

Anwar Galvanizing Limited

Baitul Hossain Building

27 Dilkusha, Dhaka-1000, Bangladesh

Half Yearly Financial Statements (Unaudited)

As at and for the period ended 31 December 2022



Anwar Galvanizing Limited
Registered Office: 27, Dilkusha C/A, Dhaka-1000.

Statement of Financial Position (Unaudited)
As at 31 December 2022

Particulars	Notes	As at 31 December 2022	As at 30 June 2022
Property, plant and equipments	3	226,958,914	166,433,168
Non-Current Asstes		226,958,914	166,433,168
Inventories	4	270,926,903	240,635,759
Trade receivables	5	8,546,360	10,891,159
Advances, deposits and pre- payments	6	52,436,595	44,186,312
Short term investment	7	-	234,879,719
Cash and cash equivalents	8	72,259,894	32,325,842
Current Assets		404,169,752	562,918,791
Total Assets		631,128,666	729,351,959
Share capital	9	167,706,000	167,706,000
Retained earnings	10	248,748,444	198,085,219
Total Equity		416,454,444	365,791,219
Deferred tax liabilities	11	7,793,255	7,686,012
Long term loan-long term portion	12.01	29,660,447	15,537,855
Non Current Liabilities		37,453,702	23,223,867
Long term loan-current portion	12.02	7,175,604	7,175,604
Trade and other payables	13	122,887,290	200,054,478
Income tax liabilities	14	40,056,071	29,018,849
Short term loan	15	-	96,970,206
Unclaimed dividend account	16	7,101,555	7,117,736
Current Liabilities		177,220,520	340,336,873
Total Equity and Liabilities		631,128,666	729,351,959
Net Asstes Value Per Share (NAV)	20	24.83	21.81

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

Chief Financial Officer

Director

Managing Director

Company Secretary

Chairman

Dated : Dhaka, 30 January, 2023



Anwar Galvanizing Limited
Registered Office: 27, Dilkusha C/A, Dhaka-1000.

Statement of Profit and Loss and Other Comprehensive Income (Unaudited)
For the Period ended 31 December 2022

Particulars	Notes	July '22 to Dec '22	July '21 to Dec '21	Oct '22 to Dec '22	Oct '21 to Dec '21
Revenue	17	333,978,036	335,037,784	157,830,787	194,011,712
Cost of goods sold	18	(256,950,526)	(282,882,306)	(116,655,741)	(168,769,059)
Gross Profit		77,027,510	52,155,478	41,175,046	25,242,652
Administrative expenses		(6,664,565)	(7,044,208)	(3,067,052)	(3,841,727)
Selling and distribution expenses		(11,012,510)	(13,576,862)	(3,258,895)	(7,759,813)
Operating Expenses		(17,677,075)	(20,621,070)	(6,325,947)	(11,601,540)
Operating Profit		59,350,435	31,534,409	34,849,099	13,641,112
Financial expenses		(3,572,459)	(6,186,878)	(1,279,160)	(4,306,884)
Non-operating income	19	9,120,098	112,187,312	9,120,098	35,032,566
		5,547,639	106,000,434	7,840,938	30,725,682
Profit Before Distribution of WPPF		64,898,074	137,534,843	42,690,037	44,366,794
Contribution to WPPF		(3,090,385)	(6,549,279)	(2,032,859)	(2,112,705)
Profit Before Tax		61,807,689	130,985,564	40,657,178	42,254,089
Current Tax		(11,037,222)	(14,640,467)	(6,866,770)	(4,131,230)
Deferred Tax		(107,243)	2,877	(48,753)	174
Income Tax expense		(11,144,465)	(14,637,590)	(6,915,523)	(4,131,056)
Net Profit After Tax		50,663,224	116,347,973	33,741,655	38,123,033
Other Comprehensive income		-	-	-	-
Total Comprehensive Income for the period		50,663,224	116,347,973	33,741,655	38,123,033
Basic Operating Earnings Per Share		2.54	1.22	1.53	0.45
Basic Non-Operating Earnings Per Share		0.48	6.41	0.48	2.05
Basic Earnings Per Share (EPS)	21	3.02	7.63	2.01	2.50
Restated operating Earnings Per Share		2.54	1.11	1.53	0.41
Restated non-operating Earnings Per Share		0.48	5.83	0.48	1.86
Restated Earnings Per Share (EPS)	21	3.02	6.94	2.01	2.27

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

Chief Financial Officer

Director

Managing Director

Company Secretary

Chairman

Dated : Dhaka, 30 January, 2023



Anwar Galvanizing Limited
Registered Office: 27, Dilkusha C/A, Dhaka-1000.

