

FINANCIAL STATEMENTS (UN-AUDITED)
OF
GLOBAL HEAVY CHEMICALS LTD.



For the Half Year (2nd Quarter) Ended December 31, 2022

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Head Office:

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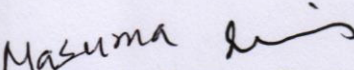
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GLOBAL HEAVY CHEMICALS LTD.
Statement of Financial Position (Un-audited)
As at 31 December 2022

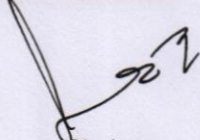
	Notes	31-Dec-22	(Amount in Taka) 30-Jun-22
ASSETS			
Non-Current Assets			
Property, Plant and Equipment -Carrying Value	3.00	4,521,400,029	4,459,817,177
Current Assets			
Advances, Deposits and Prepayments	4.00	715,341,926	720,763,164
Inventories	5.00	130,141,314	141,703,129
Trade Receivable		282,799,750	268,239,424
Cash and cash equivalents	6.00	274,707,629	271,513,340
		27,693,233	39,307,271
TOTAL ASSETS		5,236,741,955	5,180,580,342
EQUITY AND LIABILITIES			
Shareholders equity			
Share Capital		3,795,320,305	3,864,966,833
Share Premium		720,000,000	720,000,000
Revaluation Reserve		1,083,400,000	1,083,400,000
Retained Earnings		1,464,644,749	1,464,644,749
		527,275,556	596,922,084
Non-Current Liabilities			
Long Term Loan		574,272,244	584,874,360
Deferred Tax (Assets)/Liabilities	7.00	56,876,482	79,647,856
		517,395,763	505,226,503
Current Liabilities & Provisions			
Trade Payable		867,149,405	730,739,149
Provision & Liabilities for Expenses		3,245,820	3,467,000
Dividend Payable		43,486,251	32,741,520
Advance against Sales		7,464,704	3,003,780
Short term Bank Loan		6,652,480	6,016,736
Provision for Income Tax		782,326,801	667,450,738
		23,973,349	18,059,375
TOTAL EQUITY AND LIABILITIES		5,236,741,955	5,180,580,342
Net Asset Value per share		52.71	53.68


Company Secretary


Chief Financial Officer


Director


Managing Director


Chairman

Date: January 26, 2023
Dhaka

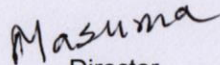


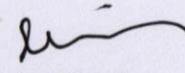
GLOBAL HEAVY CHEMICALS LTD.
Statement of Profit or Loss and Others Comprehensive Income (Un-Audited)
For the Half Year (2nd Quarter) ended 31 December 2022

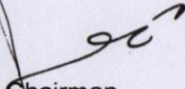
<u>Particulars</u>	<u>Notes</u>	(Amount in Taka)			
		<u>July 2022 to December 2022</u>	<u>July 2021 to December 2021</u>	<u>October 2022 to December 2022</u>	<u>October 2021 to December 2021</u>
Net Sales		224,569,242	211,092,434	111,574,298	104,845,628
Cost of Goods Sold	8.00	(215,920,263)	(196,915,303)	(102,984,082)	(98,777,809)
Gross Profit		8,648,979	14,177,131	8,590,215	6,067,819
Operating Expenses		(20,160,270)	(19,678,202)	(10,666,815)	(10,100,663)
Office & administrative Expenses	9.00	(16,988,569)	(16,372,613)	(8,987,132)	(8,376,402)
Selling & Distribution Expenses	10.00	(3,171,701)	(3,305,589)	(1,679,683)	(1,724,261)
Operating Income		(11,511,292)	(5,501,071)	(2,076,600)	(4,032,844)
Financial Expenses		(35,726,262)	(21,045,810)	(18,470,035)	(10,865,634)
Other Income		195,260	124,580	156,412	112,100
Profit before WPPF & Tax		(47,042,294)	(26,422,301)	(20,390,223)	(14,786,378)
Provision For WPPF		-	-	-	-
Profit before Tax		(47,042,294)	(26,422,301)	(20,390,223)	(14,786,378)
Income Tax Expenses		(18,083,234)	(7,871,248)	(11,890,268)	(4,172,650)
Provision for Current Tax	13.00	(5,913,974)	(1,924,522)	(3,898,578)	(872,049)
Provision for Deferred Tax		(12,169,260)	(5,946,726)	(7,991,690)	(3,300,601)
Profit after tax		(65,125,528)	(34,293,549)	(32,280,491)	(18,959,028)
Basic Earnings Per Share		(0.90)	(0.48)	(0.45)	(0.26)
Diluted Earnings Per Share		(0.90)	(0.48)	(0.45)	(0.26)


