124,894	96,714,624
Sundry creditors	1,923,248	803,564
Telephone	933,357	1,043,790
Transport	91,082,490	74,467,142
	482,148,892	472,839,814



Notes to the financial statements (continued)

23. Trade and other payables (continued)

C. Other trade payables

<i>In Taka</i>	31 March 2026	31 March 2025
Payable for supply of crude oils and other materials (local)	1,437,606,025	2,082,517,802
	1,437,606,025	2,082,517,802

D. Other payables

<i>In Taka</i>		
Advance received against sales	834,859,542	284,611,221
Retention from supplier	2,060,373	1,951,693
Security deposit from customers	97,400,000	105,100,000
VAT payable	213,706,054	22,336,774
Withholding tax	14,492,165	13,745,010
	1,162,518,134	427,744,698

E. Worker's profit participation fund

<i>In Taka</i>	<i>Note</i>		
Opening balance		7,902,473	7,902,473
Provision made during year	11	15,768,995	-
		23,671,468	7,902,473
Paid during the year		-	-
Closing balance		23,671,468	7,902,473

24. Actual production

The Company processed during the year 151,680 MT Crude Soyabean Oil (2025: 157,974 MT) and 34,280 MT Crude Palm Oil (2025: 53,130 MT) out of its purchased crude oil.

25. Number of employees

The number of employees engaged during or part of the year who received a total remuneration of Tk 36,000 or above was 404 (Fifteen month ended March 2025: 444).



Notes to the financial statements (continued)

26. Financial instruments - Fair values and risk management
See accounting policy in Note 33(J)

A. Accounting classifications and fair values

The following table shows the carrying amounts and fair values, where applicable, of financial assets and financial liabilities. The Company has not disclosed the fair values for financial instruments such as claims receivables, trade and other receivables and trade and other payables, because their carrying amounts are a reasonable approximation of fair value.

In Taka	Note	Fair value hedging at fair value instruments	Mandatorily at fair value instruments	FVOCI-debt instruments	Carrying amount		Fair value					
					FVOCI Financial assets equity instruments	at amortised cost	Other financial liabilities	Total amount	Level 1	Level 2	Level 3	Total
31 March 2026												
Financial assets measured at fair value												
Financial assets not measured at fair value												
Trade and other receivables	14	-	-	-	-	565,701,883	-	565,701,883	-	-	-	-
Cash and cash equivalents	16(A)	-	-	-	-	3,347,707,847	-	3,347,707,847	-	-	-	-
		-	-	-	-	3,913,409,730	-	3,913,409,730	-	-	-	-
Financial liabilities measured at fair value												
Financial liabilities not measured at fair value												
Trade credit from bank	21	-	-	-	-	-	-	3,997,806,047	3,997,806,047	-	-	-
Trade and other payables	23	-	-	-	-	-	-	8,260,065,135	8,260,065,135	-	-	-
		-	-	-	-	-	-	12,257,871,182	12,257,871,182	-	-	-



Notes to the financial statements (continued)

26. Financial instruments - Fair values and risk management (continued)

A. Accounting classifications and fair values (continued)

In Taka	Note	Fair value hedging instruments	Mandatorily at fair value	FVOCI-debt instruments	FVOCI equity instruments	Carrying amount		Fair value		
						Financial assets at amortised cost	Other financial liabilities	Total amount	Level 1	Level 2, level 3
31 March 2025										
Financial assets measured at fair value										
Financial assets not measured at fair value										
Trade and other receivables	14	-	-	-	-	554,456,943	-	554,456,943	-	-
Cash and cash equivalents	16(A)	-	-	-	-	3,509,674,486	-	3,509,674,486	-	-
		-	-	-	-	4,064,131,429	-	4,064,131,429	-	-
Financial liabilities measured at fair value										
Financial liabilities not measured at fair value										
Trade credit from bank	21	-	-	-	-	-	6,160,433,117	6,160,433,117	-	-
Trade and other payables	23	-	-	-	-	-	7,984,275,512	7,984,275,512	-	-
		-	-	-	-	-	14,144,708,629	14,144,708,629	-	-



Notes to the financial statements (continued)