Statement of Cash Flows (Unaudited)
For the Period ended 31 December 2022

Particulars	Notes	July '22 to Dec '22	July '21 to Dec '21
Cash Flows from Operating Activities:			
Collection from customers and others		340,992,872	324,094,844
Payment for suppliers, employees and others		(274,085,439)	(320,246,441)
Income tax paid		(4,551,161)	(5,380,239)
Interest paid		(1,405,489)	(1,424,409)
Net Cash Inflow/(Outflow) from Operating Activities		60,950,783	(2,956,244)
Cash Flows from Investing Activities			
Payment for the acquisition of property, plant and equipment		(760,691)	(1,293,368)
Payment for the capital work-in-progress		(64,791,601)	(3,653,959)
Investment in shares		234,879,719	(26,840,000)
Net Cash Inflow/(Outflow) from Investing Activities		169,327,427	(31,787,327)
Cash Flows from Financing Activities			
Dividend paid		(16,181)	(2,286)
Receipt/(payment) of short term loan		(96,970,206)	(28,983,003)
Receipt/(payment) of long term loan		14,122,592	73,778,098
Receipt/(payment) Loan from NBL securities Ltd		(107,480,363)	-
Net Cash Inflow/(Outflow) from Financing Activities		(190,344,158)	44,792,809
Net Increase/(Decrease) in Cash and Cash Equivalents		39,934,052	10,049,237
Cash and Cash Equivalents at the Beginning of the Period		32,325,842	25,676,820
Cash and Cash Equivalents at the Period End		72,259,894	35,726,057
Net Operating Cash Flow Per Share (NOCFPS)	22	3.63	(0.19)

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

Chief Financial Officer

Director

Managing Director

Company Secretary

Chairman

Dated : Dhaka, 30 January, 2023



Anwar Galvanizing Limited
Registered Office: 27, Dilkusha C/A, Dhaka-1000.

Statement of Changes in Equity (Unaudited)
For the Period ended 31 December 2022

Particulars	Share Capital	Retained Earnings	Other Components of Equity	Total
Balance as on 01 July 2022	167,706,000	198,085,219	-	365,791,219
Net Profit After Tax	-	50,663,224	-	50,663,224
Cash dividend	-	-	-	-
Stock dividend	-	-	-	-
Balance as on 31 December 2022	167,706,000	248,748,444	-	416,454,444
Balance as on 1 July 2021	152,460,000	50,413,298	-	202,873,298
Net Profit After Tax	-	116,347,973	-	116,347,973
Cash dividend	-	-	-	-
Stock dividend	-	-	-	-
Balance as on 31 December 2021	152,460,000	166,761,271	-	319,221,271

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

Chief Financial Officer

Director

Managing Director

Company Secretary

Dated : Dhaka, 30 January, 2023

Chairman



Anwar Galvanizing Limited
Registered Office: 27, Dilkusha C/A, Dhaka-1000.

Notes to the Accounts (Unaudited)
As on and for the period ending 31 December 2022

1 Legal Status and Nature of the Company

Anwar Galvanizing Limited (a "Company") was incorporated in Bangladesh on 14th February 1995, Registration No. 27860(1706)/95 under the Companies Act, 1994 as a public company limited by shares and its shares are listed in the Dhaka Stock Exchange, Bangladesh.

The address of the Registered Office and the Principal place of business is located at 27, Dilkusha Commercial Area, Dhaka and the manufacturing plant is located at Tongi Industrial Area, Gazipur.