 Company Secretary


 Chief Financial Officer


 Director


 Managing Director


 Chairman

Date: January 26, 2023
 Dhaka



GLOBAL HEAVY CHEMICALS LTD.
Statement of Changes in Equity (Un-Audited)

For the Half Year (2nd Quarter) ended 31 December 2022

(Amount in Taka)

Particulars	Share Capital	Share premium	Retained Earnings	Revaluation Surplus	Total Shareholders Equity
Balance as at July 01, 2022	720,000,000	1,083,400,000	596,922,083	1,464,644,749	3,864,966,833
Dividend Payable year 21-22	-	-	(4,521,000)	-	(4,521,000)
Net profit during the Period	-	-	(65,125,528)	-	(65,125,528)
Balance as at December 31, 2022	720,000,000	1,083,400,000	527,275,556	1,464,644,749	3,795,320,305

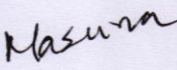
For the Half Year (2nd Quarter) ended 31 December 2021


(Amount in Taka)

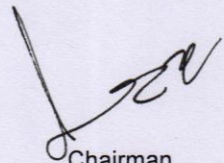
Particulars	Share Capital	Share premium	Retained Earnings	Revaluation Surplus (Restated)	Total Shareholders Equity
Balance as at July 01, 2021	720,000,000	1,083,400,000	666,882,784	1,464,644,749	3,934,927,533
Dividend Payable year 20-21	-	-	(11,147,500)	-	(11,147,500)
Net profit during the Period	-	-	(34,293,549)	-	(34,293,549)
Balance as at December 31, 2021	720,000,000	1,083,400,000	621,441,735	1,464,644,749	3,889,486,484


Company Secretary


Chief Financial Officer


Director


Managing Director


Chairman

Date: January 26, 2023
Dhaka

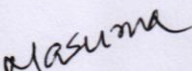


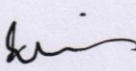
GLOBAL HEAVY CHEMICALS LTD.
Statement of Cash Flow (Un-Audited)
For the Half Year (2nd Quarter) ended 31 December 2022

PARTICULARS	July 2022 to December 2022	July 2021 to December 2021
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Cash Receipts:	222,205,957	215,290,771
Cash Receipts from Customers	222,010,697	215,166,191
Cash Receipts from Others Income	195,260	124,580
Cash Payments:	221,996,370	214,322,552
Cash paid to suppliers, employees & others	180,356,134	191,352,220
Income Tax	5,913,974	1,924,522
Financial Expenses	35,726,262	21,045,810
Net Cash Provided by Operating Activities:	209,587	968,219
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Fixed Assets Addition	(103,868,237)	(40,687,003)
Net Cash Used in Investing Activities:	(103,868,237)	(40,687,003)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Bank loan	92,104,688	39,652,105
Dividend Paid	(60,076)	(696,872)
Net Cash provided by Financing Activities:	92,044,613	38,955,233
D. Net Cash Inflow (A+B+C):	(11,614,038)	(763,551)
E. Opening Cash & Cash Equivalent	39,307,271	31,520,317
F. Closing Cash & Cash Equivalent (D+E):	27,693,233	30,756,766
Net Operating Cash flow per share:	0.00291	0.01