26. Financial instruments - Fair values and risk management (continued)

B. Financial risk management

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

- Credit risk
- Liquidity risk
- Market risk

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

i. Credit risk

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

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

In monitoring credit risk, debtors are Companyed according to their risk profile, i.e. their legal status, financial condition, ageing profile etc. Accounts and other receivables are mainly related to the Company's buyers. The Company's exposure to credit risk on trade receivables is mainly influenced by the individual payment characteristics of credit purchaser. Credit risk does not arise in respect of any other receivables.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

i (a) Exposure to credit risk

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

Financial assets

<i>In Taka</i>	<i>Note</i>	31 March 2026	31 March 2025
Trade receivables	14(A)	534,616,244	493,147,262
Trade receivables due from related party	14(B)	-	20,113,896
Other receivables	14(C)	31,085,639	41,195,785
Cash at banks	16(A)	3,347,707,847	3,509,343,553
		3,913,409,730	4,063,800,496

i (b) Ageing of financial assets

Ageing of trade receivables

<i>In Taka</i>	<i>Note</i>	31 March 2026	31 March 2025
Trade receivables	14(A)	534,616,244	493,147,262
Trade receivables due from related party	14(B)	-	20,113,896
		534,616,244	513,261,158

The ageing of trade receivables due from related party at the end of the reporting year was:

Invoiced 0-30 days	-	20,113,896
Invoiced 31-60 days	-	-
Invoiced 61-90 days	-	-
Invoiced 91-120 days	-	-
Invoiced 121 - 365 days	-	-
Invoiced over 365 days	-	-
	-	20,113,896

The ageing of trade receivables at the end of the reporting year was:

Invoiced 0-30 days	534,458,212	491,352,386
Invoiced 31-60 days	-	386,029
Invoiced 61-90 days	-	588,000
Invoiced 91-120 days	-	560,000
Invoiced 121 - 365 days	80,032	137,232
Invoiced over 365 days	78,000	123,615
	534,616,244	493,147,262



Notes to the financial statements (continued)

26. Financial instruments - Fair values and risk management (continued)

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities as that are settled by delivering cash or other financial assets. The Company's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Moreover, the Company seeks to maintain short term lines of credit with scheduled commercial banks to ensure payment of obligations in the event that there is insufficient cash to make the required payment. The requirement is determined in advance through cash flow projections and credit lines with banks are negotiated accordingly.

In extreme stressed conditions, the Company may get support from the parent Company in the form of shareholder's loan.

The following are the contractual maturities of financial liabilities :

31 March 2026 <i>In Taka</i>	Note	Carrying amount	Contractual cash flows					More than 5 years
			Expected cash flow	6 months or less	6-12 months	1-2 years	2-5 years	
Non-derivative financial liabilities								
Trade credit from bank	21	3,997,806,047	3,997,806,047	3,997,806,047	-	-	-	-
Lease liabilities	22	283,897,812	361,630,252	31,237,898	44,952,098	120,338,883	124,294,912	40,806,461
Trade and other payables	23	8,765,885,495	8,765,836,076	8,377,086,367	96,429,778	144,644,668	48,214,890	99,460,373
		13,047,589,154	13,125,272,375	12,406,130,312	141,381,876	264,983,551	172,509,802	140,266,834
Derivative financial liabilities								
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-

31 March 2025 In Taka	Note	Carrying amount	Expected cash flow	Contractual cash flows				More than 5 years
				6 months or less	6-12 months	1-2 years	2-5 years	
Non-derivative financial liabilities								
Trade credit from bank	21	6,160,433,117	6,160,433,117	6,160,433,117	-	-	-	42,929,651
Lease liabilities	22	181,936,342	230,556,682	81,787,033	30,943,133	26,776,294	48,120,572	-
Trade and other payables	23	7,984,275,512	7,984,275,512	7,901,552,800	29,353,134	14,844,459	38,525,159	-
		14,326,644,971	14,375,265,311	14,143,772,950	60,296,266	41,620,753	86,645,731	42,929,651
Derivative financial liabilities								
		-	-	-	-	-	-	-



Notes to the financial statements (continued)

26. Financial instruments - Fair values and risk management (continued)

iii. Market risk

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

iii (a) Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which revenues, purchases, receivables and borrowings are denominated and the respective functional currency of the Company. Majority of the Company's foreign currency transactions are denominated in USD and major transaction relates to procurement of crude soyabean oil and crude palm oil items from abroad.