The company carries on the business of manufacturing and distributing of Galvanized GI Fittings of all specifications at competitive standards.

2 Selected Explanatory Notes

2.1 Statement of Compliance

These financial statements have been prepared on going concern basis in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws in Bangladesh.

2.2 Basis of Preparation

The Un-audited half yearly financial statements for the period have been prepared in condensed form in accordance with IAS-34 'Interim Financial Reporting'. Selective narrative and descriptive information has been provided where it is relevant for understanding of the current period's financial statements.

2.3 Reporting Period

The Un-audited half yearly Financial Statements of the company has been prepared for the period from 01 July 2022 to 31 December 2022. Comparative information has been disclosed as per the requirement of Securities Exchange Commission.

Sl.No.	Particulars	Notes	31 December 2022 BDT	30 June 2022 BDT
3.00	Property, plant and equipments			
	Property, plant and equipment	3.01	107,227,875	99,671,376
	Capital work -in-progress	3.02	119,731,038	66,761,792
			226,958,914	166,433,168
3.01	Property, plant and equipments			
	A. Cost			
	Opening balance		167,570,204	158,908,872
	Addition during the period		12,583,046	8,777,140
	Disposal during the period		-	(115,807)
			180,153,250	167,570,204
	B. Accumulated depreciation			
	Opening Balance		67,898,828	57,528,158
	Depreciation for the period		5,026,546	10,483,648
	Depreciation on disposal of assets during the period		-	(112,977)
			72,925,374	67,898,828
	Written down value as on 31 December 2022 (A-B)		107,227,875	99,671,376

3.02 Capital work -in-progress		
Opening balance	66,761,792	34,071,063
Addition during the period	64,791,601	39,200,551
Transfer to non-current assets during the period	(11,822,354)	(6,345,222)
Transfer to WIP fitting box	-	(164,600)
	119,731,038	66,761,792

4.00 Inventories		
Raw materials	47,792,061	46,603,585
Auxiliary materials	7,301,739	8,500,171
Spare parts and other materials	57,674,766	46,214,270
Finished goods	98,460,935	107,735,938
Work -in-process	59,697,402	31,581,795
	270,926,903	240,635,759

Inventories, except goods in transit are measured at lower of cost and estimated net realisable value (NRV). In view of innumerable items of inventory and diversified units of measurement, it is not feasible to disclose the comparison of NRV and cost.

5.00 Trade Receivables		
Receivable From dealers and others	9,254,162	11,598,962
	9,254,162	11,598,962
Provision for doubtful debt	5.01 (707,803)	(707,803)
	8,546,360	10,891,159

5.01 Provision for Doubtful Debt		
Opening Balance	707,803	812,557
Provision made during the period	-	-
Adjustment made/ write-off	-	(104,754)
	707,803	707,803

6.00 Advances, Deposits and Prepayments		
Advances	6.01 46,447,008	38,196,725
Security deposits	6.02 5,989,587	5,989,587
	52,436,595	44,186,312

Above amounts are unsecured, but considered good.

6.01 Advances		
Advance against supplier	14,892,629	17,422,407
Advance income tax	22,929,096	18,377,935
Advance against employee	472,988	210,010
Advance against others	3,311,214	2,186,373
Advance To NBL securities Ltd	4,841,081	-
	46,447,008	38,196,725

6.02 Security Deposits		
Security deposit -CDBL	300,000	300,000
Security deposit-electricity	5,086,000	5,086,000
Security deposit-gas	561,587	561,587
Security deposit- meter	42,000	42,000
	5,989,587	5,989,587

7.00 Short Term Investment

Name of Company	No of Share	Cost Price as at 30 June 2022	Market Price	Market Price as at 30 June 2022
Investment in different securities	4,783,701	238,259,609	-	234,879,719
		238,259,609	-	234,879,719

The investments comprise of equity investments in other entities and are held for trading. The unrealized gain/(loss) has been accounted and presented in non-operating income in accordance with IFRS 9.