Company Secretary


Chief Financial Officer


Director


Managing Director


Chairman

Date: January 26, 2023
Dhaka



GLOBAL HEAVY CHEMICALS LIMITED

37, SEGUN BAGICHA

DHAKA-1000

Notes to the Financial Statements (Un- Audited)
For the Half Year (2nd Quarter) ended 31 December 2022

1. Reporting Entity

Global Heavy Chemicals Limited (GHCL) was incorporated as a Private Limited Company on the 19th day of September 2000 under the Companies Act, 1994 with the Registrar of Joint Stock Companies & Firms vide Incorporation No.C-41335(694)/2000. It was converted into a Public Limited Company on 16 September 2010. Its authorized Capital is BDT 1,000.00 million and present paid-up capital is BDT 720.00 million. The company went for Initial public offering of shares in December 2012 which was fully subscribed and issued. The company was listed with Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE) on 6 March 2013. The company has started its commercial operation on 15 October 2002. Plant of Global Heavy Chemicals Limited (GHCL) is located on the southern part of Dhaka district in Hasnabad union under Keraigonj Upazilla on the south side of the river Buriganga. The principal activities and nature of the business of the company is to manufacture and distribute Sodium Hydroxide (Caustic Soda), Chlorine and other chemical products.

2. Significant Accounting Policies:

2.1 Basis of Preparation of Financial Statements

The Financial Statements of the Company are prepared on a going concern basis under historical cost convention and in accordance with the requirements of International Accounting Standards IAS-34 "Interim Financial Reporting", International Financial Reporting Standards (BFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 and other laws and rules applicable in Bangladesh.

These financial statements for the Half Year ended 31 December 2022 should be read in conjunction with the Financial Statements for the year ended 30 June 2022 (hereafter referred to as the "Annual Financial Statements"), as they provide an update to previously reported information. This interim financial report includes only those selected explanatory notes as were deemed appropriate for better understanding of unaudited financial statements.

No adjustments have been made for inflationary factors affecting the financial statements. No changes in the basis of accounting like valuation of stocks, method of charging depreciation, etc. were made during the Half Year ended 31 December 2022.

2.2 Revenue Recognition:

Revenue is recognized only when it is probable that the economic benefit of such transaction has been derived as per "IFRS-15".

Sales revenue is recognized when transactions related to sales are completed and the sales invoices are issued in favor of the buyers.



	31-Dec-22	30-Jun-22
3.00 Property, Plant & Equipment -Carrying Value		
Opening balance	5,260,366,122	5,060,187,613
Add: Addition during the Period	103,868,237	200,178,509
	5,364,234,359	5,260,366,122
Less: Accumulated depreciation up to last account	800,548,945	719,229,264
	4,563,685,414	4,541,136,858
Less: Depreciation charged during the Period	42,285,386	81,319,681
Written Down Value	4,521,400,029	4,459,817,177
4.00 Advances, Deposits and Prepayments		
Security Deposits	14,556,803	14,556,803
Advance Tax	39,801,076	33,887,102
Advance VAT	23,380,168	11,680,666
Other Advance & Deposit (Note: 4.01)	52,403,267	81,578,558
Total:	130,141,314	141,703,129
4.01 Other Advance & Deposit		
Advance to C & F agent	5,754,425	6,134,527
Advance to Carrying agent	2,158,173	2,267,450
Advance for Capital Expenditure	17,459,757	43,742,980
Advance to supplier	13,022,421	14,572,856
Advance to employee	13,388,222	14,186,540
Other advance expenses and deposited	620,269	674,205
Total:	52,403,267	81,578,558
5.00 Inventories		
Raw Materials	137,442,950	124,014,995
Packing Materials	10,489,525	10,261,374
Finished Goods	130,969,755	130,486,075
Others	3,897,520	3,476,980
Total:	282,799,750	268,239,424
6.00 Cash and Cash Equivalents		
Cash in hand	1,698,521	5,737,764
Cash at bank	25,994,712	33,569,507
Total	27,693,233	39,307,271
7.00 Deferred Tax (Assets)/Liabilities		
This represents provision is made for deferred tax to pay future income tax liability for temporary differences which is arrived at as follows:		
Opening Balance	505,226,503	488,426,382
Provision made for the current Period	12,169,259	16,800,121
Total	517,395,763	505,226,503
Calculation:		
Written Down Value excluding Land (Account Base)	2,714,668,003	2,653,085,151
Written Down Value excluding Land (Tax Base)	686,361,791	678,864,536
Temporary Difference	2,028,306,212	1,974,220,615
Tax Rate	22.5%	22.5%
Deferred Tax (Assets)/Liabilities	456,368,898	444,199,638
Deferred Tax on Land revaluation Surplus	61,026,865	61,026,865
	517,395,763	505,226,503