Exposure to currency risk

The Company's exposure to foreign currency risk, based on notional amounts, was as follows:

<i>In USD</i>	31 March 2026	31 March 2025
Foreign currency denominated assets		
Trade and other receivables	-	164,868
Cash at bank	1,154,959	683,492
	1,154,959	848,360
Foreign currency denominated liabilities		
Loans and borrowings	-	-
Trade and other payables	45,941,079	54,215,809
	45,941,079	54,215,809

The following significant exchange rates are applied at:

	31 March 2026		31 March 2025	
<i>In Taka</i>	Average rate	Year-end spot rate	Average rate	Year-end spot rate
USD 1	122.49	123.20	117.33	122.00



Notes to the financial statements (continued)

26. Financial instruments - Fair values and risk management (continued)

iii. Market risk (continued)

iii (b) Foreign exchange rate sensitivity analysis

The basis for the sensitivity analysis to measure foreign exchange risk is an aggregate corporate-level currency exposure. The aggregate foreign exchange exposure is composed of all assets and liabilities denominated in foreign currencies.

A 1.5% change in foreign exchange rates would have increased/(decreased) equity and profits or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates remain constant.

Effect in Taka	Strengthening	Profit/(loss)		Equity	
		Weakening	Strengthening	Weakening	Strengthening
31 March 2026					
USD (1.5% movement)	82,764,750	(82,764,750)	82,764,750	(82,764,750)	
31 March 2025					
USD (1.5% movement)	97,662,430	(97,662,430)	97,662,430	(97,662,430)	

iii (c) Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates. The Company is not exposed to fluctuations in interest rates as it has no floating interest rate bearing financial liability as at the reporting date. The Company has not entered into any agreement involving derivative instrument at the reporting date.

The interest rate profile of the Company's interest bearing financial instruments was:

In Taka	Note	31 March 2026	31 March 2025
Fixed rate instruments			
Financial assets			
Fixed deposit receipts	15(B)	77,541,858	59,884,667
		77,541,858	59,884,667



Notes to the financial statements (continued)

27. Related parties

A. Parent and ultimate controlling party

Leverian Holdings Pte Ltd. has 99.99% shareholding of the Company. AWL Agri Holdings Pte. Ltd. (formerly known as Adani Wilmar Pte Limited) has 100% shareholding of Leverian Holdings Pte Limited. Hence, the ultimate controlling party of the Company is AWL Agri Business Limited (formerly known as Adani Wilmar Limited).

B. Key management personnel compensation (included in operating expenses)

<i>In Taka</i>	31 March 2026	31 March 2025
Salary and allowances	4,687,910	5,554,500
	4,687,910	5,554,500

Compensation of the Company's key management personnel includes salaries and non-cash benefits.

C. Other related party transactions

Name of related party	Country	Nature of relationship	Nature of Transactions	Transaction values for the period ended			Balance outstanding as at	
				1 April 2025 to 31 March 2026	1 January 2024 to 31 March 2025		31 March 2026	31 March 2025
AWL Agri Business Limited (formerly known as Adani Wilmar Limited)	India	Parent company	Advance against sale	-	(224,400,000)	-	-	-
			Purchase of Raw material	(8,479,376,309)	(3,366,232,975)	(3,396,330,518)	(2,769,162,975)	(2,769,162,975)
			Purchase of Finished Goods	(237,917,516)	(522,896,803)	(10,609,026)	(76,877,146)	(76,877,146)
			SAP Maintenance	-	(20,433,077)	(17,869,192)	(20,433,077)	(20,433,077)
			Others	-	-	(117,410)	(116,266)	(116,266)
			Royalty paid/provision	-	-	(2,956,800)	(2,928,000)	(2,928,000)
			Purchase of Raw material	(7,729,339,973)	(6,203,163,517)	(2,229,000,701)	(2,123,753,261)	(2,123,753,261)
			Purchase of Finished Goods	(201,324,809)	(34,314,099)	(3,057,331)	-	-
			Purchase of spare parts, capital machineries	(5,445,375)	(6,353,324)	-	-	-
PGEO Edible Oils SDN BHD	Malaysia	Related company	Sale of Bulk Product	44,482,900	36,217,896	-	20,113,896	-
Wilmar (China) Oleo., Ltd	China	Related company	Purchase of spare parts & capital machineries	-	(6,450,919)	-	-	-
Wilmar Trading (Hong Kong) Limited	Hong Kong	Related company	Purchase of pet resin spare parts & capital machineries	-	(38,302,407)	-	-	-
Wilmar Distribution (Hong Kong) Limited	Singapore	Related company		-	-	-	-	-