8.00 Cash and cash equivalents

Cash at banks	71,201,013	32,091,593
Cash in hand	1,058,881	234,249
	72,259,894	32,325,842

9.00 Share capital

Authorised Capital		
5,00,00,000 Ordinary Shares of BDT 10 each	500,000,000	500,000,000
	500,000,000	500,000,000
Issued, Subscribed, and Paid-up-Capital		
15,246,000 ordinary shares of Tk.10 each issued for cash	167,706,000	152,460,000
1,524,600 bonus shares of Tk.10 each	-	15,246,000
	167,706,000	167,706,000

10.00 Retained earnings

Profit brought forward	198,085,219	50,413,298
Prior year adjustment	-	(70,065)
Adjusted opening balance	198,085,219	50,343,233
Net profit during the period/year	50,663,224	193,479,986
Cash dividend	-	(30,492,000)
Stock dividend	-	(15,246,000)
	248,748,444	198,085,219

11.00 Deferred tax liabilities

Opening Balance	7,686,012	8,639,338
Deferred tax (income)/ expense charged in Profit & Loss	107,243	(953,326)
11.01	7,793,255	7,686,012

11.01 For 31 December 2022	Carrying Value	Tax Based Value	Temporary Difference
Property, Plant and Equipment			
Land	8,877,421	8,877,421	-
Other than land	98,350,454	59,384,180	38,966,274
	107,227,875	68,261,601	38,966,274
Applicable Tax Rate			
On land			15%
On other than land			20.00%
Deferred Tax Liability			
On land			-
On other than land			7,793,255
Deferred tax liabilities as on December 31, 2022			7,793,255

For 30 June 2022	Carrying Value	Tax Based Value	Temporary Difference
Property, Plant and Equipment			
Land	8,877,421	8,877,421	-
Other than land	90,793,955	52,363,896	38,430,059
	99,671,376	61,241,317	38,430,059
Applicable Tax Rate			
On land			15%
On other than land			20.00%
Deferred Tax Liability			
On land			-
On other than land			7,686,012
Deferred tax liabilities as on June 30, 2022			7,686,012
12.00 Long term loan		36,836,051	22,713,459
		36,836,051	22,713,459
12.01 Long term loan-long term portion		29,660,447	15,537,855
		29,660,447	15,537,855
12.02 Long term loan-current portion		7,175,604	7,175,604
		7,175,604	7,175,604
13.00 Trade and other payables			
Trade payable		49,465,361	20,807,497
Liabilities for expenses	13.01	47,603,689	54,940,492
Advance received from customers		25,818,240	21,667,208
Loan from NBL securities Ltd		-	102,639,282
		122,887,290	200,054,478
13.01 Liabilities for expenses			
Liabilities for salaries, wages and others		8,653,197	10,356,537
TDS & VDS payable		401,999	354,521
Provision for WPPF		21,550,491	18,460,106
Liabilities for other expense		16,998,002	25,769,328
		47,603,689	54,940,492
14.00 Income tax payable			
Opening balance		29,018,849	14,893,440
Accrued tax liability against demand for earlier year		-	70,065
Tax adjustment		-	(14,963,505)
Tax provision made during the period		11,037,222	29,018,849
		40,056,071	29,018,849
14.01 Reconciliation of Effective Tax Rate			
Profit before income tax (A)		61,807,689	221,545,509
Less: 'Interest income		519,004	430,981
Less: Realised gain/(loss) from sale of shares		5,221,205	160,921,234
Less: 'Un-realise gain/(loss) from short term investments		3,379,890	(3,469,290)
Less: Dividend income		-	3,300,000
Net taxable business income		52,687,591	60,362,585
Applicable tax rate		20.00%	20.00%
Income tax (B)		10,537,518	12,072,517
Factors effecting the tax charge for the current year/period:			
(Excess)/ short of fiscal depreciation over accounting dep.		(536,215)	(33,003)
Inadmissible expense		(354,383)	357,575
Movement of temporary differences: (credit)/charge		(890,598)	324,572
Tax on temporary differences (C)		(178,120)	64,914
Total business income tax expense (B+C)		10,359,399	12,137,431
Effective tax rate (B+C)/A		19.66%	20.11%

15.00 Short term loan

Opening balance	96,970,206	99,641,836
LTR used during the period	92,393,555	206,921,765
LTR settled during the period	(189,363,761)	(209,593,395)
	-	96,970,206

16.00 Unclaimed dividend account

Opening balance	7,117,736	13,105,485
Addition during the period	-	30,492,000
Paid during the period	(16,181)	(36,479,749)
	7,101,555	7,117,736



Anwar Galvanizing Limited
Registered Office: 27, Dilkusha C/A, Dhaka-1000.