	July 2022 to December 2022	July 2021 to December 2021
8.00 Cost of Goods Sold		
Materials Consumed (Note-8.01)	70,773,515	60,890,249
Direct Labour	12,894,581	13,502,040
Manufacturing Overhead (Note-8.02)	132,735,847	128,817,299
Cost of Production	<u>216,403,943</u>	<u>203,209,588</u>
Add: Opening Stock of Finished Goods	130,486,075	114,584,780
	346,890,018	317,794,368
Less: Closing Stock of Finished Goods	(130,969,755)	(120,879,065)
Cost of Goods Sold:	<u><u>215,920,263</u></u>	<u><u>196,915,303</u></u>
8.01 Materials Consumed		
Opening Stock of Raw Materials	124,014,995	118,548,120
Opening Stock of Packing Materials	10,261,374	10,548,215
Add: Raw Materials Purchase	82,174,781	60,140,054
Add: Packing Materials Purchases	2,254,840	2,784,520
	218,705,990	192,020,909
Less: Closing Stock of Raw Materials	(137,442,950)	(120,143,120)
Less: Closing Stock of Packing Materials	(10,489,525)	(10,987,540)
Materials Consumed:	<u><u>70,773,515</u></u>	<u><u>60,890,249</u></u>
8.02 Manufacturing Overhead		
Carriages	3,154,820	3,254,150
Gas Expenses	86,678,671	84,619,035
Fuel and Lubricants	1,685,420	2,245,180
Depreciation	40,171,116	37,753,724
Repair & Maintenance	1,045,820	945,210
Manufacturing Overhead:	<u><u>132,735,847</u></u>	<u><u>128,817,299</u></u>
9.00 Office & Administrative Expenses		
Salary & Allowances	11194784	10,661,699
Managing Director's Salary	720,000	720,000
Director remuneration	420,000	420,000
Office rent	300,000	300,000
Telephone	261,875	239,303
Printing & Stationery	150,000	181,526
Electricity	152,481	158,360
Audit fees	250,000	250,000
Postage	126,905	153,091
Entertainment	92,480	113,962
AGM Expenses	142,850	119,250
Computer Repairs and Accessories	95,680	88,124
Traveling and Conveyance	146,890	136,793
Annual Subscription and Professional fees	369,510	322,500
Books, Papers & Periodicals	48,752	50,449
Advertisement	115,842	177,680
Vehicles Maintenance	286,251	292,838
Depreciation	2,114,269	1,987,038
Total	<u><u>16,988,569</u></u>	<u><u>16,372,613</u></u>
10.00 Selling & Distribution Expenses		
Salary & Allowances	974,052	954,953
Delivery Expenses	315,231	309,050
Carton Expenses	1,174,838	1,347,880
Vehicles Maintenance	707,580	693,706
Total	<u><u>3,171,701</u></u>	<u><u>3,305,589</u></u>