Notes to the financial statements (continued)

28. Capital expenditure commitment

There were no capital expenditure commitment at 31 March 2026.

29. Contingent liabilities

<i>In Taka</i>	31 March 2026	31 March 2025
Disputed tax claim for 2006 (Assessment year 2007-2008):	-	(38,984,346)
The company filed appeal before the High Court Division of the Supreme Court against the order passed by Tax Appellate Tribunal.		
Disputed tax claim for 2007 (Assessment year 2008-2009):	(10,442,393)	(15,274,421)
The company filed appeal before the High Court Division of the Supreme Court against the order passed by Tax Appellate Tribunal.		
Disputed tax claim for 2011 (Assessment year 2012-2013):	(242,021)	(32,128,411)
The company filed Civil Petition for Leave to Appeal against the order passed by Appellate Division which now pending disposal in the Hon'ble Chamber Court. (Case # 367/2016)		
Disputed tax claim for 2012 (Assessment year 2013-2014):	(31,921)	(22,099,263)
The company filed Civil Petition for Leave to Appeal against the order passed by Appellate Division which now pending disposal in the Hon'ble Chamber Court. (Case # 267/2017)		
Disputed tax claim for 2015-2016 (Assessment year 2016-2017):	(792,493)	(3,534,335)
Formerly SSEOL		
The company filed appeal before the High Court Division of the Supreme Court of Bangladesh against the order passed by Tax appellate Tribunal.		
Disputed tax claim for July 2016 - December 2016 (Assessment year 2017-2018): Formerly SSEOL	(61,319,629)	(56,471,358)
The company filed appeal before the High Court Division of the Supreme Court of Bangladesh against the order passed by Tax appellate Tribunal.		
Disputed tax claim for 2016 (Assessment year 2017-2018):	(42,418,354)	(38,209,178)
The company filed appeal before the High Court Division of the Supreme Court of Bangladesh against the order passed by Tax appellate Tribunal.		
Disputed tax claim for 2017 (Assessment year 2018-2019):	(122,938,677)	(169,150,441)
Formerly SSEOL		
The company filed appeal before the High Court Division of the Supreme Court of Bangladesh against the order passed by Tax appellate Tribunal.		
Disputed tax claim for 2018 (Assessment year 2019-2020):	(10,602,285)	(53,583,182)
Formerly SSEOL		
The company filed appeal before the High Court Division of the Supreme Court of Bangladesh against the order passed by Tax appellate Tribunal.		
Disputed tax claim for 2019 (Assessment year 2020-2021):	(23,643,519)	(55,184,685)
Formerly SSEOL		
The company filed appeal before the Tax Appellate Tribunal against the order passed by the Commissioner of Appeal.		



Notes to the financial statements (continued)