Notes to the Accounts (Un-audited)
As on and for the period ending 31 December 2022

Sl.No.	Particulars	Notes	July'22 to December '22 BDT	July'21 to December '21 BDT	October '22 to December '22 BDT	October '21 to December '21 BDT
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17.00	Revenue					
	Sales: GI Fittings and others		333,978,036	335,037,784	157,830,787	194,011,712
			333,978,036	335,037,784	157,830,787	194,011,712

The sales amount is presented net of VAT.

18.00	Cost of Goods Sold					
	Raw materials consumption		136,487,787	167,933,382	65,326,950	104,735,317
	Auxiliary materials consumption		19,134,545	21,425,737	10,163,593	12,500,327
	Spare parts and other material consumption		23,516,044	32,045,860	11,899,673	18,007,843
	Direct wages		58,952,949	54,275,029	29,738,114	29,678,800
	Power cost		27,314,617	26,354,661	13,533,616	14,107,924
	Carriage inward		219,600	208,050	155,700	118,350
	Prime cost		265,625,542	302,242,720	130,817,646	179,148,562
	Other Factory overheads		10,165,588	11,297,519	4,750,993	5,503,444
	Opening stock of work -in-process		31,581,795	22,529,304	41,596,306	35,564,574
	Closing stock of work -in-process		(59,697,402)	(18,498,745)	(59,697,402)	(18,498,745)
	Cost of Production		247,675,523	317,570,799	117,467,543	201,717,834
	Opening stock of finished goods		107,735,938	92,040,322	97,649,133	93,780,040
	Closing stock of finished goods		(98,460,935)	(126,728,815)	(98,460,935)	(126,728,815)
	Cost of Goods Sold		256,950,526	282,882,306	116,655,741	168,769,059

19.00	Non-operating income					
	Interest income		519,004	57,025	519,004	57,025
	Gain/(loss) from sale of short term investments (Realized)		5,221,205	103,100,287	5,221,205	27,378,421
	Gain/(loss) from sale of short term investments (Unrealized)		3,379,890	9,030,000	3,379,890	7,597,120
			9,120,098	112,187,312	9,120,098	35,032,566

The Realised and unrealized gain/(loss) has been accounted and presented in non-operating income in accordance with IFRS 9.

20.00	Net Asset Value (NAV) Per Share			As at 31 Dec 2022	As at 30 June 2022
	The Computation of NAV per share is given below :				
	Assets			631,128,665	729,351,959
	Less: Liabilities			214,674,221	363,560,740
	Net Assets Value			416,454,443	365,791,219
	Weighted average number of ordinary shares	20.01		16,770,600	16,770,600
	Net Assets Value (NAV) Per Share			24.83	21.81

The earnings during the period (as discussed in Note-21) with no distribution to shareholders has ensured the NAV growth of 14%.

20.01	Weighted average number of Ordinary Shares			As at 31 Dec 2022	As at 31 Dec 2021
				Weighted average no. of shares	Weighted average no. of shares
	Details	Number of days outstanding			
	Ordinary shares outstanding	365		16,770,600	15,246,000

21.00 Earnings Per Share (EPS)

21.01	Basic Earnings Per Share				
	a) Profit Attributable to the ordinary shareholders		50,663,224	116,347,973	33,741,656
	b) Weighted average number of ordinary shares	20.01	16,770,600	15,246,000	16,770,600
	Basic Earnings Per Share (a/b)		3.02	7.63	2.01
	Restated Earnings Per Share				
	a) Profit Attributable to the ordinary shareholders		50,663,224	116,347,973	33,741,656
	b) Weighted average number of ordinary shares	20.01	16,770,600	16,770,600	16,770,600
	Restated Earnings Per Share (a/b)		3.02	6.94	2.27