	<u>July 2022 to December 2022</u>	<u>July 2021 to December 2021</u>
11.00 Reconciliation of Cash flows from operating activities (Indirect Method):		
Profit before Tax	(47,042,294)	(26,422,301)
Adjustments for Expenses Not Requiring Cash:		
Depreciation	42,285,386	39,740,762
Provision For WPPF	-	-
Working capital changes:		
(Increase) / Decrease In Trade Receivables	(3,194,289)	3,191,850
(Increase) / Decrease In Inventories	(14,560,326)	(8,429,331)
(Increase) / Decrease In Advances, Deposits and Prepayments	17,475,789	3,125,480
Increase / (Decrease) In Trade Payables	(221,180)	149,259
Increase / (Decrease) In Advance Receipt Against Sales	635,744	881,907
Increase / (Decrease) In Provision & Liabilities For Expenses	10,744,731	(7,862,128)
WPPF Paid	-	(1,482,757)
Income Tax Paid	(5,913,974)	(1,924,522)
Net Cash From Operating Activities	<u>209,587</u>	<u>968,219</u>

12.00 Significant Deviation:

During the reporting period from July 1 2022 to 31 December 2022 our sales have been increased compare to same period of the previous year but our net profit after tax has been decrease due to increase of the raw materials import cost. Hence Earnings per Share has been decreased compare to same period of the previous year.

Due to increase in financial expenses net cash payment for the operating activities has been Increase and Net Operating Cash Flow per Share (NOCFPS) has been decrease during the reporting period compare to same period of the previous year

13.00 Calculation of Provision for Current Tax

Minimum Tax Note: 13.01	5,913,974	1,924,522
Regular Tax	-	-
Provision for Current Tax is the Higher One	<u>5,913,974</u>	<u>1,924,522</u>

13.01 Minimum Tax

Turnover Base		
0.60% on Sales	1,347,415	1,266,555
Tax on other income	58,578	39,866
Minimum Tax on Turnover and others Income	<u>1,405,993</u>	<u>1,306,420</u>
Deducted Tax at source	<u>5,913,974</u>	<u>1,924,522</u>
Minimum Tax is the Higher One	<u>5,913,974</u>	<u>1,924,522</u>

14.00 Earnings Per Share

Particulars		
Surplus for the Period attributable to the shareholders	(65,125,528)	(34,293,549)
Number of outstanding share at the end of the year	72,000,000	72,000,000
Basic Earnings Per Share	<u>(0.90)</u>	<u>(0.48)</u>

15.00 Net Operating Cash Flows per share(NOCFPS)

Particulars		
Net Cash Provided by Operating Activities	209,587	968,219
Number of outstanding share at the end of the year	72,000,000	72,000,000
Net Operating Cash Flows per share (NOCFPS)	<u>0.00</u>	<u>0.01</u>



16.00 Net Asset Value Per Share	31-Dec-22	30-Jun-22
Particulars		
Net Asset Value at the end of the Year	3,795,320,305	3,864,966,833
Number of outstanding share at the end of the year	72,000,000	72,000,000
Net Asset Value (NAV) Per Share	52.71	53.68

17.00 Related Parties Transactions

During the year, the Company carried out following related party transactions:

SL No.	Name of Related Party Companies	Nature of Transaction	Outstanding as on		Head of A/C
			31-Dec-22	30-Jun-22	
1	Opsonin Pharma Ltd.	Sales	7,370,466	6,439,901	Accounts Receivables
2	Opso Saline Ltd.	Sales	20,772,819	18,150,127	Accounts Receivables
3	Global Capsules Ltd.	Sales	39,950,516	34,906,524	Accounts Receivables
4	Crescent Chemicals	Purchases	2,478,010	2,442,420	Accounts Payables
SL No.	Name of Related Party	Nature of Transaction	During the period		Head of A/C
			July 2022 to December 2022	July 2021 to December 2021	
1	Abdur Rouf Khan	Remuneration	210,000	210,000	Operating Expense
2	Abdur Rakib Khan	Remuneration	360,000	360,000	Operating Expense