29. Contingent (liabilities)/assets (continued)

<i>In Taka</i>	31 March 2026	31 March 2025
Disputed tax claim for 2020 (Assessment year 2021-2022):	(4,157,987)	(31,365,781)
The company filed appeal before the Commissioner of Appeal against the order passed by Deputy Commissioner of Tax.		
Disputed tax claim for 2020 (Assessment year 2021-2022):	(194,430,384)	(186,446,728)
Formerly SSEOL		
The company filed appeal before the Commissioner of Appeal against the order passed by Deputy Commissioner of Tax.		
Disputed tax claim for 2022 (Assessment year 2023-2024):	-	(23,710,803)
Formerly SSEOL		
The company filed a Writ Petition before the High Court Division of the Supreme Court against the order passed by Deputy Commissioner of taxes. (Writ Petition # 15782/2024)		
The company filed a Writ Petition before the High Court Division of the Supreme Court against alleged VAT demand. (Writ Petition # 21/2021)	(9,144,816)	(9,144,816)
The company filed a Writ Petition before the High Court Division of the Supreme Court against alleged VAT demand. (Writ Petition no : 56/2008)	(5,844,897)	(5,844,897)
The company filed appeal before the High Court Division of the Supreme Court against the order passed by VAT Appellate Tribunal. (Case # 310/2023)	(11,530,819)	(11,530,819)
The company filed appeal before the High Court Division of the Supreme Court against the order passed by VAT Appellate Tribunal. (Case # 297/2023)	(18,578,070)	(18,578,070)
The company filed appeal before the High Court Division of the Supreme Court against the order passed by VAT Appellate Tribunal. (Case # 278/2023)	(11,271,147)	(11,271,147)
The company filed appeal before the High Court Division of the Supreme Court against the order passed by VAT Commissionerate, Khulna. (Case #15924/2024)	(36,882,780)	(36,882,780)
The above contingent liabilities in connection with tax have not been recognised as liabilities as the management of the Company expect favourable outcome from appeals.		

30. Reporting period and reasons for change in reporting period

30.1 Reporting period

The Company's financial year was 1 January to 31 December which has been changed to 1 April to 31 March from the year 2024-2025. Accordingly, these financial statements cover 12 months from 1 April 2025 to 31 March 2026 in current year and 15 months from 1 January 2024 to 31 March 2025 in prior year. From current year, 1 April to 31 March will be considered as accounting year for the Company and will be followed consistently.



Notes to the financial statements (continued)

30. Reporting period and reasons for change in reporting period (continued)

30.2 Reasons for change in reporting period

The financial year of the ultimate controlling party, AWL Agri Business Limited (formerly known as Adani Wilmar Limited), is from 1 April to 31 March. For the purpose of being aligned with the financial reporting year of the parent company, the Company's management has decided to change its financial year from 1 January to 31 December to 1 April to 31 March and the Board of directors approved such in its General Meeting (GM) on 23 December 2024.

31. Subsequent events

No material events had occurred after the reporting date to the date of issue of these financial statements, which could affect the values stated in the financial statements.

Disclosure for USA vs Iran war

Subsequent to the reporting date, breakout of war with Iran has led to disruption of energy supply from the Middle East to the Asian region, including Bangladesh. As at the date of authorization of the financial statements, these developments have not had any adverse impact on the Company's supply chain operations, selling prices, or cost structure. These events are considered non adjusting subsequent events under IAS 10 Events after the Reporting Period.

The situation remains highly dynamic and subject to significant uncertainty. Management continues to closely monitor developments and assess their potential implications for the Company's operations, financial position, and cash flows. At present, the Company is unable to reliably estimate the financial impact, if any, arising from these events.

32. Basis of measurement

The financial statements have been prepared on historical cost basis except for the inventories which are measured at lower of cost and net realizable value.

33. Material accounting policies

The Company has consistently applied the following accounting policies to all periods presented in these financial statements, except if mentioned otherwise.

Certain comparative amounts in the statement of profit or loss and OCI have been restated, reclassified or re-presented, as a result of a correction of a prior-period error.

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

- A. Foreign currency
- B. Revenue from contracts with customers
- C. Employee benefits
- D. Finance income and finance costs
- E. Income tax
- F. Inventories
- G. Property, plant and equipment
- H. Investment property
- I. Intangible assets and Goodwill
- J. Financial instruments
- K. Share capital
- L. Impairment
- M. Provisions
- N. Leases
- O. Operating profit
- P. Fair value measurement of financial instruments
- Q. Reporting period
- R. Events after the reporting period



Notes to the financial statements (continued)

33. Material accounting policies (continued)

A. Foreign currency

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on retranslation are recognised in the statement of comprehensive income.

B. Revenue from contracts with customers

The Company recognises as revenue the amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services when (or as) it transfers control to the customer. To achieve that core principle, this standard establishes a five-step model as follows:

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognise revenue when (or as) the entity satisfies a performance obligation.