Half yearly EPS from operational activities has been increased to BDT 2.54 from BDT 1.22 compared to same period of last year due to improved gross profit margin of 23% from 16% and decrease in financial expenses by 42%. Gross profit margin has been improved due to reduction in manufacturing cost through ensuring efficiency whereas decrease in financial expenses is attributable to redemption of all short term loan during the reporting period. On the other hand, Half yearly EPS from non-operating activities was BDT 0.48 compared to BDT 6.41 of the same period of last year. As a result, Half yearly Basic Earnings per share has been decreased from BDT 7.63 to BDT 3.02.

Q2 EPS from operational activities has been increased to BDT 1.53 from BDT 0.45 compared to same period of last year due to improved gross margin and decrease in financial expenses by 70%. Gross profit margin has been improved due to reduction in manufacturing cost through ensuring efficiency whereas decrease in financial expenses is attributable to redemption of all short term loan during the reporting period. On the other hand, Q2 EPS from non-operating activities was BDT 0.48 compared to BDT 2.05 of the same period of last year. As a result, Q2 Basic Earnings per share has been decreased from BDT 2.50 to BDT 2.01.

21.02 Diluted Earnings Per Share

No diluted EPS was required to be calculated for the year/period since there was no scope for dilution of shares during the period

22.00 Net Operating Cash Flow Per share (NOCFPS)

The composition of operating cash inflow/outflow value per share is given below:

		July'22 to December '22	July'21 to December '21
a) Operating cash inflow/ (outflow) during the period		60,950,783	(2,956,244)
b) Weighted average number of ordinary shares	20.01	16,770,600	15,246,000
Net Operating Cash Flow Per share (NOCFPS) (a/b)		3.63	(0.19)

Net operating cash flow per share (NOCFPS) has been increased to BDT 3.63 from BDT (0.19) due to growth in operational EPS and efficient management of working capital.

23.00 Reconciliation of Net Operating Cash Flows

	July'22 to December '22	July'21 to December '21
Net profit after tax	50,663,224	116,347,973
Add: Item not involving movement of cash		
Depreciation on property, plant & equipment	5,026,546	5,092,128
A. Cash generated from operations before changes in working capital	55,689,770	121,440,102
Changes in working capital :		
(Increase)/Decrease in inventories	(30,291,144)	(51,642,702)
(Increase)/Decrease Accounts receivables	2,344,800	(9,896,550)
(Increase)/Decrease in Adv, Dep. & Pre.	(3,409,202)	(82,231,037)
Increase/(Decrease) in Trade and other Payable	36,616,559	19,371,657
Increase / (Decrease) in dividend Payable	-	2,286
B. Total changes in working capital	5,261,013	(124,396,346)
C. Cash generated from operating activities (A+B)	60,950,783	(2,956,244)

24.00 Director of the Company

Number of Director

There are 10 Directors in the Company during the period ended 31 December 2022.

Salary & Remuneration of the management team

Aggregate amount paid to the management team for their service rendered as defined in the schedule 12(2) para 4 part-II of Securities & Exchange rules 1987. During the period, The Board of Directors of the company were not given any compensation benefits except board meeting fees.

25.00 Related Party Transactions:

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

Name of Party/Company	31 December 2022	30 June 2022
Anwar Ispat Ltd.	3,178,669	4,505,248
A One Polymer Ltd	(9,960,774)	(4,715,944)
Anwar Cement Sheet Ltd.	(1,369,662)	(320,729)
Anwar Printex Ltd.	959	503

All the above receivable/(Payable) amount is derived from supply/purchases of materials. The relationship between the Companies are Common Director.

26.00 Events After the Reporting Period:

Approval of Financial Statements:

These financial statements were authorized for issue in accordance with a resolution of the Company's Board of Directors on 30 January 2023.

There is no other significant event that has occurred between the end of the reporting period and the date when the Financial Statements were authorised for issue.