The Company recognises revenue when (or as) the Company satisfies a performance obligation by transferring a promised good to a customer. Goods is considered as transferred when (or as) the customer obtains control of that goods. Revenue from sale of goods is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts, rebates and Value Added Tax (VAT).

The Company has applied IFRS 15 from 1 January 2018.

C. Employee benefits

The Company maintains both defined contribution plan (provident fund and worker's profit participation fund) and defined benefit plan (gratuity fund) for its eligible permanent employees.

i. Defined contribution plan (provident fund)

Defined contribution plan is a post-employment benefit plan. The recognised Employees' Provident Fund is considered as defined contribution plan as it meets the recognition criteria specified for this purpose. All permanent employees contribute 10% of their basic salary to the provident fund and the Company also makes equal contribution.

The Company recognises contribution to defined contribution plan as an expense when an employee has rendered services in exchange for such contribution. The legal and constructive obligation is limited to the amount it agrees to contribute to the fund.

ii. Defined benefit plan (gratuity fund)

The Company operates an gratuity scheme, provision in respect of which is made covering all its permanent eligible employees. Gratuity payable to all eligible employees at the end of each year is determined on the basis of existing rules and regulations. Provision for gratuity payable is calculated by way of multiplying number of years served with the last drawn monthly basic salary. A service period of more than six months with the Company is considered as full year service for the purpose of gratuity calculation except for the first year of service which will have to be completed by an employee in order to become eligible for gratuity payment.



Notes to the financial statements (continued)

33. Material accounting policies (continued)

iii. Defined contribution plan (WPPF)

The Company is required to provide 5% of profit before tax before charging such expense as WPPF in accordance with Bangladesh Labour Act, 2006 (amended at 2013)

D. Finance income and finance costs

Finance income comprises interest income on SND (Short Notice Deposit) at bank. Interest income is recognised as it accrues in profit or loss using the effective interest method. Finance costs comprise interest expense on loans and borrowing. Interest cost is recognised as it accrues in profit or loss using the effective interest method.

E. Income tax

Income tax expenses comprise current and deferred tax. Current tax and deferred tax are recognised in the statement of profit or loss and other comprehensive income except to the extent that it relates to an item recognised directly in equity in which case it is recognised in equity.

i. Current tax

Current tax is expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

ii. Deferred tax

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

- a) temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that effects neither accounting nor taxable profit or loss
- b) temporary differences related to investment in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future, and
- c) taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are offset if there is legally enforceable right to offset tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or there tax assets and liabilities will be realised simultaneously.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.



Notes to the financial statements (continued)

33. Material accounting policies (continued)

F. Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on a weighted average basis for valuation of raw material, raw materials in transit, work in progress and finished goods, packing materials, stores and others. It also includes all costs in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

G. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment, excluding land and land development, are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Land and land development is measured at cost. The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates, and any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner. Cost also includes initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

ii. Subsequent expenditure

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

iii. Depreciation

No depreciation is charged on land and land development and assets under construction.

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Land is not depreciated.

The estimated useful lives for the current and comparative years are as follows:

Building and improvement	40 years
Plant and machinery	5-20 years
Tools and equipment	3-5 years
Furniture and fixtures	10 years
Motor vehicles	5 years
Tank and piping	20 years
Marine vessel	20 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

iv. Gains or losses on disposal

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceed and the carrying amount of the asset and is recognised in profit or loss.



Notes to the financial statements (continued)

33. Material accounting policies (continued)

H. Investment property

Investment property is initially measured at cost and subsequently at fair value with any change therein recognised in profit or loss. Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss. When investment property that was previously classified as property, plant and equipment is sold, any related amount included in the revaluation reserve is transferred to retained earnings.

Rental income from investment property is recognised as other revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

I. Intangible assets and Goodwill

i. Recognition and measurement

Intangible assets other than acquired goodwill (SAP Software and HRIS Software) that are acquired by the Company have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Goodwill is not amortised. The estimated useful lives for the current year is as follows:

Intangible assets other than goodwill	5 years
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Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

iv. Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its continued use. Gains or losses on disposals are determined by comparing the disposal proceeds with the carrying amounts and are recognised net.

J. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Recognition and initial measurement

Trade and other receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

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



Notes to the financial statements (continued)

33. Material accounting policies (continued)

J. Financial instruments (continued)

ii. Classification and subsequent measurement

Financial assets

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

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

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

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

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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

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

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Notes to the financial statements (continued)

33. Material accounting policies (continued)

J. Financial instruments (continued)

ii. Classification and subsequent measurement (continued)

Financial assets include cash and cash equivalents, trade and other receivables, and long term receivables and deposits.

(a) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and all cash deposits with maturities of three months or less that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments.

(b) Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Financial liability

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Financial liabilities include trade and other payables etc.

(a) Trade and other payables

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

(b) Loans and borrowings

Bank overdrafts that are repayable on demand and short term loans and borrowings are stated at their costs. Short term loan repayable within twelve months from the date of statement of financial position. Those are classified as current liabilities whereas unpaid interest and other charges are classified as current liabilities.

iii. Derecognition

Financial assets

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

Financial liabilities

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

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



Notes to the financial statements (continued)

33. Material accounting policies (continued)

J. Financial instruments (continued)

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

K. Share capital

Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with IAS 12.

L. Impairment

i. Non-derivative financial assets

The Company recognises loss allowances for ECLs on:
- financial assets measured at amortised cost;

The Company also recognises loss allowances for ECLs on lease receivables, which are disclosed as part of trade and other receivables.

The Company measures loss allowances at an amount equal to lifetime ECLs as there is very low chance of the loss.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

ii. Non-financial assets

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

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflow from continuing use that are largely independent of the cash inflows of other assets or CGUs.

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



Notes to the financial statements (continued)

33. Material accounting policies (continued)

L. Impairment (continued)

Impairment losses are recognised in statement of profit or loss and other comprehensive income. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amount of the assets in the CGU on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

M. Provisions

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the date of statement of financial position. Where the effect of time value of money is material, the amount of provision is measured at the present value of the expenditures expected to be required to settle the obligation.

N. Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

i. As a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.



Notes to the financial statements (continued)

33. Material accounting policies (continued)

N. Leases (continued)

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

II. As a lessor

The Company has not leased any property as of 31 March 2025.

O. Operating profit

Operating profit is the result generated from the continuing principal revenue-producing activities of the Company as well as other income and expenses related to operating activities. Operating profit excludes net finance costs, share of profit of equity-accounted investees and income taxes.



Notes to the financial statements (continued)

33. Material accounting policies (continued)

P. Fair value measurement of financial instruments

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Company measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price.

Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

Q. Reporting period

The financial period of the Company covers 1 year from 1 April to 31 March and will be followed consistently. This is the second year of the period end 31 March.

R. Events after the reporting period

Events after the reporting period that provide additional information about the Company's position at the reporting date or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Material events after the reporting date that are not adjusting events are disclosed in the note 31.

34. Comparative Information

Comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current financial statements.

The Company used longer period (fifteen months) as comparative financial year which is as of 31 March 2025. As the financial statements contain fifteen-month amounts for prior year and twelve-month amounts for current year, the amounts presented in the financial statements are not entirely comparable.



Notes to the financial statements (continued)

35. Going concern

The financial statements are prepared on a going concern basis. The accumulated loss was BDT -306,074,575 and the total assets have exceeded the total liabilities by BDT 144,572,513 as at 31 March 2025. As per management assessment no material uncertainties have been identified that would indicate events or conditions likely to cast significant doubt on the Company's ability to continue as a going concern.

36. Standards issued but not yet effective

A number of new standards are effective for annual periods beginning after 1 April 2025 and earlier application is permitted. However, the Company has not early adopted the following new or amended standards in preparing these financial statements.

The following amended standards and interpretations are not expected to have a significant impact on the Company's financial statements.

A. IFRS 18 presentation and disclosure in financial statements

IFRS 18 will replace IAS 1 *Presentation of Financial Statements* and applies for annual reporting periods beginning on or after 1 January 2027. The new accounting standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Company is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Company's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Company is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as "other".

B. Other accounting standards

The following amended standards and interpretations are not expected to have a significant impact on the Company's financial statements.

- Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7).
- Contracts referencing nature-dependent electricity (Amendments to IFRS 9 and IFRS 7).

